A Systemic and Holistic Approach towards Workplace Equality. How can organizations create effective equality and diversity interventions?

**Stream:** The Movements and Moments of Organizational Change

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Abstract
As the composition of the labour force becomes more heterogeneous due to demographic developments and globalization, working organizations have increasing confrontations with cultural diversity as individual level encounters, with internal and external clients. On an organizational level, managing diversity will be challenged, on the grounds of future uncertainty, to utilize the capabilities of all of the labour force to be able to cope with the changes. The increasing cultural multiplicity therefore, will, sooner or later demand a higher commitment to diversity either by any or all of the following: adjusting existing practises, policies, structures, changing attitudes, perceptions, the behaviour of people or by transforming power relations.

The aim of the study is to find out how increasing cultural diversity affects the preparedness of organisations and the competencies of its members to promote equality. It is proposed that until cultural diversity, from the organizational or from the individual point of view, is not seen as an uncertainty factor, the commitment to it stays at a low level. The study approaches an organization as a social construction of processes, structures, meanings and power as organizational sub-systems. If cultural diversity is considered to cause uncertainty, each of the sub-systems is crucial in promoting the management of workplace and service equality and the identified choices in sub-systems offer a responsible and holistic basis for change interventions.

With the help of qualitative studies (an action research and a longitudinal multiple case study), the kinds of changes required in a transformation towards equality in human resource management (HRM) and in customer service were explored. The results obtained indicate that cultural diversity caused uncertainty and provided evidence of the significance of the sub-systems.

The study reveals that the commitment to equality is dependent on both the organizations’ and its members’ perspective to diversity and willingness or ability to change its own measures. The outcome will assist practitioners in developing and implementing interventions in managing increasing diversity and in enhancing workplace and service equality.

INTRODUCTION
The “new wave” of globalization including international mobility, changes in demographics as well as the new demands in national politics, cause pressures for organizations to promote working life quality and equality. Individual employees also face these changes in a more diversified working environment.

Workplace equality suggests utilizing the capabilities of the entire labour force, service equality to provide clients with appropriate services, which challenge the preparedness of organizations and their members to meet the emerging diversification. Therefore, in particular, the confrontations with increasing culturally diverse internal and external
clients address the need for good-quality competencies and modified measures. However, the tendency within organizations is to maintain similarity both in customer service and in Human Resource Management (HRM) practises (Pitkänen and Kouki, 2002; Lundgren and Mlekov, 2002).

The importance to pay more attention to equality and diversity issues, especially in private and public sector service organizations, is widely acknowledged to be driven by legislative forces, but how to conduct responsible and holistic change interventions are not studied in depth, especially in countries (e.g. Finland) where cultural diversity is emerging. This study offers a multidisciplinary approach to working life equality by combining cultural and management perspectives, in order to better understand the complexity of equity from the points of view of individuals and organizations. This paper highlights issues that the practitioners can take into consideration when managing increasing diversity and in enhancing workplace and service equality.

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MANAGING EQUALITY AND DIVERSITY

Equal opportunities (EO) and diversity management (DM) present the main streams of promoting workplace equality and diversity with different theoretical bases; their rationales being in the first the need to offer social justice (a moral case) and in the latter, the needs of the organization (a business case) (Noon and Obgonna, 2001) e.g. to improve service quality. The strategies to deal with diversity issues can be divided into individual level management strategies such as understanding, empathy, communication, tolerance or organizational level strategies such as policies, practises, culture and training (Denisi and Griffin, 2001). It is argued that if an organization is investing in equality and diversity, it addresses changes in an organization (Illes, 1995), but only implementing separate strategies or systems (isolated sensitivity training, cultural audits increase, minority hiring) does not reinforce adequate change (Kossek and Lobel, 1996). The characteristics that researchers (see e.g. Kirton and Greene, 2004; DeNisi and Griffin, 2001; Tayeb, 1996; Wilson, 1996) have found for successful management are that diversity, as a strategic approach, is implemented into the mission, vision and strategy of an organization.

