

**THE INFLUENCE OF ORGANISATIONAL CULTURE ON A HIGH
COMMITMENT WORK SYSTEM AND ORGANISATIONAL
COMMITMENT – THE CASE OF A CHINESE MULTINATIONAL
CORPORATION IN SOUTH AFRICA**

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ABSTRACT

Chinese presence in Africa has been rapidly increasing in the past few years and has been speculated to be mainly due to China seeking Africa's political alliance and access to Africa's natural resources and growing consumer markets. The growing presence of Chinese organisations in Africa, however, has not been without its challenges. In particular, Chinese multinational corporations (MNCs) in search of consumer markets in Africa have been cited as facing human resource (HR) challenges which may affect their organisational performance. In this regard, literature on human resource management has already established the important role of organisational culture, HR practices and organisational commitment in enabling organisations to achieve superior organisational performance.

Given the fact that there is currently little research knowledge of Chinese presence in Africa at the organisational level, this research aimed to contribute empirical knowledge to the growing body of research in this area. Specifically, the main purpose of this research was to examine how the organisational culture of a Chinese MNC's South African subsidiary has shaped the nature of its high commitment work system (HCWS) and to assess the consequences thereof on organisational commitment.

In alignment with the phenomenological paradigm, the research applied a descriptive and explanatory case study methodology in order to generate rich, qualitative data which was required for in-depth descriptions and to uncover the underlying interactions of the researched phenomena at the subsidiary. The selected case for the research was, therefore, a Chinese MNC operating in the personal computer (PC) industry, which had expanded its operations to South Africa in order to reach Africa's growing consumer markets. In particular, the South African subsidiary served as a PC sales and distribution organisation for the Chinese MNC. There were about 40 employees at the subsidiary who were all South African employees.

Semi-structured, in-depth interviews were conducted with twelve employees from different job functions and across different job levels. Data collection was guided by the theoretical frameworks by Cameron and Freeman (1991) for organisational culture and Xiao and Bjorkman (2006) for the HCWS and organisational commitment. The data collected from interviews was then analysed through a qualitative, content analysis process.

The findings of the research thus pointed to the market culture as the dominant organisational culture type at the South African subsidiary of the Chinese MNC; characteristics of the

adhocracy and clan cultures were also discovered. The externally oriented market culture was found to be the most relevant for the high performance and market leadership aspirations of the subsidiary. The market culture also appears to be the most appropriate organisational culture that would enable the subsidiary to deal with the competitive nature of the PC industry. Furthermore, it was found that certain cultural values emphasised by the Confucian and Ubuntu value systems could have had a part to play in the formation of the subsidiary's organisational culture. The market culture was also found to have had the greatest influence in shaping the primarily performance oriented HCWS practices. Of the investigated HR practices at the subsidiary, all were found to be consistent with HCWS practices, with the exception of ownership practices and the performance appraisal system. Finally, although there were generally high levels of organisational commitment reported at the subsidiary, other job and organisational context factors besides the HCWS practices were found to be the major contributors to those feelings of organisational commitment.

By investigating the organisational culture, HCWS and organisational commitment of a Chinese MNC in South Africa, this research has added to the body of knowledge concerning the growing presence of Chinese organisations in Africa. Based on the empirical findings of this study, several recommendations have been made in an attempt to assist the Chinese MNC manage the organisational commitment of its South African employees towards superior organisational performance.

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CHAPTER 1

INTRODUCTION

“The presence and conduct of China’s businesses in Africa is fast becoming one of the permanent features of the African economic landscape” (Alden & Davis, 2006).

1.1. CONTEXT OF THE RESEARCH

Although China has been present in Africa for over 50 years (Brautigam, 2009; Corkin, 2007:313), it is only recently that China has officially prioritised investment in Africa, intensifying its economic ties with the continent (Boulton, 2013; Chatelard, 2012). The pace and scale of Chinese investments across Africa has been growing and China has also become Africa’s largest trading partner, exceeding Africa’s traditional Western trading partners (Chatelard, 2012; Daouda, 2009; Jackson, Louw & Zhao, 2010:5; SA Info, 2012; The Economist, 2013). In 2009, China became South Africa’s largest trading partner and bi-lateral trade between China and South Africa was valued at R270 billion in 2013 (Ensor, 2014). As the Chinese government has been encouraging various Chinese organisations to invest in the African continent (Wang, 2007), more Chinese organisations have been increasingly viewing Africa as “a place to do business” (The Economist, 2013). Chinese organisations in Africa have thus invested in the finance, communication, infrastructure, construction, mining, agriculture, trade, wholesale, retail and manufacturing sectors, amongst others (Brautigam, 2009). In South Africa specifically, a number of Chinese and South African organisations have signed agreements covering investments in railways, power transmission, construction, mining, insurance, telecoms and nuclear power (SA Info, 2010). The growing presence of Chinese organisations in Africa is made up of private businesses, state owned enterprises (SOEs) and other hybrid ownership organisations (Chatelard, 2012).

China’s increased investment presence in Africa has been speculated to be due to China seeking natural resources and raw materials to develop its economy, political alliance and support in the global arena, and expansion into new markets (Boulton, 2013; Chun, 2011; Corkin, 2007:312; Daouda, 2009; Gill, Huang & Morrison, 2007, cited in Jackson, Louw & Zhao, 2011:3; Sun, 2014:1). Africa, rich in natural resources (Endres, 2012:2), is perceived to be a continent of

major investment interest for China for natural resources such as coal, iron ore, oil, timber, copper and cobalt (KPMG 2013:4; Negi, 2008:42). Furthermore, as some believe that China has political aspirations to have a greater influence in the global sphere, African countries are perceived to be possible allies for China (Sun, 2014). Finally, owing to Africa's growing consumer class, the African consumer goods market is growing rapidly making the continent a significant and promising market for organisations seeking to grow their markets (Corkin, 2007:318; Jacobs, 2012; The Economist, 2013). With the saturation of Chinese markets across various sectors, the African continent is believed to be a potential market for Chinese products (Chun, 2011). China is, therefore, believed to be expanding into Africa in search of market growth opportunities (Sun, 2014:1).

With regards to Africa's growing markets, Jacobs (2012) mentions that Africa is speedily growing as a market for technology-based products and consumer spending in this industry has been increasing rapidly. In South Africa, the value of the personal computer (PC) market, in particular, was forecast to grow from R23 billion in 2008 to R36 billion by 2013 (South Africa Web, 2009), showing the significant growth potential of the South African PC market. The PC industry is traditionally defined as including the provision and service of a range of products including desktop PCs, workstations and portable PCs such as laptops, mini-notebooks and netbooks (Industry ARC, 2013; Nusca, 2013).

However, Industry ARC (2013) reports that if the definition of the PC industry does not change to reflect changes in technological advancements and shifts in customer preferences, PC markets will experience a decline. As IDC (2013a) also reports, a major threat to the growth of the traditionally defined PC industry is the steadily growing customer preference for smartphones and tablets. Smartphones and tablets thus form a part of compact devices that provide customers with convenience and affordable access to formerly strictly PC-based function ability (Jacobs, 2012; ReportLinker, 2013). Additionally, customers across Africa are increasingly expecting their technology-based products to be affordable and of good quality (Jacobs, 2012).

Chinese multinational corporations (MNCs) in particular, are already having an impact on the global competitive landscape, increasingly becoming some of the world's major players in global business (Alden & Davies, 2006:85; KPMG, 2013:2-3; Shambaugh, 2012). There has therefore been a "general increase in Chinese business in all sectors of Africa's economy" (Corkin, 2007:314). Despite their growing success, Chinese MNCs are facing challenges that could impede their ability to compete successfully. These challenges include: dealing with

unfamiliar cultural, legal and political landscapes; perceptions of unethical practices and an inability to separate from their national organisational culture and business practices (Boulton, 2013; KPMG, 2013:4; Shambaugh, 2012).

In this regard, organisational culture is a powerful and stable force in an organisation (Schein, 1996) that has important implications for organisational performance (Kotter and Heskett, 1992, cited in Øgaard, Larsen & Marnburg, 2005:24). Schein (1990:111) defined organisational culture as “a pattern of basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of external adaptation and internal integration”. As a result, Cameron and Freeman (1991) outlined a framework of types of organisational culture characterised by an organisation’s competing values for internal maintenance or external positioning and organic processes or mechanistic processes, resulting in four types of organisational culture. The resultant types of organisational culture – clan, adhocracy, market and hierarchy – are thus characterised by specific dominant attributes, leadership style, shared values that bond organisational members and strategic emphases (Lund, 2003:221).

Additionally, given the importance of organisational commitment for employee and organisational performance (Guest & Conway, 2011:1691; SamGnanakkan, 2010:56), a high commitment work system (HCWS) has been defined as a system of human resource (HR) practices that aim to elicit employees’ commitment to the organisation (Walton, 1985 cited in Xiao & Bjorkman, 2006:403). Hence the HR practices included in the measure of a HCWS as proposed by Xiao and Bjorkman (2006) were: promotion from within, careful selection, extensive training and socialisation, job security, enlarged jobs and job rotation, appraisal team, appraisal behaviour, appraisal development, high remuneration, extensive ownership, egalitarianism, participation, information sharing and communication, overarching goals and teamwork. Furthermore, with Allen and Meyer (1990) having identified three components of employees’ organisational commitment – affective (the emotional attachment to, identification with and involvement in the organisation), continuance (commitment based on costs employees associate with leaving the organisation) and normative commitment (employees’ feelings of obligation to remain with the organisation) – Xiao and Bjorkman (2006) accordingly treated job satisfaction, affective commitment and the intention to stay (continuance commitment) as consequences of a HCWS.

As explained by Daouda (2009), although “globalisation of the world economy has created tremendous opportunities for global collaboration among different countries... it has also created

a unique set of problems and issues relating to the effective management of partnerships with different cultures”. Shambaugh (2012) thus particularly states that the “Achilles’ heel of Chinese MNCs is human resources”. Chinese organisations in Africa and South Africa have thus been confronted with human resource challenges which include, inter alia: poor work conditions, low worker safety standards, adhering to local labour practices and conflicts with labour unions (Brautigam, 2009; US Congress, 2011). These HR challenges can be further exacerbated by the linguistic and cultural differences between Chinese and Africans (Chatelard, 2012; Horwitz, Hemmant & Rademeyer, 2008).

1.2. PROBLEM INVESTIGATED

With strategic Chinese-African partnership relations expected to deepen even further in the coming years (Brautigam, 2009; SAFPI, 2012), it becomes imperative to have studies that address the HR issues concerning Chinese MNCs so that their performance in the African context is successful and sustainable for the long term.

At the time of the study, organisational level research on the Chinese presence in Africa is still sparse (Jackson *et al.* 2011:2). Empirical knowledge on HR issues and practices that contribute to the successful performance of Chinese organisations in Africa is, therefore, still lacking. As a result, this research seeks to contribute to the growing empirical knowledge on Chinese management practices within organisations in the African context. It is hoped that through the empirical development of organisational level research on the case of a Chinese MNC’s South African subsidiary, insightful management knowledge will be gained that can assist Chinese management practitioners in South Africa, and overcome the aforementioned HR challenges that can impede organisational performance.

1.2.1. Research purpose

Given the importance of addressing HR issues faced by Chinese MNCs operating in the South African context, the main purpose of the research was to describe how the organisational culture of a Chinese MNC’s South African subsidiary has shaped the nature of its HCWS and to assess the consequences thereof on organisational commitment.

1.2.2. Research objectives

In order to achieve the above mentioned research purpose, the following research objectives were set:

- to identify and describe the subsidiary's dominant type(s) of organisational culture;
- to describe the nature of the subsidiary's HCWS;
- to explain how the organisational culture has shaped the nature of the HCWS;
- to describe the organisational commitment of employees at the subsidiary;
- to assess the consequences of the subsidiary's HCWS on the organisational commitment of employees;
- and, finally, given its organisational culture and HCWS, to make recommendations on how the subsidiary can more effectively manage the organisational commitment of its employees towards superior organisational performance.

1.3. RESEARCH DESIGN AND METHODOLOGY

The case study methodology (Yin, 2003:13) was deemed to be the most appropriate for the research as the research questions posed were descriptive, seeking to understand and draw meaning from participants' responses with regards to their views on the organisational culture, the HCWS and organisational commitment. The case selected for the research was, therefore, a South African subsidiary of a Chinese MNC which operates in the PC industry.

Purposive sampling (Sekaran & Bougie, 2009:276; Cooper & Schindler, 2006:424; Zikmund, 2003:382) was used to sample research participants at the subsidiary. Research participants were interviewed through the use of semi-structured interviews to gain an in-depth understanding of the organisational culture, the HCWS and organisational commitment as experienced by the research participants (Cooper & Schindler, 2006:204). Interviews were thus conducted with participants from the core sales department and different support departments, as well as across different job levels.

The target questions of the interview addressed the three main theoretical elements of the research - organisational culture, the HCWS and organisational commitment. The interview

schedule thus consisted of questions based on a typology of organisational cultures constructed by Cameron and Freeman (1991) and a measure of HCWSs and organisational commitment as proposed by Xiao and Bjorkman (2006). The organisational culture questions addressed the specific characteristics of organisational cultures – dominant attributes, leadership style, values bonding people and the strategic focus of the organisation (Cameron & Freeman, 1991:28). On the other hand, questions on the HCWS examined human resource practices believed to lead to enhanced organisational commitment - promotion, selection, training, job security, job enlargement, appraisal, remuneration, ownership, egalitarianism, participation, information sharing, overarching goals and teamwork (Xiao & Bjorkman, 2006:419). Lastly, questions on organisational commitment were based on the consequences of a HCWS as proposed by Xiao and Bjorkman (2006) and were made up of questions on job satisfaction and two forms of organisational commitment - affective commitment and the intention to stay (continuance commitment).

The qualitative data collected from interviews was transcribed in order to facilitate the process of qualitative content analysis. Content analysis is “a research technique for making replicable and valid inferences from texts to the contexts of their use” (Krippendorff, 2004:18). Content analysis was thus used so that rich meaning could be drawn from the data (Collis & Hussey, 2009).

To establish the trustworthiness of the research, the researcher sought to fulfil the quality criteria for qualitative research as identified by Lincoln and Guba (1985, cited in Babbie & Mouton, 2006:277-279): credibility (compatibility between respondents’ realities that exist in their minds and the realities that are attributed to them); transferability (the extent to which findings can be applied to other contexts or with other respondents); dependability (evidence that if the research process were to be repeated in a similar context, the findings would be similar) and confirmability (the degree to which the findings are the product of the focus of enquiry and not the biases of the researcher).

Finally, the ethical research requirements, as outlined by the Rhodes University Department of Management Human Research Ethics Committee, were adhered to during the research process. Participation of the Chinese MNC’s South African subsidiary and its employees was on a voluntary basis, with the option to withdraw at any time should they wish to do so. The identities of the subsidiary and the research participants have also been kept confidential to ensure that comments remain anonymous.

1.4. DEMARCATION OF RESEARCH

As stated earlier, the case for the research was a South African subsidiary of a Chinese MNC, which operates in the PC industry. This subsidiary was specifically approached because, as a large organisation, it was perceived to most likely have an established system of HR practices, which were to be examined in the research.

The South African subsidiary also serves as the headquarters for the Chinese MNC's operations in the African region. Specifically, the Chinese MNC's operations in the South African market are sales and distribution oriented; the core group of employees are therefore salespeople. There are about 40 employees in the South African subsidiary who are all South African and include managers, sales and support employees. Research participants were thus selected from both the sales and support staff and across different job levels.

1.5. STRUCTURE OF THE THESIS

Chapter One presents the context of the research, briefly discussing the recently growing phenomenon of the Chinese presence in Africa. Challenges posed by globalisation, and specifically HR challenges faced by Chinese MNCs, are mentioned, consequently leading to the importance of this research. The chapter also briefly highlights the main theoretical concepts of the research, states the main research purpose and objectives, the research methodology and the demarcation of the research.

Chapter Two discusses the concept of organisational culture especially as it relates to its macro-cultural context, which is made up of national and industry cultures. In this regard, the Chinese and South African cultures are described, along with the PC industry culture in Africa. Cameron and Freeman's (1991) framework for organisational culture types is discussed in more depth as the chosen framework for the research. The chapter then ends with discussing the importance of organisational cultures as they relate to HR practices and HCWSs in particular.

Chapter Three discusses HCWSs in more depth, examining the fifteen HR practices believed to lead to enhanced organisational commitment when implemented as a system and not in isolation. Social exchange theory, in particular, is then used to describe how HCWSs are expected to lead to enhanced organisational commitment.

Chapter Four examines organisational commitment as operationalised by Xiao and Bjorkman (2006). The HCWS proposed by Xiao and Bjorkman (2006) is expected to lead to higher job satisfaction, affective commitment and intentions to stay. The chapter therefore discusses job satisfaction, affective commitment and intentions to stay and also provides a brief overview of organisational commitment in the Chinese and South African contexts.

Chapter Five outlines the research design and methodology followed for the research. The chapter specifically discusses the case study methodology applied within the interpretivist paradigm and considers semi-structured, in-depth interviews as the chosen data collection method. As qualitative data was collected from interviews, the chapter also considers how content analysis was used as a qualitative data analysis method and how the researcher sought to establish the trustworthiness of the research.

Chapter Six presents and discusses the findings of the research. The findings are presented according to the three main theoretical elements of the research – organisational culture, the HCWS and organisational commitment. The discussion of the findings thus considers the primary findings in relation to the context of the subsidiary and existing theory.

Finally, Chapter Seven gives a summary of the research and the conclusions drawn from it. Specifically, the chapter discusses the managerial implications of the research findings and gives recommendations for how the subsidiary can manage the organisational commitment of its employees in order to lead to superior organisational performance. The limitations of the research are also discussed, consequently leading to the brief discussion of recommendations for future research.

CHAPTER 2

ORGANISATIONAL CULTURE

2.1. INTRODUCTION

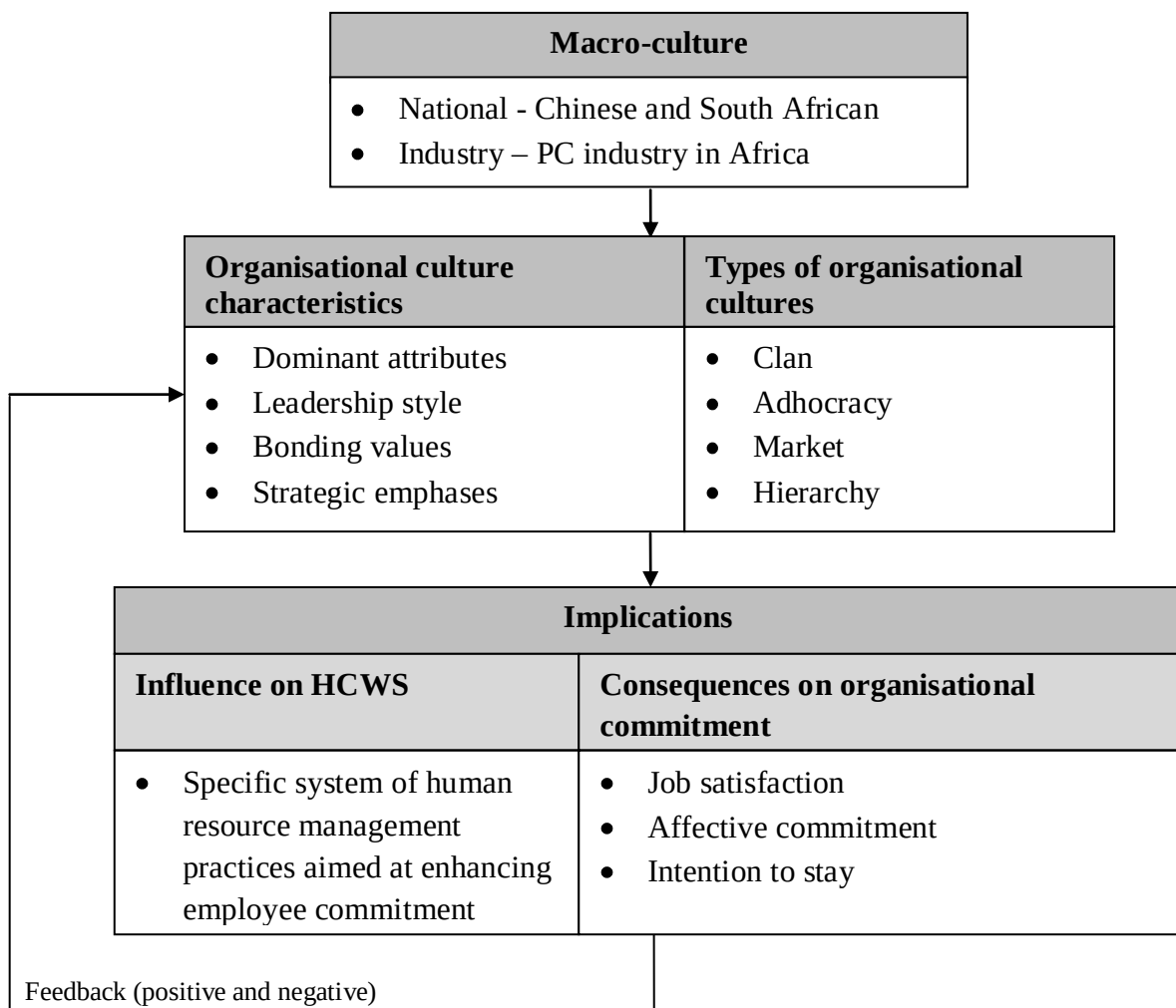
Organisational culture has been under considerable research by management researchers and practitioners for at least thirty years now, as its importance in organisational research and management practice has been recognized (Bellou, 2010:4; Lund, 2003:219; McKinnon, Harrison, Chow & Wu, 2003:25). The role and impact of organisational culture has been linked in these management research studies to organisational elements and outcomes such as: change management and organisational development, employee commitment, job satisfaction, organisational performance, organisational effectiveness, successful strategy execution, leadership, productivity, risk management and ethical behaviour (e.g. Cameron & Freeman, 1991; Chang & Lee, 2007; Higgins, 2005; Lund, 2003; McKinnon *et al.* 2003; Øgaard, Larsen & Marnburg, 2005; Sarros, Gray & Densten, 2002; Tsui, Wang & Xin, 2006). In fact, organisational culture has been seen to be a powerful and stable force in an organisation (Schein, 1996) and can help explain why some organisations are more successful than others (Smith, 2003:249).

The purpose of this chapter, therefore, is to discuss the concept of organisational culture and to further examine its importance in organisations, with a particular focus on a Chinese organisation operating in South Africa. The concept of organisational culture is best understood within its wider macro-cultural context which consists of national and industry cultures (Louw, 2012:506). The chapter will, therefore, first discuss the context of both Chinese and African cultures, as well as the PC industry culture of the Chinese organisation. Furthermore, various typologies of organisational culture as presented in the literature will be identified and discussed. Cameron and Freeman's (1991) framework of organisational culture types, which has been previously used in recent organisational culture research (e.g. Chang & Lee, 2007; Lund, 2003), will be discussed as the chosen framework for the current research. Finally, the chapter will consider the importance of organisational cultures as they relate to HRM practices and to HCWSs in particular.

2.2. CONTEXT OF ORGANISATIONAL CULTURE

Louw (2012:515) proposes a framework which recommends that the starting point for understanding organisational cultures is the macro-culture context, which is constituted of the national and industry cultures of the organisation. This view is also supported by Chipandambira (1999:21) who states that in cross-cultural research studies organisational culture is best set in its context of national culture values. Louw's (2012:515) framework as it applies to the current research can thus be seen in Figure 2.1 below:

Figure 2.1 Framework for the context and implications of organisational culture



(Source: Adapted from Cameron & Freeman, 1991; Louw, 2012:515; Xiao & Bjorkman, 2006)

The above framework in Figure 2.1 outlines that each type of organisational culture will have a unique set of characteristics; a unique set made up of dominant features, bonding values,

leadership style and strategic emphasis, that set it apart from other types of organisational cultures. Ultimately, it is the nature of these shared characteristics of an organisation's culture that will have particular organisational implications on the HCWS, leading to the consequences on organisational commitment.

Due to the context of the research set out in the framework presented in Figure 2.1, the rest of the chapter will first pay particular attention to the Chinese and South African national cultures, as well as the PC industry culture. The discussion of this macro-culture context of organisational culture is necessary before proceeding to discuss organisational cultures in more depth.

2.2.1. National culture

“Globalization of the world economy has created tremendous opportunities for global collaboration among different countries” (Daouda, 2009), as can be seen in the case of China-Africa relations. However, these opportunities also mean that multi-national organisations are presented with a new set of challenges as they deal increasingly with multi-national workforces (Daouda, 2009). Wang, Wang, Ruona and Rojewski (2005:312) therefore mention that challenges faced by multi-national organisations arise due to cultural differences encountered when organisations and managers operate across countries.

In this regard, organisations operating in different countries can tend to differ in terms of organisational elements such as organisational culture, design, structure and behaviour, and these differences are in part due to differences in national culture (Chipandambira, 1999:38; Brown, 1995:2). The importance of the influence of this national culture on management practice is further confirmed by Hofstede and Bond (1988:19), who mention that culture affects our ability to understand and explain management practices. As globalization increases, there arises a need for managers to come to a recognition of and appreciation for the impact of national culture on organisational values and practices in order to not impede organisational performance and success (Aycan, Kanungo & Sinha, 1999:524; Chipandambira, 1999; Daouda, 2009).

Given the important role that national culture can play in management practice, it is also worth noting that differences in organisational cultures can also arise due to other elements besides national cultures (Hofstede, Neuijen, Ohayv & Sanders, 1990:312). Other factors that can cause these variations in organisational cultures include differences in industries, technologies and

markets that organisations operate within (Trompenaars & Hampden-Turner, 2000:157). This means that different organisational cultures can and will be observed even within the same national or socio-cultural context (Aycaan *et al.* 1999:506).

However, within the context of national culture, it is essential to examine and understand the contexts of the two national cultures that could have had a major influence on the organisational culture of the Chinese organisation operating in South Africa, namely the Chinese and South African cultures in particular.

2.2.1.1. Chinese culture

China is a large country with an estimated population of just above 1.3 billion people who speak different dialects and have a variety of local traditions (CIA, 2013; Louw, 2012:513). In particular, Chinese culture has been mainly influenced by Confucianism, Taoism, Buddhism, communism and, more recently, capitalism from increased globalisation and economic reforms (Faure & Fang, 2008:196; Louw, 2012:513; Wang *et al.* 2005:314). Although the Chinese culture is not homogenous, Confucianism's (even if no longer officially prescribed) legacy, according to Wang *et al.* (2005:315, 324), provides a basis for understanding current organisational and management practices in China.

Confucianism is a moral, political and social system of principles based on the teachings of the philosopher Confucius (551 – 479 BC) that prescribes the obligations of people to each other in order to ensure individual and interpersonal harmony in society (Seligman, 1999:50; Staude, 2012:189; Wang *et al.* 2005:314). Ip (2009:463, 465) thus describes Confucianism as a “virtue-based system of ethics” that consists “of behaviour-guiding moral virtues that ... govern individuals' personal and social lives.” In addition, Wang *et al.* (2005:314-315) state that the ethics of Confucianism are based on five basic relationship roles, can be represented by five virtues and the values can be described according to five aspects.

The five basic relationship roles of Confucianism

Confucianism proposes attaining harmony and stability in society through a social order that highlights duty, loyalty, honour, filial piety, sincerity and respect for age and seniority in relationships (Seligman, 1999:50). The social order accordingly gives rise to five important unequal relationship roles in society between: ruler (emperor) and subject; husband and wife; father and son; elder brother and younger brother and friend and friend (Seligman, 1999:50;

Wang *et al.* 2005:314). In these relationships, the subordinate (i.e. subject, wife, son, younger brother and inferior friend) should respect and obey the higher-ranking person (i.e. the ruler, husband, father, elder brother and superior friend) and, in turn, the higher ranking person should advise, lead, guide, protect and consider the subordinate (Hofstede & Bond, 1988:18; Ip, 2009:466; Staude, 2012:189). According to Confucianism, balance is maintained in society when interpersonal relationships are guided by fulfilling obligations according to relationship roles.

The five virtues representing Confucianism

Furthermore, Confucianism outlines five virtues which set out morally accepted behaviour for individuals in the society's hierarchy of relationships (Wang *et al.* 2005:314), i.e. ruler (emperor) and subject; husband and wife; father and son; elder brother and younger brother and friend and friend. Wang *et al.* (2005:314) state that these five virtues are: *ren* (humanity or benevolence); *yi* (righteousness); *li* (propriety); *zhi* (wisdom); and *xin* (trustworthiness). *Ren* is a capacity of compassion or benevolence for fellow humans expressed in social relationships and is seen to be the foundation of all the other virtues (Ip, 2009:464; Wang *et al.* 2005:314). Ip (2009:464-468) provides further explanation for the other virtues: *yi* is a sense of moral rightness, a capacity to discern appropriate and right direction in actions and relationships; *li* refers to observing the many etiquettes, norms and protocols in personal and institutional lives; *zhi* (wisdom) is considered to be a required trait for a *Junzi* (morally superior person) in Confucian society and, finally, *xin* (trustworthiness) is especially seen in familial settings and also reciprocated between friends of equal standing.

The five aspects of Confucian values

Lastly, the following five aspects outlined by Wang *et al.* (2005:315-318), provide further assistance in the process of understanding Confucian values:

- *Hierarchy and harmony* – everyone in Confucian society has a predetermined position and role to play and rank is emphasised to maintain social harmony. In addition, the highest people in the status hierarchy are perceived to be unapproachable (Jackson, 2002a:169).
- *Group orientation* – principles that promote familial and close personal relationships render Confucianism collectivistic in nature. Group interest is primary; individuals exist for the benefit of the group and are expected to conform. Seligman (1999:44-45)

reiterates that the single most fundamental difference between Chinese and Westerners is the role played by the individual in society, as individual importance in China is not as great as group importance.

- *Guanxi networks (relationships)* – forming relationships, connections, networking and a system of obligations and indebtedness has arisen due to the nature of relationships outlined by Confucian teaching.
- *Mianzi (face)* – showing respect for others' social status and reputation, remaining loyal and honouring obligations is important in ensuring that others do not lose face, i.e. suffer shame. It is considered more important to give face to others than to try and preserve one's own face.
- *Time orientation* – a contradiction in time orientation can be seen to exist between certain Confucian values. Whereas the Chinese can tend more towards the past, rely on tradition and history, they can also be long-term, future oriented which gives rise to diligence, hard work, efficiency, thrift, tolerance, moderation and perseverance (Brown, 1995:44; Jackson, 2002a:170). The Chinese proverb, "Hardworking creates earlier spring," (Wang *et al.* 2005:318) also bears witness to the long-term future orientation of Confucianism.

2.2.1.2. South African culture

South Africa has a rich and diverse cultural heritage and is therefore known as the "Rainbow Nation" (Staude, 2012:189, 192). Mangaliso (2001:31) also alludes to the concept of a Rainbow Nation in the description: "South Africa consists of an array of peoples with diverse cultures and traditions." In this regard, the population of South Africa is made up of four broad ethnic groups: indigenous Africans, Coloureds (mixed race), Europeans, and Asians (Staude, 2012:189), whose heritages stem from traditional African, as well as European and Asian societies as a result of colonialism and industrialisation influences (Chipandambira, 1999:36; Khoza, 2006:127; McFarlin, Coster & Mogale-Pretorius, 1999:70; Trompenaars & Hampden-Turner, 2000:220).

In addition, Mangaliso (2001:24) asserts that in order for organisations in South African to build up a competitive advantage, it is imperative that they understand the cultural norms and values that influence the majority of the population – which is the indigenous African population group. These cultural norms and values are encompassed in a philosophical value system known as Ubuntu, which is reflected in daily life in the way many South Africans think and behave (Karsten & Illa, 2005:612; Khoza, 2006:6; Mangaliso, 2001:24).

Khoza (2006) describes Ubuntu as “African humanism”. Ubuntu as African humanism means that it is a value system based on humaneness, where people treat others with dignity, and are able to be humble, compassionate and tolerant towards one another (Khoza, 2006:6). A similar description is given by Mangaliso (2001:24) who further adds that Ubuntu constitutes “caring and community, harmony and hospitality and respect and responsiveness”. The humaneness of the Ubuntu cultural value system is thus reflected in the adage: “Umuntu ngumuntu ngabantu,” which means “a person is a person through [other] persons” or, “I am because of others” (Staudé, 2012:189; Wanless, 2007:117). According to Ubuntu, therefore, the broader community will be what defines the individual as a person (Karsten & Illa, 2005:612). Key cultural values emphasised by Ubuntu are thus seen in Table 2.1 below:

Table 2.1 Cultural values emphasised by Ubuntu

Author	Values emphasised by Ubuntu
McFarlin <i>et al.</i> (1999)	Supportiveness, sharing, cooperation
Mangaliso (2001)	Interdependence, consensus, harmony, social wellbeing
Khoza (2006)	Collectiveness, interdependence, caring, sharing, compassion, hospitality, cohabitation, cooperation, tolerance
Bell & Metz (2011)	Community, rich social relations

(Source: Researcher’s own compilation)

As can be seen in Table 2.1 above, the key cultural values emphasised by Ubuntu relate to social cohesion, community and living in harmony through realising and honouring the interconnected nature of humans. In addition, Ubuntu can be described from the perspective of the main areas to which its cultural values relate.

The seven main areas relating to Ubuntu

Mangaliso (2001:24) provides a useful discourse on Ubuntu and the seven main areas to which it relates with regards to the values that inform the thoughts and manifest behaviours of many South Africans. These seven main areas are:

- *Relationships with others* – Interdependence is valued over independence, placing an emphasis on maintaining good relations with others through exercising kindness, compassion and humility (Bell & Metz, 2011:82). Ubuntu is “essentially relational” (Khoza, 2006:6), and the collective is held in higher regard than the individual (Khoza, 2006:xxi). However, although interpersonal relationships, group conformity and community are valued more than the individual and individual accomplishments, the individual does not cease to exist, but is rather reinforced through and seen as an integral part of the greater community (McFarlin *et al.* 1999:72). Individual achievement is thus most valued when it benefits the greater community and when it is not achieved at the expense of the group (McFarlin *et al.* 1999:74).
- *Language and communication* – The aim of communication and the use of language is to enhance understanding, thereby reinforcing unity among people (Mangaliso, 2001:26). The communicator is more concerned with the social effects rather than the efficiency of their communication (Mangaliso, 2001:26). Communicators are thus less concerned about the time taken to communicate; opting for lengthy conversations if it means enhancing understanding and social relations.
- *Decision making* – The process of decision making according to Ubuntu is inclusive and takes considerable time as it involves much consultation and aims to achieve harmony and reach consensus (Mangaliso, 2001:27; McFarlin *et al.* 1999:74). Consequently, negotiation and participation by members of the community are valued, especially in managing conflict (Karsten & Illa, 2005:613; Mangaliso 2001:28; Wanless, 2007:118).
- *Time* – Ubuntu views time as a continuum that serves to remind communities of their shared past and future (Mangaliso, 2001:28). Time will, consequently, serve to reinforce the interdependent and collective nature of communities as they experience the meaning of time together.
- *Productivity and efficiency* – Ubuntu values show that social well-being and trust are held in higher regard than being productive or efficient (Mangaliso, 2001:28). Trust, therefore, results in a “collective work ethic” (Khoza, 2006:6) that helps to enhance productivity (Mangaliso, 2001:29; McFarlin *et al.* 1999:71). Ubuntu creates collective productivity amongst people through social cohesion.
- *Age and seniority in leadership* – Older people are believed to be more capable at leadership because of their lived experiences and the wisdom they have gained over the years (Bell & Metz, 2011:90; Mangaliso, 2001:30). For example, in decision making, the

thoughts and opinions of elders will be highly valued and considered; the elders (especially older males) are respected and they thus carry more authority (Wanless, 2007:118). As age and seniority are held in high regard by Ubuntu, an age hierarchy is observed in South African society, as it is expected that elder people will be respected by younger people (Bell & Metz, 2011:90).

- *Belief systems* – Traditionally, Africans believe in the existence of an omnipotent Creator and that they can have a relationship with this Creator through the mediation of their ancestors (Mangaliso, 2001:30). However, only those with special powers and abilities are able to communicate with the ancestors on behalf of others, and they are mediums called “sangomas” (Mangaliso, 2001:30). Once again, the interdependence amongst people in African society is reflected in the communal and social network that forms a part of the belief system (Bell & Metz, 2011:83).

African countries are accordingly more tolerant than Western countries of higher levels of inequalities and hierarchies in relationships (Jackson, 2002a:211). In most African societies there is also more community consciousness and group belonging, and the family is seen as an important unit of society, where the individual is believed to not be alone, but to be belonging to the community (Nzelibe, 1986:11). The communal orientation relating to high collectivism can, then, be seen to be beneficial for decision-making (Khan & Ackers, 2003:28). Lastly, African culture has also been found to have “cultural values and practices that emphasize the influence of the past on the present, rather than the independent planning of the future” (Kiggundu, 1989:63, in Khan & Ackers, 2003:14).

2.2.1.3. Comparing Chinese and South African cultures

From the preceding discussions on Chinese and South African cultures, it is possible to see more similarities than differences exhibited between the two cultures. Bell and Metz (2011:82) also provide further similarities found between Confucianism (relating to Chinese culture) and Ubuntu (relating to South African culture). Both Confucianism and Ubuntu:

- place an importance on social relationships and their reciprocal nature;
- place nurturing social relationships as living a morally good life;
- endorse partiality, where a person is morally obligated to the people closest to them;
- and also endorse moral hierarchies, where elders are afforded more respect in society.

The distinct characteristics of each national culture require managers to develop a greater awareness of the different cultures represented in their workforce as neglecting the cultural differences that exist within multi-national organisations especially can lead to organisational failure (Daouda, 2009). In addition to the influence that national culture can have on the formation of organisational cultures, there is also the influence of industry cultures. The following section thus considers the influence of industry cultures on the formation of organisational cultures, specifically reflecting on the PC industry.

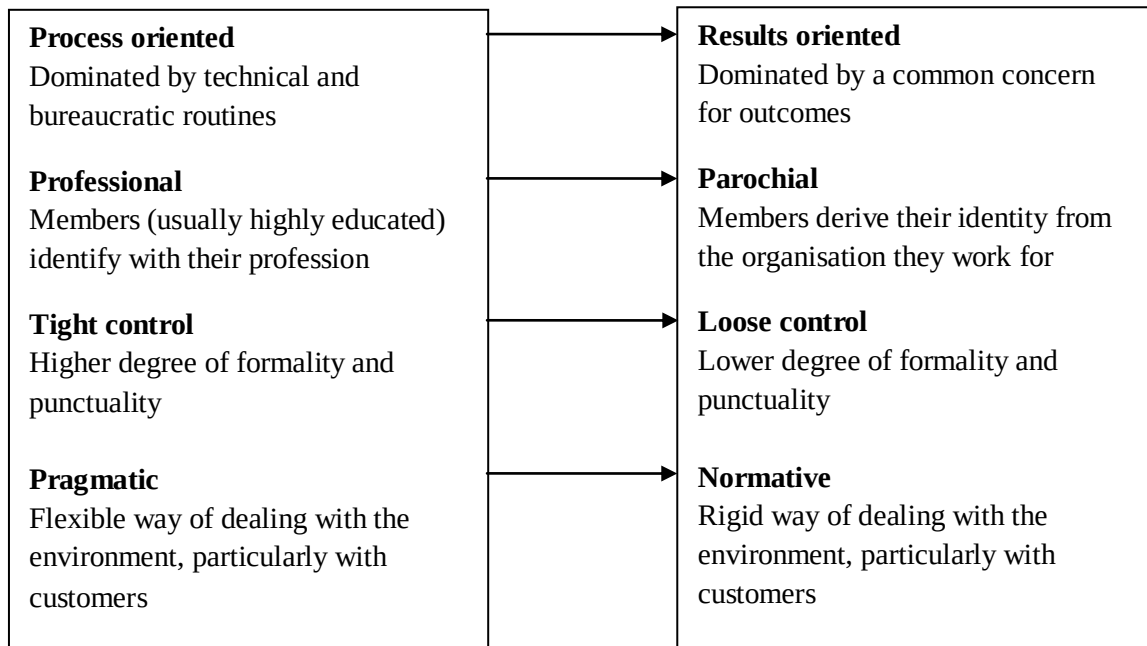
2.2.2. Industry culture

Industry culture is the second macro-cultural element that can be observed in Figure 2.1, which, in addition to national culture, exerts an influence on organisational culture formation. The context of industry culture thus needs to be taken into consideration in organisational culture studies (Chatman & Jehn, 1994:544). In this regard, Reynolds (1986:343) states that “it is reasonable to assume that those in different industries will have quite different perceived work contexts reflecting different organisational cultures”. The nature of the industry that the organisation operates within thus shapes certain beliefs and sets certain parameters about how work can best be done (Aycan, Kanungo, Mendonca, Yu, Deller, Stahl, Kurshid, 2000:196; Gordon, 1991:396).

2.2.2.1. Dimensions describing industry cultures

Hofstede (2011) proposes four dimensions of describing and distinguishing between different industry cultures. These dimensions can be seen in Figure 2.2:

Figure 2.2 Dimensions for describing industry culture



(Source: Adapted from Hofstede, 2011:20-21)

By applying Hofstede's (2011) four dimensions seen in Figure 2.2 for describing industry cultures, a sales organisation operating within the PC industry can be described as: results oriented, professional, having moderate to tight control and pragmatic.

A sales organisation needs to generate and optimise sales volumes in order to achieve organisational goals (Dietz, 2009:55). Accordingly, a sales organisation in the competitive PC industry needs to share a common concern for results in the form of sales outcomes over a concern for processes. Core employees are defined as the "ongoing employees whose work directly contributes to the establishment of primary products or services" (Lepak, Taylor, Tekleab, Marrone & Cohen, 2007:233). In a sales organisation, therefore, core employees would be salespeople. Salespeople's ability to successfully sell an organisation's products or services requires enhancements through training (Ridnour, Lassk & Shepherd, 2001:252), which means acquiring some form of education and training. Salespeople can also be seen to majorly identify with their sales profession, more than the organisation they work for. Moreover, in order for sales people to sell successfully and achieve value for customers in the dynamic PC industry, they need to align their performance with the achievement of specific organisational sales targets (Dietz, 2009:55; Ridnour *et al.* 2001:248). Therefore, control can be described as moderate to tight because, although salespeople are required to be multi-skilled and agile in order to sell to

their clients and quickly adapt to changing customer needs, competitive threats and new technological developments in the PC industry (Loftness, 2013; Welsh, 2009), there is still some form of control in terms of targets that are outlined and expected by the organisation. Furthermore, the dynamic nature of the industry will require the organisation to deal pragmatically with these rapid changes in the environment.

This section on industry culture has thus discussed how organisational culture is affected by not only national culture but also industry characteristics at the macro-culture level. As mentioned by Chatman and Jehn (1994:544), the context of industry cultures enhances understanding of the possible influences on organisational culture formation and maintenance. Different industries will have differing cultures, which can be the main influencers of an organisation's culture (Gordon, 1991:396). Finally, the PC industry seems to be a highly dynamic and competitive environment, with especially shifting customer preferences. The PC industry as pertaining to a sales organisation can further be described as results oriented, professional, having moderate to tight control and dealing with the environment in a pragmatic manner.

Overall, this section on the context of organisational culture has outlined how the two macro-culture elements, national and industry culture, can exert an influence on an organisation's culture. This discussion was necessary as it sets the background for the further examination and discussion of the concept of 'organisational culture'. Section 2.3 following, therefore, discusses the concept of organisational culture in further detail.

2.3. DEFINING ORGANISATIONAL CULTURE

Cultures can be distinguished from each other by the differences groups hold in shared meaning (Trompenaars & Hampden-Turner, 2000:24). Whereas the differences that exist between national and industry cultures may not be as clear cut, the boundaries that separate organisational cultures from each other are more noticeable (Louw, 2012:515; Smith, 2003:249). Furthermore, organisations may be better off considering the organisational culture rather than the larger societal culture when deciding how to manage employees (Robert, Probst, Martocchio, Drasgow & Lawler, 2000). This highlights the importance of managers being aware of what their organisational culture is and assessing it in order to make effective use of it in management practice.

The definitions of organisational culture vary among research scholars as a diversity of opinions exists with regards to a concise and accurate definition of the concept (Brown, 1995:5; Lund, 2003:220; Schein, 1990:109; Trompenaars & Hampden-Turner, 2000:21). Table 2.2 below summarises some definitions of organisational culture found in the literature:

Table 2.2 Definitions of organisational culture

Author	Definition
Schein (1990)	A pattern of basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of external adaptation and internal integration
Kotter & Heskett (1992)	An interdependent set of shared values and ways of behaving that are common to the organisation and tend to perpetuate themselves
Trompenaars & Hampden-Turner (2000)	The way in which groups have organised themselves over the years to solve the problems and challenges presented to them
Louw (2012)	The unique pattern of shared assumptions, values and norms that shape the socialisation activities, language, symbols, rites and ceremonies of a group of people

(Source: Researcher's own compilation)

Although a variation exists in these and other definitions of organisational culture, some similarities can be drawn out from the definitions in Table 2.2 above. Firstly, a specific organisational culture will manifest itself in a certain way due to the nature of its distinctive patterns of shared assumptions, values, norms and ways of doing things. The resultant distinct organisational culture will be what sets the organisation apart from others (Smith, 2003:249). Secondly, these established patterns of assumptions, values, norms and ways of responding will be instinctive, shape the behaviour of the group and provide guidelines on how to handle unfamiliar situations. Schein (1990) asserts that this organisational culture is deemed to have worked well enough to be considered valid by the group and, as Kotter and Heskett (1992, cited

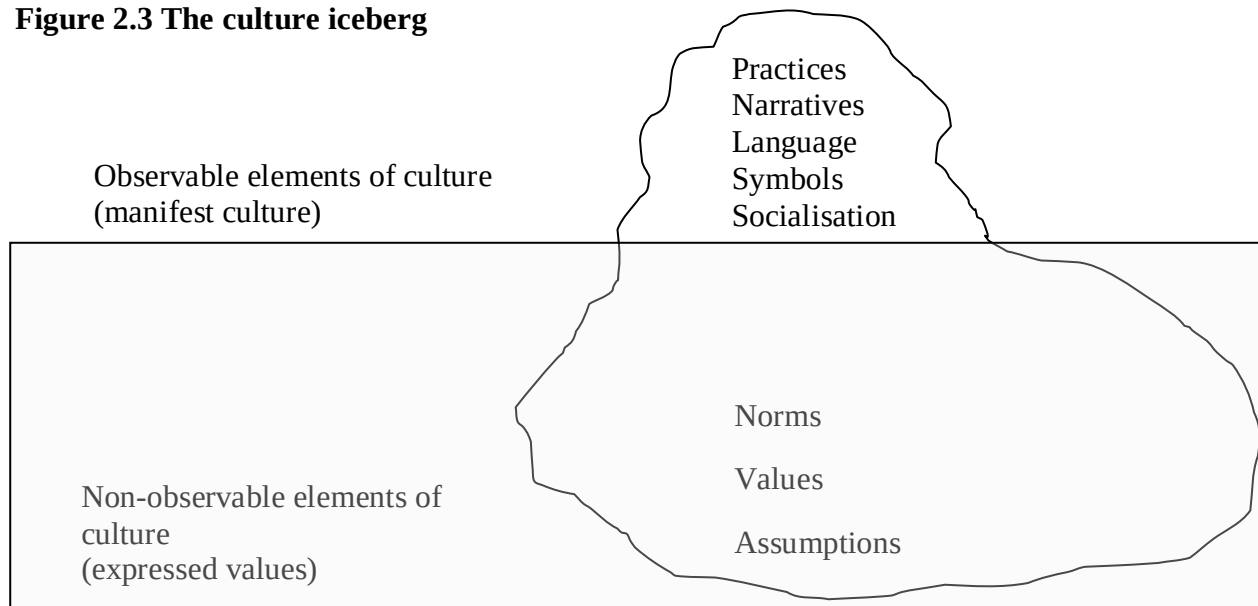
in Øgaard *et al.* 2005:24) point out, the organisational culture will, therefore, tend to perpetuate itself. Thirdly, the development of the organisational culture has occurred as a result of the group's need to face and overcome certain challenges presented within the group and/or to the group externally. Schein (1990:111) describes these challenges as 'problems of external adaptation and internal integration'.

