1 Introduction: diversity management travels to underexplored territories

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Managing workforce diversity constitutes an important area of global corporate activity (Ferner et al., 2005), although it can be considered a relatively new organisational paradigm (Gilbert et al., 1999). Diversity management continues to fascinate management scholars as diversity promises advancement in knowledge, evolution and innovation (Härtel, 2004). However, the diversity management phenomenon remains under-explored in the Asian context. When we conceived the idea of co-editing this research volume two years ago, we were aware of and also motivated by the fact that the oft-cited studies of diversity, for example, Sanchez and Brock (1996) and Harrison et al. (1998), are limited to the English-speaking geographies. Furthermore, mainstream theorisation in the field has been rather anaemic in terms of contextual detail, namely relating theorisation on diversity to history and geography (see, for example, Harrison and Klein, 2007). Ignoring history and geography in building diversity theory bodes ill for understanding issues pertaining to diversity management in other contexts, that is, places and times that fall outside the mainstream focus in this field of study (Özbilgin, 2009; Syed and Özbilgin, 2009). Even studies of global diversity management remain silent about the Asian context and its unique requirements for the sake of conceptual clarity (Nishii and Özbilgin, 2007).

This volume has been developed with the aim of providing an authoritative overview of cultural diversity management in Asia. Although the
Asian context appears at first sight to be irreconcilably divergent in terms of diversity management approaches, in this volume we seek to explore thematic and geographical demarcations of the concepts of diversity and equality at work. The aim is not only to examine diversity management in a particular geography but also to make a marked contribution to the theory of managing diversity and equality by revealing the significance of context, time and space in framing policies and practices of management. Following the call by Bell and Kravitz (2008), we have attempted to bring together studies which theorise the practice of diversity management, in order to help close the gap between practice and theory in this field in Asia. The volume, therefore, offers in the main an evidence-based approach (Özbilgin and Tatli, 2008) in the theorisation of diversity management.

With empirical and conceptual contributions from eminent scholars from across the Asian continent as well as the Asian diaspora, this volume provides a text that allows us to understand practices of equality and diversity management in settings across Asia, and also to understand the key drivers and implications of such practices. The volume examines diversity management from multiple angles; while some chapters examine diversity management in domestic firms in Asian countries, others examine it from a cross-cultural or international perspective.

It is possible and useful to identify overarching patterns and processes of diversity management in this geography with particular attention to cross-national differences. Unprecedented economic growth of countries such as China and India has drawn scholarly attention to management issues in the Asian context. It is, however, well documented that countries in Asia do not enjoy a common approach to management. Similar to the US and the European contexts, evidence of diversity management practices across the Asian countries appears divergent. Nevertheless, while there is a wide spectrum of practices in terms of managing diversity and equality in Asia, there is a finite set of different approaches and there are some common observable patterns of management which stand up well to cross-national scrutiny in this geography. One of the significant patterns of managing diversity in the Asian context is the silence of organisational discourses surrounding this issue. When critical approaches to diversity management are offered to explore inequities of power relations in the European context (for example, Janssens and Zanoni, 2005), Asian scholarship in the field of diversity and equality has remained largely silent. A strong focus on economic development in Asia has almost relegated issues of diversity and equality to the level of secondary importance. We contend in this volume that this attitude towards diversity is misguided and that economic development cannot be studied in isolation from its human consequences, one of which is the inevitability of diverse and intercultural
exchanges/interactions. Indeed, what is sorely lacking in the Asian context is a business case for diversity, which is akin to that offered in North America (see, for example, Robinson and Dechant, 1997), but which is based on an emic understanding of dynamics of business in Asia.