A strategic approach can contribute to the desired benefits (employee commitment, performance, customer satisfaction, equity, effectiveness, profitability) being better achieved (Kossek and Lobel, 1996). It is argued, that effective proactive diversity management implies changes in attitudes, mindsets, structure and culture as well as in regulations, procedures and power relations (Tayeb, 1996; Kossek and Lobel, 1996) by
means of structural integration of equality and diversity (Cornelius et al., 2001; Gagnon and Cornelius, 2002). It is proposed in this study that improvements in equality and diversity strategies suggest proactive changes both at the individual and organizational level, the precondition being the ability and willingness to learn to reflect equality.

Reactive learning with single loop interventions means using existing policies or procedures to correct a certain state (Wooten and James, 2004) representing *paradigm-consistent* thinking with an outcome of incremental changes (Cornelius, 2002). If the culture and normative procedures are considered to be the cause of a problem, it is reflective learning (Wooten and James, 2004), which suggests rethinking and replacing existing procedures with effective approaches (double loop interventions). This view represents *paradigm-challenging thinking* with step changes (Cornelius, 2002). Cropanzano et al. (2004) state that this paradigm is a proactive step; e.g. diversity training can become effective when coupled with changes in organizational policies and practices in changing culture and foster fairness issues. The third possibility is to *create a new paradigm* by triple loop interventions: new mental models and processes with transformative or radical changes (Cornelius, 2002).

It is argued that changes within organizational practises and structures produce effectiveness and efficiency; changes within attitudes and behaviour affect mutual understanding; and within culture produces equity and fairness as they focus on power relations (Burnes, 2004; Flood and Romm, 1996), decision-making and participation (Cornelius and Bassett-Jones, 2002; Noon and Obgonna, 2001). Due to interaction with the environment the extent and rapidity of change(s) vary: practises present small and rapid changes, structural changes are typically larger and rapid, attitudinal/behavioural changes are slower and small in scale, culture change is large and slow (Burnes, 2004). If a culture change is desired, it entails changing the organisation’s identity by influencing the shared mindset of individuals (Thornhill et. al 2000; Brochbank, 1999) and by changing processes with the help of information and behaviour change (Ulrich, 1997).

When the promotion of equality and diversity is desired, it suggests that an individual/organization take a stance by positioning oneself accordingly. The choices, drawing from above, are either to be reactive (using existing policies and structures); ‘doing things the right way as we are used to’, or proactive (creating new procedures); ‘doing things differently by challenging the current mindset’. The third possibility is to create a new mindset and change culture; ‘doing things differently through radical change’. (See Cornelius, 2002; Flood and Romm, 1996.)

In summary, the societal, legislative and internal factors i.e. the mission, history, culture or reputation of an organization (Maxwell et. al, 2001) influence the perceptions, motives and importance of diversity, which are simultaneously manifested both in each individual’s and management’s response to equality issues being either reactive or proactive. The relationships between the cultural diversity objectives and responses in individual and organizational management strategies form the basis for analysis in the following sections in order to find out how the choices for change can be identified from a holistic point of view.
INDIVIDUAL STRATEGIES: Sub-study one

The concept of intercultural competence

Intrinsically connected to intercultural encounters is the concept of intercultural competence, which contains the competencies that are needed in intercultural interaction situations. The term intercultural competence is often mentioned in sources dealing with the need to develop an understanding and appreciation for cultures other than one's own (e.g. Beamer and Varner, 2001; Kim 1996; Seelye, 1996; Taylor, 1994). The term has been defined in various ways; some writers for example emphasize cultural sensitivity (e.g. Bennett, 1993) or intercultural understanding (Taylor, 1994). It is also described as being formed from different competencies depending on the definition or emphasis. Most scholars agree though that intercultural competence is needed to achieve mutual understanding and functional interaction and co-operation in intercultural situations.