Schein (1990:111) further states that for a culture to be said to exist, the group needs to have had enough stability and common history because only when that group comes to a place of holding shared values and assumptions will it result in instinctive patterns of perceiving, thinking and behaving which provide meaning, stability and comfort to the group.

For the purposes of this research, Schein's (1990) definition will be used. This is because the definition provided by Schein (1990) – "a pattern of basic assumptions, invented, discovered, or developed by a given group, as it learns to cope with its problems of external adaptation and internal integration"- links closely to Cameron and Freeman's (1991) framework of organisational culture types to be used in the research. Cameron and Freeman's (1991) framework of organisational culture types describes organisational cultures according to two orientations: an external/internal focus and stable/flexible processes. Schein's (1990) definition provides a definition consistent with this framework. Cameron and Freeman's framework of organisational culture types is discussed further in Section 2.4.3 of this chapter.

The definition provided by Louw (2012) further includes specific elements that will be manifested in the culture (socialisation activities, language, symbols, rites and ceremonies), in addition to the hidden norms, values and assumptions of the organisation, highlighting the two layers of culture. These two layers are the observable and unobservable layers of culture (Louw, 2012:505). In Figure 2.3, is a depiction of what Louw (2012:506) has termed 'the culture iceberg' to illustrate the distinction between the observable or manifest elements of culture and the unobservable elements:

Figure 2.3 The culture iceberg



(Source: Adapted from Louw, 2012:506)

2.3.1. Observable elements of culture

The observable level is the more concrete level of culture that holds a deeper meaning embedded in groups' norms, values and assumptions – the non-observable elements of culture (Trompenaars & Hampden-Turner, 2000:21, 23). The essence of culture encompasses both the observable and non-observable elements and, to understand the culture, the observable elements need to be interpreted and understood by knowing what they mean to the people immersed in that culture (Trompenaars & Hampden-Turner, 2000:3, 6, 23). The observable elements of culture as seen in Figure 2.4 are the organisation's practices, narratives, language, symbols and methods of socialisation.

Practices

The practices of an organisation include ceremonies, rituals, rites (Louw, 2012:511). In contrast to Louw (2012), Hofstede *et al.* (1990:291) use the term 'practices' to refer to the collection of symbols, heroes and rituals in the organisation because they are all visible to an observer. Schein (1990:111) uses a similar grouping classification to Louw (2012:511), calling this the 'most superficial manifestation of culture', the 'observable artefacts' of the organisation.

Ceremonies, rituals and rites are socially essential, collective activities that celebrate significant events and reinforce cultural values (Brown, 1995:17; Louw, 2012:509; Hofstede *et al.*

1990:291). So an organisation may hold extravagant annual ceremonies to celebrate its success and award its achieving employees (Brown, 1995:17). Such a ceremony could communicate that the organisation values achievement and performance might be found to be high in such a culture.

Narratives

Organisations also have unique stories, sagas, legends and myths incorporated into their culture (Louw, 2012:510). These narratives are an integral part of organisational life (Brown, 1995:13) and can recount the organisation's history and leadership accomplishments (organisational heroes) over time (Louw, 2012:510). These stories may be laced with fiction (Louw, 2012:510) and, if totally fictitious, they become myths that are still able to influence how organisational employees understand and react to their social situations (Brown, 1995:15).

Language

Language consists of shared jargon, slang, gestures, signals, signs, songs, humour, jokes, gossip, rumours, proverbs, metaphors and slogans (Louw, 2012:510). The common use of these elements of language helps establish necessary mutual understanding among members of the organisation (Brown, 1995:13).

Symbols

Those things which are used to visibly represent shared values or things of special meaning are referred to as symbols (Louw, 2012:510). Brown (1995:9) further includes material objects (e.g. organisational logos), physical layout and other things used by management to demonstrate a particular point as part of an organisation's symbols. These symbols can be insightful to understanding the organisation's esteemed values.

Socialisation

The systematic process by which new members are brought into a culture is known as socialisation (Louw, 2012:509; Nzelibe, 1986:11). Schein (1990) states that because the established organisational culture is deemed to have worked well enough to be considered valid by the group, it will be taught to new members as the correct way to perceive, think and feel in relation to those problems of external adaptation and internal integration. Culture can be learned and this process of socialising new members serves to perpetuate the organisational culture (Schein, 1990:116). Socialisation of employees begins at recruitment and selection when

organisations seek employees with similar values to that of the organisation, and can happen thereafter through role-modeling, and teaching and coaching of new employees (Schein, 1990:115; Louw, 2012:509).

2.3.2. Non-observable elements of culture

Hofstede *et al.* (1990:291) refer to the non-observable elements of culture as the ‘core of the culture.’ The non-observable elements encompass norms, values and assumptions which are manifested in alternatives of behaviour (Louw, 2012:207).

Values and Norms

Values are connected with moral and ethical codes (or the shared ideals of the group) and relate to how people aspire and desire to behave (Brown, 1995:21; Trompenaars & Hampden-Turner, 2000:22). Values will determine the definition of what is ‘good’ and ‘bad’ (Trompenaars & Hampden-Turner, 2000:22) for the group and have important implications for individual and organisational behaviour. Indeed, values shape what organisations do and how they do it (Louw, 2012:508).

On the other hand, norms are the mutual sense a group has of what is ‘right’ and ‘wrong’ and they develop on both formal (e.g. written laws) and informal (e.g. social control and acceptance) levels. For example, if an employee does what is deemed as unacceptable in the organisation, other members can show their disapproval for deviating from the norm by shunning that employee. Norms therefore relate to how people should behave and a stable group will have values that reflect its norms (Trompenaars & Hampden-Turner, 2000:22).

Assumptions

Assumptions determine perceptions, thought processes, feelings and behaviours toward solutions to identifiable problems, and are underlying, unconscious and taken for granted by nature (Brown, 1995:22; Schein, 1990:112). One group’s assumptions can differ greatly to the next group’s assumptions, as what each group believes to be true differs (Louw, 2012:507). These assumptions are mutually reinforcing, highly interdependent and very complex (Brown, 1995:23). Schein (1990:112) proposes that assumptions start off as values and gradually become basic assumptions over time.

As can be seen from this section, some authors have defined organisational culture as the shared group assumptions, values and norms that guide a group's thoughts, feelings and behaviour as they deal with problems presented to them within and outside the group (Louw, 2012; Schein, 1990). This definition asserts that there are two layers to culture – the observable and non-observable layers and the non-observable elements of culture will give meaning to what is observed in the manifestation of culture. In addition to this definition, it is possible to classify organisational culture into different types of forms.

2.4. CLASSIFICATIONS OF ORGANISATIONAL CULTURE

Just as there are numerous definitions of organisational culture, so there exist many classifications of organisational culture (Brown, 1995:57). Nevertheless, all these classifications do share some commonalities (Louw, 2012:517) as can be seen in Table 2.3 below:

Table 2.3 Classifications of organisational culture

Harrison (1972)	Hellriegel <i>et al.</i> (2004)	Cameron & Freeman (1991)
<u>Power</u> : based on strength	<u>Entrepreneurial</u> : risk-taking, creativity	<u>Adhocracy</u> : entrepreneurship, creativity, adaptability
<u>Achievement</u> : based on competence	<u>Market</u> : competitiveness	<u>Market</u> : competitiveness, goal achievement
<u>Support</u> : based on relationships	<u>Clan</u> : tradition, loyalty, socialisation	<u>Clan</u> : cohesiveness, participation, team work
<u>Role</u> : based on structure	<u>Bureaucratic</u> : hierarchical coordination, rules	<u>Hierarchy</u> : order, rules and regulations, uniformity

(Source: Researcher's own compilation)

2.4.1. Harrison (1972) classification

Harrison (1972) identifies four types of organisational culture based on how organisations work and they are: power culture, achievement culture, support culture and role culture. An

organisation with a power culture aims to maintain control over subordinates and the internal environment will be characterized by control exercised through the selection of key personnel, few rules and bureaucratic procedures and abrasiveness, where the ends rather than the means is the focus (Brown, 1995:68). In an achievement or task oriented culture, emphasis is placed on accomplishing super ordinate goals (Harrison, 1972:122). It works well in organisations focused on specific projects usually using a matrix work structure and internal organisation is important to success (Brown, 1995:68). An organisation with a support or person culture serves the needs of its people, encourages autonomy, has shared influence (i.e. discourages authority), and practices consensual methods of decision making (Brown, 1995:70). Finally, the role culture is a bureaucracy, the organising principles of which are logic and rationality (Brown, 1995:68), but this bureaucracy is moderated by organisational members' responsibility and commitment to legitimacy and legality.

2.4.2. Hellriegel *et al.* (2004) classification

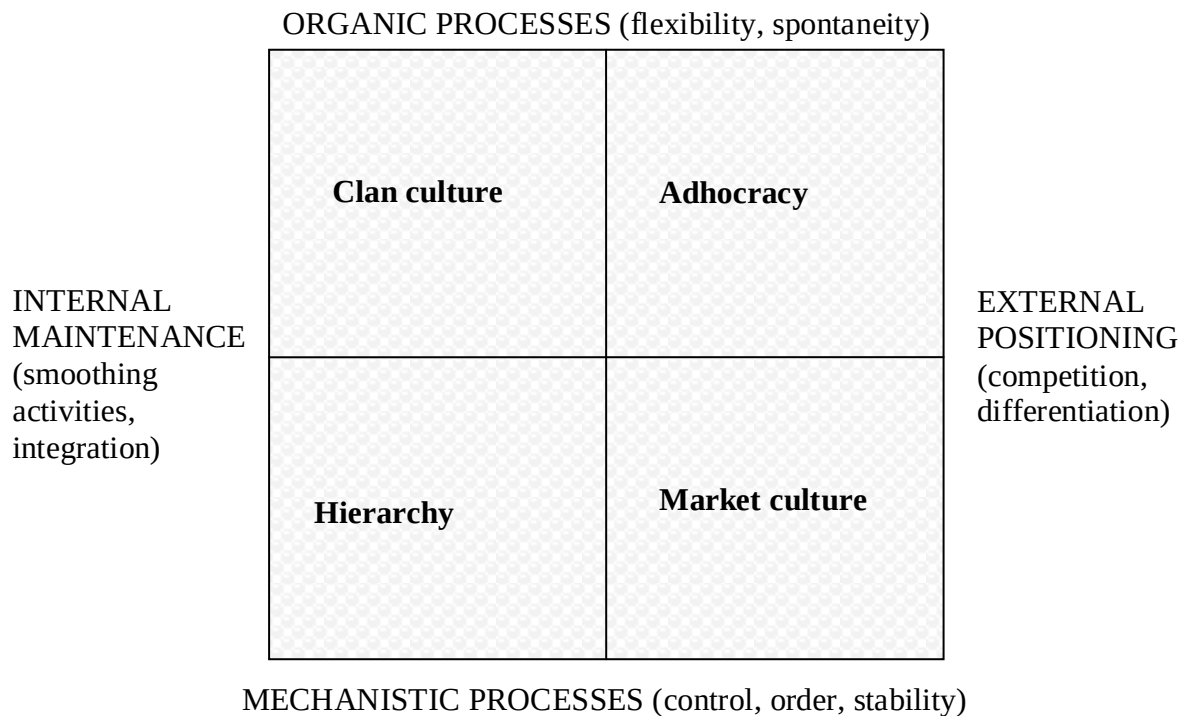
Hellriegel, Jackson, Slocum, Staude, Amos, Klopper, Louw and Oosthuizen (2004) classify organisational cultures according two orientations: relative formal control within the organisation, which ranges from stable to flexible; and relative focus of attention, ranging from internal functioning to external functioning. The combination of the two orientations results in four pure types of organisational culture: bureaucratic culture, clan culture, entrepreneurial culture and market culture. The bureaucratic culture is characterised by formalisation, rules, standard operating procedures and hierarchical coordination (Louw, 2012:518). This bureaucratic culture is internally focused and has a stable form of control. The clan culture is found to be internally focused as well, but with a flexible form of control. Organisations with this culture would value tradition, loyalty, personal commitment, extensive socialisation, teamwork, self-management and social influence (Louw, 2012:519). The organisation with an entrepreneurial culture would exhibit high levels of risk taking, dynamism and creativity, and this is why it is found to have a flexible form of control with an external focus with regards to its attention (Louw, 2012:520). Employees in organisations with such a culture are innovative and are encouraged to experiment in order to be at the lead of change in the market (Louw, 2012:520). Finally, the market culture also has an external focus of attention with regards to its activities and has a stable form of control. This means that organisations with a market culture

will be focused on the achievement of market based goals, being competitive, and profit oriented (Louw, 2012:521).

2.4.3. Cameron and Freeman (1991) classification

Cameron and Freeman (1991) constructed a framework of organisational culture types based on the previous work of several other researchers (Lund, 2003:220). Using the Jungian framework and competing values model (CVM) specifically as a base, Cameron and Freeman (1991:27) have derived a typology of organisational cultures. Their framework uses dimensions that organise the organisational culture types according to psychological archetypes (from the Jungian framework), and organisational dimensions of effectiveness (from the CVM). Four elements are considered to be core features of different forms of organisational culture and are used in their framework: dominant attributes; dominant style of leadership; bases for bonding or coupling; and the organisation's strategic emphasis (Cameron & Freeman, 1991:28). These four elements represent the different types of organisational culture on two axes: the vertical axis acts as a continuum of organic (flexible and spontaneous) to mechanistic (controlled and stable) processes within the organisation; and the horizontal axis acts as a continuum of the organisation's relative emphasis or focus, from internal maintenance (smoothing and integration) to external (competitiveness and differentiation) positioning (Lund, 2003:221). There are, therefore, four resultant types of organisational culture that emerge in each quadrant of the framework as seen in Figure 2.4:

Figure 2.4 Cameron and Freeman's (1991) framework of organisational culture types



(Source: Adapted from Cameron & Freeman, 1991:27)

Clan culture

The clan culture describes the culture of organisations with organic processes, focusing on internal maintenance, as seen in Figure 2.4. The attributes of the clan culture therefore include cohesiveness, participation, team work, a sense of family and the organisation seen as a personal place (Cameron & Freeman, 1991:29; Lund, 2003:221). As a result of these organisational values, shared understanding, communication, co-ordination and integration are fostered through shared goals, participation and trust (Øgaard *et al.* 2005:25). The style of leadership consistent with this culture is a leader being seen as a mentor and parent figure who provides mentoring and facilitation in the organisation, especially for newer members (Cameron & Freeman, 1991:29; Lund, 2003:221). Socialisation for new members into the organisation would be a long and thorough process (Louw, 2012:520) as the existing members are bonded by loyalty, traditions and interdependence (Cameron & Freeman, 1991:29). An organisation with a clan culture values loyalty and commitment from its employees (Louw, 2012:519). This organisation places a strong emphasis on human resource development and makes a considerable effort to build employee morale (Cameron & Freeman, 1991:29).

Adhocracy culture

The adhocracy culture has flexible processes and a focus directed towards its external environment. An organisation with this type of organisational culture will thus emphasise creativity, innovation, adaptability (Cameron & Freeman, 1991:30; Lund, 2003:222). Employees would be able to exercise creativity and innovation in a flexible environment, not limited by mechanistic processes. Leaders in an adhocracy culture would model and enhance the values of entrepreneurship, flexibility and risk (Cameron & Freeman, 1991:29), not only through dynamic organisational processes, but also in their leadership style by being risk takers, innovators and entrepreneurs themselves (Lund, 2003:222). An organisation is best served by an adhocracy culture when its strategic emphasis is organisational growth, obtaining new resources and innovation (Cameron & Freeman, 1991:30; Louw, 2012:521). Chang and Lee (2007:164) further mention that the adhocracy culture positions an organisation to effectively serve its customers by satisfying their demands. For example, an organisation that values innovation and creativity is able to better serve its customers by responding quickly and creatively to customer needs in the market. The benefit, then, of the adhocracy culture is that it is fairly adaptive (Chang & Lee, 2007:164).

Market culture

An organisation with a market culture will be identified by being competitive and goal driven (Cameron & Freeman, 1991:29; Louw, 2012:521; Lund, 2003:221). Processes in a market culture will be less flexible and more controlled, whereas the focus of the organisation will be towards its external environment. It is this external focus that makes the main goals of the organisation relate to its external environment, such as the goals of productivity, efficiency and gaining market share (Chang & Lee, 2007:164; Louw, 2012:521; Øgaard *et al.* 2005:25). Such organisations are quite competitive in their attainment of goals, guided by formal control processes. In an organisation with a market culture, a leadership style consisting of decisiveness and an ability to achieve results (Cameron & Freeman, 1991:29; Lund, 2003:221) is needed to lead the organisation as it seeks to fulfil its goals. Employees in these organisations would be rewarded based on their achievement of goals set by the organisation (Chang & Lee, 2007:164; Den Hartog & Verburg, 2004:60; Louw, 2012:522). The market culture best serves an organisation with a strategic emphasis that is focused towards positioning the organisation as a market leader, thereby achieving a competitive advantage over other organisations (Cameron & Freeman, 1999:29).

Hierarchy culture

The organisation's focus is directed internally in a hierarchy culture, with an emphasis on formal, control processes that create stability. Defining features of the hierarchy culture include formal rules, procedures, coordination, structure, and respect for authority (Cameron & Freeman, 1991:29; Den Hartog & Verburg, 2004:60; Louw, 2012:518). As a result of the bureaucratic nature of formal control processes, however, the organisation can tend towards ineffectiveness (Louw, 2012:518). An organisation with a hierarchy culture would be driven by a strategic emphasis on stability, predictability and order (Cameron & Freeman, 1991:29; Lund, 2003:221). Employees are expected to obey and adhere to certain work standards, resulting in the systemisation and standardisation of tasks (Chang & Lee, 2007:164; Louw, 2012:518). The leader in a hierarchy culture would fulfil the role of being a coordinator, organiser and administrator (Cameron & Freeman, 1991:29; Lund, 2003:221). The leaders would also most probably carry most of the responsibility when it comes to decision making, owing to the hierarchical nature of the organisation; employees would probably be more responsible for the accomplishment of their more standardised and routine work tasks.

The framework of organisational culture types provided by Cameron and Freeman (1991) provides a useful way of diagnosing the organisational cultures of organisations. A strength of Cameron and Freeman's (1991) framework is that, because it looks at both the values (unobservable elements) and manifest behaviours (observable elements) of organisational culture across the four core elements of organisational culture, the framework lends itself to fulfilling the quality of cultural congruence. Cameron and Freeman (1991:28) define congruence as "consistency among organisational systems and components." When the four core elements of organisational culture (dominant attributes; dominant style of leadership; bases for bonding or coupling; and the strategic emphasis present in the organisation) are congruent, it will lead to a strong or dominant organisational culture. Although the issues of organisational culture congruence and strength are useful in determining the dominant type(s) of organisational culture present in organisations, they are less important than the actual organisational culture types in determining organisational performance (Tsui *et al.* 2006:353).

Finally, it is worth noting that regardless of which classification is used, organisational cultures seldom exist in their pure form (Trompenaars & Hampden-Turner, 2000:177). A certain type of organisational culture may be found to be dominant in the organisation, or multiple cultures can be found to exist in a culturally fragmented organisation (Louw, 2012). Furthermore, certain

organisational cultures may be found to dominate in particular national cultures (Trompenaars & Hampden-Turner, 2000:177) meaning that under certain conditions particular organisational cultures may be more ideal than others (Louw, 2012).

Different types of organisational culture mean that organisational members will differ in how they think, perceive problems and learn (Trompenaars & Hampden-Turner, 2000:158). Consequently, groups exhibiting different organisational cultures will vary in the solutions they come up with in relation to the problems they face. This variation in implemented solutions will be as a result of the different shared meanings held by members belonging to each organisational culture (Trompenaars & Hampden-Turner, 2000:26). As mentioned by Louw (2012:515), the nature or type of an organisation's culture will have particular organisational implications. For this research, the particular organisational implication is the nature of the Chinese organisation's HCWS and the consequences on organisational commitment.

2.5. ORGANISATIONAL CULTURE AND HIGH COMMITMENT WORK SYSTEMS

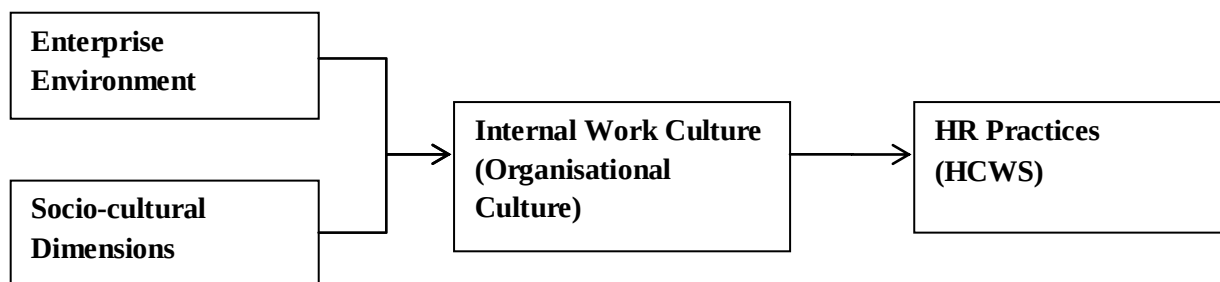
With regards to the relationship between organisational culture and HR practices, opposing views exist in the literature concerning the nature of the relationship. One view is that the nature of an organisation's implemented HR practices shapes the formation of its organisational culture (Den Hartog & Verburg, 2004:58; McKenzie, 2010:62). McKenzie (2010:61) thus states that "a number of scholars claim that HRM practices lead to organizational culture". In contrast, the other view proposes that organisational culture shapes HR practices (Chow & Liu, 2009:2307; Den Hartog & Verburg, 2004:58; Gupta, 2011:223; McKenzie, 2010:63). Bowen and Ostroff (2004:205) additionally indicate that organisational cultures "shape HRM practices, which, in turn, reinforce cultural norms". Den Hartog and Verburg (2004:58) then point out that it is most likely that the influence between organisational cultures and HR practices runs both ways.

Some researchers have shown that organisational culture is influenced by HR practices – for example, research by Singh (2009) found that HR development practices were a strong predictor of organisational culture. Other researchers showed how organisational culture influenced the nature of HR practices – for example, the findings by Chow and Liu (2009), showed that the supportive organisational culture tends to lead to the implementation of information sharing and

teamwork practices. Additionally, other researchers also believe that, in order to lead to greater organisational performance, organisational cultures and HR practices need to be well aligned (e.g. Cannings & Hills, 2012:141; Chow & Liu, 2009:2306).

Whereas McKenzie (2010:63) reports that a smaller number of researchers hold to the view that it is organisational cultures which actually shape HR practices, Gupta (2011:223) points out that organisational culture is a “key foundation” for high performance practices. One group of researchers, Aycan *et al.* (1999), proposed a Model of Culture Fit which postulated that the socio-cultural and enterprise environments affect internal work culture (organisational culture) and, ultimately, HR practices (where the internal work culture mediates between the enterprise and socio-cultural environments and HR practices). The Model of Culture Fit thus indicates that organisational cultures influence HR practices (Aycan *et al.* 1999:522) and is illustrated in Figure 2.5.

Figure 2.5 Model of Culture Fit



(Source: Adapted from Aycan *et al.* 1999:503)

The Model of Culture Fit, shown in Figure 2.5, outlines that the formation of organisational cultures is influenced by an organisation’s enterprise and socio-cultural environment. The enterprise environment of the Chinese MNC in the current research is the South African business context and PC industry, whereas the socio-cultural environment is comprised of the Chinese and South African cultures. The organisational culture then shapes the nature of the organisation’s HR practices, which, in the case of the current research make up the HCWS. In this regard, the Model of Culture Fit bears some resemblance to the framework of the organisational culture context given by Louw (2012:515) which was discussed earlier in the chapter. Similarly, the Social Context Model by Ferris, Arthur, Berkson, Kaplan, Harrell-Cook, and Frink (1998, cited in McKenzie, 2010:63) proposes that the attitudes, values and beliefs underlying organisational cultures, shape the development of HR practices. For the current research, therefore, the purpose is to discover the ways in which organisational culture has

shaped the nature of the HCWS in the Chinese MNC's South African subsidiary and to assess the consequences on organisational commitment.

2.6. SUMMARY

This chapter has outlined the importance of organisational culture in human resource management practice, as it was found that organisational culture impacts on a number of organisational elements. As organisational culture is best understood within its macro-culture context which is constituted of national and industry cultures, the chapter included discussions on the Chinese and South African cultures, as well as the PC industry culture.

Although Schein (1990) and other researchers (e.g. Louw, 2012; Trompenaars & Hampden-Turner, 2000) offer varied definitions of organisational culture, similarities could be drawn from the definitions which highlighted that organisational cultures develop over time and consist of distinctive patterns of non-observable elements that lead to certain manifest behaviours as the group focuses its attention on internal integration or external adaptation. The chapter further examined different classifications of organisational culture. Cameron and Freeman's (1991) classification of types of organisational culture was found to be a useful guideline for diagnosing organisational cultures within organisations as it involves examining four core attributes of an organisation: characteristics or values; dominant style of leadership; bases for bonding or coupling; and the strategic emphasis. When these four core attributes of organisational culture are examined, it can be ascertained which type(s) of organisational culture is (are) most dominant within the organisation.

Finally, as the purpose of this research was to explain how the organisational culture of a Chinese MNC subsidiary in South Africa has shaped the nature of its HCWS, a brief overview of the association of organisational culture with HCWS as a form of human resource management practices was given. This influence of organisational culture on the existence of the Chinese organisation's HCWS was discussed based on the Model of Culture Fit provided by Aycan *et al.* (1999). The following chapter, Chapter Three, discusses HCWSs in more depth.

CHAPTER 3

HIGH COMMITMENT WORK SYSTEMS

3.1. INTRODUCTION

Bashir, Jianqiao, Zhang, Ghazanfar, Abrar and Khan (2011:63) state that “organisations are seeking human resource (HR) systems that are able to satisfy employees, increase commitment and contribute towards the organisation’s ultimate goal of performance”. The purpose of this chapter is to discuss one such HR system known as a high commitment work system (HCWS).

A HCWS can be defined as “a system of human resource management practices that aims to elicit employees’ commitment to the organisation” (Walton, 1985, cited in Xiao & Bjorkman, 2006:403). In this regard, McKenzie (2010:64) states that systems of human resource (HR) practices do not develop in isolation. As seen from the Model of Culture Fit discussed in Section 2.5 of Chapter Two, the development of HR practices is affected by an organisation’s external and internal cultures (Aycan *et al.* 1999). Bowen and Ostroff (2004:205) additionally state that “organisational culture shapes HRM practices, which in turn reinforce cultural norms that can shape individual and organisational performance”. Therefore, a “fully integrated organisation will have clear aims that are underpinned by appropriate and effective HR practices and a culture which will enable these two [organisational aims and HR practices] to operate” (Cannings & Hills, 2012:144).

HR practises are important factors in the successful performance of organisations (Pfeffer, 1995:67; Ulrich, 1997:306). In this regard, McKenzie (2010:66-66) also states that both organisational culture and systems of HR practices are important contributors to an organisation’s performance. The importance and role of HR practices has been mainly linked to overall organisational productivity (e.g. Rynes, Colbert & Brown, 2002:149) and organisational performance (e.g. Boxall, 2012:170; McKenzie, 2010:65) in the literature. For example, HR practices have been found to affect an organisation’s: financial performance (Delery and Doty, 1996:828); corporate earnings (Benson, Young & Lawler, 2006:532); return on equity and turnover (Vandenberg, Richardman & Eastman, 1999:300); financial and product/service performance (Akhtar, Ding & Ge, 2008:25); quality results (Wickramasinghe & Gamage, 2011:525); and ability to build up a competitive advantage (Geringer, Frayne & Milliman,

2002:5). Findings of the before mentioned research on HR practices, therefore, reinforce Boxall's (2012:169) claim that HR practices are an essential part of an organisation's success.

Consequently, the purpose of this chapter will be to discuss a specific form of HR practices known as a HCWS. In line with the purpose of this chapter, Section 3.2 provides the context for understanding HCWSs and explores various concepts related to HCWSs. A HCWS model as proposed by Xiao and Bjorkman (2006) is reviewed in Section 3.3 which involves a discussion on the antecedents, 15 HR practices and the consequences of the HCWS model. Lastly, Section 3.4 of the chapter examines how the implementation of a HCWS is expected to lead to the enhanced organisational commitment of employees.

3.2. UNDERSTANDING HIGH COMMITMENT WORK SYSTEMS

As stated earlier, a HCWS is defined as a “system” (Xiao & Bjorkman, 2006:403) of HR practices. Systems of HR practices can be described as a unique co-ordination or configuration of work and employment practices which are interrelated, consistent and integrated (Boxall, 2012:171; Boxall & Macky, 2007:262; Chow, Huang & Liu, 2008:688; Meyer & Smith, 2000:322; Pfeffer, 1995:58). Although each HR practice in HCWSs is positively related to performance because it creates organisational commitment (Guerrero & Barraud-Didier, 2004:1408), it is the configuration of the system's HR practices that creates synergistic efforts that lead to superior organisational performance (Delery & Doty, 1996:804, 813; Guerrero & Barraud-Didier, 2004:1408). This view of the systemic and synergistic effect of configured HR practices is echoed by Boxall (2012:171, 174) who states that the effect of the different practices of HR systems is enhanced when they are actually integrated and serve to reinforce each other. It is thus when HR practices are used as a coherent, interrelated and integrated system that the greatest effects on organisational performance will be observed (Guerrero & Barraud-Didier, 2004:1410; Pfeffer, 1995:58). As a system of HR practices, therefore, HCWSs have been found to have the ability to lead to greater organisational performance (Xiao & Bjorkman, 2006:404).

Furthermore, there are other concepts in the literature which are closely related to the concept of a HCWS and are sometimes used interchangeably by some researchers (Wickramasinghe & Gamage, 2011:519; Xiao & Bjorkman, 2006:404-405). A summary of the concepts closely related to a HCWS can be seen in Table 3.1 below:

Table 3.1 HCWS and closely related concepts

Concept	Meaning highlighted by the concept
High commitment work system (HCWS) High commitment management Commitment-based HR system	Organisation's work system aimed at enhancing the commitment of employees, rather than aiming for control or compliance
High involvement work system (HIWS) High involvement work practices	Self-programming and self-managing nature of the workforce; supports decision making authority for employees
High performance work system (HPWS) High performance work practices	System is used to improve the overall performance of the organisation

(Source: Adapted from Benson *et al.* 2006:520; Boxall, 2012:173; Boxall & Macky, 2007:262; Wickramasinghe & Gamage, 2011:519; Xiao & Bjorkman, 2006:404-405).

The different concepts in Table 3.1 above specifically highlight issues of commitment, involvement and performance within organisations. However, these concepts all allude to the fact that when HCWSs, HIWSs or HPWSs are implemented, it will create an organisational environment where employee involvement is nurtured, enhancing employee morale and commitment which contribute to superior organisational performance (Benson *et al.* 2006:520; Boxall, 2012:173; Chow *et al.* 2008:689). Furthermore, despite the established contribution of HCWSs, HIWSs and HPWSs to organisational performance, there is no unanimous view on the specific list of HR practices that would make up these systems (Bashir *et al.* 2011:63; Den Hartog & Verburg, 2004:57). As the research specifically aimed to assess the consequences of HR practices on organisational commitment, Xiao and Bjorkman's (2006) model of HCWSs, which proposes practices as well as specific components of organisational commitment, was chosen as an appropriate model of HCWSs to use in the research. In this regard, Xiao and Bjorkman's (2006) model of HCWSs is reviewed in the following section.

3.3. REVIEW OF XIAO AND BJORKMAN'S (2006) MODEL OF A HCWS

Research conducted in the area of HCWSs, HIWSs and HPWSs has mainly been in the Western context (Boxall & Macky, 2007:262; Guerrero & Barraud-Didier, 2004:1409; Wickramasinghe & Gamage, 2011:517; Xiao & Bjorkman, 2006:403). Accordingly, Xiao and Bjorkman (2006) proceeded to establish the validation of a preliminary model of HCWSs that would be relevant for the Chinese organisational context. The antecedents, practices and consequences of Xiao and Bjorkman's (2006) model of a HCWS are discussed further in this section.

3.3.1. Antecedents of the HCWS model

The configurational view of implementing systems of HR practices proposes that "it is unlikely that a company will use a single approach for all its employees" (Kinnie, Hutchinson, Purcell, Rayton & Swart, 2005:12). Organisations may implement different HR practices for different groups of employees (Boxall & Macky, 2007:262; Den Hartog & Verburg, 2004:57). Consequently, Xiao and Bjorkman (2006:412) specifically treat two variables as antecedents of the HCWS model: job level and function. Employee groups could then be disaggregated according to job levels, distinguishing between managerial and non-managerial employees and job functions, distinguishing between core production/service employees and other support employees (Den Hartog & Verburg, 2004:57; Xiao & Bjorkman, 2006:412).

Xiao and Bjorkman (2006:412) hypothesized that managerial (high) job levels will have a positive relationship with the HCWS as employees in higher level jobs are usually more exposed to involvement practices (e.g. participation) that could lead to higher commitment from this group of employees. Similarly, employees in job functions considered as more strategic to the organisation, are most likely to be the focus of HCWSs (Xiao & Bjorkman, 2006:412). According to Xiao and Bjorkman (2006:412), therefore, the implementation of the HCWS can be expected to vary to some extent depending, firstly, on the job level of employees and, secondly, on the function of their work within the organisation.

3.3.2. Developing the HCWS practices

Through a process of aiming to maintain the standard on the then existing literature on HCWSs, Xiao and Bjorkman (2006) used 12 practices proposed by Baron and Kreps (1999, cited in Xiao & Bjorkman, 2006:407) as the base of their HCWS model. Xiao and Bjorkman (2006:407)

added two more performance appraisal practices and an employee participation practice to make up the 15 HCWS practices they would use to validate the HCWS model in the Chinese context. Table 3.2 below thus shows a comparison of the 15 HCWS practices initially used by Xiao and Bjorkman (2006) compared to other representative research in the literature:

Table 3.2 Comparison of HCWS practices with HR practices in other research

Items by Xiao and Bjorkman (2006)	Arthur (1994)	Delery & Doty (1996)	Baron & Kreps (1999)	Guthrie (2001)
1. Promotion from within	-	Yes	Yes	Yes
2. Careful selection	-	-	Yes	-
3. Extensive training & socialisation	Yes	Yes	Yes	Yes
4. Job security	-	Yes	Yes	-
5. Enlarged jobs & job rotation	-	Yes	Yes	-
6. Appraisal team	-	-	Yes	Yes
7. Appraisal behaviour	-	Yes	-	-
8. Appraisal development	-	Yes	-	-
9. High remuneration	Yes	-	Yes	-
10. Extensive ownership	Yes	-	Yes	Yes
11. Egalitarianism	Yes	-	Yes	-
12. Participation	Yes	Yes	-	Yes
13. Information sharing & communication	-	-	Yes	Yes
14. Overarching goals	-	-	Yes	-
15. Teamwork	-	-	Yes	Yes

(Source: Adapted from Xiao & Bjorkman, 2006:409)

The compilation of significant HR practices seen in Table 3.2 resulted in a HCWS model made up of 15 practices that were expected to increase the commitment of employees (Xiao & Bjorkman, 2006:407). Each of the 15 HCWS practices are briefly discussed below. However, for the sake of facilitating an integrated discussion on performance appraisal, the three HCWS practices on performance appraisal – appraisal team, appraisal behaviour and appraisal development – have been discussed as one practice. The discussion on the HCWS practices has thus been condensed into 13 HCWS practices.

Promotion from within

An organisation that implements a HCWS will place a priority on promoting employees from within the organisation over recruiting externally (Xiao & Bjorkman, 2006:409). This practice is known as making use of the organisation's internal labour market and providing internal career

development opportunities for its employees (Delery & Doty, 1996:805). Allen (1998:258) states that promotion systems can make an important contribution towards an organisation's effectiveness. The benefits of using promotion within the company include: providing incentives for employees to perform well if they perceive promotion opportunities (Fairburn & Malcomson, 2001:45; Pfeffer, 1995:65); promoting employees who are more knowledgeable about the organisation and its business (Pfeffer, 1995:65); and reducing the organisation's turnover rate (Chen, Lin, Lu & Tsao, 2007:1124). In addition to these benefits, Chan (1996:556) states that the most mentioned reason for organisations choosing promotion over external recruitment to fill vacant job positions is that employees who are already hired by the organisation have accumulated specific human capital that would either not be found in external recruits, or be more expensive to acquire. Bayo-Moriones and Ortin-Angel (2006:453) also reiterate that filling vacancies with external recruits means the organisation would need to spend more on training costs so that the external recruit is able to perform organisation specific tasks. Moreover, such promotion opportunities provide both employees and employers an incentive to commit to a long term relationship (Chan, 1996:556).

Careful selection

Xiao and Bjorkman (2006:408, 419) refer to the practice of organisations exerting effort in selection and recruitment as using careful selection procedures. Pfeffer (1995:58) states that if organisations are to achieve high performance and have a competitive advantage, they need to apply rigorous selection procedures that lead to choosing "the right people, in the right way" for the job. Careful selection procedures are thus essential for organisations to "attract and retain a quality workforce" (Lim & Ling, 2012:103). In this regard, research by Mahal (2012:44) suggests that workforce retention is a result of greater organisational commitment from employees who have undergone careful selection procedures. Barnard and Rodgers (2000:1019) also recommend that if organisations are seeking to achieve long term workforce retention, they need to implement careful selection procedures that make allowance for the further career development of employees.

An important tool that has been widely accepted by organisations and researchers alike as a major part of a careful selection process is the employment interview (Macan, 2009:215; Manroop, Boekhorst & Harrison, 2013:2). Interviews consist of a structured question and answer part where interviewers consider whether applicants are suited for the job (Manroop *et al.* 2013:3518-3519). In order to select the most suited applicant for the job, it is essential that

interviews are structured and that selection happens according to the specific requirements of the job (Macan, 2009:204; Manroop *et al.* 2013:3513). Employees who have undergone a rigorous selection process have been found to have higher levels of organisational commitment and performance (Mahal, 2012:44; Pfeffer, 1995:58).

Extensive training and socialisation

HCWSs will incorporate implementing extensive training and socialisation for employees (Xiao & Bjorkman, 2006:409). Training is an important human resource management practice that can be employed by organisations seeking to improve and ensure high product and service quality standards (Akhtar *et al.* 2008:18). Extensive training also has the ability to impact organisational performance (McKenzie, 2010:65) and therefore organisations focused on achieving higher performance levels need to provide training opportunities for their employees (Han & Zhao, 2012:20). Training opportunities can be provided by organisations in the forms of: career development opportunities; on-the-job training; off-the-job training such as workshops; and online learning tools (Perks & Zindiye, 2012:91). According to Lim and Ling (2012:103) and McKenzie (2010:65), when employees undergo training, their knowledge and skills are improved. Therefore, as a result of newly acquired or improved knowledge and skills, employees are able to contribute towards the organisation's performance and competitive advantage in its global context (Murray & Efendioglu, 2007:372). In addition to improved performance and competitive advantage, training programmes can also increase the motivation levels of employees (Chen *et al.* 2007:1124). When an organisation implements a training programme, it sends a signal to employees that they are valued by the organisation (Kipkebut, 2010:60). Consequently, the extent to which an organisation invests in training their employees is the extent to which the organisation will be viewed as committed to its employees and their development, as Barnard and Rodgers (2000:1021) reiterate. It is, however, important to highlight that the benefits to be accrued from training programmes will more likely be observed in the medium to long term (Vandenberg *et al.* 1999:309). In addition, for organisations to maximise training benefits, there is a need for follow-through where practical opportunities are provided for employees to utilise what they learned from training programmes in actual work situations and receive feedback on their performance (Pfeffer, 1995:61; Preston, 2009:144). If these practical opportunities are provided, it could further enhance motivation as employees see the significance and relevance of their training and how it contributes towards achieving the organisation's goals and performance.

Socialisation, on the other hand, can be viewed as training offered to employees who are new to the organisation (Price, 1997:338). Price (1997:338) further mentions that it is at the socialisation stage that the development of employees actually begins. Daskalaki (2000:200, 222) also states that socialisation is aimed at new employees in the organisation in order to introduce them to organisational ideologies. Socialisation helps new employees become more familiar with their new work environment (e.g. new colleagues, organisational culture and structure), in order to help them better fit into the organisation and perform their jobs effectively (Amos, Ristow, Ristow & Pearse, 2008:126; Price, 1997:338-339).

Job security

Barnard and Rodgers (2000:1021) report that “many scholars argue that effective assurances of employment security are particularly important in the context of high involvement work systems.” A similar view is also expressed by Delery and Doty (1996:806) who state that ensuring job security has strategic implications for organisations. This is because ensuring job security enables the organisation to align organisational and employee interests, achieving a long term mutual commitment relationship (Barnard & Rodgers, 2000:1021) that positions the organisation for high performance. When an organisation implements measures that assure employees of job security, it sends a message of commitment to its employees (Pfeffer, 1995:58), thus exchanging job security for the employees’ commitment (Chen *et al.* 2007:1124). Smith and Rupp (2004:148) define job security as “employees not having to deal with toxic worry about losing their employment.” In the absence of job security, employees are prone to feel more stressed and dissatisfied with their jobs, leading to deconstructive behaviours and poor health (Han & Zhao, 2012:19) which can affect their job performances. Also, according to Jeon and Shapiro (2007:1045), when there is no job security, the commitment levels of employees can decrease and, because of feelings of de-motivation, employees can even seek employment elsewhere. However, if employees feel secure in their jobs, they will be able to focus, work efficiently and feel more satisfied with their jobs (Smith & Rupp, 2004:148; Verma, Malhotra & Bedi, 2012:9). Finally, research by Bashir *et al.* (2011:67) also suggests that when employees feel secure in their jobs, it can increase their levels of commitment, leading them to stay with the organisation for longer. Clearly, if organisations are able to ensure job security for their employees, it can assist in retaining employees who are important to the organisation’s competitive advantage and performance.

Enlarged jobs and job rotation

Job enlargement is when “the number of tasks associated with a job is increased (and appropriate training is provided) to add greater variety to activities” (Business Dictionary, 2013). Birchall and Wild (1973:40) mention that as a result of job enlargement, employees experience less boredom at work. Pfeffer (1995:62) further adds that one of the benefits of enlarged jobs is motivating employees by providing them with a variety of tasks that both interests and challenges them. When an organisation implements job enlargement, it allows employees to come to a better understanding of how the processes closely related to each employee’s job influence one another, resulting in fewer errors on the job (Born & Molleman, 1996:31). Moreover, as can be seen in the definition of job enlargement given earlier, providing a variety of wider tasks means that employees will need more skills (Barnard & Rodgers, 2000:1024) and these can be provided by the organisation through training measures.

Job rotation, on the other hand, is defined by Bennett (2003) as “the planned movement of people between jobs over a period of time and for one or more of a number of different purposes.” It follows that from this exposure to different jobs and experience, employees undergo a learning process during which they get to develop a variety of skills (Baro, 2012:392; Ortega, 2001:1361). Job rotation is argued to have the potential not only to enhance the administrative, technical and business skills of employees (Baro, 2012:388; Campion, Cheraskin & Stevens, 1994:1536), but to also lead to: employee involvement, satisfaction, commitment and the transfer of the organisation’s culture (Campion *et al.* 1994:1537); increased job interest (Birchall & Wild, 1973:40); employee retention, on-the-job training and the development of employees with no or little experience (Baro, 2012:402; Bennett, 2003). It has also been found that organisations that are more likely to implement job rotation are those which are innovative (Ortega, 2001:1367), less hierarchical (Eriksson & Ortega, 2006:665) and are willing to invest in training and development (Bennett, 2003; Eriksson & Ortega, 2006:665).

Finally, both job enlargement and job rotation are part of job enrichment, which is a HRM practice aimed at increasing the job satisfaction of employees in order to lead to higher levels of individual performance that contribute to superior organisational performance (Wood & Wall, 2007: 1336).

Performance appraisal

Xiao and Bjorkman (2006:419) assert that as part of HCWS performance appraisal should: focus on the appraisal of teams, rather than on individuals; be oriented towards appraising attitudes

and behaviours of employees, as compared to being result-oriented; and be implemented for development and not purely evaluation purposes. This view is supported by Youndt, Snell, Dean and Lepak (1996:844) who also mention that HRM practices aimed at human capital development will have developmental and behaviour-oriented performance appraisal. Furthermore, Delery and Doty (1996:805) state that when appraisal is oriented towards appraising the attitudes and behaviours of employees, performance appraisal will put an emphasis on those behaviours that are deemed as rendering employees effective at their particular jobs. The feedback provided to employees from behaviour-oriented performance appraisal will then be for developmental purposes (Chow *et al.* 2008:689; Delery & Doty, 1996:809; Xiao & Bjorkman, 2006:419). Employees will receive feedback that not only informs them of their performance levels and areas in which they can improve (Lim & Ling, 2012:111), but that also further builds up their job skills and competencies (Youndt *et al.* 1996:843). Performance appraisal is thus deemed as important for a HCWS and has significant effects (Whitener, 2001:521) as it can affect employees' feelings of job satisfaction and organisational commitment. For example, research by Kinnie *et al.* (2005:22) suggests that employees, and particularly professionals, can become more committed to the organisation if they are satisfied with the organisation's performance appraisal methods. Lastly, Lim and Ling (2012:111) add that in order to result in higher job satisfaction, performance appraisal methods need to be perceived as fair and efficient by the employees being appraised.

High remuneration

Remuneration has a significant impact on employees (Whitener, 2001:521) and is reported to be: important for attracting, retaining and motivating employees (Amos *et al.* 2008:310); one of the areas through which organisations can positively treat their employees (Paik, Parboteeah & Shim, 2007:1771) and also significant for job satisfaction and organisational commitment (Bloom, 2004:149; Kipkebut, 2010:49; Mahal, 2012:43; Verma *et al.* 2012:9). Pfeffer (1995:59) and Lim and Ling (2012:113) also state that when an organisation offers high wages and benefits, it sends a message to employees that they are valued by the organisation. Therefore, if the organisation's remuneration policy is positively perceived by employees, it can lead to employees reciprocating with higher levels of organisational commitment that result in working harder and increased job performance (Bloom, 2004:149; Lim & Ling, 2012:113; Whitener, 2001:521).

Discussing the most appropriate remuneration system for HCWSs, Wood (1996:55-56) points out that there is no one specific combination of remuneration elements that will fit all situations and that managers will need to know what will work best for their particular organisational contexts. Therefore, although there is no one specific combination of remuneration that is recommended for all organisations, an effective remuneration system would still encompass certain elements. These remuneration elements would be financial rewards, as well as non-financial benefits and incentives that motivate employees, such as more challenging work, opportunities for promotion and allowing for public recognition from managers, colleagues and customers (Amos *et al.* 2008:311; Lim & Ling, 2012:104; Mahal, 2012:44; Pfeffer, 1995:59). Furthermore, an effective remuneration system would be one that: meets both the abilities of employers and the needs of employees (Amos *et al.* 2008:311); is viewed by employees as equitable, where employees are rewarded fairly for their contribution to the organisation (Amos *et al.* 2008:312; Bloom, 2004:150; Lim & Ling, 2012:112); and is inclusive of different financial and non-financial benefits such as medical insurance contributions, days of leave and pension contributions (Amos *et al.* 2008:315-316; Lim & Ling, 2012:113).

