Saimaa University of Applied Sciences
Faculty of Business and Culture, Imatra
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Managing Cultural Diversity in Human Resource Management

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Abstract

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There are three aims of the research. The first one is to know the attitudes of Finnish employers in the tourism and hospitality industry towards culturally diverse workforce; how they understand the term "Cultural Diversity" and its advantages for operating business and managing their personnel. Then, the thesis tries to find out approaches to manage cultural diversity effectively in an organization. The last is to answer whether those approaches would be suitable in practices in an organization.

The theoretical part of this research consisted of culture studies, diversity management and human resource management. Information was gathered from literature, books, journal articles and Internet sources. To be more valuable in practice, the primary data of this research was acquired from interviews, using qualitative research method, with two companies operating in different segments of the tourism and hospitality industry: S Group (tourism and hospitality as a niche segment of the business) and Finnish Society Travel Ltd. (travel agency).

As for the results of this research, Finnish employers have been now taking over the fears for accommodating foreign employees who have different backgrounds and cultural bases, compared to the past. They see diverse workforce as their own advantage and competency in the marketable field. Since there are differences between two business environments, strategies and company structures, the approaches they would choose for managing their diverse personnel are different. The research also suggested five approaches to effectively manage cultural diversity in an organization and blend them into three primary practices of Human Resource Management Department, which consists of Training, Designing job and Recruitment.

Keywords: Cultural Diversity, Effective Diversity Management, Training, Job Design, Recruitment, Tourism, Hospitality Business

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Appendices

1. Introduction

With the flow of globalization and its effects on all kinds of industries, in particular, the tourism and hospitality industry is the one among, which presents a unique opportunity to reflect the development of the trend. The industry is changing in labor workforce; from accommodating homogenous culture to forming diverse cultures in an organization (Merchant 2011). This phenomenon leads top managers to seek suitable approaches for effectively managing culturally diverse personnel and workplace, so then Human Resource department takes responsibility for blending chosen approaches and strategies into their functional practices.

There are three objectives for this research thesis:

- Knowing the attitudes of Finnish employers in the tourism and hospitality industry towards culturally diverse workforce

- Seeking effective approaches for managing cultural diversity in an organization

- Examining how those approaches could be blended and implemented into three primary practices of Human Resource Management (HRM); Training, Designing job and Recruitment.

The thesis will first give the definitions of diversity and cultural diversity as well as understanding culture as three different levels in depth. Thesis, then, introduces three main theoretical contributions to our understandings of cultural diversity, and how the tourism and hospitality industry is measured by those theoretical frames. Before continuing with five different approaches to manage cultural diversity in organization, we will take a look at the status of cultural diversity issue in tourism and hospitality management, and what advantages and disadvantages the issue would bring to the companies in the industry.

After that, five different approaches will be gone through, and the main chapters of the theoretical parts of the thesis will end with chapter 9, which will talk about human resource management practices on cultural diversity issue.

The research method will be in chapter 10. Then, the next chapter will be about case company presentations with two case companies. After that, there is the result from the interview; the thesis will be concluded in chapter 13 and ends with the chapter of evaluations of the research.

The thesis will limit to cultural diversity and cultural diversity management as practices of a human resource department in an organization. Moreover, even though, the thesis will partly talk about the flow of immigrants into Finland and the attitudes of Finnish employers toward that labor source; it will not work on how companies and/or organizations change their attitudes with foreign workers or issues related to the explosion of immigrants in Finland. The research only focuses on cultural diversity management in tourism, hospitality and leisure organizations.

In the next chapter (chapter 2), the definition and dimensions of diversity will be studied. Then, cultural diversity will be defined based on the understanding of both diversity and another relevant concept, workforce diversity, which parallels cultural diversity in organizations.

2.   Diversity and cultural diversity

There are many attempts at setting the definition of diversity and/or managing diversity. Several studies have confirmed that diversity is a complex and multidimensional concept of which we need deeper analysis; however, diversity so far simply refers to human characteristics that make one people different from one another (Gómez - Mejia, Balkin, & Cardy 2001, p. 124). The employees' values, opportunities, and perceptions of themselves and others at work are influenced by the primary dimension of such selected human

characteristics as age, gender, mental/physical abilities, sexual orientation, race and ethnic heritage (Hayes & Niemeier 2009, p. 14). On the other hand, one's values, experience and expectations are also shaped by numerous secondary dimensions like education, family status, organizational role and level, religion, first language, income, geographic location and others (Hayes & Niemeier 2009, p. 15).

As important as what diversity is, it is also to be defined what diversity is not

- diversity is not affirmative action.

- diversity is not quotas.

- diversity is not about changing people's attitudes.

- diversity is not mandatory.
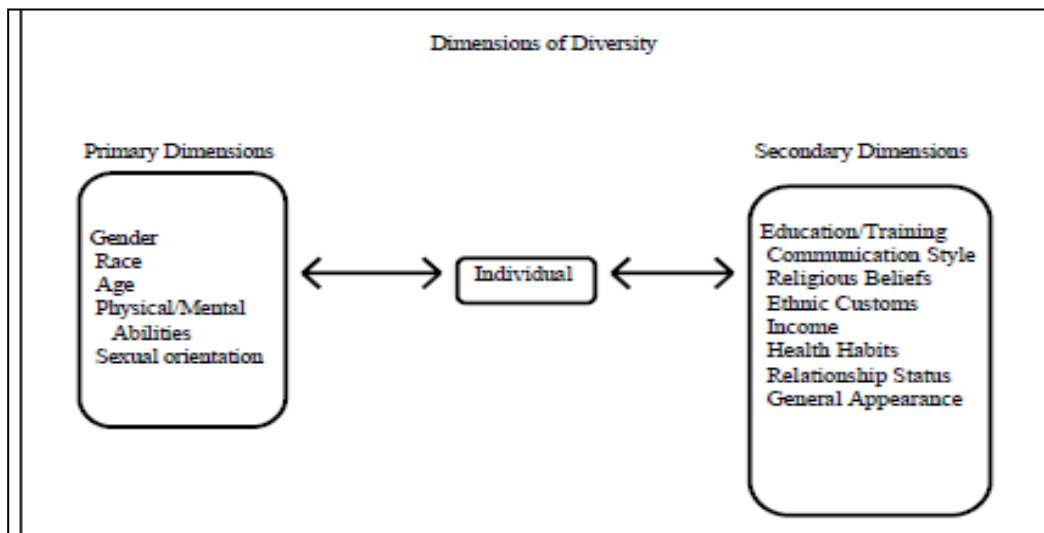

Table 1: Dimensions of diversity.

 Lim & Noriega (2007, p. 66)

As there are many kind of diversity, in this thesis diversity will concern only cultural diversity which is oriented to the cooperation between managers and other workers in organizations, the people coming from different cultures, a mixture of people with different group identifies within the same social system.

In my opinion, it would be easier to understand the term "Cultural diversity" through a relevant concept, Workforce Diversity, because workforce diversity is one of the two basic dimensions of cultural diversity. Workforce diversity comprises organizational systems and activities only.

Workforce diversity is among the many environmental trends affecting organizations in the recent years, and it can be defined as an organization composed of the mixture of workers with different group identities, who show differences depending on demographic or other characteristics. The criteria discriminating these groups include race, geographic origin, ethnicity, gender, age, functional or educational background, physical and cognitive capability, language, lifestyles, beliefs, cultural background, economic category, tenure with organization and sexual preference (Bhadury, Mighty, & Damar 2000, p. 143; Seymen 2006, p. 298). Based on this, the workforce composition which is formed by workers of various cultural groups in scope of workforce diversity in organizations indicates cultural diversity (Seymen 2006, p. 298). Cultural diversity in organizations goes into the inclusion of the secondary dimension of diversity described earlier (see **Table 1**, p. 7), and has equally significant impacts on attitudes, manners and perceptions of the individuals (Seymen 2006, p. 298). As distinctive qualities of groups and individuals resulting from cultural diversity in organizations affect the workers' sense of identity and their way of perceiving each other; also the differences in the management style, organizational attitude patterns, behavioral characteristics and communication styles can mostly be traced back to cultural effects (Frey - Ridway 1997, p. 12; Mwaura, Sutton, & Roberts 1998, p. 213; Karoc - Kakabadse & Kouzmin, 2001, p.6; Seymen 2006, p. 298).

Then, after understanding what diversity and cultural diversity are, we will, in the next chapter, take deeper insight into what culture means in the combined term Cultural diversity.

3. Culture

Culture is "our routine of sleeping, bathing, dressing, eating and getting to work. It is our household chores and actions we perform on the job, the way we buy goods and services. It is the way we greet friends or address a stranger and even to a larger extent what we consider right or wrong" (Lavaty & Kleiner 2001, p. 45). Otherwise, according to the much–cited phrase of Hofstede, culture is 'the collective programming of the mind which distinguishes the members of one group or category of people from another'. Others assert that culture entails not just shared interpretations of behaviors but also actual differences in behavior (Smith, Peterson, & Schwartz 2002, p. 189).

Then, to give us an understanding on the culture concept, Hofstede first created a model which describes and measures the culture as an onion with three layers to manifest culture at different levels of depth. Yet, the following description of the cultural onion is the content of "Cultural Onion Diagram", developed by Eugene Bunkowske (2002), from the core of the onion to the outer surface of the onion, which are Foundation level, the Evaluating level and the Actualizing level.

3.1. Foundation level

The foundation level supplies an understanding of how we think the world should be. It provides the perceptual basis and the mental mapping for the other levels of culture. It is the meta-story out of which people live and move and have their being. It opens the way for unspoken thinking and decision making patterns. This level activates beliefs, values, feelings, and behaviors as well as the mental and physical impulses for accumulating and manipulating artifacts. The foundation made up of *worldview* and *ultimate allegiance* is the most hidden and implicit level of culture. It is not immediately available for analysis and evaluation. (Bunkowske 2002.)

3.2. Evaluating level

The evaluating level of culture provides an automatic system for examining and judging the experiences of life. At the evaluating level ideas are measured against the foundational mental mappings of the culture in worldview and ultimate allegiance to see if they are true, goof or to be enjoyed. The layers of the evaluating level of culture develop and provide secondary programmed mapping patterns that reflexively examine and negotiate the many important decisions and conclusions of life. These secondary programmed patterns for drawing conclusions about feelings, values and beliefs proceed out of the mental mappings and the programmed evaluating patterns of the layers below them in the cultural onion that are feelings from values, values from beliefs, beliefs from worldview and worldview from ultimate allegiance. (Bunkowske 2002.)

The evaluating level with its layers of *beliefs*, *values* and *feelings* is not as deeply embedded in the cultural onion as the foundational level of worldview and ultimate allegiance. So beliefs, values and feelings are not as unconscious and implicit as the foundational layers of ultimate allegiance and worldview but not nearly as accessible for observation and manipulation as behaviors and artifacts in the actualizing level of human culture. (Bunkowske 2002.)

3.3. Actualizing level

The actualizing level acts on and lives out the reality, fundamental mental mappings and the perceptions about that reality through the actualizing and foundational layers of culture. It responds to these mental mappings and perceived realities by actualizing them. This actualization takes place in the external dimensions of everyday life. This happens not primarily by deliberate choice but automatically or at least semi – automatically in response to internal mental programming. In this way the functions of doing and collecting routinely occur as concrete contact is made with people and things. The result may be either positive, neutral or negative as contact between people and people and objects in the physical, mental and spiritual realm occur. (Bunkowske 2002.)

The actualizing level acts out of choices that people make when they interact with God, with gods, with each other, and with the world. The actualizing level is openly accessible as people come in contact with other people and things and intentionally bring their culture into contact with cultures of other people in their own society and in other societies of people. (Bunkowske 2002.)

The actualizing level is the distinction between objective culture and subjective culture. While subjective culture indicates **artifacts** and material products of society such as technology, science, art, literature, subjective culture is one group's traditions and, related to those traditions; it is the total of the values exposing how they perceive the environment, beliefs, morality, ideas, rules and conventions about **behavior**. (Zakaria 2000, p. 496; Seymen 2006, p. 299.)