Narrowly thinking, intercultural competence can be seen to contain only some skills and technical tools, which can help to perform one's assignments satisfactorily. From a broader view, this competence can be seen, for example, comprising four different dimensions: skills, cognition, attitudes and action (e.g. Banks, 1994; Nieto, 1996; Noel, 1995). The broader view also stress that intercultural competence is not something one can memorize; rather, it has to be internalized as a part of one’s attitudes, behaviour and action (cf. Clough and Holden, 1996).

An interculturally competent person (e.g. Taylor, 1994; Bennett, 1993; Gudykunst and Kim, 1984) is able to act flexibly and skilfully in changeable situations with different kinds of people. They are also capable of making decisions that are not bound to preconceptions or prejudices. Therefore the cognitive or attitudinal qualities or behaviour of an interculturally competent person are not biased to one culture’s norms but are, on the contrary, open to understanding and respecting cultural diversity (e.g. Jokikokko, 2002).

Intercultural competence and customer service

Customer service situation can be seen as interaction, where the service provider and the customer meet. Interaction situation consists of several challenges, as both parties have different interests and their power positions also differ. However, it is expected that both the customer(s) and, especially, the persons serving them know their own roles and behave accordingly. The matter at hand, rather than position, should be the focus point. This is theoretically possible, if the surrounding culture and society structures are familiar. It is only then that we have a chance to move from role to role smoothly, and both parties can interpret the factors affecting the interaction similarly. Behaviour in an “intra-cultural” interaction situation affects proceedings based on the rules that have formed in that particular cultural environment and which are, often unconsciously, accepted in that society. (e.g. Salo-Lee, 1996.)

The situation changes, however, if the understanding of the other party is not self-evident, as in a situation where the parties are from different cultural backgrounds. There are several factors that can influence encounters with customers of a foreign background, such as prejudices, previous experiences, nature of the encounter, uncertainty and available resources etc. (cf. e.g. Salo-Lee, 1996). Different conventions and official/professional/business cultures also affect the way in which the service
provider is perceived, how well they are trusted and how customers behave towards them (cf. Liebkind, 1998).

Basically we can assume that strong professional competencies help the customer representatives deal with their own attitudes and feelings in work-related situations. These competencies are needed so that the minimization of the effects of prejudices is possible and that the uncertainty caused by the new situation does not become an insuperable obstacle in a customer service situation and thus affect the quality of service. Professional skill consists of several elements, which are collected with the help of both work- and life experience. Professional skill is not therefore an acquired attribute but an ongoing development process that continues throughout one’s working life. Metaphorically speaking, intercultural competence forms (or should form) one fibre of the rope that is woven of the several skills needed in customer service work; such as interaction skills, professional competencies, development-/adopter skills, flexibility/tolerance for change, ability to respond to challenges presented by different customers (Hammar-Suutari, 2004).

The importance of professional skill in public service is amplified in that the employee has a greater responsibility towards the success of the encounter. The job of the employee is to try to interpret the needs of the customer as accurately as possible and signal with their own behaviour willingness to fulfil a customer’s needs. In intercultural encounters the challenges are often greater than usual and the confidence brought by professional skills becomes even more important. In order to cope with ongoing changes within the employees work, there is also a specific need for increasing intercultural competence and achieving stronger equality within the public sector.

The increase in global mobility is also visible in Finnish society and a more diverse clientele causes pressure for reform in the public sector. With public sector work being as strictly governed as it is via laws and regulations, accomplishing changes in service procedures becomes even more challenging (Matinheikki-Kokko, 1997; Pitkänen and Kouki, 2002). When thinking about the challenges brought by a more diverse and complex work description, the question is: how will the public sector be able to respond to these new challenges?