The Asian context is characterised as the main source of religious diversity internationally. The world’s religions with the largest number of followers, including Buddhism, and Abrahamic religions of Judaism, Christianity and Islam, were all conceived in the Asian continent. With a few exceptions (for example, Özbilgin, 2000; Jain et al., 2003; Ghorbani and Tung, 2007; Syed, 2008), international comparative studies of diversity and equal opportunity mostly neglect this unique character of Asia as the birthplace and stronghold of contemporary religions. The lack of understanding the implication of cultural diversity brought about by religious diversity has been challenged in recent years with management scholarship that focused on the significance of Buddhist and Muslim traditions from the region; for example, White’s (1999) theorisation of ethical behaviour in organisations which is the enactment of the principles of elements common to the feminist ethic of care and the Buddhist ethic of compassion, and Saha’s (1992) study on Zen and industrial management in Japan.

Previous research suggests that the compatibility of organisational values with the wider societal or cultural values is essential to the long-term success of organisations (Hofstede, 1984; Schuler and Rogovsky, 1998; Harzing and Sorge, 2003). Organisational–societal cultural congruence is important not only to productivity and worker satisfaction (Newman and Nollen, 1996), but also in terms of perceived organisational legitimacy that affects the long-term survival of the business (Kostova and Zaheer, 1999; Giacobbe-Miller et al., 2003). From an institutional perspective, coercive pressure is often brought about by the actions of governmental and other regulatory bodies that have control over an organisation or its critical resources (for example, DiMaggio and Powell, 1983; Oliver, 1991; Kostova and Roth, 2002; James and Wooten, 2006). Cross-national differences in institutional structures are known to result in management practices that vary from country to country (Gooderham et al., 1999). Tatlı and Özbilgin (2009) explain that the embedded nature of diversity management requires researchers to account for the meaning of difference and diversity in specific contexts, rather than assuming that diversity theories can be transferred and transposed irrespective of the time and place in which they are conceived.

The divergent trajectories of countries in this volume, in relation to laws, religions, history and economic systems, also make it possible for us to examine the impact of factors such as the interface of tradition,
religion and state governance as they inform the way diversity and equal opportunity policies and practices are shaped. In terms of practice, we hope that the volume will inform decision making in private and public sector organisations in Asia. Diversity management and equal opportunity practices are now considered to have strategic importance. Therefore, an understanding of diversity and equality structures, processes and outcomes in this geography is important for formulations of business strategy for public and private sector organisations.

In sum, we hope that the volume will serve to explicate the scope and nature of diversity management policy frameworks in countries in Asia. Contextual (for example, socio-economic, legal and demographic) conditions which drive the development of such policies constitute the focus of some chapters. Besides the contextual perspective, there are chapters which seek to develop, validate and compare various dimensions which frame antecedents, correlates and consequences of diversity management. Outlining and comparing dimensions of diversity and equal opportunity frameworks in national settings, the volume provides a connected understanding of the Asian context. Overall, the volume contributes to the development of theory to explicate the dynamic nature and processes of diversity and equality at work in Asia.

Structure of the volume

Cultural diversity is a consequence of different assumptions which underpin the logic of practice at work. The Asian setting provides a unique site for studying cultural diversity as Asia is the birthplace of many socio-religious discourses which underpin the way in which work and life is organised in contemporary societies. Following this introduction, the first 19 chapters deal with cultural diversity management in Asia. The volume also contains three chapters on the Asian diaspora, exploring the diversity of and among Asian migrants in other continents.

Cultural diversity

At first sight the Asian context appears rich in cultural constructs such as systems of caste, networks of social and economic relations, as well as assumptions of organisation and work. However, this perception of wealth of culture in the region can partly be explained by the perceived dissimilarity of these cultural constructs to the dominant cultural constructs in the English language literatures. In order to demystify cultural constructs which are unique to countries in Asia, the volume houses 19 chapters that study cultural diversity in and among Asian countries.

In his chapter on cultural diversity management in Malaysia, Abdullah (Chapter 2) offers a communication management perspective on cultural
diversity in a multicultural environment. The chapter highlights how organisational leaders’ perception of diversity management may affect their organisational strategy development. The chapter explores how cultural diversity is practised in multinational corporations in Malaysia. It demonstrates that understanding cultural diversity can be very complicated but unlocking the potential of local cultures may reveal a distinctive identity for today’s corporations. The chapter shows that managing cultural diversity requires a holistic approach especially from top management personnel in terms of cultural sensitivity and ‘local focus’.

