

IV SEMESTER GLOBAL HRM

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UNIT 5

Equal opportunities, Diversity Management, Work–life balance: practices and discourses;

International Culture Management: Model Organisational Culture and Innovation, Models of

Culture, Hofstede's Four, Cultural Dimensions, Trompenaar's Seven Cultural Dimensions.

Equal opportunities, Diversity Management

- Equal opportunity (EO) and diversity management (DM) have emerged as two important issues for academic research and corporate practice in the field of employment and human resource management.
- An equal opportunities culture in international organizations promotes fairness and inclusivity by ensuring that all individuals, regardless of background, have equal access to opportunities and are treated without discrimination. This involves implementing policies and practices that address systemic barriers and foster a work environment where everyone feels valued and respected

- The term 'equal opportunities' is associated with employment equity legislation related to discrimination arising from characteristics such as gender, age, ethnicity, religion, physical ability and sexual orientation. The elimination of inequality necessitates state intervention through legislation and affirmative action (AA) policies to provide at least a basic level of protection in principle. Many governments have issued EO legislation during the last 30 years, although what the term 'equal opportunities' means, and who are included in the category for protection, differs across countries. The introduction of EO legislation has often been accompanied by the introduction of AA programmes encouraged by the state. However, the focus of and pressure for establishing EO legislation and policy interventions are not the same across nations and their introduction is often a response to the changing political, socio-economic, labour market and employment relations environment

- **Example:** Comparative study of Norway and New Zealand on their respective approach to state intervention on gender equality showed that the Norwegian government adopted a 'no nonsense, no-delay approach in enacting legislation to gain gender equality', whereas the New Zealand government took a softer approach that persistently favours 'voluntarism and normative equality persuasion'.

Table 14.1 Labour and EO laws in China, India, Japan and Korea

Country	Labour and equal opportunity laws	Purpose	Impact
China	Constitution (1954, latest version 2004)	To ensure equal rights in employment between men and women	Ineffective enforcement, little, if any, punishment to non-compliant employers
	Labour Insurance Regulations of the People's Republic of China (1953)	To protect married women from being discriminated due to their maternity status	
	Announcement on Female Workers' Production Leave by the State Council (1955)		
	Female Employees Labour Protection Regulations (1988)		
	Regulations of Prohibited Types of Occupational Posts for Female Employees (1990)		
	Law on the Protection of Women's Rights and Interests (1992, amended 2005)		
	Labour Law (1995)		
	Employment Promotion Law (2008)		

India	Constitution (1950) The Employees State Insurance Act (1948) The Factories Act (1948) The Maternity Benefits Act (1961) Equal Remuneration Act (1976)	To guarantee women's equal rights	Ineffective enforcement due to lack of uniform civil code Complex and restrictive laws deter employers from creating jobs in the formal sector
Japan	Constitution (1946) Equal Employment Opportunity Law (1986, amended in 1997 to take effect in 1999)	To ensure equal rights in employment between men and women	Controversial introduction Over-reliance on voluntary compliance with little government enforcement power Limited impact on increasing women's employment but has led to increased awareness of gender inequality among women
Korea	Gender Equality in Employment Act of 1987 Guidelines to Eliminate Sexual Discrimination in Employment (1991) Labour Standards Law (1998)	To guarantee equality between men and women in employment To protect women's job security on their marital status, pregnancy, and childbirth To allow employers to lay off workers	Ineffective enforcement Informalization of employment with declined employment terms and conditions

- In Korea, the Gender Equality in Employment Act of 1987 ‘stipulates that employers can be imprisoned for up to two years if they pay different wages for work of equal value in the same business; but few, if any, employers have actually gone to jail’. By condoning employers’ discriminative practices, the state is actually ‘perpetuating gender norms and stereotypes that disadvantage women’

Managing Diversity

- Since the 1990s, a complementary, or what some would call a competing, concept to EO has emerged in the HRM literature – diversity management. The concept of managing diversity has its origin in the US and emerged as an HR intervention in the mid-1980s. It is primarily a response to the demographic changes (e.g. more immigrants and women) in the workplace as well as the customer base (Agocs and Burr, 1996). It is also a response to the corporate discontent with AA approaches imposed by the US government. Organizations are searching for an alternative to broaden the perceived narrow scope of AA legislation that focuses primarily on recruitment. DM is seen as a way to address retention, integration and career development issues (Agocs and Burr, 1996). The growing demands from the ethnic minority, women, older, disabled, gay and lesbian groups for equal rights and the consequent human rights legislation in the 1990s and 2000s give further impetus to the need for recognizing, accepting and valuing individual differences at workplaces and in society more generally.

