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Productivity Growth and HRM: challenges and opportunities of employee potential in Fiji

The linkages between productivity growth and human resources management (HRM) are not new nor are they totally unfamiliar to policymakers, bureaucrats and practising managers. However, what is often misunderstood and frequently understated is the extent to which the particularities of context impact on the extent to which strategies aimed at enhancing productivity growth and HRM are mapped out and put into effect. The common ground between the two suggests the development of policies and strategies aimed at maximising job satisfaction and increasing worker commitment to providing high quality service. In operational terms it means identifying your cutting edge in the organisation and focusing on customer care and quality in the provision of services. While the focus of this discussion is directed at the micro-level, the interphase with the macro-level lies with key stakeholders who direct and control the processes of production. In the Fijian workplace, and particularly in the public sector, from which the insights of this Fijian case are drawn, these stakeholders include the board who represent the government's interests, senior management who coordinate and execute policies, unions who represent different occupational categories, and employees themselves who provide the labour requirements of the workplace. This paper is therefore aimed at providing insights into the challenges and opportunities for maximising employee potential in the Fijian workplace. It seeks to provide an overview of the situation in Fiji and of the basis of the case studies developed in this essay. In this regard, the major findings from research conducted in three public sector workplaces in Fiji are presented. Finally, it is suggested that, in the dynamic circumstances of economic reform, while there is

no definitive end to this process of change, there are a number of different options available. The same can be said of productivity growth and HRM where the dynamics of employee behaviour and work practices are subject to internal and external factors which need to be recognised and appropriately addressed if productivity in the workplace is to be maintained and perpetuated.

An overview of the Fijian context

Several key features of Fiji's economic development are relevant to understanding the existence of a benevolent work culture and an acquiescent workforce in Fiji. These include the nature of Fiji's industrialising process, the policy changes in the years following the coup in 1987, and the particularities of the public sector and the unique social context in which all these features emerge and interact.

With regard to the nature of Fiji's industrialising process there are two key factors related to historical trends and current processes. Historical experiences of the early plantation period reveal how dominant institutional interests through the colonial administration, planters' groups, trading firms, the Church and the chiefly system utilised various strategies in ensuring that their interests were protected and propagated amidst a well orchestrated structural arrangement that catered for the labour requirements of a developing colonial economy (Leckie 1990:47). These early experiences of work in a small developing economy, which was earmarked for expansion and growth into a market-oriented sphere, have been the subject of numerous studies by various academic disciplines (see Bain 1988; Knapman 1985; Lal 1986; Lasaga 1981; Leckie 1997; Naidu 1980; Plange 1985; Spate 1959). An overriding issue that has emerged from these studies on Fiji, and my own research in the field of HRM and development management, is that the experiences emanating from British colonialism and a form of British industrialism have shaped the emergence of a benevolent work culture which characterises contemporary Fijian work organisations. Although this has perpetuated the existence of an acquiescent workforce, this culture of benevolence and acquiescence has also been a major contributing factor in the sluggish development of a productive work culture that is transparent, accountable and highly professional in terms of discharging public services and functions.

In terms of contemporary policy orientation, the government has shown commitment to achieving economic growth and has adopted policies to fulfil this aim. The blueprint for public sector reform, which includes institutional and legal restructuring reflected in civil service reform, the public enterprise bill and accompanying corporatisation, Occupational Health and Safety (OHS) specialties and the productivity charter, to name but a few, shows strategies that are being implemented in the push for greater efficiency and productivity. However, the implications of these trends for HRM in general, and employee motivation in particular, have not been made explicit in policy documents. It appears that economic growth is expected to emerge naturally as a result of the anticipated progress in restructuring and reform. Nonetheless, it seems likely that the issue of maximising employee contributions to productivity will gain great prominence. This appears especially so in public sector organisations where restructuring will require a move from the traditions of public personnel culture to a more strategic integration of the HRM portfolio alongside other key organisational functions.