In her chapter on identity salience, occupational commitment and organisational citizenship behaviours, Acar (Chapter 3) offers an exploratory study of multinational teams from the Turkish context. She notes that very few studies, to date, examine national origin as a dimension of diversity. Her chapter aims to remedy this gap in the extant diversity literature by developing a conceptual framework to examine organisational citizenship behaviours in teams composed of members from different nations. Specifically, the chapter investigates the effects of national identity salience on organisational citizenship behaviours. Acar argues that salient subgroup identities will have a negative impact on such behaviours. She also proposes the often understudied occupational commitment as a moderator variable. The framework presented in her chapter suggests that negative influence of salient identities on organisational citizenship behaviours will be weakened by high occupational commitment.

Al Ariss (Chapter 4) focuses on the patterns of religious diversity management in Lebanon. The chapter argues that diversity management challenges faced by the multi-religious Lebanese society reflect the ones that the world is increasingly experiencing with globalisation and migration. The chapter suggests that the ‘diversity scheme’ in Lebanon refers to power distribution among different religious communities rather than the freedom of practising religions in organisations or in social life. The study is based on 20 qualitative interviews conducted with Lebanese men and women who have spent part of their lives and careers in Lebanon and the other part in France.

April and Smit (Chapter 5) review existing models of motivation and personal expectancy to establish a foundation for a discretionary effort framework, which would be relevant to professional networks. The chapter demonstrates that despite an undifferentiated Western view of Chinese employees, individuals demonstrate behavioural variables that they require to be satisfied before offering their discretionary effort. Additionally, the factors of organisational position and individual educational qualifications are positively correlated towards an individual offering his/her discretionary effort.
Ayub and Jehn (Chapter 6) describe the diversity scenario in Pakistan with the help of survey studies and interviews. The authors discuss the presence of diversity and whether the Pakistani workforce acknowledges and accepts diversity. They examine the prevalent attitudes and grievances regarding diversity at work. The chapter offers some ideas for diversity management in Pakistan in view of the issues expressed by local personnel and corresponding elements from models that have been designed and practised in other countries and cultures.

Calveley and Hollinshead (Chapter 7) investigate workplace discrimination on the grounds of gender and ethnicity in the context of the transformation of the political economy in Russia. The chapter exposes the decline in the status of women in the new liberal economy of Russia and illustrates why a significant number of women are still faced with inequality in the workplace. The chapter also explains how migrant workers are marginalised and discriminated against both in the workplace and in society, despite their significant contribution to the building of the Russian economy.

In her chapter on diversity management in Turkish subsidiaries operating in Asia, Dereli (Chapter 8) explores the importance of cultural diversity management for organisations. The chapter investigates the main problems of the cultural diversity management in Turkish companies which operate in Central Asian countries (Kazakhstan, Uzbekistan, Kyrgyzstan, Turkmenistan and Tajikistan, which gained independence following the collapse of the Soviet Union in 1991) and their human resources management approaches and methods with respect to the problems encountered.

Haq (Chapter 9) offers an analysis of the caste-based quota system in India. The 2001 Census of India recorded that India had crossed the one billion population mark, making it the second most populated country in the world, after China. The people of India are diverse in language, culture and religion since there are 28 states and seven Union Territories, each with a distinct history, culture, cuisine, customs, official language, dialects, religious beliefs and festivals. Haq highlights cross-national differences in the target groups protected by diversity policies and explores the key drivers that underpin the reservations context, practices and outcomes in the realm of India’s complex workforce diversity challenges. The focus of this chapter is to provide a discussion on the socio-economic and political influences on the reservations policies, thus contributing to the global discussion on diversity management by examining the antecedents, interventions and outcomes of India’s reservations policies. The chapter extends India’s reservations issues into the cross-national conversations on managing diversity by informing, educating and raising the awareness
of readers, scholars and practitioners unfamiliar with the Indian diversity management context.