The following figures will demonstrate clearer information given above. After that, we will move to chapter 4 in which there are three theoretical contributions to our understanding of cultural diversity introduced.
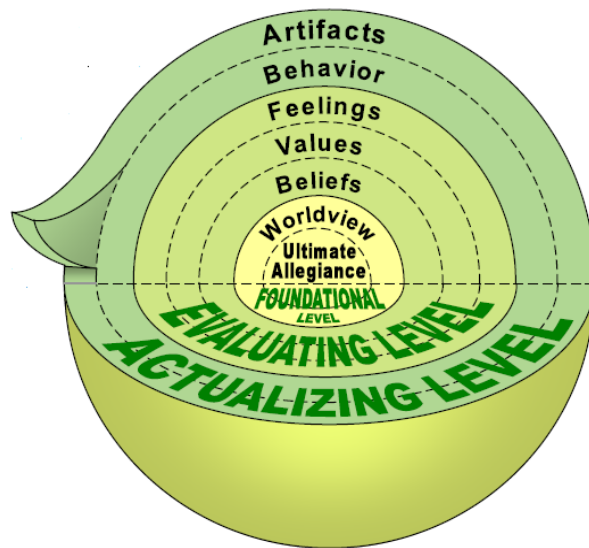
Figure 1: Cultural Onion

Bunkowske (2002)

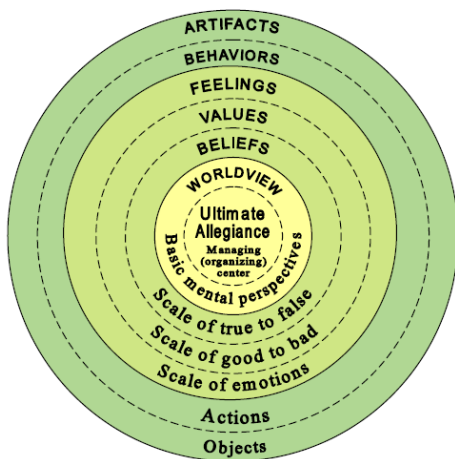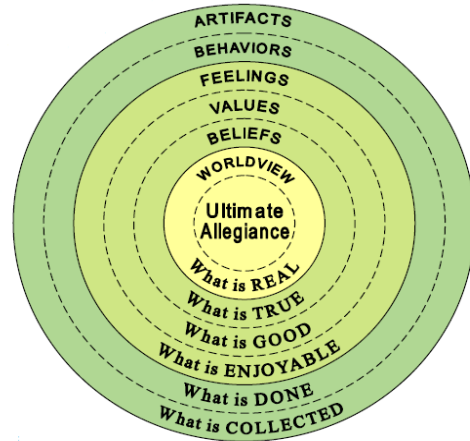Figure 2: Layer defined

Bunkowske (2002)

Figure 3: Layers Defined in Terms of Levels

Bunkowske (2002)

4. Theoretical contributions to cultural diversity

There are many theory contributions to an understanding of cultural diversity, and a brief consideration of some of these theoretical sources can be of value to the management implications of working within a multicultural environment.

In this section, we will have a quick look at three of the main theoretical classifications or typologies that have been developed.

The first one is 5D Model of Geert Hofstede, who is the best known researcher in this field. According to Baum (2006, p. 164), his theory which is based on factor analysis of data was able to identify four major dimensions as the key to cultural differences. His dimensions were later extended with the fifth dimension: Long term orientation; to be known now as Hofstede's 5D-Model.

The five dimensions are:

+ <u>Power distance</u>: the degree to which the less powerful members of a society accept and expect that power is distributed unequally. (Hofstede 2012)

+ <u>Uncertainty avoidance</u>: the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. (Hofstede 2012)

+ <u>Individualism/Collectivism</u>: As Baum (2006, p. 165) described this dimension in Hofstede's model, individualistic societies (the United States, Australia, the United Kingdom) are those in which ties are loose, where all members of society are expected to care for themselves and their immediate family only, and where emphasis is placed on individual achievement, identity and decision making. Managers prefer to maintain social and professional distance to their subordinates. By contrast, collectivist societies (in South America, for example) reflect close and extended family units and, in the work situation, there is the need to form strong groups through alliances, seeking harmony at work, consensus at meetings, face – saving strategies and group decision making.

+ <u>Masculinity – Femininity</u>: this dimension represents a preference in society for achievement, heroism, assertiveness and material reward for success. Society at large is more competitive. Its opposite, femininity, stands for a

preference for cooperation, modesty, caring for the weak and quality of life. Society at large is more consensus-oriented. (Hofstede 2012)

Baum (2006, p. 166) explained that, in masculine countries, characteristics include those of male stereotypes such as competitiveness, individual advancement, materialism, profit, assertiveness, strength, action focus and considerable distance between male and female role in society. Countries representing these traits include Germany, Greece, Italy, Spain and the UK. By contrast, feminine attributes include cooperation, warm relationships, caring and nurturing, life–quality factors and a merging of male and female roles in society. Feminine countries are Denmark, Finland, Norway, Portugal and Sweden.

[+] <u>Long - term orientation</u>: can be interpreted as dealing with society's search for virtue. Societies with a short-term orientation generally have a strong concern with establishing the absolute Truth. They are normative in their thinking. They exhibit great respect for traditions, a relatively small propensity to save for the future, and a focus on achieving quick results. In societies with a long-term orientation, people believe that truth depends very much on situation, context and time. They show an ability to adapt traditions to changed conditions, a strong propensity to save and invest, thriftiness, and perseverance in achieving results (Hofstede 2012). It addresses the business and, indeed, personal perspective of cultures in terms of their goal achievement (Baum 2006, p. 166).

The second contribution is the concept of high and low context in communication by Hall. This second theoretical framework to be considered is the concept of 'context' and 'time' that he described as high and low context societies (Baum 2006, p. 167). 'Context' is a communicational concept, indicating the extent to which the message, given by a person, is explicit, as in the form of specific instructions or computer programs (low context) or is coded in the sense that little is actually written down or said but much is implied in what is said (high context) (Baum 2006, p. 167). So then, it is

evident in differences in conducting of business, other forms of negotiation, and also understanding of time and punctuality in particular between the two context–societies.

The last theoretical source contributing to our understandings of cultural diversity is systematic–organic dimension, according to Baum, which is introduced by Leed, Kirkbride and Duncan (1994). This approach is to understand cultural variation and to link this to leadership style in order to create a matrix in which to place different cultures.

The systematic–organic dimension relates to the extent to which people believe that rational or systematic order should be applied regarding human behavior and organizations. Rationality and systems lead to the view that the organization is rather like a machine and loyalty is to the organization rather than to its individual members. (Baum 2006, p. 169.)

According to Baum (2006, p. 169), Mole (1990) adds the concept of leadership to the systematic – organic dimension. The leadership dimension is based on the extent to which it is believed that power is given by groups to individuals. Leeds et al. separate two styles of leadership: individual leadership and group leadership. Individual leadership is as authoritarian, directive, top–down and autocratic, with power perceived as a right to be directed by superiors at their subordinates. By contrast, group leadership is egalitarian, participative, bottom–up and democratic in style, with all employees having a right to be heard and to make a valued contribution to their work unit or to the organization.

It is easy to criticize any of the models that we have considered because they attempt to impose generalization upon diverse and heterogeneous national, cultural and business environment. However, those typology and specific theoretical models do as assistance in identifying some sense of the requirements and sensitivities that are necessary for multicultural market and workforce management, particularly the industry this research is working on -

the tourism, hospitality and leisure (Baum 2006, p. 169), which operates in multicultural markets and necessities diverse workforce management.

In brief, these theoretical models have given significant contributions to explaining what cultural diversity is. However, how could these models and frameworks be used to measure and characterize the tourism and hospitality industry? The next chapter will give a comprehensive answer on this question.

5. Tourism and hospitality measured by theoretical models

An understanding of cultural diversity is important to managers and employees in the tourism, hospitality and leisure industry in the context of both a workforce and a customer marketplace that is multinational and multi–ethnic in origin. In this section, the industry will be measured in the terms of the theoretical models and typologies introduced above.

5.1. Hofstede's 5D – model

5.1.1 High power distance in the industry

The traditional management - subordinate relationships in the tourism, hospitality and leisure industry is reflected in the results as high – power distance, especially in hotel and catering. However, this high power distance makes itself difficult to discuss when it comes with the concept of empowerment (the concept requires low – power distance) in the industry, which is an inevitable consequence of the top concern in the industry, customer – care. (Baum 2006, p. 165.)

Queries, problems and complaints are attributes among customers of tourism, hospitality and leisure organizations that rate very high and require the ability to deal immediately as well as professionally and competently to make a major contribution to effective business. Therefore, the empowerment of the front-line staff has gained considerable attention within service–focused companies;

it takes to mean a process that enables and encourages front–line staff to make decisions that will help to solve customers' problems or meet their needs without reference to an interminable management hierarchy. (Baum 2006, p. 97.)

5.1.2 Low uncertainty avoidance in the industry

There is no foundation within the work of uncertainty avoidance tendencies of Hofstede that specifically links to occupation; however, we can say that the nature of many tourism, hospitality and leisure businesses represent to the low uncertainty avoidance because of the highly fluctuating demand cycles and propensity for change in the product, market environment and demand management. (Baum 2006, p. 165.)

5.1.3 Collectivism in the industry

As Baum (2006) said, Hofstede also found no correlations between occupation and his Individualism/Collectivism data; however, again, by looking at the nature and characteristics of the industry, teamwork emphasis is the most important activity within the industry, an extreme individualistic culture may be problematic and not in the interests of customers. (Baum 2006, p. 166.)

5.1.4 Masculinity in management - femininity in cultural value

Hofstede links the masculinity and femininity of an occupation to the level of female work participation in that sector and their influence in the industry. In this sense, the tourism, hospitality and leisure sector exhibits some tendency toward female values and the caring culture of the guest – employee relationship in many situations would seem to bear this out. However, traditional management demands in tourism and hospitality, especially in the hotel industry, focus on masculine traits and this is supported by the dominance of males in positions of authority and power within the industry, despite their minority status. (Baum 2006, p. 166.)

5.2. Hall's concept

The cultural diversity issue will be discussed based on Hall's context framework in which the critical requirement for the need of understanding and managing the differences between high and low context societies in term of the management of business and people in the tourism and hospitality industry is shown clearly.

First, when a tour operator from low - context countries in Northern Europe is required to negotiate contracts for services with colleagues from southern countries in Europe, or likewise, with such high–context societies as Japanese, Koreans and Taiwanese, the potential for misunderstanding in words in documents, forms of negotiation and communication or particularly punctuality is high. Therefore, the tour operator needs to be equipped thoroughly with knowledge and personnel to understand, negotiate and meet the needs of customers or partners from high context countries. (Baum 2006, p. 168.)

Secondly, the tourism, hospitality and leisure organizations from low–context societies not only negotiate the business with the customers or partners from low–context societies but also deal with employees from high – context countries as consequence of the migratory trends of labor in the industry. Low–context managers encounter several differences in high – context workforce and then misunderstandings may occur, unless both parties, especially management, consider to significance of adaption of cultural diversity in organization, for example, providing written instructions or notification on how to do a job or on new approaches to customer service may make eminent sense and is a very efficient form of communication to a low – context manager but may be seen as remote and threatening by workers who operate by high - context codes. (Baum 2006, p. 168.)

Although Hall's work of the comparative cultural norms of specific industries has not been undertaken to the tourism, hospitality and leisure sector, Baum (2006) still has a discussion in which he says that certain structural and

traditional factors within the industry may influence its positioning on the continuum of high – low context. Small businesses (which dominate tourism, hospitality and leisure in many countries) are more informal in the way that they operate than larger organizations and thus aspects of high – context practice may be more prevalent as a result. The demand cycle and attributes of the industry may also predispose towards high – context relationships, in that the management of hotels, for example, is often seen as a reactive multifunctional, verbal and non - paper activity. (Baum 2006, p. 168.)

