

# Corporate Diversity Management in Multinational Companies in Singapore. Lost in Translation?

Inaugural-Dissertation  
zur Erlangung der Doktorwürde  
der  
Philosophischen Fakultät  
der  
Rheinischen-Friedrich-Wilhelms-Universität  
zu Bonn

vorgelegt von

**Sarah Meinert**

aus

Neuss

Bonn 2011

Gedruckt mit der Genehmigung der Philosophischen Fakultät  
der Rheinischen Friedrich-Wilhelms-Universität Bonn

**Zusammensetzung der Prüfungskommission:**

Prof. Dr. Christoph Antweiler  
*(Vorsitzender)*

Prof. Dr. Solvay Gerke  
*(Betreuerin und Gutachterin)*

Prof. Dr. Thomas Menkhoff  
*(Gutachter)*

Prof. Dr. Hans-Dieter Evers  
*(weiteres prüfungsberechtigtes Mitglied)*

Tag der mündlichen Prüfung: 18. Juli 2011

To Nils and Ben

## **Acknowledgment**

This thesis would not have been possible without the support of many people to whom I'd like to express my gratitude.

First and foremost I would like to thank Prof. Dr. Solvay Gerke who continuously provided her guidance and (scientific) support from the very start to the end and Prof. Dr. Thomas Menkhoff who gave me valuable advice and support not only during my stay in Singapore. My field research in Singapore was funded by the Center of Development Research, University of Bonn and I'm very grateful for the support without which this thesis would not have been possible in this form. I'm very grateful to Prof. Dr. Tan Hwee Hoon, Dr. Patrick H. M. Loh and Dr. Rani Tan from the Lee Kong Chian School of Business at the Singapore Management University from whom I received valuable input, help and advice. I would also like to show my gratitude to Prof. Dr. Hans- Dieter Evers, Dr. Wolfram Schaffar, Dr. Oliver Pye and Prof. Dr. Tilman Schiel who have made available their scientific support in a number of ways.

Furthermore I'd like to thank my respondents at the companies where I conducted research as well as the interviewed experts without whom the research would not have been possible and who allowed me to gain an insight into their companies' diversity management and shared their knowledge with me.

Last, but definitely not least I'd like to thank my husband Nils, my family and friends in Germany as well as Singapore - in particular Sheda, Suri and Maziah Omar- for their ongoing support, encouragement and inspiration as well as our son Ben without whom I probably would not have finished the thesis as quick as I did.

# Contents

<b>Deutsche Kurzfassung</b>	<b>1</b>
<b>1 Introduction</b>	<b>15</b>
1.1 How Affirmative Action became Diversity Management - The Re-theorisation of a Management Concept . . . . .	16
1.2 The Dissemination and Institutionalisation of Diversity Management on a Global Level . . . . .	22
1.3 The Multiple Facets of Diversity in Singapore and its Management . . . . .	31
1.4 Structure of the Thesis . . . . .	44
<b>2 The Institutionalisation of Diversity Management: Fundamental Concepts and Processes</b>	<b>46</b>
2.1 From Early to ‘New’ Institutional Theory . . . . .	47
2.2 Central Concepts of New Institutional Theory . . . . .	54
2.2.1 Institutions: Diversity of Definitions and Concepts . . . . .	54
2.2.2 Legitimacy and Rationality as Social Constructions and Beliefs . . . . .	58
2.2.3 Organisations and their Environments: From Organisational to ‘Issue’ Fields . . . . .	61
2.2.4 Incorporating Processes of Institutionalisation and Institutional Change . . . . .	65
2.2.5 Diffusion and Translation: The Spread of Ideas and Concepts . . . . .	71

---

<b>3</b>	<b>The Social Construction of Workforce Diversity and an Interpretation of its Value and Challenges in the Singaporean Business Context</b>	<b>80</b>
3.1	The Singaporean Social Reality of Corporate Workforce Diversity . . . . .	81
3.2	Differences as Value: Constructing and Interpreting Diversity in the Singaporean Corporate Context . . . . .	102
3.3	Differences as a Challenge: Arising Conflicts, Demands and the Need for a Mindset Change . . . . .	113
<b>4</b>	<b>Translating and Implementing Diversity Management at Moneta Singapore and Logistica Singapore</b>	<b>119</b>
4.1	Workforce Diversity as a Solution to Moneta Singapore’s Demographic Crisis: Adoption and Implementation of Diversity Management . . . . .	120
4.2	Rejected Translation: Workforce Diversity at Logistica Singapore . . . . .	131
4.3	The Commodification of Otherness: Diversity Management at Logistica Group . . . . .	144
4.3.1	The Embeddedness of Diversity Management at Logistica Group . . . . .	155
4.4	Diversity Management and its Linkages to other Initiatives at Moneta Singapore . . . . .	160
<b>5</b>	<b>Diversity Management in the Singaporean Context between Constitutive Institutions and Systematic Utilisation</b>	<b>164</b>
5.1	Institutions as Determinants of Singapore’s Business Environment . . . . .	165
5.2	Possibilities and Limitations of the Systematic Utilisation of Diversity Management in the Singaporean Business Context . . . . .	181
<b>6</b>	<b>Lost in Translation? Concluding Remarks on Workforce Diversity Management at Moneta and Logistica in Singapore</b>	<b>202</b>
	<b>Bibliography</b>	<b>215</b>

A Methodologies Applied	230
B Questionnaire: Logistica Singapore SINRO	235
C Questionnaire: Logistica Singapore SINCO's HR Department	237
D Questionnaire: Logistica Singapore SINCO Marketing and Operations Department	240
E Questionnaire: Moneta Diversity Committee	243
F Questionnaire: Technica Singapore	246
G Questionnaire: Experts	248
H Statistical Survey	250

# List of Tables

- 1.1 Equal Employment, Affirmative Action, Managing Diversity: Assessing the Differences . . . . . 19
- 1.2 Benefits of Workforce Diversity and its Management . . . . . 24
- 1.3 Age Composition of Singapore’s Resident Population . . . . . 38
  
- 2.1 Differences between Old and New Institutional Theory . . . . . 53
- 2.2 Scott’s Three Pillars of Institutions . . . . . 56
- 2.3 Different Dimensions of an Organisational Environment . . . . . 66
- 2.4 Stages of Institutionalisation . . . . . 70
- 2.5 Comparison of the Theoretical Concepts of Diffusion and Translation . . . . . 74
  
- 4.1 Moneta Singapore Diversity Initiatives . . . . . 123
- 4.2 Logistica Diversity Initiatives . . . . . 149
  
- A.1 Interviews Conducted in the Course of the Research . . . . . 233
  
- H.1 Questionnaire for the Statistical Survey . . . . . 250
- H.1 Questionnaire for the Statistical Survey . . . . . 251



# List of Figures

- 1.1 Labour Force Participation Rate of Singapore’s Female Resident Population 38
  
- 2.1 Organisational Legitimacy and Survival . . . . . 60
  
- 3.1 Moneta Diversity Definitions . . . . . 83
- 3.2 Logistica SINRO and SINCO Diversity Definitions . . . . . 89
- 3.3 Logistica SINRO Diversity Definitions . . . . . 89
- 3.4 Logistica SINCO Diversity Definitions . . . . . 92
- 3.5 Diversity Definitions of Multinational Companies . . . . . 95
- 3.6 Daimler Diversity Dimensions . . . . . 97
- 3.7 Religious Affiliation of Employees working at Logistica SINCO’s Service Centre . . . . . 111
  
- 4.1 Logistica’s Business Benefits of Workforce Diversity . . . . . 146

This thesis is based on research conducted in two large and well known Fortune Global 100 companies. Since both companies liked to remain anonymous, I replaced their real names - in the text as well as in the bibliography - by pseudonyms: Logistica for the multinational logistic provider and Moneta for the multinational financial service firm.

# Deutsche Kurzfassung

„Vorsprung durch Vielfalt“ (Keil, 2004, S. 86) - so der Titel eines Artikels über den unternehmerischen Umgang mit Verschiedenheit der Mitarbeiter. Hervorgehoben werden die zunehmenden Veränderungen der Struktur von Mitarbeitern, Kunden, Interessensgruppen und dem gesellschaftlichem Umfeld durch verschiedene Faktoren wie beispielsweise Globalisierung und demographischer Wandel. Daraus entstehen wiederum wirtschaftliche Chancen für die Unternehmen. Mitarbeiter mit unterschiedlichen Identitätshintergründen, Kompetenzen und professioneller Ausrichtung dienen den Unternehmen zunehmend als Ressource deren Nutzen sich durch entsprechendes Management erschließt. Diversity Management wird in diesem Zusammenhang als Managementkonzept beschrieben, das Unternehmen effektiver, produktiver und profitabler machen kann und zunehmend von Unternehmen und Organisationen weltweit übernommen wird.

Das originär im U.S. amerikanischen Kontext entstandene Diversity Management<sup>1</sup> entwickelte sich als Antwort auf die abnehmende politische Unterstützung und Bedeutung von staatlich angeordneten Maßnahmen der Affirmative Action und Equal Employment Opportunities der 1960er und 1970er Jahre. Anfänglich wurden Maßnahmen wie beispielsweise Interviewleitfäden oder Stellenausschreibungen - die vormals unter Affirmative Action oder Equal Employment Opportunities liefen - zu Diversity Management definiert. Später verlagerte sich die entsprechende Rhetorik von der Einhaltung gesetzlicher Vorschriften hin zu den Vorteilen, die die Vielfalt der Mitarbeiter mit sich bringt und zog zudem die Entwicklung entsprechender Maßnahmen nach sich. Im Zuge dieser Umdeutung durch eine Gruppe von Akteuren wie Experten für Affirmative Action und Equal Employment Opportunities in den Unternehmen, Consultants, Industrie- und Handelsverbände sowie Wissenschaftlern wurde der normative Wert und die entsprechende Legitimierung des Diversity Managements konstruiert und trug so zu der zunehmenden

---

<sup>1</sup>Da auch im deutschen Sprachraum zumeist der englische Begriff Diversity Management von Unternehmen sowie in der Wissenschaft und Literatur verwendet wird, wird dies in dieser Zusammenfassung beibehalten.

Institutionalisierung und Verbreitung des Managementkonzepts im U.S. amerikanischen Kontext bei.

Diversity Management gewann insbesondere durch Objektivierung und Abstraktion zunehmend an Bedeutung und Popularität im internationalen Kontext und förderte damit die weltweite Verbreitung des Konzepts. Ersteres beinhaltet die Darstellung von Diversity Management als Lösung für bestimmte Veränderungen im nationalen und internationalen wirtschaftlichen sowie unternehmerischen Umfeld und die damit zusammenhängenden Herausforderungen wie zum Beispiel demographischer Wandel oder Diversifizierung der Mitarbeiter und Kunden. Letzteres die Loslösung des Konzept aus einem bestimmten lokalen Kontext sowie die Allgemeingültigkeit der propagierten Vorteile, die sich aus erfolgreich angewandtem Diversity Management ergeben. Trotz des anhaltenden Erfolgzugs von Diversity Management ist insbesondere dessen Nutzen im unternehmerischen Kontext nicht unumstritten und eine eindeutige Korrelation zwischen Mitarbeiterdiversität und gesteigerter Arbeitsleistung sowie Effizienz ist trotz zahlreicher Studien nicht eindeutig erwiesen. Des weiteren besteht kein Konsens in der Literatur und innerhalb von Unternehmen, was unter dem Management von Diversität zu verstehen ist und welche Maßnahmen für dessen Etablierung zu ergreifen sind. Dennoch wird Diversity Management nicht nur von zahlreichen Unternehmen übernommen, vielmehr wird es auch von internationalen Organisationen wie der internationalen Arbeitsorganisation propagiert und trägt damit zu einer weiteren Verbreitung und einem erhöhten Anpassungsdruck für Unternehmen bei. Bei genauerem Hinsehen wird jedoch deutlich, dass das Konzept des Diversity Managements und viele damit zusammenhängenden Maßnahmen immer noch durch ihre Entwicklung und Verankerung im U.S. amerikanischen Kontext geprägt sind und wirft insofern die Frage nach der Übertragbarkeit und der Wahrscheinlichkeit der Institutionalisierung des Managementkonzepts in andere Kontexte mit unterschiedlichem wirtschaftlichen, politischen und sozialen Hintergründen auf.

Die mannigfaltige Diversität, die Unternehmen in Singapur vorfinden, stellt auf der einen Seite einen potentiellen ökonomischen Wert und Wettbewerbsvorteil dar, der möglicherweise eines aktiven Diversity Managements bedarf um diese Ressourcen entsprechend nutzen zu können. Auf der anderen Seite sind Unternehmen mit einem aktiven Diversity Management der singapurischen Regierung sowie den demographischen Veränderungen konfrontiert, was wiederum Mitarbeiter und ihre Beziehung zueinander prägt sowie den Fachkräftemangel weiter verschärft. Beides stellt eine Herausforderung an die Unternehmen und ihr Management dar. Dieses Spannungsfeld bildet den Rahmen für diese

Dissertation, die sich mit der Frage beschäftigt wie zwei multinationale Unternehmen - Logistica Singapore und Moneta Singapore - und die Akteure innerhalb des Unternehmens das weltweit verbreitete Konzept des Diversity Managements in den lokalen singapurischen unternehmerischen Kontext, der durch bestimmte ökonomische, politische, soziale und kulturelle Rahmenbedingungen und Institutionen geprägt ist, übersetzen, (um)deuten, anpassen und implementieren und somit zu einer (eventuellen) Institutionalisierung des Konzepts beitragen. Den analytischen Rahmen bildet der Neo-Institutionalismus welcher zum einen die Bedeutung institutioneller Rahmenbedingungen und externer Erwartungen, die die Handlungen von Akteuren beeinflussen, hervorhebt. Zum anderen schreibt er den Akteuren innerhalb der Organisationen eine aktive Rolle im Institutionalisierungsprozess zu. Beide Aspekte spielen eine wichtige Rolle bei der Übersetzung, Interpretation und Adaptierung des Diversity Management Konzepts in den singapurischen Kontext. Die metaphorische Verwendung des Begriffs Übersetzung soll in diesem Zusammenhang deutlich machen, dass es sich bei der Verbreitung von Konzepten um Ideen und Modelle und deren Rationalisierung handelt, die nicht einfach von einem in den anderen Kontext transferiert werden können, sondern dem jeweiligen Kontext gemäß angepasst werden müssen. Um von einem Kontext in den anderen übertragen werden zu können bedarf es zunächst der Vereinfachung und Abstraktion - einer Theoretisierung - des Konzepts, welches dann von Akteuren übersetzt und adaptiert wird. Dabei können die Ergebnisse der Übersetzung durchaus sehr unterschiedlich ausfallen. Neben der Fokussierung auf die Mikroebene - der Übersetzung des Diversity Management Konzepts durch die damit betrauten Akteure in den jeweiligen Unternehmen - ist es ein Ziel der Dissertation, durch die Einbeziehung des institutionellen Rahmens, in dem dieser Übersetzungsprozess stattfindet, einen Brückenschlag zwischen Mikro- und Makroebene zu schaffen. Auch das neo-institutionalistische Konzept der Legitimation spielt eine wichtige Rolle bei der Analyse der erhobenen Daten. Hierbei hängt das Überleben und der Erfolg einer Organisation nicht nur von ihrer Formalität und Effizienz ab, sondern ebenso von ihrer Fähigkeit und Bereitschaft, bestimmten Erwartungen des institutionellen Umfeldes gerecht zu werden. Es wird somit zwischen dem ökonomischen Nutzen, der mit der Adoption des Diversity Management Konzepts einhergeht und der Legitimität, die den Unternehmen im Zuge der Adoption von internen und externen Interessensgruppen zugeschrieben wird, unterschieden. Die Feldforschung - aus der ein Großteil der empirischen Daten stammt - fand von Oktober 2006 - Juni 2007 in Singapur statt und beinhaltet semi-strukturierte Interviews sowie statistische Erhebungen und Beobachtungen, die bei Logistica Singapore und Moneta Singapore durchgeführt wurden. Des weiteren flossen Informationen in die Analyse ein, die während der Arbeit

der Autorin in Logistica Singapur's Mutterkonzern in der Abteilung Corporate Culture gesammelt wurden sowie Informationen aus sekundären Datenquellen.

Einen ersten Zugang zu den Übersetzungs- und Institutionalierungsprozessen von Diversity Management stellen die Definition von Diversität sowie die Konstruktion von Diversity Management als Nutzen und Herausforderung durch unternehmensinterne Akteure dar. Bezüglich der Definition von Diversität im unternehmerischen Kontext zeigte sich, dass diese einem Konstruktionsprozess der beteiligten Akteure unterliegt, welcher sich nicht nur auf das Unternehmen selbst beschränkt, sondern auch eine Reproduktion der sozialen Realität und dominanter Diskurse außerhalb der Unternehmen darstellt. Hierbei spielen die verschiedenen Grade von Nähe und Ferne, das heißt die unmittelbare Gegenwärtigkeit beziehungsweise Abwesenheit sozialer Interaktion, wie sie bereits bei Berger and Luckmann, 1966 beschrieben wurden, eine wichtige Rolle und tragen entscheidend zu der Definitionen von Diversität im unternehmerischen Kontext bei. So werden Diversitätsmerkmale wie Alter, Geschlecht, Nationalität, Kultur oder Bildung, die die präsenste Diversität der Mitarbeiter sowie populäre Diskurse und Institutionen im singapurischen politischen, sozialen und ökonomischen Kontext widerspiegeln, häufig genannt. Hierbei handelt es sich um die Reproduktion objektiver sozialer Fakten, die als gegeben hingenommen werden und die Eingang in die Unternehmen finden. Anders verhält es sich beispielsweise bei dem Diversitätsmerkmal Behinderung, welches aufgrund der geringen sozialen Nähe für die meisten Interviewten kaum Eingang in individuelle Diversitätsdefinitionen findet, obwohl es ein Schwerpunktthema der Diversitätsinitiative von Moneta Singapore darstellt. Diese sozial konstruierten Definitionen von Diversität stehen im Gegensatz zu den von den singapurischen Unternehmen publizierten und von den jeweiligen Mutterkonzernen herausgegebenen Diversitätsdefinitionen, mit denen sie kaum etwas gemein haben. Diese gleichen eher denen anderer multinationaler Unternehmen, deren Definitionen auffällig ähnlich sind und deren Kategorisierung zumeist aus der Literatur übernommen wurde. Aufgrund ihrer Allgemeingültigkeit spiegeln diese nicht die lokale unternehmerische Realität wider und berücksichtigen somit nicht die sozialen, politischen und ökonomischen Faktoren, die die Konstruktion der Diversitätsdefinitionen beeinflussen. Es wird somit deutlich, dass es einer Übersetzung und entsprechenden Interpretation und Adaption bedarf, damit die Definitionen von Diversität die lokalen sozialen Gegebenheiten miteinbezieht und zu einer objektivierten Realität in dem jeweiligen Unternehmen werden kann. Zudem spielt eine entsprechende Diversitätsdefinition eine wichtige Rolle bei der Schaffung von Bewusstsein für Diversität und bei der Verankerung der entsprechenden Diversitätsattribute, auf die das Diversity Management der Unternehmen abzielt.

Anders als die Definitionen von Diversität, die von der sozialen Realität innerhalb und außerhalb der Unternehmen bestimmt werden, wird der Wert und Nutzen von Diversität hauptsächlich mit Hilfe von weit verbreiteten Theoretisierungen, die sich in der populären Literatur wiederfinden und von Experten propagiert werden, konstruiert. Zumeist bezieht sich der Wert von Diversität auf den ökonomischen Nutzen, den Diversität und dessen Management dem Unternehmen bringt. Die angeführten Argumente gleichen sich in beiden untersuchten Unternehmen. Es wird allgemein davon ausgegangen, dass Diversität und damit einhergehende verschiedene Ideen, Wissen und Einstellungen die Arbeit und Prozesse innerhalb eines Teams oder einer Abteilung und deren Ergebnisse positiv beeinflusst. Des Weiteren soll Diversity Management die Motivation und den Einsatz der Mitarbeiter steigern. Eine erhöhte Mitarbeiterdiversität entspricht zudem der zunehmenden Diversität der Kunden sowie der Märkte und wird mit einer positiven externen Wahrnehmung des Unternehmens verbunden. Diversität wird somit als ein ökonomisches Muss konstruiert und legitimiert. Es wird jedoch in den Interviews deutlich, dass bestimmte Diversitätsattribute, denen ein wirtschaftlicher Nutzen zugeschrieben wird, nicht mit entsprechenden Individuen, die diese Diversitätsattribute mit in das Unternehmen bringen könnten, in Verbindung gebracht werden. Des Weiteren zeigte sich am Beispiel zweier untersuchter Abteilungen (Logistica Singapore Marketing und Service Center), dass durchaus eine klare Vorstellung vorherrscht, warum Diversität in den Abteilungen von Nutzen sein könnte. Dies variiert jedoch entsprechend den Aufgaben der Abteilungen und kann zudem nicht in Form von Individuen und entsprechendem Management konkretisiert werden. Insofern kann davon ausgegangen werden, dass die angeführten Vorteile und der Nutzen von Diversität und dessen Management als rhetorische Phrasen wiedergegeben werden, ohne dass eine Übersetzung in den singapurischen Kontext erfolgt. Den einzigen im Unternehmen nachvollziehbaren Nutzen hat Diversität in Situationen, in denen es um Schichtpläne der Kuriere geht, bei denen darauf geachtet wird, dass sie ethnisch divers sind um eine adäquate Besetzung der einzelnen Service Center auch an ethnischen und/ oder religiösen Feiertagen zu gewährleisten. Ein weiterer Diskurs, der den ökonomischen Nutzen von Diversity Management untermauern soll, dreht sich um den Mangel an Fachpersonal und gut ausgebildeten Nachwuchskräften. Auch hier wird der Nutzen von Diversität teilweise auf theoretischem Level konstruiert, ohne dies im unternehmerischen Kontext verifizieren zu können. Moneta Singapore bedient sich dieses Diskurses im Zuge der Einstellung von Mitarbeitern, die nicht unbedingt von Unternehmen umworben werden, wie ältere oder körperlich behinderte Arbeitnehmer. Deren ökonomischer Wert und Einstellung wird im Zuge des Fachkräftemangels konstruiert und

stellt eine Übersetzung des Diversity Managements in den lokalen Kontext dar.

Insgesamt wird deutlich, dass der Nutzen von Diversity nur auf normativer Ebene durch Zurückgreifen auf verschiedene allgemeine Diskurse konstruiert wird und nicht in den lokalen unternehmerischen Kontext übersetzt sowie nicht anhand von konkreten Beispielen dargelegt werden konnte. Eine Übersetzung findet nur statt, wenn der Diskurs inhaltlich mit dem Kontext in Verbindung gebracht werden konnte. Des Weiteren wird Diversity Management selten in Betracht gezogen um die angeführten Vorteile und Nutzen von Diversität zu erzielen. Im Gegensatz zu dem Nutzen wurden die Herausforderungen, die Diversität mit sich bringen kann, häufiger konkretisiert und mit Beispielen untermauert - angeführt wurden Sprachschwierigkeiten, Sensitivitäten bezüglich kultureller Unterschiede oder praktische Dinge die berücksichtigt werden müssen wie beispielsweise eine Mikrowelle für Lebensmittel die halal sind. Als wichtigste Herausforderung wird die notwendige Änderung der Denkweise (mindset) bezüglich Diversität und dessen Management und der Verankerung dessen in der Unternehmenskultur erachtet. Bei Moneta Singapore stellt sich in dieser Hinsicht eher die Frage nach der Operationalisierung von Diversity Management auf allen Ebenen des Unternehmens und der entsprechenden zu erzielenden positiven Haltung der Mitarbeiter zu Diversität. Im Gegensatz dazu existiert bei Logistica Singapore gar keine Verbindung von dem normativ konstruierten Nutzen von Diversität, dessen Auswirkung auf den Geschäftserfolg und entsprechender Operationalisierung. Daher existiert kein sogenanntes Diversity mindset und dessen Etablierung wird auch nicht angestrebt.

Der Adaption und Implementierung des Diversity Management Konzepts geht neben dem Übersetzungs- ein Interpretationsprozess voraus, der sich nach den jeweiligen Unternehmensanforderungen richtet. Es zeigt sich, dass sich die Interpretation und Motivation für eine mögliche Adaption und Implementierung bei Moneta Singapore und Logistica Singapore unterscheiden und zu fundamental verschiedenen Herangehensweisen bezüglich Diversity Management führen. Moneta Singapore interpretiert Diversität als eine Lösung für den demographischen Wandel, von dem die Bank hinsichtlich des damit zusammenhängenden Fachkräftemangels betroffen ist. Diversity Management bedeutet in diesem Zusammenhang die Fokussierung auf verschiedene Gruppen von Arbeitnehmern, die nicht zu den allgemein umworbenen jungen, gut ausgebildeten Fachkräften gehören. Der Wert älterer Mitarbeiter, die von Moneta im Zuge der umzusetzenden Diversitätsstrategie offensiv umworben werden, liegt in deren akkumulierten Wissen, Erfahrung und Seriosität, was insbesondere in Bezug auf Kundenbeziehungen von Nutzen ist. Arbeitnehmer mit



körperlicher Behinderung werden als loyal, zuverlässig und motiviert beschrieben und sollen auf umstrukturierbaren Arbeitsplätzen wie zum Beispiel in Call Centern zum Einsatz kommen. Der lokale Kontext stellt somit die Basis für die Übersetzung und Implementierung eines Teils des Diversity Management Konzepts dar. Der Wert und die Vorteile der Einstellung dieser Arbeitnehmer wird unternehmensweit kommuniziert und damit legitimiert und trägt so zur Konstruktion einer neuen sozialen Realität von Diversität im unternehmerischen Kontext bei. Der Prozess der Institutionalisierung wird zudem durch die Einbettung von Diversity Management in die Gesamtstrategie und die Verbindung zu anderen Initiativen gefördert. Eine Adaption des Konzepts ist die Einführung von Zielgrößen bezüglich älterer Arbeitnehmer und solchen mit körperlicher Behinderung, die sich in ihrer Konnotation von Quoten unterscheiden. Des Weiteren wurde eine zusätzliche Diversifizierung in Form von Frauenförderung oder der Einstellung von Praktikanten aus verschiedenen ethnischen Gruppen angestrebt, um durch Diversität auf unternehmerischem Level erfolgreich der zunehmenden Diversität der Märkte, Konsumenten und Interessengruppen begegnen zu können. Unter Diversity Management wird nicht das Management einer diversen Mitarbeiterschaft verstanden, sondern bedeutet im Kontext von Moneta Singapore eine geänderte Fokussierung und Wahrnehmung bezüglich verschiedener Gruppen von Arbeitnehmern. Es besteht zudem kein Konsens darüber, was Diversity Management grundsätzlich beinhaltet. Es wird angesichts der derzeitigen Übersetzung und Implementierung sowie der geringen Unterschiede zu anderen Strategien und Initiativen wie beispielsweise Talent Management oder Demographic Management als Schlagwort ohne einheitliche Definition und Inhalt verwendet.

Im Gegensatz zu der grundsätzlich positiven Interpretation von Diversity Management bei Moneta Singapore, hat dies bei Logistica Singapore eine negative Konnotation. Es wird mit Quoten und Affirmative Action in Verbindung gebracht und als von außen aufgelegte Strategie wahrgenommen. Der Hauptgrund für die ablehnende Haltung ist Logistica Singapore's Geschäftsstrategie und -ziele, zu deren Erreichung Diversität und dessen Management laut der interviewten Manager nichts beitragen kann. Der Arbeitskräftebedarf von Logistica Singapore wird hinsichtlich der hochqualifizierten Mitarbeiter durch interne Entwicklung und Förderung sichergestellt. Den Hauptteil des Arbeitskräftebedarfs stellen jedoch weniger qualifizierte Arbeitnehmer - ein Segment, das von dem vorherrschenden Fachkräftemangel weniger betroffen ist. Diversity Management wird somit nicht als Lösung des Fachkräftemangels interpretiert, so wie es bei Moneta Singapore der Fall ist, was den unterschiedlichen Arbeitskräftebedarf eines Logistikunternehmens und einer Bank deutlich macht. Außerdem wurden informelle, nicht schriftlich fixierte

und somit auch nur schwer nachweisbare Strukturen ausgemacht, wie Mitarbeiter mit der vorhandenen Diversität umgehen. Auch wurde die Zusammensetzung der Abteilungen entweder als homogen beschrieben, die somit kein entsprechendes Management benötigt oder aber als heterogen genug wahrgenommen, die keiner weiteren Diversifizierung mehr bedarf. Das Konzept Diversity Management wird insofern im unternehmerischen Kontext von Logistica Singapore nicht benötigt.

Logistica Singapore's Mutterkonzern hat jedoch aufgrund der sich veränderten Märkte, Konsumenten und Interessengruppen sowie als global agierendes Unternehmen Diversity Management als Nutzen und Vorteil erkannt und entsprechende Übersetzungs-, Interpretations- und Implementationsprozesse in Gang gebracht. Wird jedoch die externe Darstellung von Diversity Management mit der internen Implementierung verglichen, dann wird deutlich, dass die entsprechenden Initiativen eine geringe Tragweite haben und auf einen kleinen Kreis von Mitarbeitern (d.h. zumeist im Headquarter) beschränkt sind. Aufgrund dieser Diskrepanz wird deutlich, dass die Adoption von Diversity Management momentan eher dem erhöhten externen Druck und Erwartungen des institutionellen Umfeldes geschuldet ist als dass es den propagierten wirtschaftlichen Nutzen erfüllt. Das Konzept genießt geringe Akzeptanz, Verbreitung und Legitimität, erfährt wenig Unterstützung von Vorstand und Managern und hat damit einen geringen Institutionalierungsgrad im Konzern. Die Existenz von Diversity Management ist in dem Maße begrüßenswert, in dem es nicht viele Ressourcen beansprucht. Die Abteilung Corporate Culture, die mit der Übersetzung, Interpretation und Implementierung des Konzepts betraut ist, erfüllt die Zielsetzung, Diversity Management erfolgreich zu operationalisieren, nur in geringem Maße: Eine Institutionalisierung sowie Internationalisierung fand bislang nicht statt. Eine Legitimation des Konzepts durch Verknüpfung an andere, bereits erfolgreich etablierte Strategien und Programme war wenig erfolgreich. Es besteht zudem nicht nur bei Logistica's Mutterkonzern sondern auch bei Moneta Singapore kein Konsens darüber, wo Diversity Management im unternehmerischen Kontext verankert werden soll. Zum einen wird Diversity Management dem Bereich der Personalentwicklung zugeschrieben, zum anderen wird es als Corporate Social Responsibility angesehen. Es wird jedoch deutlich, dass diese Verankerung ein wichtiger Faktor ist um Diversity Management als holistischen und nachhaltigen Ansatz zu etablieren, der dem Unternehmen sowie auch seinen Mitarbeitern Vorteile bringt.

Insgesamt wird deutlich, dass die Implementierung von Diversity Management nicht eine zwingende Notwendigkeit ist, wie es häufig von verschiedenen Seiten propagiert wird.

Die Übersetzung und Interpretation des Konzepts hängt von den verschiedenen Gesamtstrategien und dem damit zusammenhängenden Arbeitskräftebedarf ab. In der Analyse tritt ebenfalls zu Tage, dass die beteiligten Akteure der Abteilung Corporate Culture in Logistica's Mutterkonzern und Moneta Singapore's Diversitykommittee eine aktive Rolle bei der Übersetzung und Interpretation des Konzepts spielen und somit maßgeblich die Implementierung und Adaption beeinflussen.

Neben der aktiven Rolle der unternehmerischen Akteure spielt das institutionelle Umfeld durch entsprechende Strukturen, Erwartungen und Kognitionen im Prozess der Institutionalisierung des Diversity Management Konzepts eine wichtige Rolle. Die Definitionen und die Wahrnehmung von Diversität, die auch in den unternehmerischen Kontext hineingetragen werden, werden durch das aktive Diversity Management der singapurischen Regierung geprägt. Die ethnischen, religiösen, sprachlichen und kulturellen Unterschiede, welche sich aus Singapur's historischer Entwicklung ergeben, bilden den Rahmen für dieses Diversitätsmanagement. Es zielt besonders auf die Verhinderung ethnisch motivierter Konflikte ab und stellt damit die Basis für ein stabiles politisches und ökonomisches Umfeld dar. Dies fördert wiederum die Ansiedlung multinationaler Unternehmen, auf die die wirtschaftliche Entwicklung des rohstoffarmen Singapur angewiesen ist. Das Management der verschiedenen ethnischen Gruppen beinhaltet die Deutungshoheit über die individuelle Zugehörigkeit und Zuschreibung weiterer damit zusammenhängender Identitätsmarker. Es installiert damit kognitive Institutionen, die als selbstverständlich gelten, nicht hinterfragt werden und die die sozialen Interaktionen auch innerhalb von Unternehmen beeinflussen und so beispielsweise Vorurteilen Vorschub leisten können. Dadurch wird deutlich, dass diese Institutionen durch ihren (indirekten) Einfluss im unternehmerischen Kontext bei der Übersetzung und Implementierung von Diversity Management in Betracht gezogen werden müssen. Um das Ziel der Wettbewerbsfähigkeit Singapur's im internationalen Rahmen zu gewährleisten, betreibt die singapurische Regierung nicht nur das Management der vorhandenen Diversität sondern versucht auch durch politische Maßnahmen - wie zum Beispiel eine pronatalistische Politik oder die Steuerung der Immigration - den demographischen Wandel abzufedern. Der geförderte Zustrom von Arbeitsmigranten führt zum einen zu einem potentiell weltweit verfügbaren Arbeitskräftepool was von Vorteil für Unternehmen sein kann, die unter Arbeitskräftemangel leiden. Zum anderen führt es zu einer weiteren Diversifikation der Mitarbeiter, was die Bedeutung von Diversity Management erhöhen könnte. Dieser Zustrom wird jedoch von Singapurern nicht zwangsläufig als positiv erachtet, was die Einstellung und Verhalten gegenüber ausländischen Arbeitskräften beeinflusst und sich auch im Unternehmen widerspiegelt.