In their chapter on intercultural competencies, Härtel, Lloyd and Singhal (Chapter 10) present the findings of preliminary research which explores intercultural business interactions through a comparative survey study undertaken in India and Australia. The authors begin their chapter by reviewing literature addressing the impact of culture on interactions between people from different cultural backgrounds. The chapter then links these findings with the intercultural competencies identified in the literature and investigates whether the same competencies are important across cultures. The chapter examines the full range of core intercultural competencies identified in the taxonomy derived by the first two authors from a comprehensive literature review.

Härtel, Ma and As-Saber (Chapter 11) offer a conceptual analysis of managing Chinese enterprise relationships through Guanxi-based diversity management. Increasingly, the forces of globalisation are leading to the necessity for organisations to operate on an international scale in order to remain viable. While these international operations can create a number of benefits for organisations, they also introduce a whole new set of challenges which must be dealt with, not least of which is the challenge of interacting with individuals from diverse backgrounds. In their pursuit of a conceptual analysis of managing Chinese enterprise relationships through Guanxi, Härtel et al. develop a model to examine the Sino-Western business relationship-building process, in particular, looking at the factors affecting Chinese business partners’ perception of Guanxi and how it can influence the relationship. The model extends existing conceptualisations of the cross-cultural communication process by combining theories of emotions and research on Guanxi and the second author’s own unique understanding and experience of the Chinese perception of Guanxi combined with well-accepted theories of contextual, social and cognitive influences on communication and negotiation. The authors explain how culturally founded communication patterns play an important role in the informal and formal phases of business negotiation.

Lee (Chapter 12) undertakes a comparative study of Japanese and South Korean mindsets which provides insights into how management decisions are made in Japan and Korea. The chapter pays attention to both Japanese and Korean organisational culture, which is then followed by empirical research. The exploratory research undertaken relating to both Japanese and Korean culture is outlined and followed by an analysis, and a number of important cultural factors are highlighted. The similarities and differences between the cultures are identified, and a conclusion is provided.
In her conceptual chapter on diversity in India, Patel (Chapter 13) explores some of the discrimination-related issues that plague India today. The chapter addresses the discussion at the national level. It exposes some of the discrimination-related issues faced by different minority groups such as members of the lower castes of the Hindu religion, minority religions—particularly Muslims who constitute about 12 per cent of the Indian population—women, homosexuals and transgenders. The chapter discusses the history of the evolution of affirmative action in India and exposes its current status in India today. It also exposes some of the challenges that Indian society currently faces in implementing affirmative action. The chapter also addresses the diversity debate at the corporate level, providing examples of some diversity-related issues that international managers may have to cope with while working in India.

Pradhan (Chapter 14) deals with the state of the South Asian economy and environment. The chapter also examines a few likely scenarios of long-term economic growth and demographic change and their implications for regional economic relationships. Results suggest that South Asian countries are at a turning point to achieve a 7 to 8 per cent growth rate. The economic reforms on which all these countries are embarking depend on the macroeconomic foundations. Nevertheless, a poor social infrastructure and the low level of human resource development in all the countries with the exception of Sri Lanka impose severe constraints. Absolute poverty is still high in all countries. Demographically, population growth is high, which moderates the process of development in most of the countries. This creates conditions which, if they persist without rapid amelioration, can result in political instability and social unrest within countries, spilling over to the region as a whole.

