

CROSS CULTURAL AND DIVERSITY MANAGEMENT IN GLOBALIZATION¹

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Abstract

Today, the world is changing rapidly in term of society, economy, politic and technology because of the information technology development and the global political economy structure changing. As a result, countries in the world have to rely on each other and more interconnected. Globalization also affects the organization that has not even expanded into the international market but also other foreign business organizations that expand their business in the country and take over the business market sharing. So, it is very important for new managers to understand globalization and has the capacity to handle the challenges posed by globalization in particular, diversity management in the organization to work effectively. The problems of diversity are the difference of age and lifestyles, family background, sexual differences, qualification and graduation, foreign workers with different cultures, the employment and the physical condition. The strategies that HR needs to manage this diversity are: create activities to promote teamwork and unity in the organization. Use the same communication in all level. Train employees to have a positive attitude towards colleagues and organizations. Brainstorm to solve problems or obstacles in the work and self-development. Promote employees with fair benefits, and improve the workplace or office to reduce the difference.

Keywords : Cross Cultural , Diversity, Management, Globalization

Introduction

Nowadays, the world of business is more multinational and most of them are accepted by the global market and very successful in term of market management and technology. For doing business overseas, companies from the investor country cannot be operated by individuals from their home countries due to high costs and economic reasons, politics and government of the host country. So, those companies must be able to utilize the resources available in the host country where they invest most effectively whether human resources, capital, technology, or other management. If the executives or managers of multinational companies cannot motivate and reassure employees from both parent companies and local employees, business in a foreign business cannot be sustainable. In term of the developing process of other multinational companies, executives will easily face with the misunderstanding between people because companies may ignore employee development and do not provide sufficient opportunities for career growth to employees without consideration of race and religion but based on talent and dedication to the company while everything is controlled under the parent company manager.

Human resources are an important resource for organizations to push all drive for success and achieve the desired objectives. Therefore, manpower is the key of success in organization. If lacking of quality in manpower, organization will not be success. Beyond the capacity of manpower in organization, those people need to learn about cultural organization, willing to

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work, dedicate themselves to work followed by the purpose of the organization including pay attention to their work. These are not going to happen if they cannot feel company like family. Organizations should pay attention to these people by creating good feelings for employees to make them feel to be a part of the organization as well as to provide opportunities for the advancement of talented employees to make them feel they are the ones that the organization need and to create the security for employees themselves to grow in career path (Marie Thérèse Chicha, 2006, sector 3)

Therefore, every organization needs to make employees feel committed to the organization because if employees are committed to the organization, it will reflect the success of the organization's human resources management. It also helps to reduce the costs that will occur such as expenses for hiring new employees, the cost of training including reduction in operating power in both quantity and quality. The study of employee engagement with organizations is important for executives to pay great attention to set the guideline for human resource strategies and policies to meet employee needs and organizational goals to achieve the highest efficiency and effectiveness. The diversity of employees or workforce diversity has both impacted on success or barriers to work. So organization must have strategic and good management to set the possible direction. If management does not take in any action, it will become a management problem and conflict themselves.

Content

Cross culture and diversity issues in society have become a problem in the workplace such as racial differences, religion may sometimes appear to be violent or discriminatory including in politics, ideological differences or political support would make social conflict. Moreover, there are practical insights from cross culture and diversity such as (Faranani Facilitation Services Pty Ltd, 2013)

1. The age of people is difference. Each age will have different lifestyles. New generation is active and grows fast especially in a group of talented people while older people (some) begin to run out of energy and many life problems become interruptions and obstacles. Moreover, older people have the limitations to promote. It is a problem of dissatisfaction with the management's policy. For example, assume companies have gaps between ages problem. Over 50% of employees age 50 and over, and 40% are teenagers aged between 20-30. Companies lack employees' age between 35-40 because companies haven't recruited middle people for a long time. So how to develop a person to replace each other?

2. The differences of gender make companies cannot meet the equality. It seems not to be the big problem but it could be if the amount of men and women doesn't balance. Moreover, LGBT is also a management issue in term of communication styles and discrimination. The ignorance of the heterosexual became a problem and creates the dissatisfaction of people as well.

3. The difference of Institute where seed ideas will be the majority problem to develop organization. The protecting their institutions or Institutionalism becomes a barrier for those who did not finish the same institute. Employees who graduated from high ranking institute may look down someone who graduated from unranking institute.

4. Regionalism is the same problem of institutionalism. When people come from same place, speak same language will be the problem for discrimination and bias such as when there is disciplinary action, punishment may be reduced or give special favor for close people.

5. The nature of employees working together will group together. People who have been working so long will obstruct those who move from other agencies. People who use to work together and move to new company as a group will have internal group activities or different working style. For other example, someone who has worked for Western company or Eastern Company will have different idea.

6. International Investment Company and set business in host country make local employees need to develop. Host staff will work with the management or foreigners will have problems in communication that try to make the understanding in the same direction. Cultural differences may cause host staff does not understand or accept. It will be a conflict or dissatisfaction.