**Methods**

The present level and the development needs of intercultural competence in public sector work were studied with the help of qualitative research methods. The purpose of the study was to gain more information about the intercultural work abilities of the employees and the efforts and needs to improve them. The primary targets of the study were civil servants in the social services area: employment-, social- and benefit officers. The chosen approach was a research method that could be characterized as Ethnography of Transformative Action. Through this approach, it is possible to create an ethnographic depiction on the change that cultural diversification causes in the public sector. Action research methods were also applied, making this study a combination of ethnography and action research.

It is difficult for a researcher to penetrate the structured world of the civil servant; therefore, the development activity (jointly designed by the work community) served as a gateway to the further understanding of the research field. Action research has also been found practical when the purpose of the study is to help the participants learn
The study included both employees and the clients of Finnish public service organizations. One group was formed by employees (25) who participated in the EU/EQUAL project (MORO), the purpose of which was to collect good practices and operations models and the increasing of cultural work competencies. Furthermore, the study included an expert group of people with foreign backgrounds who have a long history of working experience in Finland, and a group of newly arrived immigrants. In addition, other key employees (15) were interviewed. The data was collected mainly by semi-structured interviews around certain themes and one interview lasted approximately one hour. The data also contains material from the action research processes, which was being experimented with in three public sector work communities.

The development trial for increasing intercultural competencies lasted approximately 6 months and was applying the methods of communicative action research. Communicative action research is based on the idea of interaction and its development as a prerequisite for change in work organizations and innovations in working life (e.g. Kuula, 1999; Gustavsen, 1996). The process consisted mainly of interviews, event transcripts, interactive discussions, meetings, feedback sessions, evaluation and self-evaluation, information sessions, etc. Members of the work community participated in the improvement process throughout its duration, i.e. they were included in planning the guidelines and evaluating the results of the work. The process was attempting to create circumstances conducive to democratic discussion; the role of the researcher was to act as a facilitator and supporter, but also, when needed and asked, as an expert (cf. e.g. Beinum et al., 1996).

Results
The study reinforced the assumption that there have, in recent years, been many changes either in the employees’ work or in working life in general. Additionally, the effects of the diversification of society in general, and the increase in cultural diversity in particular, are clearly visible in the public sector. The employees are more frequently encountering customers whose background or situation in life is unfamiliar and whose needs might be difficult to fulfil. A customer from a different cultural sphere brings new challenges to the employees' tasks and affects work descriptions within the public sector.

The interviews of employees showed, that according to respondents, diversity brings with it lots of good things such as more meaningfulness to work, richness of cultures, positivism, tolerance and new possibilities. As a challenge, they saw communication problems between the representatives of different cultures. These problems include, besides a lack of knowledge of the language, insufficient interaction skills on both sides as well. Some of the respondents pointed out that it would be important to be able to be prepared for new situations beforehand. Effective information would be one tool in softening interaction “collisions”.

The increase in cultural diversity has brought forward a need for changes in customer services. Meeting the demands of different clients will require changes in service assortment as well as in the way in which the service is provided. This would include that there should be respect and trust shown towards all kinds of clients to make living...
together successful. Gaining more experiences and improving one’s interaction skills and creative operation models could help in dealing with “different” clients and get past the various stereotypes. Many respondents emphasized that the communication barriers could be removed by increasing knowledge and updating professional skills. Because the field of customer services is getting perpetually more complicated, support and training is seen as sorely being needed.

All the respondents emphasized that authorities need some new knowledge and skills to be able to adequately do their job in public sector in the more culturally diverse society. This intercultural competence is needed for everyone in the work communities, not only for those officials that actually meet immigrant clients in their daily work but also for their supervisors. In order to gain and develop this competence, conscious work for it is needed but in terms of intercultural situation, both parties need sufficient information: authorities about immigration issues and special needs of culturally different clients, the clients about laws and regulations and the function of society including service assortment and service availability.

