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MaCoTra Singing ORGANISATIONS THAT TRANSFORM:
A Teaching/Learning Case History of CROP in Zimbabwe

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ABSTRACT

This article is a derivative of my doctoral thesis at the University of South Africa's (UNISA) School of Business Leadership (SBL) from 2001 to 2003. The electronic version of the thesis is available on the Unisa Institutional Repository.

An intensive literature search on transformation, change management and leadership revealed that the transformation theory arena has been driven by case studies. However, the case studies cited were predominantly Western.

This article is a contribution towards the number of case studies on the subject of organisational transformation in non-Western emerging economies. A longitudinal case study approach is used to capture the experiences (in transformation) of CROP, a Zimbabwean company, spanning from 1980 when Zimbabwe attained its independence to 2000.

To understand the thought processes underlying major decisions made along the way, perspectives of major stakeholders like business executives, worker opinion leaders, the media, customers, suppliers, government and civic society are included.

Multiple data collection methods enhanced triangulation of evidence.

Fourteen constructs formed the basis of data collection.

Eleven challenges and seven themes emerged from the study of CROP.

I recommend that the CROP case be used alongside the other three case histories to appreciate the challenges of organisational transformation in the emerging economy of Zimbabwe unearthed through the full study.

This article should also be used together with another article covering a comprehensive analysis of the social, political and historical context within which managers acted.

Introduction

A detailed case history of CROP, studied as part of my doctoral study for the degree of Doctor of Business Leadership with the University of South Africa's (UNISA) Graduate School of Business Leadership (SBL), is presented.

The main objective of this article is to appreciate the richness of unfolding events and complexities of CROP (a Zimbabwean company) reactions to internal and external pressures for change.

The within case analysis reflects that there is need to develop a deeper understanding of the Zimbabwean, regional and global environment within which the company operated.

This article should be used together with another article covering a comprehensive analysis of the social, political and historical context within which managers acted.

Three other case histories, documented as separate articles, constituted part of the full study and should be used alongside the CROP one to gain further insights into the challenges of organizational transformation in Zimbabwe.

Case Overview

Brainstorming sessions were held including everyone for ownership. These sessions were a platform for raising complaints. This was allowed for. Employees were involved even in the selection of the name of the change effort: 58 names were suggested and finally a Shona name, 'Shanduko' meaning 'change effort', was chosen. Ideas were structured with an indication of the amount of money to be saved by the ideas. High value ideas, easy to implement, were submitted to the steering committee with key performance indicators. Quality ideas were signed off for implementation.

<div align="right">Excerpts from an interview on the 1999 'Shanduko' change effort.</div>

As from 1980, CROP is renowned for its humanitarian approach to business with a very strong focus on safety, health and environmental issues. Emphasising this point in an early morning induction session for visitors to CROP, a safety officer said:

> We want to make money but not bloody money.

Continuous learning underpinned all the change efforts that CROP engaged in.

Significantly, CROP managed to forge solid relationships with the government, community at large, staff and relevant stakeholders. CROP was able to benchmark and be benchmarked against internationally for best practices through exchange programmes and tours. One media report in 1980 says:

> A party of sugar cane extension officials from the Umbombo ranches in Swaziland have returned home with very high impressions of the lowveld sugar estates after spending a week at CROP and its neighbour and observing their operations. The visit was reciprocal to the one made in July by senior field officers from CROP.
>
> The sugar growing conditions in Swaziland are not very dissimilar to those in the lowveld. They too grow cane under irrigation and their climatic conditions are in many respects identical to those in Zimbabwe.

Another 1980 media report covered the 14-day tour of cane growing areas of Queensland and New South Wales in Australia by a team of 8 Zimbabweans led by the marketing manager of Farm Mechanisation. The reporter reflected on the tour:

> The mechanisation of sugar cane harvesting in this country is inevitable; most established cane growing countries well advanced in total mechanisation and, surprisingly, many countries in Africa, far less developed than this one *(Zimbabwe)* have already installed mechanical harvesters.

CROP was founded in 1956 and listed in 1964. CROP is a member of an international conglomerate. It is in the agro-industrial sector of the economy and engages primarily in the growing and milling of sugar cane.

Notably, during the period 1980 to 2000, CROP became an international model for farmer resettlement. CROP also won the 1998 and was runner-up to the 1999 Cairns Corporate Care Award for sound environmental management. It has in place solid safety, health, environment and manufacturing performance measures.

Exhibit 1: Time Line of Major Events in the History of CROP

YEAR	Major Events
1980	High world sugar prices force dramatic change in the sugar market. Zimbabwe is accepted as a member of the International Sugar Organisation opening up many new export opportunities.
1981	National Railways of Zimbabwe (NRZ) fails to cope with moving all export sugar to port.
1982	World sugar price declines steadily. Profit for 1982 is achieved as a result of 1981 forward sales.
1983	Zimbabwe is allocated a United States (US) sugar quota at prices substantially higher than world levels.
1984	New Chairman is appointed for CROP. Moving export sugar direct to Maputo is problematic.
1985	CROP breaks 14 milling efficiency records.
1986	Government announces new minimum wage for agro-industrial operations.
1987	CROP achieves a first time record overall recovery of more than 90% in its history.
1988	World market prices improve. Moving cane to Maputo via South Africa is constantly disrupted.
1989	High mill efficiency levels compensate for drop in cane quality. General Manager (GM) retires after 8 years in position; new GM is appointed after serving CROP for some 19 years.
1990	Local market sugar consumption increases by 6%; Unreliable local distribution company vehicle fleet fails to fully service the local sugar market.
1991	Drought and fire affect CROP.
1992	Cost-cutting measures are focused on non-human resources.
1993	Zimbabwe is unable to meet local and export demand due to the drought.
1994	CROP is rebuilt after the drought.
1995	An Environmental Management System is established.
1996	A mill refurbishment and expansion programme starts. Joint venture with 2 companies aimed at improving operations to produce high quality alcohol proves satisfactory. CROP improves corporate governance reporting. Chairman retires from and new chairman is appointed to board.
1997	The first black person is appointed a Director and Deputy Managing Director (DMD). Zimbabwe Sugar Refineries (ZSR) agrees to a new 3-year domestic raw sugar pricing. The Zimbabwe dollar depreciates in November.
1998	An unstable economic situation threatens the private sector. CROP wins the 1998 Cairns Corporate Care Award for sound environmental management. The Board adopts an information technology (IT) strategy.
1999	The DMD becomes first black MD. CROP is runner-up for the 1999 Cairns Corporate Care Award. CROP initiates 'Shanduko' and installs new IT System. The 2 associated companies continue to perform well. The C-line evaporator completed in 1998 is decommissioned.
2000	Zimbabwe faces general economic decline in all sectors except the finance sector.