- The concept of DM began to be advanced in countries outside of North America during the late 1990s.
- For example, Süß and Kleiner (2007) observed a sharp increase in the use of the concept of DM in Germany since the late 1990s. In the UK, the concept of managing diversity has undoubtedly become more influential since the mid/ late 1990s in part due to the demographic change of the workforce, but more so because DM is seen as a more comprehensive and sophisticated approach to EO management that adds value to business.
- The Chartered Institute of Personnel and Development (CIPD) defines diversity as 'valuing everyone as an individual – valuing people as employees, customers and clients

Table 14.2 Key differences between managing EO and managing diversity

Equal opportunities	Managing diversity
Addresses inequality through rights	Promotes diversity for organizational benefits
Neutralizes individual differences	Recognizes individual differences
Treats people the same	Treats people differently
A narrow view of difference	An inclusive view of difference
A focus on HR processes	Concerns all functions of the organization
Promote assimilation	Promote variety
An emphasis on procedures and regulation	An emphasis on organizational objectives

Source: Foster and Harris (2005: 124)

Equal Opportunity and Managing Diversity

- Equal Opportunities:

- Driven by external forces.
- Legally driven (reactive).
- concentrates on issues of discrimination (problem focused).
- is seen as an issue for minority groups – race, gender, disability.
- Quantitative focus... numbers of X and Y in organisations.
- is seen as being a 'personnel issue' (operational).

- Managing Diversity:

- Driven by Internal forces.
- is seen as concentrating on meeting business objectives (strategic).
- is seen as ensuring ALL employees maximise their potential & contribution (proactive).
- is seen as being the concern of **ALL** employees especially line mgrs.
- Qualitative focus... improving the environment (culture) in organisations.

- There are **three** important reasons for managing diversity
- **Effective people management** – DM creates an open, inclusive workplace culture where everyone feels valued, which then helps to recruit, retain and motivate good people. Diversity can create teams that are more innovative and flexible which may increase their productivity and ultimately organizational performance. DM helps to promote awareness of individual difference and empathy for those who are different, and encourages attitude change.
- **Market competition** – A diverse workforce can help the organization to understand diverse customer needs, open up new market opportunities, improve market share and broaden its customer base.
- **Corporate reputation** – Adopting an effective DM policy enables organizations to demonstrate their commitment to CSR through engagement with local communities.

- There is a wide range of measures that organizations may use to monitor the impact of DM.
- These include:
 - employee attitude surveys
 - number of complaints and grievances
 - labour turnover
 - employee performance appraisals
 - absenteeism
 - ability to recruit
 - number of tribunal cases
 - impact assessment • level of customer satisfaction • employee commitment surveys • business performance • balanced scorecard • diversification of customer base • improvements to problem solving and decision making • psychological contract issues.

- In the US and UK, workforce diversity may include: gender, race, ethnicity, religion, age, disability, immigration status, social class, political association, marital status, parental status, sexual orientation, ex-offenders, and so on. Many of these differences are accepted by Western societies, protected by law and acknowledged in company policies. However, some of these characteristics may not be acceptable socially or legally in oriental countries like China and India

Work-life balance : Practices and discourses;

- Work-life balance refers to the equilibrium individuals strive for between their professional and personal lives, encompassing various practices and discourses aimed at managing work-related stress and promoting overall well-being. It's about finding a sustainable way to work while maintaining health, happiness, and fulfillment in other aspects of life.