7. Hiring many foreign workers to work in businesses such as fisheries, agriculture, they have to face with the difference in language and culture that cannot be harmonious with people. But it is a group of silent or frightening influences in the future, if host staff cannot be harmonious.

8. Characteristics of occupational groups effect on career development. Each work group has different knowledge, confident and ego is very high such as doctors, engineers or academics. If you do not care about the feelings of people in different professions or business, it would be a big problem as well. For example, the career path in organization to executive positions is reserved only for main line or monopoly.

9. The different of employment Patterns make unfair benefits. Many employees have to work in the same position but difference condition such as regular employee and contract staff. The benefits for each condition are different. Employees often compare these differences and try to appeal for better benefits. It can be observed by responsibility, honesty, loyalty, or dedication to work in a different way.

10. The structure of the company is changed, such as employees of affiliated companies. , staff came together because of the merger, company collapse, management team changed, the employment conditions of these different employees will become disunion.

11. Difference of employees who are members of unions and not a member will make life may lack of happiness.

12. The workplace where have personnel conflict, internal competition become internal political issue. Bigger group will have more power and more authority to demand than group with less people.

13. Group of employees who are different in status, family values, and taste would make organization move slow. Some groups come from the elite or high society and spend luxury life while other groups come from the remote provinces and spend life slow.

14. Job description or the position of a different income is never creating equality in organization. In general, employees are divided into two groups: the blue collar (operation unit) who is not working in office and the white collar are the office workers such as salary man and use brain more than strength. So the attitude of both groups is different. So, the attitude misunderstanding would occur.(Filipe Almeida-Santos, Yekaterina Chzhen, Karen Mumford, 2010)

15. For employees who are physically healthy and being disabled who work in the same organization, they will feel the difference in term of treat that could be unequal in opportunities such as the personnel selection for higher positions, the limited opportunity to work and progress or joining in activities. Violence level or issues for those practical insights may cause unequal and organization conflicts. It depends on the nature of each task or organization. But the horrible issue and cause the big problem is labor relationship. They are about not understanding, not acceptance, antagonism, paranoid, not honorable, individual, enemy, and finally cannot work together if cross culture and diversity cannot be managed.

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Social Management and cultural diversity in organizations is a challenge and opportunity for human resource to develop organizations. From a human resources perspective, diversity has been with the organization for a long time especially in multinational company. It appears to be clearer today that human resources managers should use a variety of personnel management strategies in diversity management to transform a variety of personnel into organizational values in organizational innovation by linking CEO / MD Policies to human resources Systems. It is the power center of the people to drive the vision of the organization, create teamwork with trust and lead the organization to sustainable development

The Society for Human Resource Management (SHRM), a global human resource management association research has shown that organizations are more interested in the impact of diversity and cross cultural management on organizational effectiveness. The interest in the factors affecting the profitability of the organization is the hi-light this research by informants are professional human resources company from the top 100 companies in the world, based on Fortune's diversified range of management ratings to give the company has competitive advantage. These factors include organizational culture promotes diversity, personal morality, recruiting and personal retention. (Mark Feffe, 2015)

Diversity and Competitive Advantage is personnel diversified management that the organization has under taken for the purpose of increasing its competitive advantage. For example, 40% of companies provide information in research, training provided to all people who has leadership. 34% have more innovation by pulling from the capabilities of the people background. 31% use different experiences to make the transition, special projects and assignments (Evren Esen . 2005.)

Based on this research, it indicates that companies with good management prioritize the importance of diversity and cross cultural management to become a valuable asset. Practically, it is difficult to manage diversity with all people in organization. So, organizations have to select the way to manage diversity by using the best practices to make organization success in human resource unit. Sodexo, worldwide healthcare company is one of the successful organizations with competitive advantage by using diversity to create the company's competitiveness, company growth, prosperity and elegance.

Sodexo keeps the balance of sex and gender identity. There are many labor force ages. Moreover, Sodexo provide the desirable environment of all races and cultures including create personal values through organizational culture that promotes diversity. Sodexo uses diversity strategy to aim to be a competitive company with companies around the world in terms of diversity and integration that is the one pillar of the strategy that means the company is committed to the diversity of all personnel levels in the field of gender, gender identity, age, labor, culture, race or physical disability (Sodexo, 2017) Diversity Management, DiversityInc has integrated the best practice of Diversity Management by collecting information from the top 10 diversified companies (DiversityInc. 2012)

1. Leadership is highly committed. Leaders must have a vision of diversity, high commitment, express the feelings and communicate throughout the organization.

2. Bring the diversity to be a part of organizational strategy. Diversity strategies and human resource development plans must be aligned with the organization's strategic plan.

3. Link diversity to performance. Understand the difference of culture and diversity including working environment that can increase productivity and improve the workforce efficiency.

4. Measure both quantitative and qualitative that effects on project variances, working plan and activities related to diversity.

5. Leaders must have strong responsibility to diversity by connecting with working evaluation and compensation lead to diversity progress.

6. Set the strategic process for identifying and developing a variety of good people to be potential leaders in the future.