Sources: Annual Reports & Media Reports 1980 – 2000.

The Changes That Took Place

CROP engaged in a variety of change initiatives from 1980 to 2000, most of which were tied to continuous improvement. The changes were around improving promises, processes, structures, systems and capacity.

Changes in promises made to employees included provision of accommodation, medical facilities, working conditions, black empowerment, gender balance and development of a code of conduct. These were efforts towards improving the quality of life of employees.

The development of a code of conduct was large scale, had an impact on the structures in the Human Resources (HR) department and communication systems. This change in promises to employees is, therefore, isolated for further discussion below.

From a customer perspective, CROP changed its promise foci from a citrus to sugar cane business and from ranching to game farming.

The major process change often mentioned was 'Shanduko'.

Structural and system changes included the restructuring of the HR department, empowerment of blacks at management level and computerisation. The restructuring in HR is further looked at as it was interwoven with changes in operating systems.

Another change in systems that affected all key stakeholders was the development of a sound safety, health and environmental system around the 'SHE' initiative. 'SHE' (an acronym from the first letters of the words Safety, Health, Environment) is popular in CROP as it represents the Number 1 value.

On the purely business side, a large-scale effort that affected the efficiencies in CROP were the haulage system changes.

Related to the 'Shanduko' effort was an outsourcing initiative that was concerned with building capacity to deliver promises effectively. The 'SHE' initiative also qualifies as a capacity change.

The evidence on the changes in CROP suggests that an organisation needs to capture needs and expectations of key stakeholders and address these. Besides employees, there appeared to be three blocks of stakeholders emerging: government, business and the community at large.

CROP attempted to use multiple approaches to change. Some of the changes, when taken in isolation, appear small-scale. Taken as interconnected, the changes resulted in large-scale change spanning across two businesses: agriculture and manufacturing industries. The changes are clearly interconnected, although in a non-linear manner. The case provides lessons in managing change in an African value pipeline.

Triggers of Change

Environmental triggers to change included natural disasters, globalisation (world-class practices), technological advances (computerisation), the government (promises to change quality of people's lives), economic climate (work process best practices), heightened competition,

Agriculture is susceptible to natural disasters like drought/excessive rainfall and fire. CROP was not spared by these disasters. CROP took advantage of its networks to find ways of coping with these as highlighted in Exhibit 2 below.

It would appear CROP, in particular and Zimbabwe in general, experiences drought on a 10-year cycle. The organisation has collaborated with relevant stakeholders, particularly the government, workers and the community to minimise the impact of drought. CROP also experienced excessive rainfall, overcast conditions and higher than normal temperatures that encouraged cane growth rather than sucrose storage.

Exhibit 2: Impact of Major Natural Disasters on CROP and CROP's Responses

Year	Major Events
1982	Province in which CROP is situated is drought affected.
1983	Drought causes abnormally high evaporation levels and cane stress; Power cut to the area precludes the use of pump stations to irrigate from the right bank canal, river and regeneration water.
1984	3 Years of drought severely deplete water supplies necessitating the improvement of high standards of irrigation practices for CROP. A new record overall recovery achieved. Workers, aware of drought-related problems the company faces, adopt a positive attitude.
1987	Drought prompts decision to abandon hectares of cane.
1989	Land ploughed and abandoned after cutting during 1987 is replanted. High mill efficiency levels compensate for drop in cane quality. Water application is reduced to 70% of normal.
1990	Reduced water application continues; Collaborative stakeholder studies on improving the water supply are initiated.
1991	Fire severely damages the bulk sugar store.
1992	1991/92 Rains turn out to be the worst in the history of CROP resulting in cane harvested being in a severely stressed state; 89% of cane dies; Water for CROP's basic requirements includes that from existing and new boreholes. Training is severely curtailed by the effects of the drought; Communications training continues. Cost-cutting measures are focused on non-human resources.
1993	GM makes a special report to employees. The costly replanting of cane remains prime objective, is ahead of target and completed by mid-October. Zimbabwe is unable to meet local and export demand due to the drought.
1994	Workers and management respond positively to the challenges of rebuilding CROP after the drought. Drought emphasizes the critical importance of storing water wherever and whenever possible.
1995	Training is intensified. An Environmental Management System is established.
1997	Low cane yield results in low throughput in the mill.
1998	Construction commences on a pump station on the banks of an adjacent river and the construction of the second dam starts in order to reduce the risk from drought.
1999	Incessant rainfall, overcast conditions and higher than normal temperatures encourage cane growth rather than sucrose storage.

Sources: Annual Reports & Media Reports 1980 - 2000

These experiences resulted in the improvement of standards of irrigation and manufacturing practices. Irrigation practices improved through collaborative construction of dams and sinking of boreholes. Manufacturing practices were improved by work methods aimed at higher mill efficiencies.

Because of the relationships CROP had built with the surrounding community and employees' families, voluntary assistance was forthcoming when major disasters befell CROP.

On one hand, the 1991 annual report narrated the story about a fire that broke up in CROP that year:

> Fire severely damaged the bulk sugar store resulting in over 3 thousand tonnes of sugar being lost. The balance of over 45 thousand tonnes was saved by prompt action by staff and neighbours who contained the fire. Repairs to the store commenced almost immediately. There was no delay to start up of the 1992 season as a result of the prompt action. Cost of repairs and loss of sugar was adequately covered by insurance.

On the other hand, after the 1992/3 devastating drought, a media report said:

> Women at CROP surprised management by offering to help their husbands in replanting a new crop of sugar.

Exhibit 3 below highlights the manner in which global issues, government actions and technological advances triggered reactions in CROP. The pricing of sugar internationally impacted on the Zimbabwean pricing policy. The socio-political and economic activities of government also influenced the direction of the changes.

