

Cross-Cultural Differentiation and Diversity Management

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Abstract

The aim of this study is to make a conceptual analysis about diversities and managing diversities. Within the direction of goal, the development of managing diversities within global and national dimension was examined and some suggestions have been offered for Turkey. This study has been formed with the analysis of the literature. In this scope, historical development of managing diversities was examined and all organizations applying the management of diversities within global dimension in the best way were analyzed and a conceptual frame of the subject has been formed.

Key Words: Diversity, managing diversities, management.

Introduction

There is a saying used very often “Everything is secular with its opposite”; namely, everything exists with its opposite. In other words, everything in nature finds a meaning together with its opposite. White would have no value without black; beautiful would have no meaning without ugly; good would have no value without bad. A grey rainbow would not be alluring, because a rainbow is beautiful only with its different colors which make up jollity. Our own emotions, thoughts, values, beliefs and personal characteristics are meaningful only with different properties and values (Memduhoğlu, 2007).

Globalization, increasing day by day, makes the communication amongst people from different beliefs and cultures more necessary. Therefore, all organizations which seek profit need diversities to be more open to changes and to be more creative. Today, activating diversities and making them more optimum at working places have become an important issue for the management.

It is necessary to understand the concept “diversity” to be able to understand the management of diversities. Cox (2004), defines the concept diversity as the variety of social and cultural identities of people who exist together in a certain working place or in a working area; Thomas (2004), claims that diversity is related differences, similarities and related stress terms, which could exist amongst the elements of a mixture.

Generally, diversity is described as appreciating, giving importance, accepting, understanding and approving differences amongst people by respecting age, class, ethnical origin, sex, physical and mental situation, race, sexual orientation, cultural history, state of mind and social assistance of the people (Esty, Griffin ve Schorr-Hirsh, 1995; Shone, 1999). Diversity is a human mosaic which brings together various ethnical and cultural histories, styles, perspectives, values and beliefs into organizations or groups in which people interact (Guion, 1999).

One of the biggest misunderstandings about diversities is that there are only some certain people or groups under the frame of diversities; on the contrary, total opposite is true. Diversities comprise major elements which include race, ethnical origin, age, religion, disability and sexual orientation of a person. Secondary elements are generally communication style, working style, organizational role or geographical origin (east, middle west, south, etc.) of a person. It is a truth that each person has typical features within these elements. Experiences and latest researches show that when realized and appreciated, diversities increase

personal productivity, organizational effectiveness and permanent competition (Morrison, 1992; Cox, 1994). Consequently, organizations should go beyond creating a workforce which presents more variety. First of all, it is necessary to realize the importance of having different employees carrying out different duties (Norton and Fox, 1997). Diversities are not only numeric equal of some certain groups. It is time to apply diversity concepts to the work of organizations systematically. Diversities should be seen as a job opportunity more than an ethic obligation or job requirement. If diversities are convenient for mission and organizational works, the satisfaction and continuity of employers increase, competition and productivity develop, responding increases and adds value to clients. The management of diversities explains a comprehensive management process necessary to form a convenient environment in terms of all organization employees (Thomas, 2006).

The concept management of diversities is a principle which behaves persons fairly in terms of occupational, social and ethical values and values them. It is a process which reveals various skills and abilities brought to an organization, a community or a society by a population presenting variety. Thus, the management of diversities creates an integration, a comprehensive environment; in other words, it presents an environment where everybody avails and which is 'reliable for diversities' within a cultural context, it enables people to "refuse refusing", it appreciates diversities and increases potential of everybody. Multiculturalism which is a piece of management is a comprehensive process where nobody stays out. Diversities are basically is "a safety against idolizing" which make a norm for all groups (Rosado, 2006).

When the literature of the management of diversities is observed, it can be seen that the most common motivation necessary to increase the stress of differences is to develop job performance. Researches claim that different working groups can be more innovative, flexible and productive and can present some valuable perspectives about some important issues and can address to consumers including minorities the amount of which increase day by day. Groups including different persons are better are drawing out a conclusion which analyze and remove a problem (Cox, 2001). In most of the sources, it is claimed that working places should constitute a very different personal frame which include high-qualified staff in order to be a rivalry (Hubbard, 2004).