The slow pace with which a productivity culture has evolved in Fijian workplaces has been a cause for concern (Chandra 1996). While wages remain relatively high, the equally high levels of productivity expected to emanate from this remuneration system have not been forthcoming. This situation suggests that the underlying notion of the individual being primarily driven by economic motives is not reflected in actual worker performance. When the assumptions of motivational logic do not hold, it implies that there are non-economic influences at work which hold similar sway over individual behaviour and motivation.

In Fiji's public sector there are particular aspects of the institutional framework which influence the extent to which productivity in the workplace will be enhanced. The current system of administration is a product of a colonial legacy, wherein the implementation of policies and procedures is hampered by restrictions embodied in the legal and administrative framework of the Westminster model. This organisational heritage is in conflict with macro-level policies aimed at deregulating the economy. It has also resulted in calls for greater efficiency in public management systems. The public sector is a key provider of goods and services in the Fijian economy, and is the largest employer in the formal wages and salaries sector. The burden of implementing changes, moreover, will fall primarily on public sector employees. Hence, their attitudes will be vital to the success of reform.

Kerr, Dunlop, Harbison and Myers (1960), have suggested that the level of commitment of a workforce is determined by the level of industrialisation of the economy. Thus, since Fiji, with its dualistic economic base, is a partially industrialised economy, one can expect a partially committed workforce to be in place. Having outlined the contextual scenario which formed the basis of these case studies, the next section looks at the findings of labour-management practices and relationships in the workplaces of three service agencies in the public sector.

To be or not to be: case findings in the Fijian workplace

The choice of the three service agencies, namely Air Terminal Services Fiji Limited (ATS), Civil Aviation Authority of Fiji (CAAF) and the Department of Civil Aviation and Tourism (DCAT) was made because they represented three different organisational forms within one industry. In brief, ATS is a partly worker-owned enterprise with the government holding majority shares through CAAF and is registered as a private liability company, CAAF was then a statutory body and DCAT a government department. The study permitted an examination of the use and difficulties of motivational strategies among different organisational forms with a high profile on service provision and orientation. The fact that all three forms exist within the aviation industry, provided an added advantage in terms of logistics and methodology with access to data and constancy of industry variables.

In addition to other primary and secondary field sources, the key instruments were adapted from the questionnaires used in the Australian Workplace Industrial Relations Survey (AWIRS). The three questionnaires in the AWIRS package which were used in all three organisations were; 1) an Employee Survey, 2) a General Management questionnaire and 3) a Union Delegate Questionnaire. A major reason for the suitability of AWIRS to Fiji public sector agencies is the common bureaucratic heritage reflected in the colonial institutional transfer of centralised systems of labour-management structures and the associated norms of a paternalistic management culture. In terms of relevance, the AWIRS package presented a categorical distinction of the key stakeholders in the organisational setting. Its appeal in this study was seen in the way in which these issues have emerged in both the motivational literature and the significance of stakeholder interests as they are articulated in Fijian work organisations. While the findings in these case studies do not lay any claim to universality

for the whole public sector, they show that characteristics of the wider context beyond these organisations can impact upon worker perceptions and behaviour.

In terms of the impact of particularities of societal context for motivation, the following findings emerge from the studies

- socio-cultural influences that impact on employee behaviour are products of the experiences of British colonialism and a form of British industrialism
- stakeholders who control and influence systems of production in the workplace impact on management's capacity to maximise employee motivational potential
- excessive systems of internal and external control influence individual behaviour and motivation in the workplace
- work motivational strategies in the public sector can only be achieved if HRM assumes a strategic management position in the organisational structure
- individual motivation and behaviour is not solely or primarily determined by narrow economic rationality.

The main cultural influences affecting work organisation and work behaviour are products of the experience of British colonialism and a form of British industrialism. These influences include notions of indigenous traditions, ethnic stereotypes and the traumas of adapting to a postcolonial legacy which incorporates a post coup period focused on regaining political stability and economic recovery.

In all three service agencies examined, the impacts of ethnic Fijian traditions on individual behaviour have become accepted features of employee interaction. Social stereotypes of gender were reflected in the traditional division of labour in which females occupied low skilled, low paid and routine jobs, while males dominated key decision making, highly paid and more challenging and innovative positions in the organisation. Where men occupied less skilled jobs they tended to be in physically demanding manual areas in which higher wages were available through overtime. Indigenous experiences in an autocratic socially stratified system have meant that individual perceptions of contentment, control, influence, motives and satisfaction in the workplace were influenced by one's relative position in the social order. While this is to be expected among ethnic Fijians, these traditions were also

acknowledged among other ethnic groups and particularly among Indians as an important aspect of Fiji's multicultural lifestyle.