Exhibit 3: Impact of Globalisation and Technological Advances on CROP Activities

YEAR	Major Events
1980	High world sugar prices force dramatic change in the sugar market. Zimbabwe is accepted as a member of the International Sugar Organisation opening up many new export opportunities.
1981	National Railways of Zimbabwe (NRZ) fails to cope with moving all export sugar to port.
1982	World sugar price declines steadily. Forward sales of a substantial portion of exports made during 1981 when price levels were still relatively high contribute to CROP's profits.
1983	Zimbabwe is allocated a United States sugar quota at prices much higher than world levels.
1984	Economic problems of developing countries force sugar imports to be cut back. CROP faces serious problems in moving export sugar direct to Maputo; Direct railway link closes; Movements to Maputo are through South Africa; cooperation with NRZ remains close.
1988	World market prices improve. Movements of cane to Maputo via South Africa are constantly disrupted.
1990	Operating profit more than doubles as a result of overall price in export operations being 79% higher than local market sales. Consumption declines in some Eastern European countries, China and Argentina due to political and economic factors; Developing countries which account for over 50% of world sugar demand are unable to afford higher prices resulting in constant consumption figures. NRZ is unable to move raw sugar to refineries and to port for export.
1992	1991/92 Rains turn out to be the worst in the history of CROP resulting in cane harvested being in a severely stressed state; 89% of cane dies.
1993	Zimbabwe is unable to meet local & export demand due to the drought.
1995	An Environmental Management System is established.
1996	CROP implements some recommendations on corporate governance contained in the King Report published in South Africa and Cadbury Report published in the United Kingdom.
1997	The Zimbabwe dollar depreciates in November.
1998	The CROP board adopts an information technology strategy to address the issue of Year 2000 compliance and provide a world-class business solution to support the company's human resources, financial and operational activities.
1999	CROP conducts an in-depth review of its processes running from cane production to sugar milling and installs a $ 55 million new Information Technology System as part of the adoption of 'best practices' in work processes.
2000	Severe foreign currency shortages and an overvalued Zimbabwe dollar fixed at US$ 1 to Z$ 38,50 make Zimbabwean sugar unaffordably expensive in regional export markets; Inflation averages 51% for the year to 31 March 2000; Erratic fuel supplies further undermine prospects; Operating cost increases are in line with the level of inflation.

Sources: Annual Reports & Media Reports 1980 - 2000, Interview & Focus Group Evidence

CROP put in place mechanisms along its own value chain to align with the changes. These included setting up partnerships to deal with transporting sugar for local consumption and export and forward selling.

Global concerns in connection with environmental management had a huge impact on the need to maintain high standards in this area. The 'SHE' initiative was an attempt towards addressing this issue.

About safety and health in CROP, one employee remarked:
> International safety standards are adhered to.

The 1995 annual report had this to say about environmental management:

> An environmental management system established to help CROP continue to operate in an environmentally responsible manner had the following initiatives supported by employees:
> a) monitoring of noise and emissions,
> b) waste recycling,
> c) water and effluent management and conservation,
> d) planting of vetiver grass along drains to prevent soil erosion.

The 1997 annual report proceeds to detail how the prevention of soil erosion was extended to the surrounding community:

> CROP embarked on an outreach programme in which vetiver grass is supplied to communal farmers for planting in susceptible areas to prevent soil erosion – an increasing number of communal farmers participate in the programme.

CROP did not only respond to process issues through implementing recommendations on corporate governance but also through the 'Shanduko' initiative. This initiative was enhanced by the computerisation of CROP and Year 2000 compliance project. One interviewee summarised 'Shanduko' as follows:

> Shanduko is a continuous improvement initiative that focuses on 'waste reduction'. An international consultant helped us.

Regarding technology, one employee admitted:

> There was work pressure using manual systems. CROP is a technology trend follower.

Internal triggers included quality of leadership, changes in leadership, need for departmental synergy, manufacturing best operating practices in CROP and the need to create value for shareholders.

Concerning the development of the code of conduct, one interviewee said:

> The initiative started at the Group level and then moved into CROP as part of the Group companies.

Other respondents concurred and reflected that top leadership at either Group or CROP level or both initiated changes in response to concerns from key stakeholders.

One employee mentioned:

> Change in the haulage system was prompted by improvements in mill operations – there was need for adequate delivery of cane.

About the need for functional/departmental synergy as a trigger for the computerisation of HR and operating systems, one focus group agreed:

> IT was very much within the Accounts Department. A lot of programmes were in place with no links. Departments need to be interlinked. There was need to synergise and share knowledge.

Key Players

The government of Zimbabwe stands out as one of the most significant players in the history of CROP. Key activities by government are summarised in Exhibit 4 below.

Exhibit 4: Major Government Activities that Affected CROP and CROP's Responses

YEAR	Major Events
1980	Government reduces retail price of sugar and agrees to subsidise the sugar industry; Uniform industrial wage scale is adopted; unit cost of production rises; Sugar industry proposes sugar annual retail pricing. CROP plans to settle about 200 African cane growers on 10-hectare farms.
1981	Consumers resist sugar prices and dramatic drop of sugar price follows production of substitutes.
1982	Zimbabwe dollar is devalued; Revenue increases on a big proportion of sugar yet to be exported.
1983	Government assists to resolve problems of the first 120 farmers resettled; Phase 2 of resettlement is postponed pending an improvement in sugar prices. Government partners in formation of unified workers' committee; Communication between management and workers improves.
1984	After 15 months of negotiations, government approves an increase in the retail price of sugar; Retail price of Zimbabwe sugar is lowest in region fuelling negotiations for further increase.
1985	Government expresses concern over slow pace of black advancement in the private sector.
1986	Government announces new minimum wage for agro-industrial operations. CROP acknowledges government's desire to increase the resettlement of small-scale farmers and following the improvement of world prices, agrees to complete scheme over the next two years.
1989	Settlement scheme and independent review of how the sales proceeds are divided between millers and independent cane growers is completed.
1990	A Sugar Milling Industry Employment Board is set up through collaboration of key stakeholders. CROP's agricultural settlement scheme becomes a model, attracting visitors from international agencies and other developing countries; Settler cooperation remains good.
1991	State is committed to black advancement.
1993	Sugar price control regulations are repealed and become a welcome development for CROP. Zimbabwe President praises spirit of commitment by sugar producers in his first tour of CROP.
1994	Given the 1993 repealing of sugar price regulations, a medium term agreement for the pricing of sugar to Zimbabwe Sugar Refineries (ZSR) is reached.
1995	The Zimbabwe Sugar Milling Industry Workers' Union is accredited and some employees join it.
1996	One dam in the area is completed.
1997	Conditions of service are for the first time negotiated at industry National Employment Council (NCE) level. Government, CROP and a neighbour agree to build a second dam after close contact and consultations. Zimbabwe dollar depreciates in November.
1998	Government decides to move fiscal year-end to December; CROP applies for exemption and gets authority to retain a 31 March year-end in common with other sugar producers in the region.
1999	Sugar is sold at less than half its price in surrounding countries resulting in uncontrollable legal and illegal export. Government interventions pose a serious threat to the sugar industry.
2000	Turnover increase results from the lifting of 'de facto' controls on local market sugar prices.