Extensive ownership

Extensive ownership in organisations, according to Xiao and Bjorkman (2006:419), would incorporate profit-sharing and employee ownerships of shares and options. When an organisation undertakes profit-sharing, employees will receive equal or unequal shares of the profit made by the organisation over a certain period of time (Kraizberg, Tziner & Weisberg, 2002:384), whereas ownership of shares and options affords employees the opportunity to buy the organisation's shares at a pre-determined and fixed price (Kraizberg *et al.* 2002:384). Employees especially seen as critical to the operations and success of the organisation are mentioned by Rousseau and Shperling (2003:565) as particular targets of extensive ownership practices. Rousseau and Shperling (2003:557) further state that the benefits to be accrued from ownership practices are optimised when share ownership is complemented by profit-sharing. Ownership practices also increase employees' levels of psychological attachment to the organisation, motivation and effort; thus the organisation benefits from increased performance (Azfar & Danninger, 2001:629; Kraizberg *et al.* 2002:385; Rousseau & Shperling, 2003:564).

More specifically, ownership practices, as forms of incentives employed by the organisation, are capable of aligning employee interests with organisational interests (Pfeffer, 1995:60). Ownership can therefore be seen as a financial incentive for employees to perform well at their

jobs because, when they do, they would be rewarded with an opportunity to own shares in the organisation and/or share in the organisation's profits. Furthermore, ownership incentives can: render one job more desirable over other jobs at other organisations (Rousseau & Shperling, 2003:560); and contribute to employee retention (Azfar & Danninger, 2001:619). Lastly, when ownership practices are implemented, it can also lead to increased employee identification with the organisation (Chen *et al.* 2007:1124) and employees can develop a long term commitment to their organisation (Pfeffer, 1995:60; Rousseau & Shperling, 2003:557).

Egalitarianism

Organisations should seek to promote egalitarianism in income, status and culture as part of establishing a HCWS (Xiao & Bjorkman, 2006:419). Egalitarianism is based on the belief that “all people are equal and deserve equal rights and opportunities” (Oxford Dictionaries, 2013). An atmosphere of fairness between employees and the organisation can contribute towards building trust, commitment and positive employee attachments to the organisation (Bloom, 2004:149-150; Chen *et al.* 2007:1124). For example, Kipkebut (2010:60-61) and Lim and Ling (2012:111) both state that fair perceptions of the organisation's promotion, reward and performance appraisal procedures lead to job satisfaction and employees develop a strong psychological attachment to their organisation. The resultant stronger psychological attachment and job satisfaction occurs because employees view the organisation's fair practices as a reflection of its noble values (Bloom, 2004:150). In an organisational context, therefore, egalitarianism can be said to be concerned with valuing all employees equally; treating them equitably in terms of income, status and culture.

If employees do not perceive egalitarian practices in terms of their income and view their pay as unfair given their performance, they can become discouraged and not work as hard (Cloninger, Ramamoorthy & Flood, 2011:39). Therefore, more benefits accrue to organisations which reward their employees equitably than those that do not (Cloninger *et al.* 2001:43). Symbolic egalitarianism is also used by organisations to communicate that all employees are valued (Han & Zhao, 2012:19; Pfeffer, 1995:63), regardless of their status within the organisation. Symbolic egalitarianism is furthermore reported to be especially essential to organisations seeking to promote teamwork and enhance employee commitment (Smith & Rupp, 2004:154). The term “status levelling” is used by Morand (2010:76, 78) to describe efforts to improve symbolic egalitarianism and diminish status distinctions within the organisation. Status distinctions can be manifested through the organisation's dress code, use of formal titles, special invitation to the

organisation's social events and restricted access to physical spaces such as reserved parking, special dining rooms, special washroom facilities and bigger office sizes (Morand, 2010:76; Pfeffer, 1995:63; Smith & Rupp, 2004:153). However, getting rid of status symbols can be a challenging task to accomplish as mentioned by both Pfeffer (1995:63) and Smith and Rupp (2004:153). In terms of culture, egalitarianism requires that all employees not be discriminated against based on factors such as their gender, sexual orientation, race and ethnic background (Charles, 2008:48), among others. For example, Hultin and Szulkin (1999:455) mention that based on gender, women have historically been paid lower wages than their male counterparts. In an egalitarian organisation, this would be unacceptable as unfair criteria such as gender would not form a part of equity based pay. Lastly, Kinnie *et al.* (2005:24) mention that organisations can also face legal, ethical and moral imperatives that require all employees to be treated fairly and consistently. Legal, ethical and moral imperatives can thus form a foundation for promoting egalitarian practices in organisations.

Participation

Xiao and Bjorkman (2006:419) outline that employee participation will involve: allowing employees to give their suggestions to the organisation; having an established grievance system and conducting morale surveys. When employees are able to participate and thereby contribute to the operations of the organisation, it can positively influence the organisation's overall performance (Zatzick & Iverson, 2011:3462).

Batt, Colvin and Keefe (2002:574) also refer to participation as "employee voice" and it is about employees expressing their dissatisfaction. In addition, employee voice mechanisms employed by organisations need to be aimed at resolving arising issues that cause this dissatisfaction (Wood & Wall, 2007:1336), otherwise they will be of no use to employees and to the organisation. A number of participation mechanisms have been employed in organisations in order to facilitate grievance procedures, which include the use of unions to represent employee interests and non-union mechanisms such as team meetings, performance appraisals and management or peer reviewed grievance procedures (Batt *et al.* 2002:575-6; Wood & Wall, 2007:1336). The use of such participation mechanisms has been found to contribute to lower rates of employee turnover as fewer employees leave their organisations due to dissatisfaction (Batt *et al.* 2002:575).

Employee participation also has the potential to facilitate a two-way exchange of views that enables employees to contribute to the decision making process in their organisations (Cox,

Marchington & Suter, 2009:2150). If the organisation seeks to obtain suggestions from employees and further follows through at least some of these suggestions, it can lead to employees feeling valued and hence satisfied and committed to their organisation (Cox *et al.* 2009:2153). Employees can feel a sense of pride in knowing that their suggestions were used by the organisation to improve its products or services (Cox, Zagelmeyer & Marchington, 2006:253). For employee suggestions to benefit organisations, however, Cox *et al.* (2009:2154) further believe that line managers, as delivery agents of the organisation's policies and practices, need to encourage employees to participate and further influence employees through participating themselves. Indeed, line managers make the difference between the practices that the organisation sets out to achieve and those that are actually practiced through their day to day actions and attitudes (Boxall & Macky, 2007:267; Kinnie *et al.* 2005:10). Lastly, even more important than the particular participation practices, is the way in which management actually implements these practices. This view is also supported by Edgar and Geare (2005:544) who state that the way managers implement practices is more important in determining employee attitudes than the quantity of practices implemented.

Information sharing and communication

Sharing information widely and openly communicating with employees is another important item in a HCWS (Xiao & Bjorkman, 2006:419). In order to make quality decisions and obtain useful suggestions, organisations need to share information with employees that pertain to the organisation's strategic intent, goals, performance, processes, events and customer feedback (Ciavarella, 2003:340; Vandenberg *et al.* 1999:303, 310; Zatzick & Iverson, 2011:3464). Prince, Katz and Kabst (2011:2485) also state that it is important for organisations to share information relating specifically to employees' jobs so that there may be clarity with regards to what employees need to accomplish. Pfeffer (1995:60) adds that when information is shared openly with employees, it can lead to competitive advantage as employees can do exactly what is required for organisational success.

Bureaucratic organisations will have quite formal communication channels (such as meetings and hierarchical communication), whereas organisations seeking to be innovative and customer oriented will adopt less formal, flexible and team-friendly communication channels (Khan & Khan, 2011:27). Managers who seek to practise informal communication can do so through having an open-door policy, through which they are able to assist employees on an ad hoc basis (Khan & Khan, 2011:27). The benefits of organisations including informal means of

communication include: employees feeling less intimidated to share openly; more co-operation within the organisation; empowered employees who are able to perform their jobs well (Khan & Khan, 2011:27). Other general means of communication that can be used by organisations are newsletters, employee surveys and suggestion programmes (Zatzick & Iverson, 2011:3464).

Open communication and wide information sharing are also seen as an important part of getting (especially non-managerial) employees more involved in the workplace (Guerrero & Barraud-Didier, 2004:1410; Kaufman, 2003:176; Prince *et al.* 2011:2485). Openly sharing information with employees, especially through personal communication, has the potential to send the message that they are trusted by the organisation and this will likely result in greater loyalty, job satisfaction and commitment (Khan & Khan, 2011:28; Kipkebut, 2010:59; Smith & Rupp, 2004:149). It is therefore in this regard that communication is reported by Chen *et al.* (2007:1122) as being capable of creating an atmosphere in which job satisfaction and commitment can increase.

Overarching goals

Top management drives the corporate strategy-making process, during which they come up with clear goals and objectives for the organisation (Andersen & Minbaeva, 2013:810, 813). These overarching goals, as described by Xiao and Bjorkman (2006:419), need to be aligned with the organisation's overall corporate strategy (Gratton, Hope-Hailey, Stiles & Truss, 1999:18; Wei, Liu, Zhang & Chiu, 2008:781) in order to result in organisational effectiveness. Wei *et al.* (2008:777) also point out that those organisations which make their HRM practices consistent with the organisational strategy are seen to be better performers. It therefore becomes important that these overarching goals are specifically communicated to individual employees and translated into clear, individual performance objectives that employees understand (Gratton *et al.* 1999:24). As Argenti (1998:200) mentions, communication is essential in contributing towards employee productivity. In addition, managers who communicate the organisation's overarching goals and relate them to each employee's performance objectives (Andersen & Minbaeva, 2013:817) stand to benefit from a more motivated workforce whose goals are aligned with the goals of the organisation (Argenti, 1998:200). Ciavarella (2003:340) further adds that when managers share information about the organisation's goals, it will enable employees to make valuable contributions to the organisation through enhanced decision making.

Argenti (1998:203) thus suggests the use of large-scale meetings as an opportunity for the communication and emphasis of the organisation's goals. Management can also use annual and bi-annual performance development meetings to communicate the organisation's strategic goals and further help employees understand their specific roles in the achievement of these goals (Andersen & Minbaeva, 2013:817). If there is infrequent or no communication of overarching goals to employees, or no clear linkages made between these overarching goals and individual performance, there will be a weak linkage between the organisation's strategy, goals and individual employee goals (Gratton *et al.* 1999:24). This weak linkage could render the organisation ineffective in its operations. Within the current competitive global context (Andersen & Minbaeva, 2013:810), it is thus important for organisations to emphasise their overarching goals in order to perform successfully.

Teamwork

Teams are given the responsibility to jointly carry out tasks, share knowledge, monitor their own progress and make their own decisions with regards to their team assignment (Kalev, 2009:1598; Scott & Einstein, 2001:112), which can often lead to outstanding results (Pfeffer, 1995:61). Teams may, therefore, be composed of employees from different managerial levels and departments (Kalev, 2009:1593), which can facilitate learning and skill development of employees. To promote and reinforce the value of teamwork, then, organisations need to introduce team-based appraisals (Scott & Einstein, 2001:111) as well as introduce team-based rewards as a part of the remuneration system (McClurg, 2001:74). In order to be effective, the rewards given to teams would need to be specifically tied to the achievement of the goals assigned to the team (McClurg, 2001:75). Whereas rewards solely based on individual efforts can cause competition amongst employees, rewarding the successes of teams can lead to greater co-operation (McClurg, 2001:74). These team-based rewards may be public recognition, monetary rewards or other non-monetary rewards (McClurg, 2001:75).

Encouraging teamwork also has the potential to create a long-term oriented bond between employees and the organisation (Barnard & Rodgers, 2000:1022). Organisations can make use of teams in order to be innovative, enhance the quality of products and services, solve problems, and increase efficiency and productivity, as well as enhance customer satisfaction (Maxwell, 2008:432, 440, 445). The benefits that arise from teamwork, therefore, are greater than the benefits derived from the separate and individual work efforts of employees (Maxwell, 2008:440). However, there are challenges that organisations may come across as they seek to

implement greater teamwork within the organisation. These challenges include: slow or no progress in the team; team members fighting with each other, which can affect team cohesion and productivity; and social loafing, where some team members do not contribute much to the team (Maxwell, 2008:445; Scott & Einstein, 2001:109; Tata & Prasad, 2004:248). However, according to Griffin, Patterson and West (2001:537) if teams are implemented effectively in organisations, it can lead to increased job satisfaction.

This section has discussed the 15 items of the HCWS in more depth. More importantly, it is when these different items work together as a part of a coordinated system that their synergistic effect as HR practices will be optimised (Boxall, 2012:171, 174; Delery & Doty, 1996:813; Guerrero & Barraud-Didier, 2004:1410). The synergistic effect of the HCWS items is expected to lead to the enhanced commitment of employees. The following section now discusses the components of organisational commitment considered by Xiao and Bjorkman (2006:412) to be the consequences of HCWSs.

3.3.3. Consequences of the HCWS model

As a HCWS by design is meant to enhance the organisational commitment of employees, Xiao and Bjorkman (2006:412) specifically treat job satisfaction, affective commitment and intention to stay as the three consequences of a HCWS. Each of these consequences is thus addressed in depth in Chapter Four. However, the following section provides a discussion on how HCWSs are expected to result in the enhanced organisational commitment of employees.

3.4. HCWSs AND ORGANISATIONAL COMMITMENT

It has already been established in the literature that a HCWS is able to contribute to organisational performance and effectiveness (e.g. Ciavarella, 2003). However, the lack of knowledge on how HCWSs are able to influence organisational level outcomes such as organisational performance has been referred to as the “black box of HCWS” (Xiao & Bjorkman, 2006:404), as the mechanism behind the influence of HCWSs has been unclear. A dominant theory that has been used to explain how HCWS are able to influence organisational level outcomes has been the social exchange theory (Blau, 1964 cited in Xiao & Bjorkman, 2006:405). This section accordingly discusses how the implementation of a HCWS is expected

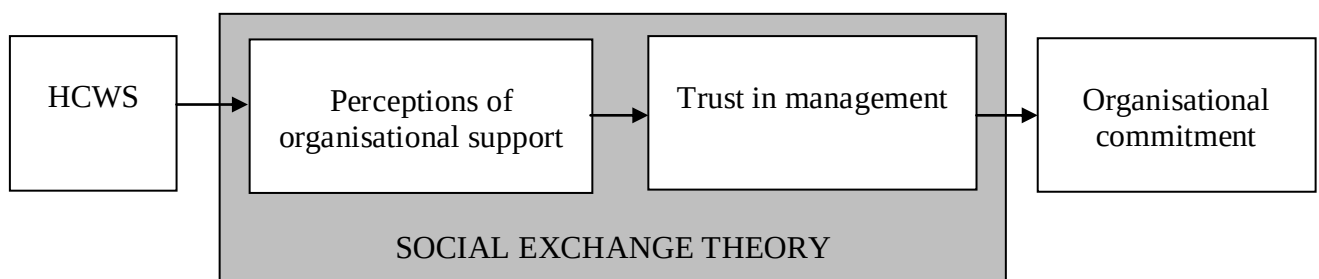
to lead to organisational commitment by mainly considering the social exchange theory and the two main factors that constitute it – perceptions of organisational support and trust in managers.

3.4.1. Social exchange theory

Gould-Williams (2007:1627) states that the social exchange theory explains how “the exchange of favours creates a sense of obligation or indebtedness on the part of the recipient to the donor; the recipient remains in this state until the donor has been repaid in kind”. In the organisational context, therefore, employees will feel indebted to the organisation when the organisation, through the actions of managers, treats employees favourably. This favourable treatment of employees through the implementation of a HCWS is an investment made by the organisation in its human resources (Bashir *et al.* 2011:67; Koster, 2011:2839). Employees will, as a result, “repay” the organisation or reciprocate the favour through increased loyalty and organisational commitment (Mahal, 2012:40; Whitener, 2001:516; Xiao & Bjorkman, 2006:405).

Whitener’s (2001:522) research further broke down the factors involved in the social exchange theory, and this is illustrated in Figure 3.1 below:

Figure 3.1 Factors constituting the social exchange theory



(Source: Adapted from Whitener, 2001:522)

As can be seen in Figure 3.1, the implementation of HCWS in organisations leads to employees perceiving that the organisation supports them. These positive perceptions of organisational support foster trust in management, which then inspires employees to feel more attached and committed to the organisation (Chen *et al.* 2007:1124). The existence of a HCWS sends signals or messages to employees about the organisation’s intended goodwill towards them as employees (Boon, Den Hartog, Boselie & Paauwe, 2011:141; Bowen & Ostroff, 2004:206). Due to higher organisational commitment levels, employees are then willing to work harder towards achieving the organisation’s strategic goals (Bashir *et al.* 2011:67; Bowen & Ostroff, 2004:204;

Verma *et al.* 2012:10). Organisational commitment, as an individual level outcome of a HCWS, leads to organisational level outcomes of performance and effectiveness as employees feel motivated and put more effort into their work.

The social exchange theory thus addresses the “black box of HCWSs” (Xiao & Bjorkman, 2006:404) by showing how the implementation of a HCWS can be eventually expected to contribute towards organisational performance and effectiveness. As mentioned earlier, perceptions of organisational support and trust are two main factors that constitute the social exchange (Whitener, 2001:522). A brief discussion on each of these factors thus follows.

3.4.2. Perceptions of organisational support

According to Kinnie *et al.* (2005:25), it is not just the mere existence of appropriate HRM practices that leads to the desirable commitment levels in employees. Rather, it is how these HRM practices are implemented and how employees experience and perceive them that will determine individual outcomes such as organisational commitment (Kinnie *et al.* 2005:25). Meyer and Smith (2000:320) point out that HRM practices themselves do not lead to organisational commitment, but that the message conveyed by these practices (i.e. what employees perceive to be the message), is in fact what leads to organisational commitment. For example, Boxall (2012:179) mentions that when employees perceive an increase in their autonomy, through the implementation of HRM practices, they will respond in a positive manner. Perceptions of organisational support thus form the first part of the social exchange theory, as employees will reciprocate the organisation’s efforts of implementing a HCWS if they perceive that it is an act of good faith towards them.

3.4.3. Trust in management

There are two elements of trust with regards to effectively implementing a HCWS that were found to be relevant in the literature. Firstly, the issue of managers trusting their employees’ abilities and intentions and, secondly, the trust that is built up in employees towards their managers (where managers are seen as representatives of the organisation).

Spreitzer and Mishra (1999:162) mention that managerial trust is essential to implementing HR practices (such as HCWS) where managers would need to give up more control in the form of greater employee involvement (e.g. decision making). Therefore, managerial trust means that “managers trust employees when they believe that employees are competent to make good

decisions, concerned about the needs of the organization, reliable, and open to sharing sensitive information” (Spreitzer & Mishra, 1999:179). Involving lower level employees in more important or strategic decisions of the organisation causes managers to feel vulnerable and, unless managers are able to substitute their feelings of vulnerability with trust, it will hinder their efforts to successfully implement HCWS (Spreitzer & Mishra, 1999:162). Spreitzer and Mishra (1999:158-159) consequently offer options on how to overcome the issue of vulnerability by proposing that, besides trust, managers can also provide performance objectives which focus on desired employee behaviours and performance incentives which align employee interests with organisational interests.

With regards to the latter issue of trust in management, Whitener (2001:519) proposes that employee trust in management mediates the relationship between employees’ perceptions of the organisation’s support and their response of organisational commitment. This is illustrated in Figure 3.1, seen in Section 3.5.2.1. As the employer-employee relationship is an important element of HRM (Verma *et al.* 2012:10), it is important that trust is built up over time (Whitener, 2001:518) to ensure that the existence of a HCWS in an organisation actually translates into the desired organisational commitment.

As discussed in this section, the relationship between a HCWS and organisational commitment is best understood when the mediating factors of employee perceptions and trust in management are considered. In order to obtain the goal of superior organisational performance, therefore, organisations need to use HCWSs in order to create positive perceptions of organisational support, build up employee trust and increase employees’ levels of organisational commitment, (Bashir *et al.* 2011:65).

3.5. SUMMARY

This chapter has discussed HCWSs based on an understanding of them as a coherent and integrated system of HR practices implemented in order to lead to the enhanced organisational commitment of employees. In turn, enhanced organisational commitment is expected to contribute to the superior performance of organisations. Issues of organisational performance are critical in the current globally competitive environment that MNCs are operating within. Organisations have also been seen to implement HIWSs and HPWSs which are similar to

HCWSs, although their terminology varies slightly. Despite this variation in terms, it was seen that all three broad categories of systems refer to the ability of HR practices to work together as a coordinated system to bring superior performance to organisations that implement them.

Xiao and Bjorkman's (2006) model was discussed as the model of a HCWS used in the research. This model consists of 15 HCWS practices: promotion from within; careful selection; extensive training and socialisation; job security; enlarged jobs and job rotation; appraisal team; appraisal behaviour; appraisal development; high remuneration; extensive ownership; egalitarianism; participation; information sharing and communication; overarching goals and teamwork. The importance of these 15 HCWS practices to organisations was discussed.

Finally, the chapter examined how HCWSs can be expected to lead to the enhanced organisational commitment of employees. In this regard, the social exchange theory and its main factors, perceptions of organisational support and trust in management, were discussed. From the discussion, it was seen that if employees perceive that their organisation supports them because of the implemented HCWS, it will build up their trust in management and they will reciprocate the perceived goodwill of the organisation by becoming more loyal and committed. This commitment to the organisation is what then leads to increased efforts in their jobs that eventually lead to increased organisational performance. The next chapter, Chapter Four, thus considers organisational commitment in more depth as a consequence of HCWSs.

CHAPTER 4

JOB SATISFACTION AND ORGANISATIONAL COMMITMENT

4.1. INTRODUCTION

Xiao and Bjorkman (2006) proposed that job satisfaction and organisational commitment are specific outcomes of HCWSs. The purpose of this chapter is to discuss the concepts of job satisfaction and organisational commitment as specific outcomes of HCWSs. Table 4.1 below provides a brief and general comparison of the two concepts of job satisfaction and organisational commitment:

Table 4.1 Comparison of job satisfaction and organisational commitment

Job satisfaction	Organisational commitment
Feelings towards aspects of the job and/or working environment	Feelings toward the organisation
Short time orientation concerning how job is currently satisfying needs	Long term concern focusing on willingness to maintain organisational membership
Types usually conceptualised as intrinsic and extrinsic job satisfaction	Components usually conceptualised as affective, continuance and normative commitment

(Source: Bogler & Nir, 2012:301; Humborstad & Perry, 2011:337; Mowday, Steers & Porter, 1979:226; William & Sandler, 1995:4)

In Table 4.1, job satisfaction and organisational commitment can be seen to differ in terms of the focus of employees' feelings, time orientations and how they are conceptualised. As both job satisfaction and organisational commitment are important in different circumstances affecting the behaviour of employees (Porter, Steers, Mowday & Boulian, 1974:604), it is important to understand both constructs as outcomes of HCWSs.

Furthermore, there are various benefits to be accrued by organisations with satisfied and committed employees which include: motivated employees willing to contribute extra effort in their jobs beyond contractual obligations; responsible employees, reducing the need for

monitoring and supervision; employee retention which lowers turnover costs such as recruitment costs; increased acceptance of organisational goals; and greater productivity (Gamble & Huang, 2008:896; Gbadamosi, 2003:279; Mahal, 2012:43; Martin & Roodt, 2008:25). Additionally, improved organisational performance within organisations is considered a direct outcome of organisational commitment, whereby organisational commitment plays a mediating role between HR practices and organisational performance (Chen *et al.* 2007:1135; Coyle-Shapiro, Morrow, Richardson & Dunn, 2012:4240; Guest & Conway, 2011:1691; SamGnanakkan, 2010:56).

Satisfied and committed employees are valuable to organisations (Chen, 2004:438) and the success of organisations, especially in challenging times, is dependent on the existence of satisfied and committed employees (Kipkebut, 2010:45; Lim & Ling, 2012:102). In this regard, job satisfaction and organisational commitment have received much research attention (Adio & Popoola, 2010:176; Gbadamosi, 2003:274; Van Der Westhuizen, Pacheco & Webber, 2012:2662) and the role of HR practices as antecedents of job satisfaction and organisational commitment in particular has been a significant area of HRM research (Kipkebut, 2010:46; Verma *et al.* 2012:10).

According to the social exchange theory discussed in Section 3.4 of Chapter Three, HCWSs affect job satisfaction and organisational commitment if they are perceived by employees to be an expression of the organisation's commitment to them (Meyer & Smith, 2000:329; Chung, Rutherford & Park, 2012:703). Consequently, HCWSs create effective exchange relationships between the organisation and employees, where employees reciprocate the investments they receive from the organisation with organisational commitment (Koster, 2011:2836, 2839). According to the social exchange theory, HCWSs “shape the nature of a firm's exchange with its employees and employees may reciprocate with different types of organisational commitment” (Gong, Law, Chang & Xin, 2009:264). Managers can, therefore, use HCWSs to enhance the job satisfaction and organisational commitment of employees (Koster, 2011:2847; Whitener, 2001:515).

As mentioned earlier, the purpose of this chapter is to discuss the concepts of job satisfaction and organisational commitment as specific outcomes of HCWSs. Section 4.2 thus discusses the types of job satisfaction, job satisfaction theories and the nature of the relationship between job satisfaction and organisational commitment. Section 4.3 then discusses the models and components of organisational commitment, specifically examining affective commitment and

the intention to stay as they relate to HCWSs. Finally, Section 4.4 considers job satisfaction and organisational commitment as they relate to the Chinese and South African contexts.

4.2. JOB SATISFACTION

Job satisfaction has been defined by Amos (2012:432) as “an employee’s attitude towards their work situation”. Job satisfaction is thus a resultant emotional or affective state arising from employees’ evaluation of their current job conditions (Humborstad & Perry, 2011:329; Lambrou, Kontodimopoulous & Niakas, 2010:8; Rayton & Yalabik, 2014:2386). When employees evaluate their job conditions, they form perceptions about (amongst others): the fairness of organisational processes concerning their jobs (Bellou, 2010:12; Otaye & Wong, 2014:202); the condition of their exchange relationship with their organisation (Rayton & Yalabik, 2014:2386); how well their jobs meet their important needs (Adio & Popoola, 2010:176); and job characteristics such as the meaningfulness of work and their level of responsibility (Amos, 2012: 410).

Van Der Westhuizen *et al.* (2012:2661) state that job satisfaction policies are important for successful management strategies in organisations. Adio and Popoola (2010:176) reiterate, declaring that job satisfaction is essential to management within organisations. Past studies have thus linked job satisfaction to antecedents such as: job specific characteristics (Amos, 2012; Hytti, Kautonen & Akola, 2013; Yoon & Thye, 2002); rewards and benefits (Artz, 2010; Newman & Sheikh, 2012; Westover & Taylor, 2010); participative decision making (Appelbaum, Louis, Makarenko, Saluja, Meleshko & Kulbashian, 2013); employee involvement (Zatzick & Iverson, 2011); organisational culture (Bellou, 2010; Bigliardi, Dormio, Galati & Schiuma, 2012; Lok & Crawford, 2004; Lund, 2003; Silverthorne, 2004); leadership and supervision (Lok & Crawford, 2004; Newman & Sheikh, 2012); perceptions of organisational fairness and support (Bellou, 2010; Chung *et al.* 2012) and effective teamwork (Griffin *et al.* 2001).

Additionally, organisational outcomes linked to job satisfaction include: lower intentions to quit and lower employee turnover (Bigliardi *et al.* 2012; Martin & Roodt, 2008; Van Der Westhuizen *et al.* 2012); lower absenteeism (Van Der Westhuizen *et al.* 2012); increased employee engagement (Rayton & Yalabik, 2014); extra-role behaviours beneficial to the organisation

(Bellou, 2010:4; Gounaris & Boukis, 2013); increased customer satisfaction (Pantouvakis & Bouranta, 2013; Gounaris & Boukis, 2013); greater employee productivity (Bigliardi *et al.* 2012; Pantouvakis & Bouranta, 2013; Westover, Westover & Westover, 2010) and greater organisational performance (Bellou, 2010; Westover *et al.* 2010).

4.2.1. Intrinsic and extrinsic job satisfaction

Job satisfaction can be classified into two types of satisfaction: intrinsic job satisfaction and extrinsic job satisfaction (Bogler & Nir, 2012:301; Noordin & Jusoff, 2010:161). Intrinsic job satisfaction refers to job satisfaction gained from performing the work itself and receiving fulfilment from the job (Noordin & Jusoff, 2010:161). Intrinsic job satisfaction thus captures “the notion of self-fulfilment and accomplishments” (Bogler & Nir, 2012:291). Inherent characteristics of the job can lead to job satisfaction (Hytti *et al.* 2013:2038; Judge, Bono & Locke, 2000) and therefore include a sense of variety in and control over the job as well as getting feedback on the job (Amos, 2012:410; Yoon & Thye, 2002).

In contrast, extrinsic job satisfaction refers to the job satisfaction gained through conditions not inherent in the job itself, but that are still part of the job environment (Bogler & Nir, 2012:291; Humborstad & Perry, 2011:337). Conditions that can lead to extrinsic job satisfaction include remuneration (Noordin & Jusoff, 2010:161), job security (Amos, 2012:417; Noordin & Jusoff, 2010:161), organisational policies and co-workers (Amos, 2012:417), amongst others.

It is clearly important that managers are aware of the factors that lead to both intrinsic and extrinsic job satisfaction; together these factors can serve to increase the overall level of total job satisfaction (Chen, 2004:433) of employees. As stated by Westover *et al.* (2010), “understanding the discrete contributors to global job satisfaction empowers employers to make workplace adjustments that will raise the motivation levels and ultimately the performance of their workers”.

4.2.2. Job satisfaction and motivation theories

Adio and Popoola (2010:177) further state that it is difficult to separate job satisfaction from motivation – a view supported by Ayub and Rafif (2011:335) who believe that, although job satisfaction and motivation are distinct concepts, they serve to complement each other. For example, job satisfaction and motivation can be seen to work together, resulting in greater job

performance by employees (Lambrou *et al.* 2010:8). Motivation is thus described by Ali and Ahmed (2009:271) as an “inner force that drives individuals to achieve personal and organisational goals”. Consequently, the inner force of motivation “triggers, directs or maintains goal-directed behaviour” (Amos, 2012:430). Goal-directed behaviour would ideally drive employees to “pursue and satisfy” (Lambrou *et al.* 2010:8) not only their personal needs, but those of the organisation too. Therefore, whereas job satisfaction is an emotional state resulting from the intrinsic and extrinsic conditions of a job, motivation is the force that drives employees to satisfy their needs (Lambrou *et al.* 2010:8). The fulfilment of these needs leads to a state of job satisfaction.

Amos (2012:408) outlines four main categories of these motivation theories: how the job and organisational contexts affect motivation; individual motivation differences; how managerial behaviour affects motivation; and theories considering the entire motivation process. As the job and organisational context motivation theories consider how elements like HR policies and practices affect job satisfaction and motivation (Amos, 2012:410), only this category of job satisfaction and motivation theories was deemed to be the most relevant for the current research. The job context gives rise to the factors leading to intrinsic job satisfaction as “job characteristics determine the extent to which employees experience work to be meaningful” (Amos, 2012:410). On the other hand, the organisational context gives rise to the factors from the broader work environment leading to extrinsic job satisfaction (Humborstad & Perry, 2011:337). According to Amos (2012:409), job and organisational context theories of job satisfaction and motivation are made up of Herzberg’s two-factor theory, job enrichment theory and equity theory. These three job and organisational context motivation theories are thus briefly discussed in the following section.

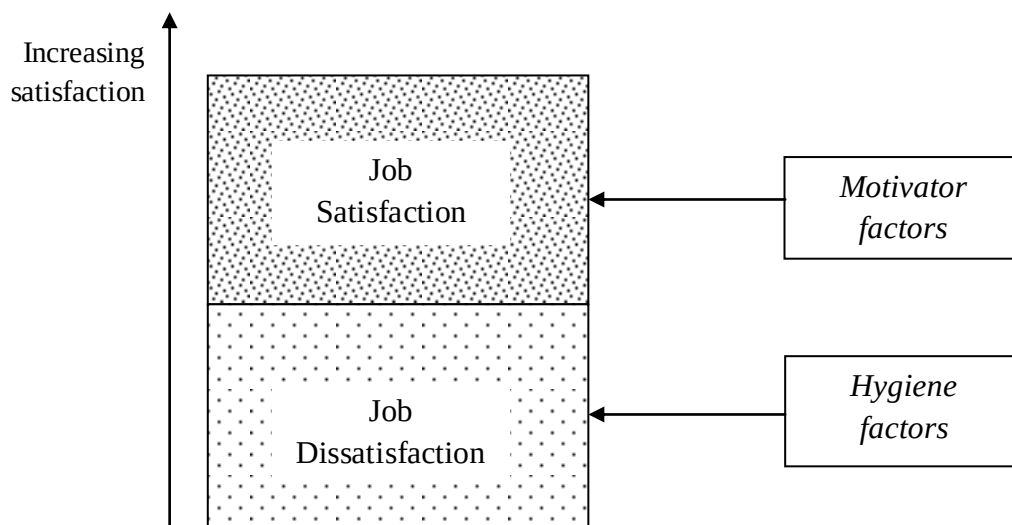
4.2.2.1. Herzberg’s two-factor theory

Herzberg’s two-factor theory postulates that job satisfaction and job dissatisfaction are two distinct phenomena affected by different factors found in the job and organisational environment (Amos, 2012:417; Martin & Roodt, 2008:23). The different aspects of the environment that lead to job satisfaction and job dissatisfaction are thus respectively categorised under two factors – motivator factors and hygiene factors (Amos, 2012:417).

Hygiene factors are factors extrinsic to but still related to the job (Martin & Roodt, 2008:24). Hygiene factors are thus non-task characteristics of the job context that have the potential to lead

to employee job dissatisfaction (Amos, 2012:417). Examples of hygiene factors could be: working conditions, managerial practices, organisational policies, supervisors and co-workers (Amos, 2012:417). Whereas the absence of favourable hygiene factors can lead to job dissatisfaction, their presence does not necessarily ensure job satisfaction (Amos, 2012:417). Figure 4.1 below thus further illustrates which factor leads to each distinct phenomenon of job satisfaction and job dissatisfaction:

Figure 4.1 Levels of job satisfaction and the two satisfaction factors



(Source: Researcher's own construction)

From Figure 4.1, it is seen that, whereas hygiene factors relate to job dissatisfaction, motivator factors relate to job satisfaction. The presence of hygiene factors leads to a lack of job dissatisfaction, while motivator factors lead to feelings of job satisfaction. In order for motivator factors to be effective, however, employees should at least be in a state where they are not experiencing job dissatisfaction (Amos, 2012:417).

Motivator factors are those factors relating to the job that actually “create positive feelings among employees” (Amos, 2012:417). Motivator factors would thus be factors that have the potential to actually create feelings of job satisfaction such as: challenging work, opportunities for growth, responsibility and recognition (Amos, 2012:417). Consequently, Martin and Roodt (2008:24) refer to motivator factors as “intrinsic factors believed to involve mainly aspects of the job itself”. Managers therefore need to implement job satisfaction policies that consider both hygiene and motivator factors in order to motivate staff and create conditions conducive to job satisfaction for all employees (Amos, 2012:417).

4.2.2.2. Job enrichment theory

The job enrichment theory proposes that employee motivation and job satisfaction can be formed through the characteristics of the job itself (Amos, 2012:419). There are five key job characteristics highlighted by the job enrichment theory that are believed to lead to increased job satisfaction (Hytti *et al.* 2013). The five characteristics proposed by the job enrichment theory are summarised in Table 4.2 below:

Table 4.2 The job enrichment theory and motivating job characteristics

Job characteristic	Description
Autonomy	Freedom and discretion to decide when, where and how to carry out the job
Variety	Degree to which the job requires the exercise of a number of different skills, abilities or talents
Task identity	Degree to which the job requires the completion of whole and identifiable pieces of work, completing a task from beginning to end with a visible outcome
Task significance	Perception of one's job having a positive impact on other people
Feedback	Opportunity to receive direct and clear information about the effectiveness of work performance after completing a task; either directly from the task itself or from other people

(Source: Adapted from Hytti *et al.* 2013)

The five job characteristics shown in Table 4.2 – autonomy, variety, task identity, task significance and feedback – are a way to create “intrinsically enriched jobs” (Judge *et al.* 2000). According to the job enrichment theory, therefore, when a job has these characteristics, employees will experience meaningfulness and responsibility in their work, which will create feelings of job satisfaction (Griffin *et al.* 2001; Judge *et al.* 2000; Zatzick & Iverson, 2011:3463).

Additionally, Amos (2012:419) points out that enriched jobs will have an effect on employees depending on the strength of each employee's growth need. A growth need is the “desire for personal challenges, a sense of accomplishment and learning” (Amos, 2012:419). Employees

with strong growth needs would welcome and appreciate enriched jobs more than employees with weaker growth needs (Amos, 2012:419). Therefore, although the job enrichment theory predicts that the five key characteristics in Table 4.2 will lead to job satisfaction, the outcome of job satisfaction, however, is mediated by the individual differences of employees as represented by the strength of their individual growth need (Amos, 2012:419).

4.2.2.3. *Equity theory*

Lastly, the equity theory is about “how employees make judgments about whether the organisation is treating them fairly” (Amos, 2012:419). According to the equity theory, perceptions of fair treatment can lead to employees experiencing job satisfaction (Westover *et al.* 2010). In this regard, Eisenberger, Fasalo and Davis-LaMastro (1990, cited in SamGnanakkan, 2010:49) state that “a high level of perceived equity signals to employees that the organisation supports them and has their well-being at heart”. Perceived organisational support resulting from perceptions of equitable treatment thus leads employees to feel satisfied in their jobs (Chung *et al.* 2012).

The equity theory states that employees compare their individual work inputs to the outcomes they receive from the organisation, via mental ratio comparisons (Amos, 2012:420). An employee can feel that he/she is equitably or inequitably treated, as can be seen in Table 4.3:

Table 4.3 Comparisons as determined by the equity theory

State of equity	Comparison of inputs and outcomes	Perception
Equity	Self = Others	“I’m being treated equally”
Inequity	Self < Others	“I’m getting less than I deserve for my efforts”
Inequity	Self > Others	“I’m getting more than I deserve”

(Source: Adapted from Amos, 2012:420)

The mental ratio comparisons shown in Table 4.3 above are formed by employees comparing themselves to others doing similar work. Employees will compare their individual inputs such as

time, effort and education to the outcomes they receive from the organisation such as recognition, promotion and level of pay to those received by others (Amos, 2012:420).

Consequently, if employees feel that their outcomes-inputs ratio is equal to the outcomes-inputs ratio of others', they will feel equitably treated and satisfied in their jobs (Westover *et al.* 2010). In addition, employees are more likely to increase the quality and level of their performance when they feel that they are being treated equitably, and even exhibit positive work behaviour such as helping their colleagues (Cloninger *et al.* 2011:39). However, if employees perceive that their outcomes-inputs ratio is lower than other people's outcomes-inputs ratios, they will feel that they are not receiving fair outcomes for their efforts and other inputs. In such situations, where employees perceive that they are receiving less than what they deserve, it negatively affects their job satisfaction (Westover *et al.* 2010). Perceptions of unfair and inequitable treatment could thus lead employees to decrease their efforts and performance or even leave their jobs if the inequities are not corrected (Cloninger *et al.* 2011:37). Finally, if employees perceive that their inputs-outcomes ratio is greater compared to others, they will feel that they are receiving more than they deserve. In such situations, employees would most likely perform better, increasing their levels of inputs in order to get to a more equitable state (Amos, 2012:421; Gounaris & Boukis, 2013:323).

Organisations stand to benefit from "rewarding individuals equitably" (Cloninger *et al.* 2011:43). According to the equity theory, managers need to be conscious of their employees' perceptions of equity as these perceptions have a bearing on feelings of job satisfaction. In addition, managers need to attempt to treat all their employees in a fair and equitable manner (Amos, 2012:421; Westover *et al.* 2010).

The theories of job satisfaction and motivation discussed in this section thus consider how managers can use the job and organisational contexts to understand and motivate employees, creating a work environment conducive for employees to feel satisfied in their jobs. A consideration of the elements in these theories can help managers implement management policies leading to job satisfaction in their organisations.

4.2.3. Job satisfaction and organisational commitment

Finally, job satisfaction has been linked in several studies to the affective and continuance components of organisational commitment. In some studies, job satisfaction was considered to be positively correlated with affective commitment (e.g. Lumley, Coetzee, Tladinyane & Ferreira, 2011; Martin & Roodt, 2008; Meyer, Stanley, Herscovitch & Topolnytsky, 2002; Top & Gider, 2013), whereas other studies specifically considered job satisfaction as an antecedent of affective commitment (e.g. Brooks & Wallace, 2006; Froese & Xiao, 2012; Hult, 2005; Miao, Newman, Sun & Xu, 2013; Newman & Sheikh, 2012). In particular, a study by Lumley *et al.* (2011:113) found that job satisfaction with pay and the nature of the work correlated most strongly with affective commitment. On the other hand, Newman and Sheikh (2012:352) treated job satisfaction as an antecedent of affective commitment, stating that when employees are satisfied in their jobs it would lead them to reciprocate with increased levels of affective commitment.

With regards to job satisfaction and continuance commitment (conceptualised as “the intention to stay” in the current research), Lumley *et al.* (2011:113) found that they were negatively associated. This is because continuance commitment arises when employees feel that they “need to” (Allen & Meyer, 1990:3) stay with their organisation because of the high perceived costs of leaving (Meyer & Allen, 1991:64). Therefore, if employees have low job satisfaction, they are likely to feel trapped in their jobs if there is a lack of viable alternatives, creating a situation where their continuance commitment is high (Gamble & Tian, 2012:18). Conversely, if employees have high job satisfaction, they are enjoying their jobs and are not likely to feel that they need to remain with their organisation – they remain because they “want to” (Allen & Meyer, 1990). As affective commitment and the intention to stay are the other two outcomes of HCWSs as proposed by Xiao and Bjorkman (2006), they are discussed in the following section.

4.3. ORGANISATIONAL COMMITMENT

A variety of organisational commitment definitions exist (Top & Gider, 2013:669). However, Mathieu and Zajac (1990:171) state that common to most of these definitions is that organisation commitment is considered to be a bond or link that an employee has to their organisation. Organisational commitment has then been defined as “an employee attitude or force that binds an employee to an organisation” (SamGnanakkan, 2010:41). Rashid, Sambasivan and Johari

(2003:709) define organisational commitment as “a psychological state that characterises the employee’s relationship with their organisation with implications in terms of continuing their membership in the organisation”.

There are numerous antecedents of organisational commitment that have been considered in organisational commitment research (Lok, Westwood & Crawford, 2005:493). Organisational commitment has been considered as an outcome of: considerate and empowering leadership styles (Lok & Crawford, 2004:334; Lok *et al.* 2005:509); supportive and innovative organisational cultures (Silverthorne, 2004:597); and organisational communication (Yoon & Thye, 2002:116).

Employee turnover has been the most widely researched outcome of organisational commitment, where a negative relationship has been found between organisational commitment and turnover (Meyer & Allen, 1991:73). Turnover thus results from a lack of committed employees and translates into significant costs to organisations (Silverthorne, 2004:596; Westover *et al.* 2010:376). Costs created by employee turnover arise due to the loss of experienced employees and decreased productivity in the organisation (Silverthorne, 2004:597).

However, as advised by Meyer and Allen (1991:83), managers should not think that the benefits to be accrued from committed employees only relate to limiting turnover. As stated by Silverthorne (2004:597), “anything that can be done to increase organisational commitment will lead to significant benefits to an organisation”. In this regard, Rashid *et al.* (2003:709) state that committed employees are important for the successful implementation of organisational plans and policies. Additionally, committed employees are more willing to work towards organisational performance when compared to uncommitted employees (Meyer & Allen, 1991:83; Postmes, Tanis & De Wit, 2001:229).

Other outcomes of organisational commitment mentioned in the literature thus include both organisational and individual level outcomes such as: organisational performance, productivity, job performance and absenteeism (Brooks & Wallace, 2006:233; Chen, 2004:434; Rashid *et al.* 2003:709).

4.3.1. Models of organisational commitment

Organisational commitment has been measured in various ways (Mathieu & Zajac, 1990:171). Gbadamosi (2003:274) thus states that in organisational commitment literature there are mainly two competing models of commitment – a model by Porter *et al.* (1974) and another by Allen and Meyer (1990).

4.3.1.1. Porter *et al.* (1974) model

Porter *et al.* (1974:604) defined organisational commitment as “the strength of an individual’s identification with and involvement in a particular organisation”. Linking to this definition Porter *et al.* (1974:604) viewed organisational commitment as characterised by three factors shown in Table 4.4 below:

Table 4.4 Porter *et al.* (1974) factors of organisational commitment

Factor	Description
Identification	A strong belief in and acceptance of an organisation’s value and goals
Involvement	A willingness to exert considerable effort on behalf of the organisation
Loyalty	A definite desire to maintain organisational membership

(Source: Gbadamosi, 2003:275; Porter *et al.* 1974:604)

The three factors of organisational commitment according to Porter *et al.* (1974) shown in Table 4.4 above relate to an employee’s identification with, involvement in and loyalty to the organisation (Gbadamosi, 2003:275). The model by Porter *et al.* (1974) thus views organisational commitment from an affective viewpoint and also has behavioural implications (Allen & Meyer, 1990:2, Lok *et al.* 2005:493). Consequently, the way Porter *et al.* (1974) conceptualised organisational commitment means viewing an employee’s relationship with their organisation as an active one, which involves employees’ willingness to invest themselves for the sake of their organisation (Mowday *et al.* 1979:226). Lastly, this model of organisational commitment has been widely used in research since its development 40 years ago (Gbadamosi, 2003:275).

4.3.1.2. Allen and Meyer (1990) model

Allen and Meyer's (1990) model was later presented as an alternative model of organisational commitment to that of Porter *et al.* (1974). Meyer and Allen (1991:63-64) and Wang (2004:650) thus state that Allen and Meyer's (1990) model expanded the concept of organisational commitment beyond just affective means, as conceptualised by Porter *et al.* (1974).

Allen and Meyer (1990:3) conceptualised organisational commitment in relation to beliefs about "one's responsibility to the organisation", viewing this responsibility as "an obligation to remain with the organisation" (Meyer & Allen, 1991:66). Beliefs about one's responsibility to one's organisation were thus considered to be related to one's turnover intentions (Allen & Meyer, 1990:1). Consequently, organisational commitment according to Allen and Meyer (1990:3) was presented as a three-component model that also explains the turnover intentions of employees as shown in Table 4.5 below:

Table 4.5 Allen and Meyer (1990) components of organisational commitment

Component	Description
Affective commitment	Employees stay with the organisation because they <i>want to</i>
Continuance commitment	Employees stay with the organisation because they <i>need to</i>
Normative commitment	Employees stay with the organisation because they <i>feel they ought to</i>

(Source: Allen and Meyer, 1990:3)

Table 4.5 above shows that Allen and Meyer's (1990) model of organisational commitment presents organisational commitment as a multi-dimensional construct (Wang, 2004:650). According to Suliman and Iles (2000:408), considering organisational commitment as a multi-dimensional construct means understanding that organisational commitment "does not develop simply through emotional attachment, perceived costs or moral obligation, but through the interplay of all these three components". Different levels of affective, continuance and normative commitment described in Table 4.5 above therefore arise due to emotional attachments, perceived costs and moral obligations, respectively. Allen and Meyer's (1990) model of

organisational commitment goes beyond just the affective or emotional attachment of employees to their organisations and considers other factors involved in employee turnover intentions, such as perceived costs associated with leaving the organisation (related to continuance commitment) and feelings of obligation to stay with the organisation (related to normative commitment). This model thus illustrates that organisational commitment can be driven by a desire, a need or an obligation to stay with an organisation (Meyer & Allen, 1991:62).