We have now concluded the main chapters, which concentrate on giving information and understanding on what diversity and cultural diversity is, how culture could be understood by the Onion Diagram and to get to know that there are three main theoretical framework/models significantly contributing to the cultural diversity issue and also how the industry is measured in the terms of those theoretical models and typologies.

In the next chapters, the thesis will focus on how we could approach cultural diversity management in an organization and how human resource department could practice those approaches. But before that, the next chapter (chapter 6) will show you the status of cultural diversity in the global tourism and hospitality industry shortly and concentrate on the status in Finland. The old attitudes of Finnish employers will also be shown.

6. Cultural diversity issue in the tourism and hospitality industry

With the growth of globalization, more and more corporations have realized that they are not merely competing for domestic market but also for the global market. Today, more than half of the world's assets are controlled by multinational corporations (Lim & Noriega 2007, p. 65; Gong 2008, p. 9). Globalization is as well a trend in the hospitality industry. The expansion of international hospitality companies has never been stopped (Lim & Noriega

2007, p. 65; Gong 2008, p. 9). Macao, Hong Kong, Mainland China, etc. have turned out to be ideal places to open new properties for international companies like Hilton and Marriott. It is reported that in order to chase Marriott and cash in on the boom in business and leisure travel in India and China, Hilton hotels Corp. has decided to add 300 hotels to the 47 it already operates in Asia over the next decade (Stanley 2008; Gong 2008, p. 9). What these international hospitality companies have competed for now are the best talents in the hospitality market, especially those competent and eligible global managers who can successfully cooperate with people from different cultures (Doherty, Klenert, & Manfredi 2007, p. 110; Gong 2008, p. 9). Thus, it is important and necessary for companies in the industry to efficiently manage multiculturalism and help their personnel to overcome cultural barriers.

Along with the continued globalization of the hospitality industry, in the domestic market of Finland, more immigrant labor and minority employees get into the workforce. Finland has been experiencing flows of labor migration. The foreign population came in small numbers e.g. as students or due to a marriage to a Finnish citizen (Koivukangas 2002, p. 4). According to Statistics Finland's statistics on the population structure, the official total population of Finland at the end of 2012 was 5.426.674. In the course of 2012, Finland's population grew by 25.407 persons. The number of people whose native language is a foreign language grew by 22.122, which represented 87 per cent of the population growth (Statistics Finland). Altogether, there are foreign citizens in Finland coming from about 150 different nationalities from all over the world (Koivukangas 2002, p. 6).

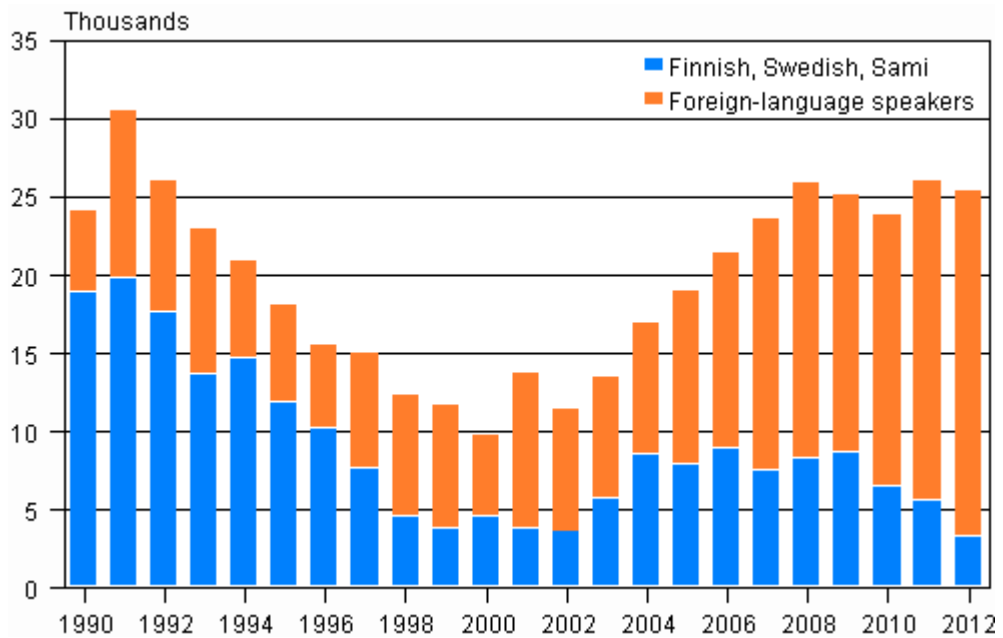Diagram 1: Change in the population by native language in 1990–2012.

Population Structure 2012, Statistics Finland

Another data from Statistics Finland also show that the population of foreign language speakers, counted in the whole country in year 2012, aged from 20 – 40 is over 115.000 and the highest groups fall into the aged from 25 – 29 and 30– 34 at which they highly demand to look for a job.

Population

persons
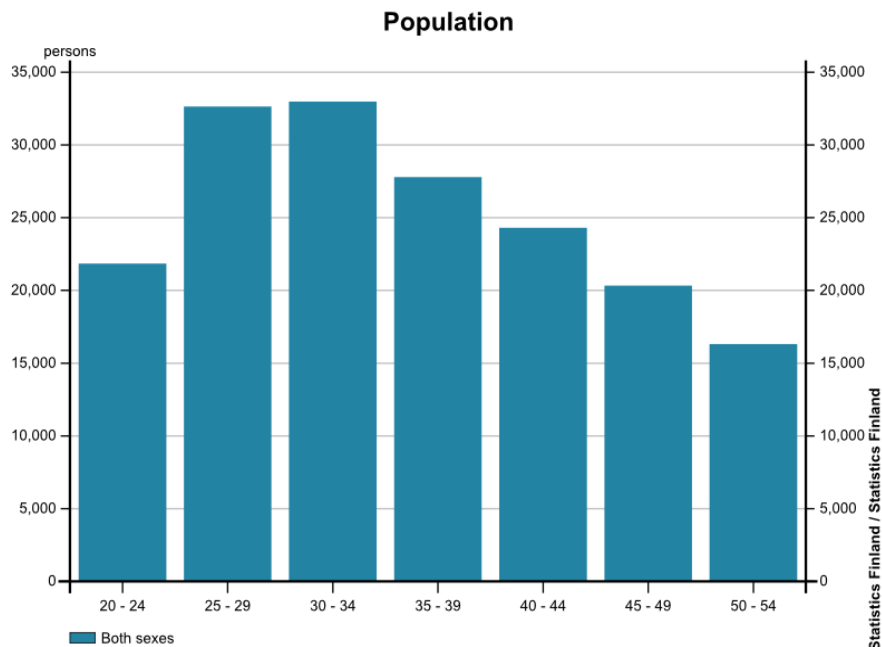
Diagram 2: Population of foreign language speakers in the year 2012.

Population Structure 2012, Statistics Finland

With the growth and explosion of immigration, the next question here is how Finns look at these new groups, who bring their original culture and blend it with the Finnish culture, how Finns accept this as a part of their multicultural color and what are the attitudes of Finnish organizations or companies toward the immigrants.

According to the article published by Koivukangas (Institute of Migration), named as "The need for multicultural approach in Finland", the new immigrant groups arrived in Finland at the time when the recession was the deepest in the early 1990's, and this was a major factor behind resentful attitudes among Finns. Another factor of importance was the role of media. According to the studies by Magdalena Jaakkola (1999) in Finland there has been a growing mood of attitudinal severity towards foreigners due to the increase in numbers of immigrants and refugees in the 1990's. Another reason has been the bad employment situation in Finland (Jaakola 1999). The tightening attitudes have been shaped by the anxieties related to the influx of immigrants (with different cultures) from the undeveloped countries. (Koivukangas 2002, p. 7.)

Even with the economic recession in Finland there is still high unemployment among the immigrants due to the marginalization in the labor market. The key questions will be the attitudes and the potential discrimination of the employers towards the recruitment of immigrants. (Koivukangas 2002, p. 7.)

For the employment authorities, prejudices among employers are the major impediment to the recruitment of immigrants. In their experience, negative attitudes towards foreigners are usually blamed for a deterioration of the working conditions. According to the responses, the prejudices are caused by fears, language problems and different customs, whereas the attitudes are not affected by religion, colors of skin or the need for supervision. (Heikkilä & Peltonen 2002, p. 6.). The employment authorities highlight the fact that, even if immigrants are recruited for their professional know–how, their recruitment is facilitated by language skills and cultural factors (Heikkilä & Peltonen 2002, p. 6).

Another problem for the immigrant job–seekers is that foreign degrees are not valued by the employers, despite the fact that they are officially recognized. Certifications from Finland, other Nordic or other Western industrialized nations are more appreciated in the local labor market systems than certifications obtained in other countries. The recruitment of immigrant graduates is particularly problematic; immigrant experts are frustrated by the fact that the jobs offered to them are not always in keeping with their training. Finns and foreigners are drawn to different jobs on a dualistic labor market. (Heikkilä & Peltonen 2002, p. 6.)

In brief, the global trend of cultural diversity workforce and the expansion of international hospitality companies are pushing Finnish companies in the industry into the pressure of changing and renovating their recruitment systems, strategies and policies in order to compete for best talents who could help to operate and expand the business to the international markets. Yet, their change of attitudes and thoughts on foreign workers need to be taken into consideration and their fears of lacking language skills, different customs

and cultural backgrounds must be overcome and gained the experience in working with foreigners.

Then, the next question for all organizations is what advantage they could have from creating a multicultural workforce and what kinds of challenges they may encounter while working in this environment. As a manager working in an environment of cultural diversity, he/she needs to recognize both benefits and challenges of diversity within workforce; the next chapter, therefore, will help them.

7. Advantages and challenges of cultural diversity

According to Baum (2006, p. 171), Fáilte Ireland (2005) identifies the advantages and disadvantages of operating within a multicultural workforce environment. Advantages include:

- Improved innovation based on the concept that differences will provide new and different ideas. Problem–solving is aided by staff with different perspectives, backgrounds and training. The more ideas there are on the table, the more likely the big winner is to emerge.

- Different perspectives offered by a workforce that are more representative of global demographics. These perspectives are better able to support the development of new and varying product offerings for a diverse client base.

- Improved staff retention and the ability to attract and recruit the best staff. Employees will give their best and are more in tune with the customer base. Problem–solving, creativity and innovation among employees will be enhanced. Other benefits can include competitive edge, better public image, increased productivity, job satisfaction and morale, as well as improved inter-staff relations and a satisfying work environment. It is also possible to point to

other, rather more intangible benefits which include improved quality and better customer service.

- Drawing from the full talent pool, both domestic and international. A diverse workforce means that employers are recruiting from as wide a talent pool as possible and enhancing their prospects of recruiting the best employee for each available position, particularly when traditional labor pools are unable to deliver the required skills and numbers.

The challenges posed by a cultural diverse workforce include:

- Increased training costs. For example, a multicultural workforce may require language and cultural–awareness training to facilitate integration into workplace and local society.

- Increased incidents of conflict. Conflicts arise when two or more individuals differ or disagree on a particular situation. In diverse workplaces, the most common conflicts arise from feelings or superiority, ignorance or fear, and result in derogatory comments or gestures. If management ignores such incidents, productivity suffers.

- Mismanaged diversity, which can cause employee dissatisfaction and affect productivity, leading to lower job performance.

- The need to accommodate a variety of religious and cultural expectations such as holy days and dietary needs.

- Reverse discrimination. Reverse discrimination is a claim by a member of the majority that a member of a minority received preferential treatment because of their minority status and not their ability or qualification.

From the point of view of a manager in the tourism, hospitality and leisure industry, multiculturalism, multinationalism and multi–ethnicity present different challenges, depending upon the context in which they occur. There are arguments that diversity in the workplace can create competitive advantage for tourism, hospitality and leisure organizations. (Baum 2006, p. 172.)