Sources: Annual Reports & Media Reports 1980 - 2000

The other players include all employees, management, business unit leaders, external and internal consultants, steering committee, change champions and any community member who interacts with CROP.

The involvement of all employees was particularly evidenced by comments on the 'Shanduko' and SHE efforts. Excerpts captured at the beginning of this case are examples.

The role of managers and business unit leaders in changes was tracked as far back as 1976 under the initial changes in the haulage system. Evidently leadership played significant roles in sanctioning each of the efforts and also took on the role of a steering committee for the 'Shanduko' initiative.

Time Available for Initial Stages of Changes

The nature and type of change effort determined the time available for the initial stages of the effort. Overall, the initial stages were either immediate or allowed to stretch over a period of a maximum of 3 years.

Where top management thought there was need to create a sense of urgency over the change, like the 'SHE' initiative and computerisation, very little time was given. Decisions were made by managers and top leadership and communicated across the organisation. As far as the computerisation changes were concerned, an 8-month period was allowed for a parallel run of the new computer system against the original manual system.

For the Shanduko initiative, the initiative started in 1999 with a time window of one year for the initial phases. Within this period, a 4 to 6 month period was set aside for training aimed at kick-starting the process. The pay back period for the effort was set at 2 years.

The Kind and Quality of Help Needed

Generally, some one-to-one interview evidence points in the direction that there was employee sensitisation and inculcation of a sense of inclusivity when changes were initiated. Other one-to-one interview respondents, however, suggest that lower level employees were not aware of the quality and kind of help that was needed for the changes. These respondents argue that saturated communication was needed and all employees had to be educated on the need for the changes.

Focus group evidence suggests staff were conscientised before the changes, building trust between owners and employees. An example given is that employees were shown videos on the contemplated haulage system changes.

There was a deliberate capability creation process put in place. For example, as far as the computerisation changes were concerned, management and steering committee went for training by program owners in South Africa. Those trained then provided training to clerks from other departments before running the system. Champions were trained by a consultant and in place to sustain the momentum of the initiative after the departure of the consultant. HR staff who now understand the system can help when there are problems.

As far as the 'SHE' initiative was concerned, all employees were re-inducted, given an induction label as part of identification and then issued with personal protective equipment (PPE). Security personnel check on the use of PPE all the time.

CROP benchmarked for best practices and contextualised changed efforts. Several focus groups concurred:

> Help came from Swaziland – 'we copy and improve on the Swazi system'. Director went to Swaziland for external benchmarking and brought back videos highlighting advantages and disadvantages of changing the haulage system.

Concerning 'Shanduko', indigenous examples were used to sell the process, including the name that was adopted for the effort.

Changes assisted develop diagnostic skills. One-to-one discussions/meetings were held to assess where there were problems. Original safety policy was revised to be consistent with CROP values.

On one occasion suppliers had to be called in to sort out faulty software and they discovered that there was a cable problem.

When changes affected people's jobs, relocation was based on the health status of employees. One focus group noted:

> There was need to relocate employees – alternative employment opportunities should be looked for when change reduces numbers. When cutting becomes a health problem with age, there is need to relocate to lighter duties.

Relevance of Change to Personal and Business Goals

The change efforts for CROP benefited key stakeholders including staff, government and the surrounding community.

Exhibit 5 below highlights some of the benefits that accrued to stakeholders at a personal level.

Beyond the Exhibit 5 benefits, case evidence confirms that staff generally considered the changes relevant to them. Further examples cited include the healthier and smarter approach to work provided by the 'SHE' initiative. The swipe cards provide effective data access to resolve queries and pay overtime on time. The quality of swipe cards was challenged. Employees suggested that swipe cards be clipped on dress like was done with identity cards to reduce chances of damage.

An incentive scheme was set up for the 'Shanduko' initiative with rewards paid on time at 30%, 60% and 100% of target achievement. All executives and staff supported the project champion for this initiative.

Haulage system changes brought with them reduction in health related complaints such as backache. There was also an employment opportunity for those who had to operate the new machinery.

Evidently, the changes benefited the business. CROP is a responsible corporate citizen with 'safety' as value number 1. Accidents are reported immediately, investigations carried out, accidents categorised and measures taken to minimise or eliminate recurrence.