In summary, intercultural competence is needed, but it was quite difficult for the respondents to give any concrete proposals on what it might contain. Interaction skills and language skills were mentioned to be important tools. As to their own strengths in intercultural interaction situations, the respondents listed such things as: being yourself, asking enough questions, courage and encouragement, preciseness, creativity in communication and a basic knowledge of different cultures.

**Discussion**

Due to the on-going cultural diversification and change in their clientele, public service providers recognize the importance of improving their intercultural competence to be able to perform their tasks properly (see e.g. Beamer and Varner, 2001; Kim 1996; Seelye, 1996; Taylor, 1994). The strong emphasis on equity and democracy in the public service sector creates a pressure to treat every client similarly. This situation, combined with the fact that public sector work is strictly governed from the top (laws, regulations), makes it challenging to accomplish changes in service procedures as suggested earlier by Matinheikki-Kokko (1997) and Pitkänen and Kouki (2002).

In order to respond to the new requirements in public sector work, there have been some efforts to make intercultural service encounters more satisfactory. The findings of the study shows, however, that the broader view of understanding intercultural competence as proposed by Banks (1994) is not internalized within the service providers: they are, rather, seeking to improve their competencies needed in intercultural work mostly by seeking some new technical tools (such as better language skills) to assist them in their work with a more culturally diverse clientele. In other words, the skills and cognitive dimensions of intercultural competence are easier recognized, but the other two (attitudes and action), have not been taken into consideration to the same extent. The definition of an interculturally competent person as described by e.g. Taylor (1994), Bennett (1993) and Gudykunst and Kim (1984) was only partly supported.

The findings confirm that when there is insufficient knowledge about the differences between intra-cultural and intercultural service encounters, e.g. the parties involved cannot automatically interpret the messages of the interaction similarly, the factors
influencing these situations (e.g. Salo-Lee, 1996; Liebkind, 1998) are not recognized, and actions towards more equal treatment in customer service are not to be succeeded. However, the development trial gave some evidence that improving intercultural competence can be possible, when there is time and opportunity for open discussion and exchanging of experiences with colleagues. But access to sufficient information is also needed to support increasing cultural sensitivity (see Bennett, 1993), and towards promoting equality in customer service encounters.

ORGANISATIONAL STRATEGIES: Sub-study two

Role of HRM in managing diversity
It is widely acknowledged that in accomplishing organizational level diversity strategies, HRM has a central role (Kirton and Greene, 2005; Agócs and Burr, 1996; Miller, 1996; Kossek and Lobel, 1996) and it is often considered an effective internal driver for changes (Cornelius et al., 2001). However, the ability and willingness of “traditional” HRM to value diversity is argued, it is said to maintain homogeneity and similarity (Lundgren and Mlekov, 2002; Kossek and Lobel, 1996; Cassell, 2001) with standardized and rationalized systems supporting efficiency (Barinaga, 2002), which is the primary goal of HRM along with effectiveness (Kaufman, 2001). Therefore, it is suggested that by being able to promote equity and the quality of working life with the help of an improved HRM, greater satisfaction of human needs and aspirations are also supported (Kaufmann, 2001; ACIB, 2001). Future uncertainty, in addition, can address a necessity for creating new ways of attracting, retaining and motivating people (Watson, 2004; Thornhill et al., 2000) or in learning to utilize the potential of all (Thomas and Ely, 1999). These kinds of views suggest that HRM becomes proactive or bias free and challenges the existing procedures, structures and culture.

Brockbank (1999) argues that HRM can be either reactive or proactive, both on a strategic and operational level. Reactive strategy supports the business strategy with the help of operational activities. Especially, in change management programs, HRM is strategically reactive when assisting and facilitating a change. A strategically proactive HRM can learn about other functional areas and offer business alternatives. When HRM is operationally reactive, it implements its basic tasks by administrating and maintaining the “everyday routine”. When HRM is operationally proactive, it means improving the basic tasks in design and delivery (e.g. reengineering, ensuring positive morale) in order to enhance productivity and efficiency, e.g. to measure diversity in promotion of productivity.