Economy globalizing day by day and the increasing amount on multi-national companies has made the management of diversities a necessity not only for companies which desire to maintain their existence but also for companies desire to be successful during economical, social and cultural changes. The management of diversities expresses a volunteer organization movement which is designed to constitute cautious policies and programs which include employees who have different backgrounds in formal and informal organizational structures. When compared to former ones (equal opportunity and positive movement programs), management of diversities takes the initiative and aims to constitute an organization where all members can contribute and realize their potentials

Reasons of applying the management of diversities include the obligation of adapting to the reality of a new workforce presenting variation, doing the right and ethical thing and winning a competitive advantage. The management of diversities has three different features; it is voluntary, uses a wide definition of diversities and aims to provide concrete benefits. Consequently, applying the management of diversities presents the company some advantages; such as, problem solving, cooperative image and marketing.

The objection of management of diversities is to eliminate a harmful cycle which equals social and economical disadvantages with cultural differences. Therefore, although making an emphasis on the occupational advantages of management of diversities is probably a good motivation for companies to activate diversities program, that doesn't mean ignoring or neglecting its moral and ethical dimensions.

Management of diversities emphasizes on both increasing profitability and developing social justice in order to cope with these potential (Barak, 2005).

Managing Diversities in America

What caused the change in ideas about management of diversities in the USA at the end of 1980s? American accounts generally agree upon the reasons caused the change. It is stated that the most important and key factor is demographic changes. According to Wentling and Palma-Rivas (1997), demographic variation is changing from European or American persons to a more various and divided population. This population is going to include men and women from all races, ethnic origins, ages and life styles. It is also going to include persons who need working together and have different sexual or love orientations, religious beliefs and different physical abilities. In the recent years, the population of Spaniards (Hispanics) and racial minorities – blacks who are not Spaniard, Asians (Chinese, Japanese, Korean) and Indians- has grown more than the whole population. In 1970s this group consisted only 16 % of American population; this amount became 27 % in 1998 and it is estimated that this group will constitute 50 % of American population (Mendoza, 2000). Another element which affects the demographical change is that young people from different ethnic origins are employed in working places where American workforce getting old is also employed and thus new changes of age and ethnic groups amongst employees emerge (Wrench, 2007)

The USA, which is a multi-cultural society historically, approves pluralism in workforce. Special demographic changes add a different point of view to working places; according to data, it is estimated that the number of white women and people with different colors is going to increase and white persons are going to be minorities in future; moreover, this situation is estimated by all writers. Data also point out that the amount of immigrants getting into workforce is going to increase; the amount of the young employees is going to decrease depending upon the birth rates of the last 15 or 20 years (especially amongst white Americans) and different ability levels, educational backgrounds and industrial changes are going to appear (Arrendondo, 1996).

In addition to demographic changes, minority groups have grown as a market, workforce has become more heterogeneous; thus, local market has presented variation ethnically; these are all other important factors. Management of diversities has become more necessary bay by day in order to be able to serve the product and service to these markets more effectively. Another factor which affected the growth of management of diversities is that a change from an economy based on producing to an economy based on servicing has been experienced. That most of the jobs in America are in service sector has triggered the application of management of diversities. Because, in the service sector, human relations of employees has an important motivating power; communication between workers and customers reflect as a success directly to working area (Wrench, 2007).

Changes which have been felt within structures and applications of organizations within the last decade have directly affected management of diversities. New management strategies such as Total Quality Management give importance to personal experiences and productivity of employees in order to reach organizational goals. New structures and flexible working models (such as teamwork) of the working organizations have an important effect on the participation and inclusion of the employees (Pheng and Teo, 2004; Hamilton and Smith, 1993). The participation of the employees at a high and sustainable is based upon creating an organizational environment which improves and motivates; in other words, it based upon management of diversities (Shapiro, 2000).

Globalization and the increasing importance of foreign markets are other important factors. American companies have permanently been buying companies from other regions of the world and in the same way;

foreign companies have been bung American companies. North America Free Trading Agreement, combination of single market of the European Union and disintegration of the old Soviets Union cause important effects in 1990s in terms of creating new opportunities for foreign connections, investments and markets (Wrench, 2007). The fact that organizations have been becoming more global day by day makes organizations be in great need of management of diversities both in their own countries and with their foreign partners. Therefore, American partners need a mono-cultural perspective to be able to communicate with the employees, sellers and costumers.