Phase	Time period	Changes in work and family life spheres
Phase 1	Early years of communal living.	Entire family engaged in work for subsistence.
Phase 2	Pre industrialisation period.	Partial segregation of workplace and family life.
Phase 3	Industrialisation in the mid 1800s.	Strengthening of segregation of workplace and family life. Men started to dominate workforce.
Phase 4	Between late 18 th and early 19 th century.	Separation of work and family strengthened due to division of labour.
Phase 5	Between early 19 th century and 1950.	Human strength dependent technology abetted male domination at workplace.
Phase 6	Between 1950s and early 1980s.	Gender division reversed due to technology. Introduction of work-life balance facilities.
Phase 7	1980s onwards.	More women and mothers in workforce. Growth in work-life balance facilities.

Figure 1: Changing composition of work and family life spheres.

- Since the mid-1990s, work–life conflict (WLC) has become a major issue in different parts of the world for different reasons. In Western economies, work–life issues emerged primarily as a result of demographic changes (e.g. declining labour force and an ageing population) and work intensification due to globalized competitive pressure. In particular, the participation of women with childcare/elderly care responsibility in part-time and increasingly full-time employment has been a major focus of the WLC debates and policy orientation
- Many governments are made aware of the gap between the growing presence of WLC and the deficiency of institutional supports and cultural change to reduce the negative impacts.

- Policy initiatives have been promoted by various governments to address the issue of WLC, often as part of the EO and DM programmes, in order to enhance the wellbeing of those in employment and their families. Organizations, particularly those in the public sector and large MNCs, have also introduced a range of HR practices, such as flexible work arrangements, partly in response to these policy initiatives