Alternative diversity approaches
Alternative perspectives to diversity, particularly with implications on HRM, can be categorized by the strategic approach to equality and diversity, type of the organization or the degree of acculturation (e.g. Kirton and Greene, 2005; Gagnon and Cornelius, 2002; Dass and Parker, 1999; Thomas and Ely 1999; Cox, 1993; Wilson, 1996; Herriot and Pemberton, 1995). The approaches can be combined under the diversity paradigm approach developed by Thomas and Ely (1999), which divides organizations into three types or phases of diversification: discrimination-and-fairness, access-and-legitimacy and learning paradigms. Paradigms concern different views of the causes and objectives of diversity, which characterize their key issues and desired outcomes. The
associated benefits, challenges, opportunities and risks are directly related to the
priority or pressure applied to diversity (Dass and Parker, 1999).

The focus in the first paradigm is on equal opportunities and fair treatment through
legislative actions by treating everybody the same (Thomas and Ely, 1999). Employees
are seen more as a cost or expense (Dass and Parker, 1996). Organizations are often
bureaucratic, with control processes to assess and compensate individual performance
(Thomas and Ely, 1999). HRM procedures vary from public equality statements to
formal and more comprehensive policies (Kirton and Greene, 2005; Kirton, 2003),
mainly increasing the “numbers” of disadvantaged (Kandola and Fullerton, 1998).

The second paradigm focuses on a search for business benefits (Thomas and Ely,
1999), accepting individual differences in order to maximize its potential by creating a
culture and atmosphere of respect (DeNisi and Griffin, 2001; Kandola and Fullerton,
1998). The benefits of diversity are viewed as a source of competitiveness, which can
be gained by reducing costs (turnover, absenteeism), facilitating the new labour market,
increasing market knowledge, promoting team creativity and innovation, improving
problem solving and enhancing flexibility. A good reputation and image as a
multicultural working place is also seen to be a sign of commitment to a company’s
social responsibility (CSR). (E.g. DeNisi and Griffin, 2001; Wilson, 1996).

The purpose of diversity is considered to aid profitability by increasing efficiency and
effectiveness (Iles, 1999). The challenges of diversity are often related to cultural
differences in working habits and customs, misunderstandings in interaction and
misinterpretations, even distrust and hostility, which can create conflicts, affect
collaboration and decision making (DeNisi and Griffin, 2001; Wilson, 1996). While
opportunities for minorities increase (via inclusiveness, tolerance etc.), organizations
are still, however, assimilating, and institutional bias with inconsistencies in HRM are
prevalent (Cox, 1993) supporting the views of dominant or majority groups (Cornelius et
al., 2001). Organizations have a narrow, reactive HRM approach to equality and
diversity, which are supported by formal policies (Kirton and Greene, 2005), therefore a
change towards more proactive HRM is suggested (Kossek and Lobel, 1996) e.g. by
breaking down barriers, mainstreaming and broadening agendas (Kirton, 2003).

The third paradigm stresses a “learning” approach, as Thomas and Ely (1999) noted,
that in gaining the benefits of diversity, the purpose of a diversified workforce was
unclear. Therefore they suggest connecting diversity to work and employee
perspectives, to move from identity-groups towards learning more about the changes
e.g. in the structure, tasks or environment in connection to diversity. Organizational
culture is seen as a means to a high standard of performance, stimulating and
encouraging openness and diversity when it is non-bureaucratic and egalitarian. The
paradigm supports learning opportunities from diversity emphasizing the point of view
that it is essential what a person does, not what a person is (Omanovic, 2002).
Employees are gaining strategic influence as assets; they are irreplaceable, valuable
and viewed as an investment (Cornelius et al., 2001; Dass and Parker, 1999).