Die Analyse zeigt, dass das institutionelle Umfeld einen bedeutenden Einfluss auf die Übersetzungs- und Implementierungsprozesse des Konzepts hat und dabei nicht außer Acht gelassen werden kann. Es wird außerdem deutlich, dass die singapurische Regierung durch ihre verschiedenen Maßnahmen ein wichtiger Akteur im issue-Feld Diversity Management darstellt - auch im unternehmerischen Kontext. Dieses issue-Feld ist ein im Neo-Institutionalismus verankertes Konzept, das die Aktivitäten unterschiedlicher Akteure und das Nebeneinander verschiedener institutioneller Logiken sichtbar macht. Trotz des großen Einflusses der singapurischen Regierung bleibt dieser jedoch indirekt, da es keine gesetzlichen Grundlagen gibt, die bestimmte Maßnahmen bezüglich Diversity Management in Unternehmen vorschreiben. Des Weiteren hat das Diversity Management der Regierung eine fundamental andere Bedeutung als im unternehmerischen Kontext: Ersteres zielt durch die Zuschreibung verschiedener Identitätsmarker zu bestimmten ethnischen Gruppen auf eine Homogenisierung von Unterschiedlichkeit ab, letzteres betont die Heterogenität und individuelle Einzigartigkeit. Diversity Management in Unternehmen stellt daher kein lokal verankertes Konzept dar, dessen Bedeutung von vielen in Singapur niedergelassenen multinationalen Unternehmen als relativ gering eingestuft wird. Gründe dafür sind, dass die Mitarbeiterschaft als bereits divers genug wahrgenommen wird oder dass die Unternehmenskultur von dem ausländischen Mutterkonzern dominiert wird und sich dies entsprechend auf die Strategien und das Personalmanagement auswirkt.

Der Nutzen von Diversität in Unternehmen entsteht also nur durch dessen Kontextualisierung bezüglich der jeweiligen Unternehmensanforderungen und der damit zusammenhängenden Problemstellung. Es zeigt sich jedoch, dass die bereits vorhandene Diversität der Mitarbeiter eine nicht vollständig genutzte Ressource darstellt und es durchaus Potentiale gibt, die zur Lösung der jeweiligen Problemstellung beitragen können. Bezüglich des Fachkräftemangels können nicht nur ältere Arbeitnehmer oder Menschen mit körperlicher Behinderung von Interesse sein, sondern auch solche, die statt dem geforderten Bildungsgrad entsprechende Erfahrung und weitere Qualifikationen aufweisen. Diese Maßnahme hängt natürlich von dem jeweiligen Job und dessen Aufgabenstellung ab. Des Weiteren zeigte sich, dass die interne Entwicklung und Förderung von Mitarbeitern nur selektiv vonstatten geht und weitere, viel versprechende Ressourcen - wie beispielsweise Frauen - nicht im Fokus stehen. Die Förderung von Frauen durch Mentoringprogramme oder Maßnahmen zur Vereinbarung von Familie und Beruf wird nicht als relevante Antwort auf den Fachkräftemangel gesehen und schließt somit eine große potentielle Talentquelle aus. Die Nutzung der ethnischen Diversität stellt hingegen aufgrund verschiedener Faktoren eine größere Herausforderung dar. Da keiner der Interviewten die Verbindung zwischen Diver-

sitätsattributen, die in der jeweiligen Situation oder Abteilung von Wert sein könnten und den Individuen, die diese Diversitätsattributen vermeidlich aufzeigen, herstellen konnte, ist eine gezielte Nutzung der Potentiale, die ethnische Diversität mit sich bringen kann, mehr als fraglich. Des weiteren könnte eine Fokussierung auf ethnische Diversität die Abgrenzung zwischen den einzelnen Gruppen verstärken und/ oder Vorurteile hervorrufen. Zudem würde mit der Förderung einzelner ethnischer Gruppen der von der singapurischen Regierung propagierte Grundsatz der Leistungsgesellschaft unterlaufen. Daher muss bei einer Fokussierung auf ethnische Gruppen und Maßnahmen, die zu einer weiteren Diversifizierung in diesem Bereich führen könnten, das institutionelle Umfeld Singapurs in Betracht gezogen und das Kosten-Nutzen-Verhältnis abgewogen werden.

Eine gezielte Diversifikation in Unternehmen führt jedoch auch zu weitergehenden Aspekten und Folgen, die bei der Implementation von Diversity Management zu bedenken sind. Es zeigte sich im Zuge der Analyse, dass vorwiegend die Vorteile und der Nutzen von Diversität in den Vordergrund gestellt werden und weder Moneta Singapore noch Logistica's Mutterkonzern Überlegungen anstellen, welche Folgen eine Diversifikation der Mitarbeiter nach sich ziehen kann (z.B. Konflikte, Kommunikationsprobleme, etc.) bzw. welche Maßnahmen für einen möglichst reibungslosen Arbeitsablauf zu ergreifen sind (z.B. Integration neuer Mitarbeiter). Zudem sind die grundsätzlichen Auswirkungen von Diversity Management auf den wirtschaftlichen Erfolg unter den Interviewten umstritten: Während bei Moneta Singapore die Meinungen darüber auseinander gehen, gehen Manager bei Logistica Singapore davon aus, dass Diversity Management kein Einfluss auf den Erfolg des Unternehmens hat und kein Instrument darstellt, welches die Erreichung der gesetzten Ziele vorantreibt. Im Gegensatz dazu versuchte die Abteilung Corporate Culture des Logistica Mutterkonzerns den Einfluss von Diversity Management rechnerisch nachzuweisen und Verbindungen zwischen erfolgreichem Management und wirtschaftlichen Auswirkungen herzustellen. Dabei zeigte sich ein Grundproblem dieser Berechnungen, nämlich dass es schwierig ist, die Auswirkungen von Diversity Management auf Faktoren wie Arbeitsklima, Mitarbeitermotivation oder erhöhte Kreativität nachzuweisen. Der Grund hierfür ist, dass Diversity Management einer von vielen Faktoren sein kann, der jeweils dazu einen Beitrag leistet. Einfacher hingegen ist die Erhebung von Daten, die direkten Aufschluss geben über den Erfolg und die Effektivität einer Initiative wie beispielsweise Teilnehmerzahlen, Entwicklungsverläufe von Mitarbeitern oder Inanspruchnahme bestimmter Angebote. Generell jedoch wurde deutlich, dass in beiden Unternehmen die Implementation einer systematischen Kontrolle notwendig wäre, um die Effektivität der Maßnahmen beurteilen zu können, was wiederum der Kommunikation und Legitimation von Diver-

sity Management und den damit betrauten Abteilungen dienen kann. Die Notwendigkeit dessen wird zudem von der Tatsache gestützt, dass in beiden Unternehmen wenige Indikatoren für die Effektivität und Nachhaltigkeit der implementierten Initiativen existieren.

Uneinigkeit herrscht auch bei der Frage nach der Verbreitung von Diversity Management innerhalb beider untersuchten Unternehmen. Oft werden die Vorteile von Diversity Management mit höheren Hierarchieebenen in Verbindung gebracht, da dort wichtige Entscheidungen getroffen und Probleme gelöst werden, die von verschiedenen Ansichten, Ideen und Lösungsvorschlägen profitieren könnten. Diversität auf unteren Hierarchieebenen kann jedoch auch von Vorteil sein wie beispielsweise die Abbildung einer diversen Kundschaft in einer diversen Mitarbeiterschaft oder bezüglich der Arbeitsplangestaltung, wie es bei Logistica Singapore der Fall ist. Trotz der herrschenden Uneinigkeit wurde jedoch ersichtlich, dass die Beantwortung dieser Frage eine klare Agenda und Strategie erfordert, aus der hervorgeht, warum Diversity Management in dem jeweiligen Unternehmen eingeführt werden soll, welche Ergebnisse zu erwarten sind und wie dies dann in entsprechende Initiativen umgesetzt werden kann. Nur so kann der Rahmen für Diversity Management innerhalb der Unternehmen individuell abgesteckt und die Bandbreite der Initiativen sowie der davon betroffenen Hierarchieebenen festgelegt werden.

Die Quintessenz dieser Dissertation ist, dass ein Managementkonzept, welches auf der Makroebene als erfolgreich und dessen Implementierung aufgrund der vorherrschenden Rahmenbedingungen als notwendig dargestellt wird, sich auf der Mikroebene als ein Übersetzungs-, Interpretations- und Institutionalisationsprozess herausstellt, der sich in seinem Ergebnis von Unternehmen zu Unternehmen unterscheidet. Es zeigte sich, dass der lokale wirtschaftliche Kontext - Fachkräftemangel, demographischer Wandel und sich veränderte Kundenansprüche - den Rahmen für die Übersetzung und Implementierung von Diversity Management bei Moneta Singapore bildet. Obwohl sich ein Teil der entsprechenden Argumentation und Legitimation aus dem weltweit verfügbaren Diversity Management Diskurs speist, macht die Analyse der Daten Übersetzungs- und Adaptionprozesse deutlich wie zum Beispiel die Zuschreibung von ökonomischen Nutzen bezüglich verschiedener Gruppen von Arbeitnehmern, angepasste Einstellungsprozesse oder die Einführung von Zielgrößen. Jedoch wurde die Einführung von Diversity Management von dem Mutterkonzern aktiv gefördert und auch gefordert, was zu Zweifeln führte, ob ohne diese Bemühungen Moneta Singapore das Konzept überhaupt eingeführt hätte. Im Gegensatz zu Moneta Singapore sehen Manager bei Logistica Singapore keine Veranlassung, Diversity Management einzuführen, da es nicht als Instrument zu Erreichung der gesteck-

ten Unternehmensziele erachtet wird. Logistica Singapore hat als Logistikunternehmen eine von einer Bank abweichende Nachfrage nach Arbeitskräften, für dessen Erfüllung kein Diversity Management benötigt wird. Zudem wird die Mitarbeiterzusammensetzung entweder als homogen (nur Singapurern) oder bereits als heterogen beschrieben, was eine weitere Diversifizierung oder ein entsprechendes Management unnötig macht.

Diversität ist somit nur dann von Vorteil und wird als nützlich erachtet, übersetzt und implementiert, wenn es in den lokalen Kontext passt und die Lösung für bestimmte Probleme darstellt. Dieser Übersetzungs- und Institutionalierungsprozess wird von bestimmten Akteuren in den jeweiligen Unternehmen forciert, die im Laufe ihrer Arbeit die Bedeutung, Definition und Legitimation des Konzepts festlegen und kommunizieren. Somit sind diese Akteure nicht passiv und übernehmen das Managementkonzept unhinterfragt wie es von frühen neo-institutionalistischen Studien dargestellt wurde. Neben den unternehmensinternen Gründen für oder gegen die Übersetzung und Implementation von Diversity Management wurde deutlich, dass das institutionelle Umfeld eine wichtige Einflussgröße darstellt, die es bei einer möglichen Einführung von Diversity Management im unternehmerischen Kontext zu beachten gilt. Vor allem kognitive und normative Institutionen beeinflussen die Wahrnehmungen, (Selbst-)Zuschreibungen, Verhaltensweisen und Erwartungen von Mitarbeitern - Singapurern sowie Ausländern - und haben somit auch Auswirkungen auf Interaktionen, Kommunikation oder Teamwork innerhalb des Unternehmens.

Da bei dem Übersetzungs- und Interpretationsprozess selektiv vorgegangen wurde, das heißt, nur bestimmte Argumente des weit verbreiteten Diskurses übersetzt wurden, wurden große Teile des Diskurses - wie zum Beispiel die Vorteile von Diversity Management in Form von erhöhter Produktivität, Effizienz oder Kreativität - zwar reproduziert, konnten aber nicht in den lokalen Kontext übertragen werden. Dies führt bei beiden untersuchten Unternehmen zu der Diskrepanz zwischen normativem und operativem Level: dem theoretischen Wert und Nutzen von Diversität und der nicht vorhandenen Implementation von Initiativen zur Erreichung dieses Nutzens. Diversity Management wird häufig als Schlagwort verwendet, ohne eine klare Vorstellung davon zu haben was dies im unternehmerischen Kontext zu bedeuten hat. Aufgrund dieser Ergebnisse wird deutlich, dass das Konzept Diversity Management, welches eine angebliche weltweite Verbreitung hat, nicht im singapurischen Kontext angekommen zu sein scheint und nicht eins-zu-eins übersetzt und angenommen wurde. Im Falle von Logistica's Mutterkonzern zeigt sich ebenfalls eine Diskrepanz zwischen dem externen Auftreten bezüglich Diversity Manage-

ment und dessen interne Umsetzung. Es scheint, als ob das Unternehmen unter erhöhtem Druck durch sein institutionelles Umfeld steht, Diversity Management einzuführen. Mit der Einführung des Konzepts stellt das Unternehmen seine Legitimation in seinem institutionellen Umfeld sicher und zeigt seine Konformität mit den entsprechenden Erwartungen.

Angesichts der wenigen und selektiven Übersetzungs- und Implementierungsaktivitäten aller an der Studie beteiligten Unternehmen bleibt festzustellen, dass der Institutionalisierungsgrad von Diversity Management als eher gering einzuschätzen ist. Im Moment ist das Konzept in den jeweiligen unternehmerischen Kontexten nicht durch seine Beständigkeit, konstante Reproduktion und Selbstverständlichkeit gekennzeichnet. Es hat eher den Anschein, eine vorübergehende Managementmode zu sein. Diversity wird als Schlagwort verwendet, welches jedoch der Studie zufolge nicht per se einen Vorteil und Nutzen für Unternehmen darstellt. Dies wird erst durch die Kontextualisierung und entsprechende Übersetzungs- und Implementierungsprozesse erreicht, die zu einer erfolgreichen Umsetzung nicht nur den unternehmerischen Kontext sondern auch das institutionelle Umfeld in Betracht ziehen müssen. Es wird sich im Laufe der Zeit zeigen, ob Diversity Management in Unternehmen im singapurischen Kontext eine weitere Verbreitung findet und der Institutionalisierungsprozess weiter voranschreitet oder das Interesse mit dem nächsten Managementkonzept oder einem konjunkturellen Abschwung schwinden wird.



# Chapter 1

## Introduction

If we talk about ‘diffusion’ of organizational forms and practices, it is reasonable to ask what it is that is spreading [. . .]one gets an impression of ‘packages’ of ideas, forms, or policies flying around and sticking to organizations. It is assumed that nothing happens to these ideas during the process of diffusion - a reified notion, but also a static one as far as the spreading of ideas or forms is concerned. While in the field, however, one easily finds that ideas which are supposed to be the same - or at least very similar - are presented in a great variety of ways (Sahlin-Anderson, 1996, p. 69–70).

Managerial concepts and practices spread because they are perceived as a solution to a certain problem - mainly irrespective of the existence of the problem or the concept’s problem-solving capacities. As soon as the concept is recognised as a “permanent solution to a permanent problem” (Berger and Luckmann, 1966, p.87) by a group of social actors, it is institutionalised and therefore largely independent from specific individuals and transmissible. In the course of this institutionalisation the importance of the new concept is not only generated through its content, but also becomes evident when considering the context in which it is embedded because “no organization can be properly understood apart from its wider social and cultural context” (Scott, 1995, p. 151). The socially constructed context therefore impacts and probably limits the dissemination, translation and adaptation of a concept to a local context and influences its institutionalisation. This translation process implies that the same concept can manifest itself very differently in diverse organisations and contexts due to the agency and interest of the actors involved, who are translators and interpreters of the external concept. It is this translation and

institutionalisation process that constitutes the focus of this thesis: How do both multinational companies where research was conducted<sup>2</sup> and its actors translate, interpret, adapt and implement the globally available concept of workforce diversity management against the Singaporean (business) context with its particular social practices, frameworks and institutions? The research is theoretically embedded in the new institutional theory that links the importance of the institutional environment and external expectations influencing organisations and their actors to the active role of organisational actors in the process of institutionalisation. Both aspects play an important role in the translation and institutionalisation process of the managing diversity concept in the Singaporean business environment, making the new institutional theory a suitable theoretical approach for the analysis and interpretation of empirical data.

The following part of the introduction traces the route of the concept of workforce diversity management from its 'local discovery' and theorisation in the US business context to its successful objectification at the global level, which enables the concept to move in time and space. It analyses the different aspects of diversity found in Singapore that influence the concept's translation, materialisation, institutionalisation and organisational change in the respective corporate context - or not, as will become apparent in the course of the thesis.

## **1.1 How Affirmative Action became Diversity Management - The Re-theorisation of a Management Concept**

Why should companies concern themselves with diversity? Until recently, many managers answered this question with the assertion that discrimination is wrong, both legally and morally. But today managers are voicing a second notion as well. A more diverse workforce, they say, will increase organizational effectiveness. It will lift morale, bring greater access to new segments of the marketplace, and enhance productivity. In short, they claim, diversity will be good for business (Thomas and Ely, 2001, p. 79).

Despite its apparently different objectives and orientation, the concept of diversity management evolved from the federal enforcement of equal employment opportunities and

---

<sup>2</sup>Research at Logistica Singapore and Moneta Singapore was conducted in Singapore from October 2006 to June 2007.

affirmative action in the US business context. In the following, it will be shown how equal employment and affirmative action specialists joined with professional networks, consultants and authors in the business press to recast practices of equal employment opportunities and affirmative action as diversity management - a component of the new human resource management paradigm.

Affirmative action and equal employment originated in the USA in the mid-1960s and constituted the two cornerstones of federal efforts to eliminate racial discrimination in employment and education institutions. Title VII of the Civil Rights Act of 1964 prohibits discrimination in employment on the basis of race, colour, national origin or religion, ensuring *equal employment opportunity* (EEO), and enables individuals to sue employers for discrimination. Title VII also established the Equal Employment Opportunity Commission to adjudicate over claims and handle compliance. Despite its intention to prevent discrimination, the Civil Rights Act does not explicitly define the term discrimination or establish criteria for compliance. President Lyndon Johnson's Executive Order 11246 of 1965 is an extension to the Civil Rights Act and applies to federal contractors and subcontractors, requiring these employers to take *affirmative action* (AA) as a remedial programme to ensure non-discrimination. In Executive Order 11375 of 1967, sex was added to the list of protected categories (Yakura, 1996, p. 35). In none of the Executive Orders was affirmative action clearly defined or practical guidelines established; it vaguely encouraged employers to take steps to end discrimination through programmes designed to hire, retain and promote people from disadvantaged groups. The ambiguity of these laws and lack of sanctions caused few employers to make significant changes in their employment practices or structures. In the early 1970s, the scope of AA and EEO law expanded and compliance with the existing law was enforced. As a consequence, the number of Title VII suits sky-rocketed (from several hundred a year in the early 1970s to over 5,000 a year in the late 1970s) and employers saw the need to pay close attention to the laws and to implement affirmative action (Dobbin and Sutton, 1998, p. 447). In this context, EEO and AA specialists were hired and corresponding offices set up to deal with complaints, litigation and the design and implementation of compliance programmes, creating internal constituencies.

Since the 1970s there have been many different kinds of AA regulations and programmes. Firms contracting with the government were required to collect and report data on the composition of their workforce. Additionally, they had to set up timetables and goals in

regard to hiring, in order to improve the representation of disadvantaged groups<sup>3</sup>. Many other employers set up their own voluntary AA programmes, which were developed and managed by EEO and AA offices. Affirmative action in employment is often also called ‘hiring by numbers’ due to its focus on increasing the numerical representation of disadvantaged groups through target hiring. It was this focus on target hiring that discredited AA because it was, and still is, often associated with hiring less qualified people for the job just to get the numbers right. In this context, AA is also seen as reverse discrimination, and its preferential treatment of certain groups stands in opposition to equality and neutrality, which are the underlying assumptions of EEO (Yakura, 1996, p. 38ff). Affirmative action has also come under criticism for its failure to change organisation policies, practices and climates to ensure that, once hired, employees from the target groups have the same opportunities in regard to career development and remuneration - AA was not designed to foster the integration and retention of the designated groups (Agócs and Burr, 1996, p. 32).

Despite the decreased federal and administrative enforcement of EEO and AA by Presidents Reagan and Bush Snr., as well as tepid support from the Clinton administration, most employers maintained their procedures and offices set up to manage compliance, and kept EEO mechanisms in place but cut back the most proactive AA measures. As federal enforcement waned, however, EEO and AA specialists perceived this as a threat to their very existence, which depended on the continuation of anti-discrimination practices. Consequently, they started to recast these practices, initially by promoting EEO and AA measures such as formal job postings, interview rules or promotion systems as efficient and rationalized human resource management. Later they re-theorised these elements as *diversity management*, which was constructed as related to, but legally and politically distinct from, the AA policies and practices they had formally managed (Kelly and Dobbin, 2001, p. 88,101). In the course of this re-theorising, EEO and AA specialists shifted their rhetoric from legal compliance and requirement of federal laws to increasing profits due to an expanding workforce and customer diversity as it is summarized in 1.1.

---

<sup>3</sup>Disadvantaged groups are those groups that are under-represented relative to relevant labour markets, such as women, African-Americans, Hispanics, Asian-Americans and American-Indians. Persons with disabilities are covered under The Americans with Disabilities Act, legislated in 1991 (Agócs and Burr, 1996, p. 32).

**Table 1.1:** Equal Employment, Affirmative Action, Managing Diversity: Assessing the Differences

	<b>Equal Opportunities</b>	<b>Affirmative Action</b>	<b>Diversity Management</b>
Context	mid 1960-1990s	mid 1960-early 1980s	mid- to late 1980s-dato
Source	US Civil Rights Act	US Civil Rights Act; Executive Orders	Human Resource Specialists in academic and organisational settings
Rationale	Legal imposition to deal with discrimination & inequality	Legal compliance for employers receiving federal grants, contracts, benefits	Strategic & economic benefits
Underlying Assumption	Equality; neutrality	Remedy for past & continuing discrimination against specific disadvantaged groups	Inclusiveness; respecting differences
Focus	Qualitative: prohibiting discrimination; barrier elimination	Quantitative: numerical representation; hiring; compliance	Behavioral: learn about others, i.e.those who are different
Application	Policies; statements; goal setting; grievance procedures	Collecting & reporting data of workforce composition; goals & timetables; target hiring; to a lesser extend training & promotion	Policies; statements; training; networking & support groups; cultural audits
Intended results	Fair employment policies & practices; improved representation; supportive climate	Representative workforce on all levels; access to employment for disadvantaged groups	Awareness & appreciation of differences; improved interpersonal and intra-group communication; increased productivity & creativity; improved job satisfaction, morale & retention

Diversity was, during the period of active enforcement of AA and EEO, mainly constructed as a legal imposition to handle inequality and not as a competitive, strategic issue as done later on by specialists who basically constructed old practices as means to achieve new ends:

By the late 1980s, these [*EEO and AA*] specialists were recasting EEO and AA measures as part of diversity management and touting the competitive advantages offered by these practices. Human resource managers and supportive executives argued that diversity programmes - including anti-discrimination policies, training programs, and recruitment practices virtually identical to EEO and AA measures - produced a strategic advantage by helping members of diverse groups perform to their potential (Kelly and Dobbin, 2001, p. 101–102).

Through (re-)theorising, a concept of diversity management was constructed and invested with normative and cognitive legitimacy by a collective group of actors, and constituted an important part of its institutionalisation process in the US business context. This (re-)theorised concept is basically a specification of a certain problem (increasing workforce diversity), its justification (strategic business advantages) and the emphasis of its problem-solving capacities (increased contribution of employees to the organisation and its productivity through successful diversity management practices) in an abstract way, which facilitates communication of the concept between actors and organisations (Strang and Meyer, 1993, p. 499). In the case of diversity management, this process of theorisation was accelerated by EEO and AA specialists inside the organisation and with their professional networks, as well as consultants, authors of the scientific, popular and business press and business associations, who collectively pushed the theory and practice of diversity management and contributed as carriers to the spread of the concept<sup>4</sup>. Carriers are those actors who are important regarding the framing, packing and circulating of management concepts and actively support, transport and transform these concepts (Sahlin-Andersson and Engwall, 2002, p. 8–9).

Workforce 2000, a report by the Hudson Institute published in 1987, gave further impetus to the ‘new’ concept of diversity management by outlining anticipated changes in the US labour and consumer markets. A crucial argument for the re-theorisation of EEO

---

<sup>4</sup>This process was further facilitated by EEO, AA and diversity management specialists who moved back and forth between corporate management positions and the newly established consulting and training organisations (Kelly and Dobbin, 2001, p. 108).

and AA programmes into diversity management was the demographic change depicted in Workforce 2000 and its implications for corporation which gave diversity management an economic emphasis as opposed to the historical and political character of EEO and AA<sup>5</sup>. In the following years, diversity management spread to a wide range of companies, became an institutionalised sub-field of human resource management and prevented the de-institutionalisation of AA and EEO programmes as well as respective departments (Kelly and Dobbin, 2001, p.108,111). The spread of a concept that occurs on the inter-organisational level was already taken up by institutional theorists (Meyer and Rowan, 1977), who ascribed the adoption of a concept not to efficiency reasons but mainly to expected legitimacy and associated increased resources for the adopting company, demonstrating the company's ability to conform to expectations of the organisational and institutional environment. Therefore, belief in the efficiency of diversity management that exists in the organisational environment prompted more and more companies to adopt the concept. Additionally, the pressure to adopt the new concept increased proportional to the number of companies that already incorporated it, leading to a 'bandwagon-effect'. The spread of diversity management was accompanied by a growing number of publications in the form of articles, books or videos, further fuelling its dissemination and making corporate diversity management commonplace in the US business context. It was in the course of this re-theorisation and associated institutionalisation of diversity management that AA offices and practices were transformed into diversity management departments and programmes, and diversity replaced affirmative action as an umbrella term for efforts to integrate the workforce. We can see how this was promoted by one of the early leading diversity consultants:

Sooner or later, affirmative action will die a natural death [...]Affirmative action is an artificial, transitional intervention intended to give managers a chance to correct an imbalance, an injustice, a mistake. Once the numbers mistakes has been corrected, I don't think affirmative action alone can cope with the remaining long-term task of creating a work setting geared to the upward mobility of all kinds of people, including white males [...]And that is precisely why we have to learn to manage diversity - to move beyond affirma-

---

<sup>5</sup>The report found that the workforce of the year 2000 and beyond would be very different from the workforce that had characterised the US in the recent past in which the white male made up the dominant segment of the workforce. It was projected that 85% of the growth of the workforce would be in the non-white male segments, e.g. the share of minorities and immigrants as well as women would increase significantly. Furthermore, the age of workers between 35-54 would increase from 38% to 51% by 2000 and the number of workers aged 16-24 would decline respectively (Moorhead and Griffin, 1995, p. 520).

tive action, not to repudiate it (Thomas, 2001, p. 2ff).

## **1.2 The Dissemination and Institutionalisation of Diversity Management on a Global Level**

In the preceding paragraphs it is evident that managing diversity is a management concept which has been successfully re-theorised and institutionalised in the local context. It did not arise through “spontaneous combustions in thousands of different locations at once” (Dobbin et al., 1993, p. 396–397), but was rather socially constructed and disseminated by a network of actors inside and outside companies. Despite its local development and focus, diversity management has gained popularity and spread beyond the US institutional context in recent years. In the course of this spread, the concept of diversity management has been embraced by international organisations, policy, management consultancy firms and researchers who have provided the energy for its broad dissemination, ensuring its continued passage. Latour, 1986 compares this process with rugby players, handing the ball from one player to another, each player giving the ball new energy without which the ball would not move: “the token has no impetus whatsoever; rather, it is the chain who does something to it” (p. 267).

In order to promote diversity management on an international level, the actors involved have been working on its objectification and theorisation by presenting it as a solution to changes in the international and national business environments and as a concept to turn something formerly perceived as a ‘burden’ companies had to deal with into a corporate asset. Through the development of a business case, as well as commonly repeated arguments in favour of diversity management, the concept became objectified through a social consensus among a wider range of actors inside and outside companies about its value and benefits. The promoted benefits of diversity management constitute rather abstract, universal categories that “are distanced and disconnected from time and space and rendered general” (Sahlin-Andersson and Engwall, 2002, p. 25) and therefore usually not only apply to a certain social context but also are transmissible to other contexts as well. Thus, the apparent abstraction that accompanied this theorisation contributed to the detachment of the concept from the specific US context of its development, therefore encouraging its further dissemination. The basic ‘pillars’ of the theorised model, however, are basically transferred from the US context, e.g. the problem is still an increase in workforce diversity, the justifications for diversity management are business advantages which stem



from the concept's problem-solving capacities. Accordingly, workforce diversity is mainly presented by researchers, (popular) business literature and (diversity) professionals as an imperative due to changing demographic trends, social expectations, legal requirements and increasing globalisation:

Successful management of today's increasingly diverse workforce is among the most important global challenges faced by corporate leaders, human resource managers, and management consultants. Workforce diversity is not a transient phenomenon; it is today's reality, and it is here to stay [. . .] The global economy moves diversity to the top of the agenda (Mor Barak, 2005, p. 2).

Demographic change that not only takes place in the US, but also constitutes a global phenomenon is depicted as probably the major catalyst for organisations to adopt diversity management: the pool of current and future employees is becoming more diverse, and this will have an impact on the competitive and economic outcome of organisations (Hubbard, 2004, p. 9; Wentling and Palma-Rivas, 2000, p. 35; Moorhead and Griffin, 1995, p. 523; Cox and Blake, 1995, p. 64), the projected talent shortage demonstrates the need to open up to different (new) labour pools in order to compete successfully for the best talent (Jayne and Dipboye, 2004, p. 409; Cassel and Biswas, 2000, p. 269) but a diverse workforce also implies the careful management of differences that otherwise lead to potential costs due to higher turnover, interpersonal conflicts, short tenure or poor brand image (Hubbard, 2004, p. 12–13; Hoecklin, 1995, p. 1; Cox, 1991, p. 34). Next to the diversification of the workforce, organisations have to face an increasingly diverse customer base through their participation in the global economy, and an effective response is regarded as an urgent requirement, demanding a matching diverse employee base (Glover and Carrington, 2005, p. 7; Stroh et al., 2002, p. 456; Agócs and Burr, 1996, p. 31). Additionally, workforce diversity and its management are regarded as social expectation and value (Kochan, 2003, p. 18), “the right thing to do” (Mor Barak, 2005, p. 219), e.g. an obligation to promote social justice and equal opportunities regardless of individual characteristics, and the preparation for and compliance with different anti-discrimination legislation companies have to deal with in various countries (Kandola and Fullerton, 1998, p. 20).

The promoted business case for diversity usually combines the apparently inescapable reality of workforce diversity and its consequences, as presented above, and the linkage between managing diversity and organisational competitiveness. Table 1.2 gives an overview of frequently quoted benefits resulting from successful diversity management.

**Table 1.2:** Benefits of Workforce Diversity and its Management

<b>Individual:</b>	<ul style="list-style-type: none"> <li>- Higher morale, commitment and motivation</li> <li>- Increased job satisfaction</li> <li>- Lower stress level</li> <li>- Less prejudice and stereotypes</li> </ul>
<b>Teams:</b>	<ul style="list-style-type: none"> <li>- Better decision making</li> <li>- Increased creativity, innovation</li> <li>- Improved problem solving</li> </ul>
<b>Customers:</b>	<ul style="list-style-type: none"> <li>- Marketing access to new segments of the marketplace</li> <li>- Enhanced customer service</li> </ul>
<b>Access to talent:</b>	<ul style="list-style-type: none"> <li>- Access to a wider pool of candidates</li> <li>- Increased attractiveness to potential employees</li> </ul>
<b>Organization:</b>	<ul style="list-style-type: none"> <li>- Improved productivity, performance, profitability</li> <li>- Increased ability to adjust to changing environment</li> <li>- Better reputation &amp; image</li> <li>- Lower turnover rates, less absenteeism</li> </ul>

Table adapted from Kandola and Fullerton, 1998 (p. 35)

These benefits, which are thought to derive from differences in age, sex, nationality, religion, talent, knowledge, perspectives or ideas that diverse individuals bring into a company and its management, will increase organisational effectiveness and productivity (Glover and Carrington, 2005, p. 7; Hubbard, 2004, p. 14), improve customer relationships, service, sales and marketing activities (Ng and Burke, 2005, p. 1196; Moorhead and Griffin, 1995, p. 526; Cox and Blake, 1995, p. 67), enable the company to adjust rapidly to market changes (Thomas and Ely, 2001, p. 35), foster product development (Moorhead and Griffin, 1995, p. 538) or improve the company's public image (Cox and Blake, 1995, p. 67), and in turn will have a financially and economically positive impact on the bottom line and engender competitive advantage.

Research and empirical evidence, however, suggest that the impact of differences between workgroup members on group processes and organisational performance has produced mixed results and offers opportunities as well as challenges (Milliken and Martins, 1996, p. 403; Jayne and Dipboye, 2004, p. 410). Workgroup diversity in education, functional background, industry experiences, personality or ability has been shown under certain cir-

cumstances to increase communication, linkages to persons or networks outside the group, information flows, innovation, problem-solving or decision-making capacities (Jehn and Bezrukova, 2004, p. 723; Williams and O'Reilly III, 1998, p. 99–100; Milliken and Martins, 1996, p. 410). These positive impacts are more likely to appear when the task is rather complex and can benefit from different ideas, perspectives and knowledge such as innovations, product design or complex problems (Dinwoodie, 2005, p. 3; Williams and O'Reilly III, 1998, p. 87). Much of the literature claims that it is diversity in less observable attributes (for instance personality, education, experiences) which is beneficial and not diversity in observable attributes (such as gender, age, race or ethnicity). Observable attributes are thought to create more serious negative affective reactions and might evoke prejudices, stereotypes and biases. The more diverse a workgroup is with respect to observable attributes, the higher the turnover rates, absenteeism, the possibility of communication breakdowns, and the lower social integration and cohesion, individual commitment and satisfaction, which in turn negatively influence group processes, performance and effectiveness (Jayne and Dipboye, 2004, p. 413; Williams and O'Reilly III, 1998, p. 108ff; Milliken and Martins, 1996, p. 405ff).

Overall, it is apparent that the beneficial link between diversity and performance on workgroup and organisational levels remains empirically unproven, suggesting that the relationship between diversity and the bottom line is more complex than implied by the popular rhetoric (Jehn and Bezrukova, 2004, p. 704). Simply having more diversity is therefore no guarantee for better performance and efficiency, but it is emphasised that the context (for example, organisational culture, tasks, human resources practices) is crucial in determining the impact of workforce diversity on performance (Dinwoodie, 2005, p. 4; Kochan, 2003, p. 17; Williams and O'Reilly III, 1998, p. 90). Despite ongoing research addressing the impact of differences in workgroups and organisations, it can be said that “the search for evidence that directly supports the business-case hypothesis has proved elusive” (Kochan, 2003, p. 5).