8. Different approaches to cultural diversity management

Although challenges exit, some approaches can effectively help contemporary tourism and hospitality companies to manage cultural diversity. In this section, the paper will introduce five practical approaches of managing cultural diversity, which I have collected from the article written by Oya Aytermiz Seymen (2006) and thesis of Yi Gong (2008)

- Overcoming the stereotypes and increasing fairness

- Blending cultural diversity with a dominant organization culture

- Dealing by a human resource program or strategy

- Adopting an employee relationship system

- Diversity management training program

8.1. Overcoming the stereotypes and increasing fairness

How much culture of others should be allowed to be expressed? As people agree with that it is all behind them, cases of ethnocentrism, discrimination and cultural stereotyping can still be seen nowadays. According to Gong (2008, p. 28), stereotypes can easily result in discrimination against minority employees with cultural differences. And the discrimination may cause minority employees to feel ashamed of their culture and therefore lack the willingness to cooperate with others (Gong 2008, p. 28). Ethnocentrism is the belief that one's culture is superior over others'. Stereotype, ethnocentrism or discrimination can take place in parts of the employees, or even among some managers. This negatively affects the whole company, which might result in

further isolation of minorities. Companies that devote to diversity must first be aware of the stereotypes, ethnocentrism, and prejudice, and then create and adopt effective strategies to overcome biases. (Gong 2008, p. 24.)

In the industry, improving fairness and equal employment opportunities are also very important. In today's labor market, a manager might need to be more of a talent scout than a resume screener. Employers should recognize the talents of minority workers, developing management opportunities to the qualified minority candidates. They should first overcome negative stereotypes and need to improve fairness in pre–employment hiring screening. (Gong 2008, p. 24.) Job description needs to be more rational. New standards like structured interviews or culturally sensitive tests should be added into the screening system (Berta 2006, p. 49; Gong 2008, p. 24). HR departments must regularly review and reevaluate their current measures and mechanism for hiring and evaluation to ensure that these systems are fair to applicants or employees with different cultural backgrounds. The screening tools must to be culturally sensitive and the testing is cultural unbiased (Berta 2006, p. 49; Gong 2008, p. 24).

Fair treatment is completely essential, but for a company who wants to meet the multicultural challenge it is not enough. Completely evaluating diversity means treating people as individuals. Other people should not be seen as cultures or as "pieces in some kind of multi–racial mosaic (Day 2007, p. 216)". In an efficient diversity management system, companies should pay attention to the contributions that the diverse workforce and unique individuals can make to the companies. When dealing with cultural differences, a developmental method will help to increase fairness, diminish stereotypes, and make the diversity a reality. (Day 2007, p. 216; Gong 2008, p. 25.)

8.2. Blending cultural diversity with a dominant organizational culture

Some authors see cultural diversity management as an attempt to create a common culture in which individuals from different nations and different

cultures in an organization can comfortably work together and where differences are not felt (Seymen 2006, p. 304). According to this view, organizational culture in large globally integrated organizations should present a mechanism giving the feeling of unity at a sufficient level to the people in different countries and provide corporational dependence. The culture spirit, cultural behavior, cultural character or cultural image of organizations are all led by organizational culture, the core being commonly shared values. This will help as a common platform for the understanding of their diversified employees and the idea of the "creation of a common organizational culture" emphasizes the approach of trying to be integrated by blending the cultural diversity of an organization into this cultural texture. Similarities among the members of organizations help to develop cohesion and unity which, in turn, is related to the success of the organization (Seymen 2006, p. 304-305).

Organizational culture is a group of ruling ideas that include: ways of reasoning, ways of acting, common shared values, codes of behavior and ethical standards, which are formed and developed over a long period with the active consensus of their leaders and influenced by the social environment as the background (Seymen 2006, p. 305). The concept of organizational culture was seen as embracing the attitudes, values and norms which underpin commercial activities and help to shape the behavior of organizations in a given country (Randlesome 2002, p. 66; Seymen 2006, p. 305). As a natural consequence of forming a group, members coming from different sub–cultures found a unique belief and value system which is different from other organizations but relative and common to them (Seymen 2006, p. 305). As organizational culture acculturates employees around common values, it enables them to move in an acceptable behavior model and constitutes transferable knowledge accumulation.

Organizational culture is formed only temporary in the process of being an organizational member and latter is permanent due to its being a member of a nation. Employees' values cannot be changed due to this; however, since organizational cultures are composed of practices rather than some values acquired in the organization, they are somewhat manageable by changing the

practices (Mwaura et.al. 1998, p. 213; Seymen 2006, p. 306). For example, it is asserted that it is possible for the individuals to keep up with the collective culture of the organization by selecting candidates appropriate to the organization's values and beliefs in the process of providing and selecting a workforce, along with the education to be applied, effective leadership and communication (Seymen 2006, p. 306).

8.3. Dealing by a human resource program or strategy

There are suggestions and examples of programs with the aim of providing effective management of cultural diversity in organizations. The most important property of this kind of program is its charging significant responsibilities to human resource departments and its intensely utilizing modern management techniques. There are studies which emphasize the necessity of getting a multicultural workforce by providing in–service training programs. With the help of these programs, how people from different cultures view work, how or by what they are motivated, what their attitudes are, what they value, etc. can be learned (Peppas 2001, p. 60; Seymen 2006, p. 307). In some studies, it is proposed that two management practices that are related to human resource functions, empowering and continuous improvement may be particularly sensitive to a practice culture fit and these programs give significant amounts of autonomy regarding their work. The success of these programs is possible by performing human resource applications which are appropriate to the perspectives and needs of members belonging to different cultures (Kranias 2000, p. 641; Seymen 2006, p. 308).

The increase of cultural diversity necessitates managers to possess the information and understanding about how to manage people who are very different from each other in order to reach their common goals. According to Wright and Noe (1996), managers working with a workforce that has cultural diversity have to use variable management and organizational behavior techniques which harmonize different workforce needs and values (Seymen 2006, p. 308). Allen (1991) indicates that organizations are learning how to

manage a culturally diverse workforce in hopes of improving human resource practices such as recruiting and retaining workers. According to Allen, making a transition to a multicultural organization requires time, commitment and, frequently, expert advice. It is very important for employees to be trained anti-culturally regarding business. The main activity fields forming one of the abovementioned programs can be demonstrated using Figure 4. (Seymen 2006, p. 308.)

MAIN ACTIVITIES FORMING THE CENTRE OF CULTURAL DIVERSITY MANAGEMENT PROGRAMME

LEADERSHIP	RESEARCH AND EVALUATION	TRAINING	CHANGE IN CULTURE AND MANAGEMENT STYLES	FOLLOWING
• The commitment and encouragement of top management • Management and counseling groups • Communication strategy	• Organisational evaluation in detail • Database • Benchmarking	• Training that makes conscious • Development of in specialism • Orientation programmes • Advance education/cultivation	• Recruitment • Orientation • Performance evaluation • Compensation and social payments • Promotion • Training and development	• Evaluation process • Responsibility • Continuous improvement

Figure 4: The content of an example of a cultural diversity management program

Dessler (1998, p. 96)

There is also a table of the comparison of organizational strategies about management of culture diversity, which is summed up by Adler's comparative analysis. As it will be understood from the table below, in this analysis the "parochial" approach and the "ethnocentric" approach are the ones ignoring or trying to minimize cultural diversity and instead focus on the dominant culture. Culture diversity in the "synergistic" approach is seen as superior and termination of its probable problems is emphasized. (Seymen 2006, p. 306.)

Types of organisations	Perceived impact of cultural diversity in organisations	Strategy for managing the impact of cultural diversity	Most likely outcome of strategy	Frequency of perception and strategy
Parochial:	No impact:	Ignorance differences:	Problems:	
Our way is the only way.	Cultural diversity has no recognised impact on the organisation.	Ignore the impact of cultural diversity on the organisation.	Problems will occur but they will not be attributed to culture.	Very common
Ethnocentric:	Negative effect:	Minimising differences:	Some problems and a few advantages:	
Our way is the best way.	Cultural diversity will cause problems for the organisation.	Minimise the sources and the impact of cultural diversity on the organisation. If possible, select a mono-cultural workforce.	Problems will be reduced as diversity is decreased while the possibility of creating advantages will be ignored or eliminated; problems will be attributed to culture.	Common
Synergistic:	Potentially positive and negative effects:	Manage differences:	Some problems and many advantages:	
The combination of our way and their way may be the best way.	Cultural diversity can simultaneously lead to problems and advantages for the organisation.	Train organisational members to recognise cultural differences and use them to create advantages for the organisation.	Advantages to the organisation will be realised and recognised; some problems will continue to occur and will need to be managed.	Very uncommon

Table 2: The comparison of organizational strategies about management of cultural diversity.

Higg (1996, p. 39)

8.4. Adopting an employment relationship program

To successfully manage the multicultural workforce, managers should first realize that majority and minority cultures do not always share experiences. The following strategies can also help managers to break cultural barriers and reap advantages from cultural diversity:

 - Creating programs that increase awareness of cultural diversity

- Improving positive attitudes toward differences among diverse groups

- Realizing the same view points and relations among different ethnic groups

- Being flexible in communication, and expressing personal concerns and confusions when facing cultural obstacles. (Emulti 2001, p. 4; Gong 2008, p. 21.)

In addition to these strategies, another important and effective approach to manage cultural diversity in the workforce is to adopt an employee relationship management system. To integrate minority workers into the workplaces, managers should accept the cultural differences by all the employees and create good relationship with them. Some programs can help to build up the relationship, which include:

- Teaching other language to local employees

- Celebrating different religious or traditional holidays of minority employees in the workplace, involving minority employees' families into some company activities, and emphasizing the importance of minority workers to the companies. (Baum, Devine, & Hearns 2007, p. 353; Gong 2008, p. 21.)

It has been proved that creating such a family atmosphere can successfully help keep retention (Gong 2008, p. 21). Unfortunately, many managers tried to create such an atmosphere through some programs but finally failed. It is natural because they had not tried to know the personalities and backgrounds of their people.

Managers should make an effort to build one–on–one relationship with employees, understanding where they came from by having conversations

with them during the down time or some social events. Most minority employees of the tourism and hospitality industry are young and independent. They prefer being listened to and respected. Therefore, increasing communication with these minority employees and providing environment of understanding and appreciating these employees can effectively obtain their trust and loyalty. Once they become self–motivated, their productivity would also be enhanced accordingly (Gong 2008, p. 21).

8.5. Diversity management training program

Another factor ensuring effective management of cultural diversity is training programs. Diversity training is defined as "a mean of establishing respect and developing a sensitivity for all of the differences among employees and customers (Lim & Noriega 2007, p. 67). Diversity training and education are necessary and essential to help companies in the industry:

- To become competitive and successful.

- To work effectively in foreign environments.

- Diversity management training program such as cross – cultural training can help oversea managers to learn knowledge about different cultures and help them to develop skills of managing cultural diversity issues, which can therefore significantly reduce the potential costly failure caused by cultural difference problems. (Gong 2008, p. 22.)

Diversity management training and multicultural education teach employees about various cultures. These training programs help to diminish stereotypes and allow trainees to see the cultural differences and the truth about other cultures. By the training, employees will show more respect to other people with different cultural backgrounds, and achieve more understanding of others' beliefs and their traditions (Gong 2008, p. 22). Many companies in the lodging industry have initiated Diversity Management Training programs (DMTIs). A study of those lodging companies who initiated the DMTIs as practices shows that employees' perception of the importance of the training program increases once they become involved in. The training program emphasizes

communication and educational training, which has positive impact on both minority and non – minority employees (Gong 2008, p. 22).

Since multicultural workforce includes every job position from the top management down to low–level employees (Emulti 2001, p. 4; Gong 2008, p. 23), diversity management training should be conducted in all levels in the hospitality industry, but not only in the entry–level or low–skilled level (Gong 2008, p. 23). Specific training programs aiming at managing cultural diversity should be carefully designed, continually enforced, and gradually improved. Moreover, according to Admed (2006), it cannot be ignored that for any training program that has the chance of long-term success, upper level management must be involved to ensure the implementation of diversity practices (Gong 2008, p. 23).