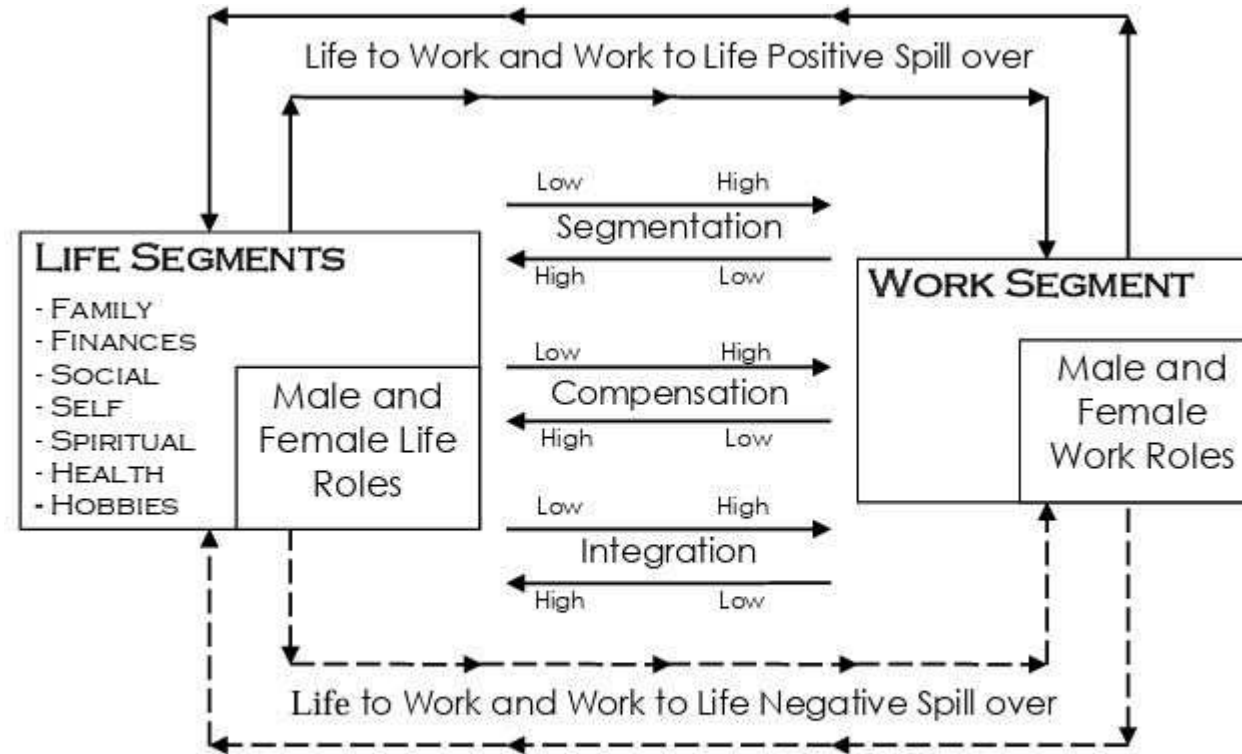


Figure 3: Work-life Balance - Macro level model

Family and personal life related factors influenced by • Increasing participation of women in the workforce • Increasing participation of childbearing women in workforce • Increasing participation of dual career couples in the workforce • Increase in single-parent/ single person households • Increase in childcare/ elder care burden on employees • Health and well-being considerations	
Work related factors influenced by • Long working hours / unpaid overtime • Time Squeeze • Demand for shorter working hours • Increase in part-time workers • Work intensification and stress • Changing work time	Other factors influenced by • Ageing Population • Rise of service sector industries • Technological complexity of work • Skill Shortage • Loss of social support network • Globalization and demographic shift of the workforce

Source: Naithani and Jha (2009)

Figure 2: Factors influencing work and family life spheres: 1950 onwards.

Every individual's life has multiple segments such as family, finances, social, self, spiritual, health and hobbies. In each of these life segments, an individual needs to devote a certain period of time, energy and effort while the major part of daily time, energy and effort is consumed in the work segment. Males and females play professional roles in the work place and the difference in roles in the workplace is primarily not gender dependent, but is rather decided by the qualification, experience and designation of the employee. In contrast, male and female roles have traditionally and socially been gender defined in life segments. Though male participation in household work, especially in dual worker couples is increasing, yet a significant part of the household work (including child care) is expected to be the domain of the female. This gender biased role differentiation at the family level creates different worklife balance pressures for males and females. Roles in other segments of life, such as finances, social, self, spiritual, health and hobbies may primarily not be gender defined which has been presented in the two major segments of life and work in the proposed model.

Qualitative benefits for employers	Qualitative benefits for employees
- Retaining valued employees - Motivated, productive workforce - Attracting a wider range of candidates - Reputation of employer of choice - Reduced absenteeism - Reduced recruitment costs - Maximized available labour - Improved customer experience - Decreased Health Care Costs - Improved quality of applicants	- Happier life at work and at home - Better workplace relations - Improved self-esteem and concentration - More time for life outside work - Effective control of working life - Effective management of multiple responsibilities at home and work. - Being part of a supportive workplace that values and trusts staff.
Quantitative benefits	
- Cost of absenteeism - Cost of diminished productivity - Cost of staff turnover	- Cost of health insurance premiums - Cost of direct medical claims - Cost of customer satisfaction

Figure 4: Benefits of Work-life balance initiatives

Work-life balance of an employee is as important for the employing organisation as it is for an individual employee. Work-life balance of an individual employee when viewed collectively for the total workforce of an organization results in a colossal impact on the qualitative and quantitative organisational performance. Employees who achieve improved work-life balance with the assistance of the policies implemented by the employing organisation tend to be more productive as their work engagement enhances.

Practices for achieving work-life balance:

- **Flexible work arrangements:**
 - This includes options like remote work, flexible hours, or job sharing, allowing employees to better manage their work and personal commitments.
- **Time management:**
 - Efficiently organizing and prioritizing tasks to maximize productivity during work hours and minimize time spent on work outside of designated hours.
- **Stress management techniques:**
 - Implementing strategies like mindfulness, exercise, or hobbies to cope with work-related stress and prevent burnout.

- **Setting boundaries:**
- Establishing clear boundaries between work and personal life to avoid work from encroaching on personal time.
- **Utilizing technology effectively:**
- Using technology to enhance productivity and communication while avoiding its excessive use that can blur the lines between work and personal life.
- **Seeking support networks:**
- Connecting with colleagues, friends, or family for support and guidance in managing work-life balance.
- Discourses surrounding work-life balance:

- **Organizational commitment to employee well-being:**
- Companies are increasingly recognizing the importance of work-life balance for employee satisfaction, productivity, and retention.
- **Shifting from a fixed balance to a "work-life fit":**
- The concept of work-life balance is evolving to acknowledge the fluidity of life and the need for personalized and flexible integration of work and personal life, rather than a rigid separation.
- **Leave policies:**
- Generous leave policies, including paid time off, parental leave, and sabbaticals, provide employees with opportunities to address personal matters and recharge.
- **Wellness programs:**
- These programs, such as onsite childcare, fitness centers, and stress management workshops, support employees' physical and mental health, contributing to a better WLB.