The paradigm emphasizes proactive management, multiculturalism by means of
structural and informal diversity integration with the help of a bias-free HRM (Cox,
1993). HRM can be viewed as a provider of circumstances for learning by creating an
enabling environment (Gagnon and Cornelius, 2002), by empowering (Cornelius and
Bassett-Jones, 2002) and by proactively promoting equality and diversity (Kirton and Greene, 2005). However, more adjusted and fair HRM practices are suggested e.g. modified recruitment and selection methods, careful induction and mentoring, equality in training and development opportunities etc. (Gooch and Blackburn, 2002).

Methods
The change of HRM was studied with the help of qualitative research methods while seeking to provide a picture and to increase the level of knowledge about the implications of emerging cultural diversity on HRM. A multiple case study design (Yin, 1994) was applied, as the purpose was to examine a phenomenon within its real-life context in order to gain deeper understanding of a process, which outlines the situation in a new context. A longitudinal study was conducted in the capital area of Finland in conjunction with the EU/EQUAL project (ETMO), aiming to promote the employability of immigrants. Case A is a service organization employing 14 000 people of which 700 are of foreign-background, having been employed them for the past 10 years. Case B is also a service organization and one of the oldest recruiters of immigrants in Finland with a history over 20 years. The number of foreign-based employees has varied from a maximum of 150 to 50 persons at present out of a total of 1 600 employees.

Research data was collected by means of semi-structured interviews around certain themes. The interviews were conducted once during the spring of 2002 or 2003 and once in 2005. The interviewed persons represented HRM and HRD managers, supervisors and shop stewards totalling 15 interviews with 11 persons. The interviews lasted approximately one hour. The interviews were taped, transcribed and sent back to those interviewed for a review to ensure reliability. The key themes of the interviews were the following: What have been the reasons for employing a foreign workforce and what kinds of benefits and challenges have been encountered? How has the emerging workforce multiplicity affected strategy and HRM?

Results
The reasons for hiring immigrants were a shortage of labour and a search for new recruitment potential. The benefits of diversity in both cases were an increased labour potential, which were considered good and capable of bringing new values and views. Also the reputation and image as a good employer were seen to be improved in both organizations, at which they were aiming by conscious work in advancing immigrants’ integration into society. Both organizations had experienced the same kinds of challenges, which were different conceptions of work or working habits/customs, acceptance of female supervisors, attitudes and preconceptions of managers, co-workers or customers and misunderstandings due to languages skills.

The implications of diversity for strategy appeared slightly differently in the case organizations by applying the principles of equal treatment and equal opportunities. Case A emphasized legislative causes, and was planning for a more systemic and programmed approach by empowering their employees to include diversity into its policies and HRM functions. Case B stressed equality for all, and had no written, formal equality or diversity statements or policy, but was satisfied and succeeded in its diversity change with unwritten rules ending in a cultural change. The change had happened to a large extent with the help of informal discussions and information instead of changing, to any large extent, HR systems and practises.
HRM in both cases at the operational level was accomplished similarly for each employee on the basis of the equality principle. The HRM functions, which seem to be most affected by cultural diversity, were in both recruiting and development. Recruiting was based on finding labour resources with a willingness to employ immigrants. Careful attention was especially paid to occupational guidance. No modification or improvement needs in performance appraisal or financial rewarding arose. The diversity approach in both organizations was to gain efficiency and effectiveness with the help of common understanding of diversity and a bias free working environment.

Discussion
The organizations recognized the importance of diversity on an ethical and economic basis offering evidence of the presence of the moral and business cases (Noon and Obgonna, 2001) with a strategic tendency towards proactive diversity approach as suggested in earlier research (Kirton and Greene, 2005). Equality is acceptance of differences, and stresses that everyone is treated the same, which forms the formal policy. Case B has succeeded in adapting the immigrant employees into the organization through a culture change, and case A is actively working with diversity issues. In terms of HRM, both organizations applied mostly standardized policies and practises, which as earlier argued maintain homogeneity and similarity (Lundgren and Mlekov, 2002; Kossek and Lobel, 1996; Cassell, 2001).