Each component of organisational commitment is considered to represent a distinct psychological state that binds employees to their organisation and develops independently from the other components of organisational commitment (Allen & Meyer, 1990:4-5). Employee on-the-job behaviour can therefore be expected to vary depending on the nature and strength of the three components of organisational commitment (Allen & Meyer, 1990:15; Meyer & Allen, 1991:73). The degree to which an employee is willing to contribute effort towards organisational effectiveness will be dependent on the nature of their organisational commitment (Meyer & Allen, 1991:73).

The model by Allen and Meyer (1990) has thus been cited as the most frequently used one in organisational commitment research (Gamble & Huang, 2008:898; SamGnanakkan, 2010:41). In addition to job satisfaction, Xiao and Bjorkman's (2006) research subsequently used affective commitment and the intention to stay – commitment continuance as identified by Allen and Meyer (1990) – as outcomes of HCWSs. As job satisfaction has already been discussed in Section 4.2, affective commitment and the intention to stay are discussed further in the following sections.

4.3.2. Affective commitment

Meyer and Smith (2000:320) state that organisations will benefit most from a workforce that is affectively committed. Affective commitment has been the most researched and undisputed component of organisational commitment (Glazer, Daniel & Short, 2004:324; Wasti, 2003a:535). The attention given to affective commitment has been due to the fact that it is the main organisational commitment component most directly linked to positive outcomes in organisations, such as performance (Chen *et al.* 2007:1130; Wasti, 2003b:304; Yu & Egri, 2005:336).

Affective commitment is also a distinct outcome of performance based HRM systems (Gong *et al.* 2009:264), such as HCWSs. Research findings by Chen *et al.* (2007:1130) suggest that affective commitment plays a mediating role between an organisation's system of HR practices and job performance. Yu and Egri's (2005:354) research also confirms that HR practices have a significant influence on affective commitment. With regards to the effects of HR practices, affective commitment has been considered in organisational commitment literature as an outcome of: implemented commitment based HR systems (Chow *et al.* 2008), careful selection procedures (Mahal, 2012), training (Barnard & Rodgers, 2000; Newman & Sheikh, 2012), job security (Bashir *et al.* 2011), job rotation (Campion *et al.* 1994), performance appraisals (Froese & Xiao, 2012; Kinnie *et al.* 2005), remuneration (Verma *et al.* 2012), benefits (Miao *et al.* 2013), profit sharing plans (Bayo-Moriones & Larraza-Kintana, 2009), perceived equity (Lim & Ling, 2012), employee participation (Cox *et al.* 2009; Wickramasinghe & Wickramasinghe, 2012); and vertical and open communication (Khan & Khan, 2011; Postmes *et al.* 2001). Finally, it is the "internal consistency and strategic alignment of human resource management systems" (Yu & Egri, 2005:355) such as HCWSs that leads to enhanced affective commitment.

Organisational commitment literature has therefore provided widespread evidence for the positive relationship between HR practices and affective commitment (SamGnanakkan, 2010:49). In order to enhance the affective commitment of employees, managers can implement HRM practices that encourage employees to feel more emotionally attached to their organisation, such as career development, employee participation, training, performance appraisals, recognition and rewards, open communication and teamwork (SamGnanakkan, 2010:43-47). Implementing HCWSs can thus help managers develop "the desired commitment profile" with "employees remaining with the organisation and contributing positively" (Allen & Meyer, 1990:15). Based on the aforementioned HR practices suggested by SamGnanakkan (2010), a HCWS is thus one such HR system that can lead to enhanced affective commitment, resulting in increased performance.

Wickramasinghe and Wickramasinghe (2012:162) thus define affective commitment as an "attachment to the organisation for its own sake, apart from its purely instrumental worth". When employees feel emotionally attached to their organisation, they are most likely to remain with that organisation (Lumley *et al.* 2011:106). Additionally, Allen and Meyer (1990:3) describe affectively committed employees as employees who remain with the organisation because they wish to do so. Those employees who are affectively committed are also most likely

to exhibit positive work behaviours (Glazer *et al.* 2004:326; Mathieu & Zajac, 1990:191), contribute effort towards organisational performance (Meyer & Allen, 1991:74) and stay with their organisation because they “are motivated by a desire” to do so (Glazer *et al.* 2004:326). Gamble and Huang (2008:911) further state that pride will be one of the underlying emotions felt by committed employees and that this pride will manifest itself through employees’ loyalty to their organisation. When employees feel committed and proud of their organisation, they will be more willing not only to stay with the organisation, but also to contribute positively to it (Gamble & Huang, 2008:911).

Research by Meyer *et al.* (2002:38) found perceived organisational support to have a strong positive correlation with affective commitment. Su, Baird and Blair (2013:257) recommend that managers can increase the level of their employees’ emotional attachment to their organisation by being concerned about the wellbeing of employees, thus enhancing their perceived levels of organisational support. When employees believe that the organisation values and cares for them, it will reduce their turnover intentions and encourage them to stay with the organisation (SamGnanakkan, 2010:50). Other antecedents of affective commitment include: job satisfaction (Froese & Xiao, 2012:2157; Top & Gider, 2013:668) employees’ work experiences, factors contributing to employees feeling comfortable in the organisation and competent in their jobs (Allen & Meyer, 1990:4). Research by Wasti (2003b:315) also found that affective commitment was the strongest organisational component that predicted employees’ turnover intentions and Gamble and Tian (2012:20) thus found that affective commitment was negatively related to employee turnover intentions.

Statements measuring affective commitment in Xiao and Bjorkman’s (2006) research were related to employees caring about their organisation, feeling that their values are consistent with those of their organisation and being proud of, willing to put effort into and inspired by their organisation (Xiao & Bjorkman, 2006:418).

4.3.3. Continuance commitment (Intention to stay)

As affective commitment has received a great deal of attention in organisational commitment research, continuance commitment is the second most researched organisational commitment component (Mathieu & Zajac, 1990:172). In this regard, both affective and continuance commitment have been deemed as important to measure (Charles-Pauvers, 2001:216).

Continuance commitment has been described as the “tendency to stay in a firm on the basis of the potential loss or costs associated with leaving the firm” (Gong *et al.* 2009:263). Miao *et al.* (2013:3) additionally state that continuance commitment is the component of organisational commitment “which derives from the perceived opportunity costs of leaving the organisation”. In this regard, employees with high levels of continuance commitment stay with their organisations “because they need to” (Allen & Meyer, 1990:3; Paik *et al.* 2007:1770). Employees with high continuance commitment would therefore stay with their organisations even in adverse situations, because they perceive that there are high costs involved with leaving their organisation (Meyer & Allen, 1991:64; Meyer & Allen, 1997 cited in Rashid *et al.* 2003:709; Paik *et al.* 2007:1770).

Whereas affective commitment represents the attitudinal and emotional component of organisational commitment (Kipkebut, 2010:48; Lumley *et al.* 2011:113), continuance commitment is considered to be more cognitive and calculative in nature (Charles-Pauvers, 2001:214; Glazer *et al.* 2004:327; Mathieu & Zajac, 1990:172). In this regard, Brooks and Wallace (2006:222) state that the concept of “intentions to stay” as expressed by continuance commitment lacks the emotional element implied by the term “commitment”. Continuance commitment is therefore considered to be cognitive and calculative in nature because, although dissatisfied employees may want to leave their organisations, they also consider the costs of doing so (Paik *et al.* 2007:1770; SamGnanakkan, 2010:41). Costs associated with leaving the organisation that lead to high continuance commitment can be work or non-work related costs (Meyer & Allen, 1991:71), or costs related to personal sacrifices and limited alternative employment opportunities (Gbadamosi, 2003:275). In addition, costs associated with personal sacrifices with regards to leaving the organisation differ with each employee (Allen & Meyer, 1990:13). On the other hand, costs associated with limited alternative employment opportunities include economic reasons such forgoing the money they currently earn (Lumley *et al.* 2011:106; Miao *et al.* 2013:3) and/or any benefits they receive from their organisation (Newman & Sheikh, 2012:352).

Continuance commitment arises when employees are faced with undesirable circumstances but fear losing the benefits of being employed by their organisation (Gamble & Tian, 2012:18; Meyer & Allen, 1997 cited in Rashid *et al.* 2003:709). Employees will especially fear losing the benefits of being employed by their organisation when they do not perceive better alternative employment opportunities (Gamble & Tian, 2012:18). When employees do not like their jobs or

organisations but perceive no better alternative employment opportunities, they are likely to feel trapped (Gamble & Tian, 2012:18). If employees feel trapped in their work situation, it can cause employees to feel stressed (Meyer *et al.* 2002:40). Furthermore, employees feeling trapped in their work situations are likely to “emotionally or mentally withdraw from the organisation” (Lok & Crawford, 2004:321), which may affect their performance.

Consequently, continuance commitment has been found to have a positive relationship with turnover intentions (Gamble & Tian, 2012:20) and a negative association with job satisfaction (Lumley *et al.* 2011:113) and on-the-job behaviours beneficial to organisations (Meyer *et al.* 2002:43). In fact, Meyer and Allen (1991:74) and Suliman and Iles (2000:409) mention that it is unlikely that continuance commitment would lead to performance. In some cases, however, continuance commitment could lead to greater performance if employees perceive that “continued employment requires such performance” (Meyer & Allen, 1991:77). For instance, findings from Suliman and Iles’ (2000:417) research suggested that where increased performance guarantees continued organisational membership and receiving organisational benefits, it would lead employees with continuance commitment to increase their performance levels. Therefore, “the higher the perceived cost of leaving the organisation, the higher the expected performance” (Suliman & Iles, 2000:417). However, “where employment is essentially guaranteed, performance may be barely acceptable” (Meyer & Allen, 1991:77). To be more guaranteed of the desired performance, then, managers are advised to rather focus on enhancing the affective commitment and limiting the creation of continuance commitment of employees (Meyer *et al.* 2002:43).

With regards to a relationship with systems of HR practices such as HCWSs, SamGnanakkan (2010:49) states that, although there is widespread support for the positive relationship between HR practices and affective commitment, there is a lack of clearly established evidence in the link between HR practices and continuance commitment.

Finally, researchers have faced challenges when trying to find a way to operationalise continuance commitment (Charles-Pauvers & Wang, 2002:157). Xiao and Bjorkman (2006) chose to operationalise continuance commitment as employees’ intentions to stay with the organisation. Consequently, Xiao and Bjorkman’s (2006:412) research considered employees’ intentions to stay in their current jobs, as well as their intentions to stay with their organisations. Subtracting the period that employees intended to stay in their current jobs from the period they

intend to stay with the organisation thus yielded a more accurate estimation of the long term commitment of employees to their organisation (Xiao & Bjorkman, 2006:412).

4.4. COMMITMENT STUDIES IN CHINESE AND SOUTH AFRICAN CONTEXTS

According to Gamble and Tian (2012:5), “cultural values affect patterns of organisational commitment”. Organisational commitment is clearly “contextual and shaped by dynamics specific to certain cultural and social contexts” (Gbadamosi, 2003:278). Charles-Pauvers and Wang (2002:156, 158) state that the concept of organisational commitment has been mainly researched and tested in the North American context, while little research has been done from an international perspective. Research that explores and discovers more about the antecedents of organisational commitment in non-Western contexts has been limited (Gamble & Huang, 2008:897).

Organisational commitment research carried out in various cultural contexts suggests that the meaning attached to commitment and the predictions of commitment are likely to differ with each cultural context (Glazer *et al.* 2004:325). This is because employees from different cultures interpret aspects of their work differently and respond differently with regards to their organisational commitment (Newman & Sheikh, 2012:352). Consequently, Boyacigiller and Adler (1991 cited in Wasti, 2003a:536) suggest that employees belonging to collectivistic cultures develop organisational commitment through their relationships with their supervisors and co-workers. On the other hand, employees belonging to individualistic cultures develop organisational commitment because of elements like the nature of the job or promotional opportunities (Boyacigiller & Adler, 1991 cited in Wasti, 2003a:536). Glazer *et al.* (2004:326) also point out that the organisational commitment of employees belonging to individualistic cultures is likely to be influenced by idiocentric values such as freedom and achievement, whereas the organisational commitment of employees belonging to communal cultures is likely to be influenced by allocentric values such as respect, tradition and seniority (Glazer *et al.* 2004:326). That being said, it is worth noting that, although general organisational commitment trends can be observed within cultures, variations of organisational commitment antecedents within cultures are still to be expected (Wasti, 2003a:536).

4.4.1. Commitment studies in the Chinese context

Whereas commitment in the Western context is more related to turnover intentions, in the Chinese context commitment seems to be more oriented towards internal development opportunities (Charles-Pauvers & Wang, 2002:159). Furthermore, inter-personal relationships in the Western context are viewed as “a means to an end with the organisation being the object of commitment” (Gamble & Huang, 2008:903). In the relationship oriented Chinese society (Chen, Tsui & Farh, 2002:340), however, inter-personal networks are the main object of commitment and represent the organisation’s exchange relationship with employees (Gamble & Huang, 2008:903). Chinese employees can thus be seen to be more committed to inter-personal relationships over systems and organisations and it is this commitment to inter-personal relationships that is most likely to affect their performance (Chen *et al.* 2002:352; Newman & Sheikh, 2012:362).

In China, therefore, organisational commitment research undertaken by Charles-Pauvers and Wang (2002:165) found that in a state owned enterprise (SOE), affective commitment was enhanced when employees experienced satisfaction with their colleagues and team managers. Similarly, Miao *et al.* (2013:14) found that satisfaction with supervision and co-worker support led to high levels of affective commitment in Chinese public sector employees. Miao *et al.* (2013:14) explained that their findings present evidence for the importance of social rewards in the Chinese context and the importance of building good relationships for employees to experience career progression. In addition, individuals in China value pleasant inter-personal relationships, so emotional attachments to supervisors and co-workers arise out of this social norm (Wang, 2008:917-918). When employees in China are satisfied with their organisation’s HR practices, it is the nature of these emotional attachments with supervisors and co-workers that have a significant bearing on employees’ overall organisational commitment (Wang, 2008:919, 928).

With regards to continuance commitment, Miao *et al.* (2013:3) state that employees in China’s public sector still enjoy benefits such as “access to low-cost housing and generous social security and pension” and fear losing these benefits if they leave a public sector organisation. In this regard, public sector employees show high levels of continuance commitment as they “stay with the organisation because of economic reasons” (Miao *et al.* 2013:3). Gong *et al.* (2009:266) also noted that, because employment security and status distinctions are decreasing in Chinese organisations, many employees exhibit continuance commitment as they choose to stay with

those organisations that still offer employment security and status distinctions. Finally, research by Gong *et al.* (2009:272) conducted in China found that HR practices are also important for shaping organisational commitment and performance in the Chinese context.

4.4.2. Commitment studies in the South African context

According to Dia (1996:4), a lack of consistency between national and organisational cultures has the potential to negatively affect the commitment of employees in African organisations. With regards to South African national culture, therefore, “Ubuntu reflects a particular kind of commitment and loyalty to the social group” (Karsten & Illa, 2005:613). In South African organisations, commitment to people and the social group arise due to pressures to “conform to social expectations” (Jackson, 2002b:1005, 1011). In this regard, research by Jackson (2003) in sub-Saharan countries, including South Africa, found that employees also expected loyalty from their employers. It appears that when employees perceive that their employers are also committed to them and that they are being treated with respect and dignity, it will lead to greater feelings of organisational commitment (Mangaliso, 2001:26). Mangaliso (2001:27-28) further outlines factors that can also be expected to lead to greater organisational commitment in the South African organisation, as informed by the values of Ubuntu: allowing employees to create relationships within the organisation, even if they are not work related; celebrating achievements in the organisation to enhance feelings of community and belonging; and implementing consensus based decision making processes.

Furthermore, research by Lumley *et al.* (2011) in the South African context considered how job satisfaction related to the organisational commitment of employees in the information technology (IT) industry. Lumley *et al.* (2011:115) found that, in order to create organisational commitment in the South African IT industry, managers must provide employees with fair pay, challenging work and cultivate positive co-worker relationships. Furthermore, organisational commitment research by Coetzee, Schreuder and Tladinyane (2007:82) in the South African context found that female and white participants valued and were committed to an organisation that showed concern for the employees’ personal and family lives. On the other hand, black South Africans were found to show greater commitment to an organisation where they felt that they had the opportunity to contribute their individual service or to express their loyalty to other people in the organisation (Coetzee *et al.* 2007:82). Finally, in order to enhance the organisational commitment of employees in the African context, it is also recommended that

managers implement HR practices that relate to the job environment, progress the careers of employees and also display humaneness by being concerned about non-work issues that affect employees (Gbadamosi, 2003:279).

4.5. SUMMARY

This chapter has discussed the concepts of job satisfaction and organisational commitment as outcomes of HCWSs and further examined their importance for organisations. Organisations with satisfied and committed employees stand to benefit from a workforce that is: motivated, responsible, unlikely to leave the organisation, productive and performs well. Consequently, committed employees can be seen to be valuable to the success of organisations.

As both job satisfaction and organisational commitment deal with different aspects of the employee's work environment, both are deemed to be important outcomes of HCWSs. In this regard, past research has established a positive relationship between job satisfaction and organisational commitment and HCWS practices such as compensation, job security, career development opportunities, egalitarianism, careful selection, training, performance appraisals, open communication and teamwork.

The chapter discussed the two types of job satisfaction – intrinsic and extrinsic job satisfaction. Furthermore, in considering job satisfaction an inseparable concept from motivation, job satisfaction was explored in the light of job satisfaction and motivation theories in order to develop an understanding of the factors leading to higher job satisfaction within organisations. Specifically, these job satisfaction and motivation theories concerned the job and organisational contexts and were: Herzberg's two-factor theory, job enrichment theory and equity theory.

On the other hand, two components of organisational commitment relevant for HCWSs – affective commitment and continuance commitment (intentions to stay) - were also specifically discussed in the chapter. Whereas affective commitment was seen to be concerned with the emotional attachment employees have with their organisations, continuance commitment was seen to be more cognitive and calculative in nature. Employees with affective commitment thus stay with their organisation because they desire to do so, while employees with continuance commitment stay with their organisation out of a need to do so – usually from

recognition of high costs associated with leaving the organisation. In this regard, affective commitment was seen as the component of organisational commitment most closely related to performance and the desired job behaviours; it is therefore to the benefit of organisations to implement those practices which would seek mostly to enhance affective commitment over continuance commitment.

Cultural values were discovered to affect the meaning attached to organisational commitment by different countries. Accordingly, the chapter finally discussed organisational commitment as considered in the Chinese and South African cultural contexts. In this regard, the chapter provided a brief overview of how the collectivistic nature of both the Chinese and South African cultures mainly leads to the development of organisational commitment through a commitment to social groups and inter-personal relationships. Currently, however, the level of organisational commitment research in non-Western contexts is limited.

Following Chapter Two on organisational cultures and Chapter Three on HCWSs, Chapter Four on organisational commitment is the last chapter of the literature review concerning the current research. The research methodology followed in the current research is discussed next in Chapter Five, highlighting the chosen paradigm, methodology and methods for the research.

CHAPTER 5

RESEARCH DESIGN AND METHODOLOGY

5.1. INTRODUCTION

The purpose of this chapter is to discuss the overall research design and methodology applied to the current research. An overview of research paradigms is given and the interpretive paradigm further discussed in Section 5.2 as the researcher's chosen research paradigm. The chapter also discusses the case study methodology in Section 5.3 and the research methods relevant to case studies are described in Section 5.4. In particular, these research methods are qualitative in nature and comprise of purposive sampling and interviews as a data collection method. Transcriptions and content analysis as qualitative data analysis measures are then discussed in Section 5.5. Due to the qualitative nature of the research methodology, the chapter also considers the important criteria for establishing trustworthy qualitative research in Section 5.6 and the ethical requirements adhered to in Section 5.7. Finally, the limitations of the chosen research methodology are briefly discussed in Section 5.8.

In order to guide the discussion on the appropriate research methodology for the current research, the purpose and objectives of the research as mentioned in Section 1.2 of Chapter One are briefly restated. As mentioned in Chapter One, the purpose of the research was to describe how the organisational culture of a Chinese MNC's South African subsidiary has shaped the nature of its high commitment work system (HCWS) and to assess the consequences thereof on organisational commitment. Linked to this purpose are the following research objectives:

- to identify and describe the subsidiary's dominant type(s) of organisational culture(s);
- to describe the nature of the subsidiary's HCWS;
- to explain how the organisational culture has shaped the nature of the HCWS;
- to describe the organisational commitment of employees at the subsidiary;
- to assess the consequences of the subsidiary's HCWS on the organisational commitment of employees;
- and, finally, given its organisational culture and HCWS, to make recommendations on how the subsidiary can more effectively manage the organisational commitment of its employees towards superior organisational performance.

With the research purpose and objectives in mind, the following section discusses the overall research paradigm that was utilised for the research.

5.2. RESEARCH PARADIGM

Collis and Hussey (2009:11) describe a research paradigm as a scientific practice that relates to “how research should be conducted”. A research paradigm can therefore be seen as an approach to the research process which is based on certain underlying assumptions and principles that will guide the application of particular research methods and techniques to be used during the research process (Babbie & Mouton, 2006:49).

The assumptions and principles underlying the different research paradigms refer to: the nature of reality; the relationship between the researcher and object of research; the role of values; the language of research and the methodological process of research (Collis & Hussey, 2009:58).

In particular, two research paradigms relating to the abovementioned assumptions and seen as occupying opposite ends of the research paradigm continuum are predominantly found in the literature (Collis & Hussey, 2009:57; Saunders, Lewis & Thornhill, 2000:85). These two main research paradigms are: positivism and interpretivism (Collis & Hussey, 2009:57). Positivism, which is more popular with natural scientists (Saunders *et al.* 2000:85), applies a deductive approach to the research process (Collis & Hussey, 2009:56). Interpretivism, in contrast, applies an inductive and interpretive approach to the research process, especially placing an emphasis on the context of the social phenomena being researched (Babbie & Mouton, 2006:270; Collis & Hussey, 2009:56-57). Furthermore, positivism can be seen as applying a quantitative approach to research, whereas interpretivism is seen as applying a qualitative approach to research (Collis & Hussey, 2009:57). Key features further distinguishing the positivism and interpretivism research paradigms can also be seen in Table 5.1:

Table 5.1 Features of the positivism and interpretivism paradigms

Positivism	Interpretivism
Produces quantitative data	Produces qualitative data
Data is highly specific and precise	Data is rich and subjective
Uses large samples	Uses small samples
Concerned with hypothesis testing	Concerned with generating theories
The location is artificial	The location is natural
Reliability is high	Reliability is low
Validity is low	Validity is high
Generalises from sample to population	Generalises from one setting to another

(Source: Adapted from Collis and Hussey, 2009:62).

Saunders *et al.* (2000:86) thus state that choosing the “better” research paradigm for each research process “depends on the research questions you are seeking to answer”. Choosing which research paradigm to apply to a particular research process, therefore, will be a matter of knowing which of the two paradigms described in Table 5.1 would be the most appropriate to fulfil the purpose of that research. Consequently, in order to achieve the previously stated purpose of the research, interpretivism was deemed to be the more appropriate paradigm for the current research process. The appropriateness of interpretivism for this research based on Table 5.1 is thus further discussed in the next section.

5.2.1. Interpretivism

Interpretivism is a research paradigm that has also been described as utilising the ‘phenomenological’ or ‘qualitative’ approaches to research which is concerned with understanding social phenomena and their meanings (Collis & Hussey, 2009:58, 65). As further stated by Struwig and Stead (2013:14), the main goal of research under the interpretivism paradigm utilising this phenomenological approach is to “illustrate the range of meanings of a

phenomenon”. Qualitative data gives support to the process of interpreting and understanding meanings behind the social phenomena being researched (Collis & Hussey, 2009:43; Struwig & Stead, 2013:182). Qualitative data therefore leads to ‘rich and detailed’ descriptions facilitating in-depth understanding of social phenomena (Babbie & Mouton, 2006:270; Collis & Hussey, 2009:62).

In particular, social phenomena are understood from an insider’s view where research participants are invited to share their unique perspectives (Cooper & Schindler, 2006:217; Struwig & Stead, 2013:11); this insider view is referred to as adopting an “emic perspective” (Babbie & Mouton, 2006:53) to understanding social phenomena. Interpretivism, then, focuses on the meaning of social phenomena as provided by insiders or research participants, rather than focusing on quantities relating to the phenomena (Collis & Hussey, 2009:64). In this regard, it is important to note that individuals do not experience these phenomena in a vacuum, necessitating contextualisation in research conducted under the interpretivism paradigm (Collis & Hussey, 2009:43; Struwig & Stead, 2013:11). Contextualisation would be giving “a comprehensive description of the environment or social context of participants” (Struwig & Stead, 2013:11). As contextualisation is a critical part of interpretivist research, the context of this research was given in Chapter One and is also discussed further in terms of the case study research methodology in Section 5.3.

While the features of the two main research paradigms were highlighted in Table 5.1, the features of interpretivism include producing rich and subjective qualitative data; using small samples; being concerned with generating theories; conducted in a natural location; having low reliability and high validity; and generalising from one setting to another (Collis & Hussey, 2009:62). Each of these features is subsequently explained.

Rich and subjective qualitative data

Interpretivism leads to the generation of rich and subjective qualitative data (Collis & Hussey, 2009:62) in order to fulfil the aim of adequately describing and understanding the observed social phenomena (Babbie & Mouton, 2006:270). Qualitative data may include data in the form of words, pictures, films and music (Struwig & Stead, 2013:12). This rich and subjective data is essential to providing ‘thick’ descriptions of the social phenomena – detailed descriptions that place the social phenomena in the contexts given by insiders or research participants (Babbie & Mouton, 2006:272; Cooper & Schindler, 2006:217). As interpretivism adopts an emic

perspective to research, the data is understood from the participant's view, hence it will be subjective. In addition, to generate rich data, qualitative data can be collected from several sources; this is known as 'data triangulation' (Collis & Hussey, 2009:85). Different sources of data will give rise to different perspectives which enrich descriptions of the social phenomena being researched (Cooper & Schindler, 2006:217).

Small samples

According to Collis and Hussey (2009:62), large sample sizes are not as much of a concern to the interpretivism paradigm as compared to the positivism paradigm. It is quantitative research that places an emphasis on conducting research using large and representative samples (Struwig & Stead, 2013:3). Research which provides in-depth understanding of social phenomena, however, may have small samples selected purposively (Saunders *et al.* 2000:170). Sample sizes of interpretivist research are thus generally small and drawn through non-probability sampling methods as the collected data will not be subjected to statistical analysis (Cooper & Schindler, 2006:203-204; Sekaran & Bougie, 2009:297).

Generating theories

Zikmund (2003:41) defines a theory as a "coherent set of general propositions, used as principles of explanation of the apparent relationships of certain observed phenomena". Interpretivism is concerned with the use of an inductive approach to generate theories from the interpretation of the data, which leads to a rich and in-depth understanding of social phenomena (Babbie & Mouton, 2006:273; Saunders *et al.* 2000:87). This is in contrast to positivism, which utilises a deductive approach to test established theory and hypotheses (Collis & Hussey, 2009:57, 62). The interpretivist builds or generates theory from interpretations drawn from qualitative data, whereas the positivist tests quantitative data based on theory (Babbie & Mouton, 2006:270, 273). The theories generated through the inductive processes of interpretivism can, however, be further tested through the quantitative means associated with the positivism paradigm (Sekaran & Bougie, 2009:109). Struwig and Stead (2013:182) also go on to mention that qualitative research can also make use of prior theories related to the phenomena, in which case the interpretation of the data is guided by the existing theoretical framework.

A natural location

Qualitative research adopts the emic approach to research, where the participant's view is sought by the researcher (Babbie & Mouton, 2006:270). The best place to conduct qualitative research,

therefore, is in the participants' natural location, where the phenomena actually happens (Saunders *et al.* 2000:89). Yin (2003:13) refers to this natural location as the phenomena's "real-life context". This is in contrast with positivistic research which is conducted in artificial settings where hypotheses are tested (Collis & Hussey, 2009:62). The natural location forms part of the research context, which is essential in interpretive research as it enhances the meaning interpreted from the data gained through in-depth insight (Collis & Hussey, 2009:82, 143; Struwig & Stead, 2013:11).

With regards to adhering to the above features of the interpretive research paradigm, therefore, the current research: used rich and qualitative data; had a small sample; looked to generate theoretical understanding and was conducted in a natural setting. In order to collect rich and subjective qualitative data, interviews were conducted with different sources to achieve data triangulation. Specifically, managerial and non-managerial employees from the subsidiary were interviewed across different departments comprising sales, human resources, marketing and finance. The sample size was also small, consisting of 12 research participants drawn through a non-probability, purposive sampling method. Furthermore, in analysing the qualitative data, existing theoretical frameworks were used to guide the process of drawing useful meanings from the data, generating theories to explain the phenomena of the organisational culture, HCWSs and organisational commitment at the subsidiary. Finally, in terms of carrying out the research in a natural location, individual interviews were conducted with participants in a meeting room at the subsidiary's offices. Conducting interviews at a location natural to participants also enabled the researcher to generally observe the features of the subsidiary's general work environment. In addition, issues of reliability, validity and generalising as they pertain to the interpretive paradigm, are discussed in Section 5.6 which provides an overview of the quality criteria necessary for establishing trustworthy qualitative research.

Considering these features of interpretivism, the interpretive research paradigm can be seen to be quite distinct from the positivistic paradigm in a number of ways as discussed in this section. The differences between these two research paradigms also mean that there are different research methodologies that would be relevant under each research paradigm. Following now is a discussion of research methodology applied under the interpretive research paradigm.

5.3. RESEARCH METHODOLOGY

The research methodology to be applied in any research process is determined by the type of research paradigm chosen, as it needs to conform to the assumptions of the chosen research paradigm (Collis & Hussey, 2009:73). Saunders *et al.* (2000:92) state that the research methodology is also a general guideline as to how the research questions will be answered. Yin (2003:3) reiterates that each research methodology “is a different way of collecting and analysing empirical evidence, following its own logic.” Yin (2003:5-7) thus offers a helpful guideline for the choice of research methodology to be used in a particular research process. Specifically, Yin (2003:5-7) recommends that in making the choice for an appropriate research methodology, three factors to be considered would be: the type of research question; extent of control over behavioural events and the degree of focus on contemporary events. These factors as they apply to different research methodologies can therefore be seen in Table 5.2:

Table 5.2 The different research methodologies and their relevant situations

Research methodology	Type of research question	Control over behavioural events	Focus on contemporary events
Experiment	How? Why?	Some control	Yes
Survey	Who? What? Where? How many? How much?	No control	Yes
Archival analysis	Who? What? Where? How many? How much?	No control	Yes/No
Historical	How? Why?	No control	No
Case Study	How? Why?	No control	Yes

(Source: Adapted from Yin, 2003:5)

Considering the factors in Table 5.2 proposed by Yin (2003:5-7) of choosing an appropriate research methodology, the case study methodology was deemed the most appropriate for the current research. Briefly, the case study methodology would enable the fulfilment of the research questions posed in the current research as the research questions are descriptive and explanatory in nature, i.e. mainly ‘how?’ questions. Secondly, the research does not seek to exercise any control over the behaviours but rather seeks to understand and draw meaning from participants at the subsidiary level. Lastly, as the events to be researched are contemporary in nature, the case

study would further be deemed as the most useful research methodology to apply to the current research. The nature of the case study methodology as an appropriate research methodology is thus discussed in further detail in the following section.

5.3.1. Case study methodology

Yin (2003:13) defines a case study as “an empirical enquiry that investigates a contemporary phenomenon within its real life context, especially when the boundaries between phenomenon and context are not clearly evident.” Babbie and Mouton (2006:84, 281) then add that a particular defining feature of case studies is their emphasis on the research case or the individual unit of analysis that the researcher is interested in. In business research particularly, the case is often an organisation (Babbie & Mouton, 2006:279) and real life phenomena such as organisational and managerial processes (Yin, 2003:2) are usually the focus of case study research, as can be seen in the current research of the Chinese organisation operating in South Africa. Case studies allow researchers’ knowledge of the research case, in this case an organisation, to be enhanced through understanding complex social phenomena (Yin, 2003:1-2).

The context of the case is another important defining feature of case study research as contextualisation enhances the process of understanding and interpreting the meaning provided by the thick descriptions of the phenomena (Collis & Hussey, 2009:82, 143; Cooper & Schindler, 2006:142, 217; Struwig & Stead, 2013:11). Contextualisation will therefore involve giving an ample description of the case’s social context and environment (Struwig & Stead, 2013:11). The establishment of the context can be achieved through providing background information on the case with regards to time, location and environmental influences (Collis & Hussey, 2009:143). In this regard, Chapter One provided a context to the research pertaining to China’s presence in South Africa, and both the multinational and sales natures of the Chinese organisation under research. The literature review is also useful for contextualisation (Collis & Hussey, 2009:143) and Chapters Two, Three and Four added to the research context by providing theoretical discussions on the organisational culture, HCWS and organisational commitment phenomena.

Case studies can furthermore be seen to be illustrative, descriptive, or explanatory in nature (Collis & Hussey, 2009:82), as seen in Table 5.3:

Table 5.3 Different types and purposes of case studies

Type	Purpose
Illustrative case study	Illustrating new and possibly innovative practices
Descriptive case study	Describing current practice
Explanatory case study	Using existing theory to understand and explain what is happening

(Source: Collis & Hussey, 2009:82)

Whereas illustrative case studies are concerned with specifically illustrating new and innovative practices, descriptive case studies are useful for only providing thick descriptions of the current phenomena (Collis & Hussey, 2009:82). However, Babbie and Mouton (2006:81) go on to mention that much qualitative research is not only descriptive, but also seeks to understand the meaning behind those descriptions. In Table 5.3 above explanatory case studies are seen to further enable the understanding and explanations of phenomena as they relate to existing theory.

The case study approach applied to the research was descriptive and explanatory in nature. The research specifically aimed to describe the subsidiary's phenomena of organisational culture, HCWS and organisational commitment in depth. Furthermore, the research sought to explain how the dominant organisational culture has shaped the nature of the subsidiary's HCWS and how this has led to the organisational commitment of employees. In addition, existing theory discussed in the literature review in Chapters Two, Three and Four was used to guide the analysis of collected interview data and make sense of what was happening in the Chinese MNC's South African subsidiary.

Lastly, the case study research methodology requires qualitative data collection methods which are able to generate rich data to be used in the descriptions of the case's phenomena (Sekaran & Bougie, 2009:31). In alignment with the case study research methodology, the following section discusses the qualitative data collection methods for the research, which included the use of non-probability sampling and conducting interviews.

5.4. RESEARCH METHODS

Research methods concern more specific techniques to be employed in the data collection and analysis stages of the research (Saunders *et al.* 2000:92). Ultimately, the chosen data collection and analysis methods, just like the research methodology, also need to align with the overall research paradigm which was chosen (Collis & Hussey, 2009:73). In this regard, data collection pertaining to the interpretive research paradigm and as it applies to the case study methodology is discussed in this section. Firstly, the sample and applied sampling procedure will be discussed, followed by a discussion of interviews as the primarily employed data collection method.

5.4.1. Sample and sampling procedure

Zikmund (2003:70) states that sampling is a procedure used to select a small number of items from a bigger population. In addition, the sampling process needs to be appropriate for the research questions that need to be answered (Zikmund, 2003:71).

5.4.1.1. Selecting a case

With regards to samples in case study research specifically, Cooper and Schindler (2006:217) mention that researchers first select cases that are of particular interest as they offer critical, unusual or extreme cases. As little empirical research has been done at organisational level in the area of the Chinese presence in Africa (Jackson *et al.* 2011:2), this research examines the case of the South African subsidiary of a Chinese MNC. This research, therefore, aims to contribute to build up organisational level knowledge on Chinese presence in South Africa particularly. Furthermore in order to select a case to research, the researcher had to consider that, because of the nature of the study, i.e. researching the phenomena of organisational culture, a HCWS and organisational commitment, a large organisation was more likely to have an established system of HRM practices relevant to the purpose of the research.

The researcher thus proceeded to identify possible cases of large Chinese MNC subsidiaries operating in South Africa, mainly through sourcing information from the internet. After short-listing possible cases, the researcher then made telephone calls to request to conduct research at one of these subsidiaries. Collis and Hussey (2009:46) state that considerable time may be spent at this stage, trying to gain access to an organisation where research may be conducted. It was fortunate that it was with the telephone call made to the very first organisation that the researcher was able to establish a relationship with the HR manager who was open to research being conducted at the subsidiary. At the consent of the HR manager, a follow-up e-mail with two

letters formally introducing the researcher were sent to the HR manager. The first letter (Appendix A) provided the HR manager with more information about the Chinese Organisations in Sub-Sahara Africa Project that the research falls under and explained the researcher's particular role. The second letter (Appendix B) explained the purpose of the research further and included a consent form to conduct research at the subsidiary. The researcher had to then wait for the General Manager (GM) of the subsidiary to give the final approval for the research to be undertaken at the subsidiary before proceeding with further plans to gather data.

As mentioned before, the case that was chosen for the research was a large MNC which operates in the PC industry. The MNC, of Chinese origin, has managed to spread its operations globally, growing steadily and increasing its global market share in the PC industry. With the success of its operations in the global PC industry, the MNC is now focused on increasing its presence in emerging markets such as South Africa. The operations of the Chinese MNC's South African subsidiary are sales and distribution oriented; the core group of employees are therefore salespeople. Furthermore, the South African subsidiary of the Chinese MNC also serves as the headquarters for the African region, as they also have an established presence in the Western and Eastern parts of Africa. The total number of employees employed in the South African subsidiary was approximately 40, which included sales and support staff, as well as employees across all job levels.

5.4.1.2. Sampling procedure

After formal consent was granted by the GM and HR manager of the organisation, the next step in the process was to decide on the units of observation by means of sampling. Sampling, which is a means of selecting a subset of items from a bigger population, is necessary in the research process especially because of time and budget constraints (Zikmund, 2003:369). The researcher thus had to sample participants at the subsidiary who would be interviewed.

Babbie and Mouton (2006:164) define sampling as a process of selecting research participants and further mention that non-probability sampling can lead to finding valuable samples for researching. Cooper and Schindler (2006:203) further mention that sampling for qualitative research uses non-probability methods and Saunders *et al.* (2000:152) also state that, for case study research in particular, non-probability sampling methods are more primarily used. Therefore, in further alignment with the interpretive paradigm that follows a qualitative research approach, purposive sampling, a non-probability sampling method (Cooper & Schindler,

2006:424; Sekaran & Bougie, 2009:276; Zikmund, 2003:382), was used to sample research participants at the selected Chinese organisation.

Purposive sampling is when research participants are sampled because they adhere to certain criteria (Cooper & Schindler, 2006:424); the research participants were targeted because they were deemed to have information useful to the researcher. With purposive sampling the researcher uses personal judgment to select participants who will best answer the research questions (Saunders *et al.* 2000:174). In addition, heterogeneous sampling was used to include a variety of views (Trochim, 2006) from managers and non-managers, salespeople and non-salespeople in the organisation. Heterogeneous sampling is “used to capture a wide range of perspectives...to gain greater insights into a phenomenon by looking at it from all angles” (Laerd Dissertation, 2012). It was not as much of a concern to represent these views proportionally (Trochim, 2006) as much as it was to make sure various views were included and described in the research. Heterogeneous sampling, therefore, enabled the collection of data from various participants in order to “describe and explain key themes” (Saunders *et al.* 2000:174) emerging from various perspectives represented in the data. Collecting data from multiple sources also served to enrich the quality of the data, as multiple perspectives of participants could be taken into consideration in the description of the case study (Babbie & Mouton, 2006:281).

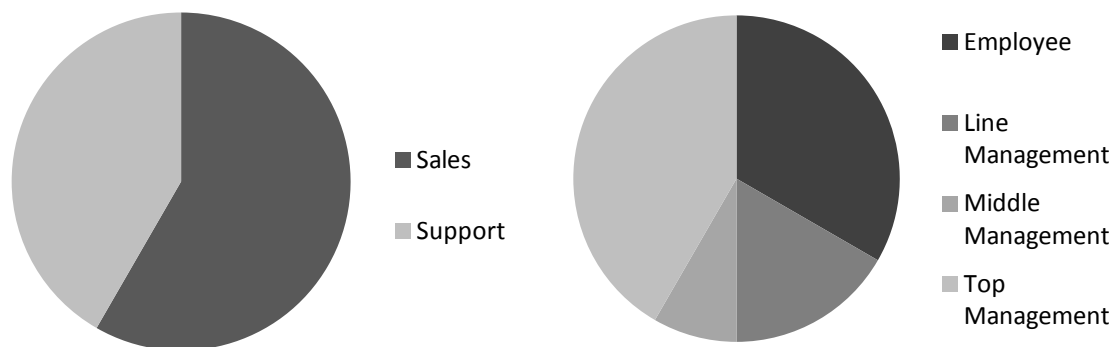
In the case of the research the researcher made a request to the HR manager to interview employees from different job levels and different departments of the subsidiary. Information pertaining to the research purpose was communicated to employees in the organisation and they were invited to participate in the research (Appendix C). Participants who were willing to be interviewed signed a consent form (Appendix D) and were asked to pick one hour interviewing slots during the week when the researcher would be at their subsidiary. In total, 12 employees were willing and able to participate in the research and details of the research participant profile can be seen represented in Table 5.4 and Figure 5.1:

Table 5.4 Profile of research participants

Participant	Department	Job level
P1	Support	Top management
P2	Sales	Top management
P3	Support	Top management
P4	Support	Line management
P5	Sales	Employee
P6	Sales	Employee
P7	Sales	Line management
P8	Sales	Middle management
P9	Sales	Employee
P10	Support	Top management
P11	Support	Top management
P12	Sales	Employee

(Source: Researcher's own compilation)

Figure 5.1 Profile of research participants



(Source: Researcher's own construction)

A total of 12 participants were thus interviewed, as can be seen in Table 5.4 and Figure 5.1, with research participants coming from different departments and job levels in order to give multiple perspectives on the researched phenomena, as recommended by Cooper and Schindler (2006:217). Furthermore, Xiao and Bjorkman (2006:412) treated the department and job levels of employees as antecedents to the measure of a HCWS. Employees working in the core department of the organisation were more likely to be the focus of the implementation of a HCWS, along with employees in higher level jobs (Xiao & Bjorkman, 2006:412). Due to the nature of the subsidiary's sales and distribution operations, core employees were regarded to be those working in the sales department; employees from other departments (finance, human resources and marketing) were considered to be support employees. As mentioned before, research participants were also from across different job levels.

5.4.2. Data collection methods

Babbie and Mouton (2006:270) state that a qualitative research approach requires qualitative data collection methods. Two such means of collecting qualitative data are observations and interviews (Saunders *et al.* 2000:218; Walliman, 2011:192). In addition, Cooper and Schindler (2006:204) as well as Walliman (2011:192) state that interviews are a primary data collection method used in qualitative research, hence their usefulness for the current research. The researcher chose to primarily use interviews to gain in-depth understanding of the organisational culture, HCWS and organisational commitment at the subsidiary, as experienced by the research participants.

5.4.2.1. Interviews

Collis and Hussey (2009:144) describe interviews as a “method for collecting data in which selected participants are asked questions to find out what they do, think, or feel”. Interviews may be structured, semi-structured or unstructured and most qualitative research makes use of semi-structured or unstructured interviews (Cooper & Schindler, 2006:205; Saunders *et al.* 2000:243).

This research made use of semi-structured interviews to gain in-depth perspectives of participants. Semi-structured interviews are made up of pre-set questions that allow the researcher to follow up answers given by participants by asking further probing questions (Cooper & Schindler, 2006:204). Probing therefore allowed the researcher to follow up topics of

interest brought up by the participants (Babbie & Mouton, 2006:289), which could enrich the data collected.

In line with the suggestion of the format for interview schedules made by Cooper and Schindler (2006:364), the interview schedule (Appendix E) used by the researcher had two main categories of interview questions: administrative and target questions.

Firstly, administrative questions requested participants to provide more personal information about themselves. The administrative questions were labelled as Descriptive Biographical Data, forming Section A of the interview schedule. Specifically, the biographical data covered: gender, age, nationality, ethnicity, home language, qualification level, department, job level and approximate organisational tenure. These administrative questions were helpful in providing a meaningful context for the interpretation of the collected data (Cooper & Schindler, 2006:364).

Secondly, target questions are questions specifically focused on achieving the main purpose of the research by addressing particular topics or themes (Saunders *et al.* 2000:244). The target questions were open-ended questions that gave participants a point of reference, however, allowing them to answer as they wish (Cooper & Schindler, 2006:364). Target questions for the current research pertained to the organisational culture, HCWS and organisational commitment. These questions were under Sections B, C and D, respectively in the interview schedule.

The target questions of the interview schedule were based on previous research done by: Cameron and Freeman (1991) in organisational culture and Xiao and Bjorkman (2006) in the topics of a HCWS and organisational commitment. Cameron and Freeman's (1991) framework for types of organisational culture covers four characteristics that help identify and describe an organisation's dominant culture. These four characteristics are: dominant attributes, leadership style, values bonding people and the strategic focus of the organisation (Cameron & Freeman, 1991:28). The organisational culture questions addressed these four specific characteristics of the organisational culture, asking participants to share their perspectives on them.

Xiao and Bjorkman's (2006) measure of a HCWS covered items of HR practices and also provided job satisfaction and two forms of organisational commitment, as outcomes of the HCWS. The practices of the HCWS were: promotion, selection, training, job security, job enlargement, appraisal, remuneration, ownership, egalitarianism, participation, information sharing, overarching goals and teamwork (Xiao & Bjorkman, 2006:419). Job satisfaction and the two forms of organisational commitment, affective commitment and the intention to stay

(continuance commitment) covered in Xiao and Bjorkman's (2006:412) research are therefore seen as consequences of implementing HCWS practices. In this regard, participants were also asked about their current job satisfaction and organisational commitment.

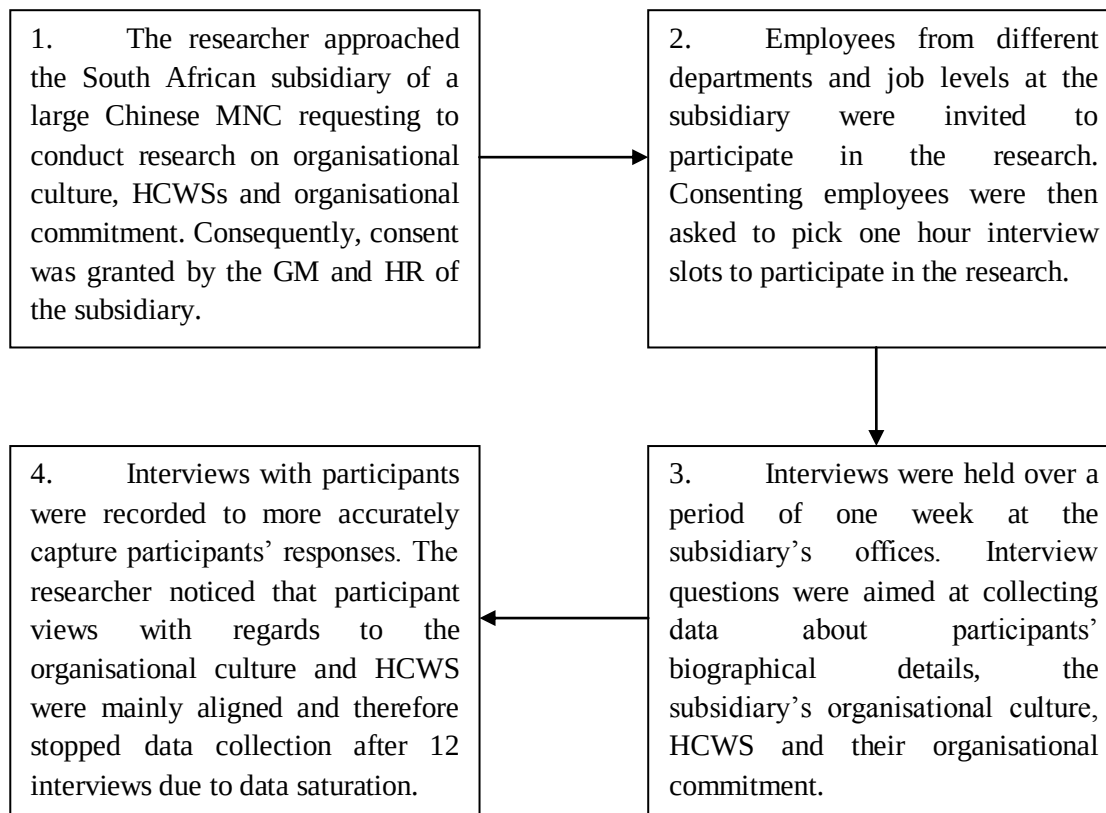
Additionally, the interview schedule also had a final question that invited participants to add anything else they wanted to share with the researcher that they felt was pertinent to the study, but had not come up earlier in the interview. Asking this one final question was in line with Collis and Hussey's (2009:146) recommendation that as the interview draws to an end, it is helpful to ask participants for their final comments.