7. Set the Recruiting process to convince job seekers with outstanding qualifications.

8. Support people at all levels to drive organizational diversity. Everyone has equal opportunities to grow in career path.

9. Train and develop people by focusing on diversity in the organization. Organizational leaders must inform and educate executives and practitioners about diversity.

10. Organize activities by linking happiness to work for all groups such as female group, male group, LGBT groups and the physical disability.

From the best practices above will make both executives and HR need to think about what they need to create as common goals which are working standards, harmony, and teamwork. Therefore, the HR function must work strategically that mean looking at the changes would occur and find ways to prevent or solve the problem. If both of them do not care, the problem will grow continually and too complex to solve. Problems will expand to be disunion. The problem of difference is the problem that HR cannot avoid because it is about people in organization that is one of HR responsibility. So this situation will challenge HR how to create a managing strategy in diversity effectively in organization. Cross cultural management and diversity management.

The general strategies that HR and management must take to terminating, reducing, preventing or addressing variety of issues are

1. Harmony If possible,

this strategy should be used. Harmony is a combination policy to be unity. For example, organizations with Thai and foreign employees, heterosexuals or organizations with new employees should know each other and continuously communicate between groups. Communication will make organization to be more unity and became the same new society. Organization creates harmony by learning each other, working together, thinking, planning problems. Helping each other and Co-activity will make problems gradually disappear.

2. Seeking joint point to be conservation points.

If organization cannot combine variety of diversity, one thing that must do is acceptance in diversity by respecting each other, avoid saying weak point such as the religious issue. Even employees who have difference religion cannot join rituals with large groups but some activities should invite to participate in a way that they can do together. Although they are different but they can work together, be good colleague.

3. Division and rules

Management and HR need to set policy and rule for people to live together with happiness. Organization should give them equal basic rights and give them a freedom to take care of each other or set representative system of the group. For example, Burmese migrant worker group who work in Thai company that is large group and work with Thai people. It is difficult to communicate or to understand each other. So, company need to create unity by selecting worker who can speak Thai to be representative of Burmese group. Company will communicate through representative and they will transform all information such rules, policy to make the understanding and work together between Burmese and Thai. HR must bring the best practices to create organizational activity and use techniques to manage diversity and cross-culture to prevent any concerned problems would occur.

1. Organization Analysis (SWOT) considering the current and future environment including the possibility of the current and future problems to guide to set policy or problem solving strategies that may come in the form of activities.

2. Learning from each other will help people know each other. Organization must select activity to promote team working to make differentiate people learn and understand different people with different lifestyles. People come from difference generation does not understand how to think or the expectation of another people. In fact, all ages are dependent on each other such as old employees need to learn new technology from new face etc. while old staff has outstanding such as skills, experience in teaching, coaching, consulting. So, managing techniques should be taken in term of knowledge management or learning exchange. Sometimes it must be created multicultural learning to give a chance to people from difference culture to understand other culture. For example, Japanese worker who has to work in India should understand Indian by find a change to socialize with Indian people will help to adjust to live together (Clare Moonan, 2013)

3. Communication will explain everything. Something cannot be adjusted equally. So, the communication and explanation will be the tools to make clear to people. However, organizations need to prepare standard rights to all people equally.

4. Training is the important tool to educate employees and give them good attitude each other in term of positive thinking, proactive thinking, working together, thinking together, conflict solving and self development.

5. Improvement of employment conditions and benefits make people in difference level feel more confident. To be equal or slightly difference is the most important issue that management in organizations should reconstruct such as mergers, acquisitions and employee transferring to new employers. Moreover, company need to add some benefit for the group that feel bad about less benefit to make them feel win together with organization. For example, some management cannot get overtime wage in weekday but they will get extra pay if work in weekend.

6. Improving workplace or office to reduce difference. Staffs in difference positions always have different ideas and sometimes they do not understand each other. Staffs would think they work in bad atmosphere without facilities while others work in good surrounding. To decrease the sense of unfairness, organization should provide co space to do activity for all staff. They will feel relax and equality.

When HR understands and learns all techniques and try to find the best practice of diversity management for employees, problems about culture shock and diversity will less gradually. The goal of cross cultural management and diversity management is to integrate and share the organization vision for all people to involve in the same goal and contribute to the great spirit in workplace. Cross-cultural Management and Diversity study, the Human Resources Management role (Nalina Ganapathi, 2013) is a course for business in environmental variety combining both art and science including strategies and communication techniques in cross-culture to ensure that students are able to apply in real life and business situations. The course will include the necessary knowledge and skills to provide students to be expertise in cross-cultural management and diversity. It will focus on both practical and theoretical issues including activities selected based on real business situations to apply in real work. Moreover, students will learn about what is the importance of practical insights from cross-cultural management and diversity management. Course description will include the causes of many organizational problems and intercultural relationships including how use knowledge to deal with a variety of cultures. It also helps to overcome obstacles by using cross-cultural communication, determining the strategies and techniques of cross-cultural management and diversity whether negotiated pattern, discipline, intercultural relationship, cross-cultural accessibility to develop their own capabilities in cross-cultural management and diversity.

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