These mixed findings, notwithstanding the dissemination and institutionalisation of diversity management advances and supported by their detachment from the US context, allowed international organisations to adopt the concept, therefore facilitating further dissemination. International organisations such as the International Labour Organization (ILO) or the European Commission (EC) - which are, according to Sahlin-Andersson and Engwall, 2002 crucial for the flow and spread of concepts and ideas (p. 10–11) - adopted the theorised concept of diversity management without major adaptations:

The business case for equality is the rationale underpinning the management of diversity approach. This argues that the growing heterogeneity of the workforce in terms of age, gender and ethnic background is an asset rather than a burden. The globalization of markets and production requires people from different backgrounds to satisfy the changing customer base and to innovate and raise productivity. It is in the employer's self-interest to value a diverse workforce and to attract and retain the best-qualified workers from all segments of society. From this perspective, diversity management becomes an integral part of human resources management policies to create a work culture in which each employee, without any distinction based on age or disability, can develop fully his or her talents, thus contributing to overall business performance and leading to a long-term mutually rewarding relationship (International Labor Organization, 2003, p. 107–108).

Although the EC's rationale for diversity management focuses on the changing demographics and labour market within the European Union, in large parts it matches the well-established 'problem-description': an ageing population and low birth rates leading to labour shortages, coupled with greater participation rates of women, ethnic minorities, older workers and people with disabilities and globalisation, pose the challenge for companies to create a business environment that values and benefits from differences. Additionally, creating a broad regulatory framework to promote equality and anti-discrimination in the workplace<sup>6</sup> requires legal compliance with respective directives and national legislations (European Commission, 2005, p. 14–15). Similar to the ILO, the European Commission promotes diversity management as a business asset, delivering certain benefits with which adopting companies are likely to do better than those that do not adopt it:

Regardless of whether a company operates at global or local level, a more diversified society, customer base, market structure and workforce is becoming an increasingly central aspect of doing business [...] a focus on diversity can provide a sustainable business opportunity for all. At both global and local levels, the search for talent and improved competitiveness - key challenges for small and large companies alike - rides on the ability to respond successfully

---

<sup>6</sup>Until the Treaty of Amsterdam, which came into force 1999, the focus of the EC in the field of anti-discrimination was on nationality and sex. Article 13 of the Treaty widened this focus to include racial or ethnic origin, religion or belief, disability, age and sexual orientation. Since the Treaty of Amsterdam, new directives that have been enacted in the area of anti-discrimination are the Racial Equality Directive (2000/ 43/ EC) and the Employment Equality Directive (2000/ 78/ EC) (European Commission, 2010).

to diversity within economies and societies. While many companies are keen to implement the necessary changes to realize this during times of economic growth, when faced with stagnation or possible recession they are understandably more wary. But companies with a clear focus on an inclusive diversity agenda are perhaps more likely to survive hard times than those that are not [...] Those that decide to take the opportunities and face the challenges of diversity start on a continuing journey; one that can lead not only to a more inclusive workforce, but also improved efficiency, productivity and profits (European Commission, 2008, p. 12).

In order to implement a successful diversity management policy and to benefit from workforce diversity, the European Commission promotes the support of intermediary organisations such as professional and business organisations, governmental bodies and other agencies, as well as business schools that offer advice on how to manage diversity. Furthermore, case studies of companies that have already implemented diversity management and have well established agendas, as well as diversity charters<sup>7</sup>, which should encourage other companies to take action (European Commission, 2008, p. 8–9). The imitation of diversity management practices of successful adopters, as well as the dissemination of diversity management through professionals and their networks, as proposed by the EU, might lead to increased isomorphism, e.g. homogeneity among companies, as already pointed out by institutional theorists like DiMaggio and Powell, 1983. This in turn leads to increased pressure for other companies to adopt diversity management, too, which is further accelerated by statements like that made by the ILO, in that a steadily growing number of large companies have already adopted diversity management to improve their competitiveness (2003, p. 108).

It is evident that the management of diversity, as promoted by actors such as international organisations, policy, management consultancy firms and researchers, is regarded as a solution to the problem of increased workforce diversity and turns it into a corporate asset. Managing diversity, however, means different things to different people: it can

---

<sup>7</sup>Within the European Union, diversity charters currently exist in France and Germany. The German Charter of Diversity was launched by German companies (Daimler, Deutsche BP, Deutsche Bank and Deutsche Telekom) in 2006 to foster diversity in companies. The German Minister for Migration, Refugees and Integration Support, German chancellor Angela Merkel, oversees the initiative. By signing the Charter, companies acknowledge and leverage the diversity of their workforces, customers and business partners, and its implementation aims at creating a workplace free of prejudice in which every individual is respected and appreciated. Economic benefits are, according to the Charter, produced through the promotion and appreciation of diverse potential. Until now, over 800 companies and public institutions have signed the charter (German Minister for Migration, Refugees and Integration, 2010).

concentrate on national cultures within a multinational corporation, it can relate to the further development of equal opportunities or it can be defined as the strategic management of utilising differences for the benefit of employees and an organisation (Marvin and Girling, 2000, p. 420). Most definitions of managing diversity found in the literature refer to the third approach. Accordingly, managing diversity is regarded as the effective, strategic management of differences in which individual differences are acknowledged, valued, respected and appreciated (Ng and Burke, 2005, p. 1196; Mor Barak, 2005, p. 8; Cassel and Biswas, 2000, p. 269; Kandola and Fullerton, 1998, p. 8). Contrary to equal opportunities, diversity management applies to all employees independent of the individuals' affiliation to a certain social group (Cassel and Biswas, 2000, p. 269). Managing diversity also implies the creation of an organisational environment in which individuals can maximise their potential, which facilitates their development, and where their talents are fully utilised and therefore contribute to organisational performance (Hubbard, 2004, p. 8; Kandola and Fullerton, 1998, p. 8; Cox, 1991, p. 47):

Managing diversity does not mean controlling or containing diversity, it means enabling every member of your work force to perform to his or her potential. It means getting from employees, first, everything we have a right to expect, and second - if we do it well - everything they have to give (Thomas, 2001, p. 12).

Most companies that adopt the managing diversity concept sooner or later implement some kind of diversity initiatives: specific activities, programmes and other formal processes that are designed to promote organisational change related to diversity in order to benefit from it. Furthermore, these initiatives constitute an important part of the concept's internal dissemination and might support its institutionalisation. Often, special diversity departments, councils or task forces are established that make recommendations, as well as oversee and monitor the implementation of the initiatives. The reasoning behind the establishment of such departments, councils or task forces is to assign responsibility for diversity to a special group of people and put them in charge, which is thought to be more effective than decentralising the diversity effort (Dobbin et al., 2007, p. 25–26). The most common diversity initiatives are, according to the literature, training/workshops on managing diversity, minority networks and cultural audits. The aims of managing or valuing (cultural) diversity training are usually to change the attitudes and behaviours of participants toward diversity, improve intergroup communication and relationships, arouse interest and sensitise to diversity, help employees to understand the need for and meaning

of managing diversity within and outside the company and provide skills necessary for working in diverse teams (Wentling and Palma-Rivas, 2000, p. 42; Agócs and Burr, 1996, p. 36ff; Moorhead and Griffin, 1995, p. 519). The content of the training often includes information on changing demographics, prejudices, stereotypes and biases, meanings of diversity, briefings on diverse cultural norms of different groups and how they affect work behaviour. Minority networks aim at improving social ties and support for the respective group and focus on destroying biases and stereotypes (Dobbin et al., 2007, p. 23; Moorhead and Griffin, 1995, p. 519). Cultural audits should, on the one hand, help to identify aspects of culture that inhibit diversity using surveys, interviews or focus groups, while on the other hand provide an analysis of the organisational culture and human resource systems in regard to potential biases and disadvantages (Kelly and Dobbin, 2001, p. 109; Cox and Blake, 1995, p. 75).

However, diversity initiatives, especially those mentioned in the preceding paragraph, are subject of controversy among researchers and practitioners. Due to the history of diversity training, these roots began in the late 1960s in the US as race awareness training, and some programmes' highly confrontational approaches have caused people to (still) associate it with laws and formal policies and made diversity and respective training and programmes a loaded approach (Nkomo and Stewart, 2006, p. 521; Glover and Carrington, 2005, p. 10). Furthermore, no clear evidence for the success of managing diversity programmes exists, neither on a corporate nor a scholarly level due to missing follow-ups that monitor change and evaluate the results of diversity initiatives and/or as a result of case study reports that promote an approach of a particular company with "evangelical zeal, rather than assessing and evaluating the success of a given program" (Cassel and Biswas, 2000, p. 271). A statistical analysis of 829 companies over 31 years conducted by Dobbin et al., 2007 showed, for example, that diversity training may be ineffective in reducing stereotypes and can elicit a backlash, especially among white men who often respond negatively to diversity training. Similar to diversity training, evaluations/audits and network programmes were found to have no positive effects in the average workplace. A more promising finding is that mentoring programmes appear to be quite effective for advancement into management positions, and since they are usually available to men and women, majority as well as minority workers, a potential backlash is prevented (p. 23ff). Mentoring is not as common in companies as training or networks because it can be quite costly due to the release time for mentors and mentorees, travel to meetings and training sessions for both groups.

Often, diversity training is delivered by external consultants or sometimes internal train-

ers using off-the-shelf packages that aim to give information, change individual behaviour and arouse interest, but are not aimed at changes to organisational culture and structure or power relations to eliminate, for example, inequality in organisations such as the lack of access by people with disabilities, lack of career opportunities for women (and men) due to missing opportunities to balance work and family life or pay inequalities. Therefore, it is considered to be very important to clarify the intended accomplishments of managing diversity, its practices and limitations (Agócs and Burr, 1996, p. 39ff). Furthermore, diversity programmes are usually voluntary initiatives targeted at middle managers, supervisors or employees working in specialised functions in which improved communication and human relation skills are thought to benefit the bottom line (for example, in customer service). This neglects the role of leaders as role models and their commitment that is regarded as crucial in establishing workforce diversity in corporations (Wentling and Palma-Rivas, 2000, p. 41). Last but not least, it is questionable whether off-the-shelf diversity initiatives that still largely focus on the US context and/or are made in the USA are of relevance in other social, business, economic and legal contexts. The apparent popularity of diversity management in the US is thus not a good reason for adapting the approach to other countries, even if it is touted by respective company headquarters (Agócs and Burr, 1996, p. 42).

Just as with the question of the transferability of diversity initiatives, it is equally debatable whether the concept of diversity management as such is applicable to other contexts, since it reflects some kinds of universal best practices that are still influenced by and rooted in US perspectives and experience:

[...]managing diversity, deeply embedded in cultural assumptions of the US, is fast becoming a globalising vocabulary of differences. The construct is being applied in European, Australian and African contexts despite scholarly work questioning its universalism (Nkomo and Stewart, 2006, p. 532).

For example, Jones et al., 2000, using the example of New Zealand, show that the managing diversity concepts of US multinational organisations are difficult to translate across national boundaries to fit the local context. In this regard, the authors stress the need to “think global and act local” (p. 377) when considering the translation of the concept to local contexts, and challenge the universal notions of diversity at both the national and organisational level. Frenkel, 2005, who traces the adoption of the Family Friendly Or-



ganization<sup>8</sup>, a management concept that emerged in the US context, supports the notion that management concepts that travel across cultural and national boundaries cannot remain unchanged if they should be successfully adapted to the local context and that their translation is linked to the interpretation and rationalisation of the actors involved (p. 154). In contrast to the diffusion approach, which implies a rather static and mechanical framework, the translation approach does not neglect the active role of organisational actors involved in manifold processes of translation, interpretation and adjustment to ensure the embeddedness of the concept into the local context and to promote its institutionalisation. In this regard, the call for “conceptual clarity” in the area of diversity research, due to “confusion and ambiguity in terminology [...] *[that]* give rise to interpretations which can then be used to undermine the value or support of the work” (Cox, 1994, p. 51), is counter-productive, since this ambiguity is an implication of the translation process and adaptation to the local context. Workforce diversity and its management therefore have different meanings and levels of significance in different locations, which have to be negotiated ‘on the ground’ because “there can be no grand meta-language of diversity that transcends or comprehends all differences” (Jones et al., 2000, p. 365). This implies a local definition of workforce diversity as well as a local rationale for its management and its strategic embeddedness in relation to other programmes and initiatives. Therefore, the process of translation needs to be moved into the foreground to understand the (non-)spread of diversity management into the Singaporean context, and to evaluate whether it has the potential to become institutionalised in the local business context or instead remains a management fashion.

### **1.3 The Multiple Facets of Diversity in Singapore and its Management**

In recent years, the topic of workforce management in Asia has gained increased popularity considering the economic globalisation that is accompanied by the expansion of multinational companies in the Asian region, managers and employees who operate across borders and cultures and the growing need to understand how far culture shapes business, economic and management behaviour (Warner, 2003, p. 1). A large body of literature dealing with workforce management in Asia and Singapore particularly focuses on human

---

<sup>8</sup>The Family Friendly Organization, also known as the family responsive workplace, can be defined as a set of organisational ideas and practices that aim at helping employees to balance their work and family obligations (Frenkel, 2005, p. 147).

---

resource management (HRM) and inter-cultural management/communication. In the former case, many issues shaping HRM in Singapore are touched such as compensation and rewards, performance appraisals and recruitment, restructuring or organisational change (Ho, 2005; Tan, 2005; Andrews et al., 2003). At the same time the influence of societal culture on local HRM practices is often emphasised, pointing to cultural characteristics and differences that are defined as “those beliefs, practices and values that are widely shared in the local subsidiaries and joint ventures and which stem from these countries’ religions, proximity, history, climate and education” (Andrews et al., 2003, p. 19). In order to highlight the differences between Western and Asian/Singaporean management styles and corporate cultures that may lead to problems between expatriate and local staff, many authors draw upon Hofstede’s cultural dimensions<sup>9</sup> (Wan, 2004, p. 132; Hampden-Turner, 2003, p. 180; Sie Kok Hwa, 1997, p. 276) or point to the traditional management in Singapore that is characterised as being paternalistic, Confucian, authoritarian and hierarchical (Sie Kok Hwa, 1997, p. 319ff). For multinational companies to survive, compete and do business in Singapore, authors suggest an adoption of HRM practices (Wan, 2004, p. 144), the application of inter-cultural management/communication (Nass, 1998) or making behavioural changes (e.g. how to receive business cards or interpret non-verbal cues) (Murray and Perera, 1996, p. 247ff). Few studies deal with Singapore’s workforce diversity as such, while only one study by Choy et al., 2009 investigates variations in the value system based on the national background of employees of a Singaporean multinational company. The study focuses on the individual and work values of the company’s diverse workforce, the employees of which are mainly of Singaporean, Malaysian, Indian, Chinese (from the People’s Republic of China) and Indonesian descent, revealing that the basic individual and work values of these five national groups do not differ much. As a possible explanation for the convergence of the value systems, increased globalisation, multilateral trade and economic cooperation in the Asia-Pacific region are given, which results in greater integration and the diffusion of business practices, leading to common attitudes and behaviours, despite national differences (p. 22–23). Nevertheless, although values are generalisable they may vary from individual to individual, as values are culture-bound. Therefore, the authors call for a culture-sensitive type of diversity management that considers different social-cultural characteristics underlying the diverse workforce in order to lead to synergistic performance (p. 25). Another study by Choy, 2007 analysed

---

<sup>9</sup>In his book *Culture’s Consequences* Hofstede, 1980 conducted research involving more than 100,000 individuals from 50 countries, all belonging to one company (IBM). In order to explain differences in goals and attitudes he proposed four dimensions of psychological and sociological differences among various national cultures, namely power-distance, uncertainty avoidance, individualism and masculinity.

the diversity of the workforce of local and foreign medium- to large-sized MNCs in Singapore's manufacturing sector using secondary data with the result that there exists quite a diversity in regard to national-ethnic background (Singaporean, Malaysian, Indian, Chinese, Indonesian and Filipino) (p.10). The conclusion of this analysis remains rather general, pointing to the implications a diverse workforce has for companies (a heterogeneous workforce instead of a homogeneous one, representation of people with different affiliations, values and beliefs within the company that will affect leadership, decision-making styles, communication, etc.) and its benefits. Additionally, Choy emphasises the need to develop organisational policies that, for example, create awareness, incorporate diversity management as an integral part of overall organisational development, change processes and review corporate infrastructure, systems and policies that promote diversity or develop strategies to integrate the values and beliefs of the diverse team members to produce better results and solutions (ibid., 14–15). As the literature shows, there has been little interest in Singapore's workforce diversity and its management. This fact is quite surprising considering the diversity of the country's population in terms of race, religion, language and culture, the active diversity management of Singapore's government and the demographic changes currently taking place, as will be outlined in the following subsections. These issues constitute both a chance and challenge for companies operating in Singapore, and might emphasise the need for diversity management at company level to turn this diversity into a business advantage and asset - as the popular diversity literature implies.

Due to Singapore's history as a British colony, and its related development into a prosperous commercial centre in Southeast Asia, many different people have settled into various economic and social niches and laid the foundations for today's diverse population. By the year 2010, Singapore's population exceeded 5 million, of whom 3.77 million were Singapore residents (e.g. citizens and permanent residents) and the rest non-residents<sup>10</sup>. The resident population is made up of 74.1% Chinese, 13.4% Malay, 9.2% Indian and 3.3% Others<sup>11</sup>. This racial diversity aligns with diversity in language, religion and culture: next to the official languages (English, Mandarin, Malay and Tamil), various other languages such as Chinese dialects (Hokkien, Hainanese, etc.) or Indian languages (Malayalam,

---

<sup>10</sup>The non-resident population refers to non-citizens and non-permanent residents of Singapore such as holders of the employment pass and various work permit holders, student pass holders or long-term social visit pass holders (Singapore Department of Statistics, 2010c, p. 35).

<sup>11</sup>According to the Singaporean Department of Statistics, the umbrella category of 'Others' comprises all persons other than the three named racial groups including, for example Eurasians, Caucasians, Arabs or Japanese (Singapore Department of Statistics, 2010c, p. 34).

Telugu, Hindi, etc.) are spoken. Due to Singapore's bilingual education policy, most Singaporeans speak at least two languages - most usually English plus their respective mother tongue - of which English is the main medium of administration, business and instruction in schools and has emerged as the lingua franca of the Singaporean resident population. In terms of religion, Buddhism, Taoism, Islam, Christianity and Hinduism are the main religious groups found in Singapore, but there are a growing number of Singaporeans who have no religious affiliation (Singapore Department of Statistics, 2000a).

Since Singapore's foundation, especially after its independence in 1965, the diversity of Singapore's population has structured the city state's political context and discourse and vice versa. The ongoing process of nation building and corresponding vision, ideology and policies are shaped by Singapore's history of colonisation and subsequent sudden independence and the need to ensure the economic and political survival of the republic. During colonisation, Singapore became the quintessential Furnivallian plural society, which was characterised by its economic division of labour along ethnic lines. Interactions between the different ethnic groups were mainly limited to the economic realm. Furthermore, colonial politics resulted in a parallel development of community structures amongst the different ethnic groups, with the consequence that natural cohesion and attachment to Singapore were almost totally absent. Racial riots that broke out on several occasions after World War II<sup>12</sup> underlined to the People's Action Party (PAP), Singapore's ruling party since 1959, the danger of communal politics that might destroy the stability of society and the nation, and decisively influenced politics of the newly independent nation.

The PAP was confronted with the challenge of building a nation state out of an ethnically diverse population, with an equally diverse and complex economic, social, political and cultural background. The PAP's response was a careful political management of race and racial relations<sup>13</sup>, which is embedded in comprehensive economic and social planning.

---

<sup>12</sup>In 1950, for instance, Muslims were enraged by a court decision to return a Dutch girl who had been brought up by an Indonesian family and converted to Islam to her Dutch parents. In the course of the riots several Europeans were killed. In 1964, communal clashes between Malays and Chinese flared up that erupted during a Malay religious procession. The cause of these riots and tensions between the different ethnic groups (especially Chinese and Malay) stemmed from the ongoing nation building efforts during the formation of a united Malaysia, e.g. the merger of Singapore and Malaya, and the different understandings of nationality, citizenship and their ramifications for language and education that spread to Singapore. Racial riots that broke out in Malaysia in the course of general elections in May 1969 further emphasised the danger of ethnic-based tensions and the serious consequences for national cohesion, and have been used since by the PAP government as reminders of the fragility of race relations (Hill and Lain, 1995, p. 59).

<sup>13</sup>The terms race and racial group remain the master category for more accepted terms, such as ethnicity and ethnic group in the Singaporean context. Nevertheless, ethnicity and race are often used

Both political and economic focus lay on Singapore's national survival - being an island short of natural resources, limited space and inhabitants - resulting in an industrialisation movement dependent on human resources and foreign investment. Especially the latter was ensured not only by a system of interrelated economic policies, incentives, labour laws and regulations, but also with the absence of dominant communal politics and racial conflicts which might destroy the stability of society and discourage investment. The management of racial relations in Singapore is therefore basically an active conflict management undertaking based on racial riots which have become an "iconic image" (Barr and Skrbis, 2008, p. 29) in Singapore's nation building. Its danger - the state regards race and ethnicity as the "fifth column" (Lai, 1995, p. 180) threatening the nation - and Singapore's vulnerability due to the country's location and reliance on foreign investment is constantly evoked by the government in order to implement respective policies, foster national cohesion and at the same time ensure economic development based on foreign investment and multinational corporations (MNC)<sup>14</sup> that settled down in Singapore due to the stable political and social environment.

The general approach chosen by the PAP in regard to racial diversity is the harmonious coexistence and integration of different races, which requires mutual acceptance, tolerance and equality before the law and in advancement, rather than assimilation. Central components of this approach, and part of the PAP ideology, are multiracialism and meritocracy. The former consists of the components multiracialism, multiculturalism, multilingualism and multi-religiosity and basically grants separate but equal status to the diversity of races, cultures, languages and religions in Singapore. These diversities are fixed into a framework of officially defined races - Chinese, Malay, Indian and Others (CMIO) - that also implies the affiliation of each race to a certain culture, language and religion in a "one-to-one correspondence" (Lai, 1995, p. 179). The CMIO model, however, while neat in principle, does have contradictions in reality because of fixed and invariable identity, resulting in an apparent homogeneity of each racial group that does not acknowledge

---

interchangeably (Barr and Skrbis, 2008, p. 50). The Singaporean Department of Statistics defines an ethnic group by referring to a person's race as declared by that person (Singapore Department of Statistics, 2010c, p. 34).

<sup>14</sup>The definitions of MNCs found are manifold: MNCs are enterprises that are active in two or more countries (International Labour Organization, 2005), that control assets such as factories, mines or branches (Sell, 2003, p. 195) or are foreign companies holding ten or more per cent of a domestic company's share (the respective domestic company is then considered as being controlled by, and a branch of, the foreign company) (Krugman and Obstfeld, 2009, p. 229). In general, the activities of MNCs that operate in several countries are controlled by headquarters located in the corporation's home country, while subsidiaries are relatively autonomous regarding their purchase, production and sales/distribution activities (Bundeszentrale fuer Politische Bildung, 2006).

the heterogeneity within each group and similarities across groups. The building and preservation of a multiracial society requires constant management and attention by the government, starting with the choice of the President of the Republic (the first president was Malay, followed by Eurasian and Indian president) and the introduction of bilingualism in schools, with the main focus on English as a means of communication across racial groups to the allocation of national holidays for each religion (Perry and Yeoh, 1997, p. 68). The principle of meritocracy that values hard work, competitiveness and merit, promoting ability over racial affiliation, is most compatible with the multiracial ideal of equal citizenship. Adopting the ideology of meritocracy, the Singapore government gained the right to rule on the basis of merit and talent, without tolerating ethnic or racial loyalties, and it prevented racial groups from claiming special rights, resulting in a de-politicisation of ethnicity: “[...]the government removed ethnicity from the political arena and defined its location in the non-political social realm. Singapore citizens enjoined to inhabit two worlds, the non-political ethnic and the non-ethnic political” (Lee, 2008, p. 624).

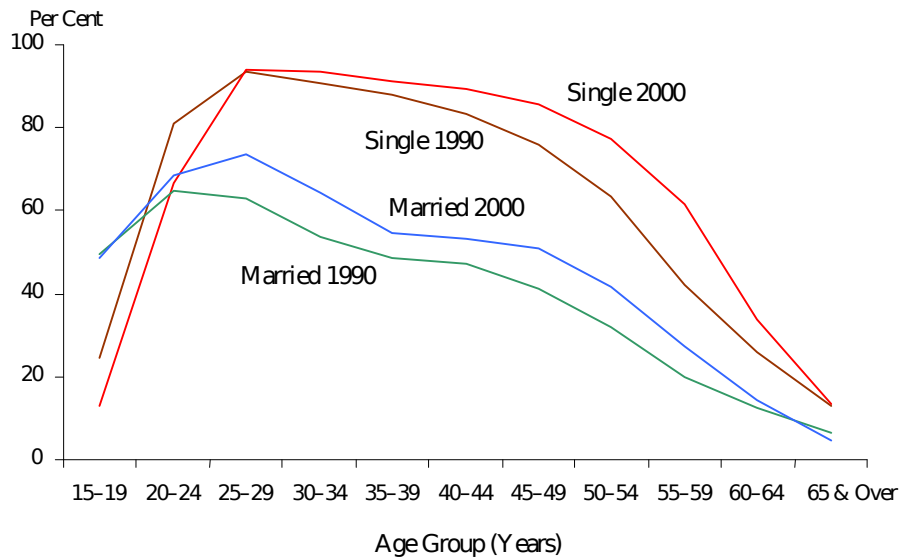
Next to diversity in terms of race, language, culture and religion, the changing demography of Singapore’s population is regarded as a threat to the overall competitiveness of the country that also requires governmental attention and management. It also constitutes a labour force challenge for companies due to the shortfall in domestic labour supply. The main influence on Singapore’s demography has been the changing fertility pattern in the last decades. The PAP government has taken - similar to the management of Singapore’s racial, religious, lingual diversity - a proactive role in population management since independence. The various initiatives of Singapore’s family policy were and still are determined by overriding economic considerations that changed from survival and the goal of raising the standard of living to a chronic domestic labour shortage further fuelled by rapid modernisation. The effects of Singapore’s industrialisation and modernisation in regard to demographic change are manifold and complex. Examples are a higher participation rate of women in the workforce, which rose, for instance, from 50.7% in 1999 to 55.2% in 2009 (Singapore Department of Statistics, 2010e), and their higher level of education, which encouraged the postponement of marriage and childbirth and the introduction of the Central Provident Fund<sup>15</sup>. Already in the PAP’s Five Year Plan 1959-1964, the party committed itself to the principle of equality for women and men in all spheres, calling for the emancipation of women from domestic drudgery (Hill and

---

<sup>15</sup>The Central Provident Fund (CPF) introduced in 1955 is a compulsory savings scheme to which employees as well as employers pay monthly contributions. The CPF can be used in several ways such as for retirement, health care, home ownership or education (Tan, 2006, p. 31).

Lain, 1995, p. 144). This policy was mainly based on economic grounds due to the need for additional labour needed for Singapore's industrialisation. At the same time, the education opportunities for women increased: the progress women made in the educational sphere was impressive - the literacy rate for women increased from 34% in 1957 to 89% in 1980 and the proportion of women in tertiary education almost doubled between 1962-1975 (Hill and Lain, 1995, p 149–150).

Singapore's changing family and household structure follows the typical pattern of high income societies changing from high fertility and mortality rates to declining ones, resulting in respective swings in government policies from anti- to pro-nationalist policies once the fertility rate fell below replacement level. The decades from independence to the 1980s were characterised by family policies that aimed at suppressing fertility rates through financial and other incentives, as well as disincentives. The long-term goal was zero population growth by maintaining a replacement level resulting in a policy popularly known as 'Two is Enough' (Hill and Lain, 1995, p. 146). By the late 1970s, Singapore experienced severe labour shortages in certain economic sectors due to its successful industrialisation and at the same time continuous declining fertility rates below replacement level, which alerted the government and led to a change in population policies from anti- to pro-nationalist. Now the focus was on better educated and higher income working women, who were marrying later (or not at all) and having less children. The respective measures that were introduced were criticised for their elitism and withdrawn shortly afterwards. In 1987, the New Population Policy was announced, which besides the declining fertility rate took the ageing population into account that needed to be supported in the future by a decreasing number of young persons. The new family size propagated by the government was three or more children if families were able to afford it. Affordability instead of educational qualifications was the new key criterion, but the financial incentives and tax rebates introduced to encourage women to have (more) children were especially aimed at educated women (Hill and Lain, 1995, p. 153). Despite governmental efforts to raise the fertility rate, it declined from 1.47 in 1999 to 1.22 in 2009 (Singapore Department of Statistics, 2010e, p. 27). Figure 1.1 shows, especially for the labour force participation rate for married women, a slight M-shape with peaks at the age groups 25-29 and 45-49. The reason for this shape is the withdrawal of married women from the labour force for family reasons and a re-entering of the workforce as the children grow older, albeit in lower numbers. The result is a (temporary) shrinking labour force, which stands in sharp contrast to the domestic labour shortage (Singapore Department of Statistics, 2000b, p. 2).



**Figure 1.1:** Labour Force Participation Rate of Singapore's Female Resident Population (Singapore Department of Statistics, 2000, p. 3)

**Table 1.3:** Age Composition of Singapore's Resident Population - in percentage

	1980	1990	2000	2010
<b>0-14 years</b>	27.6	23.0	21.9	17.4
<b>15-64 years</b>	67.5	71.0	70.9	73.7
<b>65 years and over</b>	4.9	6.0	7.2	9.0

(Singapore Department of Statistics, 2010d, p. V)

Probably the major challenge for the economy, as well as the social system regarding the demographic change taking place in Singapore, is the country's ageing population, the overall trend of which is evident: the median age of Singapore's resident population rose from 34.0 years in 2000 to 37.4 years in 2010, implying a changing ratio of working age residents to elderly residents that declined from 9.9 residents aged 15-64 years for each resident aged 65 and over in 2000 to 8.2 in 2010 and an overall changed age composition, as shown in 1.3.

There exist several interrelated issues concerning the ageing population in Singapore that require, according to the government, attention. The first two concerns address the possible increasing dependency on the state for welfare and financial assistance and the traditional family caring structures<sup>16</sup>. The third concern deals with the impact of an the

<sup>16</sup>Since Singapore is not considered a welfare state by the government, it sees the family and, to a lesser extent, the community as the main providers of support for the elderly. One indicator of this dependency



ageing population on Singapore's future economic growth and development. The government took the lead on this matter by introducing a national policy on elderly persons in 1989, which focuses on following areas: employment of elderly people, attitudes towards elderly people and community and residential care (Phillips and Bartlett, 1995, p. 349). In 1993, the government legislated the Retirement Age Act to raise the retirement age from 55 to a minimum of 62 years<sup>17</sup>. Especially prior to 1993, age discrimination<sup>18</sup> in employment was prevalent, the retirement age was traditionally 55 years and, in the case of re-employment, many retirees received a lower salary and less favourable employment conditions, or employment was refused on the basis of age (Debrah, 1996, p. 817). In order to counteract age discrimination and related stereotypes, and to enhance Singapore's competitiveness, the government introduced several incentives in line with the Retirement Age Act to make it more attractive for employers to retain older workers. One example was the reduction of contributions of employers to the Central Provident Fund for older workers and adult training, which is subsidised by the government and administered by the Workforce Development Agency (Perry and Yeoh, 1997, p. 97–98).

As already indicated, the PAP's paternalistic approach is not only limited to the management of the population's diversity and demographic change, but also includes other areas such as workforce planning or immigration, which are directly related to Singapore's economic development and its increasing and changing labour force demand. Since independence, the government's strategy of economic development has depended on foreign direct investment (FDI) and the establishment of multinational corporations, and moved from export-oriented, labour-intensive manufacturing to higher value-added, technology-intensive industries and services in the past decades. Singapore's success in attracting FDI and MNCs results from introduced investment and tax incentives, the government's ability to provide social and economic stability as well as infrastructure, Singapore's skilled labour force and last but not least its strategic location in Asia (Peebles and Wilson, 2002, p. 170). FDI transformed Singapore's formerly small industrial sector, characterised by

---

is the high level of co-residence between elderly and adult children, which is promoted by the Singaporean government as a moral obligation and attractive financial arrangement (Chan, 2005, p. 222).

<sup>17</sup>Section 4(2) of the Retirement Age Act provides that no employee can be dismissed on the ground of age; the employer can be fined up to S\$ 5,000, jailed up to six months - or both. If an employee considers he/she has been dismissed due to his/her age, he/she can make a representation to the Minister for Manpower, who can order the employer to reinstate or compensate the employee (Tan, 2006, p. 87; Chandran, 2005, p. 94–95).

<sup>18</sup>According to Debrah (1996), age discrimination occurs when people of a certain age are refused employment, denied promotion, training or benefits, receive less salary or are dismissed from jobs. The underlying assumptions of age discrimination are that older workers are slower, inflexible and untrainable leading to more negative attitudes and behaviour toward older employees (p. 814).

petroleum refining, metal exports, and its food and beverage industry in the 1960s and basic petrochemical production as well as labour-intensive industries like consumer and component electronics, textiles and garment manufacture in the 1970s to higher skills- and capital-intensive industries such as industrial electronics and computers in the 1980s (Murray and Perera, 1996, p.96). The gradual transformation from labour-intensive industrialisation toward the promotion of technology- and skills-intensive, higher value-added exports was caused by an increasingly tight labour market - from the 1970s onward Singapore experienced virtually full employment - and the thread of competition from neighbouring lower wage countries. The government's answer to the recession in 1985/'86 was a further shift of its economic development strategies: instead of providing a manufacturing production base and export platform for MNCs, the new direction was to broaden manufacturing and services into a total business centre, inducing MNCs to establish their regional headquarters in Singapore, shift production to higher value-added exports and to develop Singapore into a major exporter of financial and business services (Peebles and Wilson, 2002, p.188). This new direction of Singapore's economy goes along with the overall vision to turn the country into a globally competitive knowledge economy and a manufacturing and service hub, enabling MNCs and local companies to manufacture high value-added products. The overall economic policy pursued by the Singaporean government has proven successful: by the end of 2008, the total stock of foreign direct investment<sup>19</sup> was \$ 470.3 billion, of which 41.1% came from investments by European investors, followed by 22.9% originating from Asia, 20.3% from South and Central American and 11.7% from North America (Singapore Department of Statistics, 2010b, p. 1-2). More than 7000 MNCs from the USA, Japan and Europe settled in Singapore, along with around 1,500 from China and India, respectively (US Department of State, 2010).