Permission was also sought from each participant to record the interviews so that the researcher would not have to be preoccupied with making extensive notes during the interview sessions. These interview recordings were thus later transcribed for analysis purposes described in Section 5.5.

Finally, as the data was being collected through the interview sessions, the researcher deemed 12 interviews to be sufficient due to the reason of data saturation. Guest, Bunce and Johnson (2006:65) define data saturation as "the point in data collection when new information produces little or no change". Additional interviews with participants were found to be revealing marginally different information, especially after about the eighth interview. The researcher noticed that participants were more or less giving similar perceptions and thoughts, especially pertaining to the subsidiary's culture and HCWS. According to Guest *et al.* (2006:75), if a particular experience or domain of knowledge is more widely distributed among the participants, a smaller sample size is sufficient for understanding the phenomena under research.

As this section has discussed the research methods applied in collecting data at the Chinese MNC's subsidiary, Figure 5.2 provides a summary of the researcher's data collection process:

Figure 5.2 Summary of the data collection process



(Source: Researcher's own construction)

After the researcher had collected data at the subsidiary through conducting interviews, the data was analysed by qualitative means discussed in the following section.

5.5. DATA ANALYSIS

Babbie and Mouton (2006:283) mention that data analysis strategies in case study research will incorporate developing conceptual categories of the qualitative data collected from interviews. To this end, a transcription process was required in order to convert the audio data recorded during the interviews held with participants into text (Gelo, Braakmann & Benetka, 2008:276) that could be developed into categories for further analysis. Once the data was converted into text, it was then ready for qualitative content analysis. This section, then, discusses the two aspects of the qualitative data analysis process followed in the research – transcription and content analysis.

5.5.1. Transcription

Audio data recorded during interviews should be first converted into written text before it can be further analysed (Gelo *et al.* 2008:276). Converting this audio data into text is known as the transcription process and is an important first step in the qualitative data analysis stage (Bailey, 2008:129). As the transcription process can also enhance the trustworthiness of qualitative research, it is important that it is not ignored in the research report (Davidson, 2009:45). This section therefore briefly outlines how the transcription process for the 12 interviews was carried out for the research.

Davidson (2009:38) states that it is not possible to record all elements of the interview recordings, so researchers need to select what to include in the transcription of interviews. For this reason, the transcription of interviews carried out at the subsidiary only recorded the verbal responses of participants, capturing verbatim responses. This selection of data considered as significant for transcription reflects assumptions about what the researcher believed to be relevant for the research (Bailey, 2008:128). Specifically, relevant data was considered to be the verbal responses given by participants, and not any other non-verbal behaviour such as body language. This is because the researcher was interested in gaining an in-depth perspective of participants' descriptions of the organisational culture, HCWS and organisational commitment; non-verbal behaviour was therefore deemed not to be as relevant. Once the verbal responses of all research participants were converted into verbatim text, the researcher then used the written data for content analysis.

5.5.2. Content analysis

Qualitative text data derived from the transcription of audio recorded data needs to be further analysed or interpreted using qualitative content analysis (Cooper & Schindler, 2006:448; Gelo *et al.* 2008:276; Remenyi, 1996). Qualitative data analysis is also referred to as data interpretation with the end result being deriving meaning from the data (Gelo *et al.* 2008:277). During case study research, therefore, data analysis organises categories of the data into meaningful findings using content analysis (Babbie & Mouton, 2006:283).

Content analysis is an extensively used process in qualitative research, whereby text data undergoes a systematic process of coding so meaning can be drawn from the data (Collis & Hussey, 2009:164; Cooper & Schindler, 2006:449). According to Silverman (2004, cited in Gelo *et al.* 2008:276), content analysis incorporates identifying patterns of similar instances in the

data and grouping these patterns by means of a coding system. The identified patterns in the data may match with those in the theory (Yin, 1994, cited in Babbie & Mouton, 2006:283) or may be unique instances occurring in the collected data set (Babbie & Mouton, 2006:492). If the researcher finds both patterns of data relevant, i.e. those patterns matched with the theory and emergent patterns, coding for both will be required.

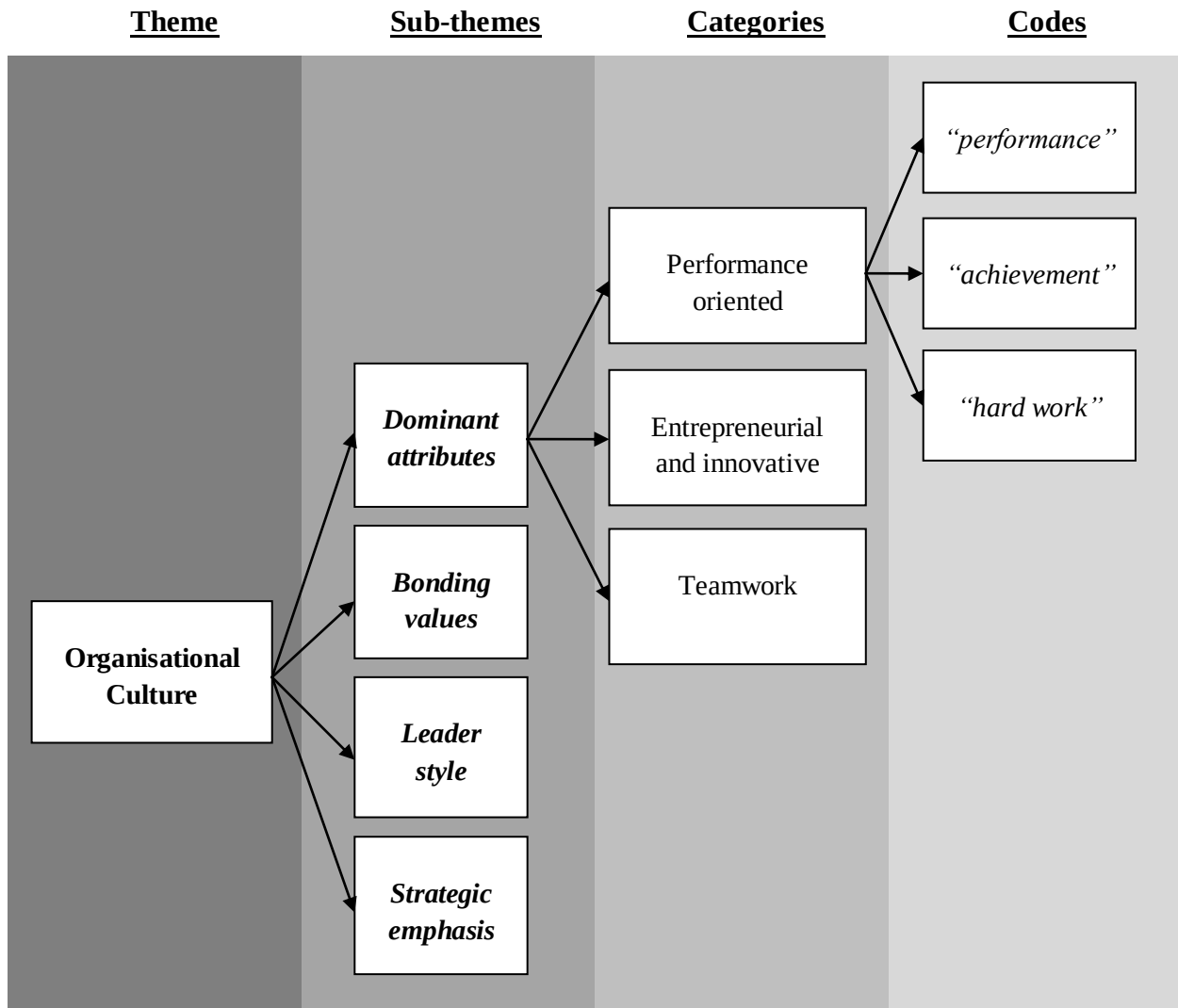
In this regard, Babbie and Mouton (2006:492-493) suggest a process of content analysis that enables researchers to analyse qualitative data using content analysis:

1. Deciding on a level of analysis – the level of analysis may be a word, a phrase, a sentence or a passage that the researcher finds emerges in the data and relates to or exactly matches existing concepts in the theory. New concepts arising from the data may also be deemed to be important by the researcher and may also be included in the analysis.
2. Coding – the emerging instances (i.e. key words, phrases, sentences or passages) from the text data are then labelled with meaningful key codes. Related codes are grouped together and the resultant groups of different codes are formed into different themes (Gelo *et al.* 2008:276).
3. Reading and re-reading – this allows the researcher to better identify the codes and themes arising from the data in order to provide meaningful interpretations. Subsequently, themes may be found to be interrelated and then be abstracted into a new level of themes which will get new labels (Gelo *et al.* 2008:276).

In applying the process of qualitative content analysis recommended above by Babbie and Mouton (2006:492-493), the researcher first organised the data analysis according to three main themes driven by the theoretical framework: organisational culture, HCWS and organisational commitment. Furthermore, content analysis was achieved through analysing the data according to sub-themes under each theme.

The researcher then decided to use instances of words, phrases, sentences and passages as the different levels of analysis. Meanings emerging from the responses of participants under each sub-theme were drawn from words, phrases, sentences and passages in the transcribed text and were each used as codes. Similar codes were grouped together as one category and each category was assigned to a particular sub-theme. Figure 5.3 thus provides an example pertaining to how organisational culture data was analysed according to the theoretical sub-themes, with the given categories and codes emerging from the data:

Figure 5.3 Illustration of data analysis theme, sub-themes, categories and codes



(Source: Researcher's own construction)

The content analysis process depicted in Figure 5.3 shows that the organisational culture theme was analysed according to the four sub-themes deemed to be characteristics of organisational cultures – dominant attributes, bonding values, leader style and strategic emphasis (Cameron & Freeman, 1991). From the coding process, related codes emerging during the analysis of each sub-theme were grouped together representing distinct categories. In Figure 5.3 the codes “performance”, “achievement” and “hard work” were deemed by the researcher to be all related and were grouped under the “Performance oriented” category of the “Dominant attributes” sub-theme. Figure 5.3 illustrates the general content analysis process that was followed in analysing each sub-theme of the main theoretical themes. The sub-themes of the HCWS data analysis were represented by the 13 HCWS practises - promotion, selection, training, job security, job

enlargement, performance appraisal, remuneration, ownership, egalitarianism, participation, information sharing, overarching goals and teamwork (Xiao & Bjorkman, 2006). On the other hand, the sub-themes of organisational commitment were represented by the HCWS consequences identified by Xiao and Bjorkman (2006) – job satisfaction, affective commitment and the intention to stay. The research findings discussed in Chapter Six were thus organised according to the themes, sub-themes and emerging categories of data discussed in this section.

5.6. QUALITATIVE QUALITY CRITERIA

Golafshani (2003:600) states that both quantitative and qualitative researchers need to make every effort to ensure that their research is deemed as credible. However, the way in which quantitative and qualitative researchers achieve or establish this credibility will differ (Babbie & Mouton, 2006:276; Golafshani, 2003:600). Whereas quantitative researchers speak of validity and reliability, qualitative researchers speak of credibility, transferability dependability and confirmability (Lincoln & Guba, 1985, cited in Babbie & Mouton, 2006:276). A description of these four qualitative quality criteria as they relate to qualitative research is given in Table 5.5:

Table 5.5 Qualitative quality criteria

Criteria	Description
Credibility	Compatibility between constructed realities that exist in the minds of participants and those attributed to them
Transferability	Extent to which findings can be applied in other contexts with other participants
Dependability	Evidence that if it were to be repeated, with the same participants, in a similar context, findings would be similar
Confirmability	Degree to which findings are the product of the focus of the inquiry and not of the biases of the researcher

(Source: Lincoln & Guba, 1985, cited in Babbie & Mouton, 2006:277-279)

In order to achieve quality research, therefore, the researcher had to take measures to ensure that the above four criteria in Table 5.5 are characteristic of the research process.

Firstly, with regards to achieving credibility, the researcher strove to maintain accuracy in factual descriptions of the case study, linking the theory to the data and in the analysis of participants' responses. This makes it easier to validate that there is compatibility between the meaning assigned to participants' responses and what participants actually meant. Secondly, as transferability depends on the research being carried out in similar contexts, a descriptive context of the case was provided which included the nature of the South African PC industry, the sales and distribution nature of the Chinese MNC's South African subsidiary, as well as descriptions of the Chinese and South African cultures. Detailed and clear descriptions can point to which contexts would be regarded as similar to the current research. Thirdly, dependability was achieved by keeping an accurate and transparent trail of what happened during the research process, mainly covered in this chapter on the research design and methodology in order to allow for the assessment of the research techniques' rigour. Lastly, confirmability was achieved through data triangulation by collecting data from different sources, leaving less space for researcher bias to dominate the interpretations of the research. In this way, it created greater probability for the research findings to come directly from the data corroborated from different sources, rather than be heavily influenced by researcher bias.

5.7. ETHICAL CONSIDERATIONS

It is also important that researchers take utmost care to ensure that their research does not bring any harm to participants, and disclose any possible risks associated with the research (Babbie & Mouton, 2006:522). In this regard, important ethical issues that need to be taken into consideration by researchers are: informed consent, confidentiality, anonymity and voluntary participation.

Researchers are ethically required to provide prospective research participants with information regarding the purpose of the research and the possible risks, if any, associated with partaking in the research (Babbie & Mouton, 2006:521). If participants decide to partake in the research, they will have been fully informed of the nature of the research and the nature of their participation. This ethical requirement is known as "informed consent" (Babbie & Mouton, 2006:522). As

mentioned earlier, formal research consent was sought from both the organisation and individual participants. Before each interview, research participants were informed that there were no risks to participating, no personal benefits would accrue to them and there would not be any payment for participation. It is advisable, when it comes to academic research, to not offer any rewards for participating in research as it may influence the responses of participants, leading to bias in the results of the research (Collis & Hussey, 2009:45). Participants willing to be interviewed signed a consent form indicating they had been made aware of information pertaining to the research (Appendices A-D).

Both the organisation and individual participants were further reassured that their identities and responses would be treated with utmost confidence and that responses would be reported on an anonymous basis. Collis and Hussey (2009:45) state that when research participants are assured of confidentiality and anonymity, they are also more likely to share their views openly. In this consideration of confidence and anonymity, each participant was thus assigned an identifying letter which was subsequently used, in place of their names, from the data analysis stage onwards. The identities of the organisation and research participants have been kept confidential to protect participants from any harm that may arise as a result of the findings and discussion of the research.

Lastly, both the organisation and individual participants were also made aware that participation was on a voluntary basis and they could withdraw from the research at any point, should they wish to do so. In this regard, no research participants were coerced into participating in the interviews as is advised by Babbie and Mouton (2006:521) as well as by Collis and Hussey (2009:45).

5.8. LIMITATIONS OF THE RESEARCH METHODOLOGY

Remenyi (1996) states that “in choosing the research paradigm the researcher must be cognisant of the weakness of their preferred approach”. Babbie and Mouton (2006:526) reiterate that “the researcher has an obligation to make the technical shortcomings and failures of the research known”. In this regard, the researcher observed the following limitations to the applied research methodology:

- The use of the interpretive paradigm required the use of qualitative data collection methods. However, the research interview questions were transposed from research instruments that were used in quantitative research.
- The research was also a cross-sectional study, and yet case study research methodology is most effective when carried out as longitudinal research. However, due to time and cost constraints, a cross-sectional study was more practical for the researcher to carry out.
- Lastly, the organisation, although it was of Chinese origin, had no Chinese managers or employees. All employees at the organisation and, consequently, the research participants were South African. The findings of the research could have, therefore, been further enriched by the participation of Chinese employees.

5.9. SUMMARY

This chapter has focused on discussing the research design and methodology that was applied to the research. Specifically, the interpretive research paradigm was chosen as the overall approach to the research. The qualitative nature of the interpretive paradigm further led to the choice of the case study research methodology. Due to the purpose and objectives of the research, the selected case was the South African subsidiary of a Chinese MNC.

At the organisation, purposive sampling was used to select participants to partake in the research. Interviews were conducted with 12 participants from different departments and job levels. Consequently, these interviews allowed for the collection of rich data from multiple perspectives which assisted in enhancing understanding and adding meaning to the data analysis stage. Audio data recorded during interviews was transcribed and the resultant text data analysed using qualitative content analysis.

As the interpretive research paradigm applies a qualitative research process, the four qualitative quality criteria and how they were fulfilled to establish the trustworthiness of the research were also discussed. Specifically, these quality criteria that the research adhered to were: credibility, transferability, dependability and confirmability. Adhering to these four criteria enhances the quality and credibility of the findings. The research also followed the prescribed ethical requirements for the research process which included informed consent, assurance of confidentiality and anonymity for participants as well as voluntary participation. Finally, in

acknowledgement of the weaknesses of the chosen research methodology and methods, the limitations to the research process were also briefly outlined. As this chapter has discussed the applied research process in depth, Chapter Six which follows presents and discusses the findings of the research.

CHAPTER 6

FINDINGS AND DISCUSSION

6.1. INTRODUCTION

The purpose of this chapter is to present and discuss the findings which emerged from the qualitative analysis of data collected at the Chinese MNC's South African subsidiary. As stated in Chapter Five, semi-structured and in-depth interviews were conducted with 12 participants who were from different job functions as well as from different job levels. Collected interview data pertained to participants' views with regards to the organisational culture, the HCWS and organisational commitment. The questions asked in the interviews can be seen in Appendix E, which is the interview schedule.

As outlined in Section 1.2 of Chapter One, the primary aim of the research was to describe how the organisational culture of a Chinese MNC's South African subsidiary has shaped the nature of its HCWS and to assess the consequences thereof on organisational commitment. This chapter will present and discuss the research findings in order to address the first five objectives of the research, which were:

- to identify and describe the subsidiary's dominant type(s) of organisational culture;
- to describe the nature of the subsidiary's HCWS;
- to explain how the organisational culture has shaped the nature of the HCWS;
- to describe the organisational commitment of employees at the subsidiary;
- and, finally, to assess the consequences of the subsidiary's HCWS on the organisational commitment of employees.

As Collis and Hussey (2009:306) recommended that the presentation of qualitative findings should be interspersed with quotations from participants, the findings in the subsequent sections include much of the participants' own words, phrases and sentences (verbatim responses), thereby increasing the trustworthiness and credibility of the research (Struwig & Stead, 2013:136). Findings pertaining to the subsidiary's organisational culture, HCWS and organisational commitment are thereby presented and discussed in Section 6.2, Section 6.3 and Section 6.4 respectively. The chapter will then summarise the key findings of the research in

Section 6.5, in order to form a basis for the conclusions and recommendations to be outlined in Chapter Seven.

6.2. ORGANISATIONAL CULTURE FINDINGS

In order to address the first objective of the research which was to identify and describe the subsidiary's dominant type(s) of organisational culture, this section presents and discusses the findings pertaining to the organisational culture of the subsidiary. Cameron and Freeman's (1991) organisational culture framework was used as a guiding theoretical framework for collecting data on the organisational culture. Cameron and Freeman's (1991:28) organisational culture framework assesses four main characteristics of organisations in order to diagnose organisational culture: dominant attributes, leader style, bonding values and strategic emphases. These four main characteristics of organisational cultures were used as sub-themes in analysing the collected data on organisational culture and are thus used to organise the findings in this section.

6.2.1. Dominant attributes

Cameron and Freeman's (1991:28) framework for diagnosing organisational cultures firstly examines the dominant attributes of an organisation's culture. In order to discover what the employees at the subsidiary perceive to be the dominant attributes of the organisational culture, participants were asked to give and explain the key words that they would use to describe the prominent features of the organisational culture.

With regards to the dominant attributes sub-theme of organisational culture, the categories of findings emerging from the data showed that participants felt the organisational culture at the subsidiary was predominantly: performance driven (P1, P4, P5, P8, P9, P10); entrepreneurial and innovative (P7, P11, P12); and team oriented (P6, P8).

Performance driven

Half of the interviewed participants (P1, P4, P5, P8, P9, P10) expressed that the organisational culture was "very performance oriented" (P4). Some participants also used other words like "driven" (P5) and "focused" (P5) to express that "it's a culture of people that put their head

down and really work hard” (P8). Due to the performance driven nature of the organisational culture, therefore, “hard work” (P1, P8, P10) was the norm as the subsidiary was described as “recognising hard work, but also very firm in terms of managing poor performance” (P1). With the recognition that the subsidiary is “a sales organisation all about selling” (P1) and “achieving numbers” (P9), one of the dominant attributes of the organisational culture was described as very performance driven.

Entrepreneurial and innovative

Due to the dynamic nature of the organisation and its environment, some participants (P7, P11, P12) felt that the subsidiary’s organisational culture also had entrepreneurial and innovative characteristics. In this regard, one participant expressed the view that the organisational culture was “quite energetic”, “fast” and “ever changing” (P7). In addition, the reason for the subsidiary’s “very entrepreneurial culture” (P11) was described as follows by one participant:

Participant	Function	Job level
P11	Support	Top Management

“There’s not a defined process on everything that you do. So you go, as you go you find out, so how you should move forward or whatever the case may be, so. There’s a lot of opportunity to, to set your own grounding and make something happen and it’s also because we new and we changing our business every day. That’s mainly the reason I would say” (P11).

The organisational culture was described as “innovative” (P11, P12) as it required employees to be “innovative” (P11, P12), and “think out the box” (P11) in doing their jobs. The entrepreneurial and innovative characteristics of the organisational culture also enabled employees to perform their jobs successfully in light of the subsidiary’s constantly changing business environment (P11).

Team oriented

Finally, the subsidiary’s organisational culture was also described as team oriented (P6, P8). In particular, one participant stated that the organisational culture was characterised by teamwork where “everyone is willing to do more than their job” and employees “all take on different projects to be part of the team” (P8). As a result of this team orientation, it created a “close and trusting” (P6) environment in the organisation. In this regard, one participant explained:

Participant	Function	Job level
P6	Sales	Employee

“Because it’s small compared to the other multinationals within the country, you get to know your co-workers whereas other places you kind of just stick with your team. Um, ya. Very close, um and ya, trusting” (P6).

Working in teams had thus created a close and trusting culture in the organisation that was described as “quite nice” (P6).

The findings of the dominant attributes of the subsidiary’s organisational culture seem to suggest that as a sales and distribution subsidiary of the Chinese MNC, the subsidiary’s organisational culture is primarily dominated by an emphasis on performance and the achievement of targets. Secondary to the performance driven nature of the subsidiary’s organisational culture, was an emphasis on entrepreneurship and innovation. Finally, the subsidiary’s organisational culture was also described as characterised by a team orientation that draws employees to continuously work together on various tasks that need to be accomplished. As a result, one participant stated that the attribute of teamwork has created a “close and trusting” (P6) organisational culture.

6.2.2. Leader style

Secondly, Cameron and Freeman (1991:28) state that each type of organisational culture will also be characterised by a particular style of leadership. To discover more about the leadership style, participants were asked to describe the particular roles that leadership plays at the subsidiary.

The findings pertaining to the leadership at the subsidiary pointed to the following categories of leadership roles and styles: sharing the vision and strategy (P1, P3, P4, P5, P7, P11, P12); driving achievement (P1, P4, P6, P7, P9, P10, P12); empowering employees (P1, P2, P3); and being involved and leading by example (P2, P8, P11).

Sharing the vision and strategy

More than half the participants (P1, P3, P4, P5, P7, P11, P12) stated that a key role that leaders play is to share the vision and strategy of the Chinese MNC on an ongoing basis. Global and

local leaders share the vision and strategy through “sharing information” (P5) and “presenting where the company is going” (P4). A participant thus stated:

Participant	Function	Job level
P3	Support	Top management

“Out of the 46 000 employees across the world for [the MNC] – if I had to today go and take randomly a hundred of them, and you need to go ask them what is the strategy and the direction in whichever segment you want to describe, you’d get the same answer from all of them because that’s how strong it is from a strategic point of view that everybody understands the strategy and its communicated correctly” (P3).

Leaders at the subsidiary are therefore mainly seen to set the direction (P1, P5, P7) and strongly communicate their “vision” (P1, P7) for the subsidiary, providing “structure” and “discipline” (P5). In addition, as a result of leaders continually sharing the vision and strategy, employees at the subsidiary are all aware of where the overall global Chinese MNC is headed and what its values are in achieving its vision (P3, P11, P12).

Driving achievement expectations

Related to sharing the strategy and vision of the subsidiary, another role that leaders were described as playing was driving achievement expectations through presenting what employees are “expected to do as a part” (P4) of the strategy. In this regard, seven out of the twelve participants (P1, P4, P6, P7, P9, P10, P12) felt that leaders in the subsidiary predominantly drive achievement expectations. Leaders were described as expecting employees to “go out and promote” (P12) the Chinese MNC’s brand. Employees were thus provided with key “objectives” (P1) and “targets” (P10) by their leaders, which they were expected to “deliver” (P9) and “be achieving” (P6).

With regards to leaders communicating and driving achievement expectations, one participant described the global leadership style in particular, as “autocratic” (P10):

Participant	Function	Job level
P10	Support	Top management

“You’re given targets and they say ‘these are your targets, you go and achieve these targets’. There might be challenges that you know you might face in your particular environment or

country, which you don't have in China you know. So um, I'd say to a certain extent it's more autocratic coming from the top" (P10).

In the process of giving employees targets to be achieved, one participant (P10) expressed that they would appreciate greater involvement in the decision making process. On the other hand, another participant (P9) expressed that they would appreciate it if the local leadership at the subsidiary demonstrated an understanding of the challenges they face as employees in achieving those targets.

Empowering employees

Furthermore, in order to succeed at accomplishing the strategy, the role played by leaders at the subsidiary was also described as empowering employees to run with the vision (P1, P3). The local leadership team's role in particular was believed to be to ensure that the Chinese MNC's global strategy is successfully executed in a manner that was suited to local conditions (P3). Leadership behaviours which led to participants believing that leaders empowered employees included leaders entrusting employees with responsibilities towards achieving the vision (P1, P3), empowering employees with pertinent advice in difficult decision making situations (P2) and developing employees into higher level roles through mentorship (P3). Additionally, employees at the subsidiary are viewed as "leaders in their own right" (P1). When given performance targets to achieve, therefore, managers will not be "peering over employees" (P1) in order for them to do their jobs. Employees are thus informed, empowered and trusted by leaders to do the work expected of them.

Being involved and leading by example

Finally, some participants (P2, P7, P8, P11) also felt that the leadership at the subsidiary has been generally "involved" (P2), taking a more "hands-on" (P8) approach in the subsidiary's operations. In this regard, a participant stated:

Participant	Function	Job level
P2	Sales	Top management

"Our GM, what he does very well for me is he visits us; goes to the trenches if I can use that analogy, and he walks the floor and he goes to the customers and he hears from them and sees from them and so on. So that is very good. I think um, a lot of other leaders would send the

people there, but him himself he goes first you know. So that is a very good leadership style” (P2).

The GM was thus described as an “involved” (P2) leader and being involved was viewed as “leading by example” (P11) and going to the “trenches” (P2) himself. In another instance, leaders were also believed to lead by example by showing employees how to “move forward” in living out the cultural values of the organisation (P11). Even the Chinese MNC’s chairperson was seen as someone who is involved and “drives to success until it’s complete” (P7).

The findings of the leadership style appear to suggest that leaders at the subsidiary communicate the vision and strategy regularly, along with the values linked to its vision. In this regard, participants explained that because leaders consistently communicate the vision, strategy and values, all employees are aware of what is expected of them (P3, P11, P12). Additionally, in order for employees to be able to achieve the performance objectives, leaders were seen as empowering employees and involved in the day to day running of the organisation through leading by example. In this regard, leaders were seen as embodying the values that employees were expected to uphold at the subsidiary.

6.2.3. Bonding values

Cameron and Freeman (1991:28) stated that leaders share and reinforce certain values throughout the organisation that will eventually bond employees. The third characteristic of organisational cultures that was examined was the subsidiary’s bonding values.

In order to find out which values bond employees, participants were asked to describe the prevalent values in the subsidiary. Participants at the subsidiary felt that they were mainly bonded by: the MNC’s global values (P1, P2, P3, P4, P11, P12); a commitment to a drive for success (P1, P2, P7, P8, P9, P10); Chinese influenced values (P2, P10, P11) and by teamwork (P6, P8).

MNC’s global values

The Chinese MNC has an explicitly communicated culture statement (P3) that outlines the global values upheld by the organisation. The MNC’s global values specifically pertain to: performing excellently and with integrity, being committed to the organisation, continually growing through new challenges and being innovative (P1, P3, P4, P11, P12). As a result, half of

the participants interviewed (P1, P2, P3, P4, P11, P12) believed that these values created bonding amongst organisational members. These global values inherited from the headquarters of the MNC were described by one participant as being “comprehensive” (P2), and another as “brought down from a global version all the way down and then carried throughout the entire organisation” (P12). Consequently, the MNC’s global values prevail in all its worldwide subsidiaries – “so whether you’re in Nigeria, in the US, or in China, we speak the same language” (P1).

The global organisational values are displayed in the organisation’s meeting rooms, serving as both a reminder to employees and as information for everyone who interacts with the subsidiary (P1, P4) about what the Chinese MNC and its subsidiary stand for. As these values are “highlighted in everything” (P12) employees do; employees are also “measured on” (P4) these values. Those employees seen to embody these global organisational values in their daily work are recognised and rewarded both formally and informally (P1, P8). The subsidiary reinforces these global values through constant communication and rewarding employees who live them out. Finally, the MNC’s global values were also described as driving the performance, behaviour and culture of the subsidiary (P1), defining the way employees do everything (P2, P3).

Commitment to a drive for success

Half of the participants (P1, P2, P7, P8, P9, P10) also expressed that employees at the subsidiary are bonded by a shared commitment to a drive for success. In this regard, one participant explained, “We want to be winners all the time” (P10). Working at the subsidiary is “all about commitment” as employees are there for “the same purpose” (P1). In driving for successful performance, employees and managers at the subsidiary were further described as bonded by a commitment to “achievement” (P8), “excellence” (P2), “professionalism” (P2), “integrity” (P5, P7) and “passion” (P7, P10) in everything they do. Having a commitment to a drive for success is thus essential for the organisation to be a top performer so employees don’t do things half-heartedly; they give it their all (P10).

Chinese influenced values

Some participants (P2, P10, P11) also felt that due to the MNC’s Chinese “heritage” (P2), the subsidiary’s shared values had been influenced by some aspects of the Chinese culture (P2, P10, P11). One participant thus referred to the Chinese “work ethic” stating that “the Chinese work quite hard and there isn’t that mentality that ‘tomorrow’s still another day’” (P10). This

participant felt that since the Chinese culture emphasises a hard working ethic, this aspect of the Chinese culture had filtered through to the rest of the MNC's subsidiaries, including the South African one.

Another participant provided a related but slightly different perspective of the Chinese culture stating that they believed "efficiency" (P11) was an aspect of the Chinese culture that had permeated into the MNC. This participant thus elaborated:

Participant	Function	Job level
P11	Support	Top management

"Having the Chinese element, culture is a very, very important part of what we do here and what we, how we do our tasks...I think because the Chinese culture's about being efficient...Basically, to be efficient and that's really what our industry requires – is you to be as efficient as you possibly can and use your time as most effectively. So that's what I would say is the key values, um to be able to do that, to be able to change your uh, the way you do things every day to be more efficient and more uh, productive" (P11).

These participants therefore felt that the orientations towards hard work, efficiency, adaptability and productivity which they perceived to be aspects of the Chinese culture, had influenced the MNC and subsidiary's shared values. These aspects of the Chinese culture could be seen in how the organisation was "quite results driven" (P10). Finally, the aspects of the Chinese culture were also believed to be the kind of values required for organisational success in the rapidly changing PC industry (P10, P11).

Teamwork

Lastly, two participants (P6, P8) expressed that employees at the subsidiary are also bonded by a team value. This "strong team value" (P8) resulted in a close and cohesive environment that one participant described as "probably like a big family" (P6). The participant further explained:

Participant	Function	Job level
P6	Sales	Employee

"Just within the dynamic of your colleagues in your team you kind of know everyone's business and, not to a detriment, like so you can skinner and whatever, but that so you are aware if someone's going through something and what not" (P6).

Therefore, because this particular Chinese MNC subsidiary was “small compared to other multinationals within the country” (P6), these two participants felt that it enabled employees to “get to know” (P6) their colleagues and created a “very supportive environment” (P8) for teams to be able to achieve their goals.

The findings of the shared values seem to suggest that employees at the subsidiary are mainly bonded by the Chinese MNC’s global values. These global values are constantly communicated at every subsidiary all over the world and place an emphasis on a commitment to performance, excellence and integrity. Employees are thus recognised and rewarded for living out these values. Additionally, the hardworking and efficient elements of the organisational culture were believed to be derived from the MNC’s Chinese cultural heritage, which enables the MNC and its subsidiaries to be results driven and passionate in the pursuit to be number one and capture as much market share as possible. Finally, working in teams was perceived as enabling employees to successfully accomplish the subsidiary’s performance objectives and achieve results within a supportive environment.

6.2.4. Strategic emphases

Lastly, Cameron and Freeman (1991:28) propose that an organisation’s strategic focus in its pursuit of effectiveness will be the fourth and final characteristic by which organisational cultures can be identified. In this regard, the final question that participants were asked with regards to the organisational culture pertained to the subsidiary’s strategic emphases.

Participants were asked to explain what they would say is of strategic (long term) importance to the subsidiary. Categories of findings emerging from the data showed that participants believed that the strategic emphases of the subsidiary were: market leadership (P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12); and growing new markets (P1, P2, P3, P6, P7, P11, P12).

Market leadership

Market leadership in the PC industry was deemed to be a primary strategic focus of the subsidiary, with all participants making reference to it as being important to the Chinese MNC at the moment. The MNC was described as “quite driven to stay on top” (P10). Furthermore, participants stated that the MNC wanted to become “number one” (P1, P2, P4, P7, P9, P10) and be a market “leader” (P3, P7) as: the number one brand internationally (P8) and number one in each country (P7, P8).

Not only was it seen as important to be number one in terms of “market share” (P12), but some participants added that staying there and maintaining that position was also imperative for the organisation (P1, P3, P4, P7, P9, P10, P11). Key factors of competitive advantage that were believed would enable the organisation to be and stay as number one were thus mentioned to be the MNC’s “product offering, top quality and best technology” (P10), as well “disciplined behaviour” (P5) and its distribution channel model (P1, P2).

Growing new markets

The second aspect of the subsidiary’s strategic emphases was stated as growing its market share in markets where it is still “a new entrant” (P3). The organisation therefore has “growth expectations” (P12) that it is working towards, especially in emerging markets. A participant thus stated:

Participant	Function	Job level
P3	Support	Top Management

“The market when it comes to our brand and technology has evolved and is changing significantly. So we have the second part of our business is [that]...incorporates this huge acceleration of things like tablets, smart phones, something that wasn’t there in a big way twelve months ago... something new and some of our competitors have been here for a long time... We’re, let’s say, a new entrant... and we want to attack in emerging markets where the market is maturing” (P3).

Emerging markets and African markets especially are viewed as “the only region where growth for the rest of the business” will come from (P1). Innovation (P2, P7, P12), “new products” (P11), “a proven track record” (P2), “channel capability” (P1, P2) and staff talent (P1, P2) were all cited as key factors that will help the MNC execute its strategy towards growing these new markets.

The findings of the subsidiary’s strategic emphases point to the Chinese MNC being dominantly focused towards being a global market leader in both its current and new markets. In this regard, the Chinese MNC seeks to maintain market leadership while growing in new markets. As an emerging market the African PC industry in particular is believed to represent a big growth opportunity for the subsidiary.

6.2.5. The subsidiary's dominant type(s) of organisational culture

In order to clearly identify the subsidiary's dominant type(s) of organisational culture, key words given by interviewed participants relating to the four organisational culture characteristics proposed by Cameron and Freeman (1991:28) are presented in Table 6.1:

Table 6.1 Key words given by participants relating to the organisational culture

Characteristic	Clan	Adhocracy	Market	Hierarchy
Dominant attributes	"team" "close"	"entrepreneurial" "innovative" "ever changing" "think out the box"	"performance oriented" "results driven" "achieving" "targets" "work hard"	-
Leader style	"empowering" "developing employees" "involved"	"sharing vision"	"setting direction" "focus on strategies" "driving achievement" "discipline" "autocratic"	-

Characteristic	Clan	Adhocracy	Market	Hierarchy
Bonding values	“team”	“innovation” “growing”	“performance” “drive for success”	“being efficient”
Strategic emphases	-	“innovate” “growth”	“market leader” “number one” “best” “market share driven” “profitability” “attack”	-

(Source: Researcher’s own compilation)

The key words shown in Table 6.1 suggest that the dominant type of organisational culture in the subsidiary is the market culture. Although to a lesser extent than the market culture, other organisational culture types are also present in the organisation and can be observed from the key words used by participants as presented in Table 6.1. In order of decreasing dominance, the subsidiary’s organisational culture is also constituted of characteristics of the adhocracy, clan and hierarchy cultures.

6.2.5.1. The subsidiary’s market culture

The subsidiary has a market culture which has a strong focus on being competitive within its external environment and an emphasis on mechanistic processes that achieve order, stability and control within the subsidiary (Den Hartog & Verborg, 2004:59; Lund, 2003:221). As a sales organisation, the attributes of the subsidiary’s market culture are predominantly performance oriented, results driven and focused on achieving targets. Loftness (2013) thus states that sales organisations with high performing cultures are characterised by an expectation that salespeople achieve their targets. Employees are therefore accustomed to the performance driven and hardworking culture of the subsidiary.

With regards to the performance orientation of the subsidiary, leaders (both local and global) have taken up the main roles of setting and regularly communicating the organisation’s vision

and strategy, as well as aligning the organisation for performance through setting performance objectives. Consequently, leaders at the subsidiary drive the behaviour and performance of employees, expecting them to “generate and optimise sales volumes” (Dietz, 2009:55). In addition, the clear communication of the subsidiary’s vision and strategy has created clear performance expectations for employees as all employees are aware of where the organisation is headed and what its values are in executing its strategy (Loftness, 2013). Furthermore, this communication has served to align employees for optimal performance. As a result of the leadership driving performance, it has created structure and discipline for employees at the subsidiary (Cameron & Quinn, 2006:40). The leadership style, especially down from the Chinese MNC’s global level to the subsidiary, was also described as autocratic because of the way leaders assign and expect the achievement of performance targets. Cameron and Quinn (2006:40) thus describe the leaders of a market culture as “hard driving producers and competitors; they are tough and demanding”.

As leaders are responsible for the communication and reinforcement of values within their organisations (Cameron & Freeman, 1991:28), the leaders at the subsidiary have also reinforced the overarching value of performance. In this regard, Leigh and Marshall (2001:84) assert that the “overriding goal of the market driven firm is to create a performance-driven culture focused on satisfying customers”. The subsidiary has thus established a formal performance evaluation system which not only helps manage poor performance, but also rewards high performers. Through their behaviours, leaders at the subsidiary have both communicated and espoused a value based on a shared commitment to success resulting in employees wanting “to be winners all the time” (P10). Employees at the subsidiary are thus bonded by a value that emphasises winning (Cameron & Quinn, 2006:40).

Finally, with regards to the subsidiary’s market culture, the outwardly focused performance orientation of the organisational culture seems to be well suited to the Chinese MNC’s and subsidiary’s ambitions to be a market leader in the PC industry. Cameron and Quinn (2006:40) thus state that for organisations with dominant market cultures, competitiveness, market share and market leadership are important criteria for organisational performance and success. Consequently, the subsidiary has an external focus in order to enable it to achieve its market leadership and competitive advantage goals (Cameron & Freeman, 1991:29; Den Hartog & Verburg, 2004:59; Lund, 2003:221). Furthermore, with regards to partners in its external environment (Cameron & Quinn, 2006:39), the subsidiary has placed a high value on its

distribution channel partners and prides itself on its efficient distribution model that will help it become a leader in the African market. The subsidiary thus appears to have a dominant market culture, mainly characterised by a performance orientation across all four characteristics of its organisational culture – dominant attributes, leadership, bonding values and strategic emphases.

6.2.5.2. *The subsidiary's adhocracy culture*

Participants also described the organisational culture as “entrepreneurial” (P11), “innovative” (P11, P12) and “ever changing” (P7). These attributes thus point to the innovative and adaptability characteristics of the adhocracy culture (Cameron & Freeman, 1991:30; Lund, 2003:22). Organisations with adhocracy cultures are “dynamic, entrepreneurial and creative workplaces” (Cameron & Quinn, 2006:45), hence a participant stated that at the subsidiary, “there’s not a defined process on everything that you do” (P11). Employees at the subsidiary work according to flexible and organic processes which allow them to use their own discretion (Cameron & Quinn, 2006) in order to meet the challenges of the “ever changing” (P7) external environment. In light of the rapid technological and customer preference changes in the South African PC industry (IDC, 2013a), as well as the dynamic environment faced by sales organisations generally (Ingram, LaForge, Locander, MacKenzie & Podsakoff, 2005:138), the adhocracy culture has enabled employees at the subsidiary to perform their jobs more creatively and effectively. (Leigh & Marshall, 2001:86; Loftness, 2013). Moreover, as high performance sales cultures are characterised by the ability to obtain results quickly within a dynamic and ever changing environment (Loftness, 2013), a key advantage of the subsidiary’s adhocracy culture is its fairly adaptable nature (Chang & Lee, 2007:164). Ingram *et al.* (2005:138) further highlight that “although rapid changes affect many aspects of a company, the sales organisation must be especially responsive because it deals directly with customers and competitors in the marketplace”.

Global and local leaders of the subsidiary were described as continually sharing the vision of the Chinese MNC in line with the leadership style consistent with the adhocracy culture (Cameron & Quinn, 2006:45). Inspirational communication by leaders about the vision has the potential not only to motivate employees, but also to clarify individual employee performance roles within the subsidiary and enable the alignment of those individual roles with the subsidiary’s performance goals (Andersen & Minbaeva, 2013:817; Dietz, 2009:56). Consequently, employees at the subsidiary were described as all being aware of what the subsidiary’s vision is and what values are upheld in achieving this vision. However, one participant pointed out that,

despite the inspirational communication they observe from their leaders, they feel like they are not always clear on what their individual role is in accomplishing the subsidiary's vision.

As pertaining to the adhocracy culture, the values upheld at the subsidiary and which bond employees were described as growing through new challenges and being innovative. Similarly, with the emerging nature of the African market presenting much growth potential (Jacobs, 2012) for the Chinese MNC, the strategic emphases of the subsidiary were believed to be focused on innovation and growth. The Chinese MNC is looking to grow its market share, especially in the newer part of the PC industry related to detachable devices. Innovation and new products are thus thought to be some of the essential factors that will enable the subsidiary to grow in the PC industry. Readiness for change, meeting new challenges, visionary leadership and rapid growth are thus characteristics of the adhocracy culture (Cameron & Quinn, 2006:45) consistent with participants' descriptions of the subsidiary's organisational culture.

6.2.5.3. *The subsidiary's clan culture*

Characteristics of the clan culture were the third most dominant, leading to an organisational culture that emphasises the value of teamwork within the subsidiary. In particular, when salespeople work together as part of a selling team, they work interdependently in order to achieve the sales targets set by their organisation (Dietz, 2009:55; Ingram *et al.* 2005:138). A participant thus stated that employees at the subsidiary are committed to doing "more than their jobs" and are "willing to take on different projects to be part of the team" (P8). This participant's descriptions pointed to the participation and cohesiveness aspects of the subsidiary's clan culture (Cameron & Freeman, 1991:29; Øgaard *et al.* 2005:25).

Employees within organisations with a clan culture, therefore, are "more like extended families than economic entities" (Cameron & Quinn, 2006:41). In this regard, one participant elaborated that, because of the value of teamwork upheld by the subsidiary and the subsidiary's small size compared to other MNCs in the country, it created a close and trusting organisational culture where "you get to know your co-workers" and it is "probably like a big family" (P6).

Additionally, consistent with the leadership style of the clan culture, leaders were described as involved, empowering and developing employees. Tuckey, Bakker and Dollard (2012:17) thus state that "empowering leadership essentially involves encouraging and facilitating employees to lead and manage themselves". Accordingly, one participant stated that employees at the subsidiary are viewed as "leaders in their own right" (P1) which means that managers will not

need to peer over their shoulders when they have been given tasks to do. Leaders were also described as involved and leading by example. When leaders lead by example, they positively influence and encourage similar behaviour from employees (Gächter, Nosenzo, Renner & Sefton, 2012:953; Yaffe & Kark, 2011:819). Moreover, leaders at the subsidiary practice developing employees into higher level roles through mentorship in order to ensure quality leadership continuity at the subsidiary. Mentorship by leaders at the subsidiary is consistent with the value of human resource development emphasised by the clan culture (Cameron & Freeman, 1991:29).

6.2.5.4. *The subsidiary's hierarchy culture*

From the responses given by participants, the hierarchy culture was found to be the least dominant organisational culture type and was found to be only related to the value of efficiency at the subsidiary. Efficiency is one of the concerns of an organisation with a hierarchy culture (Cameron & Quinn, 2006:38). Given the nature of the rapidly changing PC industry, efficiency was deemed to be key to helping the subsidiary remain competitive in its external environment.

It is also worth noting that participants who had described the subsidiary's organisational culture as efficient had linked this efficiency to the Chinese cultural heritage of the subsidiary. In this regard, the possible influences of the Chinese and South African cultures on the formation of the subsidiary's organisational culture are discussed in the following paragraphs. Furthermore, a brief discussion on the PC industry's influence on the subsidiary's organisational culture is also presented.

6.2.5.5. *The influence of national and industry cultures*

Although no questions specifically addressed the national and industry influences on the formation of the subsidiary's organisational culture, the researcher could observe emerging findings pertaining to Chinese and South African national and PC industry influences from the analysis of the data. These findings reinforced views by authors who claimed that the formation of organisational culture would be influenced by an organisation's external environment as it pertains to its national and industry cultures (e.g. Aycan *et al.* 1999:503; Chatman & Jehn, 1994:544; Louw, 2012:515). The national and industry influences found to have had a potential effect on the formation of the subsidiary's organisational culture are thus briefly discussed below.