9. Human resource management practices on cultural diversity issue

9.1. Training and development

Cultural diversity training can provide trainees a forum for discussion. A greater willingness to talk directly about differences helps employees to build trust, make effective decision and even opens a door of compromise (Gong 2008, p. 28). This kind of training has seemed more necessary when skills of dealing with difficult situations and communicating effectively in multicultural workplace are required (Day 2007, p. 216; Gong 2008, p. 28). Then, it is necessary and essential to create an effective module to guide this kind of training. The training module will first define the ***needs, goals and requirements*** of the cultural diversity training program; then some practical training sessions that can be applied in Human Resource practices.

The needs of training modules are:

- Leadership

- Managers' ability in awareness and sensitivity of cultural differences in employees, stakeholders and customers. (Lim & Noriega 2007, p. 69; Gong 2008, p. 27.)

There are **three goals** of implementing cultural diversity training:

- Increasing employees' awareness of diversity:

 + Help employees who learn to handle cultural differences to increase awareness of cultural diversity

+ Learn from each other

+ Learn in a multicultural workshop (Day 2007, p. 216; Gong 2008, p. 28.)

- Obtaining knowledge of possible differences between cultures:

 + Employees get to know where these differences come from and what forms they might take

 + Recognizing and understanding these differences can help people build trust, communicate more efficiently, avoid misunderstanding, and enhance harmony in the workplace

- Developing skills of managing cultural diversity:

 + Employees need to develop more skills to manage, communicate, or negotiate in a culturally diverse environment

In a sentence, the goal of the cultural diversity training can be simply described as to prepare individuals to become competent intercultural communicators with cultural awareness and sensitivity (Baum et.al. 2007, p. 356; Gong 2008, p. 28).

Cultural diversity can create barriers in the hospitality industry. Employees must be prepared to deal with business in the increasingly diverse marketplace, or be prepared for wider international responsibilities. The

eligible employees of the training program normally have three characters such as:

- Being willing to recognize that cultural differences do exist across cultures

- Trying to understand such differences

- Desiring to value the differences of others (Tung 1993, p. 474; Gong 2008, p. 29.)

The training mainly target at team leaders, supervisors and managers, especially expatriate managers. The diversity training session that aims at increasing awareness should be given to all employees to help them to interact with customers and each other more successfully.

There are some **requirements** for a training module to be successful:

- Competent trainer: Trainers should better have cultural diversity backgrounds or experience, and should be given access to required resources to develop research and deliver such training (Lim & Noriega 2007, p. 68; Gong 2008, p. 30)

- Overcoming stereotypes: stereotyping and other biases that trainees bring to the classroom or workshop must be discussed. The training sessions must be designed to first increase trainees' awareness of differences. Trainees must be educated that with the influence of cultural diversity certain behaviors may not work in all situations. (Lim & Noriega 2007, p. 68; Gong 2008, p. 30)

- High-level management involvement: helpful in creating a corporation environment that appreciates innovation, creativity, different opinions and diverse talents. Without such an environment, cultural diversity training may not be conducted continuously or not have any developing future in that company (Lim & Noriega 2007, p. 68; Gong 2008, p. 30)

- Monitoring and evaluation: the cultural diversity training should be continuously monitored and evaluated. It has to be reinforced to guarantee that there is a positive attitude toward the program. Feedbacks of the program need to be evaluated for future improvement. (Lim & Noriega 2007, p. 69; Gong 2008, p. 30.)

9.2. Designing jobs for different cultural backgrounds

In a diverse workplace, human resource department does not only plan to train their employees about the cultural diversity but practically also has to deal with the job design for personnel having different cultural backgrounds. When job design is well defined based on its environment, the work motivation, satisfaction and performance will be positively influenced. The problem here is that job design is, according to Zubaidah (2010), culturally determined and easily defined in national culture in term of homogenous environment, so then how would it be defined in corporate culture and how should it be designed to be effectively applied for everyone in a diverse workplace?

Not much research has been done on answering the questions, and much fewer for respectively tourism and hospitality management. Even though, therefore, this section will not give the conclusion on how tourism and hospitality industry could outline the plan for an effective job design in cultural diverse workplace because the research has done by Zubaidan, which is for national culture, not corporate culture. Instead the effort of my thesis here is to draw attention from managers about the importance of designing jobs for different cultural backgrounds in the tourism and hospitality industry, and offer them a reference for a possible plan in the future, as well as to help individuals who are working in diverse workplace understand the origin of dominant organizational culture and to be able to integrate it with their own cultures.

Job design is the structure, content and the configuration of a person's work tasks and roles (Parker & Ohly 2008, p. 1; Zubaidah 2010, p. 5); job design

approaches have been set up in such a way that they indirectly affect the employee's level of job satisfaction and motivation. Job design approaches have worked in different perspectives and various dimensions such as job enrichment, job engineering, quality of work life, socio–technical design and social information processing approach and job characteristics, i.e. skill variety, task identity, task significance, autonomy and feedback. (Zubaidah 2010, p. 6.)
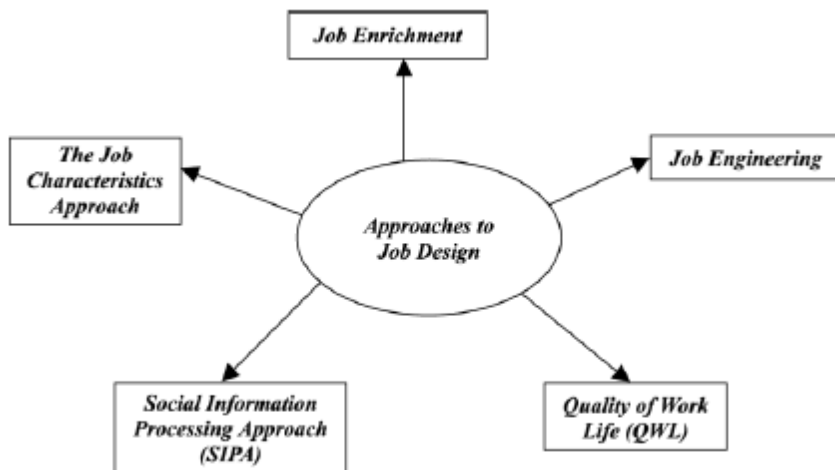

Figure 5: Job design approach

Garg & Rastogi (2005, p. 575)

The following tables are descriptions of the relationship between culture dimensions (5-D Model of Hofstede) and job characteristics as well as cross cultural dimensions of job characteristics model (JCM) in three representative countries the United States, Northern Europe and Japan.

The definitions of the used terms in the tables are as follows.

- Job enrichment: Empowering workers by adding more decision making authority to jobs. There are five factors associated with motivating jobs: achievement, recognition, growth, responsibility, and performance of the entire

job (Noe, Hollenbeck, Gerhart, & Wright 2011, p. 110). Job enrichment requires higher level of knowledge and skills, thus giving workers the autonomy and responsibility in planning, directing, and controlling their own performance. It also provides the employee with the opportunities for personal growth and meaningful work experience (Garg & Rastogi 2005, p. 574; Zubaidah 2010, p. 7).

- Socio–Technical System (Autonomous Work Group): The autonomous work group is believed to facilitate communication and problem solving, which results in increasing productivity and welfare (Zubaidah 2010, p. 7).

- The quality control circle: A small group of employees doing the same or related job who meet regularly to identify, analyze, and solve product quality and production problems and to improve general operations. It aims to develop members' skills and provide opportunities to enhance self-actualization and make the workplace more efficient, important and satisfying. (Zubaidah 2010, p. 8.)

- Skill variety: the extent to which the job requires the employee to draw from a number of different skills and abilities as well as upon a range of knowledge (Garg & Rastogi 2005, p. 575; Zubaidah 2010, p. 9).

- Task identity: the job has an identifiable beginning and end or how complete a module of work the employee performs (Garg & Rastogi 2005, p. 575; Zubaidah 2010, p. 9).

- Task significance: this involves the importance of the task. It involves both internal significance, i.e. how important the task is to the organization and external significance, i.e. how proud the employees are to tell their relatives, friends, and neighbors what they do and where they work. (Garg & Rastogi 2005, p. 575; Zubaidah 2010, p. 9.)

- Autonomy: refers to job independence. How much freedom and control employees have in performing their job, for example, in scheduling their work, making decisions or determining the means to accomplish the objectives (Garg & Rastogi 2005, p. 576; Zubaidah 2010, p. 9.)

- Feedback: refers to objective information about progress and performance that can come from the job itself, supervisors or any other information system. (Garg & Rastogi 2005, p. 576; Zubaidah 2010, p. 9.)

	Power Distance	Uncertainty Avoidance	Masculinity Vs Femininity	Individualism Vs Collectivism
Autonomy	• The hierarchical system • Decentralization, low concentration of authority (Low PDI) • Centralization, high concentration of authority (High PDI)	• Power of superiors depend on position and relationship (low UAI) • Power of superiors depend on control of uncertainty (High UAI)	• In term of employee decision. Example, preference for higher pay (Masculinity) and preference of fewer hours worked (Femininity)	• emphasizing freedom of choice and providing the opportunity to influence and to attribute the behavioral outcomes to oneself
Task identity		• Tolerance for ambiguity in structures and procedures (Low UAI) • Highly formalized conception of management (High UAI)		• Employees work best in group (collectivist) • Employees perform best as individuals (Individualist)
Task significance		• Relationship orientation (Low UAI) • Task orientation (High UAI)		• Belief in collective/individual decision
Skill Variety	• Consultative relationship between superior and subordinate leads to satisfaction, performance and productivity (low PDI) • Authoritative leadership and close supervision leads to satisfaction performance and productivity (High PDI)		• Job applicant oversell themselves (masculinity) • Job applicants undersell themselves (femininity)	• Giving each member to perform a group task
Feedback	• Openness with information, also non superior (Low PDI) • Information constraint by hierarchy (High PDI)	• Tolerate the ambiguity system by simple monitoring system (low UAI) • Complex monitoring system (High UAI)		• Monitoring system • Employee-employer relationship • Whether direct appraisal can be seen as a threat Collectivist) or improves the productivity (Individualist)

Table 3: Cultural dimensions and job characteristics.

Zubaidah 2010, p. 25

	United States (Job enrichment)	Northern Europe (Socio Technical)	Japan (Quality control circle)
Autonomy	• Low power distance: Autonomous in the matter of remuneration • Low Uncertainty avoidance: Tolerance for ambiguity	• Collectivism: Autonomous work group, collective action • High Uncertainty avoidance: Risk avoidance	• High Power distance: Hierarchy, obedience towards higher authorities • Collectivism: Autonomous work group, group task • High uncertainty Avoidance/ Power distance: Diffuse authority and responsibility of decision making
Task id entity	• Individualism: Individual perspective to complete a specific task	• Collectivism: Collective perspective to complete specific task,	• Collectivism: Collective perspective to complete specific task,
Task significance	• Individualism: Individual achievement towards self worthy and personal well being (the American dream) • Low Uncertainty avoidance: Short term achievement and contribution	• Collectivism: Collective achievement towards collective contribution • High Uncertainty avoidance: Task orientation	• Collectivism: Social hierarchy, social identity, contribution to overall well-being • High Uncertainty avoidance: Task orientation, avoidance negative social consequences
Skill Variety	• Individualism: Relying on individual knowledge • Low Power distance: Consultative relationship	• Collectivism: Relying on group knowledge, high value skill of variety • Low Power distance: Consultative relationship • Masculine: Self-confident over ones knowledge, Assertive	• Collectivism: Relying on group knowledge, high skilled • Power distance: Authoritative relationship, hierarchy reflects gaps in higher/ sub/ lower ordinate • Masculinity: Career aspirations,
Feedback	• Individualism: Personal responsibility, Personal feedback more effective to contribute better performance • Low Power distance: Open information, more likely to show personal opinion	• Collectivism: Collective responsibility, collective distribution of resources, Collective feedback more effective to contribute better performance • Low Power distance: Open information, more likely to show opinion in group setting	• Collectivism: Group consciousness, Collective responsibility, Collective distribution of resources • High power distance: Information constraint by hierarchy, humble, unlikely to show personal opinion

Table 4: Cross cultural of JCM in three representative countries.