The changes of HRM present mostly isolated diversity initiatives and reactive HRM both at a strategic and operational level by supporting and administrating as suggested by Brockbank (1999). This was evident especially in cases of unchanged vocational training, appraisal and rewarding. Proactive HRM was found to some extent in both cases in forms of improved processes or new methods in recruiting, induction, non-financial rewarding and diversity training (in case A only). Cultural change, social responsibility and empowerment were evidence of proactivity towards diversity mostly accomplished by means of influencing the shared mindset of individuals as earlier suggested (Thornhill et. al., 2000; Brochbank, 1999). On the basis of the results, the organizations can be said to belong to the access-and-legitimacy paradigm of Thomas and Ely (1999) with some of the features of the learning paradigm.

All in all, the research offers insights into diversification processes within two organizations. The study gives evidence that due to the future labour shortage, organizations have needs for adjustments in their diversity strategy and HRM. The outcomes suggest that the role of HRM as a diversity change tool is not evident, it is used to a minor extent or informally for the purpose of increasing organizational productivity.

CONCLUSION
Sub-study one shows, that in public sector work, the balancing act between “official” (political) truth, the attitudinal- and operational climate of the work community and the intercultural competence of an individual employee, forms the framework in which the customer encounters the person who is going to handle their matters. Thus, the prerequisites for responding to new challenges can only be met if the actors, on all levels, are conscious of the prevailing situation and the necessary procedures. Therefore, in addition to making political guidelines and legislative requirements the
framework for public sector work, the guidelines for that work should be made in a way so as to be flexible enough to deal with constantly changing circumstances. This also requires improved communication from the bottom to the top, from the field to the decision-makers. Naturally the employees also need sufficient resources to do their work expeditiously and efficiently. The findings are in congruence with reactive learning to equality (Wooten and James, 2004) and with paradigm-consistent thinking (Cornelius, 2002) in individual level strategies; because, despite the changes (or their needs) being recognized, the present measures were applied. Reflective learning (Wooten and James, 2004) was recognized in terms of willingness to improve intercultural competence, which represents paradigm-challenging thinking (Cornelius, 2002).

In sub-study two, the organizational strategies mostly presented reactive learning (Wooten and James, 2004) to equality and paradigm-consistent thinking (Cornelius, 2002), as the changes were incremental in nature (minor modifications). To some extent, reflective learning (Wooten and James, 2004) and paradigm-challenging thinking (Cornelius, 2002) were particularly present, in terms of improvements in some processes, and especially in the aims with proactive efforts to affect the organizational culture becoming equitable and bias free. In both sub-studies there was no evidence found of creating a new paradigm by triple loop interventions: new mental models and processes with transformative or radical changes (Cornelius, 2002).

The results of the sub-studies reveal that to a large extent, the changes accomplished or recognized both in individual and organizational strategies, were single loop interventions in the areas of rapid and small changes, within the dimensions of skills and practises; and double loop interventions in the areas of larger and slower changes, within the dimensions of cognition of intercultural competence and processes, giving evidence that effectiveness and efficiency objects were mostly promoted which confirm the previous research (Burnes, 2004; Flood and Romm, 1996). However, proactivity towards mutual understanding and cultural changes suggest the importance of equity and fairness in internal and external client service as well as in management supporting the proposed view that cultural diversity can cause uncertainty which affects all sub-systems of an organization.

All in all the study confirms that the commitment to equality is dependent on both the organizations’ and its members’ willingness and preparedness to change its own measures. The research was conducted in a context where the limiting factor was an emerging cultural diversity. However, it offers a holistic approach to workplace equity and diversity issues and can assist practitioners in recognizing and identifying alternative choices when planning change interventions. As the changes due to cultural diversity suggest renewals (especially in client service and HRM), further research is needed in order to reinvent and find new ways of working to achieve working life equality.

REFERENCES