Exhibit 5: Relevance of Changes to Personal Goals

YEAR	Major Events
1980	End of war improves internal market, induces high levels of staff turnover and serious industrial unrest. CROP aggressively introduces initiates to improve quality of life of people.
1981	High 1980 sugar prices lead to consumer resistance and accelerate the production of substitute sweeteners resulting in dramatic drop of sugar price.
1983	Sugar production exceeds target due to higher cane quality and increased mill efficiency - continuing training of skilled and semi-skilled considered a contributor. Agricultural training school opens.
1984	New Chairman is appointed for CROP. First products of Agricultural training school complete diplomas.
1986	Government announces new minimum wage for agro-industrial operations. CROP spends close to $2 million on staff housing.
1988	CROP focuses on Safety and Health at work.
1989	General manager (GM) retires after 8 years in position; new GM is appointed after serving CROP for some19 years.
1990	CROP wins national premier safety award.
1991	CROP puts muscle into housing for employees.
1992	Cost-cutting measures are focused on non-human resources.
1993	Sunsweet sugar is distributed throughout the country providing a slightly cheaper alternative product to the consumer. Zimbabwe is unable to meet local and export demand due to the drought.
1995	Training is intensified. An Environmental Management System is established.
1996	Chairman retires from board after holding the post for 11 years; new chairman is appointed to board.
1997	The first black person is appointed a director and Deputy Managing Director of CROP. CROP spends $ 410.2 million constructing new houses for employees. Training and development is intensified. CROP embarks on an outreach programme in which vetiver grass is supplied to communal farmers for planting in susceptible areas to prevent soil erosion.
1998	Collective bargaining is successfully conducted and concluded under an independent chairperson; Close liaison is being maintained with employees through regular meetings with both union representatives and workers' committees. $ 6 million is spent on the construction of new employee houses. Training emphasises communication skills and environmental issues.
1999	First black Managing Director is appointed from position of Deputy Managing Director.
2000	Severe foreign currency shortages coupled with an overvalued Zimbabwe dollar fixed at US$ 1 to Z$ 38.50 make Zimbabwean sugar highly expensive in regional export markets.

Source: Annual Reports & Media Reports 1980 – 2000.

The new haulage system, 'Shanduko', outsourcing, computerisation enabled CROP catch up with modern business practices. The development of a code of conduct brought in a sense of common purpose to both CROP management and staff, guided by the Zimbabwean legal framework.

Advocates "Walking-the-talk"

There was mixed evidence regarding advocates 'walking-the-talk'. Where the change was perceived as directed by Group leadership, advocates walked the talk. For example, in connection with 'SHE' one interviewee said:

> If there is a fatality, CEO has to go to South Africa to explain; CEO in South Africa has to explain in the Group's London office.

The development of the code of conduct enjoyed similar positioning. Said one interviewee:

> The executive at CROP and Group level supported the champion.

Those who initiated changes walked the talk as they believed in the need for such changes.

Comparing and contrasting HR managers' relationship to HR system changes, one interviewee said:

> HR manager who left associated with employees, would come to shopfloor and sometimes cleaned with cleaners, motivating employees. He sought advice from employees and practiced the ideas and praised employees for ideas even if idea failed.

> Old HR manager walked the talk. New HR manager partly walks the talk and parts of the system are not working. The new HR manager does not come down. Contact is with his immediate superior.

Both interview and focus group evidence confirm that change efforts were part of meeting agendas to stress that advocates meant what they said.

However other evidence suggests that there was no clear evidence of walking the talk. Examples highlighted to support this include what one employee said:

> Maintenance people were told they would be outsourced in 1998. No-one has come back with another message.

And focus groups reflected:

> Management commitment is key. Management should walk around. Protective clothing was not provided as a Shanduko initiative to cut costs. There is little feedback on results of each initiative. Ideas from the shop-floor are not accepted. Some ideas then filter back as the manager's – thinking employees have forgotten. Paterson Band C+ employees are considered as human beings, Bands A and B as semi-human.

> Current HR maintains an open door policy BUT does not go to the fields. People do not like it. People want him to go out and understand operations.

Staff associated the success of change efforts with advocates who walk-the-talk, maintain live lines of communication across the organisation, have a business sense, are open, flexible and appreciate learning. On the other hand, staff also expressed the negative impact of advocates' inconsistent behaviours.

One interviewee narrated how he felt about his own circumstance:

> Managers responsible changed things and even by-passed employees in career management – took someone else to become my manager. I had to train my new manager.

Acknowledgement of Fear and Anxiety

Views on fear and anxiety were polarised. During some focus group discussions, staff were not comfortable expressing their positions because participants were drawn across levels of the organisation. For example in one focus group discussion, one staff remarked:

> What guarantee is there that there will be no victimisation since we are mixed across levels.

The general impression across focus groups was that fear and anxiety were acknowledged as part of the change initiatives. Comments like *'fear and anxiety were allayed through active communication and involvement of all those affected'; 'fear was acknowledged – there was an exodus of white employees'; 'some whites who were anxious moved their children and remained behind in employment'*; and *'fear was acknowledged and training was concentrated on a small group of super users'* dominated the focus group responses.

One-to-one interview evidence also reflected the polarisation. Comments like *'Victimisation leads to fear. CEO has to advise colleagues not to threaten employees across the organisation. Ideas should be raised freely'; 'CEO should go down to employees, address employees area by area. They know the name of the CEO not the person'; 'There was acknowledgement of fear and anxiety: do not lie to employees. If you are not sure, say so'* characterised the perceptions.

A new language emerged when things were not working as planned. For example, employees called one manager *'Machonyongo',* a derogatory term for a disrupter.

As far as the 'SHE' initiative was concerned, employees agreed that there was no fear or anxiety as this was considered a life/death change initiative.

Assessment of Progress

Assessment of progress was both informal and formal.

As far as 'SHE' was concerned, international safety standards were adhered to. A CROP 'SHE' committee was set up, chaired by the Chief Operating Officer (COO). This committee met once a month and no SHE item was to reappear on the agenda. Once raised, an item had to be dealt with and resolved.

Each department had a 5-minute review on each of the 3 SHE (safety, health and environment) elements at the start of each day and/or shift. The 5-minute review had to be documented. SHE contributed 20% of the bonus and 80% on target performance.

HR system changes were tracked through quality of reports and documents as well as system data retrieval capability. Ideas were tested continually and collaboratively.

Training progress was reviewed. However, one focus group mentioned there was need to go to the shop-floor for feedback on HR issues.

In relation to Shanduko, one focus group agreed:
> Shanduko had rigorous reporting procedures. The company was reorganised into business units (BU's). Each (Head of Department) executive was ultimately responsible for BU performance. There was a business change manager.

Whereas one interviewee suggested BU feedback was ongoing, another said of Shanduko:

> With hindsight, a questionnaire could have been administered twice per year for better assessment.

Concerning black advancement, there was agreement that:

> There was informal measurement. There was a mention of employment ratio of 60%:40% in favour of blacks at the top like was being advocated in school ratios for private schools.