In order to remain competitive and foster economic development, and due to the chronic domestic labour shortage and changing requirements of the workforce, the Singaporean economy increasingly relies on the importation of foreign labour for deployment at both ends of the labour market. Furthermore, the government sees the need to attract overseas Singaporeans to come back home and work in Singapore. The government actively regulates the inflow of foreign workers using various laws and instruments. Next to the Immigration Act, another important cornerstone is the Employment of Foreign Manpower Act, which was legislated in 1990 to deal more effectively with the problem of illegal for-

---

<sup>19</sup>These FDIs represent investment by foreign investors in their Singapore affiliates. The foreign investors must own at least 10% of paid up capital of its affiliate (Singapore Department of Statistics, 2010a).

foreign workers<sup>20</sup>. An additional instrument used to regulate the inflow of foreign workers, especially unskilled and semi-skilled workers, is a levy that may be imposed on employers who employ foreign workers, which is further defined in the Foreign Workers (Levy) Order<sup>21</sup>. Examples of how the foreign workers levy becomes a governmental management tool for economic development are the recommendations of the Economic Strategies Committee (ESC) in its newest report released in February 2010. While acknowledging the importance of foreign workers, who fill many jobs in construction, marine, manufacturing and service sector, Singapore should not become overly dependent on foreign workers and should avoid an increase in their number, as achieved over the last decade. The ESC recommends the gradual increase of foreign labour levies, which will allow flexibility to employ foreign labour in response to business cycles, e.g. companies that are growing and in the need of workers are given the opportunity to remain competitive. Nevertheless, the ESC differentiates between unskilled/semi-skilled workers and their highly skilled counterparts, and emphasises the value of the latter for the Singaporean economy and its development:

However, even as we moderate the growth of the total foreign workforce, it remains critical for Singapore to continue attracting highly capable and entrepreneurial people from around the world to work here. They will complement our home-grown talents and add to the critical mass of talent in science and engineering, design, finance and start-ups that Singapore needs to be a serious player in the knowledge-based economy. Keeping our society open to top talent will help to create many more opportunities for Singaporeans (Economic Strategies Committee, 2010, p.6).

Various strategies, schemes and programmes to attract global talent, referred to by the

---

<sup>20</sup>The Employment of Foreign Manpower Act provides that no person should employ a foreigner without a valid work pass. The work permit is issued by the Controller of Work Permits, with or without conditions, as stated in Section 7(1) and 7(2) of the Employment of Foreign Manpower Act (Ministry of Manpower, 2010a).

<sup>21</sup>The levy should regulate the demand for foreign labour through pricing - the amount of levy depends on the class of foreign worker employed (e.g. foreign workers with a Work Permit or S-Pass) and the type of industry. In general, the levy for skilled workers is lower than that for unskilled ones. For instance, the monthly levy for unskilled workers in manufacturing can amount to S\$450, for skilled workers S\$150, depending on the dependency ceiling (DC), which is, next to the foreign workers levy, an instrument used to regulate the employment of foreign workers. The DC for the various sectors depends on the local workforce, e.g. the ratio of local vs. foreign workers. In construction, for example, the DC is 1:7, i.e. for every full-time Singaporean citizen or permanent resident employed, a company can employ seven foreign workers (Ministry of Manpower, 2010d). The foreign work pass framework, its conditions and restrictions including the levy, skills requirements, etc. is regularly reviewed by the Ministry of Manpower.

ESC, and to facilitate their recruitment and relocation have been introduced by the government. For example, a special tax deduction scheme for companies allows them to claim tax relief for expenses incurred in the recruitment and relocation of global talent (e.g. skilled professionals with a P1, P2 or Personalised Employment Pass) and/or returning Singaporeans or permanent residents from overseas (Ministry of Manpower, 2010b). A foreign researchers recruitment programme, which is administered by A\*Star<sup>22</sup>, provides financial assistance to companies and organisations for the recruitment of foreign researchers in Singapore (Tan, 2006, p. 48–49). Furthermore, the EDB, together with the MOM, launched ‘Contact Singapore’, an official international recruitment agency used to attract global talent and overseas Singaporeans to work, invest and live in Singapore<sup>23</sup>. Next to special schemes and programmes designed to attract foreign talent, the strategic marketing of Singapore presents the city as vibrant and cosmopolitan with plenty of opportunities for career advancement and a great place to stay.

The management of Singapore’s workforce diversity, which is further increased by the inflow of foreign workers, is mainly regulated by Singapore’s Constitution. To prevent discrimination, it provides that all persons are equal before the law (Article 12(1)) and that, according to Article 12(2):

[...]there shall be no discrimination against citizens of Singapore on the ground only of religion, race, descent or place of birth in any law or in the appointment to any office or employment under a public authority or in the administration of any law relating to the acquisition, holding or disposition of property or the establishing or carrying on of any trade, business, profession, vocation or employment (Chandran, 2005, p. 92).

The impact of the latter Article, however, is limited by omissions and the ambiguity of its wording. Article 12(2) only extends to the types of discrimination stated that do not include, for example, sex, disability, homosexuality or age. The phrases “appointment to any office or employment under a public authority” and “carrying on any trade, business,

---

<sup>22</sup>The Agency for Science, Technology and Research (A\*Star), formally known as the National Science and Technology Board, was established in 1971 and is a government agency whose aim is to foster scientific research and talent to build a knowledge-based economy. The focus of A\*Star is on biomedical science, physical science and engineering, overseeing 14 research institutes and seven centres located in Biopolis and Fusionpolis and to support research in universities and institutes in the health care sector (A\*Star, 2010).

<sup>23</sup>Contact Singapore has offices in Asia, North America and Europe, where it hosts industry-specific events, information and networking sessions for employers and talent. It also actively links employers based in Singapore with talent on a global scale (Contact Singapore, 2010).

profession, vocation or employment” can be interpreted in several ways, with the effect that the article only regulates the actions of the state and private employers are not covered under this Article (Chandran, 2005, p.93). In line with the Constitution, several conventions such as the United Nations Convention on the Elimination of All Forms of Discrimination against Women, or the International Labour Organisation’s C100 Equal Remuneration Convention, are ratified by the Singapore government, but the principles of these conventions are not incorporated into local law, thus constituting the normative standards and desirable conduct of the respective actors. Additional to normative institutions are several codes such as the Code of Responsible Employment Practices and the Tripartite Guidelines on Non-Discriminatory Job Advertisements<sup>24</sup>, which are not legally enforceable.

Overall, it became apparent that the Singapore government takes many steps to actively manage the diversity of its population and ensure the country’s competitiveness and economic development. Diversity and demographic management in Singapore, however, have a different connotation and aim than those promoted by researchers, business literature, (diversity) professionals and international organisations. Instead of promoting the benefits that diversity might have in the workplace, the government focuses on the prevention of conflict and tension, with the aim to maintain a stable economic and social environment, which in turn also constitutes the institutional environment in which companies operate. Since it appears that workforce diversity management cannot be considered a local concept, and it is not on the agenda of the Singaporean government, the thesis focuses on Singaporean subsidiaries of MNCs whose mother companies have already adopted a diversity management policy. Due to the absence of Singaporean laws or regulations regarding workforce diversity, these subsidiaries have considerable leeway for the possible adoption and implementation of the concept, requiring translation, interpretation and adaptation

---

<sup>24</sup>The Code of Responsible Employment Practices was released in 2002 as a joint statement of the Singapore National Employer Federation, the Singapore Business Federation and the National Trade Union Congress. The code’s aim is to help employers to promote and observe responsible employment practices, regardless of factors that are not relevant for the exercise of work-related activities (e.g. race, religion, age, marriage status, disability, age, etc.). Furthermore, it should encourage self-regulation on the part of employers and employees in regard to recruitment, selection, appraisal, terms and conditions of employment, etc. Employers as well as employees should appreciate the workforce’s diversity and work together to achieve workplace harmony. The Tripartite Guidelines on Non-Discriminatory Job Advertisements were issued in 1999 by the Ministry of Manpower, the National Trades Union Congress and the Singapore National Employers Federation. In line with Singapore’s principle of meritocracy the selection criteria should be merit, experience, capability and other requirements needed for the respective job. Candidates should not be selected on the grounds of age, gender, marital status, race or religion. The tripartite guidelines are aimed to serve employers as a reference during the selection process of candidates (Tan, 2006, p.139–140).

in order to fit the local business, social, economic and institutional environments and to foster its institutionalisation.

## 1.4 Structure of the Thesis

Following on from the preceding introduction to diversity management, its origins, (global) dissemination and applicability in different contexts, as well an outline of the country of investigation and its specific forms of diversity management, the next chapter lays the theoretical foundation for an analysis of the translation and institutionalisation process of diversity management in the Singaporean context. The chapter gives a short overview of the development of institutional theory in different disciplines, and introduces in its main part important concepts surrounding the new institutional theory such as institutions, organisational environments or the process of institutionalisation, as well as developments within the new institutionalism that are considered important for the analysis of empirical data. Extensive research was conducted in two multinational companies in Singapore as well as in Germany, and the main body of the thesis consists of the analysis and interpretation of the collected data.

The first empirical chapter concentrates on the definition of diversity and the construction of the value and challenges of workforce diversity in the corporate context of the respective companies in Singapore. It will become apparent that the former is highly influenced by individuals' everyday reality inside and outside the company, and constitutes a social construction process in which this everyday reality is reproduced in respondents' diversity definitions that differ from the diversity definitions issued by the respective parent company. Contrary to the localised diversity definitions, the value of diversity in the Singaporean corporate context is mainly constructed by respondents with the help of rhetorical schemes drawing on broader discourses of economic rationality and employment/talent search that apply to the Singapore context in certain parts only. With data from the marketing and operations department of Logistica's Singapore country office it will be shown that the value of diversity is mainly constructed normatively, but not transferred to the operational level.

In the following chapter the different management strategies regarding the workforce diversity of Moneta Singapore and Logistica Singapore are analysed. The analysis shows that the respective overall strategy and local business context serve as a basis for a positive interpretation, translation and implementation of diversity management. This is

evidenced in the case of Moneta Singapore but not Logistica Singapore. Respondents of the latter company offer specific reasons as to why diversity management is not regarded as an important factor in the company's overall strategy, and highlights the different demands of a bank and a logistics provider operating in the same business environment. Taking Logistica's parent company as an example, the remaining part of the chapter analyses the reasons for adopting diversity management, the respective strategy and initiatives, the concept's embeddedness and the efforts taken to institutionalise diversity management on national as well as international levels.

The last empirical chapter deals with the Singaporean institutional environment in which companies are embedded, in that it influences actions, interests and actors within the corporate sphere. It will become obvious that the Singaporean government constitutes an important player in the field of corporate diversity management, despite few regulative institutions regarding diversity and its management in the business context. As the analysis shows, although diversity management is considered relatively unimportant in the Singaporean business context by many multinational and local companies, it will transpire that diversity is nevertheless utilised in different contexts. The question as to how existing diversity can be further utilised as a possible solution to business needs is taken up in the second part of the chapter, which also discusses further implications and challenges when adopting the concept of workforce diversity management that are not considered and/or implemented by the companies where the research was conducted.

The concluding chapter focuses on the major findings of the research and their implications for the institutionalisation of corporate diversity management in the Singaporean business context. It is shown that several factors on organisational and institutional levels influence the interpretation and translation process, that this translation process is highly selective due to a specific local and corporate context and therefore influences the concept's degree of institutionalisation in Singapore, as well as in the companies' headquarters.

## Chapter 2

# The Institutionalisation of Diversity Management: Fundamental Concepts and Processes

The analysis of the dissemination, translation, adaptation and institutionalisation of a global management concept to a local context, which constitutes the focus of this thesis, is theoretically embedded in the new institutional theory that provides a fruitful basis for understanding these processes. The new institutional theory stresses, on the one hand, the importance of the institutional environment, and therefore external expectations and demands, that influence organisations and their actors and clearly differentiate between the economic benefit that goes along with the adoption of a management concept and the legitimacy ascribed to the organisation by internal as well as external reference groups due to adaptation. On the other hand, organisational actors are not passive during the process of institutionalisation, but actively translate, interpret and implement the respective concept, which basically constitutes a construction process of social reality in which the relationship between actors and the (objectified) social world is dialectical, i.e. the social context constitutes a framework for actors, structuring and determining their actions, but is also constructed by the same actors and their actions. Both aspects play an important role during the institutionalisation process of the managing diversity concept in the Singaporean business environment and help to understand the different translations and interpretations of the concept, as well as the variations in its implementation. The following chapter first gives an overview of the development of institutional theory and the differences of the new institutional theory in different disciplines, in order to understand and evaluate any similarities or dissimilarities. The main part of the chapter addresses the central concepts of new institutional theory that are relevant for the analysis of the institutionalisation process and the interpretation of the empirical data.



## 2.1 From Early to ‘New’ Institutional Theory

Although DiMaggio and Powell, 1991 indicated that “there are, in fact, many new institutionalisms - in economics, organisation theory, political science and public choice, history and sociology” (p. 3), the main focus of this chapter is on the new institutionalism in organisation theory that is closely associated with sociology. Since the development, theoretical grounding and research agenda of the new institutionalism were greatly influenced by, and often constitute, a reaction against early institutional theory, it is worthwhile briefly examining the earlier work of institutionalists and the development of institutional theory in different disciplines - economics, political science and organisational science/sociology - to evaluate their similarities and differences. The disciplinary categorisation is adopted from Scott, 2001, who stresses that this approach has limitations, because often greater divisions exist within rather than between the different disciplines (p. 1). However, for the purpose of this short overview, and for clarity’s sake, the categorisation proves to be sufficient.

By the turn of the 20th century, institutional economists influenced by the institutional arguments of the German Historical School, whose economists emphasised that economic processes operate within a social framework and are thus shaped by cultural and historical forces, gained importance in their field. The American institutional economists, Thorstein Veblen and John Commons particularly, distanced themselves from and criticised the conventional economic model regarding individual behaviour, as pointed out by Veblen, 1898: “In all the received formulations of economic theory [...] the human material with which the inquiry is concerned is conceived in hedonistic terms; that is to say, in terms of a passive and substantially inert and immutably given human nature” (p. 889). Instead, he emphasised that much human conduct is governed by a chain of causes and effects and by habituation and convention, stressing the importance of continuity and change (Veblen, 1969, p. 239). According to Veblen, habits constitute institutions: “The growth and mutations of the institutional fabric are an outcome of the conduct of the individual members of the group, since it is out of the experience of the individuals, through the habituation of individuals, that institutions arise (ibid., p. 243). Commons, 1924 stressed the exogenous determination of preferences through “rules of conduct” (p. 7) as well as the changing character of the economy, and consequently challenged the neoclassical model of perfect competition and equilibrium. However, despite the criticism of these early institutionalists, neoclassical theory still dominated economic study due to the tendency of the former authors to overemphasise naive empiricism and historicism in their largely

descriptive works (Scott, 2001, p. 5).

Many diverse lines of work with different focuses exist, which contribute to the new institutional theory in economics. One prominent branch incorporates a theory of institutions into economics that regulate or manage economic exchanges. Institutions are assumed to play an important part in the working of the economic system, for example in furthering or preventing economic growth. It includes work in transaction costs, political economy, property rights, hierarchy and organisation and public choice. Probably the most prominent theorist representing this branch of new institutional economics is Ronald Coase. In his article *The Nature of the Firm*, Coase, 1937 identified transaction costs: “the costs of using the price mechanism” (p. 390), i.e. the costs of negotiation, information, concluding contracts and enforcement for each exchange, as reasons for the establishment of firms (and other institutions), rather than allowing markets to determine the price mechanisms for exchanges. Contrary to the neoclassical theory, which takes Homo Economicus as its basis, the new institutional economics incorporates disequilibriums of markets, incomplete contracts, asymmetric information, limited rationality and knowledge, as well as transaction costs in the analysis of institutions. The difference between the old and the new institutionalism is that “the old institutionalists were concerned in the main with describing institutions rather than with analyzing them” (The Ronald Coase Institute, 1997).

It was not until the emergence of the new institutional economics in the 1970s that Coase’s transaction costs became popular and were taken up by other economists such as Douglas North. As a historic economist, North showed that economic performance is largely determined by institutions that are structures humans impose on human interaction, influencing the choices of individuals which in turn shape the performance of societies and economies over time. He focuses on a theory of institutional change because in his view neoclassical theory does not give satisfactory answers to the diverse performance of societies and economies at present and over time. Another, evolutionary approach to economic change was developed by Nelson/Winter, who posited that institutions do not come into existence because of individual foresight, but are instead the end products of random variation and selection (DiMaggio and Powell, 1991, p.4). In contrast to transaction costs economists, Nelson/Winter’s conception of factors that shape behaviour and structure in organisations is much broader.

Overall, it can be summarised that the development of the new institutional theory in economics constitutes a turn towards new insights, broader boundaries and emphasis

rather than a sharp break from neoclassical theory. Nevertheless, despite important differences between contemporary institutional economists regarding their assumptions and analytic focus, there exist common analytical themes that underlie their work. In this regard, Scott, 2001 points out 1) a broader conception of the economic agent in contrast to the neoclassical *Homo Economicus*, 2) the focus on economic processes, which implies the evolution of economic systems over time instead of studying an equilibrium state, 3) the study of the rise, maintenance and transformation of institutions and 4) the assumption that the coordination of economic activity involves not only market-mediated transactions, but also many other types of institutional structures (p. 28–29).

The earliest institutional approaches in political sciences were developed roughly at the same time as in economics, and culminated at the end of the 19th and the beginning of the 20th centuries. The works of these early institutionalists were grounded in constitutional law and moral philosophy, focusing on formal structure and legal and administrative frameworks such as institutions of government. The approaches were characterised by their descriptive, non-theoretical analysis of rules, rights and procedures of political systems from their beginnings to the present day, but did not include ongoing change. These early institutional approaches were challenged by the behaviouralist approach, and their importance declined increasingly (Scott, 2001, p. 6ff). The behaviouralist approach<sup>25</sup> was characterised by its empirical focus, e.g. the observation and measurement of individual (political) behaviour, which is used as a basis for analysis to generate theories of political behaviour. The emphasis on more rigorous and deductive theory and methodology implied a rejection of normative and prescriptive approaches, and the focus shifted from the institutional political structures to the study of ‘external factors’ like votes or interest groups. The rational choice approach, applying economic assumptions to political behaviour, is one prominent variation of behaviouralism, implying that individuals act strategically and are motivated by utility maximisation (Hartmann, 2003, p. 66ff).

New institutionalism in political science developed as a direct reaction to behaviouralism that was in turn influential in the 1970s and 1980s. Although it does not constitute a unified body of thought, all approaches focus on the role of institutions and their importance in political life. Hall and Taylor, 1996 distinguish between three major approaches to new institutionalism, namely historical institutionalism, rational choice institutional-

---

<sup>25</sup>It is important to note that the terms behaviouralism and behaviourism have different meanings and are applied in different academic fields. In contrast to behaviouralism, which describes an approach used in political sciences, behaviourism constitutes one of the most influential approaches in American psychology and can be traced back to Skinner/Watson. It focuses on observable and measurable behaviour and assumes that it is a product of experiences and learning (Hartmann, 2003, p. 66).

ism and sociological institutionalism. The latter has developed independently of political sciences, but is nevertheless of growing interest to political scientists. Historical institutionalists view institutions as formal and informal rules, norms and procedures that are embedded in the organisational structure of polity and politics. They emphasise the asymmetries of power in regard to the operation and development of institutions, the path dependence and unintended consequences of existing institutions, seek to locate institutions in a causal chain with other factors such as socio-economic development and focus on the macro-perspective of institutions (p. 5ff). Prominent scholars in this camp are March and Olson, 1989, who ‘rediscovered’ institutions in a theoretical surrounding characterised by its non-institutional conception of political life. Their approach was directed against the reductionist, utilitarian, instrumentalist and functionalist theories of politics prevailing since the 1950s (p. 3). In contrast, rational choice institutionalists stress the micro-foundations of institutions, which they regard as a rule system constructed by individuals to either promote or protect their interests; hence, utility maximisation provides the dynamic for behaviour. Individual behaviour is not driven by historical forces but by a strategic calculus. Some analytical tools used by political scientists are adapted from the new economics, for example transaction costs (Hall and Taylor, 1996, p. 10ff). Although both historical and rational choice institutionalists emphasise the importance of institutions in political science, there exist significant differences such as the relationship between institution and behaviour, the origins of institutions or the concept of equilibrium vs. historical change (ibid., p. 17ff). Until now, both approaches have remained relatively distant from each other, with few overlapping perspectives or assumptions.

In the preceding short overview of new institutionalism in economics and political science/public choice, it became apparent that economic approaches have broadened the rationality assumption, in which institutions are assumed to be products of purposive actions undertaken by strategically-oriented individuals; institutional arrangements are considered “adaptive solutions to problems of opportunism, imperfect or asymmetric information, and costly monitoring” (DiMaggio and Powell, 1991, p. 9). Approaches in political sciences, on the one hand, embrace rational choice models that follow economic approaches, while and on the other hand they favour a historical view of the nature of institutions. In contrast, new institutionalism in organisation theory and sociology rejects rational-actor models, incorporating cognitive and cultural explanations for individual choices and preferences, assuming that it is not conscious choice but taken-for-granted expectations that guide choices. In addition, it builds on concepts borrowed from phenomenology, ethnomethodology, cognitive psychology and cultural studies. New institu-

tionalism in organisational theory has its roots in the work of early organisation theorists, but diverges in important aspects from these earlier approaches. In the following subsection, a short review of influential organisation theorists should provide a basis for a subsequent analysis of the relationship and differences between old and new institutionalism. This, in turn, will lead to a discussion on the central conceptions of new institutional theory and their reference to, as well as incorporation of, additional theoretical concepts and approaches.

Max Weber's work on bureaucracy is regarded as the first work in the field of organisational sociology, and stimulated work connecting organisations and institutional arguments carried out by later organisational sociologists. In his work *Wirtschaft und Gesellschaft*, Weber, 1972 developed a model of bureaucratisation that reflects the process of rationalisation within society and the change of authority systems (traditional, charismatic, rational-legal) that differ in kinds of belief or cultural systems. Although he does not focus on the concept of institution, he implicitly describes processes of institutionalisation. Weber was not only concerned with the development, structure and functionality of bureaucratic organisations, but also with cultural rules that define social and economic structure and behaviour - his studies were influenced by different factors including political, cultural, social, technological and economic aspects. He had an ambivalent attitude towards the increasing bureaucratisation of society, on the one hand acknowledging the superiority of bureaucracy in view of the increasing size of organisations and complexity of their tasks, while on the other hand pointing to the "Unentrinnbarkeit" (inescapably) (p. 834) of modern bureaucracy. Weber's concept of bureaucracy and its consequences for behaviour in organisations was picked up by sociologists such as Robert Merton, Philip Selznick and Max Blau. They carried out a series of empirical studies that analysed, for example, forces within bureaucracy that produced normative orders and discipline, guiding the behaviour of officials (Merton, 1957), or the transformation of structures and goals of an organisation by its participants, as well as the environment, and regarded organisations as adaptive social structures facing problems independent of their creation (Selznick, 1949). Selznick's approach was to trace the natural history, e.g. the development of distinct structures, capabilities and liabilities, of an organisation. In his view, organisations that are established to achieve specific goals are transformed into institutions, given a certain time. Institutionalisation is a process reflecting the organisation's own distinct history, people who have been in it, different interests and environmental influences - it becomes infused with value beyond rational and technical requirements (Scott, 2001, p. 23–24). Talcott Parsons was also interested in the relation between organisations and

their environment, as well as the legitimisation of the organisations' value systems in different functional contexts. According to Parsons, the structure and operational processes of organisations depend, on the one hand, on internal functional compliance and on the other on the environment in which the organisations operate. In *Suggestions for a Sociological Approach to the Theory of Organisations*, Parsons, 1956 defined organisations correspondingly by locating them into the structure of society: “[organizations are] a social system oriented to the attainment of a relatively specific type of goal, which contributes to a major function of a more comprehensive system, usually the society” (p. 63). Parsons partly applied his definition of institutions on an individual level - a system of norms regulating the relations of individuals to each other - to the organisational level, emphasising orientation towards a normative system. In his argument he points out that these wider normative structures are the basis for the legitimisation of the organisation's existence and for organisational patterns that incorporate wider cultural values. Correspondingly, the legitimisation by normative frameworks, adaptive patterns and values differs for organizations that operate in different functional sectors (Scott, 2001, p. 26).

In general, it can be summarised that Parsons and the other ‘first generation’ theorists of organisational sociology did not consider organisations as autonomous entities, but rather as embedded in complex societal contexts and in interrelation with their environment. Organisations were perceived as ‘open systems’, and scientific interest was focused on both organisations and society. The perception of the embeddedness of organisations, as well as emphasis on the relationship between organisations and their environment, are two similarities between old and new institutional theory. Additionally, both share a certain level of scepticism towards the rational-actor models of organisations, which imply that organisational actions are mainly based on rational economic decisions. Both old and new institutionalism intend to reveal organisational processes that are contrary to formal structures and the common understanding that depicts organisations as rational actors. Through the identification of respective inconsistencies, it becomes apparent that organisations are not solely characterised by their rational and efficient processes and structures, but that organisational reality is shaped by other factors, too. Despite these similarities and the continuity of old and new institutionalism, there are many ways in which the latter departs from the former, as summarised in 2.1.

Through the analysis of societal influences and institutions on actions and constellations of actors within an organisation, the old institutionalists often adopted a micro-perspective rarely existent in the beginnings of new institutionalism, which took a macro-perspective

**Table 2.1:** Differences between Old and New Institutional Theory

	<b>Old Institutionalism</b>	<b>New Institutionalism</b>
Perspective	Micro-perspective	Macro-perspective
Conflicts of interest	Central	Peripheral
Organisational structure	Informal interaction, coalitions, cliques	Symbolic role of formal structure
Organisational embeddedness	Local communities	Organisational sectors
Locus of institutionalisation	Organisation	Sector or society
Organisational dynamics	Change and variation	Stability and homogeneity
Organisational practices beyond rationality	‘unanticipated consequences’	‘taken-for-grantedness’
Cognitive bases of institutionalised behaviour	Values, norms, attitudes	Taken-for-granted skips

Table adapted from DiMaggio and Powell, 1991 (p. 13)

of which organisations were regarded as corporative actors. Contrary to the old institutionalists, who emphasised conflicts of interests and were political in their analysis, for new institutionalists these conflicts within and between organisations were of minor interest. This also influences the perception of organisational structure characterised in the view of old institutionalists by informal interaction and influence patterns, coalitions and cliques as consequences of political trade-offs and alliances shaping actors’ interests. According to old institutionalism, organisations are embedded in local communities with which multiple loyalties of personnel and inter-organisational treaties exist, whereas in new institutionalism the formal structure itself has a symbolic role and is the locus of irrationality. Additionally, in new institutional theory the focus shifted to non-local environments, for example organisational sectors (industries, professions, etc.). This also influences the locus of institutionalisation, which can be found in organisations as units, and the locus of the process in the old and the sectoral or societal levels in new institutionalism. The latter focuses on organisational forms and structural components instead of specific organisations that are thought to be institutionalised. A further significant difference is new institutionalism’s focus on stability and homogeneity between organisations and their institutional environment, which is contrary to the focus on change and variation in old institutionalism. In regard to organisational practices that, according to the common understanding of organisations as rational actors, ought to be non-existent, old institutionalism explains them as the ‘unanticipated consequences’ of social actions, whereas new institutionalism draws on the ‘taken-for-grantedness’ and ‘unreflectivity’ of social actions as an explanation. This differentiation is caused by divergent conceptions of the cognitive bases of institutional behaviour, which are values, norms and attitudes for old institutionalists, and the perception of new institutionalists that institutionalisa-

tion is a cognitive process, thus taken-for-granted skips are the foundations of institutions (DiMaggio and Powell, 1991, p. 14–15).

## 2.2 Central Concepts of New Institutional Theory

### 2.2.1 Institutions: Diversity of Definitions and Concepts

Institutions are certainly one of the central concepts of general sociology and are used frequently in theoretical and practical contexts. However, a common consensus on its meaning does not exist, so the numerous definitions vary in their content and formal criteria (Schuelein, 1987, p.9). Institutional publications with their varying definitions of institutions are of no assistance, as different authors identify and emphasise different attributes of institutions that are important only in their own empirical study. Definitions also depend on the varying conceptions of the nature of social reality and order, as well as different conceptions of the choice of actors and the extent of rationality in this concept (Scott, 2001, p. 48). The definitions of institution range from “historical accretions of past practices and understandings that set conditions on action” (Barley and Tolbert, 1997, p. 99) to “a social order or pattern that has attained a certain state or property” (Jepperson, 1991, p. 145). The conceptualisation of institutions in new institutional theory is basically influenced by two theoretical directions: functionalism and phenomenology. The former focuses on the institutional contributions to social structure and processes, assuming a functional relation between institutions and society, while the latter deals with the processual character of institutions, following the phenomenological tradition of Alfred Schuetz and, more prominently, Berger and Luckmann, 1966. Both theoretical directions are important for the meaning and definition of institutions in institutionalism, because they emphasise both the functional relation between institutions, organisations and society and the process of institutionalisation (Senge, 2006, p. 37).

When comparing definitions of institutions, it becomes apparent that many authors draw on related characteristics to define them in the context of the new institutional theory and to distinguish them from other approaches. Institutions are social structures, rules or patterns which are *first* characterised by their durability. They are relatively resistant to change (Scott, 2001, p. 49) but are not fixed or unchangeable because they are also subject to change (Walgenbach and Meyer, 2008, p. 56–57). Their persistence, however, does not depend on recurrent collective mobilisation and action, but rather on reproductive



procedures (Jepperson, 1991, p. 145). *Second*, these reproductive procedures are social interactions through which institutions are not only reproduced but also maintained (Suess, 2009, p. 56), they are transmitted across generations and by various types of carriers (e.g. symbolic systems, relational systems, routines, artefacts) and operate at multiple levels - from the world system to interpersonal interaction (Scott, 2001, p. 48ff). *Third*, institutions are standardised activity sequences that exhibit taken-for-granted rationales “in the sense that they are both treated as relative fixtures in a social environment and explicated (accounted for) as functional elements of that environment” (ibid., p. 147). Their existence is not questioned and their influence not perceived in a conscious and rational way (Senge, 2006, p. 43; Suess, 2009, p. 56). *Fourth*, institutions are binding in the sense that actors abide by the institutions. The probability is high if the institution is, for example, taken for granted or subject to coercion and/or sanctions (Senge, 2006, p. 44), which is in turn associated with the degree of institutionalisation (Zucker, 1977, p. 730). *Fifth*, institutions control and constrain behaviour by setting legal, moral and cultural boundaries and therefore guiding behaviour and actions (Scott, 2001, p. 50; Suess, 2009, p. 57–58), but at the same time they support activities and actors through guidelines and resources, and open up possibilities for patterns of action, thus empowering actors (Senge, 2006, p. 42; Jepperson, 1991, p. 146).

A further differentiating approach involves Scott’s three pillars of institutions (1991, p. 51ff), which became well established in new institutional theory and are referred to by many empirical studies. In his approach, Scott distinguished between three elements - regulative, normative and culture-cognitive - that are assumed to constitute the building blocks and support of institutional structures. These elements form a continuum reaching from legally enforced to taken for granted, e.g. from conscious to unconscious. Furthermore, Scott identified different underlying assumptions that constitute the basis of the particular pillar, mechanisms for the production and reproduction of institutions, different logics and bases of legitimacy for institutions as well as indicators for each pillar, as shown in 2.2. The corresponding institutions to the underlying assumptions are, according to the pillars, regulative, normative and culture-cognitive institutions.

Regulative institutions are assumed to constrain and regularise behaviour and action according to explicitly worded laws and rules. Regulatory processes involve sanctions in the case of non-compliance, and (sometimes) reward in the case of compliance with these institutions; the primary control mechanism is coercion. Next to material resources and technical information, organisations need social acceptability and credibility to survive.

**Table 2.2:** Scott's Three Pillars of Institutions

	Pillar		
	Regulative	Normative	Cultural-Cognitive
Basis of compliance	Expedience	Social obligation	Taken-for-grantedness Shared understanding
Basis of order	Regulative rules	Binding expectations	Constitutive schemata
Mechanism	Coercive	Normative	Mimetic
Logic	Instrumentality	Appropriateness	Orthodoxy
Indicators	Rules Laws Sanctions	Certification Accreditation	Common beliefs Shared logic of action
Basis of legitimacy	Legally sanctioned	Morally governed	Comprehensible recognisable Culturally supported

Table adapted from Scott, 2001 (p. 52)

The basis for this legitimacy is different for each pillar, for instance in the case of regulative institutions it is the conformity to relevant laws and regulations (ibid., p. 61). In most institutional approaches, institutions are associated with the regulative pillar, especially in economics where conformity with laws and rules is regarded as the pursuance of self-interest and in line with rational choice. Scott, however, emphasised the interaction of regulative institutions with other institutional elements and the social construction of these institutions, as well their interpretation:

[...]laws do not spring from the head of Zeus nor norms from the collective soul of a people; rules must be interpreted and disputes resolved; incentives and sanctions must be designed and will have unintended effects; surveillance mechanism are required but will prove to be fallible, not foolproof; and conformity is only one of the many possible responses by those subject to regulative institutions (ibid., p. 54).

Normative institutions generate behaviour and action through norms and values. The former specifies how things are done, the latter constitutes conceptions of the preferred or the desirable (ibid., p. 54–55). Norms and values are, according to Scott, associated with roles, since not all are applicable to all members of the collective, but apply to specific types of actors or positions and prescribe the appropriate goals, behaviour and activities specified for these roles (ibid, p. 55). Consequently, behaviour and action are not based

upon self-interests, but are guided by awareness of the social role taken and knowledge of expected behaviour that is associated with a specific role in specific situations. Norms and values are often viewed as imposing constraints on social behaviour, but at the same time they enable social action by prescribing rights and responsibilities, privileges and duties. The basis for legitimacy is moral in nature, and organisations are regarded as legitimate if they comply with socially accepted norms and values.

The cognitive-cultural dimension of institutions is, according to Scott, the primary distinguishing feature of new institutionalism (*ibid.*, p. 57). Cognitive elements of institutions determine how reality is perceived and experienced through “shared conceptions that constitute the nature of social reality and the frames through which meaning is made” (*ibid.*, p. 57) such as wider belief systems, cultural frames, common scripts and beliefs. Thus, cultural-cognitive institutions are scripts that guide behaviour and action and constitute routines that are taken for granted and not questioned. Due to the taken-for-grantedness of the cultural-cognitive institutions, they become especially sustainable and stable. Instead of mutually reinforcing obligations that characterise roles based on normative institutions, the bases for roles determined by cultural-cognitive elements are templates for types of actors and scripts for actions. Accordingly, in localised contexts, different roles develop due to local repetitive patterns of action, their habitualisation and objectification; nevertheless, prefabricated organising models and scripts are provided by wider institutional frameworks (*ibid.*, p. 58). Legitimacy in the cultural-cognitive view rests upon common frames of reference, belief systems and scripts. In comparison to the basis of legitimacy of the two other pillars, the cultural-cognitive element constitutes the deepest level because of its taken-for-grantedness.