Chinese culture influence

Firstly, with the Chinese “heritage” (P2) of the subsidiary, some participants believed that some Chinese values had influenced aspects of the global Chinese MNC and its South African subsidiary’s organisational culture. Specifically, values of hard work, productivity and efficiency believed to be characteristic of the Chinese culture were thought to be reflected in the subsidiary’s organisational culture. A statement by Wang *et al.* (2005:318) appears to confirm these participants’ views - “Chinese people do treasure every minute in their life by working hard and efficiently meeting deadlines”. In this regard, the Confucian value relating to the long term orientation to time leads Chinese people to work hard, diligently and efficiently (Brown, 1995:44; Jackson, 2002a:170; Wang *et al.* 2005:318). Furthermore, from the research conducted by Slabbert and Ukpere (2011) comparing the work ethic of South African and Chinese workers, Chinese workers were found to show a greater work ethic. Amongst the reasons given by Chinese workers for their high work ethic, was a “fear of embarrassment or shame in case of failure” (Slabbert & Ukpere, 2011:739). It would then appear that the concept of *mianzi* – preserving face (Wang *et al.* 2005:318) motivates Chinese workers to work hard in order to succeed and not suffer shame in their society. Also, with leaders at the subsidiary described as involved and interested in developing employees, it illustrates the fulfilment of the social order recommended by Confucian teaching whereby higher ranking persons in relationships are required to advise, guide and protect their sub-ordinates (Ip, 2009:466; Staude, 2012:189).

South African culture influence

Secondly, with the South African location of the Chinese MNC’s subsidiary, an analysis of the organisational culture data pointed to the presence of selected clan culture characteristics consistent with South African cultural values, reflected in the Ubuntu cultural value system. The description of the subsidiary being “probably like a big family” and a place where “you get to know your co-workers” (P6), illustrates the close and relational values of Ubuntu (Khoza, 2006:6) present in the subsidiary’s organisational culture. In African societies such as South Africa, the values of family and group belongingness are important, emphasising the humanness and caring characteristics of Ubuntu (Khoza, 2006; Mangaliso, 2001:24; Nzelibe, 1986:11). It is also interesting to note that one participant (P9) in particular expressed unhappiness because he felt that the subsidiary placed more emphasis on performance than on the wellbeing of people. In accordance with Khoza’s (2006:6) description of Ubuntu as a value system characterised by compassion and tolerance towards one another, this participant’s feelings pointed to the importance of treating employees in the South African workplace with humaneness.

The clan culture value of teamwork at the subsidiary also points to the values of interdependence and social cohesion emphasised by Ubuntu (Bell & Metz, 2011:82). Consequently, the value of teamwork at the subsidiary was described as creating a close and trusting working environment that was viewed as “quite nice” (P6). According to Ubuntu, therefore, when trust is fostered within organisations, it will result in greater productivity and efficiencies (Mangaliso, 2001:29; McFarlin *et al.* 1999:71).

Additionally, a participant at the subsidiary explained that when faced with a difficult decision they welcome the advice of their global leaders as “they’ve experienced all the scenarios” (P2). In this regard, this employee demonstrated the Ubuntu value of respecting their leaders, and trusting in their capability because of the wisdom and experience they believe their leaders have gained over the years (Bell & Metz, 2011:90; Mangaliso, 2001:30).

PC industry influence

Thirdly, the currently competitive and dynamic nature of the PC industry described in the context of the research in Chapter One seems to have also influenced the formation of the subsidiary’s organisational culture. The influence of the PC industry on the subsidiary’s organisational culture is especially evidenced by the performance oriented characteristic of the market culture as well as the innovative and entrepreneurial characteristics of the adhocracy culture present at the subsidiary.

The competitive PC industry (IDC, 2013b) requires the subsidiary, as a sales organisation, to generate and optimise sales volumes in order to achieve its organisational goals and remain competitive (Dietz, 2009:55). Consequently, the subsidiary’s market culture places an emphasis on “competitiveness and productivity, achieved through strong external positioning” (Cameron & Quinn, 2006:39). Additionally, the dynamic nature of the PC industry in South Africa requires the subsidiary to deal pragmatically with rapid customer preference changes (Hofstede, 2011:21; Jacobs, 2012). Values such as innovation and entrepreneurship characteristic of the adhocracy culture (Cameron & Freeman, 1991:30; Lund, 2003:222) were thus valued at the subsidiary. Lastly, the growing African consumer market (Jacobs, 2012) which was also perceived to be one of the key regions presenting growth opportunities for the Chinese MNC, could be providing the motivation for the subsidiary’s long term goal of organisational growth.

Section 6.2 has addressed the first objective of the research which was to identify the dominant type(s) of organisational culture at the organisation. The market culture was found to be the most

dominant type of organisational culture at the subsidiary. Additionally, Chinese and South African cultural and PC industry influences possibly had an effect on the formation of the subsidiary's organisational culture. The following section addresses the second and third objectives of the research pertaining to the nature of the subsidiary's HCWS.

6.3. HIGH COMMITMENT WORK SYSTEM (HCWS) FINDINGS

The second objective of the research aimed to describe the nature of the subsidiary's HCWS. Interview questions pertaining to a HCWS addressed each of the HR practices included in Xiao and Bjorkman's (2006) measure of a HCWS. Namely, these items were: promotion from within, careful selection, extensive training and socialisation, job security, enlarged jobs, performance appraisal (made up of appraisal team, appraisal behaviour and appraisal development), high remuneration, extensive ownership, egalitarianism, participation, information sharing and communication, overarching goals and teamwork. The findings in this section are presented according to the sub-themes of each of these HCWS practices (Xiao & Bjorkman, 2006).

6.3.1. Promotion from within

The first practice in Xiao & Bjorkman's (2006) measure of a HCWS is a preference for promotion over recruiting externally. In order to discover whether the subsidiary prioritised promoting employees from within over recruiting externally, participants were asked to elaborate on whether they believed the organisation prefers to fill vacancies internally or externally. In this regard, the views of participants pertaining to whether the subsidiary prefers to promote from within were varied according to two main categories: internal first (P1, P2, P3, P6, P8, P11, P12), and only external (P4, P5, P7, P9, P10).

Internal first

Just over half of the interview participants (P1, P2, P3, P6, P8, P11, P12) felt that, when a vacant position arises within the subsidiary, the subsidiary does prefer to fill the vacancy with an internal employee. The subsidiary was therefore perceived by some participants to look internally first at its available employees before looking externally should internal applicants not be found to be suitable for the job. In this regard, this is what one of the participants had to say about the subsidiary's preference for internal promotion:

Participant	Function	Job level
P3	Support	Top Management

“So, the policy is we like to promote from within as opposed to promote external because you’ve already invested a lot of time and a lot of effort in your internal resources. Having said that, there might be new positions, especially in new areas of business that will emerge where you might not have the skills internally because it’s a whole different practice from what [the subsidiary] has been doing for many years and then you might have to get external skills” (P3).

The subsidiary first posts an advertisement inviting internal employees to apply for vacant positions (P3, P8). However, as the subsidiary does not “compromise on talent” (P1), it will then seek to employ externally if internal applicants “do not fit the profile” (P12) or do not have the necessary: “requirements” (P8), “capabilities” (P2), “competencies” (P1) or “skills” (P1, P3, P6). Two participants also expressed in this regard that they were examples of employees who had been internally promoted at the subsidiary (P2, P6). The subsidiary and its promotion practices were thus viewed by one participant as “fair in terms of who is placed; the right person is placed for that specific job” (P11) and another as, “pro on developing your career path” as “there’s a bit of movement internally so you don’t feel like you’re stuck in sales for the rest of your life” (P6).

Only external

However, despite over half the participants stating that they felt the subsidiary preferred to promote from within, five participants (P4, P5, P7, P9, P10) felt that the subsidiary actually preferred to recruit externally rather than internally. Some participants thus felt that when the subsidiary first looked for internal applicants, it was just to follow procedure (P5, P9) as there were already some external candidates that the subsidiary was interested in hiring (P10). One participant explained:

Participant	Function	Job level
P10	Support	Top Management

“From experience, I found that they tend to go outside. And you tend to find that when people come into the company from outside, people would rather work with people that they know, that they can trust, that they are comfortable with. So I’ve tended to see people coming in from outside because of you know, previous relationships” (P10).

One of the main reasons cited for the subsidiary's external rather than internal appointments was the subsidiary benefiting from previous working relationships that employees in the organisation had (P10). The subsidiary was thus perceived as preferring to employ external people who were known by current employees, thus over-looking suitable internal candidates first. Recent external appointments had also led these participants (P4, P5, P7, P9, P10) to believe that it was the subsidiary's preferred practice to recruit externally rather than promote from within.

The findings suggest that promotion in the subsidiary is mainly viewed as favourable towards current employees. However, due to recent external hires, some participants believe that the subsidiary actually prefers to fill vacancies externally.

6.3.2. Careful selection

As the second practice in Xiao and Bjorkman's (2006) measure of a HCWS is careful selection, participants were asked to describe the rigor of the subsidiary's selection process. Three categories emerging from the data show that participants felt that the subsidiary's selection process was quite intense (P1, P3, P5, P6, P8, P10, P12) or based on who knows who (P5, P7, P10). Additionally, three participants felt that they didn't know much about the selection process (P4, P9, P11). Findings pertaining to the subsidiary's selection process are presented below according to the three preceding categories.

Quite intense selection

A majority of participants (P1, P3, P5, P6, P8, P10, P12) felt that the selection process applied by the subsidiary was quite intense. In this regard, the rigor of the subsidiary's selection process was described as "quite intense", "a full analysis" and "full on process" by one participant (P12). Consequently, it was believed that the most suitable person is appointed for the position (P6, P12), with a long term view to staying with the subsidiary (P3). One participant additionally stated:

Participant	Function	Job level
P8	Sales	Middle Management

"It is very rigorous. I know for my position, when I joined [the organisation], I had a multitude of interviews as well as psychometric testing ...and are very fair and every divisional manager interviewed me. So it's a very rigorous recruitment" (P8).

The HR function was believed to be quite rigorous in its selection procedures, doing “everything by the book to make sure that [they] followed the right processes” (P10). In this regard, the selection process will include: first advertising internally and externally (P1); screening applications based on qualifications and experience (P1, P10); short listing possible candidates (P1, P12); and conducting multiple panel interviews where candidates are asked pre-set competency based questions relevant to the position (P1, P3, P5, P6, P10). Psychometric assessments are sometimes done, but only for a certain job level upwards due to the costly nature of using such assessments (P1, P3, P8, P10). Finally, reference checks are also conducted to see how well applicants have performed in their previous jobs (P1).

Based on who knows who

On the other hand, there were some participants (P5, P7, P10) who felt that the selection process employed by the subsidiary was also conducted based on “a buddy-buddy system and who knows who” (P7):

Participant	Gender	Function	Job level
P7	Female	Sales	Line Management

“I think in the past it has been a buddy-buddy system and who knows who. I think we are trying to get away from that, but the last four hires don’t show that. I think it’s, ‘that’s the person for the job’ and others are just written off before they even start” (P7).

In relation to appointing people who are known by current employees from previous working relationships, another participant pointed out that the subsidiary has a belief that “good people know good people out there” and so the subsidiary will “also encourage employees to do talent search” (P1). Participants thus believe that the subsidiary will “go and poach previous employees who actually worked well” (P5) with some of their current employees. In this regard a concern was raised that because of this practice, the subsidiary may be overlooking current employees who are well capable of doing the job (P7, P9, P10).

Don’t know

Finally, with regards to how rigorous the subsidiary’s selection process is, three participants (P4, P9, P11) distinctly expressed that they did not know. One participant commented:

Participant	Function	Job level
P9	Sales	Employee

“I have no idea, ok and that’s because I don’t do the recruitment process; I never had to go through it. Even when I came here, when I joined [the subsidiary], I joined because of previous relationships and ability, ok. So the formal process wasn’t necessarily what made it happen” (P9).

The other two participants expressed that the reason why they didn’t know how rigorous the subsidiary’s selection process was, was also as a result of not being part of the recruitment process (P4, P11) and not having gone through an official recruitment process themselves (P4). However, they did provide speculations that the selection process was probably “multifaceted and there’ll be multiple interviews” (P4), as well as “efficient” as the subsidiary is in a “fast paced moving industry where things change daily” (P11).

The findings therefore seem to show that the subsidiary takes its selection process seriously, with the ultimate aim of selecting employees who are deemed to be the most suitable for the position, whether they are from within the subsidiary or known from previous working relationships with current employees. The subsidiary appears to mostly conduct careful selection procedures which encompass screening applicants based on qualifications and experience, conducting multiple panel interviews, asking candidates pre-set competency based questions, conducting reference checks and carrying out psychometric assessments when necessary.

6.3.3. Extensive training and socialisation

For the third practice of HCWSs - extensive training and socialisation (Xiao & Bjorkman, 2006) - participants were asked to describe how new employees are first put through orientation and then training.

6.3.3.1. Orientation

With regards to orientation, participants described: the people involved in orientation (P1, P3, P6, P8, P10, P12, P13); the issues covered during orientation (P1, P2, P3, P4, P5, P6, P8, P9, P10, P11, P12); and the duration of orientation (P1, P2, P9, P11).

People involved in orientation

People involved in the subsidiary's orientation program for new employees incorporated the HR department (P1, P10, P11, P12), all other departmental managers (P1, P3, P6, P8, P10, P11), other employees (P1, P6), the subsidiary's business partners (P1) and regional leaders in Dubai for local top leadership positions (P1).

The HR department was seen as providing "a full, proper orientation" which was "a very, very informative process" (P12). All other departmental managers are also involved in the orientation as a new employee's "orientation will incorporate every segment of the business" (P3). Employees will therefore interact with their own department's manager as well as managers of other departments in order to know how to interact with other departments, as well as know how their work is impacted by other departments (P10). The subsidiary also has a "buddy system" (P6) where "a buddy will show the new employee around, successfully integrating a new employee into the organisation" (P1). In addition, new sales employees will be formally introduced to the subsidiary's business partners in the distribution channel (P1). Finally, for higher local leadership positions, a new employee may also go to meet the Chinese MNC's regional leadership team in Dubai (P1).

Issues covered during orientation

Eleven of the twelve participants (P1, P2, P3, P5, P6, P8, P9, P10, P11, P12) spoke of what was covered during orientation. Firstly, a new employee at the subsidiary will be given things such as an access card, a computer and an e-mail account that will enable them to settle in and perform their job (P1). An orientation workshop is then conducted whereby the HR department presents on the Chinese MNC's history, strategy, culture, structure, code of conduct, global policies and procedures (P1, P5, P9, P11). The new employee will also be informed about every segment of the subsidiary (P1, P3, P6, P8, P10, P11) as mentioned earlier, through meeting with various departmental managers. Furthermore, participants expressed that the subsidiary's orientation process also incorporated helping a new employee know about organisational processes and procedures pertaining to how their part of the business operates, their remuneration and benefits and how to do claims and expenses, (P2, P6). Finally, an orientation file with pertinent information is given to a new employee and the subsidiary also has online training portals and courses (P2, P4, P5, P8, P11). The purpose of this file and the online training portals is so that a new employee can continually be self-informed and self-trained in his/her job (P2, P5, P12).

Duration of orientation

Orientation by the subsidiary is viewed as “very comprehensive” (P2) and also dependant “on the level of the position” (P1). The duration of the orientation program varies and can take up to a week (P11) or two weeks for higher leadership positions (P1, P2). The next few months after an employee is appointed are also seen as important for the subsidiary’s overall orientation program as it will incorporate the new employee meeting “the relevant people” (P1) in terms of the subsidiary’s partners that the employee will be conducting business with. Moreover, one participant also explained that when they are orientating a new employee, it can take them up to about 45 minutes to explain issues related to work (P9).

With regards to the subsidiary’s approach to orientation, therefore, one participant explained:

Participant	Function	Job level
P12	Sales	Employee

“There’s a full, proper orientation that is provided as you join, giving you the whole run down of [the subsidiary’s] policies and procedures... and then obviously the expectation of you as an employee and the ‘where to finds’ and ‘what to dos’. So, yes, there is a very, very informative process which is provided by HR” (P12).

The subsidiary’s orientation is thus seen as a “full, proper orientation” (P12) due to its extensive nature in incorporating as many people as necessary into the process, covering pertinent issues in detail and making sure employees know where to find additional help after joining the subsidiary.

6.3.3.2. Training

The subsidiary is considered a “learning” and “not a teaching environment” (P2) where employees are expected to take some of the responsibility for their own training and development (P1). With regards to training at the subsidiary, categories of findings emerging from the data pointed to: learning and development opportunities (P1, P2, P3, P5, P6, P7, P8, P10, P11, P12); forms of training (P1, P2, P4, P6, P7, P8, P9, P10, P11, P12); and product training (P3, P4, P7, P8, P9, P10, P12).

Learning and development opportunities

Training at the subsidiary was described by one participant as “based on demand” (P1) meaning that employees are not put through training for the sake of it, but are rather trained as part of on-going employee development which enables them to perform their jobs better. Learning and development opportunities are part of the outcome of the subsidiary’s performance appraisal system. When the organisation conducts its performance appraisals, any gaps in terms of what employees are expected to deliver and what their current capabilities are, are then deemed to be development opportunities (P1, P2, P6). Employees can also put forward requests for training and development based on what they perceive to be learning opportunities on their part (P5, P7, P8, P10, P11, P12). Learning opportunities are thus viewed as opportunities not only stemming from lacking in performance, but also from a “growth perspective” (P1) that contributes to a holistic approach to employee development. Based on those learning and development opportunities, then, the subsidiary will recommend and put employees through the required training.

However, with regards to training more specific to what employees desire for their career growth as compared to what the subsidiary mandates, two participants felt that the approval process for the training request was slower or, in some instances, it eventually did not happen at all (P5, P10). This led to one participant in particular feeling that the subsidiary’s focus when it comes to training was too focused on “on-the-job training for what relates to your job” (P10) and not focused on training that would help develop employees in terms of updating them with other knowledge and competencies relevant to their career.

Forms of training

Training in the subsidiary was described as being offered internally or externally (P4, P7, P8, P12). Internal measures of training were identified as those offered by the Chinese MNC’s in-house trainers, whether in the local or regional offices. Internal training thus takes the form of on-the-job learning (P1), stretching assignments (P1), mentorship (P1), online training (P4, P6, P9, P12) and conference calls (P8). External training happens when the subsidiary does not have the training capacity required and will entail things such as seminars (P7), going for short courses such as Microsoft Access, Excel, Word or PowerPoint (P1, P7, P8, P11, P12) and furthering one’s personal studies (P11).

Product training

Salespeople in the subsidiary were described as undergoing much more training than support employees as “products are changing literally weekly” (P3). The emphasised focus of training for salespeople was product training. Salespeople undergo more constant training as “they can’t do their jobs without knowing, especially the product range that they are going to be selling” (P10). Salespeople are therefore offered training on product knowledge (P2, P8, P9, P10, P12), dealing with consumers and how to sell products (P7, P9). In addition, sales employees are tested on their product knowledge after training to make sure they understand the products well (P3, P10).

With regards to overall raining at the subsidiary one participant commented:

Participant	Function	Job level
P1	Support	Top Management

“We believe in a demand led kind of learning approach where it’s based on demand and it’s based on really what it can contribute towards your development or the organisation. That is, not your typical old fashioned way of saying have a look at training programs, choose one” (P1).

These findings suggest that the subsidiary conducts extensive orientation and training in the organisation. The orientation process is thorough and facilitated by the HR department. Due to the small size of the subsidiary, orientation also involves all departmental managers and, when necessary, will include the Chinese MNC’s regional offices in Dubai. New employees are supplied with pertinent information about the Chinese MNC and its business to help them through the orientation process. In addition, extensive training is provided as needed, especially stemming from on-the-job learning and development opportunities. In this regard, it was expressed that sales people were the main recipients of training opportunities with regards to developing them in their capabilities in order to perform better in their sales jobs. Training for general career development was perceived as not as highly emphasised as specific on-the-job training.

6.3.4. Job security

In order to ascertain whether the subsidiary makes attempts not to dismiss employees as recommended by Xiao and Bjorkman's (2006) fourth HCWS practice, namely job security, participants were asked about what efforts the subsidiary makes to help employees feel secure in their jobs. Categories pertaining to what participants believed about the subsidiary's job security efforts were: the performance appraisal system (P1, P2, P3, P5, P6, P11, P12); the employee wellness and support program (P1, P6, P8); and no job security efforts (P7, P9, P10).

Performance appraisal system

Seven of the twelve participants (P1, P2, P3, P5, P6, P11, P12) felt that the way the subsidiary conducts its performance appraisal system helps employees feel more secure in their jobs. The subsidiary's performance appraisal system was described as giving employees an indication of how they have done in relation to their teams and the subsidiary at large (P12). Receiving continuous feedback on their performance through "monthly and quarterly business reviews" (P3) clearly helps employees know where they stand and this transparency helps them feel more secure in their jobs (P11, P12). Job security was also viewed as more being under the control of employees them self (P1, P2, P3, P6) where they are in control or masters of their own destiny (P2, P6). Employees are secure "for as long as they add value to the organisation" (P1) as it is a "sales organisation" (P2) that is "performance driven" (P1).

However, in seeking to be "a responsible organisation" (P1) towards its employees, the subsidiary also has a performance improvement program that gives employees who haven't achieved their targets an opportunity to improve through a process of seeking assistance from their team leaders, managers and any other mentors (P1, P3, P6). The performance appraisal system also takes into consideration factors which could have impeded the employees' performance such as personal issues (P1) or market considerations that could have affected sales (P6).

In terms of overall positive feelings of job security, one participant elaborated:

Participant	Function	Job level
P6	Sales	Employee

"I'm lucky with my management at the moment; we have open and frank discussions... and they're quite reassuring in the sense that 'We know the market is doing XYZ... and there's

sessions you can go on to help get you back on track if you're lost a bit and what not. So there are various steps in place that you don't feel like, you know you're kicked out because you didn't make your one month you know, or your one quarter and you have that support” (P6).

More than half of the participants believed that the way the subsidiary implemented its performance appraisal signalled that the subsidiary was not quick to dismiss employees.

Employee wellness and support program

Employee wellness initiatives implemented by the subsidiary and support given to employees helped some participants feel that the subsidiary cares for their overall wellbeing, where they are not seen as “just a number” (P6) by the subsidiary. Some elements of the support given to employees as well as the subsidiary’s employee wellness program that were mentioned by the participants included placing value on a work and home life balance, the maternity benefits and a partnership with an external wellness company that provides professional (e.g. psychological) help to employees in need at the subsidiary’s cost (P1, P6, P8). One participant felt that the subsidiary’s employee wellness and support program can help employees feel secure in their jobs as it seems that the organisation wants their employees “to be happy and remain part of the team” (P8).

No job security efforts

In contrast to the other participants, however, three (P7, P9, P10) of the twelve participants felt that the subsidiary had no practices that helped employees feel secure in their jobs. One participant felt that the subsidiary’s interest is just:

Participant	Function	Job level
P9	Sales	Employee

“...about the number; if you continue to not perform, they'll get rid of you. In spite of the fact that maybe the person with a small target is overachieving and you with a bigger target is not and you delivered more to the country” (P9).

On the other hand, the second participant felt that a lack of clear communication created an atmosphere of uncertainty (P7) which did not help them feel secure. The final participant to express that they felt the subsidiary did not provide job security felt that the subsidiary could approach employees with separation agreements which release them from the organisation on

mutually agreed on terms (P10). The grounds for these separation agreements were inadequately substantiated according to the participant (P10) who felt that nobody's job was secure at the subsidiary.

The findings seem to show that the subsidiary's performance appraisal system is the main source of job security for most participants. Although the subsidiary emphasises and highly values performance from its employees, giving poorly performing employees a chance to develop and improve their performance communicated that the subsidiary does not desire to dismiss its employees. Employee wellness programs implemented by the subsidiary have also communicated that the subsidiary cares about its members and is considerate of their wellbeing. However, there are some feelings that the subsidiary does not make any effort to help employees feel secure with regards to the high performance orientation which means consistent non-performers are eventually dismissed, a lack of clearer communication of individual performance roles and the implementation of seemingly unsubstantiated mutual separation agreements.

6.3.5. Enlarged jobs

Xiao and Bjorkman (2006) included job enlargement as the fifth practice of a HCWS. In order to discover whether the subsidiary had any job enlargement practices, participants were asked to describe how narrowly or broadly specified jobs are at the subsidiary. The findings pertaining to enlarged jobs yielded the two following categories: specific targets but broad jobs (P1, P2, P3, P4, P5, P6, P8, P9, P11, P12); and narrowly defined jobs (P7, P10).

Specific targets but broad jobs

The subsidiary's main aim was described as "to sell stuff" (P9), therefore achieving targets is a key element for most employees. Participants mentioned that, although the main purpose of the job description was quite specific about achieving targets and only selling to the designated target market or customers (P5, P10, P12), job descriptions are quite broad and flexible as the "job description is not necessarily everything" (P11) employees do. So the skills needed by employees in order to meet their performance targets and objectives require them to go beyond the scope of what has been outlined in their job descriptions (P4, P5, P9, P11). In this regard, one participant made an example about an employee who might be focusing specifically on the education segment stating that "they'll manage many things within education, but they will not look outside of education" (P3).

Furthermore, the small size of the subsidiary was also perceived to be a contributing factor to employees doing more than what's outlined in the job profile as some employees, especially at higher managerial levels, are “looking after a really big region” (P8) in terms of the subsidiary's operations in Africa. Although job descriptions are globally generic in the Chinese MNC, how they are enacted at the local level in South Africa will also require employees to be flexible to suit their current business context (P1). Lastly, the subsidiary also implements job enlargement by giving employees “stretching assignments” (P1) and extra “tasks to do their jobs better” (P2), helping employees develop their capabilities.

With regards to the enlargement of jobs, most participants shared the same sentiments as the participant quoted:

Participant	Function	Job level
P6	Sales	Employee

“So in that sense it is quite flexible in that you get to learn...you're an account manager, but you manage all aspects of your account, so it's not just the product in and out, but product, it's what's happening in the division, it's marketing, giving help to the customer, it's all of that and internal things as well” (P6).

Narrowly defined jobs

The two participants (P7, P10) who felt that the jobs at the subsidiary were narrowly defined referred to the target achievement nature of salespeople's jobs. Salespeople are seen to “have a target and that's that” (P7). This view of what is entailed in the job of a salesperson implies a narrowly defined job where salespeople are concerned only with selling the subsidiary's product. In addition, with salespeople assigned to different business segments, these two participants perceived that salespeople “can't go out and sell to anybody” and they would thus not be “multi-skilling” in their jobs (P10). In this regard, their feelings point to a perception of no job enlargement at the subsidiary. However, one participant went further to explain that “things need to be done that way to make sure that people you know fulfil the company strategy and the targets that are set” (P10).

The findings seem to point mainly to job enlargement within the subsidiary. Although there is a very specific outcome expected, i.e. to sell the organisation's products and achieve performance targets, how employees get this done seems to require a variety of skills and competencies. In

addition, although there are globally generic job descriptions, they will be adapted for employees at the subsidiary in order for them to be able to successfully do their jobs, especially in the unique African business context.

6.3.6. Performance appraisal

Performance appraisal issues centred on team performance appraisal, behaviour oriented appraisal and appraisal for development which are the sixth, seventh and eighth HCWS practices respectively (Xiao & Bjorkman, 2006).

In order to obtain a holistic picture of the subsidiary's performance appraisal, participants were asked to describe how the subsidiary implements its performance appraisal system. The findings of the subsidiary's performance appraisal system pointed to the following categories: the overall performance appraisal process (P1, P2, P3, P4, P5, P6, P7, P8, P10, P11, P12); appraisal for evaluation (P1, P2, P4, P5, P7, P8, P9, P10, P11); appraisal for development (P1, P3, P6, P9, P10, P11, P12); and appraised behaviours (P1, P8).

The overall performance appraisal process

The subsidiary's performance appraisal system is conducted "biannually" (P1, P2, P3, P4, P10, P11) and "annually" (P3, P8). In particular, performance appraisals conducted halfway through the year are a checkpoint to help employees track their progress and know how they are doing given their performance objectives (P1, P2, P4). Moreover, the subsidiary does not make use of a full multi-source feedback process but employees are still given the opportunity to rate themselves in the appraisal process before being assessed by their managers (P1, P2, P3, P6, P7, P8, P10, P11, P12). After employees rate themselves with regards to how they think they have performed, individual discussions with their managers ensue, where they come to an agreement about the employees' final performance rating (P1, P6, P10). Performance ratings are done based on a five point scale which rates employees as: outstanding, three variations of strong and needs improvement (P1, P11). The outcomes of the performance appraisal process will thus include identifying development areas that could be pursued by employees (P3, P6, P12) and also determining the amount of performance based pay to be received by both sales (incentives and commission) and non-sales employees (bonuses) (P1, P2, P5, P7, P10, P11).

Appraisal for evaluation

At the beginning of the year, employees get key performance indicators (KPIs) which they get evaluated against during the course of the year and at the end of the year (P1, P2, P4, P10, P11). Performance appraisals are done based on these criteria and some participants believed that, as a result, performance measures are about having “made the number” and “purely quantitative” in nature (P4), resulting in more of an evaluation focused approach to performance appraisal. Being a “high performance company” (P7), appraisals from an evaluation perspective meant for some participants that non-performers would be put on a performance improvement program (P9, P10) and consistent non-performers would eventually be dismissed from the subsidiary (P7, P10). The outcome of an evaluation focused appraisal process is thus what specifically leads to the determination of performance based pay received by employees (P1, P2, P5, P7, P10, P11).

Appraisal for development

In addition to an evaluation focused performance appraisal process, performance appraisal was also described by participants (P1, P3, P6, P9, P10, P11, P12) to be focused on development, thus leading to the identification of development opportunities to help them perform better at their jobs (P3, P6). In this regard, employees could also submit development areas to their managers who would then assess and give recommendations on any other areas requiring development (P6, P12). Typically, a performance improvement program would provide employees with the structure to be able to develop and improve their performance (P9, P10). Employees were also encouraged to discuss their career development plans with their managers during these performance appraisals, where “depending on where they want to go, it’s discussed and it’s agreed and actions are agreed” (P3), which create a career development pathway for aspiring employees.

Appraised behaviours

Although a majority of participants only described the performance appraisal as focused on evaluation of performance targets, two participants (P1, P8) also spoke of performance appraisals including a “behavioural perspective” (P1) as well as considering the “softer issues around performance” (P8). Examples of appraised behaviours given included reviewing how sales employees sold the Chinese MNC’s products, acquired new clients, maintained those relationships with clients and to what extent their behaviours were aligned with the Chinese MNC’s culture and values (P1). Employees who are found to have espoused the values of the subsidiary and demonstrated positive behaviours are recognised and rewarded to encourage

more of such behaviour (P1). On the other hand, an example of “softer issues around development” (P8) given by the other participant was whether employees had taken time to develop themselves during the year with knowledge and training opportunities about “the job and what you need to know about it” (P8). In this regard, performance appraisal was also described as appraising qualitative behavioural factors.

The performance appraisal system conducted by the subsidiary was described by one participant as:

Participant	Function	Job level
P3	Support	Top Management

“The process is pretty thorough and it’s well documented. So as I say, it’s well communicated, there’s nothing hidden; it’s done consistently” (P3).

The findings suggest that performance appraisal in the subsidiary is a process with mainly an evaluative purpose. It appears that appraisal for development is mainly a by-product for the evaluation process where employees who were found to not have performed well were then given development opportunities. However, the subsidiary also conducted appraisal for development, but to a lesser extent, where employees would be engaged in discussions about their possible career development pathway in the subsidiary. The subsidiary also seems to place a greater emphasis on appraising performance results as compared to appraising behaviours. Nevertheless, both performance results and valued behaviours appear to be appraised, recognised and rewarded by the subsidiary.

6.3.7. High remuneration

Xiao and Bjorkman (2006) also recommend that HCWSs include high remuneration which incorporates compensation and fringe benefits. In order to determine whether the subsidiary offered the ninth HCWS practice of high remuneration as recommended by Xiao and Bjorkman (2006), participants were asked to describe how the subsidiary has structured its remuneration for employees. Findings of the subsidiary’s remuneration yielded the following categories: sales employees’ remuneration (P1, P2, P3, P4, P5, P6, P7, P8, P9, P10); support employees’ remuneration (P3, P4, P7, P10); benefits (P1, P2, P5, P6, P7, P8, P11, P12); competitive and fair remuneration (P1, P2, P3, P5, P6) and commission inconsistent with performance (P5, P7, P9).

Sales employees' remuneration

“Sales people are remunerated differently” (P10) to support employees and sales employee remuneration is divided into basic pay and commission (P1, P2, P4, P5, P6, P8, P9, P10). One participant thus stated that the “carrot is always dangling” (P6) in the form of the commission, as it was the “variable portion” (P1, P2, P8) of the remuneration that encouraged sales employees to perform well and achieve their targets. As a result of this split in remuneration, sales employees are perceived to “define their own destiny” (P3) in terms of what they can potentially earn. In addition to commission, sales employees are also given other incentivised pay (P3), an example of which is a team based incentive for teams that achieve their targets (P9).

Support employees' remuneration

In contrast to sales employees, support employees were described as receiving monthly basic compensation as well as having a “bonus structure” (P4) applied during biannual performance appraisals (P4, P10). Support employees are “incentivised more on action items against the job description as opposed to a commission based person” (P3). These action items are the KPIs set out at the beginning of the year that support employees need to achieve (P10).

Benefits

There was a range of benefits described by participants (P1, P2, P5, P6, P7, P8, P11, P12) as incorporated into the subsidiary's remuneration across different departments and job levels. Benefits mentioned included: medical aid (P1, P2, P5, P6, P7, P8, P11, P12), pension and provident fund (P1, P5, P7, P8, P11, P12), traveller's allowance (P1), car allowance (P5, P11), phone allowance (P1, P5, P11), unemployment fund contributions (P1, P2), death and disability cover (P1, P8), maternity benefits (P6) and access to an employee wellness company that provides professional help to employees in need (P6). In addition, some benefits such as traveller's, car and phone allowances were warranted by the position or nature of the job and not necessarily for all employees at the subsidiary (P1).

Competitive and fair remuneration

The subsidiary was perceived to not necessarily offer the highest remuneration in the industry, but still offer fair remuneration set at a competitive level (P1, P2, P3). With the basic portion of the remuneration for sales employees being greater than their commission portion (P6, P9), one participant expressed the feeling that it was a “fair” (P9) split. In addition, because of the nature of the remuneration offered by the subsidiary, “a lot of benefit to it” was perceived by one

participant (P5), while another expressed that “the added benefit’s fair” (P6). Finally, although the subsidiary was perceived to offer such competitive remuneration to its employees, one participant felt that the subsidiary needed to market it better in selling it as such, as it already had “a lot of benefit to it” (P5).

Commission inconsistent with performance

Despite primarily positive feelings towards the subsidiary’s overall remuneration structure, three participants (P5, P7, P9) expressed unhappiness in that they felt the commission part of the remuneration was “inconsistent” (P5) with actual employee performance. One participant felt that “there’s a lot of rounding off that shouldn’t be there” (P7). In this regard another participant particularly felt that:

Participant	Gender	Function	Job level
P5	Female	Sales	Employee

“If you would look at the number in terms of sales performance and numbers and the performance appraisals, you would get two different outputs...it just doesn’t tie up and then the remuneration around that in terms of increases and stuff like that...ya, the link between that to me is inconsistent” (P5).

The third participant (P9) was unhappy with what he/she deemed to be inequitable pay, expressing that he/she felt that people with lower targets to achieve were being remunerated on the same pay grade as people with higher targets. In this instance, the participant felt that they were “doing more work for less money” (P9) compared to other employees. In addition, the participant also felt that even if they do overachieve, they wouldn’t be compensated beyond the 100% achievement of their target. The remuneration perceptions of these participants (P5, P7, P9) therefore led them to feel unhappy with the way they felt the subsidiary remunerated its sales employees with regards to commission.

The findings of the subsidiary’s general remuneration structure points to competitive remuneration with a lot of additional benefits. Remuneration at the subsidiary is also varied because of the range of jobs done by different groups of employees according to function and business area within the subsidiary. In addition, the subsidiary provides performance based pay for sales people in the form of commission and non-sales people in the form of bonuses. Despite the attractive and competitive nature of the remuneration structure offered by the organisation,

some dissatisfaction was expressed by some participants about how the commission portion of the remuneration was derived.

6.3.8. Extensive ownership

The tenth item of Xiao and Bjorkman's (2006) measure of a HCWS was extensive ownership which incorporated the extensive ownership of shares, options or profit sharing. Participants were asked to describe any ownership practices implemented by the subsidiary if there were any. Categories relating to the subsidiary's ownership practices were: share options (P1, P2, P5, P7); no ownership practices (P3, P4, P12); and don't know of any ownership practices (P6, P8, P9, P10).

Share options

Participants (P1, P2, P5, P7) who mentioned that the subsidiary implemented ownership practices described those ownership practices as long term "incentive" (P1, P2, P5) plans that help retain employees. "Share options" (P1, P2, P5, P7) deployed locally from the Chinese MNC's global operations were specifically mentioned as one ownership practice that has been implemented before. The use of share options as a retention tool was deemed important to prevent employees from being poached by competitors; which is an "inherent" (P2) problem in South Africa's PC industry. One participant thus stated:

Participant	Gender	Function	Job level
P2	Male	Sales	Top Management

"You know sometimes it's difficult you know, to get to these numbers; other times it's very flattering when your competition is phoning you and saying 'Listen I'm offering you twenty percent more what you're currently getting, please come over' you know. But the long term incentive plan if I can refer to myself, has kept me, has kept me here" (P2).

In addition, as a global retention tool, the Chinese MNC's share options are "for certain individuals" (P2) and "not for everyone" (P1). Typical recipients of share options at the subsidiary were employees who the subsidiary wished to retain because they were high performers and that also have a long term plan to grow with the Chinese MNC (P1, P2, P7).

Besides encouraging employees to remain with the subsidiary (P1, P2), the Chinese MNC's share options also had the ability to motivate employees as they felt they gained something of

financial worth as they were investing back into the organisation (P5). The deployment of these share options was, however, described as “inconsistent” and “dependent on the management structure” (P5) by one participant who felt that the deployment of shares does not happen regularly and the conditions that led to them receiving those share options were unclear. Lastly, another participant believed share options were only available to performing sales employees meaning support employees were not likely to be offered share options by the subsidiary (P7).

No ownership practices

Three participants (P3, P4, P12) expressed that the subsidiary had no form of ownership practices implemented at the local level. In this regard, one participant specifically stated:

Participant	Function	Job level
P3	Support	Top Management

“Not from a local point of view because we’re listed on the Hang Seng. Ya, so we can’t... you know obviously we can’t deploy shares; we’re Africa based and we’re not listed here” (P3).

By stating that there are no ownership practices implemented at the subsidiary, therefore, what these three participants stated was in direct contrast to the views and experiences of the participants who stated that the subsidiary did offer share options.

Don’t know of any ownership practices

Lastly, four participants (P6, P8, P9, P10) expressed that they did not know of any ownership practices implemented by the subsidiary. In this regard, one participant felt that knowledge concerning the subsidiary’s ownership practices was “a huge secret” (P10). Yet another participant believed that:

Participant	Gender	Function	Job level
P9	Male	Sales	Employee

“Well they’re not going to give you shares. I think if you’re a certain level of management then they give you shares; I don’t know because I’m not there. But in terms of will they give me some shares or something like that, no” (P9).

Another participant also speculated that perhaps ownership practices were implemented “at a higher level” (P6). These participants admitted to having no clear knowledge of the subsidiary’s ownership practices.

The findings suggest that the subsidiary does not have extensive ownership practices. Very few participants expressed that the subsidiary did have ownership practices in the form of share options. These share options were mainly used as a retention tool to encourage performing employees to stay longer with the subsidiary.

6.3.9. Egalitarianism

The eleventh item in a measure of a HCWS was egalitarianism, where the organisation strives to promote egalitarianism (fair and equal treatment) in terms of income, status and culture (Xiao and Bjorkman, 2006). In order to determine whether the subsidiary’s practices could be considered as egalitarian, therefore, participants were asked to explain whether they felt that the subsidiary was a place where all employees are fairly treated in terms of income, status and culture. Categories of findings emerging from the data pointed to: equal and fair treatment (P1, P2, P3, P4, P5, P6, P8, P11, P12); and unfair treatment (P7, P9, P10).

Equal and fair treatment

A majority of nine of the twelve participants (P1, P2, P3, P4, P5, P6, P8, P11, P12) felt that the subsidiary was a place where all employees are equally and fairly treated. Of these nine participants, five (P4, P5, P6, P8, P12) felt that they believed the subsidiary treated every employee fairly because they had no prior experiences that pointed to the subsidiary treating employees unfairly in any capacity. Other participants pointed to examples of the subsidiary treating employees equally and fairly in terms of status and income.

With regards to equal treatment in terms of status, the subsidiary was described as a place where “whether you’re the receptionist or the CEO” (P11), you’d be treated with generally the same kind of treatment as “there is a great respect for each other” (P2) in the subsidiary. In this regard, one participant elaborated:

Participant	Function	Job level
P2	Sales	Top Management

“I think if we have functions – and this is what I appreciate a lot, is from the tea lady to the GM of this entity, they are all welcome at this function, they are all being treated equally, they are all being you know, entertained equally. You don’t need to sit there because at the office you’re the tea lady, you know that type of thing” (P2).

In addition, another participant explained that all the subsidiary’s facilities are equally accessible to all employees, that there is one cafeteria for everyone and when it comes to parking there is “no reservation from the fact that someone or a leader will have parking while an employee parks in the street” (P1).

On the other hand, with regards to equal treatment in terms of income employees at the subsidiary were described as given fair income “across all employees” (P3) as remuneration was fair and guided by a market index. In this regard, one participant explained:

Participant	Function	Job level
P3	Support	Top Management

“Well, we evaluate the market indexes from our...basically remuneration all the way down. So there’s a market index from HR that you have a look at for every country within each segment...we look at the market indexes and we’re above the average, so I’d say that from that point of view, then we’re fair” (P3).

The subsidiary was thus perceived to treat employees equally and fairly within the subsidiary and in relation to other organisations when it comes to the income employees are remunerated. However, this view was in contrast to what one participant (P9) expressed earlier about the subsidiary’s remuneration process, believing that it was not internally equitable; thus deeming the subsidiary’s practices unfair in terms of income.

Unfair treatment

Despite the majority of participants feeling that the subsidiary was a place where all employees are equally and fairly treated, three participants (P7, P9, P10) felt that this was not the case. Specifically, one employee stated:

Participant	Function	Job level
P10	Support	Top Management

“You know there are other things that should be transparent...and if you come from a company where I was where you know, you get shares, you do whatever, you’re asking yourself why shares aren’t available to everybody you know. So these kinds of things, I don’t think everybody’s treated fairly to be honest” (P10).

The above participant felt that there was preferential treatment within the subsidiary from what they perceived to be a lack of transparency when it comes to certain policies such as the subsidiary’s ownership practices. Another participant also felt that “if you’re buddies with anybody who has some power then you’re probably treated a little better” (P9). In addition, the third participant who also felt that treatment was not always fair at the subsidiary expressed that they felt that “when things are going well, everybody’s fine, but if things are not going so well, then people are blamed unnecessarily” (P7). Unfair treatment at the organisation was perceived to stem from a lack of transparency, preferential treatment dependent on who an employee is close to and being unfairly blamed when things did not go right.

The findings seem to suggest that the organisation is perceived as generally having egalitarian practices with regard to status, income and culture. All employees were described as treated fairly and with respect regardless of their status in their subsidiary or cultural background. However, there were also some feelings that some of the subsidiary’s practices were unfair in terms of preferential access to information, preferential treatment and unfair blame when things are not going well in the subsidiary.

6.3.10. Participation

Xiao and Bjorkman (2006) recommend that a HCWS needs to also include participation practices in the form of suggestions, a grievance system and a morale survey. Participants were asked to describe how the subsidiary allows for employees to voice their grievances, make suggestions and give feedback to management. Participation practices at the subsidiary were described according to the following categories: online survey (P3, P4, P5, P7, P10, P11); going to your manager (P1, P2, P4, P6, P7, P8, P10); going to HR (P1, P2, P5, P6, P7, P8, P10); meetings (P1, P2, P3, P8); and don’t know (P9, P12).

Online survey

The subsidiary conducts an online employee survey where employees can voice their opinions and give their feedback. The survey is completed on an annual (P4, P7, P11) and anonymous (P11) basis by all the global employees of the Chinese MNC. Explaining more about the outcome of the global online survey, one participant stated:

Participant	Function	Job level
P11	Support	Top Management

“HR definitely takes that to heart and does present it to the management and then key action items are to come from that. So yes, definitely [the organisation] does listen to the employees” (P11).

Managers and team leaders are also rated (P3, P7) in this employee survey and get their feedback in the form of scorecards, with executables and action items against that feedback (P3, P11). However, one participant felt that “it depends on how strong you put your case” (P4) in order for change to come from the employee feedback gathered in the survey. Furthermore, the online survey is also seen to be a way that the Chinese MNC encourages employees to voice their opinions as “it’s not always that the employees will come forward and complain” (P10). The Chinese MNC is thus perceived to be an organisation that “does listen to the employees” (P11).

Going to your manager

The subsidiary was perceived to be an “open” (P1, P4, P6, P8) and “relaxed” (P1) environment where employees could feel “free to raise anything” (P1) or disagree with anybody as long as it is done “with respect” (P2). As a result, employees are encouraged to establish open relationships with their managers (P1, P2) so they could “talk openly” (P1) about any issues they have, without necessarily going to the HR department all the time (P11). Having an open relationship with their managers meant that any employees’ arising issues could be “resolved very quickly” (P6). However, some participants did express that despite the subsidiary’s efforts at creating an open environment which would encourage employees to raise any concerns they have, participation would also depend on individual employee personality (P5, P7, P10). Thus only “the brave ones would complain if they’re unhappy” (P10), whereas “other people would be a little bit more conservative” (P5).

Going to HR

Although serious grievances were said to not occur often at the subsidiary (P1), in the instances when they do arise participants (P1, P2, P5, P6, P7, P8) expressed that there is an open door policy with the HR department as well. Therefore, if there are issues that cannot be solved by line managers or no amicable solutions are found, the HR department is seen to then step in to help resolve those issues (P2). To solve these serious issues, the HR department follows an established grievance policy where a meeting is held with the concerned employees (P1, P2). During that meeting, the legal rights of employees are highlighted and amicable solutions are then suggested (P2). Additionally, if there are recurring complaints about a particular issue, the HR department then does a presentation for the whole subsidiary on that issue and communicates the recommended process to solve it (P6).

Meetings

The subsidiary also holds regular meetings where all employees are in attendance, including the country GM (P1, P3, P8). At these meetings employees are encouraged to make any comments and share ideas (P1, P8) they might have. A “think tank” (P3) thus happens at these meetings where employees are allowed to contribute their suggestions (P2). Suggestions are then discussed with employees and explanations are provided as to the final decision taken if employee suggestions are not eventually implemented (P2). In addition, employees can also make suggestions at their respective departmental meetings (P1).

Don't know of any participation practices

Two participants (P9, P12) in particular felt that they didn't know of any participation practices at the subsidiary. One participant (P9) additionally stated that even if they did know, because of the way things were, they did not feel like they would give management any feedback. The participant attributed their unwillingness to participate to the absence of a “trust relationship” (P9) with the managers, meaning a “dialogue will never happen” (P9).

On the other hand, the second participant was unclear on any participation practices available to employees expressing that:

Participant	Function	Job level
P12	Sales	Employee

“I know there is something but I’ve never used it; I don’t know what it is. I’d be lying if I told you...oh, there is something! But I don’t know where it is, and I think generally if there are any issues you can take them up with your line manager, or something. I don’t know” (P12).

Whereas the first of the two participants who expressed that they did not know of any of the subsidiary’s participation practices seemed to be also disinterested, the second participant seemed unclear and speculated that managers would probably be open to discussions with employees.

The findings suggest the subsidiary has established avenues that allow for employee participation through the online morale survey, the staff and departmental meetings which create a space for suggestions and an open door policy with managers and the HR department. Employees are especially encouraged to develop an open relationship with their managers so arising issues can be quickly resolved. The HR department was seen to step in if serious grievances arise or to lend assistance in matters where no amicable solutions were found by managers.