- **Discourses and Challenges:**
- **Shifting perceptions:**
- There's a growing recognition of WLB as a key factor in employee well-being and organizational success.
- **Work-life integration:**
- Some organizations are moving towards work-life integration, which emphasizes flexibility and fluidity between work and personal life, rather than strict separation.
- **Challenges in implementation:**
- Organizations face challenges in implementing WLB initiatives, including resistance from traditional mindsets, difficulties in measuring the impact of WLB policies, and the need to tailor solutions to diverse employee needs.

- **Global variations:**

- WLB practices and discourses can vary significantly across different cultures and industries, requiring a nuanced approach to IHRM.

- **Impact on employee well-being:**

- A lack of WLB can lead to stress, burnout, and decreased job satisfaction, while a healthy WLB can improve employee morale, reduce absenteeism, and increase retention rates.

Implication of Culture Impact on International Management

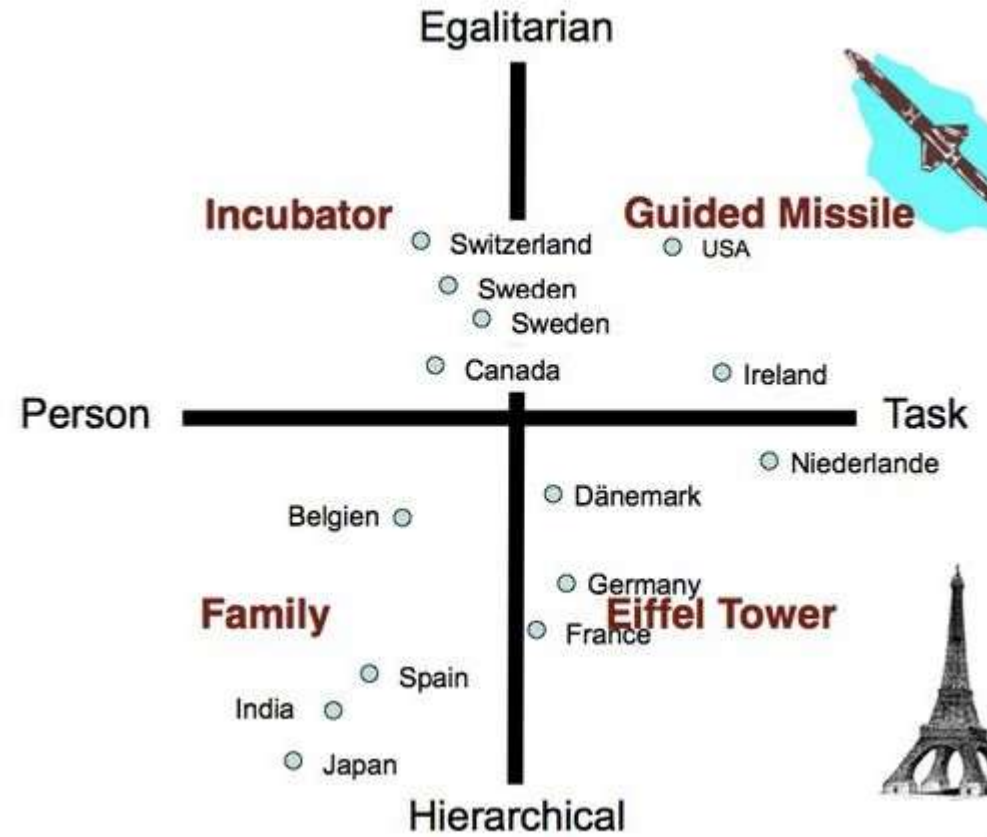
- International management is reflected by beliefs and Behavior

Where the culture of a society can directly affect management approaches.