One participant remarked:

> Are we doing enough to develop our own blacks?

The impact of haulage system changes was tracked through productivity assessments, for example, crushing rate of mill per hour/per day/per season as measure of effectiveness of cane haulage to mill.

Exhibit 6 below details mill performance measures. These ratios were produced and published annually (with a running commentary) in annual reports.

Exhibit 6: CROP Mill Performance

Year	Number of crushing days	Through-put: Tonnes per hour	Overall time effic-iency	Extraction (%)	Boiling house recovery (%)	Overall recovery (%)	Factory perfor-mance index (%)	Tonnes cane per tonne sugar
1980	216	302	87,41	97,19	89,52	87,01	100,36	7,98
1981	220	376	84,27	97,39	90,14	87,79	99,35	9,87
1982	241	399	88,64	97,36	90,37	87,98	100,14	8,05
1983	239	390	90,14	97,12	91,09	88,47	101,16	7,88
1984	234	382	89,16	97,37	91,08	88,68	102,05	7,68
1985	226	289	91,97	97,88	91,34	89,41	101,52	7,64
1986	223	380	93,85	97,99	91,07	89,23	100,80	7,68
1987	218	419	94,75	97,70	92,16	90,04	101,02	7,52
1988	208	394	93,17	97,74	91,29	89,23	101,09	7,65
1989	190	408	93,87	97,70	91,40	89,52	99,73	7,57
1990/91	215	410,93	94,20	97,77	89,63	87,62	98,25	7,62
1991/92	178	386,71	94,25	97,51	86,68	84,52	96,35	8,09
1992/93	24	94,45	92,92	97,44	60,28	58,74	100,03	14,32
1993/94	57	321,39	73,20	97,31	82,65	80,19	100,00	11,31
1994/95	245	442,18	90,82	97,81	90,31	88,34	100,89	7,80
1995/96	228	424,36	85,85	97,67	89,43	87,35	99,80	7,63
1996/97	189	321,64	92,03	97,89	88,70	86,82	99,42	8,13
1997/98	260	415,56	87,03	96,60	89,29	86,25	98,61	8,13
1998/99	262	421,75	88,25	97,02	87,44	84,84	98,36	8,46
1999/2000	230	429,97	87,83	96,50	87,34	84,28	95,75	8,18

Source: **Annual Reports 1980 - 2000**

Exhibit 7 also paints a broad picture of measures from a financial point of view. Clearly, the financial performance was affected by drought and CROP has forged partnerships to deal with a future recurrence of this natural disaster through alternative water supply strategies like boreholes, more dams and more effective water application methods as highlighted earlier.

Exhibit 7: CROP Earnings and Dividends

Year	Shares in issue	Profit/ (Loss) for the year ($'000)	Dividends paid ($'000)	Dividend cover	Dividend return on shareholders' funds (%)	Earnings/ (Loss) per share (cents)	Dividends per share (cents)
1980	23 964 600	2 713	959	2,83	2,71	4,0	1,3
1981	24 013 850	22 365	6 002	3,73	7,51	31,0	8,3
1982	72 041 550	7 957	3 122	2,55	3,68	11,0	4,3
1983	72 041 550	(41)	-	-	-	-	-
1984	72 041 550	5 090	2 161	2,36	2,47	7,0	3,0
1985	72 041 550	6 581	2 882	2,28	2,35	9,0	4,0
1986	72 041 550	9 237	3 602	2,56	2,80	12,8	5,0
1987	72 041 550	11 831	3 602	3,28	2,64	12,9*	5,0
1988	72 041 550	9 940	4 322	2,30	2,09	13,8	6,0
1989	72 041 550	7 102	4 322	1,64	1,89	9,9	6,0
1990	72 041 550	20 753	8 645	2,40	3,24	10,8*	4,5*
1991	192 110 814	25 632	5 763	4,45	1,19	13,3	3,0
1992	192 110 814	(270)	-	-	-	(0,1)	-
1993	192 110 814	(10 095)	-	-	-	(5,2)	-
1994	192 110 814	(35 323)	-	-	-	(18,4)	-
1995	192 110 814	240 398	98 056	2,5	10,31	125,1	50,0
1996	192 110 814	227 402	96 056	2,4	9,03	118,4	50,0
1997	192 110 814	136 113	53 812	2,5	2,83	70,8	28,0
1998	192 439 564	204 539	84 662	2,4	5,29	106	44,0
1999	192 504 314	384 686	153 996	2,5	8,19	200	80
2000	192 761 064	361 000	193 000	1,8	6,0	188	100

Source: Annual Reports 1980 - 2000

Belief in Change

There were mixed reactions to questions concerning the degree of polarisation of belief in the change efforts.

Interview evidence suggested that all employees believed in the 'SHE' initiative.

Interviewees and focus groups, however, pointed out there were either 2 or 3 groups of staff. In connection with changes in HR systems, one interviewee said:

> There were 2 groups: opposers were almost 90%. It was war to convince them. Type of payslips converted most non-believers.

Focus group evidence confirms the existence of 2 groups in response to HR system changes:

> Because of problems, a big group think it does not work. Many times manual system is being used. Approximately 50% of the time system is not working. There are two camps and the negative camp is gaining momentum.

Regarding computerisation, one focus group agreed:

> There were two groups: those computer illiterate who feared change and those who considered change relevant.

About the haulage system changes, an interviewee commented:

> Even the COO did not believe the system would work.

And a focus group admitted:

> There were two groups with one against doubling cutting load and fearing the unknown haulage system and another group supporting the change.

Two other interviewees identified three broad categories of staff. One concluded:

> There were three groups of employees:
> ➢ Those who felt there was no need;
> ➢ Those who felt we have an opportunity;
> ➢ Those who felt management will still do what they want (focus was on this group).

The other said:

> I did not consciously assess existence of believers and non-believers. I can say there were 3 categories of people:
> ➢ The committed;
> ➢ The doubting group – they became 'disciples' after explanation;
> ➢ The pretenders – moved back to 'old ways' of working.

The existence of a third group is also suggested by focus group evidence to the effect that there are 'people not showing they are in any kind of group'.

Focus group comments on black advancement were quite telling. One group said:

> For some blacks that got into promotion positions, employees said they were blacks thinking like whites and used terms like 'chasara iganda' meaning 'what remains is the colour change'.