Zubaidah 2010, p. 26

9.3. Recruitment

If an organization is serious about leading and managing a diverse workplace, they must prepare a plan of managing cultural diversity not only for the current status of the diversity in their organization but also for the very starting point of accommodating new employees with different cultural backgrounds. It is all about the preparation for recruiting different cultural backgrounds.

9.3.1 Recruiting strategies

At first, the organization must create a diverse pool of candidates. If they always recruit from the same places, they will get the same people; then here is the question on what recruiting strategies the organization has and how their diversity recruiting plan will answer these following questions:

1. Is their lead time for hiring long enough to get a good selection of diverse applicants?

2. Do they have a list of schools that historically have larger numbers of students of color, women, or people with disabilities, and do they try to recruit from those institutions?

3. Do they send a diverse team to meet with people at schools and other recruiting sites and build relationships so their organization will be the place of choice to apply?

4. Do they maintain contact or support candidate pools and student groups and activities that represent diversity?

5. Do their organization look welcoming, not only in how they word out recruitment pitch, but also in how diverse it looks? (That is, do they have diversity in the board of directors and at all levels of the organization so they can point to real diversity as a selling point?)

6. How is their organization viewed in the communities where they want to recruit? Do they sponsor events such as Chinese New Year or other traditional celebrations and events? Do they get involved with community organizations?

7. Where have they advertised for candidates?

8. Do they look for internal candidates? Can employee affinity groups help? Do they talk to suppliers and vendors that champion diversity and let them know that they have positions available? Do they have best practices in recruiting they might adopt?

9. Do their website and promotional literature tell that diversity is part of their mission statement?

10. Do online photos and illustrations reflect real diversity in their organization?

The responses to these questions could help the organization draft a new recruiting strategy or take to modify and carry out an existing one with an improved diversity perspective (Lieberman et.al. 2003, p. 76).

9.3.2 Attitudes to job candidates

After having a clear strategy for recruiting diversified workforce, the next problem is what the organization or especially interviewers' attitudes are to job candidates. Despite what many believe, hiring candidates for a new position or a promotion is never completely objective. In fact, unconscious bias and assumptions always try to interfere with the ability to interview and select the best candidate. Those biases and assumptions can affect everything, including creating the candidate pool, prescreening candidates, asking interview questions, and making decisions (Lieberman et.al. 2003). For example:

- Belief: People should always keep frequent and direct eye contact during an interview. People who do not are dishonest and disrespectful. (Lieberman et.al. 2003, p. 77.)

- Fact: Many people raised in the United State hold this belief. But some Asian cultures consider it disrespectful to look directly in another person's eyes, and many African Americans' patterns of eye contact differ from those of many white people. Rather than focusing only on the eyes, look at overall body language, it could tell interviewers if they have the interviewee's attention. If the interviewers operate on the belief that lack of eye contact is disrespectful or hides something, he/she will not really believe what the applicant says. (Lieberman et.al. 2003, p. 77.)

- Belief: Clothing styles and fashions, piercings and tattoos, speech styles and accents, and personal care tell a lot about people (Lieberman et.al. 2003, p. 77).

- Fact: These items do indeed tell a lot about people, their preferences, their religious beliefs, and even their personal eccentricities, but here again the question the interviewers should ask themselves is, "Do these things say anything about this person's ability to do the job?" Unless there is an issue of ability, customer service, safety, or hygiene that cannot be handled in another way, he/she cannot let these elements bias his/her interview. (Lieberman et.al. 2003, p. 77.)

So here is the form which may be helpful for interviewers when selecting diverse candidates:
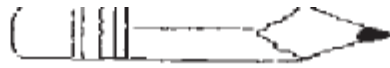
INTERVIEWING OBJECTIVELY

Think of a position for which you might be interviewing candidates. What are the skills, abilities, and experience required?

_____

_____

_____

If all candidates have equal skills, abilities, and experience, what other characteristics would be important in making a decision?

➤	Motivated	➤	Able to communicate with everyone
➤	Hard working	➤	Honest
➤	Competitive	➤	Reliable
➤	On time	➤	Smart
➤	Articulate	➤	Ability to make decisions
➤	Team player	➤	Self-directed
➤	Self-reliant	➤	Passionate about work

What criteria would you use to decide if your candidate has these characteristics? How would you find out if these characteristics show themselves differently in the cultures and values systems of those in your candidate pool? What questions could you ask, and to whom would you speak to make sure?

_____

_____

_____

Without answers to these questions, you are more than likely to choose someone who looks like you or talks or thinks like you, even though that person may not be the most qualified.

Go beyond your usual comfort zones in hiring and view the possibilities other people might bring to the organization. Will you eliminate people just because they do not always look you in the eye?

Figure 6: Interview Objectively.

Lieberman et.al. 2003, p. 79

9.3.3 Questions to avoid during an interview

Making a list of questions for the interview is also a critical part of recruitment because these can reflect bias and even create legal liability for an organization. These would be statements or questions that have nothing to do with a person's ability to do the job. Here are the most critical ones to avoid:

47

- What is your race?

- What is your religion? Do you practice a religion?

- Are you a citizen? (It is more helpful to ask whether the person can lawfully work in the country)

- How old are you? When were you born? (IF there is a legal age requirement, tell the candidate that proof of age would be required for this job)

- Are you married? What does your spouse do? How do you feel about supervising men/ women?

- Do you have children? How many children do you have? Do you have arrangement for childcare?

- Do you have family concerns that interfere with your ability to travel (It is illegal to ask questions about family. You can tell candidates that they will need to travel and ask if they are able to do that.)

- I see that you have a (for example) Hispanic last name. Do you speak Spanish? (It is illegal to ask about background; you can ask candidates if they speak Spanish if you ask all candidates that question).

- How tall are you? What do you weigh? (Unless this is relevant to the job.)

- Do you have any disabilities? (After a conditional job offer, you may require a physical exam to see if an individual is qualified, and then some questions about disability are legitimate.)

- Do you belong to a union or have you belonged in the past? How do you feel about unions?

- Have you ever been arrested? (A past arrest without conviction does not affect one's ability to do the job: you may ask about a conviction but it is not a reason not to hire unless the conviction relates directly to the job)

- Do you smoke? (But you may point out the company smoking policy.)

It is acceptable and helpful to tell candidates that you have a strong commitment to diversity and to ask how they can help your organization in strengthening that commitment. (Lieberman et.al. 2003, p. 80-81.)

10. Research method

The thesis is a research-based thesis, and as a research method, case study was chosen in order to gather more detailed information from two case companies: Finnish Society Travel Ltd and S Group. At the beginning of the thesis process, I planned to have interviews with three companies; the third company was Holiday Club. However, since the work schedule of the representative from Holiday Club was too tight and it did not match my schedule for processing the thesis, unfortunately, I decided to finish my research with two case companies.

When choosing the suitable research method, it is the question of what kind of information is sought, where and from whom. A qualitative method is the appropriate research method to be used when the research is concerning non-measurable, non–numeric issues and it is trying to find answers to how or why, and to understand meanings and reasons behind the issues (Tonder 2010a).

The interview is chosen as my approach to the objectives and method to collect the data because it has been seen with several advantages. At first, face-to-face interviews enable create flexible interaction and provide more possibilities to interpret the answers. Moreover, during the interview, the interviewee can freely give their comment on the subject and good advice for the issue (Tonder 2010b). In this research, a structured interview will be used, which means the questions and the order of the questions have been made in advance, but there may be questions added during the interview if necessary.

For my interview, there are two different lists of interview questions for two companies: Finnish Society Travel Ltd (located in Helsinki) and S Group (its subsidiary in Lappeenranta), and the lists were all made in advance. The reasons for having two different versions are that two companies are operating in different niches of the industry and because of their external environment (location and main customers).

When thinking about what I should ask those companies, I started with seeking information about the companies:

- How big in scale of business are they?

- What are the characteristics of the location where companies are located?

- Is tourism and hospitality their main business? How is the tourism and hospitality business performing in their companies in the location?

- Does their website tell something about employment and diversity?

- What strategies are they targeting now in their business activities? Are there any signs that they want to expand into new market? This sign may tell me if it is possible the company may think about accommodating diverse workforce.

Additionally, questions based on theoretical parts here asked to gather information on following main points:

- Information about company and the interviewee

- How interviewees could understand and define briefly the term "Cultural diversity" and his/her opinion on the issue affecting the industry and the company

- Diversity status in the company

- Attitudes of interviewees (top managers - Finnish) and their Finnish employees toward employees who have different cultural backgrounds

- Their choices and opinion as well as discussion on my suggested approach to manage cultural diversity in organization.

- How the companies recruit foreign employees

- How the companies would design jobs and workplace for diverse environment

- Is there any training program for cultural diversity issue in the companies now? What is it like?

Before the results of my interviews are presented in chapter 12, the next chapter (chapter 11) will introduce shortly the two chosen case companies.

11. Case company presentations

My first chosen case company was Finnish Society Travel Ltd because I found out that the company is targeting and expanding the business into Asian market and it shows clearly on the company's website. Moreover, they have partners mostly in Europe, but also in North America, Australia and New Zealand. The information showed that the company somehow has intentions on cultural diversity issues.

Then, the third choice was the recommendation from my supervisor, and I also thought that S Group is the big company with great number of employees; this could be a diverse workplace in the company. In addition, the company has also restaurants and travel business in their activities. Having this company in my research, it could be good for my comparison between companies; Finnish Society Travel Ltd, which is the small company and just focuses on travel business, and S Group, the big company that has restaurant and travel business as a small niche in their business activities.

11.1. Finnish Society Travel Ltd

The foundation of the Finland Society Travel relates back to the year 1959. The company was established to serve the first Finnish emigrants and their relatives. In the 1960's when there were just a few scheduled flights to North America, the charter flights organized by the Finland Society became common. Back then travelers were required to be members of the Finland Society and relatives of wealthy American travelers covered the traveling costs.

Finland Society Travel became its own entity in 1979. The outbound traveling from Finland was growing fast in the 1980's and the company changed its strategy to serve wider range of customers. It started to organize specialized tours with Finnish speaking guides and more tailored trips all around the world.

Nowadays Finland Society Travel Ltd. serves all kind of passengers and there is no need to be a member of Finland Society anymore. The company gives tailored service for inbound or outbound travelling for individuals or groups. The trips are unique according to the customer plans and any special needs a customer might require are taken care of. All necessary services are handled for the customer including flights, other transportation, accommodation, car rental, cruises, tours and treks.

During the 50 years of operation The Finland Society Travel has built strong comprehensive contracts with international airlines and affiliates, creating a well-functioning entity with competitive prices.

Incoming tourism for Finland is expanding. Right now the company is targeting to the fast growing markets in Asia and in Russia. Finland and Scandinavia are in fashion. (Finland Society Travel Ltd.)

And at the moment, the company has eight employees including one Chinese lady working as a coordinator between the company and its partner in China (Eerola 2013).

11.2. S Group

S Group is a Finnish network of companies in the retail and service trades comprising over 1.600 outlets in Finland. S Group consists of cooperatives as well as SOK and its subsidiaries. S Group provides services in the trades of grocery and consumer goods, service station stores and fuel, tourism and hospitality, automobile and auto accessories as well as in the agricultural trade.

In particular, S Group's travel industry and hospitality business comprises several nationwide restaurant chains and two hotel chains: Sokos Hotels and Radisson Blu Hotels & Resorts. In addition to the chains, S Group has a high number of individual restaurants. In Finland, both the regional cooperatives and SOK's subsidiary Sokotel Oy practise the travel industry and hospitality

business. At the end of 2012, S Group had 751 restaurant outlets and 58 hotels in Finland. Sokotel Oy's subsidiaries also manage the operations of Sokos Hotel Viru in Tallinn and three Sokos Hotels in St Petersburg. (S Group.)