6.3.11. Information sharing and communication

Open communication and wide information sharing are the thirteenth practice in Xiao and Bjorkman’s (2006) measure of HCWSs. As a result, participants were asked to explain how top management at the subsidiary shares information with employees. Participants views resulted in two major categories that described: information sharing and communication mediums (P1, P2, P3, P4, P5, P6, P7, P8, P9, P10, P11, P12); and information communicated (P1, P2, P3, P4, P5, P6, P7, P9, P11, P12).

Information sharing and communication mediums

How the subsidiary shares information was described as being dependent on the nature of information to be communicated (P1, P12). The subsidiary typically shared information and communicated through: face to face meetings (P2, P3, P4, P5, P6, P7, P8, P9, P10); e-mail and telephone (P2, P6, P8, P10, P11); and one-on-one interactions (P2, P8, P10).

A majority of participants (P2, P3, P4, P5, P6, P7, P8, P9, P10) described face to face meetings as one of the most regular communication mediums. Managers at the subsidiary are “meeting just about every day” (P3) and face to face meetings are considered to be an “open forum” (P12) of communication used regularly at the subsidiary. Face to face meetings are also held regularly for the whole subsidiary (P2, P3, P5, P6, P8), for specific departments (P3, P5) and occasionally with the regional leadership team of the subsidiary (P4, P10).

Five of the twelve participants (P2, P6, P8, P10, P11) also made reference to e-mail and telephone communication by the subsidiary. Urgent communication is especially done through telephone calls (P6) and e-mail (P8). Telephone calls are also used to facilitate a lot of conference calls and virtual meetings between employees from different geographical locations (P10). On the other hand, e-mails act as mass communication for the Chinese MNC so that “everybody can read the information” (P2) and be kept up to date. In addition, because the organisation is an MNC, e-mail was deemed to be the most efficient way of communicating with employees (P10). The Chinese MNC’s global worldwide mailer (P2, P11) in particular, is a means of mass communication with employees all over the world. E-mail communication was also mentioned as usually being followed up by a meeting at the subsidiary where there are further discussions on the communicated information (P2, P12).

Lastly, important communication was also described as happening through intentional one-on-one interactions. One-on-one sessions occur between employees and their managers if there are issues that have not been addressed during meetings, or issues that need further clarification (P2). One-on-one sessions also happen with the regional leadership team who regularly communicate with the departmental heads especially (P10). The GM was also described as having a “one-on-one with everyone at the organisation at different times, just to catch up and see what’s going on at a personal level” (P8).

Information communicated

Participants (P1, P2, P3, P4, P5, P6, P7, P9, P11, P12) also went on to describe the type of information typically communicated at the subsidiary. The type of information communicated was mainly described to be updates (P4, P9, P12). Regular updates communicated to employees at the subsidiary have to do with understanding what is currently happening in the industry (P3, P4, P5, P6, P7), any changes in the subsidiary (P2), how the subsidiary is performing (P5, P6, P7, P9), what the subsidiary’s performance targets are (P4, P9), what the Chinese MNC’s global strategy going forward is (P3, P5, P7), and who has performed well (P9). In addition,

information communicated also had to do with the Chinese MNC's "products and how to sell" (P11) them.

With regards to the kind of information shared, one participant explained:

Participant	Function	Job level
P6	Sales	Employee

"We have our staff meeting I think every two weeks and then everyone's in the big boardroom and we have an overview on what's happening on each one's business patch, where we are overall, any concerns we have, any positive feedback, that kind of thing. So we're all kind of top of what's happening in the market" (P6).

Information was communicated from the global, regional and local leadership teams in order to ensure that all employees are up to date with regards to issues concerning the PC industry and Chinese MNC. Finally, one participant pointed out that the Chinese MNC's global confidentiality policy with regards to sharing information is that the leadership "share what needs to be shared at the time when it needs to be shared" (P1). So although there is no secrecy per se, confidentiality is essential because of the nature of the Chinese MNC's PC industry (P1). In this regard, another employee confirmed that "there is regular communication between management and employees" (P4), while yet another mentioned that "all things that need to be are communicated" (P12).

The findings suggest that information sharing and communication in the subsidiary is done regularly and through various mediums. However face to face meetings appear to be the most frequently used form of communication at the subsidiary. In addition, the most communicated issues seem to be updates about the subsidiary's performance, what is happening in the PC industry and what the Chinese MNC's strategy is.

6.3.12. Overarching goals

Xiao and Bjorkman (2006) also recommend that HCWSs need to emphasise an organisation's overarching goals, the fourteenth HCWS practice. In order to discover whether the subsidiary emphasises its overarching goals, therefore, participants were asked to explain how the subsidiary ensures that employees are made aware of the main organisational goals.

Communication of the subsidiary's goals was said to happen "daily" (P2, P3), "weekly" (8) and on an ad hoc basis when "change happens" (P1). Additionally, categories emerging from the data pointed to the subsidiary emphasising its goals through: meetings (P2, P4, P5, P7, P8, P9, P11, P12); quarterly update sessions (P8, P10, P12); and online communication (P3, P6, P11). The nature of the subsidiary's emphasised goals is also included in the discussion within each category.

Meetings

Management holds regular meetings with all employees where the subsidiary's performance targets are presented and discussed (P2, P4, P9). Employees also meet with their direct managers who then inform them of the individual and team performance targets tied to the subsidiary's overall performance goals (P4, P9). Since the subsidiary is "target oriented" (P2), performance targets are one of the overarching organisational goals. Regular meetings thus also serve to communicate and remind employees about the global strategy of the MNC (P5, P11). In addition, new issues may arise or areas of improvement linked to the subsidiary's goals may be highlighted at meetings which could require employees to be given training (P6, P10). Consequently, two participants (P1, P6) stated that, for instance, employees may need to learn and know the organisational culture and this is accomplished through training, which serves to reinforce organisational goals and make sure that employees are aligned with the Chinese MNC's cultural values.

Quarterly update sessions

The subsidiary also has formal update sessions held on a quarterly basis throughout the year (P8, P10, P12). For example, every quarter the regional director based in Dubai comes down to South Africa (P8, P10) and engages with the subsidiary on issues such as the region's performance targets, major announcements, the Chinese MNC's strategy and any other key concerns (P10). As the South African subsidiary, the organisation also holds its own update sessions where strategies (P10), targets and budgets are also communicated and reinforced (P12). At these sessions, top performers can be awarded (P10), which further reinforces the "target oriented" (P2) nature of the subsidiary's overarching goals.

Online communication

Lastly, participants (P3, P6, P11) also mentioned how online communication was used to emphasise the subsidiary's overarching goals. Online communication was described as

“reinforcing” (P11) the communication of the subsidiary’s overarching goals. Organisational goals pertaining to the subsidiary’s strategy and performance targets are, once again, reinforced through online communication. Online communication channels thus included e-mail (P6, P11) and the intranet (P3). For instance, the intranet keeps all employees updated with daily information with regards to the global strategy (P3). The benefit of emphasising goals through online communication was that it was available for employees to refer to again at a later stage (P3).

With regards to the subsidiary communicating and emphasising its overarching goals one participant stated:

Participant	Function	Job level
P11	Support	Top Management

“Believe it or not, we’re very good at this because our strategy is very simple... and is communicated down from all the way from our CEO, all the way down to country level. And we have a staff breakfast meeting every two weeks where those are communicated through a physical meeting and a presentation from our country general manager. It is also reinforced in e-mail communication etc, so it is reinforced” (P11).

The findings suggest that the subsidiary’s overarching goals pertain to its performance and strategy. In this regard, organisational performance and strategy are emphasised through regular meetings, formal quarterly update sessions and online communication. The subsidiary’s performance goals and strategy are thus continually emphasised and reinforced through these aforementioned avenues. As a result, all employees are kept up to date and know what the subsidiary’s overarching goals are.

6.3.13. Teamwork

The fifteenth and final practice in Xiao and Bjorkman’s (2006) measure of a HCWS is encouraging teamwork where the successes of teams rather than individuals are hailed. In order to discover whether the subsidiary encourages teamwork, participants were asked to explain how the subsidiary emphasises teamwork and celebrates the successes of teams. With regards to teamwork, participants thus felt that the subsidiary had: team oriented events (P2, P4, P5, P6, P9,

P10, P11, P12); team rewards (P1, P2, P3, P6, P8, P10, P11, P12); and a culture that supports teamwork (P1, P2, P4, P5, P8).

Team oriented events

The subsidiary was explained as having “regular events where teaming is a part of the event” (P4), which helps promote a “team spirit” (P10) amongst employees. For instance, “every second week the whole team is in the boardroom and there’s a breakfast” (P10) during the staff meeting. In addition, at the quarterly update meetings (P2, P5, P12) teams also work together to give presentations to the rest of the subsidiary, where they present about how they will align to the Chinese MNC’s global strategy (P5). The subsidiary also goes on team building initiatives (P6, P10, P11) which “encourages teamwork” (P11), where the whole team goes out and does fun activities like volleyball and putt-putt (P6). Lastly, despite the fact that “other companies have cancelled year end functions because of budgetary constraints” (P10), the subsidiary still has its year end function (P6, P9, P10). The whole subsidiary gets together at the year-end function to celebrate the past year, reward performing individuals and teams and highlight plans for the following year (P6, P9).

Team rewards

Teams are recognised and rewarded for their successful performance on a quarterly (P1, P3) and annual basis (P3). Teams have the opportunity to be recognised and rewarded at the local subsidiary level (P1, P3, P10, P11), at the regional Europe, Middle East and Africa (EMEA) level (P1, P3, P6) and at the global level (P1, P3, P11). At the local subsidiary level, teams may be given rewards such as public recognition (P1, P6, P12), a “gift” (P6), “vouchers” (P10) or “something fun” like go-kart racing (P2, P8). Regional team rewards are given by the regional leadership and can also be monetary or non-monetary rewards like a weekend away with partners (P6). At the global level, highly performing teams from the Chinese MNC can be rewarded with a President’s award which is a “very prestigious” (P11) award where rewarded teams go on an overseas excursion (P1, P3, P11, P12). Although rewards are mainly tied to the achievement of performance goals, a lot of rewards are also tied to the organisation’s culture (P1, P3), where teams will be rewarded for “having demonstrated the values” (P1) that the Chinese MNC stands for.

Culture that supports teamwork

The subsidiary's management is also seen as creating and emphasising a culture that fosters and celebrates teamwork (P4, P8), which "everybody is expected to practice" (P4). In this regard, management allows for the formation of temporary cross-functional teams formed by "different people from different business units" (P5). Creating a platform for not only individuals to be appraised and rewarded but teams too (P1, P2) is another way that a culture of teamwork is being reinforced at the subsidiary. Employees are thus given "an opportunity at the end of the year to nominate a team, and not just individuals" (P1) for a reward with regards to outstanding performance. Finally, managers were also described as providing support to teams by stepping in to help resolve any arising team conflicts (P1).

With regards to teamwork at the subsidiary one participant elaborated:

Participant	Function	Job level
P4	Support	Line Management

"Teamwork is something that ah, that forms part of the whole culture that we have at [the subsidiary]. And um, and it is something that everybody is expected to practise. So we, we regularly have events where teaming is a part of the event. And um, ya, teamwork is definitely a, you know, encouraged and driven" (P4).

The findings suggest that the subsidiary drives teamwork and reinforces the value of teamwork through team oriented events, team rewards and a culture that supports teamwork. Employees are also encouraged to form cross-functional teams on an ad hoc basis in order to complete work assignments. Performing teams also have the opportunities to be recognised and rewarded by the Chinese MNC for their achievements at the local, regional and global levels.

6.3.14. The nature of the subsidiary's HCWS

6.3.14.1. HCWS practices

The subsidiary was mostly perceived as having promotional practices in place where, in the case of arising vacancies, the subsidiary would prefer to fill the position internally, especially because of the investment already made into current employees. Chan (1996:556) thus states that existing employees have accumulated specific human capital that would either not be found in external

recruits, or be more expensive to acquire. The subsidiary's preference to promote from within benefits the subsidiary by promoting employees who are more knowledgeable about the subsidiary and its business (Pfeffer, 1995:65). Additionally, promotion opportunities provide motivation and performance incentives for employees (Fairburn & Malcomson, 2001:45; Pfeffer, 1995:65). At the subsidiary this was evidenced by one participant feeling that the subsidiary is "pro on developing your career path ... there's a bit of movement internally so you don't feel like you're stuck in sales for the rest of your life (P6). It was only when the required skills and competencies were not available within the subsidiary that external applicants were considered.

In selecting applicants to fill vacant positions, the subsidiary was mainly described as having quite a rigorous selection process which included carefully selecting applicants based on the requirements of the job, applicants' qualifications and experience, conducting multiple panel interviews and psychometric assessments only when necessary. In order to select the most suitable applicant for the job, it is essential that selection happens according to the specific requirements of the job (Manroop *et al.* 2013:3513). Moreover, Pfeffer (1995:58) states that if organisations are to achieve optimal organisational performance, rigorous selection procedures that lead to choosing "the right people, in the right way" for the job need to be applied. Participants thus felt that because of the subsidiary's careful selection procedures, the right person is placed for that specific job.

Training opportunities can be provided in the form of career development opportunities, on-the-job training, off-the-job training such as workshops, and online learning tools (Perks & Zindiye, 2012:91). Training at the subsidiary was therefore described as extensive, incorporating opportunities for on-the-job learning and development, online learning, going for short courses and furthering one's studies. Newly appointed employees at the subsidiary were also described as undergoing extensive orientation that could take up to two weeks and involve the regional leadership in Dubai in some instances. New employees were oriented through a process facilitated by the HR department that informs them about the Chinese MNC and its business and involved all departmental managers, relevant co-workers and external partners in the African business environment. Extensive socialisation benefits the subsidiary by effectively helping new employees become more familiar with the subsidiary's work environment (e.g. new colleagues, organisational culture and structure) in order that they may quickly fit in and perform their jobs effectively (Amos *et al.* 2008:126; Price, 1997:338-339).

How the subsidiary implemented its performance appraisal system and employee wellness program were the main efforts perceived to lead to feelings of job security at the subsidiary. Performance appraisals were described as giving poorly performing employees an opportunity to develop and improve their performance, meaning the organisation was not quick to dismiss poorly performing employees. In this regard, Barnard and Rodgers (2000:1021) mention that ensuring job security enables an organisation to align its interests with employee interests, achieving a long term mutual commitment relationship. In the instance of the subsidiary, therefore, organisational interest could be seen to be the ability to perform and produce results, whereas employee interests could be continued employment. Furthermore, the subsidiary's employee wellness program was also believed to be an indication that the organisation cares about the wellbeing of its employees and wants them to feel happy and secure in their jobs. Job security efforts at the subsidiary reinforced the view by Pfeffer (1995:58) that when an organisation implements measures that assure employees of job security, it sends a message of commitment to its employees.

With regards to job enlargement at the subsidiary, job descriptions were provided from a global level but required employees in the South African context to be flexible and use a variety of skills and competencies in order to achieve performance targets. So, although the main purpose of the subsidiary was described as selling the Chinese MNC's products in the African market, the unique aspects of the African business context required employees to be innovative, going beyond their job descriptions to accomplish the tasks necessary to sell their products. Although sales employees are assigned to sell to specific sectors, they use a variety of skills to manage the various aspects related to dealing with clients within those sectors. Completing a variety of wider tasks means that employees need more skills to accomplish their tasks (Barnard & Rodgers, 2000:1024). Employees at the subsidiary were described as having enlarged jobs which required them to use multiple skills as they normally went beyond the scope of what was in their generic job descriptions.

The organisation's performance appraisal system appeared to mainly have an evaluative purpose, with the results of individual performance being the focus of the subsidiary's performance appraisal system. In this regard, individual employees who did not perform well are given an opportunity to develop, thereby improving their performance. As employees receive feedback that informs them of their performance levels and areas in which they can improve (Lim & Ling, 2012:111), performance appraisal at the subsidiary can be seen to have an

evaluative purpose. In addition, the identification of development opportunities for employees at the subsidiary was mainly a by-product of the performance appraisal system's evaluation feedback process and not necessarily the main focus.

Owing to the sales nature of the subsidiary, remuneration is structured according to basic compensation and performance based pay for sales employees in the form of commission and for support employees in the form of bonuses. Wood (1996:55-56) points out that there is no one specific combination of remuneration elements that will fit all situations and that managers will need to know what will work best for their particular organisational contexts. As a sales organisation remuneration at the subsidiary has been split into basic pay and commission for sales employees in order to provide performance based incentives. Additionally, the subsidiary's remuneration was found to be competitively set with numerous additional benefits. In this regard, the subsidiary's remuneration was consistent with recommendations from Amos *et al.* (2008:315-316) and Lim and Ling (2012:113) that effective remuneration needs to be inclusive of different financial and non-financial benefits. Described benefits at the subsidiary thus included compulsory benefits (unemployment fund contributions, leave) and voluntary benefits (medical aid, pension and provident fund, traveller's allowance, car allowance, phone allowance, death and disability cover, and access to an employee wellness organisation at the cost of the subsidiary).

Only a few participants seemed to know of any ownership practices that had been implemented at the subsidiary and those ownership practices which were mentioned were stated to have been in the form of share options. As ownership practices do have the benefit of contributing to employee retention (Azfar & Danninger, 2001:619), in those incidents when share options were deployed it was stated that it was for the purposes of rewarding and retaining specific employees regarded as high performers at the subsidiary. In this regard, Rousseau and Shperling (2003:565) had also pointed out that employees especially seen as critical to the operations and success of an organisation are usually the target recipients of extensive ownership practices. Furthermore, as share option incentives have the ability to render one job more desirable over jobs at other organisations (Rousseau & Shperling, 2003:560), they were believed to help overcome efforts by other organisations to "poach" the subsidiary's top performing employees, thus retaining them at the subsidiary. However, with the subsidiary predominantly described as not having any ownership practices, the use of ownership at the subsidiary appeared to be opposite to Xiao and

Bjorkman's (2006:419) recommendation of incorporating extensive ownership practices into HCWSs.

With regards to egalitarianism, the subsidiary was generally perceived as the kind of workplace where all employees are treated equally and fairly with regard to status, income and culture. Status levelling, as described by Morand (2010:76, 78) as efforts to diminish status distinctions within organisations, appears to have been implemented at the subsidiary. For example, status distinctions such as special invitation to an organisation's social events and restricted access to physical spaces such as reserved parking and cafeterias (Morand, 2010:76; Pfeffer, 1995:63) were levelled at the subsidiary to treat all employees fairly and equally. In terms of culture, egalitarianism at the subsidiary was further described as existent because, in line with Charles' (2008:48) view of egalitarianism, employees had not experienced or heard of any incidents when an employee had been treated with any discrimination based on factors such as their gender, sexual orientation, race and ethnic background. With regards to income, the subsidiary was described as implementing pay practices which were equitable with other organisations in the South African PC industry, through the use of an HR market index. Lastly, as organisations face legal, ethical and moral imperatives that require all employees to be treated fairly and consistently (Kinnie *et al.* 2005:24), the subsidiary appears to have adhered to South Africa's legal requirements of fair treatment in the workplace, and it has also implemented egalitarian practices from an ethical and moral perspective.

The subsidiary was also found to encourage participation by its employees through encouraging employee suggestions during meetings and through the HR department and managers practicing an open door policy with employees as well. Cox *et al.* (2009:2150) thus state that employee participation facilitates a two-way exchange of views that enables employees to contribute to decision making in their organisations. Additionally, Khan and Khan (2011:27) point out that managers who practise an open-door policy are able to assist employees on an ad hoc basis, which was found to be the case at the subsidiary. Employees also respond to an annual online morale survey conducted by the Chinese MNC on a global scale. In line with Batt *et al.* (2002:574) who recommend that participation is also about employees expressing their dissatisfaction, employees at the subsidiary are allowed this opportunity through completing the global morale survey. With regards to grievance issues, the HR department also facilitates a discussion between the concerned parties with the aim of reaching an amicable solution to the matter.

Information sharing and communication in the subsidiary was found to be done on a very regular basis through various mediums. Face to face meetings were, however, the most frequently used form of communication in the subsidiary. Face to face staff meetings and one-on-one interactions were the best way to communicate at the subsidiary, especially because of its small size in terms of employee numbers. In addition, communication mainly focused on updates about the subsidiary's performance, strategy and the PC industry. When the subsidiary communicated and shared information with its employees, therefore, it also benefitted employees by helping them gain clarity on their individual jobs and what they need to accomplish in order to contribute towards organisational performance; a benefit of information sharing pointed out by Prince *et al.* (2011:2485).

The subsidiary was also found to regularly emphasise its overarching goals pertaining to its performance and strategy. In line with a suggestion by Argenti (1998:203) to use large-scale meetings as an opportunity for the communication and emphasis of organisational goals, the subsidiary predominantly emphasised its organisational performance and strategy through its regular meetings held with all employees. Furthermore, within the current competitive global context (Andersen & Minbaeva, 2013:810) it is important for organisations to emphasise their overarching goals in order to perform successfully and the subsidiary also used intentional update sessions and online communication to ensure that all employees were constantly made aware of the subsidiary's important goals.

Finally, the subsidiary was also described as encouraging teamwork and creating opportunities to reinforce the value of teamwork. Cross-functional teams comprising of employees from different business units in the subsidiary were often formed to work together towards achieving particular performance targets. Teams made up of employees from different managerial levels and departments (Kalev, 2009:1593) can facilitate the learning and skill development of employees. Furthermore, the subsidiary rewarded teams that performed successfully. The subsidiary promoted and reinforced the value of teamwork, as is seen in organisations that implement team-based appraisals as well as team-based rewards (McClurg, 2001:74; Scott & Einstein, 2001:111). Finally, as conflicts are one of the challenges faced by teams (Maxwell, 2008:445), with regards to promoting a culture that supports teamwork, managers at the subsidiary were also described as helping to solve arising conflicts within teams so that team performance is not hindered.

From the descriptions of participants, most of the HCWS practices examined at the subsidiary seem to point to HR practices consistent with the existence of a HCWS. As the premise of the practices included in HCWSs lies in their theoretical ability to lead to enhanced organisational commitment (Xiao & Bjorkman, 2006:407), the descriptions given by participants of the subsidiary's HCWS practices seem to suggest that the subsidiary's HCWS does have the potential to lead to greater organisational commitment of employees (as was discussed in Section 3.3.2 and Section 3.4 of Chapter Three). Only the subsidiary's ownership practices and the performance appraisal system seemed to not align with the description of a HCWS according to Xiao and Bjorkman's (2006) recommendations.

The use of extensive ownership practices at the subsidiary seems to be limited because of the global nature of the organisation and the fact that its shares are not listed on the South African stock exchange. In addition, there appeared to be no clear consensus with regards to the subsidiary's ownership practices and policies as participants expressed diverse and sometimes contrasting views. In this regard, the subsidiary does not implement extensive ownership practices, in contrast to Xiao and Bjorkman's (2006:419) recommendation for HCWSs.

Similarly, the features of the subsidiary's performance appraisal system seem to place an opposite emphasis on the nature of performance appraisal for HCWSs recommended by Xiao and Bjorkman (2006:419) – appraisal of team performance rather than individual performance, attitude and behaviour-oriented appraisal rather than result-oriented appraisal and feedback for development purposes rather than for evaluation purposes. So, although teams and behaviours are also appraised, from the descriptions of participants there appears to be a greater emphasis on the appraisal of individuals and results. Consequently, the performance appraisal process used at the subsidiary seemed to be more for evaluation than development purposes.

The reason for the exclusion of the ownership and performance appraisal practices for the subsidiary's HCWS were not bound in the historical and cultural context, as was the case in Xiao and Bjorkman's (2006) research. The exclusion of HCWS practices relating to extensive ownership and performance appraisal at the subsidiary do, however, seem to be bound within the subsidiary's organisational context. Moreover, the exclusion of HCWS practices in Xiao and Bjorkman's (2006:415) preliminary HCWS measure for the Chinese context was based on a discovery of those practices which did not appear to communicate an employer's commitment to its employees. Whereas in the current study, although the practices were found to be absent at the subsidiary, there were indications that their presence as recommended by Xiao and Bjorkman

(2006) would motivate and communicate the subsidiary's commitment to its employees. For example, with regards to extensive ownership, those times when employees were given share options were said to have kept some employees at the subsidiary for long periods even through tough times. Additionally, one participant described their desire for more extensive ownership practices thus: "So I think it's good, it motivates us and it's also nice to know that you know, you're investing in, back into the business as well and it's worth something at the end of the day" (P5). It would appear that the implementation of extensive ownership practices at the subsidiary could lead to more motivated and committed employees.

6.3.14.2. HCWS distinctions across the subsidiary's job levels and functions

As discussed earlier in Chapter Three, employee groups can be disaggregated according to job levels, distinguishing between managerial and non-managerial employees and job functions, distinguishing between core production/service employees and other support employees (Den Hartog & Verburg, 2004:57; Xiao & Bjorkman, 2006:412). Furthermore, as organisations may implement different HR practices for different groups of employees (Boxall & Macky, 2007:262; Den Hartog & Verburg, 2004:57), Xiao and Bjorkman (2006:412) specifically propose that the implementation of HCWSs may vary according to employees' job levels and functions. For this reason, the gathered data was also analysed to discover if there was any evidence from participants' responses for the variation in implementation of the subsidiary's HCWS, according to job levels and functions.

Job level analysis

Firstly, the analysis of participant responses according to job levels was disaggregated into two distinct groups - top management and employees (where all other participants who were not part of the subsidiary's top management team were classified as employees). In this regard, top management's actions were taken to be representative of the subsidiary's actions towards employees especially in the implementation of the HCWS practices. Boxall (2012:180) thus explains that it is important to gather views from managers, about the intended practices and from employees, about is actually experienced. The views shared by both top management and employees in this research were mainly consistent. There were slight differences in emphases noted, however, with regards to participation and teamwork practices. Whereas top management most commonly cited staff meetings as the avenue for encouraging employee participation, the most commonly cited avenue for employees was going to see their managers or the HR department. It was thus interesting to note that while top management seemed to feel that

meetings were the best place for employee participation, employees seemed to feel more comfortable with approaching their managers. Similarly with regard to teamwork, top management mostly felt that they encouraged teamwork and celebrated the successes of teams through implementing team performance rewards, whereas employees additionally felt that teamwork was mostly enhanced by the subsidiary's team oriented events. It could be that events held by the subsidiary which emphasised the value of teamwork such as the year end function, staff breakfasts and team building initiatives had a lasting effect on employees and helped them bond as a team. In support of Boxall's (2012:180) claim, therefore, there appears to be a difference between managers' intended focus of participation and teamwork practices and how employees experience them.

Job function analysis

Secondly, the analysis of participant responses as they related to the job functions of the subsidiary was also disaggregated according to two distinct groups - sales and support functions. Following the reasoning provided by Xiao and Bjorkman (2006:412) that organisations are more likely to implement HCWSs for employees that are in more strategic functions and considering that the nature of the Chinese MNC's South African subsidiary is that of a sales organisation, the sales function was taken to be the most strategically important function for the subsidiary. All other functions of the subsidiary such as finance, human resources and marketing were considered to belong to the support job function for the sake of the analysis. As was the case in distinctions between employee levels, two practices appeared to stand out in terms of the way the HCWS was implemented for employees in the sales and support functions. These two HCWS practices were training and remuneration. Sales employees were alluded to as the main recipients of training opportunities in order to help them understand and sell products more effectively. Akhtar *et al.* (2008:18) thus pointed out that training can be employed by organisations seeking to improve and ensure high product and service quality standards. In this regard, extensive training appears to have been applied more for sales employees at the subsidiary to enhance their on-the-job knowledge. Remuneration was mostly described as generally competitive; however, how remuneration was structured differed between sales and support employees. Whereas sales employees' remuneration was split into basic pay and commission, support employees only received a basic pay. However, there was a performance incentive provided for support employees in the form of performance bonuses linked to the achievement of set KPIs. Therefore, although remuneration was set differently for sales and

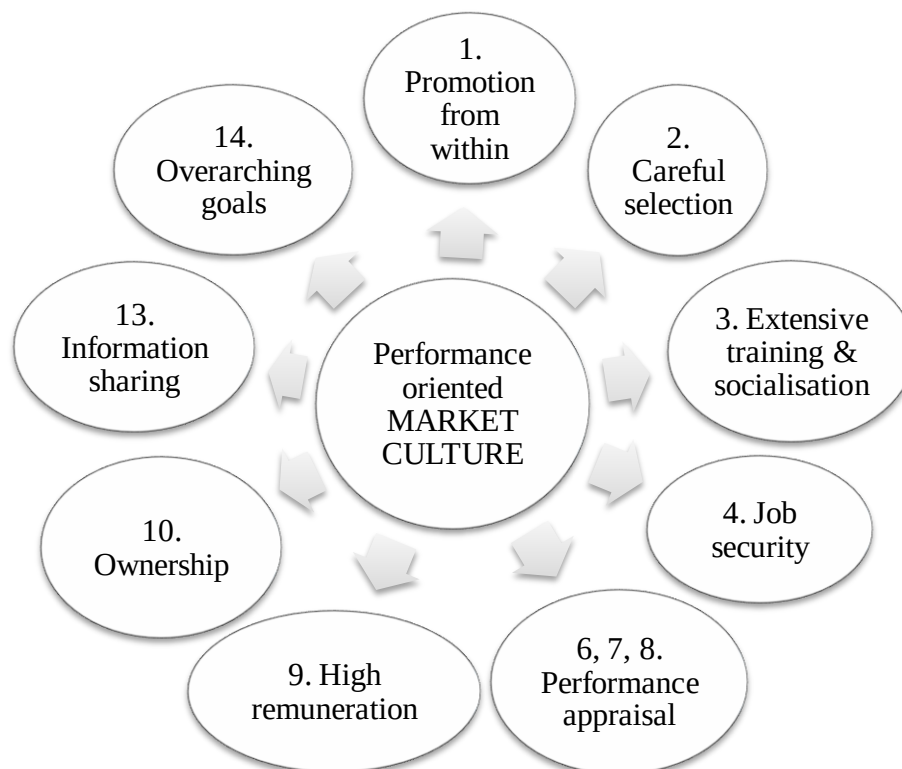
support employees, the findings do not seem to suggest that there were major differences in implementation as both groups of employees were provided with performance incentives.

6.3.15. How the organisational culture has shaped the nature of the HCWS

The third objective of the research was to explain how the subsidiary's organisational culture has shaped the nature of the HCWS. As discussed earlier in Section 2.5 of Chapter Two, Bowen and Ostroff (2004:205) stated that "organisational culture shapes HRM practices, which in turn reinforce cultural norms that can shape individual and organisational performance". The findings of the research seem to lend support to this claim by Bowen and Ostroff (2004:205) as the subsidiary's dominant market culture (described earlier in Section 6.2.5.1) was discovered to have had the greatest effect in shaping the nature of the HCWS.

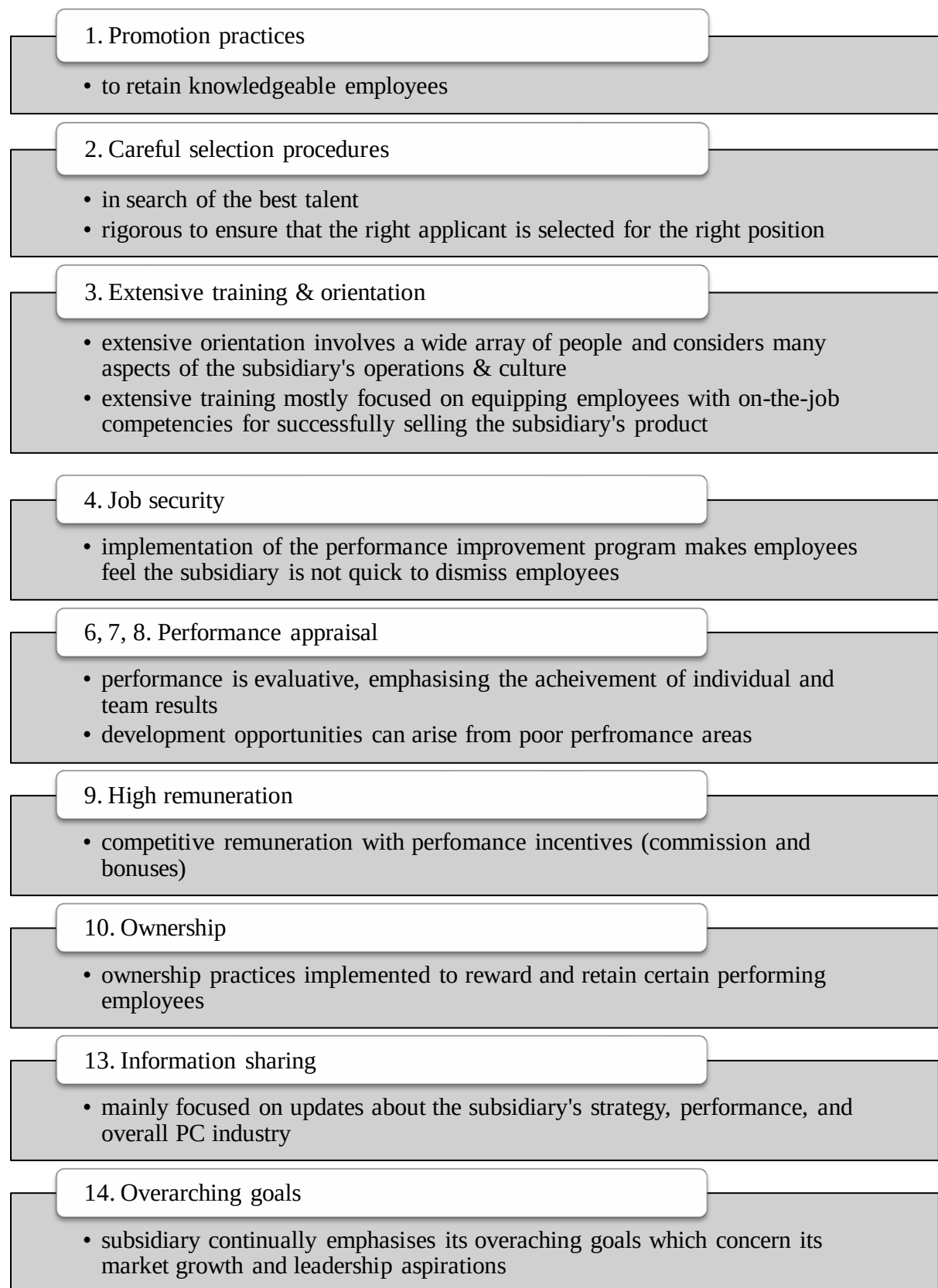
The subsidiary's dominant market culture appears to have led to the implementation of HCWS practices that have emphasised the performance orientation of the subsidiary. Figure 6.1 and Figure 6.2 below thus specifically illustrate and explain which HCWS practices appear to have been shaped from the subsidiary's market culture:

Figure 6.1 HCWS practices shaped by the subsidiary's market culture



(Source: Researcher's own construction)

Figure 6.2 How HCWS practices were shaped by the subsidiary's market culture



(Source: Researcher's own compilation)

As can be seen in Figure 6.1 and Figure 6.2, the market culture has had a direct influence in shaping a majority of the subsidiary's practices. Only five practices – job enlargement, egalitarianism, participation and team work – were not found to have been shaped by the subsidiary's market culture. Cameron and Quinn (2006:39-40) proposed that the market culture “is focused on transactions with (mainly) external constituencies such as suppliers, customers and contractors” and that for an organisation with a dominant market culture, “outpacing the competition and market leadership are important”. The subsidiary therefore values and places a great emphasis on performance to enable it to satisfy customer needs and achieve market leadership. In this regard, Gong *et al.* (2009:264) mentioned that HR systems with performance oriented practices serve to motivate employees to achieve organisational goals. Furthermore, as stated by McKenzie (2010:63), “given a certain strategic goal, a set of HRM practices should be implemented to help the organization attain these goals”. It thus appears that with a majority of the practices implemented towards facilitating performance achievement at the subsidiary, the practices are aligned with the subsidiary's externally focused market culture. Den Hartog and Verburg (2004:60) also conclude that “high performance work practices emphasising progress towards targets such as performance measurement and performance-related pay seem relevant” to the goal or performance orientated organisational culture.

The subsidiary's organisational culture also had characteristics pointing to the presence of the adhocracy and clan cultures. Although the adhocracy culture was found to be the second most dominant type of organisational culture at the subsidiary, it seems, however, to have had less influence on shaping the HCWS practices than the clan culture. The clan culture at the subsidiary was found to have an influence on shaping the nature of the promotion, job security, participation and teamwork practices. Den Hartog and Verburg (2004:60) describe the clan culture as having a support orientation and thus mention that co-operation, mutual trust, group cohesion and individual growth are characteristic of the clan culture.

The only practice that could be directly linked from participants' responses to the adhocracy culture was the job enlargement practice where jobs at the subsidiary were described as requiring employees to exercise a wide range of skills to accomplish their work tasks. Innovation and entrepreneurship as pertaining to the adhocracy culture were thus two key competencies required by employees due to the stretching nature of their tasks. In this regard, Den Hartog and Verburg (2004:60) explained that “high performance work practices emphasising flexibility,

empowerment and openness seem most relevant” for the innovative orientated adhocracy culture.

In the achievement of the research’s third objective relating to how the organisational culture has shaped the nature of the HCWS, therefore, the findings seem to suggest that the most dominant organisational culture type at the subsidiary had the greatest effect in shaping the nature of the subsidiary’s HCWS. Specifically, the subsidiary’s dominant market culture led to the implementation of performance orientated nature of most of the subsidiary’s HCWS practices. Moreover, the clan culture led to the formation of employee development and support oriented practices, whereas the adhocracy culture mainly led to the implementation of flexible and innovative job enlargement practices.

This section has addressed the second objective of the research which was to describe the nature of the subsidiary’s HCWS, as well as the third objective of the research which was to explain how the organisational culture of the subsidiary has shaped the nature of the HCWS. Consequently, the following section will address the fourth and fifth objectives of the research pertaining to the organisational commitment of employees at the subsidiary.

6.4. ORGANISATIONAL COMMITMENT FINDINGS

The fourth objective of the research was aimed at describing the organisational commitment of employees at the subsidiary. As was stated in Section 5.4.1 of Chapter Five, all the employees and hence participants at the subsidiary were South African. In this regard, findings pertaining to the organisational commitment of the South African employees at the Chinese MNC’s South African subsidiary are presented in this section.

In Xiao and Bjorkman’s (2006) research, organisational commitment was considered to be the outcome of a HCWS. Therefore, in order to describe the organisational commitment of employees at the subsidiary, participants were asked questions with regards to the three commitment components used in Xiao and Bjorkman’s (2006) research. These three commitment components were: job satisfaction, affective commitment and the intention to stay (similar to continuance commitment). The findings in this section are presented according to the

three main sub-themes derived from each component of commitment as proposed by Xiao and Bjorkman (2006).

6.4.1. Job satisfaction

The first component of organisational commitment proposed by Xiao and Bjorkman (2006:412) as an outcome of a HCWS was job satisfaction. Therefore, in order to find out more about employees' feelings of job satisfaction at the subsidiary, participants were asked to describe and give reasons for their current job satisfaction. Findings pertaining to job satisfaction yielded the following main categories of job satisfaction: quite satisfied (P2, P3, P4, P5, P6, P7, P8, P12); satisfied but could be more satisfied (P1, P10); satisfaction is up and down (P11); and not satisfied (P9). Reasons leading to feelings of job satisfaction are thus described in each category of job satisfaction below.

Quite satisfied

A majority of eight of the twelve participants (P2, P3, P4, P5, P6, P7, P8, P12) described their current job satisfaction as quite satisfied and gave varying reasons for their job satisfaction. Participants mainly expressed that the nature of their job in terms of what they're learning, the products they sell, the customers they deal with, the accounts they manage and the excitement and challenge of working in Africa (P3, P4, P5, P7, P8, P12), makes them "happy" (P4), "really enjoy" (P8) their job and enables them to "have job satisfaction" (P5). Four participants also expressed that the subsidiary has a good work environment where they have "the right support around" (P5) them to achieve their goals, people "are treated well" (P2) and there are good relationships amongst the employees (P4, P6), factors which all make them feel satisfied with their jobs. Furthermore, a perception of available growth and development opportunities within the subsidiary because the Chinese MNC's "brand is growing in the South African market" (P12), also led some participants to feel particularly positive and satisfied at the subsidiary (P2, P3, P12). Growth and development opportunities were thus perceived career wise (P2), in mentoring others to grow as leaders (P3) and in lots of "challenging" and "exciting" (P12) opportunities that lie ahead in growing the subsidiary in the South African and African markets. Finally, the subsidiary was perceived as offering great remuneration which also led to feelings of job satisfaction.

Satisfied but could be more satisfied

Furthermore, two participants (P1, P10) felt that although they were currently still quite satisfied with their jobs, there was room to feel even more satisfied. In this regard, one participant stated:

Participant	Function	Job level
P1	Support	Top Management

“I am still quite satisfied with my role, though I think it can be more challenging I think, from the strategy point of view. I think at this point it is more operational and it has to be simply because South Africa is emerging and Africa is emerging. It is operationally challenging, which is great. But of course at a strategic level, my role specifically I think once the set-up is done it can be better, you know, from a strategic point of view” (P1).

The other participant expressed similar sentiments stating that because of the global nature of the Chinese MNC, “you don’t really use your skills as much you’d like to use them because somebody else decides somewhere in the world that this is what’s going to happen and you’re not asked for input” (P10). Feeling that the role they can play in the subsidiary is limited led to this participant feeling that, although it was interesting to work for the subsidiary, there was a tendency “to reach a ceiling” (P10), especially if you have no plans to relocate to the Chinese MNC’s subsidiary in another country in order to occupy a higher level position with more strategic responsibility. In addition, to further enhance job satisfaction, the participant also felt that the subsidiary could “do more in terms of training and development” in order to help (especially support) employees feel like they are not “stagnating” in their jobs (P10).

Satisfaction is up and down

One participant (P11) also stated that their job satisfaction could be “good and not so good” due to the nature of the organisation’s industry and not the nature of the subsidiary itself per se. In this regard, the participant expressed that achieving a work-life balance could often be challenging for them as the PC industry is a “very fast paced one” (P11). This led to the participant feeling that their job satisfaction was mostly “up and down” (P11).

Not satisfied

Finally, the only participant (P9) who stated that their job satisfaction is “probably not huge” stated that it was because they didn’t feel like they were being fairly appraised or equitably remunerated, and they did not perceive that their management at the subsidiary was

understanding and supportive. With regards to the performance appraisal system, the participant expressed that they wished there “was a better way of measuring” their performance. Linked to this was the remuneration they received as they believed that they were not “earning enough” for the work that they did. Lastly, feeling that management showed a lack of understanding as to the difficulties faced in their job also led this participant to not feel satisfied with their job. Earlier in the interview, this participant had also stated that because they felt that at the subsidiary “it’s all very performance driven” and that they “don’t see that there’s anything about people”, it showed a lack of empathy on the part of the subsidiary’s managers. One of the main perceptions underlying this participant’s feelings of no job satisfaction appears to be the feeling that “nobody cares” (P9).

The findings of job satisfaction at the subsidiary seem to point to generally satisfied employees at the subsidiary. However, some participants did express that their satisfaction could be better in some aspects.

6.4.2. Affective commitment

The second component of organisational commitment as proposed by Xiao and Bjorkman (2006:412) was affective commitment which has to do with the emotional attachment employees have with their organisation. In order to determine the affective commitment of employees participants were asked to give and explain key words they would use to describe their feelings concerning working at the subsidiary. Findings emerging from the data pertaining to affective commitment pointed to the following main categories: happiness and excitement (P1, P2, P4, P5, P6, P7, P8, P12); pride (P2, P3, P12); a mixture of feelings (P10, P11); and contempt (P9).

Happiness and excitement

Eight of the twelve participants (P1, P2, P4, P5, P6, P7, P8, P12) described their feelings concerning working at the subsidiary affectionately. These participants felt “positive” (P1) about working at the subsidiary, they mentioned that they were “happy” (P2, P4, P5, P12), and that they “enjoy” (P7) working at the subsidiary. Reasons for being happy and enjoying working at the subsidiary included feeling like the Chinese MNC has “a vision and is growing” (P4), has “sound, structured and visionary leadership” (P1), is a “good, positive and healthy environment to work in” (P5), a “family away from home” (P6) and that it is a better place of work compared to other organisations (P1, P6, P12). Additionally, working at the subsidiary was described as

exciting (P1, P7), “fun” (P8) “never boring” (P7), “hard work” (P8), “challenging” (P7, P8) and “a breath of fresh air” (P1).

Pride

Additionally, three participants (P2, P3, P12) also specifically stated that they were proud to be working at the subsidiary. Participants felt proud to be working at the subsidiary because the Chinese MNC is a globally leading brand (P2, P3) that has a clear strategy (P3) and is continuing to grow (P12). In this regard, describing how they felt, one participant explained:

Participant	Function	Job level
P2	Sales	Top Management

“I think I’m very proud of this entity that they have done what they set out to do. So when we started ... we all, myself as well, thought this is going to be heavy, you know it’s going to be difficult. I didn’t believe that we won’t be able to do it, but to be able to say three years later that we’ve done it, is very proud” (P2).

Due to the growing successes of the Chinese MNC’s brand worldwide, participants felt proud to be associated with the subsidiary and to be contributing to its success.

A mixture of feelings

Two of the twelve participants (P10, P11) felt that instead of having purely positive or purely negatives feelings, they had mixed feelings about working at the subsidiary. One of the participants expressed their feelings thus:

Participant	Gender	Function	Job level
P11	Female	Support	Top Management

“So feelings of intensity, feelings of joy, feelings of excitement, feelings of frustration, feelings of... there’s a lot of feelings; mixed, range of feelings. But I think it’s challenging and it drives you and it makes your very character at the end of the day... there’s no room to be bored here, definitely not...the company strives for excellence so it drives you, it makes you ambitious, it makes you want to grow, want to be better, want to do things better, change, grow. So there’s lot of mixed emotions in the company” (P11).

On the one hand, these participants felt that they enjoyed working at the subsidiary because it was challenging and exciting (P11), and they liked the environment and working with their colleagues (P10). However, these participants also experienced “feelings of frustration” (P11) and not being happy (P10) at times. In particular, one participant was unhappy with their remuneration and a lack of development opportunities, stating that they feel the subsidiary “can do better in terms of money and development, especially for the support staff; since there aren’t any commissions” (P10).

Contempt

Finally, one participant (P9) expressed particularly negative emotions in terms of how they felt about working at the subsidiary. This participant stated that although they “used to be proud to work” at the subsidiary, they now felt “contempt”. Due to feeling that “in the last two years” the subsidiary had become “anything but a fair company” (P9), this participant described their feelings concerning working at the subsidiary as contemptible. Noticeably, during the interview this same participant had expressed his unhappiness with many things at the subsidiary including feeling that: their manager did not show an understanding of “how difficult it is to do” their job; there could be a better way to fairly measure their performance; they are not earning enough for the work they do; and that “nobody cares” at the subsidiary, neglecting softer people issues in favour of focusing on performance. In this regard, this participant was the only one out of the twelve interviewed who expressed such unhappiness about working at the subsidiary, even mentioning that if they had better opportunities, they “would have left long ago” (P9).

With the exception of one participant who had particularly strong negative feelings about working at the subsidiary, the findings seem to suggest that there are prevailing feelings of affective commitment at the subsidiary.