Despite being one of the first important approaches to systematise former studies and different directions in new institutional theory, Scott’s model is criticised for its apparent equal relevance of its institutional elements. Senge, 2006 points out that Scott conceptualised the cultural-cognitive element as a kind of main category, with the regulatory and normative elements as sub-categories. Scott’s cultural-cognitive elements include common beliefs, scripts and frames through which all parts of reality are perceived - including laws, regulations, norms and values. Consequently, all institutions do have a cognitive basis, including regulatory and normative ones, which is contradictory to the equal relevance asserted by Scott (p. 41). Nevertheless, Scott’s model provides a differentiated approach to institutions, their impact and the basis of legitimacy, and it includes next to conscious also unconscious action and behaviour, which can be traced back to institutional con-

texts. The emphasis on the cultural-cognitive element differentiates the new institutional approach from other institutional models especially. A clear differentiation between the particular pillars, however, is possible on the analytical rather than empirical level, since the three pillars comprise elements of institutions that can be found to a different extent in different institutions.

### **2.2.2 Legitimacy and Rationality as Social Constructions and Beliefs**

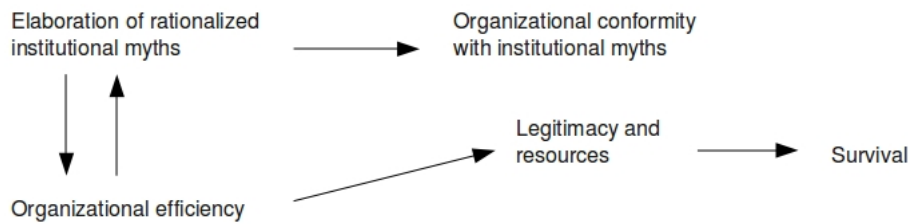
It has already been indicated by Scott's differentiation of legitimacy that organisations require, next to material resources and technical information, social acceptability and credibility to survive. The latter is captured by the concept of legitimacy that is central in new institutionalism. According to institutionalists, legitimacy is something an organisation cannot possess; rather, it is ascribed by internal and external reference groups (e.g. markets, political and cultural stakeholders) who evaluate the objectives and activities of the respective organisations and their compliance with social values, norms and expectations (Hellmann, 2006, p. 75; Lederle, 2008, p. 76-77). Despite being an "anchor-point of a vastly expanded theoretical apparatus addressing the normative and cognitive forces that constrain, construct and empower organisational actors" (Suchman, 1995, p. 571), the conceptualisation and definition of legitimacy remains rather diffuse. In Suchman's article *Managing Legitimacy: Strategic and Institutional Approaches* (1995), he not only defines legitimacy in such a way that it becomes a reference point, but also gives a systematic overview of the studies dealing with organisations and legitimacy and the current debate in organisational theory. According to Suchman, legitimacy is "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions" (ibid., p. 574). Through the generalisation of legitimacy, the evaluation of organisations is not reduced to a particular event or structural element, but instead depends on the history of events in their entirety. Furthermore, legitimacy as a perception or assumption implies a reaction of observers to the organisation as they see it - legitimacy is ascribed and created subjectively, yet possessed objectively. Additionally, it is a social construct that reflects the congruence of organisational actions and objectives with the shared values, norms and beliefs of a social group, so does not depend on particular individuals but a wider group of people (ibid., p. 574).

Suchman differentiates between three types of legitimacy - pragmatic, moral and cognitive - which correspond with Scott's bases of legitimacy. Pragmatic legitimacy refers

to the self-interested calculation of the organisation's most immediate stakeholders, who are directly or indirectly involved in exchanges with the organisation. In line with the logic of exchange legitimacy, stakeholders analyse organisational behaviour and actions to determine practical consequences that impact on their own interests. Moral legitimacy comprises the normative evaluation of organisations and their behaviour. It focuses not on the benefits for the evaluator, like pragmatic legitimacy does, but on the evaluation if the behaviour is appropriate in regard to a certain social logic which is part of a socially constructed value system. Legitimacy can also be based on cognition instead of interest or evaluation. Cognitive legitimacy can be acquired by organisations in two ways: the organisation is able to provide meaningful explanations for its existence and endeavours in a chaotic cognitive environment, and gains legitimacy through comprehensibility, or the organisation relates its legitimacy to the taken-for-grantedness of the social world by transforming disorder into a set of "intersubjective givens" (ibid., p. 583).

The emphasis on cognitive legitimation was elaborated on by Berger and Luckmann, 1966 and taken up by institutionalists, who applied the concept to organisations. Legitimation as a function "to make objectively available and subjectively plausible the 'first-order' objectifications that have been institutionalized" (ibid., p. 110) becomes important when these objectifications of institutional order should sustain and survive independent of individual's own recollection and habitualisation. Institutional order is explained and justified - legitimised - through the ascription of cognitive validity to its objectified meanings (ibid., p. 111). Berger and Luckmann differentiate between the cognitive and normative aspects of legitimation in a way whereby the former (knowledge) precedes the latter (values) in the legitimation of institutions: "Legitimation not only tells the individual why he *should* perform one action and not another; it also tells him why things *are* what they are" (ibid., p. 111; emphasis in the original). In order to employ institutions they have to be cognitively present, and only through legitimation can they become stable and (relatively) permanent. In this sense, legitimacy is a constitutive part of institutions whose explanations, justifications and meaningful accounts are imported from the external environment rather than from inside the organisation (Scott, 1991, p. 171).

As already indicated, legitimisation depends on particular reference groups whose different or antagonistic expectations can constitute serious problems regarding legitimacy and rationality for the respective organisations. This complex topic was taken up by Meyer and Rowan, 1977 in their article *Institutionalized Organizations: Formal Structure as Myth and Ceremony*, in which the authors abandon the dominant approach to organisations



**Figure 2.1:** organisational Legitimacy and Survival (Meyer and Rowan, 1977, p. 353)

that highlights the technical efficiency of formal structures, e.g. an organisation’s formal structure is regarded as a one-to-one image of its internal activities along with their coordination and control. Instead, their main argument is that “the formal structures of many organizations in postindustrial society dramatically reflect the myths of their institutional environment instead of the demands of their work activities” (ibid., p. 341). This implies that formal organisation structures are neither necessarily a reflection of the most efficient problem solving strategies nor subject to rational patterns. According to Meyer and Rowan, organisations are embedded in an institutional context that includes specified images and expectations of an effective and efficient organisation. These beliefs are rationalised, i.e. formulated, in ways that specify the objectives and means in rule-like procedures, techniques, policies or programmes in order to attain set objectives. These procedures and techniques act as powerful myths that are institutionalised in the organisational environment, and “as rationalized institutional rules arise in the given domains of work activity, formal organizations form and expand by incorporating these rules as structural elements” (ibid., p. 345). The efficiency of these structural elements is not necessarily documented, but they are adopted because there exists a belief of their efficiency in the relevant organisational environment. The incorporation of these rationalised elements in organisations’ formal structures ensures the legitimacy of organisations and increases their resources as well as survival capacities (ibid., p. 352). Legitimacy thus emanates from the ability of an organisation to conform to environmental institutions - Meyer and Rowan’s argument is summarised in 2.1. The usage of vocabulary that is consistent with institutional rules contributes to the legitimacy of the organisations; a thought already formulated by Berger and Luckmann (1966, p. 112). The arising conflict between the institutionalised elements and efficiency, on the one hand, and possible inconsistencies among institutionalised elements and expectations on the other can be solved for example through decoupling. This implies that structural elements are decoupled from activities and from each other, enabling the organisation to maintain its formal structure and therefore legitimacy, while its activities vary in response to practical considerations.

It became apparent that organisations are simultaneously recipients as well as agencies of institutionalised rational beliefs, but the activities of organisations are only associated with rationality inasmuch that participants support the organisations' "ceremonial facade" (Meyer and Rowan, 1977, p. 358) to maintain the institutionalised myth of organisational rationality. Rationality of rules and procedures, as well as means-end chains, is thus a societal belief whose institutionalisation prevents the verification of assumed impacts by its taken-for-grantedness and objectification. The concept of objectification rests on Berger and Luckmann's (1966) conception of institutionalisation, which can be described as being reciprocated typifications or interpretations that exist (historically) over and beyond individuals. Institutions that are objectified are experienced as external and coercive facts constituting social reality, which exists independently of the individual and is taken for granted (p. 75ff). Institutionalised norms of rationality are therefore social constructs 'external' to individuals and "facts which must be taken into account by actors" (Meyer and Rowan, 1977, p. 341) who comply with them in a ceremonial way, as can be seen in the detachment of the formal structure and activity of organisations.

In summary, the capability of organisations to acquire a form that is regarded as legitimate and therefore rational in a certain institutional environment, and by particular reference groups (which are not all equally important for legitimisation), is significant for an organisation's survival and depicted as "social fitness" (Scott, 2001, p. 153). Nevertheless, organisations are not passive actors but can partly control the process of legitimation through passively or actively influencing the interpretations, expectations or conceptions of their reference groups (e.g. through the media). In this regard, Suchman refers to legitimacy management - the processes of gaining, maintaining and repairing legitimacy (Suchman, 1995, p. 585ff). Often, professional experts are entrusted with these tasks to gain and maintain legitimacy through different strategies and tactics.

### **2.2.3 Organisations and their Environments: From Organisational to 'Issue' Fields**

In the preceding argument it became apparent that an organisation is embedded in and greatly influenced by its environment. Organisational action is therefore a reflection of rationalities and legitimacy defined by the broader environment, shaping regulative, normative and cultural-cognitive systems that provide meaning for the organisation. Especially in early institutional publications, authors differentiated between two organisational environments: the technical and institutional. Technical environments are those in which

organisations produce and exchange products or services according to rational market criteria, and are rewarded for the efficiency and effectiveness of their production system. The control and coordination of technical processes are the core activities of organisations operating in this environment. Organisations operating in an institutional environment are expected to show compliance with institutional rules and requirements to receive support and legitimacy; they are thus rewarded for conforming to these rules. These rules and requirements are imposed by regulatory agencies, professional or trade associations or generalised belief systems (Scott and Meyer, 1991, p.123). According to Meyer and Rowan (1977), organisations can be ordered along a continuum whose ends mark a purely technical environment in which organisations have to face pressure from competition (for example, processing industries) and the institutional environment in which they depend on conformity to institutional rules to secure resources (for example, schools) (p.354). Both environments give rise to ‘rational’ organisational forms, but the conception of rationality differs significantly. Technical environments demand a technical rationality, e.g. the focus is on the organisational means-end chain based on technical efficiency and effectiveness and producing outcomes of a predictable character. Rationality in institutional environments is based on the justification for organisational action and structure that has to be comprehensible and socially acceptable. According to this argumentation, organisations operating in a highly technical environment are subject to technical but less institutional pressure, and vice versa (Walgenbach and Meyer, 2008, p. 68).

However, the strict differentiation between organisations operating in either of the two organisational environments has become controversial. In contrast to technical environments and their requirements, whose adaptation appears rational and efficient, generating actors and markets adhering to efficiency and effectiveness, the adaptation of organisations to institutional environments appears less rational and more ceremonial, which might be dysfunctional in regard to their task fulfilment (Walgenbach and Meyer, 2008, p. 69; Lederle, 2008, p. 75). Mutual exclusiveness was abandoned in favour of the coexistence of both environments: organisations operating in an institutional environment have to face efficiency and effectiveness demands, too. Consequently, organisations operating in a technical environment also have to deal with institutional pressures and adopt institutional practices and structures. Technical and institutional environments are therefore different dimensions of one organisational environment, in which different organisations are subject to diverse technical and institutional pressures that vary in their intensity and complexity, as shown in 2.3. Organisations such as utilities or banks are subject to both technical as well as institutional pressures, facing efficiency and effectiveness demands as well as the



pressure from regulatory bodies and consumer groups to conform to procedural requirements. By contrast, organisations in manufacturing have to deal with strong technical requirements but less institutionalised pressures (e.g. health and safety, pollution control, etc.) (Scott and Meyer, 1991, p. 123). The abandonment of dichotomisation also resulted in a shifting focus towards institutional rules and procedures regarded as fundamental - also, in regard to technical environments, institutional constructions of rationality and efficiency became important and subject to institutional analysis. The differentiation between diverse technical and institutional demands constitutes a functional analytical tool that is able to depict and emphasise the different degrees of institutionalised pressures organisations have to face. This is especially of interest in the analysis of the two different companies that are part of this study (bank/logistics provider) and which might be subject to different degrees of influences and pressures within Singapore's institutional environment.

The conception of organisational field constitutes a central level of analysis in new institutional theory, and was introduced by DiMaggio and Powell, 1983 in their article *The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields*. According to the authors, organisational fields are "those organizations that, in the aggregate, constitute a recognized area of institutional life: key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products" (ibid., p. 148). With their definition, the authors not only focus on competing organisations or interacting networks, but also include the relevant actors in their entirety. Organisational fields, however, only exist to the extent that they are institutionally defined, providing an increase in interaction among organisations in the field, the emergence of inter-organisational structures of domination and coalition, an increase in the information load and the mutual awareness of organisations that they are part of an organisational field (ibid., p. 148). Organisational fields are thus not an objective given, but a socially constructed and defined space. The conceptualisation of organisational fields is fundamental for the understanding of *isomorphic mechanisms* that constrain organisational change. DiMaggio and Powell picked up and elaborated on the isomorphic argument introduced by Meyer and Rowan (1977), and distinguished three mechanisms of isomorphism - coercive, mimetic and normative - that account for the increasing homogeneity of an organisational field.

Coercive isomorphism is the result of formal and informal rules as well as pressures and cultural expectations (e.g. governmental regulations and laws, dominant stakeholders).

Uncertainty and ambiguity are the reasons for mimetic isomorphism, because they encourage the imitation of organisations that are perceived as more legitimate or successful and therefore foster the increasing homogenisation within an organisational field. Normative isomorphism is based on the increasing professionalisation in modern societies. Professionalisation is a source of isomorphism in two ways: first, formal education and its legitimation constitute an important foundation for the self-conception and orientation of professionals, and second the growth of professional networks accelerates the diffusion of new models and normative rules about organisational and professional behaviour. In regard to the three isomorphic processes, DiMaggio and Powell emphasised that each process can proceed, despite the missing evidence that they increase internal organisational efficiency (*ibid.*, p. 153). The differentiation of the isomorphic mechanisms, however, is rather analytical in nature due to their interdependencies in reality.

In the late 1990s, the concept of organisational fields and isomorphism was increasingly criticised for its emphasis on inertia and homogeneity as its defining characteristics, creating a popular misconception of the theory (Wooten and Hoffman, 2008, p. 133–134). Asymmetric attention to homogeneity in form and practice, as a core institutional claim of DiMaggio and Powell's paper, was later recognised by the former:

Somewhat to my surprise, I began receiving papers that cited our paper as support for the proposition that all organizations become like all others, regardless of field. Somehow the network argument that we authors regarded as so central has been deleted in the paper's reception. Within a few more years, that paper had turned into a kind of ritual citation, affirming the view that, well, organizations are kind of wacky, and (despite the presence of 'collective rationality' in the paper's subtitle) people are never rational (DiMaggio, 1995, p. 395).

Due to the one-sided orientation and interpretation towards stability and its static image, the concept lacks explanations for institutional change and heterogeneity within organisational fields, and disregards the different interests and distribution of power between actors. Isomorphism within an organisational field rather constitutes an ideal type, without taking possible factors that might hinder or prolongate homogeneity into account. Despite this criticism, the concept of organisational fields is one of the most important approaches used to define a central level of analysis in new institutionalism, which is located at meso-level between organisations and society. Through the conceptualisation

of organisational fields, the environment of organisations is no longer regarded as passive space, but filled with interacting actors and networks (Becker-Ritterspach and Becker-Ritterspach, 2006, p. 131–132).

An extension and further development of the concept of organisational fields can be found in Hoffman's paper on institutional evolution and change, in which his main argument focuses on the co-evolution of organisational fields and institutions. Hoffman's definition of organisational fields does not form around a central technology or market, but "a field is formed around the issues that become important to the interests and objectives of a specific collective of organizations. Issues define what the field is, making links that may not have previously been present" (Hoffman, 1999, p. 352). In this regard, organisational fields resemble arenas where multiple members compete over the definition of issues. The institutional influences on organisational behaviour guide their interpretation and perception, as well as the following actions, and are structured by Scott's three pillars of institutions (*ibid.*, p. 353). Accordingly, field formation is not a static process, but is influenced by new directions in the debate and triggering events that change field membership and/or interaction patterns. With this extended conceptualisation of organisational fields, processes of institutional change are captured through the emerging opportunities for deviance and agency among field members. Viewed in this context, new issues such as changed political or legal rules and procedures, economic challenges or new management concepts - like diversity management - generate links and interactions between organisations that are not commonly part of an organisational field in its 'traditional' conception. Regarding diversity management in Singapore, the constituents of this issue-based organisational field comprise not only organisations that actively implement the management concept, but also those that are confronted with the issue, for instance through their mother company, and/or further actors that make the issue salient and contested (e.g. consulting companies, think-tanks, media, national and international regulatory institutions, training companies, etc.).

#### **2.2.4 Incorporating Processes of Institutionalisation and Institutional Change**

Zucker observed that "institutionalization is both a process and a property variable" (Zucker, 1977, p. 728) - it is thus an ongoing transmission of what is socially defined as real by individual actors, while at the same time it has the status of a social fact. The latter is the result of an institutionalisation process and constitutes socially constructed and shared structures that are perceived as objective and external by individuals, as well as

**Table 2.3:** Different Dimensions of an Organisational Environment

		Institutional Environments	
		Stronger	Weaker
Technical Environments	Stronger	utilities banks general hospitals	general manufacturing
	Weaker	mental health clinics schools legal agencies churches	restaurants health clubs

a taken-for-granted part of social reality. Institutionalised structures become social facts that provide meaning and stability to social behaviour and are no longer reflected and questioned. The former, however, is a process in which social relationships and actions develop into taken-for-granted ones. Due to the ongoing transmission of socially constructed meanings and reality, the processes of institutionalisation involve an ongoing production and re-production of social structures, actions, obligations and constraints. These are in turn fundamental elements that guide appropriate behaviour.

Most empirical literature in institutional theory treats institutional frameworks as given, and instead focus on the impact institutions have on the development and decisions in organisations and organisational fields and how actors follow extant institutional scripts. For instance, Tolbert and Zucker point out: “institutionalization is almost always treated as a qualitative state: structures are institutionalized or they are not” (Tolbert and Zucker, 1996, p. 169). The little attention given to the conceptualisation and specification of processes of institutionalisation and de-institutionalisation, as well as institutional change and the heterogeneity of organisational fields in early studies, were widely criticised by institutionalists and have been taken up in empirical and theoretical studies only fairly recently (Tolbert and Zucker, 1996, p. 174; Walgenbach and Meyer, 2008, p. 90). Nonetheless, it is important to distinguish between organisational and institutional change, the former being an integral part of institutional theory and picked up by DiMaggio and Powell, 1983 in their main argument concerning increasing isomorphism in organisational fields (organisational change towards homogeneity). In contrast, institutional change affecting cultural-cognitive, normative or regulative elements requires differences among organisations in an organisational field (for example, concerning their management concepts or instruments). If an organisation or a couple of organisations depart from institutional expectation and/or incorporate new institutional structures and are apparently more suc-

cessful, other organisations within the field start to copy the successful organisation(s), fostering the diffusion of institutional elements (and the displacement of others) and therefore institutional change (Suess, 2009, p. 82–83).

The characteristics and different dimensions of institutionalisation processes were mainly conceptualised by Tolbert and Zucker who - drawing on the work of Berger and Luckmann - suggested a sequential process of institutionalisation that comprises the three (analytical) stages of habituation, objectification and sedimentation. This process implies a variability in degrees of institutionalisation, which means that in the first and second phases of institutionalisation some structures are more subject to critical behaviour, modification and elimination than others. Therefore, they vary in their stability and ability to determine behaviour due to their different degrees of embeddedness in the social system (Tolbert and Zucker, 1996, p. 175). In line with the micro-level of institutional theory, Tolbert and Zucker define organisations as the main source and impetus for institutional processes. The process of *habituation*, which marks the beginning of an institutionalisation process, is characterised by an innovative structure or management concept adopted by one or a few organisations. This is considered as being the response to external factors such as changed market conditions, technology or legal requirements, or internal factors such as a changed constellations of interests or power, or different interpretations of institutional rules. The demand for new structural elements or concepts therefore emanates from the organisation(s) confronted with internal/external change, for whose solution existing concepts do not apply. The new structure is mainly generated by professionals who occupy important internal/external institutional positions (e.g. consultants, scientists, professional associations), which allows them to produce and implement the respective structure (Suess, 2009, p. 84). These are then formalised in the policies and procedures of the given organisation(s), which implies the reproduction of a certain activity with an economy of effort and the development of a certain pattern. The process of habituation, however, precedes institutionalisation, as Berger and Luckmann, 1966 have already pointed out, thus the evolving structures can be classified as being at the pre-institutional stage (p. 71). At this stage, the adopting organisations of a given structure are comparatively few in number and relatively homogeneous due to their shared specific problems or circumstances. Therefore, knowledge about this structure is extremely limited, and despite similar problems/circumstances the forms of implementation vary from organisation to organisation and are not subject to formal theorising (Tolbert and Zucker, 1996, p. 175–176).

The next stage of the institutionalisation process in which, according to Berger and Luckmann, “externalized products of human activity attain the character of objectivity” (ibid., p. 78) is the process of *objectification*. In regard to organisations, this process involves the diffusion of the structure and the preceding development of social consensus among organisational decision-makers about the value and the benefits of the new structure. Through this collective act, e.g. the externalisation of the habitualised action, the structures become objectified and transmissible. The increasing adoption and diffusion of the structure within an organisational field takes place on the basis of this consensus, which can emerge in two (often interrelated) ways: first, organisations orientate themselves on successful adopters and gather information to assess the risks of adopting the new structure by monitoring competitors and their problem-solving efforts. Second, the consensus and therefore process of objectification can also be accelerated by culturally legitimated professionals, “a set of individuals with a material stake in the promotion of the structure” (Tolbert and Zucker, 1996, p. 177). In order to be successful, these professionals, for example scientists, intellectuals, consultants or political analysts, have to provide convincing theorisation, contributing to the often global diffusion of a structure.

The concept of *theorisation* is central to the diffusion of new structures, and therefore for the process of institutional change. In general terms, theorisation can be described as a strategy for making sense of the world (Walgenbach and Meyer, 2008, p. 99). Through theorisation, a theorised model of the respective structure/concept is developed and invested with normative and cognitive legitimacy. The model comprises abstract categories and outlines the relationships between them: “by theorization we mean the self-conscious development and specification of abstract categories and the formulation of patterned relationships such as chains of cause and effect” (Strang and Meyer, 1993, p. 492). Hence, theorised models are the construction and definition of categories and typifications with which social similarity between individual as well as organisational actors is established. Furthermore, theoretical models constitute the specification of a certain problem and a justification, as well as explanation, of the quality of the new structure’s problem-solving capacity on the basis of logical or empirical grounds. These models range from simple concepts to highly abstract and complex ones, and especially the latter make it easier to perceive and communicate the new structure, as well as facilitate diffusion between weakly related actors and organisations. In this regard, abstraction and the constructed similarity of models is important for imitation processes, because imitation presumes that adopters perceive themselves and other adopters as being similar, at least in regard to the issues at hand. Theorised models always propose homogeneity within the population or

categories analysed, because they describe how similar systems respond to environmental inputs and/or modifications in structure and operations, thus predicting that similar practices adopted by all members of the theoretically defined population have similar effects. At the same time, they define populations in which diffusion is imaginable (*ibid.*, p. 496).

The success of a theorised model also depends on its ability to relate to already existing cultural categories, as well as institutions and related behaviour. By taking recourse to these cultural categories and institutions, a cultural linkage is established that can facilitate the identification and acceptance of the new structure (Schiller-Merkens, 2008, p. 95). Theorisation is thus a discursive process in which the legitimacy of a new structure is constructed and specified with the help of linguistic categories: “[*theorisation*] facilitates communication between strangers by providing a language that does not presume directly shared experiences” (Strang and Meyer, 1993, p. 499). The importance of language for legitimation, and therefore also theorisation, has already been pointed out by Berger and Luckmann, 1966: “Language provides the fundamental superimposition of logic in the objectivated social world. The edifice of legitimation is built upon language and uses language as its principal instrumentality” (p. 82). The result of theorisation is a socially, i.e. discursive, constructed collective understanding of the meaningfulness of the respective structure.

The diffusion of a new structure can be either intentional or unintentional, depending on the motivation of the actors involved. The former implies the intention of actors to bring about institutional change through the diffusion of a new structure or concept and its preceding theorisation. If actors make use of the new structure, i.e. vary their institutional behaviour without having the intention to deliberately foster institutional change, diffusion takes place unintentionally. In this case, diffusion mainly takes place through direct and indirect social interaction. Compared to the intended institutional change and elaborate theorisation of the structure, the diffusion through an interpersonal mechanism is relatively slow: “Individual-specific theories affect the individual’s adoption patterns, but not those of other adopters. Shared understanding generated by an interacting pair may homogenize the actors involved, but not larger populations” (Strang and Meyer, 1993, p. 493).

Structures that have been subject to objectification and relative diffusion are in the stage of semi-institutionalisation. This stage is characterised by the heterogeneity of adopters, the decrease of variation because later adopters usually implement ready-made structures

**Table 2.4:** Stages of Institutionalisation

Dimension	Pre-institutionalisation stage	Semi-institutionalisation stage	Full institutionalisation stage
Process	Habitualisation	Objectification	Sedimentation
Characteristics of adopters	Homogeneous	Heterogeneous	Heterogeneous
Impetus for diffusion	Imitation	Imitation/normative	Normative
Theorisation activity	None	High	Low
Variance in implementation	High	Moderate	Low
Structure failure rate	High	Moderate	Low

Tolbert and Zucker, 1996 (p. 179)

and adoption on the basis of normative grounds and due to the increasing legitimacy of the structure. The pressure for organisations to adopt the new structure increases proportional to the number of organisations that have already adopted them, leading to a ‘bandwagon’ effect (Walgenbach and Meyer, 2008, p. 96). This is contrary to the habitualisation stage, in which adoption is mainly guided by efficiency and economic rationality. Although these structures are more stable compared to the pre-institutionalisation stage, they are far from being a permanent element of the organisation; rather, they possess a fashion-like quality.

Full institutionalisation is only attained in the *sedimentation* stage. The respective structure is perceived as elemental, taken for granted, a permanent solution for certain problems and is not questioned - it constitutes a social fact. The sedimentation stage is firstly characterised by the virtually complete diffusion of the structure across the groups of actors theorised as appropriate adapters, and secondly by its continuous use and low resistance by opposing groups. Continuity implies the transmission of the structure from one organisational generation to the next, continuous support and promotion by advocacy groups and a shared belief of the benefits of the respective structure. Table 2.4 summarises Tolbert and Zucker’s argument about the characteristics and dimensions of the institutionalisation process.

The conceptualisation of the institutionalisation process constitutes one important response to the previously outlined static image of institutions, which dominated early institutional theory as well as empirical studies. It is an analytical concept with which



different degrees of institutionalisation can be differentiated, and which emphasises the active role of organisations and their actors initiating and influencing the processes of institutionalisation and institutional change.

### **2.2.5 Diffusion and Translation: The Spread of Ideas and Concepts**

Institutional change was mainly conceptualised in institutional studies of the 1980s and 1990s with the process of diffusion of institutional elements into new organisational fields. Diffusion as a “socially mediated spread of some practice within a population” (Strang and Meyer, 1993, p.487) has the imagery of an universal and deterministic process - more and more organisations adopt (sooner or later) a certain institutionalised structure, contributing to institutional change which in turn leads to increased homogenisation. The concept of diffusion implies a certain dynamic: the spread of the structure and its rationality leads to increased validity and some kind of ‘institutional imperialism’ at the expense of other structures. As a consequence, the number of situations that make adoption seemingly necessary, and thus the number of adopters, increases (Lederle, 2008, p.114). The process of diffusion is accelerated by various factors, next to the perceived similarity between actors, at least regarding the practice at hand, structural conditions like coercive pressures lead to increased adoption of the respective structure and isomorphism due to missing individual optimal strategies, as already pointed out by DiMaggio and Powell, 1983. Direct relations such as interactions and/or interdependence are not necessarily required for the diffusion of a certain structure, but they diffuse to other actors considered broadly similar or being in the same situation and with the help of symbolic and cultural media and artefacts (Strang and Meyer, 1993, p.492).

For a couple of years the concept of diffusion has been increasingly criticised because of its static and mechanical framework, which is not consistent with observations made. One main objection is the association of diffusion with a physical process, “as though what was spreading was a physical entity originating from one source and (while gaining its power to spread from this source) then become more diffuse and diffused” (Sahlin and Wedlin, 2008, p.221). As a result, the active role of the adopting actors during the process of institutionalisation was mostly neglected; manifold processes of interpretation and definition of the structures that are to be adopted, and therefore the respective changes of these structures, were not considered. Additionally, the focus on homogeneity and isomorphism disregarded the diversity and heterogeneity of institutional change, i.e. the adoption of a certain structure by different organisations does not necessarily have to

be in the same manner and does not have to have the same outcomes (Campell, 2004, p. 77). Variation is commonplace because of different preferences, inconsistent demands and the complex web of constituencies and institutional actors the adopting organisation has to face (Walgenbach and Meyer, 2008, p. 97ff). The ability to export and import structures or concepts was overestimated in earlier studies, an assumption based on the theoretical and empirical orientation of diffusion models that are “well posed to explain rises in the number of adopters but poorly equipped to account for almost anything else” (Strang and Macy, as cited in Hwang and Suarez, 2005, p. 71). Therefore, the question of how organisations appropriate and transform a given structure or concept has received little attention, while institutional theory explains little in regard to institutionalisation as an unfinished process:

The discussion of diffusion generally ignores what happens when an institutional principle or practice arrives at an organization’s doorstep and is prepared by that organization for adoption. Here the story often ends and it is assumed that the principle or practice is simply adopted uncritically and in toto [...]. We are left, then, with a black box in which the mechanisms whereby new principles and practices are actually put into use and institutionalized on a case-by-case basis are left unspecified. In this sense, diffusion appears to be a mindless mechanical transfer of information from one place to another (Campell, 2004, p. 78).

In response to the concept of diffusion, and to emphasise different approaches to institutionalisation and related processes, Czarniawska and Joerges suggested an explicit new metaphor for the process of the spread of concepts and structures across organisations, that of *translation*. The metaphor translation should emphasise that spreading structures and concepts are not physical objects, but rather ideas and models and their rationalisation. Although the term comes from linguistics, it also includes the notions of ‘transformation’ and ‘transference’. The concept of translation comprises “what exists and what is created; the relationship between humans and ideas, ideas and objects, and human and objects” (Czarniawska and Joerges, 1996, p. 24), implying that a thing travelling from one place to another is reshaped in a specific, local context and therefore cannot emerge unchanged. Czarniawska and Joerges adopted the term translation and its understanding from Latour, 1986, who contrasts the model of diffusion with translation, defining the latter as:

[...]the spread in time and space of anything - claims, orders, artefacts, goods - is in the hands of people; each of these people may act in many different ways, letting the token drop, or modifying it, or deflecting it, or betraying it, or adding to it, or appropriating it (p. 267).

Most important in the process of translation are, according to Latour, the people - a chain of actors - who provide the energy for the travel of ideas and their individual transformation regarding their different needs and use: “the token changes as it moves from hand to hand and the faithful transmission of a statement becomes a single and unusual case among many, more likely, others” (ibid, p. 268).

In regard to the new structures or concepts that are often globally available and extensively theorised in the respective ‘home contexts’ in which they emerged and were developed, their spread to new local contexts needs to be accompanied by manifold processes of translation, interpretation and adjustment to assure their embeddedness in existing local social concepts, practices, frameworks and institutions, and therefore differ greatly from the concept of diffusion, as shown in 2.5. In this regard, Sahlin-Anderson, 1996 emphasises that most organisations do not have direct experiences with the structures or concepts they implement, as they actually imitate “rationalizations - stories constructed by actors in the ‘exemplary’ organization, and their own translation of such stories [...]The distance between the supposed source of the model - a practice, or an action pattern - and the imitating organization forms a space for translating, filling in, and interpreting the model in various ways” (p. 78–79). Since a concept or structure as such cannot be transferred from one setting to another, it must be simplified and abstracted into a theorised model that undergoes translation, reshaping and modifying as it circulates between contexts and materialises, i.e. becomes an object again. One way to objectify models is to turn them into linguistic artefacts such as labels, metaphors, texts, stories or presentations. The localised translation is especially important because

[...]ideas must be fitted into already existing action patterns, as it reflects the broader, societal categorizing [...]Ideas are communicated images, inter-subjective creations, and therefore a ‘property’ of a community rather than of a single person (although individuals tend to appropriate ideas and the narratives attribute them to heroes) [...]everything that can be ‘seen’ by more than one person acquires ‘objectivity’ (Czarniawska and Joerges, 1996, p. 32–33).

**Table 2.5:** Comparison of the Theoretical Concepts of Diffusion and Translation

	<b>Diffusion</b>	<b>Translation</b>
Building Blocks	Institutional structures and practices	Trans-local/ virtual ideas and models
Mechanism	Reproduction, recitation	Interpretation, materialization
Picture of agency	Programmed practical action, authorized and constrained by institutional logics; No direct interaction/ interdependence required	Active translators and interpreters; Actor-hood understood as social construction
Capacity for creating new common meanings	Minimal	Essential
Possibilities for institutional building and change	Limited explanation of mechanisms behind institutional change; Focus on homogeneity and isomorphism	Ideas and models need to enter the “chain of translation” (Czarniawska and Joerges, 1996, p. 32) and other people need to join in; Focus on diversity and heterogeneity

Table adapted from Creed et al., 2002 (p. 478)

Materialization is accompanied by the enactment of the concept, whereby decisions are made, action plans are formulated, other actors are pursued to join in and the wider community is informed by justifying, marketing, selling and propagating. The newly adapted practice or structure becomes objectified and transmissible again, and constitutes a local variation of a global model. It also can take on a new form, meaning or focus and can be an inspiration and/or foundation for new structures or concepts, or alternatively develop into hybrid forms (Walgenbach and Meyer, 2008, p. 110).