All factors mentioned above help us understand the development of management of diversities in America. In addition to these ones, qualitative changes in the political identity of America, equal job opportunities and positive action programs have also been effective in the development of management of diversities. Within the American working power, presenting variation more and more, people state that they feel better with regard to past because of being different. Employers in America will be obliged to struggle to restrain and direct their present employees in an effective way because of management of diversities. In today's world, organizations have been changing their cultures and put more emphasis on management of diversities and appreciating, because they understand better that diversities are important in terms of proving a competitive advantage and reaching the organizational success (Wentling and Palma – Rivas, 1997).

Managing Diversities in Europe

A lot of people migrated to Europe at the beginning of 20th century and in fact these migrations started before countries such as Germany and Italy united their borders. However, these currents are relatively small and this union is not a part of national construction mythology. Big migrations to European countries occurred within a few decades after the World War II; except for Rome. Because, people from under-developed countries migrated to do the works which were not attractive for the people living in the country they migrated. During this period, Germany, Belgium and Holland employed people as “guests” from South Europe, North Africa and Middle East. At the beginning, those people provisional and they were seen as provisional people who brought their families from their own countries and settled in the countries they went. The eldest children of those people are adults today and they even have their own children. According to Max Frisch, these countries wanted employers but instead they got people and families (Garson, 2004). Colonialism ended and North and Sub-Sahara Africans migrated to France; Indonesians and Surinamese migrated to Holland and West Indians, Pakistanis and Indians migrated to England (Mollenkopf and Hochschild, 2010). However, in 1970s, countries inclined from industry to service sector. Because of this factor and global competition, demand for workers in factories decreased; moreover when these East Europe countries had to face with global economy, instability and petrol crisis, they tried to put some limitations to prevent more migration. However, the struggles of providing family unity, accepting refugee, increase in the amount of unpermitted employers, transition of Soviets Union and expansion of European Union towards European countries; all these factors have caused that the population have been flowing to East and South Europe since 1980s (Mollenkopf and Hochschild, 2010).

Basic reasons of struggling with management of diversities in Europe are similar to the reasons in America. Efforts against discrimination, changes in the demographic features and localism of trade and market have always been important factors effecting the development of diversity management. Today, both public enterprises and private companies want to unite the approach against discrimination with work by applying management of diversities. Enterprises use management of diversities and increase equality of opportunity; on the other hand, companies use management of diversities to increase the success of the company and to make their image better (Meissner, 2005).

Today, the process of globalization getting faster gradually makes countries become confederates in accordance with common interests. The expressions about free market economy are going towards freedom amongst countries and abrogating borders actually is losing its effectiveness in terms of application. Countries which have similar cultural values and geographical proximities unite because of this process getting faster more and more. In today's world, one of most successful of these unions is seen as European Union. At the beginning the basic aim of founding European Union, the old name of which was European Economical Society (EES), was to create a peaceful environment and a common market in the European Continent which had come out of war. However, at the end of 20th century, with the effect globalization, it was understood that being an economical power was not enough; attempts to achieve a political integration started in addition to economical integration; thus, its name was turned into the European Union. In the base of this political integration, global benefits of countries had an important role (Turanlı, Özden and Türedi, 2006).

Globalization, European adaptation process and European society after migrations and employees in companies present more and more variations day by day. People who have different cultures, believes, social and ethnic origins shape the method of management and personal of their companies. The tasks of management of society are to cope with these differences and to provide some advantages for companies (Tilker, 2005).

The European Union (EU) is an ongoing project within management of diversities. Member countries combine their own histories, languages, economies and politic cultures around a common frame in Brussels and personal citizens of the European Union present all cultural, ethnical and religious differences to the world. These countries, governments, benefits of companies, European organizations which direct and balance some complex sub-purposes which are put forward by some civil societies and personal citizens, European laws and some politic actors embrace each other. Management of diversities in Europe requires conciliating and facing various populations growing gradually diversities of which increases not only amongst countries but also within these countries (Becker, 2004).