Few studies have examined how multinational corporations operating in India can manage diversity and create visions that ensure a level of consistency between individual, organisational and societal values. In their chapter on transplanting the meritocracy in India, Robinson and Ensign (Chapter 15) argue that the values embraced by the Indian government (through its constitution, policies and institutions) are a good starting point for organisations that wish to overcome the friction created by prejudice in the subcontinent. The values elaborated in the Indian Constitution can be viewed as an example of the societal aspirations of Indians and must therefore be studied carefully. The chapter suggests that unlike the United States where diversity is largely a question of race, or Europe where diversity has traditionally been largely a question of language and culture, India’s diversity is racial, religious, linguistic and even class based, all at once. Further, the breadth and range of diversity is greater than one would find in many other countries, given that people who are polar
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opposites in one sense or another work side by side. The chapter discusses some of the innovations of the Indian Constitution and reasons for these innovations; some key issues identified by the Constitution and other sources that illustrate practices and social divisions that were perceived as being particularly problematic; and how an MNC might want to go about drafting an enduring vision statement that can assist in achieving corporate goals in India.

The main aim of Soltani, Scullion, Lai and Collings (Chapter 16) is to examine management of diversity and equal opportunity in employment in Iran. While benefits associated with diversity management might be true in the context of developed countries, the authors are critical of their existence in the context of less-developed nations such as Iran. Furthermore, while in most previous research on managing diversity the perspective of managers who had policy-making roles in the organisation dominated the analysis, this chapter tackles this limitation, and advances understanding by providing multiple perspectives on diversity and equal opportunity in employment to encompass both managers’ and workers’ views. This chapter is based on 76 semi-structured interviews across two industries (construction and manufacturing) with both managers and blue-collar workers. The findings suggest that, in contrast to existing theories, economic evaluations such as cost-minimisation of the diverse work groups are the major driving force behind adopting equal opportunity practices in employment. Interestingly, the data suggest that such a cost–benefit relationship is also seen as beneficial by the workers.

Sürgevil (Chapter 17) discusses dimensions of diversity management in science and business in Turkey. The chapter draws on data from the Turkish Statistical Institute and examines this data in relation to various categories of diversity. The chapter also brings in data from the Turkish Enterprise and Business Confederation and the Turkish Confederation of Employers’ Union, providing a comprehensive assessment of diversity management in Turkey.

In his exploration of diversity management in the context of the Middle East, Weir (Chapter 18) argues that a fundamental theoretical focus on diversity as a determining aspect of post-modern social organisation has come from the continuing philosophical concern with the ‘other’. This has ranged from Levinas’s call for ethics to be regarded as a first philosophy, prior to ontological and epistemological concerns, to Schutz’s elaboration of the nature of social understanding. These are not issues that in day-to-day life resonate much with operational managers: nonetheless there is continuing intellectual concern with these topics, exemplified most recently perhaps in the continuing theme in Charles Taylor’s work to bridge the Anglo-Saxon and the European approaches to these themes,
and these fundamental analyses form an underpinning backdrop to our concerns.

Youngsamart, Fisher and Härtel (Chapter 19) offer a review of the literature on the management of diversity in Thailand and report findings that are relevant to the domain of diversity management drawn from previously unpublished results of four convergent interview-based studies conducted over a 12-year period from 1996 to 2008. While the main focus of each of these studies was not diversity management, each study dealt in some way with culture, race, ethnicity, religion and management issues in Thailand. In this chapter, the authors use incidental results from a number of qualitative studies, to explore and explain the nature of diversity management in the Thai business context. Consistent with literature that examines management in organisations in Thailand, the authors suggest that social class and patron–client relationships are stronger influences on the career outcomes of women, ethnically diverse and religiously diverse employees. Education enables individuals to move through class barriers, and receive career benefits. The fluidity of the patronage system in Thailand creates the opportunity for individuals to develop advantageous relationships, which may be beneficial for those individuals, but overall does not align with the Western concepts of equity in the workplace.