- Centralized versus Decentralized Decision-making
- Safety versus Risk
- Individual Versus Group Rewards
- Informal Versus Formal Procedures
- High Versus Low - Organizational loyalty
- Cooperation Versus competition
- Stability Versus Innovation

Model Organisational Culture and Innovation/ Organizational Culture in MNCs

- Fons Trompenaars is an organizational theorist and author. He and Charles Hampden-Turner were co-authors of the Trompenaars' model of national cultural differences.
- They help people in organizations understand the business value of understanding cultural differences and how to integrate them into a common purpose. They suggest that learning to recognize cultural differences, respect those differences and how to reconcile the cultural differences will help people to realize the full potential of a diverse organization.



Egalitarian:
principle that
everyone should
have equal rights

Models of Culture/ Culture Dimensions Across Countries

- Geert Hofstede's Cultural Dimensions
- Trompenaars' 7D Cultural Model
- Kluckhohn and Strodtbeck Theory
- GLOBE project

Geert Hofstede's Five Cultural Dimensions

Cultural dimension	Definition	Examples
Power distance	<i>Power distance</i> is the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally.	Low: U.S. and Canada High: Japan and Singapore
Individualism and collectivism	<i>Individualism</i> describes cultures in which the ties between individuals are loose. <i>Collectivism</i> describes cultures in which people are integrated into strong, cohesive groups that protect individuals in exchange for unquestioning loyalty.	Individualistic: U.S., Australia, and Great Britain Collectivistic: Singapore, Hong Kong, and Mexico
Masculinity-femininity	<i>Masculinity</i> pertains to cultures in which social gender roles are clearly distinct. <i>Femininity</i> describes cultures in which social gender roles overlap.	Masculinity: Japan, Austria, and Italy Femininity: Sweden, Norway, and Netherlands
Uncertainty avoidance (UAI)	<i>Uncertainty avoidance</i> is the extent to which the members of a culture feel threatened by uncertain or unknown situations.	Low: Singapore, Jamaica, and Denmark High: Greece, Portugal, and Japan
Confucian dynamism	<i>Confucian dynamism</i> denotes the time orientation of a culture, defined as a continuum with long-term and short-term orientations as its two poles.	Long-term: China and Japan Short-term: U.S. and Canada

Confucianism: Humanistic

Fons Trompenaars Seven Cultural Dimensions

Trompenaars Cultural Dimensions



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Universalism Versus Particularism

- Cultures based on universalism try to treat all cases the same, even if they involve friends or loved ones. The focus is more on the **rules than the relationship**. Universalist cultures include Canada, the U.S., the U.K., and Australia.
- Cultures based on particularism will find **relationships more important than rules**. You can bend the rules for family members, close friends, or important people. Particularist cultures include Latin America, Korea, China, and Russia.

Tips for working with universalist cultures:

- Keep your promises.
- Be consistent.
- Explain the logic behind why you have made a certain decision.

Tips for working with particularist cultures:

- Invest in building relationships so you can understand the particular needs of others.
- Respect these needs as much as possible in your decision-making.
- Call out specific important rules that must be followed.

Individualism vs. Communitarianism

- Individualistic cultures believe that your outcomes in life are the result of your choices. In these cultures, decision-makers make decisions and they don't need to consult to do so. Thus, decision-makers can make decisions at speed. It is your responsibility to look after your happiness and fulfillment. Individualistic cultures include Canada, the U.S., the U.K., and Australia.
- Cultures based on communitarianism believe your quality of life is better when we help each other. Thus, these cultures organize themselves around groups. There is a strong sense of loyalty within the group. As a result of this group tendency, decision-making is slower as everyone gives input. Job turnover will be lower due to high group loyalty. The group gets rewarded for high performance, not the individual. Communitarian cultures include Japan, much of Africa, China, and Latin American countries.

Tips for working with individualistic cultures:

- Reward and issue praise based on a person's individual performance.
- Encourage people to use their own initiative.
- Align the individual's needs with those of the organization.

Tips for working with communitarian cultures:

- Reward the group for high performance.
- Praise the group in public, but praise individuals for their contribution in private.
- Include the whole team in decision-making.