The concept of translation is a useful theoretical tool for following where and how models travel, and which highlights how and why a certain structure or concept is appropriated. Additionally, translation implies that the same model can manifest itself very differently in diverse contexts and organisations; hence, actors are not degraded as just passive adopters, but rather active translators and interpreters of the external model (Hwang and Suarez, 2005, p. 72). It also establishes a relationship between agency and interests, which was rejected by the core of institutional theory and prohibited the development of a more comprehensive and complete theory of institutions (DiMaggio, 1988, p. 4ff)<sup>26</sup>. As

<sup>26</sup>According to DiMaggio, 1988, the pursuit of interest-free models of institutionalisation in earlier studies of institutional theory can be traced back to two conditions in organisations that were emphasised in these institutional approaches: first, factors which make actors unlikely to recognise or act in their own interests (e.g. taken-for-granted assumptions about the nature of organisational reality guiding action)

the development of individuals' and organisations' identities, resources and perceptions is linked to their social context, which influences their interpretation and the process of translation - the meanings given by actors to the specific concept - actor-hood needs to be understood as social construction. Hence, the diverse translations of models into local contexts are a reflection of the available local knowledge and institutions, the mobilisation of others and local power constellations. Furthermore, the degree to which models are translated (or not) into local practice depends, next to the institutional environment, on leadership support and implementation capacities within the organisation (Campell, 2004, p. 82). The motivation for translating a model and incorporating the respective concept to a local context is, according to Sahlin and Wedlin, 2008, next to the logic of appropriateness, and the aim is to gain and maintain legitimacy - as already emphasised by Meyer/ Rowan (1977) and DiMaggio/Powell (1983) - the logic of a 'fashion follower':

The word 'fashion' here points to the temporal and social logics of processes of adaptation [...] Fashion guides imitation and the attention of actors to specific ideas, models and practices, and fashion identifies but also creates what is appropriate and desirable at a given time and place. This leads organizations to adopt, but also to translate, these ideas, thus changing both what is translated and those who translate (p. 222).

Fashion as a collective choice among tastes helps to manage the overwhelming variety of possibilities and to choose what appears to be appropriate and attractive at a given time and place - creating in turn fashion by following it and/or creating institutions by preserving it (Czarniawska and Joerges, 1996, p. 38). The fashionability and therefore power of a model is, on the one hand, influenced by its supporters and adopters; the more powerful and influential they are in their respective field, the more legitimate, popular and taken for granted a model becomes. On the other hand, transporters of models - often professional consultants - who mainly deal with the translation of models are important for the creation and maintenance of a fashion and its penetration:

[...]like traveling sales-men, they arrive at organizations and open their attaché-cases full of quasi-objects to be translated into localized ideas [...]they

---

and second, circumstances that hinder actors who recognise and try to act on their interests to do so (e.g. limits on cognition and coordination) (pp.4/5). Additionally, the rhetoric of institutional theorists has contributed to the advancement of interest-free models through the use of phrases "that are richer in connotative than in denotative meaning. The 'iron cage' is one such phrase, with its implicit portrayal of humans as powerless and inert in the face of inexorable social processes" (ibid, p. 10).

are designers and distributors, wholesalers and retailers in ideas-turned-into-things, which then locally once more can be turned into ideas-to-be-enacted (ibid., p. 36).

In regard to the motivation and logic involved in the process of translation, Campell points to the adaptation of new structures or concepts to fulfil actors' political and economic self-interests, to accommodate their cognitive understandings and discourses about how institutions should be organised or to maintain their normative identities (Campell, 2004, p. 84). These different motivations and forms of logic, and their influence on the translation process, indicate that diffusion does not necessarily lead to imitation or mimesis, i.e. isomorphism and homogeneity, as elaborated in earlier institutional studies, but can also constitute an important impetus for heterogeneity and institutional change. It also depends on the perspective taken by the researcher: what appears to be a certain (homogeneous) pattern of diffusion at the macro-level constitutes a specific translation process that is influenced by individual and organisational decisions, perceptions, existing institutions and so forth on the micro-level, which differs from organisation to organisation.

Earlier institutional studies especially focused on the macro-level, and conceptualised organisations as rather passive entities that conform for various reasons to institutional expectations and claims. From this point of view it is the institutional context that defines objectives and means and that influences actors (individuals, organisations as well as nation states). Institutionalised rules, expectations and norms serve as scripts or schemata for actors, which are subsequently taken for granted and not questioned. Contrary to the works dealing with the macro-perspective, Zucker, 1977 was one of the few in early institutional studies to emphasise, in her article *The Role of Institutionalization in Cultural Persistence*, the micro-foundations of institutions<sup>27</sup>. One of the main outcomes of her

---

<sup>27</sup>The basis of her approach is the assumption of the relative persistence of institutions. According to Zucker, acts are not simply either institutionalised or not, but institutions are seen as variable, and different degrees of institutionalisation cause different persistence in the respective institutions. Consequently, highly institutionalised acts are characterised by their high persistence and their taken-for-grantedness, which implies that they are transmitted from one generation to the next as social facts and do not require any positive or negative sanctions. The meaning of an act, however, depends "on the situation in which the act is performed and/or depending on the position and role occupied by the actor" (Zucker, 1977, p. 728). Thus, the degree of institutionalisation of an act is determined through the context in which the act occurs. Zucker pointed out that the acts of organisational occupants are seen as highly objectified, exterior, non-personal and continuing over time, leading to the assumption that organisations are highly institutionalised contexts influencing behaviour and interpretation; in short, they are institutions themselves (ibid., p. 729). With the help of experiments, Zucker aimed to test the correlation between the degree of institutionalisation and the persistence of acts (for a detailed account of the experimental design, the procedure and the outcomes, see ibid., p. 730ff). The findings supported her proposition

study was the assumption that organisations are institutions themselves, which are able to create institutionalised structures<sup>28</sup> and therefore influence their environments, as well as the behaviour and interpretation of organisational occupants. As actors, organisations constitute an important impetus for the creation, change, diffusion and maintenance of institutional structures (Suess, 2009, p. 75). Despite Zucker's emphasis on the role of normative and taken-for-granted assumptions, she paid little attention to the processes of the creation and maintenance of these assumptions and the role of organisational actors in these processes.

Overall, macro-level and earlier micro-level approaches did not explicitly deal with the abilities and possibilities of organisational actors. As a consequence, the new institutional theory was criticised (both within and outside the camp) for its conceptualisation of actors, who were described as being passive and conformist with little variety of response, and therefore denied interests, power and the ability of organisational actors to innovate, act strategically and contribute to institutional change. Those critics highlighted the "chronic use of passive constructions [*that*] systematically de-emphasize human behavior" (DiMaggio, 1988, p. 10), "the lack of attention to the role of organizational self-interests and active agency in organizational responses to institutional pressures and expectations" (Oliver, 1991, p. 145) and that "the thrust of institutional theory is to account for continuity and constrain in social structure, but that need not preclude attention to the ways in which individual actors take action to create, maintain, and transform institutions" (Scott, 2001, p. 75). Several studies addressed this criticism by dealing with the processes of institutionalisation and de-institutionalisation, in which agency and interests are more visible (Tolbert and Zucker, 1996), or by elaborating on the different strategic responses and behaviours that organisations may enact in response to pressures toward conformity with the institutional environment, ranging from conforming to resistance, passive to active, preconscious to controlling, impotent to influential and habitual to opportunistic (Oliver, 1991). Nevertheless, this is not to deny the role of institutions influencing organisational actors and their role in institutional change, shaping their perception of reality and how it should be (Czarniawska and Joerges, 1996, p. 30). Therefore, a central challenge is to link the macro- with the micro-level, and so to conceptualise actors as being defined and influenced, but not determined, by institutions (Meyer and Hammerschmid, 2006, p. 161).

---

that with an increasing degree of institutionalisation, the transmission, maintenance and resistance to change of acts is correspondingly higher. The approach developed by Zucker provides a more complete explanation of highly institutionalised actions, which are not adequately dealt with in other approaches.

<sup>28</sup>Some of these structures and categories are, according to Zucker, stratification categories, for example job titles in an organisation's internal labour market or specialised vocabularies (Zucker, 1988, p. 31–32).

Despite the shortcomings of the (earlier) conceptualisation of the micro-perspective, as outlined in the preceding paragraph, the micro-level focus on actors' translation, interpretation and enactment of models, as well as their different interests, mobilization and power constellations, provides a promising insight into processes of institutionalisation - especially during the stages of habitualisation and objectification, in which translation takes place. Since organisational actors are embedded in local social concepts, practices and institutions that influence their actions and behaviours, as well as those of the organisation, these interdependencies between micro- and macro-level need to be taken into account. Processes of institutionalisation therefore comprise a "micro-cultural-subjective" and "macro-cultural-objective" dimension (Hirsch, as cited in Sues, 2009, p. 87). The existing literature provides, however, little insight into the process of translation and actor-hood, and cannot explain why some organisations adapt institutional structures and concepts and others do not, or why some translations succeed but others fail (Boxenbaum, 2006, p. 939). In view of the globally available concept of diversity management that was developed, theorised and adapted to the US context, the focus of this qualitative empirical research is on the translation and interpretation of workforce diversity management and its possible enactment in the particular Singaporean (business) environment by two subsidiaries of multinational companies - Moneta Singapore and Logistica Singapore - where research was conducted<sup>29</sup>, linking the micro- with the macro-level.

Since language is fundamental to the processes of translation and institutionalisation, in the first empirical chapter special attention will be paid to definitions of diversity which are, in turn, part of the actor's everyday social and corporate reality, and are therefore simultaneously constructed and maintained as real by them and to the rhetorical schemes used to construct and interpret diversity mainly as a corporate value and its translation to the (Singaporean) business context. Both social construction and interpretation processes help to develop an understanding of how organisational routines and rules (probably) develop and set into motion the processes identified with institutionalisation:

Language and vocabulary are a first step. These are the protocols that people use to engage in dialogue and achieve mutual understanding and intersubjective awareness. The next step is to see what aspects of language become

---

<sup>29</sup>Campbell, 2004 has emphasised that case studies are more amenable to identifying the processes involved as compared to the quantitative approach using large data sets to track institutional change over time, as carried out in many institutional studies (p. 79-80). This conclusion is supported by Sues, 2009, who established the need for qualitative research to study aspects of institutionalisation and related processes (p. 94).



codified into formal measures of performance and accomplishment. These constructed definitions become metrics by which people evaluate one another. As these ‘accounts’ of performance and activity take hold, they become reified, that is received and accepted as normal by their participants and adopted and emulated by others who were not part of their initial creation. In this sense, local measures become ‘natural’. Once natural, they become public, as the measures redefine and reinterpret history, and evolve into models that others aspire to (Powell and Colyvas, 2008, p. 292).

Following the interpretation and translation processes, and depending on their outcomes, the model might become enacted, e.g. a diversity strategy is formulated, initiatives are planned and implemented and communication activities should justify, popularise and sell diversity management in the respective business context. This materialisation process of diversity management in the Singaporean context, which is the main focus of the second empirical chapter, differs in the two companies, depending on the preceding interpretation and translation. This in turn leads to increased heterogeneity regarding the spread and adoption of corporate diversity management in the Singaporean context, as it is projected by the concept of translation. The enactment of corporate diversity management facilitated by the companies’ headquarters, however, appears to foster increased homogenisation and convergence regarding the definition, external presentation and communication of the topic, which can partly be explained by drawing on the concept of legitimisation, especially in the case of Logistica’s parent company. In order to link the micro- with the macro-level, the Singaporean institutional environment and the concept of issue field that influence organisational actor-hood are taken into account and analysed in the last empirical chapter. In so doing, we can evaluate the possibilities of utilisation and the progress of institutionalising corporate diversity management in Singapore.

## Chapter 3

# The Social Construction of Workforce Diversity and an Interpretation of its Value and Challenges in the Singaporean Business Context

As argued in chapter 1.3, diversity management in the Singaporean business context is far from being the sort of institution it might be in other (national) contexts. Therefore, the process of institutionalising diversity management is in its infancy (if at all) and mainly in the pre- and semi-institutionalisation stages, which are accompanied by translation and interpretation activities of organisational actors to ensure the concepts' embeddedness into the corporate and Singaporean social contexts.

In the following chapter it will become apparent, however, that this translation process only takes place in a limited way and rather constitutes a reproduction of rhetorical arguments and definitions adopted from the broader (global) diversity management discourse. In the case of diversity definitions within the corporate context, the analysis shows that they are the outcome of a social construction process, as described by Berger and Luckmann, 1966, reflecting the respondents' perceptions of their surrounding social reality - depending on the directness/indirectness of social interaction - and influenced by discourses taking place inside and outside the company. The diversity definitions issued by the parent companies do not influence this construction process, but are rather reproductions of available and widely disseminated definitions of corporate diversity that are part of the globalised vocabulary adopted by many multinational companies. As a result, the translation process constitutes a 'construction' process, giving the definition of diversity

a new - localized - meaning which has little in common with those issued by the parent companies.

Contrary to the definitions, constructing the value of diversity mainly draws on theorisations that are also cited in the literature and by experts, specifying the concept's quality and providing legitimisation and the need for its adoption. Since theorisation is a discursive process, respondents mainly construct diversity as a value with the help of rhetorical schemes embedded in broader and more general discursive frameworks. It is shown that this is, most of the time, a mere reproduction and, to a lesser extent, translation of these theorised frameworks, because respondents cannot link the mentioned diversity attributes and associated benefits to individuals, and concrete examples are not available. Therefore, only in a few cases in which diversity is perceived and experienced as a value in the Singaporean context, can the discursive construction of benefits be translated to the local environment and supported by concrete examples. In contrast to the values of diversity, the challenges are mainly based on the respondents' experiences, and thus do not require any translation or interpretation. Overall, it will become apparent that the interpretation of diversity management at Moneta is positive, calling for implementation that is contextualised in regard to the local social reality and influences institutions. The interpretation at Logistica is limited to the reproduction of theorised discursive frameworks at the normative level and due to various reasons is not translated or operationalised.

### **3.1 The Singaporean Social Reality of Corporate Workforce Diversity**

In the following sections I will outline how managers and employees at Logistica Singapore and Moneta Singapore define and construct diversity in their respective corporate context, which internal and external factors may influence local corporate definition(s) and how those are related to and influenced by the diversity definition issued by the respective parent company.

Moneta Singapore's external presentation of diversity and its definition can be found on its website in the context of careers at Moneta:

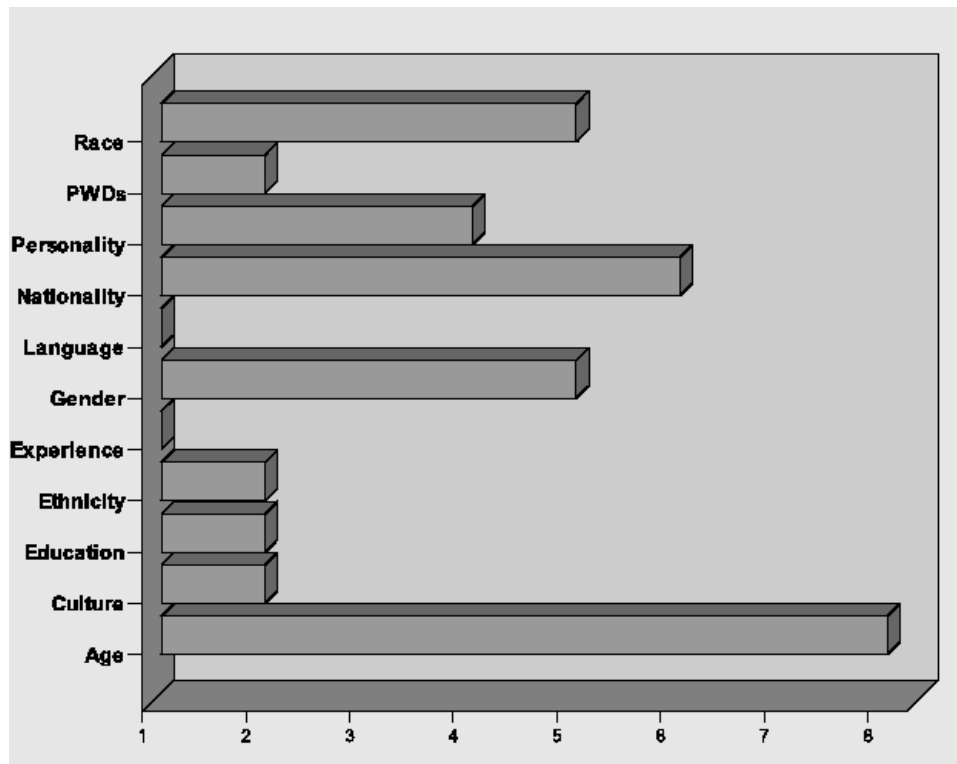
At Moneta, we believe in the power of diversity. Diversity is central to the Moneta brand. Beyond gender, ethnicity, disability or age, we recognize and

appreciate individual differences and how diverse perspectives spark creativity, productivity and performance that would lead us to progress (Moneta, 2010).

This definition contains various diversity attributes, which are part of Moneta Singapore's diversity strategy, and explicitly points out individual differences, thus including everyone and attracting the widest pool of potential employees as possible. The remaining information given on Moneta Singapore's website is quite general, describing the composition of the company's board and employee base on a global level, and does not refer to any diversity strategy or initiative taking place in Singapore. Therefore, it is questionable whether the listed diversity attributes are intended to fit the Singaporean context at all or perhaps it rather happens by chance that the attributes are part of Moneta Singapore's diversity definition. As it turned out in the conducted interviews with members of Moneta Singapore's diversity committee, there does not exist an official or unofficial definition of workforce diversity besides the one found on the public website, to which none of the respondents referred. According to the Head of Human Resources, who is also head of the diversity committee at Moneta Singapore, the bank does have a diversity strategy but no official definition disseminated internally and/or externally. She had to admit that she had never thought of an official definition of diversity at Moneta Singapore before (S. W., 11. 05. 2007, interview with the author), a fact which also held true for the remaining members of the diversity committee. As a consequence, each member of the diversity committee refers to different diversity attributes. For instance, the Head of Custody & Clearing, who is member of the diversity committee, states:

I suppose there is a broad, a broad definition that we recognise it, that we celebrate it because of who we are. We are a very diverse group of people. I can't remember but I think there are well over 30 different nationalities working in the bank in Singapore. Hello? And that just gives you a flavour for who we are. It is a very diverse organisation (V.M., 04. 05. 2007, interview with the author).

When asked to define diversity in the corporate context of Moneta Singapore, all respondents gave multiple answers, ranging from age to work experience. The frequency of definitions given is illustrated in figure 3.1. Taking each respondent's demographic background (i.e. nationality, age, sex) into consideration, it becomes apparent that no emerging pattern of answers given can be grouped according to the respondents' data. All diversity attributes frequently mentioned ( $\geq 5$ ) can be categorised as visible and are,



**Figure 3.1:** Moneta Diversity Definitions - in total numbers

in the cases of age and gender, part of Moneta Singapore's key diversity objectives and initiatives. These key objectives were formulated by the bank's diversity committee and constitute the basis for corresponding activities<sup>30</sup>. Since neither an official nor an unofficial definition of diversity exist, which may have influenced individual definitions, the following analysis contributes to an understanding of which internal and external factors (may) influence the diversity definitions given - especially those that are referred to by many respondents - and therefore define how diversity as part of an individual's everyday reality is constructed in the Singaporean corporate context. The analysis takes Berger and Luckmann's argument on the Social Construction of Reality (1969) as its basis. According to Berger and Luckmann, the reality of everyday life is not just a natural phenomenon but is constructed and simultaneously maintained as real by members of society. It is taken for granted, remains uncontested and ubiquitous and constitutes an objectified reality which exists independently from, and in turn influences, subjective

<sup>30</sup>Since Moneta's diversity strategy and corresponding initiatives are extensively discussed in chapter 4.1, a brief outline should be sufficient at this point. The diversity objectives and activities mainly focus on gender balance, minority communities and handicapped and older workers. Additionally, communication and corporate citizenship activities aim to raise awareness and to improve the understanding and acceptance of diversity internally as well as externally (Moneta Singapore, 2007).

being and will. Through social interactions and practices - most importantly face-to-face interaction and language - the reality of everyday life is shared with others, providing an opportunity to reinforce and maintain their common knowledge of this reality. Everyday reality is organised around the “here and now” (p. 36) of the individual’s physical presence; what is directly accessible is the closest zone of everyday life (e.g. the world within each individual’s reach), which is surrounded by zones of varying degrees of closeness and remoteness. However, the construction of social reality is not a one-way but a dialectical process in which the individual “simultaneously externalizes his own being into the social world and internalizes it as part of the objective reality” (p. 149). It becomes obvious in the following analysis that especially people’s interaction, internalisation and objectivity of everyday reality constitute an essential part of the construction of diversity within the corporate context.

All respondents at Moneta Singapore are active members of the bank’s diversity committee, which is further subdivided into smaller teams working on different topics. The committee’s task is to define the diversity strategies and objectives it wants to achieve, to develop respective initiatives and to implement activities related to the same. In the course of the formulation of diversity key objectives, associated discussions and decision processes, a consensus of subjective meanings of diversity and perceptions about which kind of diversity might be of importance in the corporate context become subject to objectivity, establishing a new social reality of corporate diversity in the sense of Berger and Luckmann. During this process, language is the main focus, making meanings available to others but simultaneously also making them more ‘real’ to their producers. Such linguistic objectivity is characterised by its permanent and detachable availability from face-to-face-interaction (p. 49ff). Through the discussion and formulation of key objectives and the related communication of corporate diversity via various channels within the bank (for instance intranet, diversity newsletter), the new reality becomes reinforced beyond the interaction prevalent within the diversity committee. Therefore, it becomes ‘visible’ in the bank’s corporate context and subsequently more real for the committee’s members. Membership in the diversity committee and in separate teams working on different diversity subjects provides additional spheres of interaction for the respondents through which the corporate diversity discourse and its related diversity attributes will be maintained as real. Therefore, it is not surprising that some of the respondents’ diversity definitions are similar to those covered by Moneta Singapore’s key objectives (e.g. age, gender, race).

However, the construction of corporate diversity, the diversity attributes of which are important in the corporate context, is not only limited to the work of Moneta Singapore's diversity committee (since team and committee meetings are on a regular, albeit not daily or weekly, basis), but also influenced by perceptions and related (re-)productions of the surrounding social reality of which diversity is a part. Since, according to Berger and Luckmann, an important aspect of the perception and experience of others is their directness or indirectness in everyday life, respondents are likely to refer to people showing particular diversity attributes as part of their everyday reality, if their interaction and existence are characterised by a certain directness and frequentness. The more indirect or anonymous the experience, the more abstract the 'type' of people become, because they are not part of the individual's 'here and now', e.g. its closest zone of reality (p. 46–47). Additional parts of people's social reality are discourses present in society, which are detached from face-to-face interaction. Discourses depend on language's capacity to transcend the individual's here and now and in turn his/her ability to bring back objectified meanings and experiences into the closest zone and integrate them into everyday life (p. 54). Through various communication channels (oral as well as written) these discourses are made present and accessible through language in everyday reality. Both the directness and indirectness of interaction, as well as discourses within Singaporean society, influence the subjective perception of corporate diversity, its internalisation by respondents and in turn its (re)production viz. objectification.

Taking respondents perception of the diversity surrounding them into consideration it becomes apparent that it is rather vague. Most respondents describe their department as being 'quite diverse' in the sense that it reflects the composition of Singapore's overall population (S. W., interview with the author, 11.05.2007). Departments which differ in respondents perception from this description are the ones which serve a regional wide customer base like offshore banking or IT. Due to their customer base, in those departments many employees' origin is similar to those of the customer they serve. A more detailed overview of the composition of Moneta Singapore's workforce provides the demographic statistical data available. At the same time it gives information about the degree of closeness or remoteness of people with certain diversity attributes. The data shows that there is a wider range of employee diversity in terms of gender, nationality, ethnicity, language and, to a lesser degree, age, making each respondent's work environment fairly diverse. An significant aspect that may have an impact on the frequency with which gender was named in the course of individual diversity definitions is the fact that 1,347 out of 1,931 employees at Moneta are women (Moneta Singapore, 2006). Therefore, gender is a com-

mon (diversity) feature within the company, and due to its frequency and directness part of corporate everyday reality. Additionally, the issue of female workforce participation is also firmly anchored in the economic, political and social discourses in Singapore, constituting another presence of gender incorporated into the corporate context. This discourse mainly revolves around the workforce participation rate by women and women's double role as workers themselves and producers of the next generation of workers. Especially since the introduction of Singapore's export-oriented development strategy in the 1960s, the Singaporean economy has heavily depended on female workers, who in turn were and still are significantly influenced by the government's changing family policies. The double role of Singapore's women has been the centre of the government's attention, as well as various state agencies and through public discourse, especially via the media. Often, it is this balancing act between family and a woman's career which is considered career hindrance, a discourse also taken up by Moneta Singapore in the course of the formulation of its key diversity strategies.

Further diversity attributes frequently mentioned are race and nationality. Both attributes are not explicitly mentioned in Moneta Singapore's diversity definition stated on its public website and are not part of the company's diversity strategy, but are nevertheless indirectly related to the promotion of members of minority communities, i.e. Malays and Indians, who should make up 20% of all interns. The respondents' mix of nationalities (i.e. Singaporean, Indian, British and Malaysian) partly reflects the overall mix of nationalities found at Moneta Singapore: in total, employees from 14 different countries work for the company, with Singaporeans making up the largest group with 1,620 employees, followed by Malaysians (204) and British (28) (Moneta Singapore, 2006). It becomes obvious that national and race diversity attributes constitute a fairly constant factor in Moneta's work environment and often are part of the closest zone of an individual's corporate everyday reality. The composition of Moneta's workforce is also an example of Singapore's diverse population structure in terms of race and nationality, which is one of the country's main characteristics. Through the management of different racial groups by the Singaporean government, diversity became a central feature of policies and administrative practices, thus making race, ethnicity and nationality highly 'visible' by establishing them as objective realities in the public sphere and an important discourse in Singaporean society. Following Berger and Luckmann's argument that in the course of the dialectical and ongoing process of an individual's externalisation into the social world and internalisation as an objective reality (p. 149), the 'Singaporean' reality and meaning of race, nationality as well as ethnicity is internalised by members of Moneta Singapore's diversity committee,



becoming their objective reality and therefore influencing the framework for the corporate discourse and its definition.

In terms of age - the diversity attribute most frequently mentioned - the demographical data shows that despite having employees showing a wider age range working at Moneta Singapore, most employees (1,579 out of 1,931) are between 20 to 40 years old. In total, 307 employees are within the age range of 40 to 50 years and only 44 are aged 50 and above, which is the oldest age cohort listed (Moneta Singapore, 2006). Since only 351 employees are aged 40 and above, they represent a smaller group of employees, reducing their presence and thus the possible directness of interaction. Nevertheless, age is considered one of the most important objectives of Moneta Singapore's diversity strategy. Therefore, it is most likely that dealing with the issue of age would have a lasting impact on the respondents perceptions of diversity. Additionally, the changing age structure of Singapore's labour force is not only considered one of the major challenges for the bank, as pointed out by most respondents, but also plays a significant role in a broader political and economic discourse, as outlined in 1.3. The issue of an ageing society is not only extensively discussed by the government, but also in the media, which often highlights the expected change in age structure and its various consequences. Hence, one can state that the issues of age and an ageing population play dominant parts in Singapore's economic, social and political discourse and are, due to their frequency and dissemination, maintained as part of everyday objective reality. It is likely that similar to the discourse on race, nationality and ethnicity, the discourse on age has - together with the bank's internal workforce requirements - had a lasting impact on corporate diversity discourse and definition.

Interestingly, despite being a key objective, the people with disabilities (PWDs) diversity attribute was mentioned by two respondents only, and these were people not even working on the topic in the respective team. Apparently, disability does not seem to be a widespread and well penetrated issue in the company, although it was identified as a key diversity objective by Moneta Singapore. Unlike other countries, Singapore does not have legislation concerning PWDs in regard to discrimination or remuneration. The employment of PWDs is therefore very dependent on the willingness of employers to accept them as (potential) employees (Tan-Hong Tuen, 1999). Despite former and current initiatives by public authorities, disability does not dominate the public discourse in Singapore in any way. Since only five out of 1,931 employees at Moneta are PWDs, one can assume that most employees and respondents do not deal with PWDs on a day-to-day basis in

the corporate context; therefore, interactions are rare. At this point, Berger and Luckmann's notion of progressive anonymity comes into play (p. 46ff). Since there exists little reliable, direct evidence and knowledge of PWDs, because there are no direct interactions to make them present and 'real', this 'type' of person remains abstract and anonymous in the respondents' perceptions. PWDs are not part of everyday social and corporate reality for most respondents, as opposed to the issues of age, gender, nationality and race which influence each individual's everyday environment inside and outside the corporate context to varying degrees.

Unlike Moneta Singapore, Logistica Singapore does not have an official diversity strategy with defined key objectives and corresponding initiatives, although diversity management is part of the human resource strategy of Logistica's parent company. In the course of the research it became obvious that none of the respondents at Logistica Singapore's regional office (SINRO) or Logistica Singapore's country office (SINCO) had more than basic knowledge - if any - of Logistica's diversity management policy and corresponding definition, as exemplified by the following statement by the Vice President Reward and Remuneration at the regional office: "I could not tell you what the diversity definition is. Do we have one?" (J.C., interview with the author, 19. 12. 2006).

Hence, due to the lack of knowledge of Logistica's diversity definition and the non-existence of a local diversity definition and/or initiatives, diversity has not gained the status within the corporate reality, as is also the case at Moneta Singapore. Nevertheless, even without a corporate diversity definition and/or initiatives, respondents at Logistica Singapore are, similar to those at Moneta Singapore, influenced by the directness and indirectness of interaction, as well as prevailing discourses inside and outside the corporate context. Figure 3.2 illustrates the definitions given by respondents at Logistica SINRO and Logistica SINCO; all respondents gave multiple answers when asked to define diversity in Logistica's corporate context. Due to different areas of responsibility and a structural and spatial division between SINRO and SINCO, the employee structure and work environment differ significantly. These differences are likely to influence the perception of everyday corporate reality, thus making further breakdown between SINRO and SINCO necessary. As figure 3.3 indicates, respondents at SINRO regard gender as the most prominent diversity attribute in the corporate context, followed by culture, education, nationality and race. As we see at Moneta, when taking each respondent's background into consideration no emerging pattern of answers is given which can be grouped according to the respondent's demographic data. The respondents are of mixed

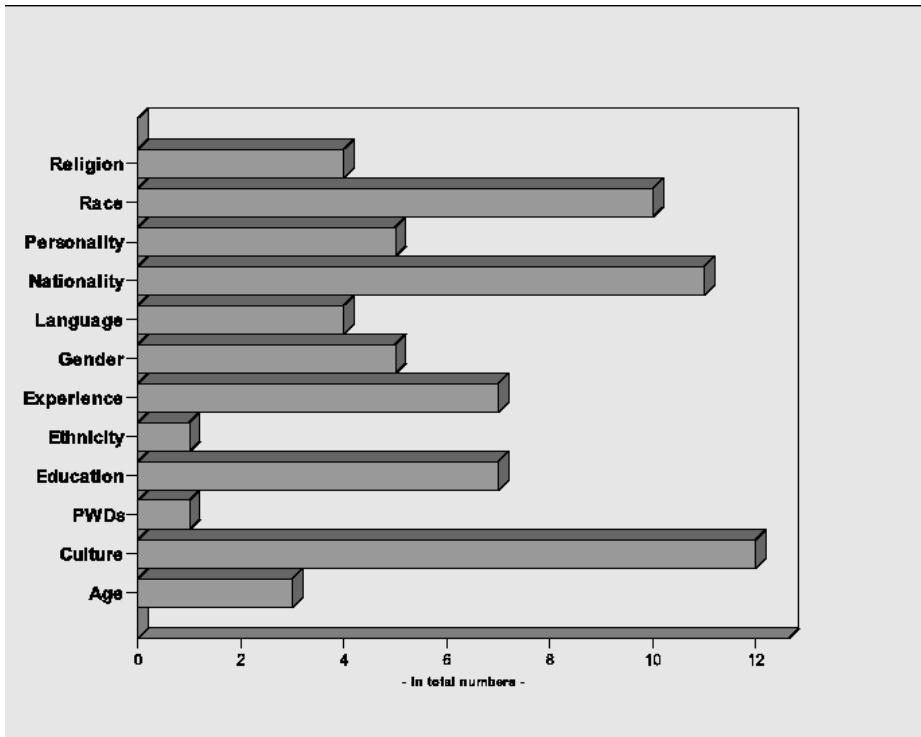


Figure 3.2: Logistica SINRO and SINCO Diversity Definitions - in total numbers

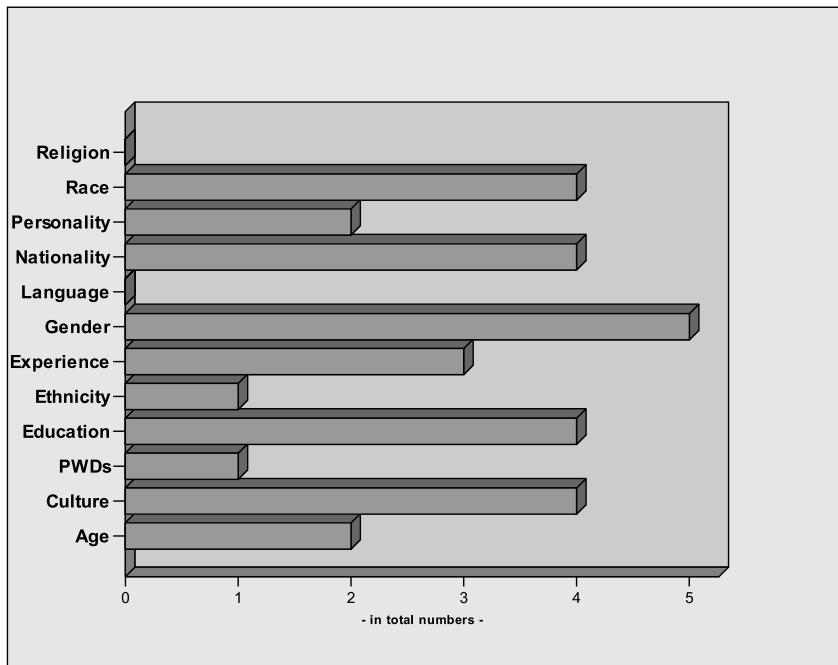


Figure 3.3: Logistica SINRO Diversity Definitions - in total numbers

nationality (ranging from New Zealander, Singaporean and Indian through to German), consider themselves as belonging to different races, adhere to different religions and are not influenced in their perception of diversity by the existing corporate diversity definition or formulated diversity strategy/initiatives because the former is mainly not known and the latter non-existent. What, then, are the possible reasons for defining diversity using the mentioned attributes?