Another group added:

> Employees were busy assessing managers. For example, some were saying 'managers should leave politics and consider business. Local employees cannot even get the sugar they process due to politicking'.

Power and Accountability Structures

Each change effort had defined power and accountability structures.

For the haulage system, the Agriculture Director was the champion. The organisational structure changed to fit into the change. Work shifts also changed to fit into the mechanisation process.

A structure from Chief Operating Officer (COO) to Agriculture Director, cane haulage manager, cane haulage foreman, cane haulage co-ordinator, centralised trains controller, gantry supervisor, locomotive driver and general workers was put place. There also was a rail inspector reporting to the cane haulage foreman. The inspector had a team comprising rail hand supervisor, welder and builder who had general workers reporting to them.

A broad framework was provided by Group leadership for the development of a code of conduct. An internal champion experienced in industrial relations was accountable for the change. CROP formed Workers committees and a CROP Works Council was constituted. This Works Council linked up with other Works Council in the Group to create the Group Code of Conduct.

The HR manager had a steering committee and a team of clerks from departments to install the new human resource system. The steering committee and select clerks were called super users who then transferred the skills across the departments.

CROP put in place a 'SHE' committee. However accountability was devolved to departments and the individual. There was 1 'SHE' representative for every 50 employees and 1 first-aider for every 10 employees.

'Shanduko' and resultant outsourcing had ultimate accountability in the CEO. The CEO and executive team formed the steering committee. This committee assisted the HOD's empower the BUL's to run with the initiative. A champion, the Finance Director, was accountable to the steering committee. BUL's were accountable to the champion and involved all staff. BUL's were young and knowledgeable about business and were assisted by a second-in-charge with analytical skills.

One focus group argued that although top management had been relocated to the site, CROP was '*still run by people in Harare. CROP management should be given decision-making powers*'.

Organisational Learning

The 'SHE' initiative stood as a model around which CROP staff could benchmark internally about how to diffuse learning on change efforts. This initiative had all staff

mobilised from the individual to departments and CROP as a whole. 5-Minute inclusive forums were held daily/per shift and learnings documented and spread across the organisation.

A safe environmental policy with an outreach programme component (grass project) enabled CROP become a visible corporate citizen in the community around. An outstanding achievement was that through the learning afforded by the 'SHE' effort, there was no water contamination and soil erosion in the neighbourhood.

It would appear there was selective communication relating to haulage system changes. Those directly affected by haulage system changes were more aware of the changes. Focus group evidence points out:

> There was structured communication to all concerned parties, particularly on how to work together in a change situation. A process of managing up and down was put in place. Those not directly involved were not given details but only the necessary information. Those in management positions, even when not involved, were given details to win their support.

There were mixed impressions on how computer skills were diffused across the organisation. Whereas one interviewee said:

> Those trained in South Africa passed on skills to departments through clerks using the system.

Focus group evidence on computerisation and HR systems reflects the following comments:

> This was different from the Grab loading change effort. There was no champion to drive the training of other users. Some staff cannot even go onto a computer. In some departments there were no super users. Training department had no formal training; they went on trial and error, relying on own competence.

Further evidence suggests there were informal communication networks on HR systems. As far as swipe cards were concerned, a select few were given a chance to try. Introduction of new payslips and clocking cards signalled a new era.

Focus groups expressed the following sentiments for future initiatives:

> CEO needs to communicate with people, have Town Halls, be close to people, and walk around even to recreational centres. There is need for clear communication throughout the change effort.

> Bring back training programmes, which were scrapped and accelerate those in place.

Concerning the development of a code of conduct, a workers' representative confirmed a local best practice:

> 520 Workers' Committee members were trained on New Code. Each of the 520 cascaded the information to fellow employees.

'Shanduko' learning was transferred through a continuous improvement cycle. One executive remarked:

> A continuous improvement cycle was established as a basis for learning. This cycle was built into everyday lives of all staff. The cycle is based on assessing budget items with a view to implementing ideas on saving costs.

The general impression was that communication and leadership of department is key to fostering new learning.

New Ideas about Purpose and Strategy

The 'SHE' initiative influenced the way of doing business in a safe environment. A local best practice was the manner in which 45 minutes (09h00 to 09h45) had been set aside daily for the induction of new employees and any visitors. An induction checklist was used to track the aspects covered. A 'SHE' advisor/officer used English and Shona for induction depending on the literacy of individuals under induction.

The officer took me together with 2 new employees through a familiarisation with 'SHE' vocabulary including: safety procedures (18 safety standards were covered); accident classifications; emergency preparedness (for example, assembly points); types of safety signs (safe condition signs, warning signs, prohibition signs, fire equipment signs, special signs) and a medical questionnaire.

There was a demonstration on the use of fire equipment focusing on 4 different types of fire extinguishers. These were dry powder, water/gas, carbon dioxide and foam extinguishers. An explanation of housekeeping programme in place for tools and equipment was followed by do's and don'ts clarifying acceptable and unacceptable behaviours. For example, running around was not allowed and sober habits were expected in the premises.

I was issued protective clothes for the one-week duration of my visit.

From an HR perspective, computerising HR systems indicated that CROP could catch up on technological advancements such as networks. Managers also realised there were ideas of strategic importance from A1, A2 Paterson grade level employees because employees had been allowed to question and contribute to the development of the Code of Conduct.

One interviewee indicated:
> Lessons learnt include the following:
> ➢ Whatever change initiative, management must own the process;
> ➢ Involve workers, instead of giving, sell change and engage them;
> ➢ Every change initiative should benefit the workers.

Interview evidence suggests that CROP was a test case for Group of companies and the former CEO for the Group of companies was implementing the same ideas for Group in South Africa as well as the London head office.

Focus group evidence provides further insights. Some participants felt that the focus of efforts was efficiency and effectiveness and there was a lot of groundwork to mobilise support for change. Others were of the opinion that change efforts were not clearly linked to CROP strategy. Some participants said change looked like a haphazard process and employees need clarity on linkages of initiatives to strategy.

One said:

> Each initiative should have clear objectives, shared by all stakeholders. Train and define assessment criteria.