Theoretical discussion on the interaction of globalisation and national diversity management has concentrated on the tension between the particularities of the context and the universal homogenisation of Anglo-American standards. Yükleyen (Chapter 20) examines Islamic civil society and social capital in Turkey and suggests two ways to expand this discussion on diversity management. First, the chapter applies lessons from Western-oriented globalisation on the relationship of diversity and development in the cultural context of Turkey, which is often presented as a ‘bridge between East and West’. Turkey’s presumed in-between identity indicates that the context of each country regardless of its subjection to occidental or oriental discourse creates particular conditions and approaches to manage diversity. Second, diversity management literature’s level of analysis primarily focuses on the company, national or multinational. The goal of increasing market efficiency and respecting human dignity through the recognition of ethnic, racial, gender, religious and other identities within companies could have implications for state–society relations as well. However, the national context in each country significantly shapes the diversity management strategy in each company. On the other hand, lessons of cultural diversity management could fruitfully be applied to state–society interaction. The public (un)recognition of emerging group identities could challenge or facilitate the economic development of a country depending on how cultural diversity is politically
managed. This chapter focuses on how the secular Turkish state is (mis)managing the rising Islamic identity within the civil society through the case of a moderate Islamic movement.

*Diaspora*

Studying the Asian context also requires us to pay attention to the diversity in the Asian diaspora, namely Asians in other continents as migrants and expatriates. In this volume, there are three chapters which examine diversity issues of the Asian diaspora.

Diasporas can be categorised in multiple ways based on characteristics such as: modes of cultural reproduction, sites of engagement, reconstructions of place; nations unbound, long-distance nationalism; a governmental category that represents new geographies; or irreal spaces which are between the real and imagined.

In his chapter on Asian and other migrant entrepreneurs in the US, Fairlie (Chapter 21) examines the contribution of immigrants to business ownership, formation and performance using three large, nationally representative datasets – the Census 5 per cent PUMS Sample, the Current Population Survey (CPS), and the Characteristics of Business Owners (CBO). The Census 5 per cent PUMS Sample is the only nationally representative dataset with large enough sample sizes to examine business ownership among detailed immigrant groups, and the CBO is the only business-level dataset with information on a large sample of immigrants. Using this data, several key questions about immigrant entrepreneurship are explored. The study highlights some key contributions from immigrant entrepreneurs from Asian countries.

Pio’s broad objective (Chapter 22) is to stimulate a critical analysis and reflection on the Asian diaspora in New Zealand, through foregrounding ethnicity embedded within the socio-historical context of a particular period and country. By viewing the Asian diaspora through the prism of postcolonialism, Pio’s study contributes to the larger debates and scholarship on issues of otherness, governmentality and the significance of positionality in research. The chapter focuses on the Chinese and Indians who form the largest Asian groups in New Zealand and have been recorded as the first Asian settlers in Aotearoa or the Land of the Long White Cloud, which is the Maori name for New Zealand.

A total of 190,000 foreign workers are employed in Israel today; about 50 per cent of them have employment permits while the rest are illegal. Against the backdrop of these labourers, Zaidman and Pines (Chapter 23) address a very different type of foreign worker – educated employees in the highly sophisticated and highly successful Israeli high-tech industry. Today’s global economy increasingly requires workers to collaborate in
teams that cross cultural and geographic boundaries. The chapter adopts a relational perspective underpinned by a belief in contextually situated phenomena that exist in interconnected relationships, in this case involving the individual workers (their behaviour, coping strategies, stress and burnout) the multicultural team (its cohesion and communication), the organisation (its culture, politics and disturbing aspects), the global sector (high-tech) and culture (Israeli versus Indian).

Overall, we hope that the book will prove a valuable addition to resources on cultural diversity management in Asia and also internationally, equally accessible and useful to research scholars and students as well as managers and policy makers interested in non-orthodox discourses and practices of diversity and equal opportunity. Last but not least we would like to offer our thanks to all contributors for their wonderful and exciting contributions to this volume. In particular, we are grateful to Charmine Härtel and Edwina Pio for their help in reviewing some of the chapters of the current volume. We would also like to thank Ben Booth and Jenny Wilcock of Edward Elgar for closely working with us in designing and completing this book project.

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