12. Results from interviews

The first interview was with Mr Vormisto, the local representative and general manager of S Group in South Karelia (restaurant) business and the following was with Ms Eerola, the General manager of Finland Society Travel Ltd (travel agency).

The reason, again, I held interviews with two different segments, is to enable me to compare the activities of cultural diversity management of separate niche businesses in the industry. And due to the differences in business characteristics (retail sales with restaurant and travel business acting as a small niche in S Group's business activity versus the company operating mainly in the travel industry), company status (large company versus small company) and the environment (location – Lappeenranta versus Helsinki; main customers; and their business strategies) in which each company is operating. I also made two different lists of questions, yet they all targeted to answer the thesis's main questions:

- What are the attitudes of Finnish employers, especially top level managers, toward the foreign employees who have different cultural backgrounds?
- How does their human resource management deal with cultural diversity in three HRM practices: Training and development, Designing job, and Recruitment?

The analysis and comparisons in this chapter are concluded from the personal point of view of the thesis author, based on the interviews with the companies

and should not be understood as being applied to all companies in the industry in Finland.

12.1. The attitudes of Finnish tourism and hospitality companies

All managers of the companies understand the term "cultural diversity" but how much they engage with the meanings and attitudes to utilize the concept is different. These differences inevitably occur since the experience of each manager on the issue is not the same; nor is the enterprise environment, internal work culture and the company's target to marketable business the same.

Mr Vormisto sees the term as different people who are from different cultures working in the same organization and believes that there are many different ways to accomplish the work tasks; also he addressed:

> "*Cultural diversity is very important in South Karelia since the company is serving many customers from Russia, they have customers from China and Middle Europe too, but when comparing those groups with Russian customers, they account for a really small number in South Karelia*". (Vormisto 2013)

Therefore, they still have foreign workers but almost all of them are Russians who have been living in Finland for a long time and have adapted themselves into the Finnish culture but still maintain their own original culture. Those employees could speak fluently both Russian and Finnish and understand communication and behavior in both cultures so Mr Vormisto recognizes it as the benefits relating to cultural diversity brought to the company in South Karelia. However, when asking if he has ever experienced a situation where cultural conflicts happen, he answered that he had not and they may happen among employees but there have not been reports about them.

Ms Eerola, General Manager from Finland Society Travel Ltd. has a great knowledge and personal experiences in cultural diversity. She said:

> "*Cultural diversity is a fantastic word that could connect people around the world and it is great to see how people live, communicate and work in different ways. The cultural diversity is the term that refers to the environment where different people with different cultural background work but reach to the same company's goal".* She continued *"Understanding cultural diversity, we could share and understand different cultures that benefit and support company business in different ways*". (Eerola 2013)

For example, the company has one employee who is Chinese working as a coordinator between the company and its partners in China and Ms Eerola said that thanks to the lady, the company could do business easier with Chinese partners because the lady can speak the language and understand the business culture and also authority systems.

12.2. HRM practices on the cultural diversity management

Due to the differences in companies' status and strategies as well as the environment in which they are operating the business, the approach chosen to manage cultural diversity in the organization is also different; the consequent choices are totally depended on personal knowledge and recognition about the issues of each manager, not the organization.

a) Training and development

For the practices of training and development of personnel about cultural diversity, Mr Vormisto chose training as the most appropriate approach. He said:

> "*The company has training to teach employees how to work in different cultures, this training is held once a year but not has fixed plan for training session; it depends on the schedule of the company and this training is not compulsory as well as not all employees could attend the session, because we have so many employees and it is not possible for everyone leaving from work in one day just for the training*". (Vormisto 2013)

When I asked when the company is going to have the training for this year, the manager did not have any plan or schedule for the cultural training at the moment.

Ms Eerola chose the approach of the management of cultural diversity as a human resource program or strategy, and also adopting an employee relationship system. However, in her opinion, she prefers a human resource program and strategy to set up the plan for managing cultural diversity issue because of the company's current status. The company just has been starting to target the main marketable business in the Asian area and Russia from the year 2012. They only have partners in Beijing and Shanghai in China for Asian market now. Even though they have experience in working with lots of countries in Europe, North America, Australia and New Zealand; the Asian market is totally a different challenge for them. Therefore, before getting more Asian employees to help the company in expanding the business into other Asian countries, they need time to build up their internal work culture diversely including improving the leadership, the most important principle of the strategy, according to Ms Eerola as she concluded her MBA studies. The following one is training; the company does not have any training on the issue at the moment but she advised that they could tell stories, show pictures to understand other countries and cultures; the next is changing management style in recruitment and the last is to do research and evaluation about cultural diversity in the company.

b) Designing jobs

The questions about designing jobs for diverse culture workplace were set differently for each manager, too. From Mr Vormisto, I asked how he sees and how much differently he would design the job to motivate employees with different culture and style of workings, the choice is ranged from 1 to 5 with 1 is the fewest and 5 is the most different need and there are five categories: Skill variety, Task identity, Task significance, Autonomy and Feedback.

The results are:

Skill variety and Task identity: 1- very little difference between two employees with two different cultures

Task significance and Autonomy: 2 - much more difference

Feedback: 3 - the most different among job characteristics

With two first choices, we could see that the result reflects sharply the management style of Northern Europe (see Table 4, p. 43) where top managers prefer little differences in variety skills from two different cultural bases, the skill variety should not rely on individual knowledge like American style, yet rely on group knowledge and high value skill of variety; the same applies to task identity with little difference among different employees since they support collective perspective to complete specific task. This all matches the Japanese style (a representative for Asian working style), too. Moreover, in low PDI (Power Distance Index) country like Finland, it is the understandable choice of consultative relationship between superior and subordinate that leads to satisfaction, performance and productivity. However, in this aspect of task identity, the choice of Mr Vormisto fits to the American style more than to the Asian style.

In task significance and autonomy, he decided there is a need for more differences. Unconsciously, his choice would be an appropriate way, in my opinion; skill variety and task identity tend more to job related characteristics but task significance and autonomy are much of relating to individuals and personal affections, since in the definitions of those terms are mentioned how employees feel proud of taking the work task or at much they want freedom and control in their performing at job. Those personal characteristics are different in different cultures, they are even more complex among each person, therefore, Mr Vormisto's decision may effectively manage diverse culture via designing different task significance and autonomy, for example, American, Finnish and Japanese employees work together (see the differences in Table 4)

Ms Eerola said:

> "*Each person is totally different, not only the culture they are holding. Of course, the culture and its characteristics will lead the way when a person is working, but it primarily depends on the individual because people are flexible and we could change to adapt the environment, however, again, the culture also takes part in this process but not totally*". (Eerola, 2013)

Therefore, if the manager Eerola designed the job task for different cultures, she firstly would ask her employees how they would like to accomplish the task and it is suitable for them; then of course, studying the differences in each culture to design the job is also a crucial step to be followed.

Ms Eerola places "communication" as the most important method when talking about managing diverse cultures. I think Mr Vormisto is still not utilizing the advantages of communication related to cultural issues. On question 19 (appendix 1), which asked to know what Mr Vormisto's decision on different requirements from the employees, who have different religious practices are, e.g Muslim practices; he answered quickly that it was not possible to accept the request. The Muslim employee must follow the Finnish law and live in the Finnish working culture. This answer shows a sign of high UAI of a Finn, he refers quite strict rules, laws and regulation and masculinity in the management style, which could be understood in the culture of the industry.

c) Recruitment

The questions asked on this issue was how they would be able to attract foreign people working for them, how managers would prepare for a job interview with foreign applicants, what the requirement or criteria for making final decisions are and which questions they should avoid during the interview.

S Group has a company website in Russian, which is used both for business purposes and a little bit for employment, but mostly, people come to the company personally and apply for a job directly at the company. However, the

company does not have any job descriptions and job specifications or a worker handbook in other languages (not even in Russian) than Finnish. Moreover, the most crucial requirement for foreign applicants is that they have to speak Finnish. Mr Vormisto said he has never interviewed foreign applicants for a job so he does not know what the list of questions should be, however, those interviews should avoid the very personal questions, cultural religion issues and must follow Finnish legislations. Ms Eerola also agreed to avoid questions about personal life or something seen as sensitive questions on religious cultures; she also gave an example that when interviewing the Chinese and Finns, we could discuss the money with Chinese at first but with a Finn, we have to talk about the work conditions first.

12.3. Discussions on the interview results

As I mentioned before, the level of understanding and utilizing the opportunities of "cultural diversity" of each manager is different; Mr Vormisto understands the concept and its importance as well as diversity management being a the global trend, he has positive attitudes toward foreign employees; however, in my opinion, cultural diversity management is still vague and not strategized in S Group in South Karelia. In contrast, at Finnish Society Travel Ltd Company; even thought, cultural diversity is not shown clearly in the company's strategy but they still practice and blend it into the company business and management every day such as telling stories about different cultures or life in another country.

In the theory part, I have mentioned that one approach to managing cultural diversity is overcoming stereotypes and increasing fairness, which needs to be done for:
+ Pre–employment hiring screening
+ Job description: job description needs to be more rational
+ New standard structured interviews should be added into the screening system
+ Completely evaluating diversity – paying attention only to the employees' contribution.

Though neither does S Group have job description, evaluating system or new standard structured interviews with questions listed carefully and concisely; nor the travel agency, they still have talked about the fairness and dismissing stereotypes; for example Mr Vormisto, though his decision on the Muslim requirement as I described in the part "Designing job" (p. 58) was quite strict, he mentioned giving fairness for everyone, no special treatment will be given to any person. All that concluded should be based on employees' contribution to companies, in the case of promotion.

However, I agree with Mr Vormisto at some points when he said that following Finnish law and working culture is important. However, since he did not even give any opportunity for a discussion on the Muslim request, his decision seems to push the employee in force. It is very sensitive to make the decision as he did on things belonging to religious issues and practices. Yet, unintentionally, his decision manifests the feature of high – power distance in term of cultural diversity management in the industry, especially in catering business, as I mentioned above.

In addition, Mr Vormisto decided to design feedback the most differently, compared to other categories. A different culture has different a way to make, give and receive feedback. For example, direct appraisal could be seen as a way to improve productivity in an individualist society, but it could be a threat in a collectivist one. Monitoring systems depend on culture too. A complex monitoring system is necessary (High UAI) or a company could accept the ambiguity system by simple monitoring system (Low UAI). Yet, in a company or an organization, I think it would be effective and more appropriate if a company has the only one apparent process applied on every employee in the company; this process involves both appropriate characteristics of societies contrasted in each culture dimension of Hofstede that could diminish perspectives of employees about the discrimination in the company for certain cultures, especially between the dominant culture and others.

13. Conclusions

In conclusion, this thesis tried to answer the following:

- What are the attitudes of Finnish employers in the tourism and hospitality industry toward culturally diverse workforce?
- Are there any effective approaches for managing cultural diversity in an organization?
- How those approaches could be blended and implemented into three primary practices of Human Resource Management (HRM); Training, Designing job and Recruitment?

In the past, Finns had anxieties and attitudinal severity towards foreigners with different cultures; moreover, Finnish employers had negative attitudes towards foreigners who were usually blamed for a deterioration of the working conditions. Those prejudices were caused by fears, language problems and different customs, but the attitudes were not affected by religion, colors of skin or the need for supervision. However, nowadays, with the globalization trend and flow of immigrants coming to Finland, and what I have felt by myself when living in Finland for more than three years as a foreign student, Finnish employers in tourism and hospitality, in particular, are changing their attitudes and overcoming stereotypes and prejudices. They even consider those differences related to cultures and backgrounds of their employees the company's benefits and competence in the market and expanding their business into other countries.

Though the globalization trend affects all companies and organizations in tourism and hospitality to change their workforce and working environment to be more diverse in culture and customs and demand for new standard in management, those changes also need to be suitable to company's strategies, location where the company is operating its business, and also top managers' awareness and self–orientation on the issues.