Some leading human resources managers of Europe agree that the increasing mono-cultural aspect of Germany has an effect on companies. On one hand, there is an agreement that it should be formed of existing potential management and employees; on the other hand, there is an agreement that minorities should be the target group for products and service. Understanding management of diversities will enable companies to use and target the marketing potential completely. Ideally, management of diversities should aim to create a culture which will understand creative and constructive value of diversities and will benefit from it perpetually (Lumadi, 2008; Tilker, 2005).

In addition to having an easy transportation geographically, Europe is one of the regions which present different rich countries, cultures and education systems. The intenseness of flow of students on this area has become a unique phenomenon. Within education system, the Bologna Process was put into practice amongst 40 countries which have signs in 2005. There were both student and instructor exchanges during this period. A common European frame is defined; however, each country defines itself in its own right and presents different learning experiences (Gauthier and Shenton, 2005).

Although diversities are seen important both inner and outer relations, organizations in Europe especially focus on inner developments and compared to America, it is less active in foreign relations especially in marketing strategies. Europe is a multilingual area; therefore, cultural pluralism and multilingualism are seen compulsory for a successful diversity policy. The legislative framework of anti-discrimination policy has not been developed successfully yet; for that reason, developing a wide normative diversities understanding within organizations is less compared to America. Consequently, the basic focus of

European organizations is economical advantages of management of diversities (Linehan and Hanepi – Egger, 2006).

Managing Diversities in Turkey

Turkey has a historical heritage which can make big contributions to sensitive adjustments of managing diversities together, because Turkish history is full of examples of tolerance shown to differences. Sufism philosophy which has an important position in Anatolian tradition is based upon tolerance and harmony. Some poets and philosophers; such as Yunus Emre and Mevlana who are at the top of this tradition and philosophy, considered diversities as a source of richness (Memduhoğlu, 2007).

Turkey has always been a multi-national country since the Ottoman Empire. Turkey, as a country, where different local languages are spoken and different cultures are felt, presents variation within its labor force and social structure with its private and public organizations. However, the process of globalization is also important in Turkey, because there are a lot of investments with foreign partners in Turkey.

Changes in demographic structure of labor force in Turkey reflect differences in the population of Turkey as a whole. This different customer base and the increasing importance of globalizing Turkish industry encourage organizations to apply to a different business district. Employing, choosing and managing a different labor force has been a necessity to provide the continuity of organizations (Grobler, Warnich, Carrel, Elbert and Hatfield, 2002).

Including diversities within management structures and benefiting from richness of variety and doing this by learning from the history of cultures which have the experience of living together will make meaningful contributions to our knowledge and skills about managing diversities together (Memduhoğlu, 2007).

Anatolian territories, which display good samples of managing diversities together, present a rich historical heritage to humanity in this respect. Therefore, it can be said that Anatolia contributes to the process of founding better management structures both in Europe and the world.

Conclusion

In contradistinction to most of the European countries, accepting and applying management of diversities in America have been easier, because America is familiar with enterprises aimed at organizational structures (ex. Positive action). Moreover, America has much bigger companies in comparison to Europe. Globalization has a more important role and more sources are available to cope with diversities. In addition, most of the big companies in America has diversities program. However, in Europe, small and middle companies are much more excessive; thus, their needs are different (Meissner, 2005).

The base of management of diversities relies upon the opinion of human rights and equal opportunities against discrimination (Öncer, 2004). In this information age, demographic structure changing rapidly, economical structures, global interaction felt and technological changes affect organizations. A great deal of organizational structures; such as, organization culture and climate, fidelity, leadership, relationships between the top and bottom and team communications are affected by these winds of radical change. These changes and developments have created a variation in terms of labor force and consumer market and increased the importance of diversities (Larkey, 1996).

The concept management of diversities which emerged in America was later adopted by subsidiaries of American organizations in Europe. Organization in Europe gave importance to inner development fundamentally and lacked in outer orientations although it was emphasized that management of diversities is important both for inner and outer relations. As a result, management of diversities in America is applied successfully; whereas, the main focus of organizations in Europe is economic advantage.

In an environment where intense migrations and the increase in diversities are experienced, it is important to present a democratic, supportive and innovative work environment in order to benefit from existent potentials of workers at an optimum level. In addition to organizational change, managers or leaders should give importance to diversities in the place of business; moreover, they should feel responsible for being able to apply policy of diversities in the organization in a successful way.

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