Ethnic stereotypes were reflected in employee responses to aspects of work. While ethnic Fijian employees were influenced by communal inclinations in their responses to work, Indian respondents tended to closely identify with a more individualised approach to the same issues. Ethnic tensions in the broader community have spilled over into the workplace, but there was no apparent display of racial intolerance in either survey responses or interviews. Furthermore, the use of ethnicity as a leverage for power and control among stakeholders like unions and management did not pass unnoticed among respondents. While it was not quite obvious in its pronouncement there is a growing view among the more educated employees in these workplaces that ethnicity, which was once a strategic tool for maintaining control, was slowly losing its credibility as a rational determinant of policy. Such a view was apparent even among the ethnic group such policies were designed to promote and protect. For younger Fijian employees the whole question of ethnic preservation has become quite vexing because of an awareness that social stratification hinders equality of access to anticipated benefits accruing from racially inclined policies.

The traumas of postcolonial experience were manifested in the social psyche of individual respondents. While the notion of benevolence has characterised a docile and unassertive workforce, the resultant submissiveness has been compounded by confrontational approaches between labour and management, which is itself a product of the British system of managing employee relations. The residual strength of a colonial legacy which in most cases has become entrenched in institutional forms and 'official' practices indicated that dismantling the structures and attitudes of the traditional public administrative culture is crucial and inevitable for cultivating management, rather than administration, of the public sector in Fiji.

Management and unions were the principal stakeholding interests at the workplace level in these three service agencies. The relationship between management and unions was neither entirely harmonious nor totally confrontational. The sensitivity surrounding this partnership was reflected in the responses of union officials and managers in the three organisations, as each accused the other of being responsible for inefficiencies in the workplace. Whatever the cause, responses indicated a gap in communication and a lack of understanding of, or access

to, organisational strategies and practices that address this cooperational weakness in a systematic and professional way.

Even ATS, an organisation with a unique structure of partial worker-ownership was not immune to antagonism between management and the union. While the overriding concern of maintaining this employee shareholding interest helped to contain and diffuse threats of explicit industrial action, the impact of implicit industrial conflict on work motivation was significant. On the other hand, a management style that has become paternalistic in the protection of workers' interests, has had the tendency to stifle innovative ideas. Employees displayed tendencies towards juvenile behaviour in dealing with management and the union, often culminating in a degree of dependency on the 'big boys' for choices and direction. While this worker acceptance of dependence is reflected in a degree of organisational loyalty, it does not reflect an equivalent commitment to the organisation. Thus, the survey among ATS employees showed that responses to aspects of work were shaped by general cultural influences, rather than by acceptance of dependence within the organisation. The general lack of enthusiasm for change indicated a level of ambivalence regarding the competence of the organisation to implement reform measures fairly or efficiently.

The CAAF experience is an interesting one, because management-union relations in this agency were the most tense. When this research took place, there were five unions operating in the workplace. Although this may have been seen as reflecting a high level of worker democracy, a closer examination of the processes involved in the emergence of these worker associations reveals a fairly weak HRM portfolio and an equally indecisive management style. The discontent with management-union relationships in the CAAF workplace was made known by employees, who were demoralised by the existence of double standards and favouritism in the workplace.

The general lack of management recognition of unions as a key player in the workplace was apparent in all three organisations. The impression obtained from the survey was that management showed token support for union activities, but that no real effort at developing greater consultative processes was made. This type of response is characteristic of strong bureaucratic control and an autocratic leadership style. While this finding is reflective of broader tensions between the old guard and an emerging industrial leadership (Kerr *et al.* 1960:47), the need managers felt to be in charge of the workplace reflected wider institutional paternalism.