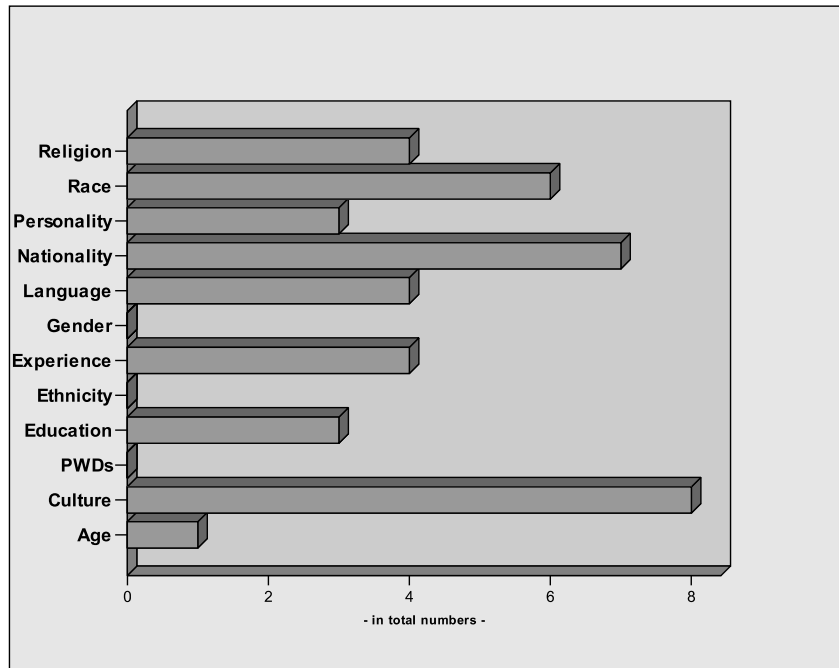
*Firstly*, it can be assumed that, similar to respondents at Moneta, respondents at SINRO and SINCO constantly internalise the dominant discourses taking place in Singapore as part of their objective everyday reality, which in turn are transferred and reproduced in the corporate context, as partly reflected in the definitions given (gender, race, nationality). Interestingly, none of the respondents at Moneta Singapore or Logistica Singapore consciously took governmental policies and existing institutions regarding, for example, race/ethnicity or gender into consideration when defining diversity. It seems that these policies and institutions have a taken-for-granted character, constituting objectified social facts that are reproduced and enacted in each respondent's diversity definition. *Secondly*, what seems to be relevant in the context of SINRO is its diverse work environment as a result of its function as a regional office. In this case, the diversity of employees is experienced as being real in people's 'here and now' by its immediate presence and the frequency of direct interaction with people showing certain diversity attributes. The presence of diversity was pointed out by various respondents, who stated that they work in a HR department located at the regional office, the employees of which are very diverse, especially in terms of culture, ethnicity and nationality, as illustrated by the Senior Vice President HR:

This, this group here, this office here as you know in particular is very diverse when it comes to nationality. But, but it is very natural of its existence, it draws on people from across the region, so we have a very international population here [...] If you go ethnicity it's Caucasian, it's Chinese, it's, sorry, it's East Asian, it's Caucasian, it's South Asian [...] and it's Mediterranean and it's Southern European. That's reasonably diverse in a place called Singapore. Age? Yeah. Big age range, from low twenties to mid-forties. And all points in between. Gender. Probably a slight imbalance toward women, but that's not atypical for the HR function business; it's a profession that attracts a lot of women. (B.W., interview with the author, 22. 03. 2007).

Statistical demographic data for SINRO as a whole was not available, but I was able

to gather some demographic data at the SINRO Human Resource Department (including from the Senior Vice President/ Vice Presidents and employees working at the HR department), which provides exemplary information about workforce diversity found at SINRO. In terms of nationality, the data shows that although almost two-thirds are Singaporean, a wider range of employees from other nations work in the HR department, amongst which are Malaysians, Romanians, Germans, Hungarians and Argentinians. As a result of this diversity, next to English being the lingua franca, many other languages are spoken (mainly outside the corporate context) and different religions are practised. Since more than two-thirds of the employees working at the HR department are female, gender is similar to Moneta due to its immediate presence as a part of individuals' corporate reality. This is reflected in the frequency gender named in the course of individual diversity definitions. Similar to Moneta Singapore, the PWDs diversity attribute was rarely mentioned. None of the respondents could answer the question about whether disabled persons worked at SINRO. During the time I spent at SINRO, I never saw a person showing any visible disability, and to my knowledge special facilities suited for PWDs are not in place. As is the case at Moneta, at SINRO PWDs also remain an abstract phenomenon which does not find its way into corporate reality. In regard to age, employees working in the HR department indeed exhibit an age range, as indicated in the quotation above, but only in the age cohort 20-30 and 30-40 years. Only two employees working at the HR department are over 40 years old. Thus, despite having a wider age range, it is likely that the mentioned age diversity attribute applies to the present age range and does not necessarily include older workers (50+) due to their lack of presence in everyone's work environment. The only diversity attribute which was frequently mentioned was education. It was pointed out by various respondents that employees working in the HR department are not diverse enough in terms of specialisation and level of education - more than two-thirds of the employees hold an BA degree, 15% an MA degree and 7% other degrees below BA level. Due to the demand for highly skilled labour and its actual shortage, education becomes an urgent issue, presented and communicated as a vital resource, shared with others and thus maintained as an issue of corporate reality. Overall, one can state that the statistical data supports the assumption that the respondents are exposed to a diverse work environment, making certain diversity attributes more 'real' than others due to their frequency, and therefore present themselves as objective corporate realities which in turn influence the diversity definitions given.

In contrast to SINRO, SINCO solely operates in the Singaporean market, which subsequently impacts on SINCO's employee composition, work environment and function. As



**Figure 3.4:** Logistica SINCO Diversity Definitions - in total numbers

figure 3.4 shows, the diversity definitions given by employees at SINCO differ in some aspects from those given at SINRO. Similar to employees at SINRO, those asked at SINCO consider culture an important diversity attribute in the corporate context. However, in most cases respondents at SINCO mentioned the diversity attributes culture and nationality when referring to the regional office, which is considered much more diverse. This perception is, for instance, reflected in a comment by the Pricing Manager of the marketing department, who emphasises that one can find much more cultural and nationality diversity at SINRO; in comparison with SINRO, at SINCO one does not find much diversity in culture and nationality (S.G., interview with the author, 28.02.2007). When talking about salient diversity attributes at SINCO, it was mentioned by many respondents that one can find *local diversity* but nationality and culture were not included in this perception. Thus, despite naming culture and nationality, these diversity attributes are not associated with the diversity found at SINCO but are perceived as attributes which almost exclusively apply to SINRO. Employees with different nationalities working at SINCO are mainly Malaysians, Chinese and from other Southeast Asian countries, who are able to blend into the already diverse Singaporean population, thus probably being less visible, i.e. without further reflection already being part of everyday social and corporate reality. In contrast to nationality and culture, the race diversity attribute, which ranks third, refers, according to the respondents, to the situation at SINCO:

So, diversity to me will mean within the organisation's perspective, will be having people from different cultures, different races. I mean, for the country office that will be more different races. We don't have a lot of people from different countries or nationalities, maybe perhaps from Malaysia, the nearby Southeast Asian countries we have (L.H.C., interview with the author, 05. 01. 2007).

For most Singaporeans racial categories are relevant outside the corporate context in their everyday reality due to governmental categorisation into one of the four census categories: Chinese, Malay, Indian or Other (CMIO), according to the father's race. Categorisation along CMIO lines, however, implies that each racial group is associated with defined criteria (i.e. language, culture, mother tongue) circulated in schools and media and cultivated via campaigns by the government and that each Singaporean is embedded in his/her race and culture (Siddique, 1997, p. 108). Accordingly, race constitutes a significant and present diversity marker within the Singaporean social context, making differentiation along racial lines an everyday experience, which is then transferred into the corporate context.

Gender, language and religion differ in how often they are mentioned at SINRO and SINCO. This is mainly due to the fact that SINRO and SINCO vary in their employee structure, influencing which diversity attributes become salient in the everyday work environment. Gender especially is not a common feature in the operations department, which is the largest department at SINCO and part of this research. According to the demographic data collected at one service centre, out of 35 employees during the morning shift, three were female. Contrary to PWDs, who are not a part of the employees' social reality due to their lack of presence in the companies and the public discourse, gender remains present, even if this is not the case in some departments. Gender, its differences and discourses constitute a relevant everyday experience and present to everyone as part of a subjective and objective world which is shared with others and cannot be excluded from the work environment. In contrast to gender, language and religion seem to have more significance in SINCO's everyday work environment. At SINCO, the lingua franca is similar to SINRO's English; nevertheless, communication problems due to insufficient knowledge of the English language are frequent, especially in the service centre whose employees come from Singapore, Malaysia and China. During my visits to the service centre I was able to observe that many employees communicate in Malay or Chinese dialects with each other. According to them it is easier to speak their mother tongue because

their colleagues' English may be hard to understand or one's own English capabilities are insufficient. The language diversity attribute is only mentioned by respondents working in the operations department/service centre, suggesting that emerging communication problems and the usage of different languages raise the awareness and presence of language, making it a salient diversity marker in this context. In this regard, one can assume that the English capabilities found in other departments at SINCO and SINRO are due to higher levels of education, thus better enabling employees to communicate fluently in English. As is the case with language, religion was solely mentioned by respondents from the operations department/service centre. One possible explanation may be flexibility in regard to scheduling as result of the different religions found at the service centre. It was frequently mentioned that diversity in race and religion enables those employees who are celebrating a religious festival to take days off without leaving the service centre short-staffed. Apparently, the diversity definitions given at SINCO - similar to SINRO - are mainly related to the social reality perceived, the directness and indirectness of diversity attributes with which employees are confronted and additionally influenced by discourses taking place outside the corporate context.

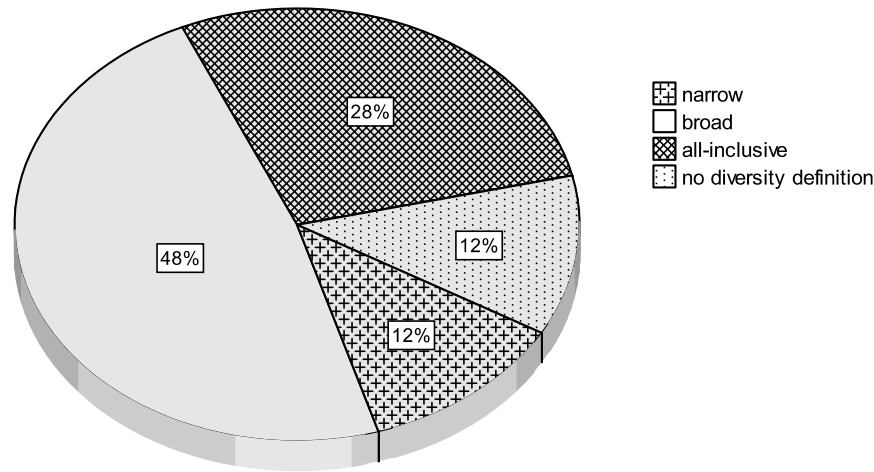
When turning to the diversity definitions issued by the respective parent company, it becomes apparent that both definitions tend to be as general as possible by covering many visible, as well as less-visible, diversity attributes:

[...]age, (length of) experience, gender, sexuality, race, religion, culture, nationality, physical ability and appearance, outside, non-employment, activity and interests, personality, educational background, regional or other accents (Moneta, 2010a).

Our employees are a reflection of the society we live in. They come from a broad range of ethnic and social backgrounds, and represent different age groups, world views and life plans (Logistica, 2010b).

Both definitions allow a broader interpretation in the different corporate, political, social and cultural contexts in which both parent companies and their corporate divisions operate. These are in line with the diversity definitions of other companies, which altogether show a remarkable resemblance. At this point it is worthwhile analysing how corporations operating in an international business environment define workforce diversity and its relatedness to the approaches found in the literature.





**Figure 3.5:** Diversity Definitions of Multinational Companies - in percentage

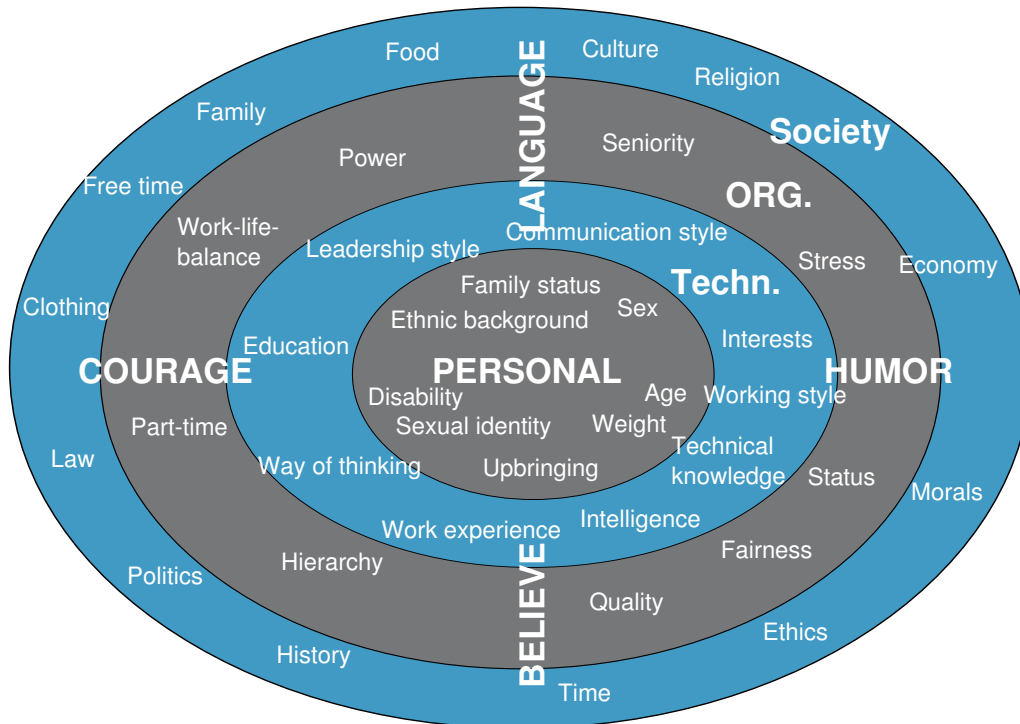
Although the concept of workforce diversity and its implications for business companies have recently attracted attention in many parts of the world, establishing a definition is a highly contested issue. In spite of its popularity and the growing body of literature, there is little consensus on one concise definition of workforce diversity among scholars and practitioners. This is in line with the definitions of workforce diversity issued by companies, which can partly be seen as a reflection of the dominant approaches to define it - ranging from narrow to all-inclusive diversity definitions - found in business, organisational behaviour and human resource literature. A rough search of corporate diversity definitions posted on the public websites of the first 50 companies listed in *Fortune* magazine's Global 500 for 2007 was conducted. Following the prevailing diversity definitions in the literature, the corporate diversity definitions are grouped into narrow, broad and all-inclusive definitions, as shown in figure 3.5. Since only six out of the 50 companies did not have a statement on diversity, and therefore no diversity definition posted on their public website, it is apparent that workforce diversity and its management are perceived as being important aspects of corporate management by those organisations adopting them.

Just a few companies referred to equal employment opportunities and/or legally protected attributes in their diversity definition. These companies were either US-based or refer to Equal Employment Opportunities (EEO) in the course of diversity initiatives carried out in the USA. The reference to EEO in the US business context is a result of the

fact that equal employment originated in the USA and constitutes one cornerstone of federal efforts to eliminate employment discrimination. *Narrow definitions of diversity* issued by companies typically include attributes such as race, ethnic background, age, disability and sex, and are in line with those found in the literature (Richard et al., 2002, p. 265; Nkomo and Cox, 1996, p. 338; Cox, 1991, p. 3). The emphasis on those few demographic characteristics used by scholars is partly due to the fact that early attempts to manage diversity in the workplace were influenced by US legislation aimed at creating equal employment opportunities without regard to race, sex or age. Furthermore, the concept of workforce diversity first emerged in the US-based organisational literature as an attempt to deal with an increasingly diverse workforce, so it is largely anchored in the US experience and its census-based categories of diversity (Jackson and Joshi, 2002, p. 207; Harrison et al., 1998, p. 96). Interestingly, most companies using narrow definitions of diversity are not US-based, but can be found all over the world. When comparing the narrow definitions given with the ongoing diversity initiatives of the respective company, it becomes apparent that the issued definitions borrow diversity attributes from initiatives that focus on visible diversity attributes such as gender, disability and ethnicity.

In recent years the definition of diversity found in the literature has evolved from a few legally protected attributes to much broader definitions including race, sex, disability and ethnicity as well as attributes such as educational, functional and social backgrounds, sexual orientation, language, marital status, organisational tenure, religion, personality and lifestyle (Jehn and Bezrukova, 2004, p. 704; Wentling and Palma-Rivas, 2000, p. 36; Kandola and Fullerton, 1998, p. 8). Not only Moneta and Logistica, but also almost half of the first 50 companies listed in *Fortune* magazine's Global 500 define diversity in a broader way, too. Daimler, for example, included 42 dimensions in its diversity definition, as shown in 3.6.

The broader definitions found in the literature have basically been subdivided into two categories by various authors, often using different terminology to describe similar attributes: *visible* (Kandola and Fullerton, 1998, p. 8; Pelled, 1996, p. 615), *readily observable/ detectable* (Williams and O'Reilly III, 1998, p. 82; Milliken and Martins, 1996, p. 403–404), and *surface-level diversity* (Harrison et al., 1998, p. 97; Mohammed and Angell, 2004, p. 1015) refer to characteristics such as age, sex, ethnic background, race, sexual orientation and physical disability. Accordingly, *non-/ less visible* (Milliken and Martins, 1996, p. 403–404; Jehn and Bezrukova, 2004, p. 704), *underlying* (van Knippenberg et al., 2004, p. 1008), or *deep-level diversity* (Harrison et al., 1998, p. 98; Mohammed and Angell, 2004,



**Figure 3.6:** Daimler Diversity Dimensions, figure adapted from Daimler, 2010

p. 1015) typically include attributes such as values, attitudes, educational background, technical abilities, tenure in the organisation and personality. Visible attributes are frequently described as being immutable differences, while attributes assigned to the latter category are more mutable and changeable (Harrison et al., 1998, p. 97–98). Categorising along visible and less visible diversity attributes is an attempt to introduce some structure in diversity research and to avoid the assumption that only visible attributes might influence the performance of workgroups and the outcomes of their work. Especially the latter influences the extension of corporate diversity definitions. The reason for including visible as well as less visible attributes in a broad diversity definition is, according to Marvin and Girling, 2000, the recognition that both diversity dimensions have positive effects and therefore *both* are of value for companies and need to be acknowledged. However, this perception, embraced by many companies and reflected in the adoption of broader diversity definitions, is not necessarily consistent with the outcomes of research studying the effects of diversity on work group level. As already pointed out in 1.2, according to various studies diversity in observable attributes has been found to have more negative effects on performance than in less visible attributes, because the former are more likely to evoke prejudices, biases and stereotypes due to their observability. Moreover, it is important to understand that categorisation along visible/less visible attributes is not necessarily

mutually exclusive. In some cases, visible attributes may be associated with less visible ones, allowing an unproven assumption to be drawn about visible and invisible diversity dimensions. For example, ethnic differences may be associated with socio-economic status or educational background (Milliken and Martins, 1996, p. 416–417). A broader diversity definition, however, may reduce the perception of people belonging to a certain group and supported and protected by legislation as a ‘problem’ within the company while turning diversity into something positive and voluntary.

Although diversity definitions along visible and less visible attributes are quite popular and frequently used both in the practical and theoretical fields, it does not go uncontested. By examining numerous diversity definitions in organisation behaviour textbooks, Litvin, 1997 comes to the conclusion that most of these definitions conceptualise diversity in terms of separate, homogeneous groups (gays and lesbians, elderly, women, university graduates), neglecting differences within groups and similarities across group boundaries. As a consequence, these definitions hardly accommodate the complexity of real people but instead reduce them to a certain diversity category. Accordingly, employee differences become a matter of category membership; hence, knowledge of group characteristics is key to understanding diversity in the workplace. By employing these categories it is assumed that they are natural, objective facts that can be described, measured and used without taking social, political and economic forces into consideration which might influence the construction of differing individual and contextual diversity definitions (Litvin, 1997, p. 204).

A more individualised approach is taken by various researchers, as well as companies using an all-inclusive diversity definition. All-inclusive definitions do not list diversity categories according to different typologies, but instead use diversity as an umbrella term, including “the entire spectrum of human differences” (Jayne and Dipboye, 2004, p. 410). By adopting this definition, researchers and companies have moved away from picturing and contrasting different groups as homogeneous entities to a more individualised approach. i.e everybody is different. This is exemplified in Hewlett-Packard’s definition:

Diversity is the existence of many unique individuals in the workplace, marketplace and community. This includes men and women from different nations, cultures, ethnic groups, generations, backgrounds, skills, abilities and all the other unique differences that make each of us who we are (Hewlett-Packard, 2010).

Most all-inclusive corporate definitions assume common diversity dimensions, but explicitly point to each individual's uniqueness, which is considered part of the diversity that must be valued by the respective company. Such a definition seeks to appeal to a broad audience by including everyone and opening up a wider pool of potential employees. Apparently, as companies increasingly operate on an international level, diversity definitions have to apply to a global (business) environment and thus include a wider pool of differences. In so doing, companies try to ensure that all current and potential employees feel included and appreciated by, as well as attracted to, the company, seemingly aiming at maximising their potential with the help of successfully applied diversity strategies.

In regard to all-inclusive definitions of diversity Mor Barak, 2005 and to Kersten, 2000 critically point out that despite the appealing idea of including everyone under the "diversity umbrella" (Mor Barak, 2005, p. 130), in order to avoid the identification of power relations and associated groups in the organisation it is the very characteristic of including everyone that limits this approach. Including all individual and group differences into a diversity definition suggests that all differences are equal, thus neglecting that some might yield more serious consequences in regard to prejudices, disadvantages and lack of power than others. Both authors argue that certain diversity attributes create and maintain a system of structural and institutional oppression within the corporate context, which is not taken into account by all-inclusive diversity definitions:

By considering all people as 'equally unique', diversity management seeks to appeal to a broad audience but this appeal comes at the cost of avoiding and minimizing structural and institutional issues of race, ethnicity and gender discrimination. Diversity management in this sense is (and must be) constructive and pleasant, including everyone and offend no one [...](Kersten, 2000, p. 242).

Consequently, according to these critics, the objective of diversity management should be the elimination of workplace discrimination embedded in the corporate structural and institutional systems. This objective is opposed to the perception of diversity management, which not (only) concentrates on issues of discrimination but see it as a change of the organisational culture and management practice to establish an open, welcoming and supportive environment for everybody.

Considering the diversity definitions offered in the literature and used by companies, it is evident that defining workforce diversity is a contested issue: in principle, it can refer to

an almost infinite number of attributes. In practice, however, it becomes apparent that, despite different terminology, many definitions focus on the same attributes. When taking account of the diversity definitions given by *Fortune* magazine's Global 500, it becomes obvious that corporate diversity definitions align to a certain degree on a global level. Apparently, a homogenisation of diversity definitions is taking place. Since many studies dealing with diversity management and interventions are US-based, it can be assumed that the concepts of diversity management and diversity definitions - which are taken up by companies world-wide - are extensively theorised in regard to the US cultural, economic, social and political contexts. In this regard Jones et al., 2000 point out that "it is an ironic paradox that, as 'managing diversity' develops as a globalizing vocabulary of difference, US cultural dominance may be reinforced by a US model of difference" (p. 364). Considering the global activities of corporations in different national, social and cultural contexts, the question arises as to whether academic and corporate diversity definitions are transferable and applicable on a one-to-one basis to other cultural contexts and have common meanings and similar importance across national and cultural boundaries.

Analysing diversity definitions given in the Singaporean corporate context shows that the generality of those global/US-influenced definitions, as well as those issued by Moneta and Logistica's headquarters, do not capture the local corporate reality. This is in line with Litvin, 1997 and Zanoni and Janssens, 2003, who criticise diversity definitions that do not take social, political and economic forces into consideration, which might influence the construction of diversity definitions. A translation of the definition of workforce diversity is needed if it is meant to raise awareness for diversity in the respective context. It became apparent in the course of the analysis that corporate diversity definitions are shaped by various factors. Employees live in an everyday social reality (including the corporate sphere), which is perceived and maintained as real through an ongoing dialectical process of externalisation, objectification and internalisation. This reality is made up of everyday experiences inside and outside the company, directness and indirectness of interaction and discourses taking place in the public sphere and within the company. Therefore, diversity definitions disseminated on a global level do not match the social and corporate reality in different locations and will not make a significant contribution to raising the awareness for diversity. As a consequence, diversity definitions and related initiatives need to be localised, taking the social, cultural and economic contexts in which the company operates into consideration. Even if diversity initiatives are in place, its contents may not match the social and corporate reality perceived and (re)produced, as is the case with PWDs at Moneta. A local diversity definition may help to anchor certain diversity attributes in an

employee's reality, without which these attributes may lack awareness and support when translated into a diversity initiative. With the help of a localised diversity definition, respective communication activities and - most importantly - initiatives, corporate diversity may become an objectified reality over time, which is perceived as such by employees. Nevertheless, at this point it is important to keep in mind who the addressees of the diversity definitions are. On the one hand, if the definition can be found under the section career (as evident at Logistica and Moneta), the addressees are potential employees who might be attracted by an open and all-inclusive definition and may include potential employees who are not on the company's radar. On the other hand, if the definition is meant to support a diversity strategy and corresponding initiatives, it has to be more precise in order to disseminate the message and to establish a new corporate reality of diversity within the company.

### **3.2 Differences as Value: Constructing and Interpreting Diversity in the Singaporean Corporate Context**

In this chapter, I address the rhetorical schemes used and discourses drawn from to present diversity mainly as a value for the company. In statements found on the companies' public websites, Moneta's and Logistica's parent companies acknowledge diversity as being of value to their company, as a means to reach organizational - primarily economic - ends, exemplified by Moneta:

Diversity is central to our brand. We believe the world is a rich and diverse place full of interesting cultures and people, who should be treated with respect and from whom there is a great deal to learn [...] We know that employing and managing diverse people gives us a more rounded and balanced organisation and makes us more adaptable to new situations [...] We are a global organisation that understands our local populations and values the diversity of the markets that we operate in. We need to reach out to all parts of employment and customer markets, existing and potential, for maximum productivity and value. It is by going beyond matters of compliance that valuing and managing diversity becomes a competitive differentiator, enabling us to leverage the opportunities that this can offer (Moneta, 2010b).

This statement demonstrates that the value of diversity is directly linked to economic issues, namely business success and growth, adaptability and the achievement of business goals. The 'official' rationale presents diversity primarily as a resource in an economic context and implies that its economic value is acknowledged and applicable corporate-wide - including in the Singaporean business context. When asked how far and in which ways diversity is of value for the respective company in the Singaporean context, respondents at both Moneta Singapore and Logistica SINRO and SINCO usually used related rhetorical schemes to build arguments in favour of diversity, which are in turn part of the broader theorisation of the concept. Since none of the respondents at Logistica SINRO and SINCO was aware of Logistica's diversity definition and the company's efforts taken "to ensure the highest degree of productivity, creativity and efficiency possible" (Logistica, 2010) through diversity management, it can be assumed that the various lines of argument used are not influenced in any way by the pro-diversity policies initiated by Logistica's parent company. The situation at Moneta Singapore is different, though. Due



to their work through the diversity committee and contacts with other regional diversity committees, as well as the diversity department at Moneta corporate headquarters, it is in turn very likely that respondents from Moneta Singapore have come in contact with the bank's rationale in regard to the economic benefits of diversity. Additionally, one crucial task of Moneta Singapore's diversity committee was the formulation of a statement as to the benefits for the bank in Singapore and how the value of diversity and its management can be communicated to its managers and employees. This task made the value of diversity a subject of serious discussion among members of the diversity committee, therefore presumably influencing their answers.

Diversity is, in line with the official economic rationale favoured by companies, mainly constructed as a source of economic value for the company by all respondents. The answers given at Moneta and Logistica SINRO/ SINCO can roughly be classified into internal and external benefits. Internal benefits are, for instance, different attitudes, behaviours, values or knowledge ascribed to employees from diverse backgrounds, which in turn will affect work outcomes in a positive way. The argument usually consists of a description of the various attributes a person has because of his/her diverse background (e.g. knowledge, ideas, etc.) and relates them to positive work processes and outcomes, as stated by Moneta's HR Resourcing Manager:

So, if we have people who are employed in a bank from different backgrounds, they come with them their knowledge, their profiles [...] I would think benefits will be there because more ideas will be thrown in by different groups of people. Because with that different background they might look at things very differently. So, they might have different ideas on improving the process flow, in making the work, you know, a bit more efficient, you know, helping everybody out, you know, and ensuring that we still can deliver the work we have to deliver to our customer (M.L., interview with the author, 02.05.2007).

Additionally, sometimes respondents compare a diverse organisation or team with a more homogeneous one in order to highlight the benefits diversity has for the organisation or team, as done by the Logistica Vice President Organization Transitions:

[...]for an organisation it's important to have different points of view, you know. If, if it's a homogeneous organisation everybody thinks in one way, it will also to an extent impact the creativity of the organisation. So, I think

for an organisation constantly evolving and be creative it's necessary to have people from different backgrounds to be able to get different perspectives and different points of view (A.D., interview with the author, 18.12.2006).

As exemplified by these statements, it becomes obvious that differences due to diverse employee backgrounds are evaluated in terms of their positive impact on work processes. According to most respondents, workforce diversity manifests itself in different experiences, mindsets, perspectives, ideas, knowledge, working styles or expertise and is expected to positively influence decisions, productivity, process flow, efficiency or creativity. The rhetorical scheme most commonly used is as follows: employees showing various diversity attributes are able to “[...]play that devil’s advocate role just to challenge because not, not to create a contention but just to make people think of different perspectives of things” (R.C., interview with the author, 05.12.2007), as Logistica’s Vice President Learning and Development phrased it, which in turn will lead to better discussions, initiating or improving the exchange of ideas, opinions and knowledge. Subsequently, this will lead to enhanced productivity, creativity, efficiency and so forth. Consequently, differences are evaluated as beneficial if they serve as a catalyst for better work processes. It is worthwhile to note here that all respondents assumed the above mentioned diversity attributes ‘to be there’, thus separating specific diversity attributes from the individuals carrying these attributes. Hence, the value of diversity in terms of different experiences, knowledge, ideas, etc. was emphasised but not linked to individuals. If this kind of workforce diversity is considered valuable for work processes and therefore contributing to the economic success of the company, it is surprising that a clear idea of (potential) employees who might positively influence work processes and outcomes due to specific diversity attributes are missing.

Another rhetorical scheme used by some respondents was the benefit diversity brings in regard to employee engagement and compliance. Here, diversity is described as having a positive influence on motivation, employee satisfaction and development. The main reasons given for this are, on the one hand, a higher level of acceptance and tolerance towards employees from different backgrounds, which in turn will contribute to the personal well-being and engagement of these employees. On the other hand, employees may be positively stimulated by the diverse environment in which they are working; diversity is seen as a means to grow personally and to further develop professional skills and qualifications by sharing knowledge, work practices and experience. The outcome is more motivated, loyal and engaged employees, who will contribute to the business goals of the respective

company. This line of argument is thus consistent with the overall economic rationale in favour of diversity issued by both companies. Further internal benefits mentioned are of a rather pragmatic nature, like scheduling and vacation planning. In this case selected diversity attributes, namely religion and/or race, have a direct impact on work procedures and are especially important in departments operating 24/7, as pointed out by various respondents from the SINCO operations department and Moneta. Departments that need to be manned twenty-four hours a day, such as the call centres at Logistica and Moneta or SINCO's service centres, profit from workforce diversity because it helps to avoid conflicts when it comes to major holidays like Chinese New Year, Hari Raya or Deepavali. Since not all employees may take leave on these holidays, a diverse workforce in terms of religion and race allows employees to take some days off work and celebrate their festival. At the same time the department is sufficiently staffed with employees adhering to other religions and/or belonging to other races.

Contrary to internal benefits, external diversity benefits relate, on the one hand, to different customers, markets and business environments the company has to (successfully) deal with, and on the other hand to the company's public image and perception. A common argument was that both companies are global entities operating in many countries, serving different markets and dealing with different customer demands and needs. In this regard diversity was valued as an essential element of (global) business success. Moneta's HR Resourcing Manager states:

It would definitely be an asset for the bank, basically because, actually, you know, we are actually moving into a very global environment, you know, we call the whole world a global village. So, we are not just dealing with pure Singaporean customers. You know, in our day-to-day businesses that we deal with our customers, external customers, we meet with people from all walks of life, from all kinds of backgrounds. So, if we have people who are employed in a bank from different backgrounds, they come with them their knowledge, their profiles, that are able to, you know, meet external customer needs better (M.L., interview with the author, 02.05.2007).

Through this line of argument, diversity is conceptualised as a necessity for the company to function effectively and successfully on a global scale. Consequently, as the company expands its business and opens up new markets, the workforce becomes more diverse and/or has to be diversified accordingly. This is considered especially important if corporate policies, initiatives or strategies are formulated, not only for the local market but

also for an entire region, as carried out by Logistica SINRO or at Logistica headquarters. What happens if the diversification of teams or departments responsible for formulating policies which aim at managers and employees on a regional or international level is ignored, is described by Logistica's Senior Expert Diversity Consultant:

Well, we had an experience with a project set up at the headquarters in which only Germans were involved. Eight months later it turned out that the project failed because Asians reacted very differently than expected - same with Americans and some Europeans. Only then someone came up with the idea that it would have been wise to involve an Asian, an American as well as two Europeans in the project (J.B., interview with the author, 31.07.2007)<sup>31</sup>.

According to some respondents, workforce diversity becomes important in regard to the external perception of the company for potential employees. Basically, the argument aims at the successful recruitment of talent through the recognition of being an attractive, inclusive employer, which manifests itself in awards like the 'Best Employer' award. Additionally, if the company already employs a diverse workforce, it is assumed that it is appealing to a wider range of talent. This point was especially stressed at Logistica SINRO and emphasised by the Logistica Vice President Organization Transitions:

[...]from an organisational perspective, if you're a global, if you want to become a global employer of choice, you need to be seen as an equal opportunity employer [...]if I have a diverse population of employees in my company, I will encourage more diverse people to apply to the organization: if I'm seen largely one culture or one race or one religion or one gender employer company than people from other races, other religions or other genders will not apply to me. So, it's a bit of chicken and, and egg (A.D., interview with the author, 18. 12. 2006).