Moreover, as I have realized from two interviewees, in my opinion, organizational strategies about management of cultural diversity in S Group located in Lappeenranta is somewhere between ethnocentric and synergistic, and the management style of Mr Vormisto is masculine. In contrast, Ms Eerola from Finnish Society Travel Ltd has feminine style of management and the company is placed at the starting point of establishing a synergistic organization. (see Table 2, p. 32)

This thesis suggested five approaches to effectively manage cultural diversity in an organization and those approaches have taken their part in human resource department. The first one is overcoming the stereotypes on other cultures and increasing the fairness between employees with different backgrounds and cultures.

The second approach is creating an organizational culture in which this culture does not direct to any specific existing culture, even dominant culture where the business is operating. This culture rules the reasoning, ways of acting, common shared values, codes of behavior and ethical standards in the organization and all those rules aim to support only the business and commercial activities. Members of the organization will find a unique belief and value system which is different from their original culture but still relative and common to them.

The third approach is changing the strategies in human resource department and utilizing modern management techniques, including strengthening leadership, making research and evaluation on cultural diversity management, providing in–service training programs, and changing the culture and management style by empowering to give significant amounts of autonomy regarding employees' work; and continuing improvement.

The fourth approach is adopting an employee relationship program. The programs are being created to increase awareness of cultural diversity, to improve positive attitudes toward differences among diverse groups. The

programs also help employees realize the same view points and relations among different ethnic groups; and being flexible in communication, and expressing personal concerns and confusions when facing cultural obstacles. The programs could also teach other language to local employees or celebrate different religious or traditional holidays of minority employees in the workplace

The last approach is a training program on cultural diversity. The training program must teach employees about various cultures, allow trainees to see the cultural differences and the truth about other cultures. After the training, employees should show more respect to other people with different cultural backgrounds, and achieve more understanding of others' beliefs and their traditions.

Those approaches above could have been blended and implemented separately or combined in the practices of human resource departments depending on the status of different organizations.

In the practices of training and development, it is necessary to define clearly the training program's needs, goals, characteristics of target trainees and requirements for success; and the two approaches: adopting employee a relationship program and training program on cultural diversity; which suggested above, could be valuable here.

In designing jobs, since there is little study and research on how to design jobs fit to all employees in diverse workplace, the thesis was based on the study on designing jobs for national culture (homogenous environment), aiming to give information on the relationship between job characteristics and cross–culture dimensions. The study would be helpful for further studies and research on this issue. In this thesis, the study could offer them a reference for a possible plan in the future. It also helps individuals who are working in diverse workplace giving more understanding about the origin of dominant organizational culture, and to be able to integrate it with their own cultures.

For the practice of designing job in diverse environment, the most suitable approaches are to create an organizational culture and change the strategies in the human resource department, because those approaches suggest a new system and unique cultural environment in the organization.

The last HRM practice is recruitment and for this practice which could be directed by the first approach, which requires the HR department to examine again their hiring systems, recruiting strategies and attitudes to foreign candidates as well as recognizing intensive interview questions to be avoided.

The last conclusion for this thesis is that the table of comparison between two companies on the cultural diversity issues.

	S Group	Finland Society Travel Ltd
Company status	Large company	Small company with 8 permanent employees
Location	Lappeenranta – city on the border between Finland and Russia	Helsinki
Main customers	- Local people (Finnish) - Russian	- Serving customers from over the world - Having partner most of Europe, North America and China
Main business	- Having different business - Tourism, Restaurant and Hotel is just a niche segment of their business	- Centralizing in tourism business
Top manager (interviewee)	Have little experience on cultural diversity	- Having great experiences on cultural diversity - Used to live in different countries and cultures
Diversity status in the organization	- Almost all foreign employees are Russians 8 Russians per 1000 employees - Working language: Finnish	- 8 permanent employees including 1 Chinese - Working language: Finnish and English
Organizational strategies about management of cultural diversity	Between ethnocentric and Synergistic	Synergistic
Chosen approach	Training program	- HR strategy (prefer more) - Employee relationship program
Recruitment	Questions are asked based on the Finnish law and regulations	Different placing of the order of questions and different way to ask
Management style	Masculinity	Femininity

14. Evaluation of the research

In overall, the thesis topic is really attractive to me because I have strong interests in the culture and management studies, especially on how to communicate between people coming different cultural backgrounds; and the most important is how I could manage differences between cultures and make these differences valuable and beneficial to daily life and work. Furthermore,

since my study plan aims at the master's degree - European Master in Tourism, Culture and International Management at University of Lapland, I think my research on the topic could give me a good commencement for the future studies.

The process of this thesis was quite smooth in the beginning until the thesis seminar. However, after the thesis seminar, I met a lot of difficulties when trying to reach the contacts with the case companies for an interview appointment. Since, my studying schedule and interviewee's work plans did not match well, for example Finland Society Travel Ltd Company is in Helsinki and the manager had many business trips abroad at that time; and Saimaa Holiday Club had a big event at the same time too, so then the appointment date and time was changed many times. As a result, I only had interviews with two companies, instead of three companies as I had planned in the thesis plan.

From this, I realized that what I had planned in my thesis seminar, as my supervisor said, was not very realistic and I was so optimistic about the plan that I did not prepare for an alternative plan in case an interview could not be made. However, all I could do was trying my best to make it real and the two case companies could satisfy me.

I also had big challenges in finding out resources for my theory part in the beginning. However, when relevant articles, journals and other information sources were found, I was overwhelmed by information and knowledge so that I did not know what I would need and write in the theory. It resulted that my preliminary version for this thesis was too long and heavy on theory, compared to what I had from research part. Thanks to my supervisor, I came back to the right track.

Through this thesis, I have learned many things. I have learned more about culture and diversity as well as cultural diversity, and that there are some theoretical frameworks contributing to cultural diversity. The most important is

that I got to know different approaches we could apply and blend into human resource management practices for effectively managing cultural diversity. Beyond the knowledge I have learned, I have also many of valuable experiences in finding academic resources for my research and how to write a long report like this thesis.

With this thesis, I hope that it would be useful for students who have interests in culture and management studies. As I mentioned, designing jobs for diverse workplaces is still a big question in the tourism and hospitality industry. There is less research on the issue, and it is really necessary for the industry, which is affected strongly by globalization trend. Therefore, designing jobs for diverse workplaces could be an interesting topic for future research and studies.

Figures

Diagrams

Tables

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Appendix 1

List of interview questions for S Group

1. At first, could you please introduce yourself?
2. Could you please give me some information about S Group, especially activities in tourism and hospitality industry?
3. My thesis is about Cultural Diversity Management plan in Tourism and Hospitality industry, so in your opinion, how you would define the term "cultural diversity"?
4. So in your opinion, how is it important to the industry?
5. Do you believe there is one way for doing things or that there are many different ways to accomplish the same goal?
6. As I know, the percentage of the personnel of S Group in tourism and hospitality sector is 23%, the second biggest just after supermarket trade so I would like to ask that among this 23%, do you have any foreign workers, particularly in South Karelia? If possible, do you know where they are from?
7. By which area in the company those foreigners are working? Managers, specialists or normal workers?
8. How do you see those foreign workers affect the business? What advantages do they bring to the company?
9. Have you ever experienced a situation where cultural conflicts happen?
10. In your opinion, what are the practical ways to overcome the problems, here I have some choices but I really appreciate if you could recommend another one.
11. Just in South Karelia, are you planning to hire more foreign employees? And which channels do you use for it?
12. When we plan for recruitment, we need to let job seekers understand job description and job specifications, so do you have them in other languages to attract foreigners?
13. Do you have any specific requirement or criteria when recruiting and selecting candidates among which foreigners are? How are they listed?
14. In case we have to interview foreign employees, as you know, there are many things we must pay attentions to, especially on questions we

will ask them. So in your opinion and in also your experience, what kinds of questions we should ask and what we should not ask?

15. Does the company have any instructions for making interview questions or training for interviewers?

16. Does the company have any plan for career development for foreigners who is working or will work for the company? Like the promotion instruction?

17. With the number of workers coming from different cultures and they speak different language, how does the company communicate with them about the job effectively, like does the company have a worker handbook in other languages than Finnish?

18. Because culture is as moderator of job design, in different culture or society, they have their own way to perform and accomplish work tasks. Therefore, here I would like to know at how much different you would decide on following job characteristics when designing a work task, for example American, Finnish and an Asian working together in the same group. (1: few; 5 most)

✓ Skill variety (require a variety of skills to carry out the tasks)

    1 ------------2------------ 3 ----------- 4 ------------5

✓ Task identity (clear completing work process)

    1 ------------2------------ 3 ----------- 4 ------------5

✓ Task significance (has an important impact on the lives of other people)

    1 ------------2------------ 3 ----------- 4 ------------5

✓ Autonomy (allow to make decisions)

    1 ------------2------------ 3 ----------- 4 ------------5

✓ Feedback (clear information about performance effectiveness from the work itself)

    1 ------------2------------ 3 ----------- 4 ------------5

19. It is just an example situation, like you have employees who are Muslim, Chinese, American and Jewish. Obviously, they have different religious practices and also different holiday.

- In Muslim, they need to spray 5 times a day, he ask for a room where he can practice the required Islamic prayer. They also have Ramadan day when they must do everything slowly but the work in restaurant needs them to be fast.

- The Jewish who is assigned to work on Saturday but that is the Sabbath in his faith. He asks for Saturday off, agreeing to work Sunday instead.

- The Chinese wants to have different holiday for Chinese New Year.

- An American plans to decorate the office with Christmas tree and nativity scene but it may affect on other cultures.

So here the questions:

- Do you agree with all requirements from the employees?

- What would you do if other employees feel unequal treatment from you for those requirements? Summer time, equal to everyone; not problem to give same rights, it very important

20. How would you give negative feedback to your employees who have different background?

21. Does company have any cultural event or cultural day in the company?

22. There are some ways to create workplace diversity such as having a program that teaches managers how to work in a diverse environment, how to manage people from different backgrounds and how to be interactive with them. So does the company have any training on cultural diversity concept for managers or employees? If yes, could you please describe it briefly? If not, how do you envision the training plan in the future?

23. To end this interview today, I would like to hear your other advices or suggestions on my thesis

Thank you!

Appendix 2

List of interview questions for Finland Society Travel Ltd.

1. At first, could you please introduce yourself a little bit? What responsibilities you are taking now in the company?

2. As I learned from the company website that the company is expanding the business and targeting to Asian markets, may I know which countries are you doing business with?

3. Do you have any problems when doing business or any difficulties when negotiating with them?

4. Have you ever felt or have your employees talked to you about cultural differences that may get you or them in troubles or uncomfortable situations when doing business with Asian partners?

5. Do you have any Asian employees in the company?

6. How do you think about having foreign employees in the company? Are there any benefits or challenges that you could think of?

7. In your opinion, what is cultural diversity?

8. Do you have any stereotype for a certain culture?

9. How do you let those different employees understand each other's culture?

10. There are some ways to improve and manage cultural diversity, how do you think about it? In case your company wants to have cultural diversity and must manage it, which will be the choice for company? (You can choose either one or many or all)

   - Overcome the Stereotypes and Increase Fairness
   - The necessity of blending cultural diversity with a dominant organization culture

     (The company rules the way of acting, how to dress, how to communicate and the only one language to be used in the company)

   - Dealing with management of cultural diversity extensively as a human resource program or strategy

- Improving the leadership
- Do research and evaluation about the cultural diversity

- Training knowledge about different cultures and help them to develop skills of managing cultural diversity issues
- Change management style in recruitment
- Adopt an Employee Relationship System
- Teaching other language to local employees
- Celebrating different religious or traditional holidays of minority employees in the workplace
- Involving minority employees' families into some company activities, and emphasizing the importance of minority workers to the companies

11. A different culture has a different way of doing the work task, how would you design the job to suit each person?
12. About the recruitment of foreign people, when you have to interview them, how would you prepare the questions? Are there any question we should avoid?

Thank you!