The strained relationship between unions and management was demoralising for employees, because, while systems of control built up and staked out power blocs in the workplace, management and unions had moved themselves out from the centre of employee interaction and activity in the workplace. The implication of this dislocation was illustrated by the incongruencies in expectations and practices that each of the interest groups had of one another. The patronising tendencies of managers and union officials in all three workplaces have encouraged complacency in the attitudes and practices of employees which, in turn, has cultivated conservative approaches towards change. Managers too often made assumptions of employee behaviour based on 'experience' and stereotypes that were obsolete and irrelevant to the actual tendencies that employees manifest. This often resulted in strategies that were misdirected and incompatible with employee capacities and organisational demands.

Employee responses to control and influence in the three organisations indicated that external influences determined the decision making processes of individuals. This suggests a parallel flow of traditional and modern value systems coexisting in an industrialising mode. While this may be so, the cutting edge of work motivation lies in an ability to replicate old ideas and practices in a form that accounts for particular local needs and circumstances. In the Fijian situation, control has become a key determinant for shaping individual behaviour. Interactive processes between individuals and among groups are subject to control in one form or another. For managers who are unaware of the roots of this type of behaviour, the challenge lies in channelling and transforming this opaque subservience into transparent and more productive work habits.

The general lack of enthusiasm for change, or even to acknowledge changes that had occurred, in the three workplaces suggests a degree of contentment with existing arrangements. In short, a lack of enthusiasm implies a lack of commitment. As long as stringent controls are being exercised with minimal appreciation of the significance of local needs and circumstances, there is little chance that employees will experience renewed surges of motivation and commitment to work. Since role modelling and mentoring play significant roles in establishing codes of conduct and social exchange in the individual's socialisation process, it comes as no surprise that employee responses in general show that there is an expectation of exemplary behaviour and firm leadership from those who exercise control in the workplace.

The token recognition given to HRM emanates from the legacy of a centralised public personnel culture and from stereotypes associated with aggressive business practices, which have led to the belief that HRM belongs in the private sector. Although the concept of HRM was acknowledged as a key tool for increasing employee productivity, one got a distinct impression that there was a shortage of HRM competence among middle managers in the workplace. In instances where there were flashes of HRM initiatives that had the potential to evolve into viable productivity-enhancing strategies, the lack of professionalism and expertise prevented the initial momentum from being sustained.

The strong leanings in employee responses to socio-cultural aspects of work illustrate that in the Fijian context, the economic motive is not necessarily the primary determinant of employee behaviour. The mobilisation of interest groups on the basis of territory, kinship, religion and sports in the workplace indicates that alongside the push for rejuvenated economic growth there has been a resurgence of nationalistic and revivalist tendencies which portray choices in a way which is often misunderstood and taken for granted. In this case both social and economic factors are equally valued by employees, because each fulfils a particular set of needs in the context of economic dualism. Employee responses to aspects of work in the workplaces studied showed that while economic incentives are acknowledged as fulfilling basic needs, the cultural influences that further shape attitudes and motivation to work, and which are important components of employee behaviour, were not fully catered for in the standard personnel routine.

Where to from here?

While we can all draw up strategies and master plans to address increased worker and workplace productivity, this study has shown that we need to stand back and take stock of the hovering silence in the background, of the unsaid words which have overwhelmingly left their imprint on this study. It has shown that amidst this whole process of reform, the human aspect of growth is a potentially significant factor in cultivating greater commitment to economic growth. The Fijian experience illustrates that policies aimed at greater productivity, and consequently greater economic growth, must incorporate strategies that acknowledge the essence and significance of the human factor. At the outset there is a need to understand that in the context of social and economic dualism, the support systems which prop up

economic growth are human systems which have significant influence on the mobilisation or withdrawal of commitment to growth efforts.

HRM initiatives around the world show that while the generic principles of organisation and management are universally applicable, the telling point lies in their adaptation and implementation in particular contexts. If it is understood that characteristics of the Fijian context create a situation in which commitment and divided loyalties constitute two sides of the same coin, then the ironies of dualism that pervade employee behaviour and motivation in Fijian workplaces can be better managed and more effectively addressed. More effective management practices will allow productivity gains in the individual workplace, which, in turn, provide for growth in the broader economy.

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