Another retorted:

> We are too vertically integrated, why not have focused strategic BU. We need to coordinate change efforts. Focus on crushing and milling!

In as far as black advancement was concerned, one focus group participant quipped:

> There was talk of black advancement to address the new political demands.

Evidently, external benchmarking for best practices fast-tracked the haulage system and 'Shanduko' initiatives.

One focus group agreed there was need for a super user to design a system that fits the business.

Success of Change Efforts

There were mixed impressions during focus groups regarding the success of the computerisation process. Comments featuring during discussions included:

> There are less people controlling payroll. The function moved from Accounts department to HR. IT staff were not sure of the change leading to lack of support from IT staff. Now IT department is functional. We still do not have what we chose. Still system is not user friendly. Regarding the network program, supplying company did not do well in installing system.
>
> For the clocking system, one can only record OUT to IN movements per day and can be abused. With manual system there was an entry for each passage and it was difficult to abuse.

However interview data paints a positive picture including comments like *'information retrieval was good', 'HR system led to CROP network'.*

The development of a code of conduct was generally considered a success story. Each of the 52 sections had a constituted Workers' Committee, each of the 7 areas covering the 52 sections had an area Workers' Committee and a central Workers committee had been constituted covering the 7 areas. There was ownership of the Code of Conduct.

One worker representative was, however, critical of the code saying:

> Code of conduct has not been updated for over 15 years. Code of conduct is only about employees. For example, 'if employee does this, then, … To the extent that employees now resent being in the Workers' Committee.

The 'SHE' initiative was an outstanding success story that had positioned CROP as a good corporate citizen. The outreach program had resulted in no water contamination in the surrounding community. A local best practice was around the application of filter cake (mud). The mud has soil nutrients, which local villagers used to feed gardens for free. The rest of the filter cake was used back in the cane fields.

The success of the haulage system had resulted in nothing, except the replacement of one grab loader, being changed since 1983. This has been largely attributed to the successful local modifications to the Swazi system. One focus group heard one participant remarking:

> What is happening is because of people involvement at every stage of the process.

'Shanduko' and the resultant outsourcing were also considered a success. Interview evidence includes:

> 'Shanduko' was extremely successful. Results were presented to the Board. The Board accepted and authorized payment of incentives.

> Shanduko champions have been requested to help in other initiatives as part of change skills transfer. Grab loading is now being re-looked at from a 'Shanduko' perspective. There is still need to look at the structure of incentives for future change efforts. For example, how soon incentives are paid.

> Outsourcing as a result of 'Shanduko' was a huge success. Busing, security, canteen and beer-halls have been successfully outsourced.

These comments are also supported by focus group evidence and are consistent with the continuous improvement intention

> Ideally 'Shanduko' should have come before IT effort. 'Shanduko' emphasis was more on proving saving. Bonus payment was not paid early and this damaged employee morale.

> The incentive scheme design needs to be simple, clear and reward to follow behind. Ideally, this should have been a Finance function. Agriculture department carried the whole company. We are not accountants.

Mention was made of the need to move to a flatter organisation structure informed by the change efforts. Overall, live communication was considered a necessity.

Major findings

Eleven challenges and seven themes emerge from the CROP evidence.

EMERGING CHALLENGE	SUCCINCT DESCRIPTION
1: Role of national cultures in transformation	Organisations that transform in Zimbabwe have to anchor such change on national culture.
2: Use of relevant national languages	Organisations that transform in Zimbabwe have to use relevant national languages to convey and embed the new different ways of doing business to all relevant stakeholders.
3: Land redistribution	Organisations that transform in Zimbabwe will have to promote an equitable pattern of land redistribution.
4: Economic reform and poverty reduction	Organisations that transform in Zimbabwe have to conduct business aimed at sustaining long-term high rates of economic growth driven by agriculture in order to reduce poverty.
5: Employment creation and entrepreneurship	Organisations that transform in Zimbabwe have to create employment and upscale entrepreneurship to enable the state restructure its economy and compete globally.
6: Ecological harmony	Organisations that transform in Zimbabwe have to engage in safety, health and environmental programmes to enhance the quality-of-life of employees and communities.
7: Boosting investor confidence	Organisations that transform in Zimbabwe have to contribute towards the reduction/elimination of (trans)national conflicts and crime (including corruption) in order to boost investor confidence.
8: Value-enhanced products and services	Organisations that transform in Zimbabwe have to (re)brand value-enhanced products and services for the global market.
9: Consensus building amongst stakeholders	To succeed in leading change in their companies in Zimbabwe, managers need to forge an institutional framework and process for consultation and consensus building amongst stakeholders on the make up of reform programmes.
10: Institutional capacity building	Organisations that transform in Zimbabwe need to build institutional capacity to minimise /eliminate the gap between designed plans and their implementation.
11: Gender consciousness	Organisations that transform in Zimbabwe need to move to a higher level of consciousness in gender relations by engaging in gender analysis in order to empower women.

EMERGING THEME	SUCCINCT DESCRIPTION
1: Collaboration with key stakeholders	Intense collaboration with key stakeholders leads to the success of transformation efforts.
2: Stakeholder needs and expectations	Organisational transformation revolves around changing stakeholder needs and expectations.
3: Stakeholder promises	Organisational transformation revolves around changing promises to address changing stakeholder needs and expectations.
4: Delivery processes	Organisational transformation revolves around changing processes to deliver changing promises.
5: Structures and systems	Organisational transformation revolves around changing structures and systems to align with changing processes.
6: Capacity and capability	Organisational transformation revolves around changing capacity and capability to sustain the momentum of the change.
7: People Care	Organisational transformation revolves around changing capacity and capability to sustain the momentum of the change.

Recommendations

The CROP case may be used for teaching/learning purposes.

I recommend that the CROP case be used alongside the other three case histories to appreciate the challenges of organisational transformation in the emerging economy of Zimbabwe unearthed through the full study.

This article should also be used together with another article covering a comprehensive analysis of the social, political and historical context within which managers acted.

SOURCE REFERENCE

Madzivire A. B. (2003). *Organisations That Transform: Exploring the Challenges in the Emerging Economy of Zimbabwe.* Unpublished Doctor of Business Leadership (DBL) Thesis: Harare