Neutral vs. Affective (Emotions)

- In a neutral culture, people tend not to share their emotions. Emotions are of course felt by the individual, but they are kept in check and controlled. Observing these people you would consider them cool and rational. Neutral cultures include Germany, Netherlands, and the U.K.
- In an affective culture, people tend to share their emotions, even in the workplace. In an affective culture, it is considered normal that people share their emotions. Examples of affective cultures include Italy, Spain, and Latin America.
- Tips for working with neutral cultures:
 - Keep your emotions, both what you say and what your face says, in check.
 - Remember that people are less likely to express their true emotions. So try to read between the lines of what people are telling you.
 - After initial chit-chat, stay on topic in meetings.
- Tips for working with affective cultures:
 - Use emotion to communicate what you want and your goals.
 - Share how you feel to strengthen your workplace relationships.
 - Learn some techniques to diffuse situations where emotions run high.

Specific vs. Diffuse (widen)

- In a specific culture, people tend to keep their personal and work life separate. These cultures tend to be schedule focused and direct and to the point in their communications. They focus more on the goal than the relationship. Examples of specific cultures include Germany, the U.S., the U.K., and the Netherlands.
- In a diffusive culture, people tend to see their personal and work lives as interconnected. These cultures believe that objectives can be better achieved when relationships are strong. These cultures are courteous and respect age, status, and background more. Examples of diffusive cultures include China, India, Argentina, and Spain.
- **Tips for working with specific cultures:**
 - Organize agendas for your meetings.
 - Stick to your agenda as best you can.
 - Focus first on setting objectives for people. Your relationship comes later.
- **Tips for working with diffusive cultures:**
 - Build your relationship before you start setting objectives.
 - Expect invitations to more social occasions from colleagues. Commit to attending them.
 - Expect to discuss business in social situations and personal matters in the workplace.

Achievement vs. Ascription (a belief or claim that something was said, written, or created by a particular person)

- In an achievement culture, you earn status through knowledge or skill. Job titles are earned and reflect this knowledge and skill. Examples of achievement cultures include the U.S., the U.K., Germany, and Scandinavia.
- In an ascription culture, you are given status based on who you are. This could be because of your social status, your education, or your age. You earn respect in these cultures because of your commitment to the organization, not your abilities. Examples of ascription cultures include Japan, Italy, and France.
- **Tips for working with achievement cultures:**
 - Issue praise to an individual in front of their peers.
 - Avoid using titles.
 - Reward individual performance.
- **Tips for working with ascription cultures:**
 - Use titles to refer to peers.
 - Pay extra care to show respect to your superiors.

Sequential time vs. Synchronous time.

- In a **sequential time culture**, time is very important. People like projects to be completed in stages. Time is money, and so it is important that each stage is finished on time. It is rude to be late for meetings in these cultures. Examples of sequential time cultures include the U.S., the U.K., and Germany.
- In a **synchronous time culture**, people see the past, present, and future as interwoven (Closely blend). Because of this people do several things at once, as time is interchangeable. This results in plans and deadlines being flexible. It also explains why punctuality is less important. Examples of synchronous time cultures include Japan, India, and Mexico.
- **Tips for working with sequential time cultures:**
 - Keep to deadlines and commitments.
 - Try not to deviate from the set schedule.
 - Show up on time.
- **Tips for working with synchronous time cultures:**
 - Allow people some autonomy within the schedule.
 - Allow time for people to arrive late to meetings.
 - Be explicit (clear), calling out any deadlines that are not flexible and must be reached.

• Internal direction vs. External direction

- In an internal direction culture, people believe that they can control their environment to achieve their goals. The focus is selfish (one's self, one's team, and one's organization). Winning is important in these cultures and aggressive personalities are thus prevalent (dominant). Examples of internal direction cultures include the U.S., the U.K., and Australia.
- In an external direction culture, people believe that they must work with their environment to achieve their goals. In these cultures winning isn't as important as maintaining a strong relationship. Examples of external direction cultures include China, Russia, and Saudi Arabia.
- Tips for working with internal direction cultures:
 - Allow people to set their own (within reason) learning development plans.
 - Allow a degree of constructive criticism.
 - Set clear goals and objectives.
- Tips for working with external direction cultures:
 - Rather than set goals, give feedback so as people can correct their course.
 - Allow people autonomy to use their relationships to achieve results.

COMPLETES MODULE 5