6.4.3. Intention to stay

The intention to stay, which is a similar concept to continuance commitment, was the third and final component of organisational commitment proposed by Xiao and Bjorkman (2006:412) to be the outcome of a HCWS. Participants were asked about what their future career plans in the subsidiary were in order to discover more about their intentions to stay with the subsidiary. Responses given by participants yielded the following main categories of findings pertaining to participants’ intentions to stay at the subsidiary: learning as much as possible on the current job

(P1, P6, P12); moving to a different role (P1, P2, P5, P6, P7, P8, P11, P12); putting the subsidiary on the map in Africa (P1, P3, P7); and perceiving a limited future (P4, P9, P10).

Learning as much as possible on the current job

Three participants (P1, P6, P12) felt that they would first like to learn as much as possible on their current jobs. One participant thus expressed that they would like to learn more on their current job from their manager (P6) and also learn more through being mentored (P6). Furthermore, learning as much as is possible on the current job was perceived by some participants to be a step towards eventually moving into a higher level job position (P1, P6, P12); but “for now there’s a lot of learning to do” (P1).

Moving to a different role

A majority of eight of the twelve participants (P1, P2, P5, P6, P7, P8, P11, P12) expressed that their future career plans at the Chinese MNC included moving into a different role, either locally (P5, P8, P12) or internationally (P1, P2, P7, P11). With regards to moving to a different role, one participant mentioned that as part of their “career path”, the steps they need to take to get to a higher level position had already been clearly explained to them (P2). Participants mainly look forward to moving to higher level positions where they have greater strategic (P1, P2, P7, P11) and managerial (P5, P6, P8, P12) responsibilities. In this regard, one participant described their intentions to stay in the subsidiary:

Participant	Function	Job level
P6	Support	Top Management

“To keep learning as much as I can with my current management and in turn lead kind of sales management as in, having a team under me. But ya I’ve got a long way to get there, I can learn as much as I can from now and work from mentorship and learn on the job” (P6).

Most participants expressed that they desire to eventually move to a higher responsibility role locally or internationally.

Putting the subsidiary on the map in Africa

Four participants (P1, P3, P7, P12) additionally stated that as part of their future plans they would like to contribute to establishing the subsidiary in its African markets. The Chinese MNC was said to already be a major shareholder of the global market (P3); Africa is thus perceived as

“the only region where growth for the rest of the business” will come from, so a lot of focus and investment is on Africa (P1). Therefore, because there are still “a lot of improvements and set-up to do” (P1) and a lot of infrastructures to build (P3) in Africa, these participants expressed that they want to be a part of getting the subsidiary’s operations in Africa “up and running properly” (P7). Another participant also explained that they wanted to focus on “growing the current and existing business” of the organisation (P12). Participants thus expressed the desire to grow the subsidiary’s market share in the African region, putting the Chinese MNC “on the map in Africa” (P3).

Perceiving a limited future

Finally, three participants (P4, P9, P10) perceived a limited future at the subsidiary and could provide no desired future career plans at the South African subsidiary or at any of the Chinese MNC’s other subsidiaries. There were various reasons given by participants for perceiving a limited future at the Chinese MNC which were: plans to retire, feeling there were no promotional opportunities available locally and feeling that, if possible, they would have already left the subsidiary because they were unhappy. There were no described intentions to stay with the subsidiary for a long time by these participants. One participant even stated that if they had other opportunities they “would have left long ago” (P9). This participant had already expressed feelings of satisfaction which were “not huge” and “contempt” for working at the subsidiary. It therefore made sense that they did not have any particular intentions to stay with the subsidiary, expressing that they would “stay on as long as they continued to get paid at the subsidiary”.

Findings on the intention to stay with the subsidiary seem to suggest that employees mostly intended to stay, with long term plans to move to higher job roles and contribute to the subsidiary’s performance in Africa. However, in spite of mostly positive feelings of commitment, a few participants did express that they currently had no intentions to stay on for a long time with the subsidiary.

6.4.4. The organisational commitment of employees at the subsidiary

With regards to job satisfaction at the subsidiary, the findings seem to suggest that employees are mainly feeling satisfied in their jobs. As per the distinction in intrinsic and extrinsic job satisfaction given by Noordin and Jusoff (2010:161), reasons given for job satisfaction at the subsidiary could be divided into intrinsic and extrinsic job satisfaction factors. Intrinsic factors of job satisfaction at the subsidiary that were provided by participants were: the nature of jobs in

terms of what employees were learning; engaging with customers; the accounts managed by employees; and the excitement and challenge of working in the Chinese MNC's African markets. Feelings of fulfilment, accomplishment and job satisfaction (Bogler & Nir, 2012:291) thus came from these inherent characteristics of employees' jobs at the subsidiary. Extrinsic factors of job satisfaction at the subsidiary were described as: the great remuneration; the subsidiary's supportive work environment; good working relationships with colleagues; the perceived growth and development opportunities at the subsidiary; and the global success of the Chinese MNC's products. It would appear that the subsidiary provides a working environment that facilitates the creation of both intrinsic and extrinsic job satisfaction. The combined factors of intrinsic and extrinsic job satisfaction thus lead to greater total job satisfaction (Chen, 2004:433) at the subsidiary.

A few participants also expressed that they felt that their total job satisfaction could be better if they had more challenging work tasks and if there were more training opportunities for career development and not job specific development at the subsidiary. As Amos (2012:419) points out, a growth need is the "desire for personal challenges, a sense of accomplishment and learning". It would appear that these participants had strong growth needs. In these participants' cases, therefore, enriched jobs through the introduction of challenging work would provide them with "the opportunity to have meaning and responsibility in their work" (Zatzick & Iverson, 2011:3463), leading to greater job satisfaction. Likewise, one participant's desire for training opportunities at the subsidiary for career and not just job specific development provided support for the claim by Barnard and Rodgers (2000:1029) that "employees are more interested in training that will improve their prospects in the external labour market, than in learning what they need to improve their performance in their current jobs".

Finally, an anomaly with regards to job satisfaction was a participant who felt that they were not satisfied at all due to feeling like their performance was not fairly appraised and that they were not equitably remunerated. With regards to the impact of perceptions of fairness on job satisfaction, Bellou (2010:12) thus states that "employees are likely to experience job satisfaction when the organisational processes and evaluations are considered to be fair". On the other hand, because extrinsic job factors such as remuneration are also important for job satisfaction (Westover & Taylor, 2010:823), feeling that they were not equitably remunerated affected the participant's job satisfaction. Comparing their efforts and remuneration with the efforts and remuneration of some of their co-workers, in accordance with the equity theory (Amos, 2012:420), this participant felt that they were inequitably remunerated. In addition, the

participant did not perceive that their managers at the subsidiary showed them empathy or support. As pointed out by Chung *et al.* (2012:703), perceptions of organisational support affect employees' feelings of job satisfaction. Together the aforementioned factors had thus led to the participant not experiencing any feelings of job satisfaction at the subsidiary.

The findings also suggest that there were mainly feelings of affective commitment at the subsidiary as participants described their emotions affectionately stating that they were happy, excited and proud to work at the Chinese MNC's South African subsidiary. Gamble and Huang (2008:911) thus state that pride is one of the emotions felt by affectively committed employees and that this pride will manifest itself through employees' loyalty to their organisation. Feelings of affective commitment were credited to feeling that the Chinese MNC has a great vision, a clear strategy, sound leadership, a healthy environment, a globally leading and growing brand and feeling that it is a better place of work compared to organisations of previous employment.

Mixed emotions were also expressed where, although participants did sometimes feel happy and excited to be working at the subsidiary, they were sometimes unhappy and frustrated as well. For example, moments of frustration were explained to be due to the demanding nature of the industry which made achieving a work-life balance challenging. In this regard, employees can feel frustrated when they cannot achieve a work-family balance as "conflicting duties from work and from family will affect their job satisfaction" (Chung *et al.* 2012:703). Additionally, participants felt that remuneration could be better and that there was a lack of training and development opportunities for support employees. Eskildsen, Kristensen and Antvor (2010:370) describe remuneration as one of the conditions of work which can predict the job satisfaction of employees. Additionally, with regards to training, Newman and Sheikh (2012:355) assert that "satisfaction with training provision is likely to lead to high levels of affective commitment".

Notably, the same participant (P9) who had expressed dissatisfaction with their job also described their feelings concerning working at the subsidiary as contemptible, demonstrating no emotional attachment with the subsidiary. This participant had attributed reasons for his dissatisfaction and unhappiness to feeling like their performance was not fairly appraised, feeling like they were not equitably remunerated, as well as perceiving a lack of support from their managers. Given this participant's feelings of job dissatisfaction, it is interesting to note that this dissatisfaction appears to have been in line with findings by Meyer *et al.* (2002:38), that is strongly connected with their affective commitment. Moreover, Meyer *et al.* (2002:38) also

found perceived organisational support to have a strong positive correlation with affective commitment.

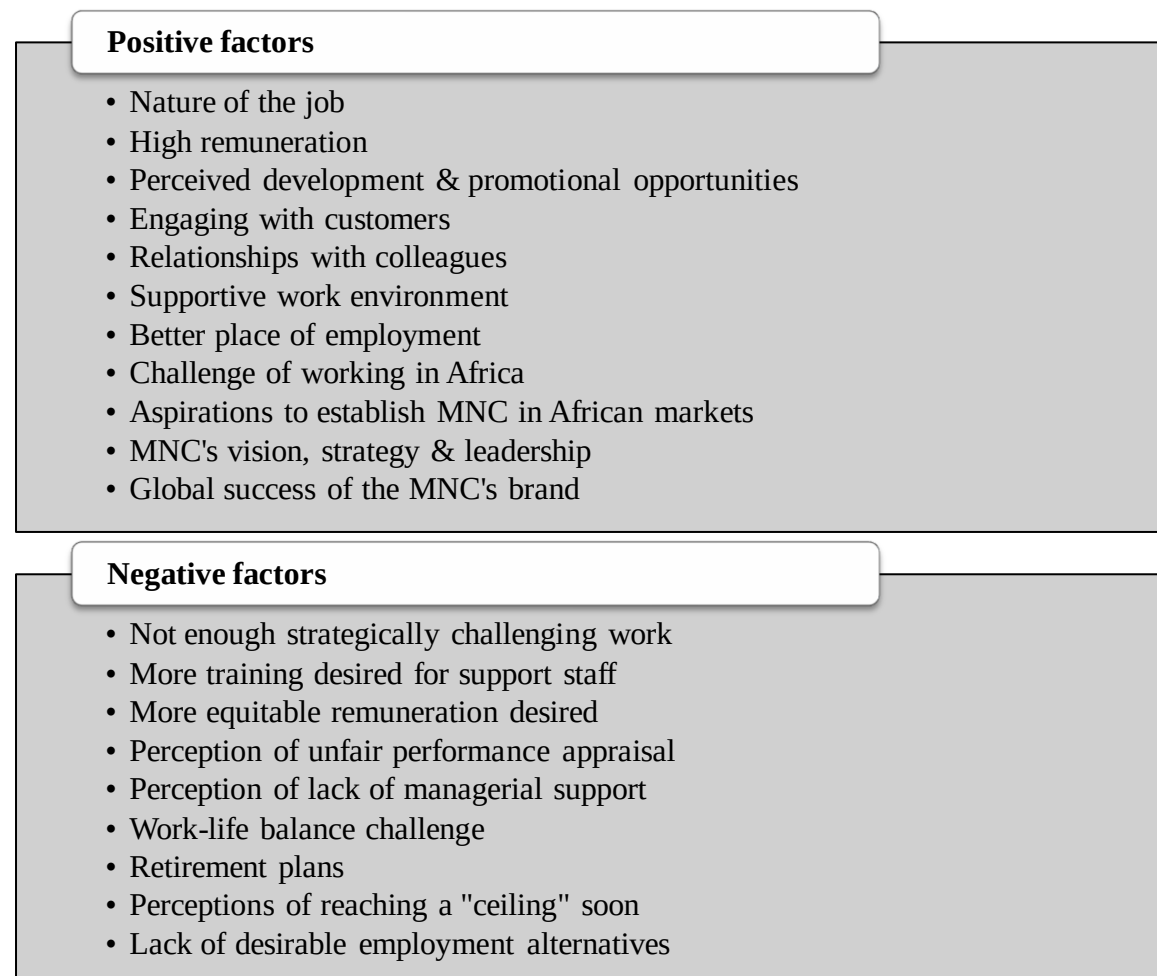
With regards to intentions to stay with the subsidiary, the findings appear to suggest that employees mainly have long term plans to stay. Employees look forward to being promoted to higher level positions locally or moving into international roles within the Chinese MNC. Others employees also aspire to contribute towards establishing and growing the organisation in its African market, further revealing desires to stay with the Chinese MNC. A majority of participants expressed positive feelings of job satisfaction and affective commitment; it therefore follows that this would lead to a desire to stay with the Chinese MNC. As Gamble and Huang (2008:911) point out, when employees feel committed to and proud of their organisation, they are willing to not only stay, but also to contribute positively to organisational performance. Those employees who are affectively committed are most likely to exhibit positive work behaviours (Glazer *et al.* 2004:326), contribute effort towards organisational performance (Meyer & Allen, 1991:74) and stay with their organisation because they “are motivated by a desire” (Glazer *et al.* 2004:326) to do so. At the subsidiary, this was especially evidenced by participants expressing that their intentions to stay with the subsidiary incorporated working towards successfully establishing the Chinese MNC in Africa.

Moreover, the same participant who had earlier expressed dissatisfaction and contempt for working at the subsidiary also expressed that because of a lack of employment alternatives, he only intended to stay for as long as they were being paid. In support of Gamble and Tian’s (2012:20) research which found that affective commitment was negatively related to employee turnover intentions, this participant’s affective commitment was also negatively related to his intentions to stay with the subsidiary. In addition, as Miao *et al.* (2013:3) declare that continuance commitment (the intention to stay) is also the component of organisational commitment “which derives from the perceived opportunity costs of leaving the organisation,” this participant’s intentions to stay can be seen to be arising out of the perceived opportunity cost of leaving – i.e. a lack of equal income alternatives to earn (Lumley *et al.* 2011:106; Miao *et al.* 2013:3). Furthermore, SamGnanakkan (2010:50) mentioned that when employees believe that their organisation values and cares for them, it will reduce their turnover intentions and encourage them to stay with the organisation. With regards to this dissatisfied and unhappy participant, believing that their managers do not care contributed to his feelings of wanting to have already left the subsidiary.

6.4.5. The consequences of the HCWS on organisational commitment

The fifth objective of the research was to assess the consequences of the subsidiary's HCWS on the organisational commitment of employees. In order to achieve this objective, the factors affecting the organisational commitment of employees at the subsidiary were first drawn out from the data. Figure 6.3 below thus shows the negative and positive factors which were found to have affected organisational commitment at the subsidiary.

Figure 6.3 Summary of factors affecting organisational commitment at the subsidiary



(Source: Researcher's own compilation)

From the factors listed above in Figure 6.3, it can be seen that while HCWS related practices appear to have been a minor contributor towards organisational commitment at the subsidiary, they accounted for more than half of the factors negatively affecting organisational commitment. Most factors leading to high levels of job satisfaction and organisational commitment at the subsidiary had to do with job content, the general working environment and the nature of the Chinese MNC's brand and operations. Consequently, Eskildsen *et al.* (2010:370-371) state that

predictors of job satisfaction can be divided into the following groups: organisational image; organisational vision; superiors; co-workers and conditions of work.

In contrast, most factors negatively affecting organisational commitment had to do with: job enlargement (not enough strategically challenging work); training (more career focused training desired especially for support staff); remuneration (greater and more equitable remuneration desired); performance appraisal (performance appraisal perceived to be unfair); and promotion (a perceived lack of promotional opportunities due to reaching a “ceiling”). Past research has therefore concluded that job enlargement (Hytti *et al.* 2013:2047), training (Lim & Ling, 2012:109), remuneration (Lumley *et al.* 2011:113), perceptions of fair performance appraisal systems (Lim & Ling, 2012:111) and perceived promotional opportunities (Kipkebut, 2010:60) are essential for the job satisfaction and organisational commitment of employees.

The lack of HCWS practices (as organisational and not job context factors) causing job dissatisfaction and low organisational commitment at the subsidiary, appears to lend some support to Herzberg’s two-factor theory discussed in Section 4.2.2.1. of Chapter Four. Briefly, the theory postulates that “two distinct and separate aspects of the environment are responsible for creating feelings of job satisfaction and dissatisfaction” (Amos, 2012:417). These two aspects responsible for job satisfaction and dissatisfaction are motivator and hygiene factors, respectively (Martin & Roodt, 2008:24).

The HCWS practices can be seen as hygiene factors (with the exception of job enlargement), which “involve primarily the context in which the job was performed” (Martin & Roodt, 2008:24) and whose absence can “create dissatisfaction” (Amos, 2012:417). In this regard, the HCWS practices could be taken for granted by employees and hence not explicitly described as reasons for feelings of job satisfaction or organisational commitment (i.e. not mainly described as motivator factors) at the subsidiary. However, their absence (as represented by perceptions of lacking HCWS practices) led to negatively affected job satisfaction and organisational commitment. Verma *et al.* (2012:10) thus states that “HR practices are deemed to play an important role in enhancing employee satisfaction” while research by Gould-Williams (2004:77) found that HR practices enhanced job satisfaction and organisational commitment. It would therefore seem that in order to avoid a lack of job satisfaction and organisational commitment, HCWS practices as hygiene factors, “need to be present at least to some extent to avoid dissatisfaction” (Amos, 2012:417). Kinnie *et al.* (2005:25) thus add that it is how HR practices

are implemented and how employees' experience and perceive them that will determine outcomes such as organisational commitment.

Finally, whereas past research has found strong evidence for the positive association of high commitment/performance work systems with organisational commitment (e.g. Bashir *et al.* 2011:67), the current findings seem to point to an indirect association between HCWSs and job satisfaction and organisational commitment. In this regard, there was no strong evidence pointing to HCWS practices as the major contributors towards organisational commitment at the subsidiary. However, dissatisfaction with some HCWS practices did contribute majorly to negative feelings of job dissatisfaction and lack of organisational commitment, lending support to Herzberg's two factor theory as discussed earlier. In this regard, Chapter Seven will outline recommendations on how the HCWS could be managed towards enhancing job satisfaction and organisational commitment at the subsidiary.

This section has presented and discussed the findings at the subsidiary concerning the three components of organisational commitment as proposed by Xiao and Bjorkman (2006). The fourth and fifth objectives of the research pertaining to the organisational commitment of employees at the subsidiary were thereby addressed in this section.

6.5. SUMMARY

This chapter has presented and discussed findings from the research pertaining to the organisational culture, HCWS and organisational commitment at the Chinese MNC's South African subsidiary. With a major emphasis on a performance orientation, it appears that the market culture is the dominant type of organisational culture present at the subsidiary. Furthermore, cultural characteristics consistent with both the Chinese (Confucian) and South African (Ubuntu) values and the PC industry were discovered to have had a possible influence on the formation of the subsidiary's organisational culture.

HR practices at the subsidiary were also found to be mainly consistent with descriptions of HCWS practices and seem to have been shaped by the subsidiary's performance oriented market culture. Finally, there were prevailing feelings of job satisfaction, affective commitment and intentions to stay with the organisation in the long term. However, the HCWS was not a direct

and major contributor to these feelings. Feelings of organisational commitment were found to be mostly due to the subsidiary's work environment and greater organisational context. A lack of satisfaction with HCWS practices was, however, found to be a major contributor to the factors that negatively affected overall job satisfaction and organisational commitment at the subsidiary.

Chapter Seven thus concludes the research by providing managerial recommendations based on the findings of the research that have been discussed in this chapter. The limitations of the research and recommendations for future research will also be referred to in Chapter Seven.

CHAPTER 7

SUMMARY, RECOMMENDATIONS AND CONCLUSION

7.1. INTRODUCTION

The purpose of this chapter is to provide a summary, recommendations and a conclusion to the research. In this regard, Section 7.2 first summarises the findings of the research. In light of the findings of the research, managerial implications and recommendations are then given in Section 7.3. Furthermore, the limitations of the research are discussed in Section 7.4, as well as recommendations for future research in Section 7.5. The chapter then concludes by briefly discussing the value of the research in Section 7.6.

As was declared in Chapter One, the main purpose of the research was to describe how the organisational culture of a Chinese MNC's South African subsidiary has shaped the nature of its HCWS and to assess the consequences thereof on organisational commitment. In order to achieve the aforementioned research purpose, the following research objectives were set:

- to identify and describe the subsidiary's dominant type(s) of organisational culture;
- to describe the nature of the subsidiary's HCWS;
- to explain how the organisational culture has shaped the nature of the HCWS;
- to describe the organisational commitment of employees at the subsidiary;
- to assess the consequences of the subsidiary's HCWS on the organisational commitment of employees;
- and, finally, given its organisational culture and HCWS, to make recommendations on how the subsidiary can more effectively manage the organisational commitment of its employees towards superior organisational performance.

As interpretivism focuses on the meaning of social phenomena as provided by insiders or research participants (Collis & Hussey, 2009:64), the researcher deemed the interpretivist paradigm to be an appropriate research paradigm for the research. In addition, a descriptive and explanatory case study methodology (Collis & Hussey, 2009:82; Yin, 2003:5) was adopted for the research as the research sought to understand the meaning behind descriptions given by participants (Babbie & Mouton, 2006:81). The selected case or unit of analysis for the research was therefore the South African subsidiary of a Chinese MNC that operates in the PC industry.

The subsidiary employs about 40 South African employees and serves as a sales and distribution subsidiary for the South African market. The core group of employees were thus sales employees.

Purposive sampling, as a non-probability sampling method (Zikmund, 2003:382), was used to select research participants with whom semi-structured and in-depth interviews were held. In order to gain multiple perspectives on the researched phenomena (Cooper & Schindler, 2006:217), interviews were conducted with employees from across different job functions and job levels. Data gathered during the interviews thus pertained to the subsidiary's organisational culture, HCWS and organisational commitment. Questions addressing the organisational culture were based on Cameron and Freeman's (1991) framework of organisational culture types which examines four characteristics of organisational cultures – dominant attributes, leader style, bonding values and strategic emphases. Questions addressing the HCWS and organisational commitment were based on Xiao and Bjorkman's (2006) model of HCWSs. This HCWS model was made up of HR practices believed to enhance organisational commitment – promotion, selection, training, job security, job enlargement, appraisal, remuneration, ownership, egalitarianism, participation, information sharing, overarching goals and teamwork – whereas job satisfaction, affective commitment and continuance commitment were taken to represent overall organisational commitment. The interview schedule can be seen in Appendix E. Due to the qualitative nature of the research and hence the data collected, transcribing and content analysis as qualitative methods of data analysis were also applied during the research (Gelo *et al.* 2008:276). The next section summarises the significant findings of the research following the application of content analysis.

7.2. OVERVIEW OF SIGNIFICANT FINDINGS

The main research findings pertained to the first five objectives of the research. The objectives of the research were mainly descriptive in nature and sought to uncover and understand the nature of the subsidiary's organisational culture, HCWS and organisational commitment. Additionally, the researcher sought to understand and explain the interactions between the aforementioned phenomena at the Chinese MNC's South African subsidiary. The main findings of the research objectives are thus summarised in the following sections.

7.2.1. The subsidiary's dominant type(s) of organisational culture

The first objective of the research aimed to identify and describe the subsidiary's dominant type(s) of organisational culture. Consequently, the findings pointed to a dominant market culture followed by the adhocracy and clan cultures in order of dominance. Furthermore, certain characteristics of the Chinese and South African cultural values, as well as characteristics of the PC industry, were found to be consistent with the subsidiary's organisational culture.

Firstly, the attributes of the subsidiary's market culture were found to be predominantly performance oriented, results driven and focused on achieving targets. This could have been due to the fact that the subsidiary is a sales organisation and performance and achievement of targets are essential to the success of sales organisations (Loftness, 2013). Leaders were also seen as setting performance expectations and driving the achievement of performance objectives. Furthermore, with aspirations to be a market leader in the PC industry, the subsidiary's externally focused market culture seems to be the most appropriate dominant type of organisational culture as the market culture enables organisations to focus on market leadership and competitiveness in the pursuit of organisational performance (Cameron & Quinn, 2006:40). The entrepreneurial and innovative characteristics of the adhocracy culture were also found in the subsidiary's organisational culture, where the Chinese MNC globally upheld the value of product innovation, and employees at the subsidiary also had to be flexible in dealing with the ever changing needs of the PC business environment. The subsidiary had aspirations to grow in the emerging South African and African markets as well, further aligning with the externally oriented growth aspirations of the adhocracy culture (Louw, 2012:521). The clan culture was also represented in the subsidiary's organisational culture through the emphasised values of teamwork and leaders empowering employees (Cameron & Freeman, 1991:29).

Secondly, Chinese cultural values as reflected in Confucianism and consistent with elements of the subsidiary's organisational culture were found to be values of hard work, productivity and efficiency. This could have been because the Confucian value relating to a long term orientation to time leads Chinese people to work hard, diligently and efficiently (Brown, 1995:44; Jackson, 2002a:170; Wang *et al.* 2005:318). Also, with leaders at the subsidiary described as involved and interested in developing employees, it illustrates the fulfilment of the social order recommended by Confucian teaching (Ip, 2009:466). South African cultural values as reflected in Ubuntu consistent with elements of the subsidiary's organisational culture were found to be the values of trusting in the wisdom of leaders, closeness and relationships (Bell & Metz, 2011:90; Khoza, 2006:6). These values were consistent with the clan culture of the subsidiary

which had been described as being responsible for creating a workplace that resembled a large family.

Finally, the competitive and dynamic characteristics of the PC industry were found to also have had an impact on the formation of the subsidiary's organisational culture. In order to remain competitive in the PC industry, therefore, the externally oriented market and adhocracy cultures (Cameron & Freeman, 1991:27) were best suited to assisting the subsidiary achieve its performance objectives.

7.2.2. The nature of the subsidiary's HCWS

The second objective of the research aimed to describe the nature of the subsidiary's HCWS. The investigated HR practices at the subsidiary were therefore found to be consistent with descriptions of HCWS practices as recommended by Xiao and Bjorkman (2006:419), with the exception of performance appraisal and ownership practices. The subsidiary was found to implement or have: a preference for internal promotion; careful selection procedures; extensive training and socialisation; job security efforts; enlarged jobs; high remuneration; egalitarian practices; participation practices; open communication; emphasised overarching goals and a value of teamwork.

With regards to the subsidiary's performance appraisal system, it was found to emphasise individual performance, result-oriented appraisal and feedback for evaluation purposes. Although the subsidiary's performance appraisal system did incorporate team appraisals, behaviour oriented appraisal and feedback for development purposes, it was not emphasised as much. Consequently, the nature of the subsidiary's performance appraisal did not completely measure up to performance appraisal recommendations by Xiao and Bjorkman (2006:419). Additionally, ownership practices at the subsidiary were found to be implemented; however, as their implementation was somewhat inconsistent, they also could not be found to measure up to the extensive nature of HCWS ownership practices. It is worth noting, though, that the limited implementation of ownership practices at the subsidiary could be due to it being an MNC which is not listed on the local stock exchange and is rather listed on the Hang Seng (Chinese stock exchange), which could make the local deployment of shares challenging.

It would therefore appear that the limits to the ability of the subsidiary's HR practices to make up a consistent HCWS as described by Xiao and Bjorkman (2006) lie in its organisational

context. For example, as a sales organisation it would appear more imperative that performance appraisal places a greater emphasis on appraising results because the nature of sales employees' jobs requires them to primarily achieve sales targets. Furthermore, the multinational nature of the organisation posed challenges to the deployment of shares. However, there were still some employees who expressed a desire for more extensive ownership shares at the subsidiary. In this regard, it appears that more extensive ownership practices could have a possible effect on the motivation and organisational commitment of employees, as the premise of HCWS practices lies in their theoretical ability to lead to enhanced organisational commitment (Xiao & Bjorkman, 2006:406).

7.2.3. How the organisational culture has shaped the nature of the HCWS

The third objective of the research aimed to explain how the organisational culture has shaped the nature of the HCWS. In this regard, the dominant market culture was found to also have had the greatest role in shaping the nature of HCWS practices at the subsidiary. Specifically, the market culture led to the implementation of primarily performance oriented HCWS practices. Performance oriented HCWS practices at the subsidiary were thus found to be: preference for promotion; careful selection procedures; extensive training and socialisation; job security; performance appraisal; high remuneration; ownership; information sharing; and overarching goals. All the aforementioned practices were thus found to have been reinforcing the performance oriented nature of the subsidiary's market culture. Additionally, the clan culture was manifested through the nature of the promotion, job security, participation and teamwork practices, whereas the adhocracy culture was manifested through the job enlargement practice. Den Hartog and Verburg (2004:59) thus stated that "high performance work practices can also act as culture embedding mechanisms".

7.2.4. The organisational commitment of employees at the subsidiary

The fourth objective of the research aimed to describe the organisational commitment of employees at the subsidiary. The findings pointed to generally satisfied and committed employees.

Both intrinsic and extrinsic factors, as described by Noordin and Jusoff (2010:161), were found to have been related to the job satisfaction of employees. Intrinsic job satisfaction factors were:

the nature of jobs in terms of what employees were learning; engaging with customers; the accounts managed by employees; and the excitement and challenge of working in the Chinese MNC's African markets. In contrast, extrinsic job satisfaction factors were: the high remuneration; the subsidiary's supportive work environment; good working relationships with colleagues; the perceived growth and development opportunities at the subsidiary; and the global success of the Chinese MNC's products. Together the intrinsic and extrinsic job satisfaction factors, therefore, contributed to overall feelings of total job satisfaction (Chen, 2004:433) at the subsidiary. However, there were some top management participants who also expressed that they felt that their total job satisfaction could be better if they had more challenging work tasks and if there were more training opportunities for career, and not just job specific development at the subsidiary.

It was also found that employees at the subsidiary had feelings of affective commitment and mostly had long term intentions to stay with the subsidiary. Employees were found to be affectively committed as they explained that they were happy, excited and proud to work at the Chinese MNC's South African subsidiary. Factors leading to their affective commitment were thus feeling that the Chinese MNC has a great global vision, a clear strategy, sound leadership, a healthy working environment, a globally leading and growing brand and a feeling that it is a better place of work compared to organisations of previous employment. On the other hand, employees explained that they had long term intentions to stay with the subsidiary and looked forward to: being promoted to higher level positions locally; moving into international roles within the Chinese MNC; and contributing towards establishing and growing the subsidiary in its African market. These findings consequently supported the assertion by Gamble and Huang (2008:911) that when employees feel committed to and proud of their organisation they are willing not only to stay, but also to contribute positively to organisational performance.

There was, however, a specific anomaly found when it came to the job satisfaction and organisational commitment findings. One employee in particular stated that their job satisfaction was low; they felt contempt about working at the subsidiary and only intended to stay as long as they were getting paid. Reasons stated for this employee's low job satisfaction and organisational commitment were perceptions of: unfair performance appraisal; inequitable remuneration; and a lack of managerial empathy and support. These findings were consistent with findings by Gamble and Tian (2012:20) of the negative relationship between affective commitment and employee turnover intentions, as well as Lumley *et al.* (2011:113) who found that job satisfaction and intentions to leave were negatively associated.

7.2.5. The consequences of the HCWS on organisational commitment

The fifth objective of the research aimed to assess the consequences of the subsidiary's HCWS on the organisational commitment of employees. In this regard, it was found that most factors negatively affecting organisational commitment were: job enlargement (not enough strategically challenging work); training (more career focused training desired especially for support staff); remuneration (greater and more equitable remuneration desired); performance appraisal (performance appraisal perceived to be unfair); and promotion (a perceived lack of promotional opportunities due to reaching a "ceiling"). On the other hand, most factors leading to high levels of job satisfaction and organisational commitment at the subsidiary had to do with the job content, the general working environment and the nature of the Chinese MNC's brand and successful operations.

Herzberg's two factor theory thus provided a possible explanation for the findings emerging from the analysis of the HCWS's consequences on organisational commitment. In particular, it could be that HCWS practises acted as hygiene factors as they mainly involved "the context" (Martin & Roodt, 2008:24) in which employees performed their jobs. Whereas hygiene factors "need to be present at least to some extent to avoid dissatisfaction" (Amos, 2012:417), motivator factors actually "create positive feelings among employees" (Amos, 2012:417). Consequently, motivator factors (listed earlier as factors of job satisfaction, affective commitment and intentions to stay) were the greatest contributors to the overall satisfaction and commitment of employees at the subsidiary. It would appear then that although HCWS practices did yield certain consequences on the organisational commitment at the subsidiary, inherent job characteristics, working relationships, a supportive work environment and other organisational factors such as strategy, leadership and success had a greater impact on the overall job satisfaction and organisational commitment at the subsidiary. In contrast to prior research (e.g. Bashir *et al.* 2011; Mahal, 2012; Verma *et al.* 2012; Xiao & Bjorkman, 2006) this research does not seem to provide strong evidence for the link between HR practices and high levels of organisational commitment.

In light of the main findings of the research summarised in this section, the following section thus provides recommendations.

7.3. RECOMMENDATIONS

The final objective of the research was to provide recommendations on how the subsidiary can more effectively manage the organisational commitment of its employees towards superior organisational performance. Given the nature of the organisational culture and HCWS of the subsidiary, the following recommendations have thus been provided:

- The subsidiary's dominant market culture and performance oriented HCWS practices seem to be well aligned. However, the presence of competing adhocracy and clan culture characteristics at the subsidiary need to be also taken into consideration and managed well in order to not cause confusion. As "managers' sensitivity to the existence of these paradoxes can be heightened towards more effective strategies" (Lund, 2003:229), it is recommended that these competing values be managed towards ultimately supporting the performance orientation of the subsidiary. For example, as the clan culture emphasises employee development (Cameron & Quinn, 2006:41), the subsidiary could use this value to develop employees while at the same time ensuring that they are equipped to perform well in their jobs. Employees are also likely to take this as a signal of the subsidiary's commitment to their development and reciprocate with feelings of job satisfaction and organisational commitment.
- Although HCWS practices did not appear to be major contributors to the job satisfaction and organisational commitment of employees, it is still imperative that they not be neglected in the quest for superior organisational performance. It would appear that HCWS practices still "need to be present at least to some extent to avoid dissatisfaction" (Amos, 2012:417); therefore it is recommended that the subsidiary continues to implement those practices which were found to align with descriptions of HCWS practices. These practices could enhance the affective commitment and desired performance of employees (SamGnanakkan, 2010:43).
- Finally, managers also need to address the perceptions of HCWS practices that employees were not feeling satisfied with (e.g. perceptions regarding: a lack of career focused training; inequitable remuneration; and unfair appraisal). As explained by the social exchange theory (Whitener, 2001:522), it is the perceptions of employees regarding HCWS practices and not just the presence of HCWS practices that affects

organisational commitment. Managers, therefore, need to engage with employees about these practices, making any possible changes and communicating the subsidiary's goodwill in order to change any negative perceptions that may affect organisational commitment and, ultimately, performance.

7.4. LIMITATIONS OF THE RESEARCH

Babbie and Mouton (2006:526) mention that researchers need to be aware of and disclose the shortcomings of their research. In this regard, the limitations of the research are briefly outlined:

- Although the nature of the research was qualitative, the theoretical models applied in the research were transposed from quantitative studies. However, the qualitative nature of the collected data allowed the researcher to explore interactions and reasons for emerging findings in more depth, which added descriptive richness.
- The subsidiary also did not have any Chinese employees or managers. The researcher thus acknowledges that the presence of employees or managers of Chinese origin might have presented interesting findings and facilitated a comparison of the findings relating to South African employees.
- Generalisations from the research findings cannot be done with absolute confidence due to the qualitative nature of the research and the single case study methodology followed.

7.5. RECOMMENDATIONS FOR FUTURE RESEARCH

It is important that the concluding remarks of the research give recommendations for future research (Remenyi, 1996). Future research could thus:

- Conduct a similar study following a quantitative research approach with a larger sample in order to generate results which can be more generalised.

- Focus on MNCs with Chinese employees or managers in order to add interesting knowledge on the dynamics of Chinese MNCs in South Africa. Such research could also consider intercultural issues between Chinese and South Africans within organisational contexts and how they affect management practices.
- Consider organisational culture, HCWSs or organisational commitment in other Chinese MNCs in South Africa and research them across industries to come up with findings that can be more generalised.
- Consider research on other forms of Chinese organisations in order to create greater diversity on the empirical knowledge of Chinese organisations in South Africa.

7.6. THE VALUE OF THE CURRENT RESEARCH

Alden and Davis (2006) pointed out that “the presence and conduct of China’s businesses in Africa is fast becoming one of the permanent features of the African economic landscape”. However, Chinese presence in Africa has encountered challenges, many of which are human resource management related (Brautigam, 2009; Horwitz *et al.* 2008; Shambaugh, 2012).

With Jackson *et al.* (2011:2) having indicated that there is presently little empirical research and literature at the organisational level concerning the Chinese presence in Africa, therefore, it becomes imperative to conduct more research on Chinese organisations in Africa. The current research has attempted to contribute to the still growing knowledge of Chinese organisations in Africa by specifically considering the case of a South African subsidiary of a Chinese MNC. The research thus explored the phenomena of the organisational culture, HCWS and organisational commitment at the Chinese MNC, phenomena which are all essential in effectively managing the human resources of organisations towards successful organisational performance.

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APPENDIX A: INSTITUTION INTRODUCTION LETTER



RHODES UNIVERSITY

Grahamstown • 6140 • South Africa

DEPARTMENT OF MANAGEMENT • Tel: (046) 603 8687 • e-mail: m.louw@ru.ac.za

8 August 2013

Organisation Address

Dear HR Manager,

**Re: Research Project On Chinese Organisations In Sub-Sahara Africa: New Dynamics,
New Synergies**

Miss Linda Mabuza, under the supervision of Mr. Mattheus Louw, is a Management Masters student at Rhodes University carrying out research on “The influence of organisational culture on high commitment work systems and commitment in a Chinese organisation in South Africa”. This research is funded by the Sandisa Imbewu Fund at Rhodes University and is part of an international research collaboration project called, “China in Africa”. The goal of the China in Africa project is to develop a research focus area that specializes in cross-cultural research on the management and leadership in African organisations. Attached please find more information on the project as a whole.

The aim of Linda’s study is to determine what dominant type of organisational culture is present within an organisation, and how this organisational culture has influenced the existence of high commitment work systems and the consequences thereof on commitment.

The research will be undertaken by conducting interviews with about twenty managers and employees. The data to be collected for this study will be recorded and transcribed for the purpose of data analysis. The identity of the participating organisation and the respondents, who voluntarily consent to participate in the study, will be treated with complete confidentiality. The collection of this data will require an interview with each participant that will last about thirty to forty-five minutes.

Your organisation was chosen to be part of this research as it is seen as a dynamic, successful Chinese multinational organisation operating in Southern Africa. Furthermore, the general manager has placed great emphasis on the role of people at your organisation. The local success and the importance of people, therefore makes it a key organisation to research.

Consequently, the purpose of this letter is to request whether Linda's study could be done in your organisation. Should you agree to this request, the researcher, Linda, would appreciate an invitation from your organisation to be able to conduct her research. Please advise supervisor, Mr M. Louw at m.louw@ru.ac.za, if you need any additional information. The supervisor will follow up with a phone call on Tuesday 13 August 2013.

Thank you for your consideration and I hope that you will find our request favourable.

Yours respectfully,

Mr. Mattheus Louw

Research Supervisor

Professor Lynette Louw

Project Leader, Sandisa Imbewu – Chinese Organisations in Sub-Saharan Africa

Raymond Ackerman Chair in Department of Management

Deputy Dean of the Faculty of Commerce at Rhodes University, Grahamstown, South Africa

APPENDIX B: INSTITUTION PARTICIPATION AND CONSENT



RHODES UNIVERSITY

Grahamstown • 6140 • South Africa

DEPARTMENT OF MANAGEMENT
Tel: [+27] 046 603 8687
E-mail: g07m3154@campus.ru.ac.za
14 August 2013

Dear HR Manager,

Re: Invitation to conduct research at your institution

Miss Linda Mabuza (under the supervision of Mr. Mattheus Louw) is a Management Masters student at Rhodes University carrying out research on “The influence of organisational culture on high commitment work systems and commitment in a Chinese organisation in South Africa”. This research is funded by the Sandisa Imbewu Fund at Rhodes University and is part of an international research collaboration project called, “China in Africa”. The goal of the China in Africa project is to develop a research focus area that specializes in cross-cultural research on the management and leadership in African organisations.

The aim of this research is to determine what dominant type of organisational culture is present within the organisation, and how this organisational culture has influenced the existence of high commitment work systems and the consequences thereof on commitment. The participation and cooperation of your organisation is important so that the results of the research are accurately portrayed.

The research will be undertaken by conducting interviews with about twenty employees. The data to be collected from this research will be recorded and transcribed for the purpose of data analysis. The identity of your organisation and the employees who voluntarily consent to participate will be treated with complete confidentiality. The collection of this data will require an interview with each participant that will last about thirty to forty-five minutes.

We look to you for guidance in identifying the employees at your institution that would be suitable to interview (at a time and date that suits them).

Attached for your information is a copy of an Informed Consent Form. If you have questions or wish to verify the research, please feel free to contact us.

If you would like your organisation to participate in this research, please complete and return the attached form.

Thank you for your time and I hope that you will find our request favourable.

Yours sincerely,

Linda Mabuza
Research Student

Mattheus Louw
Supervisor

THE INFLUENCE OF ORGANISATIONAL CULTURE ON HIGH COMMITMENT WORK SYSTEMS AND COMMITMENT IN A CHINESE ORGANISATION IN SOUTH AFRICA

Institution Consent Form

Participation Consent	
I consent for you to approach a few employees from different departments to participate in the research entitled: "The influence of organisational culture on high commitment work systems and commitment in a Chinese organization in South Africa"	
I acknowledge and understand:	Initial
The role of the institution is voluntary.	
I may decide to withdraw the institution's participation at any time without penalty.	
Selected employees from different departments will be invited to participate and that permission will be sought from them too.	
Only employees who consent will participate in the project.	
All information obtained will be treated in strictest confidence.	
The employees' names will not be used and individual employees will not be identifiable in any written reports about the study.	
The institution will not be identifiable in any written reports about the study.	
Participants may withdraw from the study at any time without penalty.	
A report of the findings will be made available to the institution.	
I may seek further information on the project from Linda Mabuza on (+27) 079 037 7091	
Full Name:	
Position:	
Signature:	
Date:	
Please return to:	Linda Mabuza P. O. Box 94, Department of Management, Rhodes University, Grahamstown, 6140 OR e-mail: g07m3154@campus.ru.ac.za

APPENDIX C: INDIVIDUAL PARTICIPATION LETTER



RHODES UNIVERSITY

Grahamstown • 6140 • South Africa

DEPARTMENT OF MANAGEMENT

Tel: [+27] 046 603 8687

E-mail: g07m3154@campus.ru.ac.za

14 October 2013

Dear Participant,

Re: Invitation to participate in research study

You are invited to participate in a research study entitled “The influence of organisational culture on high commitment work systems and commitment in a Chinese organization in South Africa”. The aim of this research is to determine what dominant type of organisational culture is present within the organisation, and how this organisational culture has influenced the existence of high commitment works systems and the consequences thereof on commitment. Your participation and cooperation is important so that the results of the research are accurately portrayed.

The research will be undertaken by conducting interviews and the data to be collected from this research will be recorded and transcribed for the purpose of data analysis. Your identity and that of your institution will be treated with complete confidentiality. The collection of this data will require interviews managers and employees for about thirty to forty-five minutes per interview.

We will provide you with all the necessary information to assist you to understand the study and explain what would be expected of you (the participant). These guidelines would include the risks, benefits, and your rights as a study subject. Furthermore, it is important that you are aware that this study has been approved by a Research Ethics Committee of Rhodes University.

Participation in this research is completely voluntary and this letter of invitation does not obligate you to take part in this research study. To participate, you will be required to provide written consent that will include your signature, date and initials to verify that you understand and agree to the conditions. Please note that you have the right to withdraw at any given time during the study without penalty.

Thank you for your time and I hope that you will find our request favourable.

Yours sincerely,

Linda Mabuza
Research Student

Mattheus Louw
Research Supervisor

APPENDIX D: INDIVIDUAL CONSENT FORM



RHODES UNIVERSITY

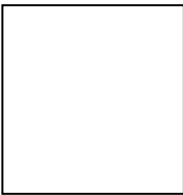
INFORMED CONSENT FORM

Department of Management

Research Project Title:	The influence of organisational culture on high commitment work systems and commitment in a Chinese organization in South Africa.
Principal Investigator(s):	Linda Mabuza

Participation Information	Initial
I understand the purpose of the research study and my involvement in it	
I understand the risks of participating in this research study	
I understand the benefits of participating in this research study	
I understand that I may withdraw from the research study at any stage without any penalty	
I understand that participation in this study is done on a voluntary basis	
I understand that while information gained during the study may be published, I will not be identified and my personal results will remain confidential	
I understand that I will receive no payment for participating in this study	
Information Explanation	Initial
The above information was explained to me by: Linda Mabuza	
The above information was explained to me in: ☐ English ☐ Afrikaans ☐ Xhosa ☒ Zulu	

☐ Other: and I am in command of this language OR , it was comprehensibly translated to me by:	
---	--

Voluntary Consent		
I,, hereby voluntarily consent to participate in the above-mentioned research.		
Signature:	OR , right hand thumb print  Witness signature:	Date: / /

Investigator Declaration	
I, Linda Mabuza , declare that I have explained all the participant information to the participant and have truthfully answered all questions ask me by the participant.	
Signature:	Date: / /

Translator Declaration	
I, declare that I translated a factually correct version of: 1. all the contents of this document 2. all questions posed by the participant 3. all answers given by the investigator In addition, I declare that all information acquired by me regarding this research will be kept confidential.	
Signature	Date: / /

APPENDIX E: INTERVIEW SCHEDULE

Researcher: Linda Mabuza

Research Aim: To understand how organisational culture has supported the existence of a high commitment work system (HCWS) and to ascertain the consequences thereof on the organisational commitment in a Chinese organisation in South Africa.

Interview Duration: approx. 45minutes – 1hour

RESEARCH QUESTIONS:

A. Descriptive Biographical Data

<i>Gender</i>	
<i>Age (approx.)</i>	
<i>Nationality</i>	
<i>Ethnicity</i>	
<i>Home Language</i>	
<i>Education/Qualification level</i>	
<i>Department</i>	
<i>Job level</i>	
<i>Organisational tenure</i>	

B. Organisational Culture

1. Please explain what key words you would use to describe the prominent features of your organisation's culture.
2. Please describe the role you have seen leadership playing in your organisation.
3. Which organisational values are the most prevalent here? Could you please give me examples of how they are enacted?
4. According to your understanding, what would you say is of strategic (long term) importance to your organisation, and why?

C. High Commitment Work System (HCWS) practices

1. Please explain whether you believe your organisation prefers to fill vacancies internally or externally.
2. Please describe the staffing process followed by your organisation to fill these vacancies.
3. How are employees in the organisation put through orientation and training?
4. What efforts does the organisation make so that employees feel secure in their jobs?
5. Please describe how jobs are designed to be more motivational in your organisation?
6. How does your organisation implement its performance appraisal system?
7. How has your organisation structured its remuneration for employees?
8. Please describe any ownership practices that are implemented in the organisation?
9. Do you consider your organisation to be a place where all employees are fairly treated in terms of status, income and culture? *(Please give me examples of situations to support your answer).*
10. In what ways would you say your organisation allows for employees to voice their grievances, make suggestions and give feedback to management?
11. How does top management share information with employees?
12. How does the organisation make sure that employees are made aware of the organisation's main goals?
13. Please explain how the organisation emphasises and celebrates the successes of teams as compared to that of individuals?

D. Organisational Commitment

1. How would you describe your current satisfaction with your job and why?
2. What are your future career plans in this organisation?
3. What words would you use to describe your feelings towards your organisation and why?

E. Additional Remarks

We have spoken about your views with regards to your organisation's culture, HCWS and your general feelings towards your job and organisation. With regards to these specific areas therefore, is there anything else that you would like to add from your side?