One reason for Logistica's emphasis on the external perception of being an inclusive employer is the aim to become a 'Best Employer' as soon as possible, in order to reach

---

<sup>31</sup>Also, eine Erfahrung, die wir vor ein paar Jahren gemacht haben war mit einem Projekt, das ist in der Zentrale aufgesetzt worden, wo nur Deutsche drin gesessen haben, wo, wo man sich 8 Monate danach die Nase blutig geholt hat weil die Asiaten darauf vollkommen anders reagiert haben auf diese Geschichte nachher, ne. Die Amerikaner fanden's auch witzig und ein paar Europäer, ne? Bis man dann gesagt hat 'Menschenskind, hättet ihr mal von vorn herein einen Asiaten dazu holen sollen, einen Amerikaner dazu holen sollen und noch zwei Europäer und das Projekt so besetzt'.

the determined business goals in 2015. Since one of the benchmarks of the ‘Best Employer’ Award, which is annually awarded by Hewitt<sup>32</sup>, concerns diversity, the increased awareness towards diversity and its value for the company.

It became obvious that respondents at Moneta, SINRO and SINCO construct diversity as a value for the company by referring to broader discourses of economic rationality: diversity will increase productivity, creativity, efficiency, improve decision-making processes or help the company to deal with the challenge of operating in a global business environment. Diversity is described as having a positive influence in the organisational context either with the rhetorical scheme of comparing homogeneous and heterogeneous organisations/teams, by referring to diversity attributes which will contribute to the organisation’s business needs and goals, or by identifying the global environment in which the company operates. In all rhetorical schemes used, the value of diversity is portrayed as an effective means of reaching organisational ends. Hence, diversity and its management are legitimised by the underlying discourse of economic rationality, constructing diversity as ‘must-have’ for companies in today’s business environment. Nevertheless, most rhetorical schemes used are not, apparently, translated to the Singaporean context because, as already pointed out, the respondents were unable to link certain diversity attributes and associated benefits to individuals, and the companies do not take action to consciously diversify their employee base in order to benefit from this increased diversity (for example, in regard to teams responsible for the formulation of regional/global strategies). The apparent ‘must-have’ element of workforce diversity and its management rather derives from the theorised model of diversity management, which circulates between contexts and is reproduced but not translated to the Singaporean context and interpreted accordingly by respondents.

Besides constructing diversity as a value by drawing from discourses of economic rationality, the value of diversity also manifests itself through the discourse on employment and talent search. In this context, the dominant line of argument identified firstly points to the tight labour market in Singapore, characterised by a shortage of available (young)

---

<sup>32</sup>Hewitt, one of the world’s leading HR consulting and outsourcing companies, conducts Best Employer studies in more than 20 countries. In order to participate, companies have to conduct an employee survey of a random sample of employees, complete a survey of the companies’ HR practices, as well as a CEO survey, provide information about the company’s performance and practices and participate in an audit of their study input (if requested by Hewitt). The best employers are chosen by an independent panel of judges comprising academicians, local business leaders, executives and HR professionals. The participating company receives reports summarising the study findings with benchmark information, for example employee feedback and HR practices, which is compared with the Best Employers and country/market results (Hewitt, 2010).

talent and an increasingly ageing labour force. In the second step of the argument, respondents refer to certain social groups considered ‘untapped labour sources’ - a common phrase used by respondents at Moneta - which need to be ‘activated’ in order to ensure the steady supply of labour with which business targets should be met. A typical example of the argument is given by the Head of Institutional Fund Services at Moneta. According to him, the challenge in Singapore is the shortage of available talent because of the current booming economy. At the moment the demand for talent is higher than the actual supply, thus, from a sustainable perspective, diversity constitutes a resource because one can tap from different talent pools. With a traditional mindset focusing on a specific type of employee, one closes oneself off to a potential pool of talented people. Therefore, diversity is not only about corporate social responsibility, but also it makes business sense. In the following extract from our interview, he gives the example of Moneta now employing maturer workers and people with disabilities, mainly hearing and visual impacted persons (R.A., interview with the author, 07.05.2007). Following the argument, it becomes obvious that the value of social groups that formerly had a weak position in the labour market, because it was almost impossible for them to find jobs, increases with the current labour shortage. The employment of PWDs and mature workers is therefore a reaction to external HR challenges the bank is facing, and is mainly of strategic business interest instead of integrating these groups in the first place. The employment of both groups is described as a positive experience, and persons of both groups are described as valuable, successful employees as opposed to the dominating public opinion, as pointed out by Moneta’s Head of Custody & Clearing:

For example, we’ve got four or five people with hearing disabilities working in our big operations centre in Singapore, which chiefly supports the retail bank. And they are doing so well. They are settled, one of them is probably a top performer. So, we are celebrating that fact in order to get the message across to other businesses that, look this is what’s possible (V.M., interview with the author, 04. 05. 2007).

As already pointed out in the previous sub-chapter, PWDs and mature workers (50+) remain, due to missing direct interactions, abstract and anonymous in most people’s perceptions and do not constitute a part of everyday social reality. Most of the time they are still recognised and treated as a certain ‘type’ and not as individuals showing certain valued (working) attributes. This is manifested by the usage of ‘they’ versus ‘we’ in the

following statement of a respondent working for Moneta's Personal Financial Services Department:

In a sense, after a while you forget and then *they* become just like normal people. So, I mean for this group of people *we* tried now 'look, when you start try to do something new' of course they [line managers] are like 'are you sure?' [...]So, I say 'look, this is an experiment, just take a few and you'll see the difference'. So, *we* did this in operations. Now, of course, in order to get people started *we* say get *them* a job where, I mean you have to redesign. So, don't expect something. So, give *them* a job where *they* don't have to interact with people too much [...]So first *we* got two of *them* in, *they* did a fantastic job. And after a while the manager said 'actually we like these guys, this group of people, can we have more?' (T.P., interview with the author, 17.05.2007, emphasis added).

Usually, certain attitudes towards work and compliance are ascribed to PWDs and mature workers such as showing more loyalty and less job-hopping because, for instance, mature workers usually have family and know what they want in life and PWDs are glad to have a job at all. This discourse plays an important role in legitimising the employment of members of both groups by focusing on their strengths and by giving them economic value. It also constitutes a first step towards the reduction of the anonymity of these groups and therefore the establishment of a new reality of corporate diversity in which PWDs and mature workers are part of - albeit reduced to a group of people and not valued as individuals. This employment of mature workers and PWDs provides an example for the translation of the discursive construction of benefits of diversity, here of certain groups, into the local context. Due to the tight Singaporean labour market, Moneta experiences a labour shortage whose solution could (partly) be the employment of formerly untapped labour sources. Apparently, Logistica does not face such a labour shortage, as is the case at Moneta, or have successful programmes in place to guarantee the supply of (young) talent; the discourse on employment and talent is not picked up by respondents at Logistica. The only reference made in regard to employment was the statement that an already diverse workforce would attract a wider range of potential employees. Since the diversification of its workforce is not actively fostered at Logistica, the mentioned benefit in regard to recruiting can merely be seen as a side-effect.

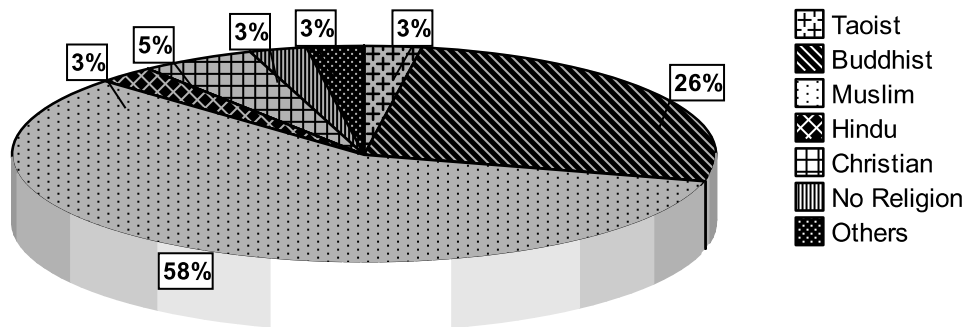
Overall, one can state that all respondents at Logistica SINRO, SINCO and Moneta shared the particular view that (existing) diversity is beneficial in the corporate context

in one way or the other. At this point it is worthwhile analysing whether the workforce diversity found in the companies' departments matches the subjective perceptions of a) how diverse the department actually is and b) if this diversity provides the assumed benefits regarding work processes and outcomes of respective departments. Logistica SINCO's marketing and operations departments should serve as examples, although due to restrictions imposed by the SINCO HR department the demographic data collected is far from being complete and thus only provides a snapshot.

Especially in SINCO's marketing department, workforce diversity was evaluated by respondents working in the department as very beneficial in regard to the tasks and function. The department was described as being like a think tank that needs diversity in terms of different experiences, ideas, work styles, backgrounds, information, knowledge and perspectives in order to be innovative and creative, as well as to optimise work processes and decision making. Since marketing is considered a very competitive, fast changing industry, diversity was regarded as being crucial and a must-have by most respondents. When asked to describe the diversity found in their department, the respondents assessed its employees as not being very diverse: most employees are local Singaporeans, with the exception of the Head of Department, who is from Malaysia, and the Pricing Manager, who is from Kenya. A higher degree of diversity exists, according to the respondents, in terms of age and educational background. This evaluation is in line with the demographic data collected in the department. Next to the mentioned Malaysian and Kenyan employees, all other employees are Singaporeans from a mainly Chinese background. Most employees have a Bachelor degree in the fields of marketing/advertising, business, commerce/finance or IT, received at universities in Singapore, Australia, the UK or Kenya. The existing diversity of Singaporeans, namely diversity in terms of race, religion or ethnic background, was not counted as diversity or of considerable value. This might probably be due to the opinion that these diversity attributes do not contribute to the work processes and function of the department in the same way as diversity attributes such as different work styles, (country/ work) experience or knowledge acquired in different jobs. According to some respondents, the department could be more diverse in terms of different work experience and knowledge, which are assumed to have a positive impact on the tasks performed. Interestingly, none of the respondents at the marketing department had a specific idea about which kinds of knowledge or work styles would be beneficial for the department and probably be searched for. Additionally, none made a link between desired diversity attributes and any form of diversity management such as actively searching for potential employees with these attributes, or how to deal with (potential) increased diversity within



**Figure 3.7:** Religious Affiliation of Employees Working at Logistica SINCO's Service Centre - in percentage



the department.

Contrary to the marketing department, diversity was described as a benefit in the operations department mainly in regard to planning schedules and shifts. Most respondents at the service centre described the employees working there as diverse in terms of race and religion. It was pointed out that most of the employees working in the service centre were local Singaporeans, with a few Malaysians and Chinese from the PRC. Respondents working at managerial level in the operations department mentioned besides diversity in race and religion diversity in educational background. As evident in the marketing department, the respondents' evaluations match the collected statistical data, too, as the majority of employees are Singaporeans, showing a wider degree of religious diversity, as figure 3.7 illustrates. Due to the importance ascribed to these attributes in regard to scheduling, diversity is, according to some respondents, actively promoted by searching for employees with respective religious/racial backgrounds to ensure a balance between race and religion. As rightly predicted, the average level of education is secondary school for employees working at the service centre, which rises as one moves upward through the departmental hierarchy. With only 7% women working at the service centre, gender diversity is almost non-existent. The main reason for this gender imbalance is, according to the respondents, that the physical work at the service centre is not very appealing to women.

Obviously, respondents in both departments have precise perceptions about what kind of diversity is of value depending on its tasks and function and in which aspects their department shows a higher or lower degree of diversity. The workforce diversity found in the marketing department was partly considered of no benefit (race, religion, ethnic background) or of any value and expandable (knowledge, work styles). Despite the em-

phasis on the importance of diversity in the field of marketing, respondents could not name individuals who might show these attributes and explain in which situations diversity in experience, ideas, perspectives, knowledge and so on led to the proclaimed results. It seems that the benefits of workforce diversity are constructed on a theoretical level, but concrete examples and measures are missing. None of the respondents considered the active management of diversity as an essential strategy for achieving the described benefit of diversity - the benefits are just there because the workforce is already diverse, or are likely to appear as soon as the workforce is more diversified in regard to specific diversity attributes. This line of argument is not only limited to the marketing department, but also used at Logistica SINRO and partly at Moneta. Contrary to the marketing department, respondents at the operations department and service centre have a precise idea about which kind of diversity and in which situations it is beneficial (race, religion). Here, diversity and its management become a practical matter in order to organise shifts and schedules and minimise related conflicts, but they are not perceived as explicit diversity management strategies.

In general, it became apparent that diversity is constructed by the respondents as a corporate value on a normative level by drawing on different discourses that are not translated to the local context. Hence, at operational level, diversity is in terms of active management or selection often not integrated into the corporate reality and work processes. Most of the time, the benefits of diversity are cited without being proven in the local setting due to a lack of diversity management (Logistica) and/or measures (Moneta). What then may be the reasons for such a consensus of diversity's theoretical benefits in both companies, considering their different approaches in regard to diversity? A comparison of the arguments by respondents at Logistica SINRO, SINCO and Moneta Singapore with those cited by a range of popular diversity studies, as outlined in Table 1.2, shows striking similarities. The general benefits of diversity are further supported by interviewed consultants and experts who also point out the benefits in regard to customer service, talent and recruitment, image and overall business growth, exemplified by a statement by Cartus Director Intercultural Sales & Account Management:

[...]where does it bring value to the business? It brings in, it brings in new cultural norms, it, it brings in new ideas, it brings in new business practices that may not be familiar in that particular country, it allows an organisation to grow more quickly because there's experience coming from different locations at different levels in an organisation. So I think that any organisation that

is looking to grow in the current economic set up, if they're to be successful anywhere other than in their home location, needs to have a diversity plan and needs to take that into account [...]it has to be part of the strategy that they have (J.Ca., interview with the author, 24.04.2007)

All benefits put forward in the literature and by experts are also mentioned by respondents who reproduce the theorised arguments about the benefits workforce diversity has in the corporate environment. Especially in the case of Logistica, where diversity management does not exist and knowledge of the diversity rationale of Logistica's parent company is in short supply, the cited benefits mainly do not apply to the Singaporean setting. Most respondents were unable to provide concrete examples in which a situation's diversity is beneficial, or refer to situations in former companies where diversity management was practised to illustrate their cited benefits. Although the proof of any benefit is missing, most respondents argue that it is beneficial anyway. It is only in connection with the recruitment of mature workers and PWDs that concrete and traceable examples of the benefits are provided at Moneta. The other benefits of their diversity initiatives are far less traceable and measurable, which reveals the paucity of evidence supporting diversity in the concrete business environment. Overall, it becomes obvious that when attempting to tie down the benefits of diversity, the arguments and discourses drawn from primarily do not emanate from legitimate examples in the Singaporean setting. The rationale in favour of diversity is established on a theoretical level and is only to some extent translated into the business environment by Moneta. This finding is in line with the missing link between the assumed benefits of diversity and the individuals who might positively influence work processes due to their specific diversity.

### **3.3 Differences as a Challenge: Arising Conflicts, Demands and the Need for a Mindset Change**

Workforce diversity is not solely construed as being beneficial in the corporate context, but also as a source of (potential) misunderstanding and conflict, requiring additional effort in terms of time and resources and associated with the need for organisational and personal change. The challenges mentioned by respondents at Logistica and Moneta can roughly be classified into three major arguments, namely *first* in regard to cultural differences, *second* the practical needs of diverse employees as well, as practical issues regarding team work, and *third* corporate culture and change.

The first line of argument is built around a lack of understanding and differences in interpretation due to different cultural patterns, spoken as well as body language or behaviour, which may result in misunderstandings and miscommunication. This argument was mainly put forward by respondents at Logistica SINRO and by some at Logistica SINCO. The former were referring to cultural differences found in the different countries across Asia Pacific, with which SINRO closely cooperates due to its function as a regional office. Language and the communication of strategies and initiatives were highlighted as particular sources of misunderstandings. Below a certain hierarchical level, English - if it is not an official language in the respective country - is not properly understood, thus requiring translations which might involve linguistic or interpretative mistakes, and/or strategies and initiatives are not received the same way in different countries. These challenges are mainly seen in the context of operating in the Asia Pacific region and seldom in regard to the regional office in Singapore. Respondents working at SINCO also pointed out that differences in language and culture can constitute a challenge regarding customer relationships and teamwork, but they mainly associated these differences and the resulting challenges with SINRO, as mentioned by Logistica SINCO HR Recruitment Manager:

Maybe for the country office it's fairly OK, but it is like, say the regional office, if you have people from different nationalities then you will have to be more aware of the cultural differences - of language differences and all that. And so during day-to-day interactions with staff or colleagues around that may be a particular area where people have to take note of. But for us here [*at the country office*] because most of us are local Singaporeans - there are people who are from other countries like Malaysia and all that - but basically [*we are*] quite familiar in terms of no major cultural differences around. (L.H.C., interview with the author, 05.01.2007)

Interestingly, the diversity found among Singaporeans is not perceived as challenging and is rarely mentioned in this context. On the one hand, it is assumed by the respondents that Singaporeans are used to this diversity and know how to deal with it, yet on the other hand employees from nearby Asian countries readily blend in with the already diverse Singaporean society. This finding is in line with the definition of workforce diversity given at SINCO. Diversity in nationality and culture was mainly associated with the regional office; correspondingly, both diversity attributes are also identified as constituting a challenge at SINRO only.

Despite the evaluation that employees working at the Logistica country office are not particularly diversified in terms of culture and nationality, respondents at SINCO considered the needs of different employees - including employees coming from Malaysia or other Asian countries - a challenge. The main argument identified revolves around particular needs concerning food and religion, such as providing a separate microwave for halal food or a prayer room for Muslims. Following this argumentation, it becomes apparent that the solutions for particular needs constitute a localised coping strategy adapted to the Singaporean (business) context. These coping strategies represent a solution in a certain setting (for instance in a service centre), which may vary due to the different composition of employees and or different approaches. Whatever solution is found for the particular needs of a diverse workforce, it was not considered by any respondent as diversity management but as a common practice in a diverse society like Singapore. This is further supported by a common understanding that one has to respect these needs and be sensitive about them in order to offend no one and avoid conflict (N.G., interview with the author, 06.02.2007). Further practical challenges were identified by respondents at Moneta. Since one part of the bank's diversity strategy is to recruit a certain number of PWDs and mature workers, there is the need for structural adjustments, in order to provide an adequate workplace, and special training for line managers to understand the needs of PWDs. Considering the employment of mature workers, the challenge is to raise their interest and make a second career in banking as attractive as possible in order to gain from their knowledge and experience. Thus, any incentives or campaigns have to fit the needs of this target group.

As well as the practical issues that emerge in the course of employing a diverse workforce, a further related argumentation of how to deal with diversity in a team or departments was brought up by respondents at Logistica SINRO, SINCO and Moneta. In regard to teamwork, diversity can constitute a challenge in two ways. Firstly, due to differences in opinions, views, ideas, knowledge, experience or work styles - attributes considered beneficial regarding work processes and outcomes - the decision making process is more difficult and time-consuming. Secondly, in order to keep to time lines and avoid never-ending discussions and potential conflicts in a team, the leader has to have the ability to manage existing diversity and mediate between different factions. On the one hand, the leadership style needs to encourage diversity to come into play, which is hindered by a rather autocratic and domineering style - as various respondents pointed out. Additionally, the leader and his/her colleagues have to acknowledge and learn to deal with the fact that people have different working styles, tackle problems differently and are motivated

by different things. On the other hand, a leader needs to be prepared for his/her authority to be challenged due to a higher level of diversity. Therefore, leadership style is a crucial aspect in profiting from diversity in a department or team and is not easy to change, as indicated by respondents at both companies and stated, for instance, by Moneta's HR Resourcing Manager:

It would be a challenge, and it would be an ongoing challenge, because people from diverse, different backgrounds, they come with their different behaviours and different beliefs. So, if a manager has a group of people with all different profiles, backgrounds, people serving under him, his style will not be a very standard style of management. He has to, in a way, adjust his management style to work better with the particular staff. So, the challenge is that the managers of tomorrow will be always looking at ways to work closer with their staff and they have to think broader (M.L., interview with the author, 02.05.2007).

Besides the outlined challenges at individual or departmental levels, the major challenge of a diverse workforce and its management identified at Logistica SINRO and Moneta revolves around corporate culture and change. The main line of argument is that the management of workforce diversity requires a mindset change in each and every manager and employee working for the respective company. Furthermore, this mindset change has to be consistent with and reflected in the corporate culture. On closer examination, however, it becomes obvious that the reasoning behind the argument differs between Logistica and Moneta due to the fundamental question: *are* workforce diversity and its management identified as a strategy for reaching set business objectives? First and foremost, this requires an interpretation and translation of the general and global concept 'diversity management': gaining an understanding of which diversity is needed in the respective company, what the expectations towards diversity management are and how these findings could be implemented into the local business setting. Since there is consensus amongst Moneta Singapore's CEO and the diversity committee that workforce diversity constitutes due to many reasons - which will be discussed in detail in chapter 4.1 - a benefit regarding the set business objectives, the most pressing issue at this stage, is how to successfully integrate the formulated diversity strategy into the bank's practical day-to-day business and everybody's work environment, as noted by Moneta's Head of Custody & Clearing: "I think the challenge is to move away from, you know, the slogans. And the obviously

easy thing to do is to have diversity on a website, etc., etc. The thing is to internalise it and get people to do it” (V.M., 04.05.2007, interview with the author).

At Moneta the managerial (i.e. the CEO and members of the diversity committee) interpretation of workforce diversity is positive, meaning that it is perceived as an opportunity and of strategic benefit for the company as a whole. Consequently, a diversity strategy was formulated and translated into several initiatives. In order to avoid a mere selective integration and utilisation of diversity, managers and employees need to transfer this positive interpretation into their day-to-day business and interactions. Most respondents at Moneta refer in this regard to a *mindset change* - on the one hand this involves realising and circulating the interpretation that diversity is of benefit for the business, while on the other hand it requires a mindset change in regard to practical matters such as recruitment, for example getting away from the perception that getting the youngest and brightest person to fill a vacancy is the only and best opinion. The main challenge perceived is therefore how this mindset change can be approached in order to get the message and action across to all managers and employees. Steps already taken in this direction include communication of its *raison d'être*, which must be comprehensible to every manager and employee. Potential steps pointing in this direction consist of including the diversity strategy and its initiatives in existing human resource policies, as well as aligning it with existing corporate values and culture. The main challenge for Moneta Singapore and its diversity management approach is therefore the operationalisation of the diversity strategy already agreed upon.

In contrast to Moneta, Logistica SINRO's strategic approach to HR management does not include diversity. At SINRO, the company's managers' interpretations in regard to diversity are twofold. On the normative level, diversity is constructed as a (potential) value due to the positive impacts it may have on work processes and outcomes, employee engagement and the external perception of the company. This is in line with the many benefits posited by the respective literature, consultants and organisations. Nevertheless, the interpretation and translation of the positive impact of workforce diversity into the local business setting stops at this point - on the operative level, diversity is not taken up in a strategic way to gain from the described benefits. For now, two main, interrelated reasons may throw light on this discrepancy between normative and operational level. First, diversity and its management would require a strategic alignment with existing strategies and policies, which in turn would require a mindset as well as behavioural change in favour of diversity, as indicated by Logistica SINRO's Vice President Reward

and Remuneration:

For Logistica it can be a challenge because Logistica, well let's assume Logistica understands, Logistica or a small group of people somewhere in Logistica in some project team understand diversity issues, to get the entire company to think along diversity lines requires a huge change exercise which the company probably won't do. So, there's a big challenge. Managers will think one way and it would be better if they thought a slightly different way to incorporate diversity matters into the way they manage. It's very hard to get people to do that because people don't like to change. And it's a change exercise (J.C., interview with the author, 19. 12. 2006).

Second, despite the recognition of diversity's potential benefits, managers do not link these benefits to business performance. Therefore, there is no business reason to incorporate diversity in the strategic alignment of the company. The main challenge at Logistica is thus not how to incorporate diversity into the business on the operational level, as is the case at Moneta, but the gap in translation - rhetorically constructing diversity as a value and a reality in which diversity is more or less irrelevant for the respective managers.

Overall, this chapter has revealed the importance of translation regarding the institutionalisation process of diversity management in the Singaporean context. However, the analysis shows that translation only takes place if people can relate the content to the local context. In the case of diversity definitions it became apparent that corporate diversity definitions, which are mainly a reflection of dominant approaches in the respective literature and tend to be homogeneous across organisations, do not capture local diversity. A localised diversity definition is subject to a socially embedded construction process and is needed to establish and anchor a new corporate reality of diversity that supports respective initiatives. Regarding the construction of the value of diversity in the corporate context, respondents mainly rely on theorised discursive frameworks which they cannot tie to the local corporate context. Therefore, it can be assumed that due to the lack of translation and interpretation, many of the cited benefits of workforce diversity cannot be expected to apply to the Singaporean corporate context. Nevertheless, both companies have to deal with workforce diversity and have therefore developed different strategies according to their varying interpretations of diversity, which are analysed in the next chapter.



## Chapter 4

# Translating and Implementing Diversity Management at Moneta Singapore and Logistica Singapore

The adoption and implementation of diversity management is preceded by interpretation processes regarding the organisation's business needs and the problem-solution capacity of the concept. Depending on the outcome of this process, translation of the theorised model can take place, but this depends on the Singaporean and respective business context and the appropriateness of the concept. The materialisation of diversity management is then accompanied by its enactment - the development of initiatives and their implementation - as well as by their objectification through communication activities such as, for example, specific storylines, texts or labels.

In the following chapter it will be shown that the interpretation of the importance of workforce diversity, and thus the motivation for translation, differs in both companies, leading to different implemented strategies used to deal with diversity. Moneta is confronted with the need to attract and retain talent in a highly competitive market, and therefore interprets diversity management as one solution to deal with Singapore's demographic change, which endangers overall business success, as well as to cope with the bank's transformation into a global corporation. The developed initiatives focus on selected pools of (potential) employees and are accompanied by respective arguments and storylines that should help to objectify and legitimise their implementation, e.g. fostering the process of institutionalising diversity management. The interpretation of diversity management at Logistica Singapore is contrary to Moneta Singapore rather negative due to several reasons, resulting in the rejection of a translation as well as an enactment of the

concept. Diversity management is not perceived as being a factor in achieving set business goals for which other solutions are regarded as more suitable and are implemented. Furthermore, workforce diversity is an ambivalent issue at both Logistica's regional and local offices: the workforce is either perceived by respondents as being diverse enough or being rather homogeneous, respondents sense some kind of unwritten/ informal structures to deal with the existing diversity and ideas how to deal with diversity are mainly limited to a theoretical level. Even if the value and need of diversity are contextualised regarding the company's economic environment and overall business needs, as is done by Logistica Singapore's parent company, it does not imply a successful translation and operationalisation of respective initiatives or that it is the internal transporter of the concept. Especially in the case of Logistica's parent company, it will become apparent that next to the translation and associated communication efforts, the embeddedness of diversity management within the corporate context, and its alignment with other (corporate-wide) initiatives, plays an important role in fostering the institutionalisation process and therefore establishing diversity management as a sustainable and durable concept that is more than a management fashion.

#### **4.1 Workforce Diversity as a Solution to Moneta Singapore's Demographic Crisis: Adoption and Implementation of Diversity Management**

At Moneta Singapore, members of the diversity committee and top management (including the CEO) consider diversity and its management as important components for the bank's current and future development in the Singaporean and global markets. Diversity is interpreted as an opportunity and strategic benefit for the company, but diversity per se does not necessarily add value - as pointed out by Moneta's Vice President Commercial Banking: "There's certainly a value to diversity but diversity has to be also managed" (R.K., interview with the author, 08.05.2007). *Management of diversity* is a catchphrase used by respondents and on Moneta's websites alike, but in the course of the interviews it became obvious that there does not exist a common understanding or definition within the bank and/or diversity committee of what the management of diversity actually means at Moneta Singapore. Besides the consensus that diversity needs to be managed, the closest approach to diversity management is a reference to leadership style. Accordingly, leaders need to be pro-diversity, act as a role model and show "the ability to get people working

together in a team, celebrate the diversity of talent, embrace whatever it may be” (V.M., interview with the author, 04.05.2007). Therefore, diversity management depends on the right type of leader, his/her attitudes and practices. At this point, a detailed analysis of Moneta Singapore’s diversity strategy and implementation carried out by the diversity committee may provide more insights into how diversity management is interpreted and translated, and how the concept is enacted in the context of Moneta Singapore.

Besides covering the topic on a normative level through the (fractional) translation of the globally available theorised concept, as outlined in chapter 3.2, and the provision of a ‘localised’ rationale in favour of diversity, the appointed diversity committee works on the operationalisation of the envisioned model through the implementation of various initiatives and setting target numbers for employing people with certain diversity attributes. The diversity committee was formally set up in 2004 at Moneta Singapore. It consists of ten members, including the CEO and COO and eight employees from different businesses. According to the latter, the CEO’s presence on the committee is a signal that the topic and existence of the committee as such are taken seriously by the bank (R.K., interview with the author, 08.05.2007). Membership on the committee is voluntary and members serve for a maximum period of two years. Since 2006, the application process has been open to all employees of Moneta Singapore, and approximately 20 employees applied when the committee’s composition routinely changed in the same year. The composition of the committee should reflect a balance of gender and other diversity criteria, as well as represent the bank’s different businesses. The committee meets once a month, but usually work group meetings are on a more frequent basis. In the same year the Singaporean diversity committee was launched, an Asia-Pacific diversity committee was set up, whose members are the country CEOs of the region. The diversity committee in Singapore, and likewise other Moneta diversity committees in the Asia-Pacific region, send a quarterly report of their work to the regional Moneta headquarters, which in turn sends an update to Moneta’s headquarters. Twice a year, countries also share their best practices on diversity management on a global level (S.W., interview with the author, 11.05.2007).

The committee’s mandate is “to provide leadership through actively promoting the business opportunities arising from engagement in diversity work” (Moneta Singapore, 2007). The committee’s task is to define objectives and corresponding diversity strategies, develop respective initiatives and implement activities related to the same. When considering the responsibilities and activities of the diversity committee, it becomes apparent that

its members are not passive adopters of the concept but actively work on its translation and construction by giving meaning to the concept and adapting it to the Singaporean context. The original motivations for setting up diversity committees in general were the bank's growing geographical scope and its resulting diversified employee and customer structure, as the Head of Custody & Clearing explains:

[...]it was established because somebody woke up and realised that it was a good idea.[...]There was also a general recognition at board level that, you know, the Moneta group grew very dramatically from what was a Hong Kong-centric organisation of 25 years ago with 30,000 people to what it is today - a truly global bank of 300,000 people. And the board has to get used to deal with not, you know, British white male managers but people from France, from Latin America, from Brazil, from India, from Saudi Arabia and so on. And you've got to be able to switch as a group CEO and recognise the diversity of your team and work with that team. So, that's how it started. It started with the recognition 'well, we are diverse, so what are we gonna do about it?'. And to get people's focus right. They thought 'well, let's have a diversity committee which should be made up of diverse members and get them to help management' because, you know, management can't do everything on their own, drive these initiatives to build awareness (V.M., 04.05.2007, interview with the author).

The members of the diversity committee are organised into different smaller teams of two or three persons, and each team works on one of the key priorities set by the main committee. Moneta Singapore's diversity key priorities, target groups, activities and collaborations are summarised in 4.1.

**Table 4.1:** Moneta Singapore Diversity Initiatives

Key Priorities	Target Group	Objectives	Key Activities 2006 & 2007	Collaboration
Gender	Female staff	<ul style="list-style-type: none"> <li>– Create a supportive environment for female employees' personal and career development</li> <li>– Maintain female executive staff strength at 50%</li> </ul>	<ul style="list-style-type: none"> <li>– Women's Networking Forum: platform to exchange views, ideas &amp; for networking</li> <li>– Talks and exercise programmes to promote work-life-balance, healthy lifestyle &amp; sharing career stories</li> </ul>	not known
Minority Communities	Malays & Indians	<ul style="list-style-type: none"> <li>– 20% of all interns are from minority communities</li> <li>– Adequate representation of different communities via the management associates programme</li> <li>– Reaching out to a diverse customer base via a diverse workforce</li> </ul>	<ul style="list-style-type: none"> <li>– Recruit interns &amp; management associates through community agencies</li> </ul>	<ul style="list-style-type: none"> <li>– Cooperation with SINDA and Mendaki to tap their student cohorts</li> </ul>
PWDs	Visually & hearing impaired	<ul style="list-style-type: none"> <li>– Integration of PWDs into the workforce</li> <li>– Ensure adequate representation of PWDs</li> <li>– Create an environment that facilitates staff contributing effectively</li> </ul>	<ul style="list-style-type: none"> <li>– Re-engineer five jobs for PWDs</li> <li>– Provide temporary work placement opportunities</li> </ul>	<ul style="list-style-type: none"> <li>– BizLink</li> <li>– Workforce Development Agency</li> </ul>
Mature Workers	Older workers (+50 years)	<ul style="list-style-type: none"> <li>– Integration of mature workers into the workforce</li> <li>– Ensure adequate representation of mature workers</li> <li>– Create an environment that facilitates staff contributing effectively</li> </ul>	<ul style="list-style-type: none"> <li>– Hire 20 mature workers on contract</li> <li>– Integration programme called 'Project Mentor' to provide assistance to mature workers</li> <li>– Re-evaluation of key performance indicators of the respective job</li> <li>– Publication of job advertisement designed for mature workers</li> </ul>	not known
Communication	All employees	<ul style="list-style-type: none"> <li>– Make employees understand the need for diversity as a business driver</li> <li>– Improve understanding and acceptance of handicapped and older workers</li> <li>– Communicate key themes around diversity efficiently</li> <li>– Create an environment that is receptive to feedback from a cross-section of staff</li> </ul>	<ul style="list-style-type: none"> <li>– Publication of articles on diversity (internally)</li> <li>– Intranet site on diversity showing objectives, events, individual roles</li> <li>– Company-wide diversity week to engage employees</li> <li>– Publication of a diversity CD to raise awareness amongst staff</li> <li>– Provide educational and informative education material</li> </ul>	not known
Corporate Citizenship	All employees	<ul style="list-style-type: none"> <li>– Promote the diversity cause among business partners</li> <li>– Position Moneta as a fair and responsible employer (external)</li> <li>– Enhance understanding of the financial industry among school children</li> <li>– Reinforce the Moneta brand to staff</li> </ul>	<ul style="list-style-type: none"> <li>– 'Bring your kidz to work': activities to teach children basic money management skills</li> <li>– Volunteer@Moneta: provide volunteer support services, including employees learning sign language</li> <li>– 'Liveit, Enjoyit' programme to raise staff engagement</li> <li>– Actively partner with universities &amp; polytechnics to promote SIFE competition; organise a SIFE conference (2006)</li> <li>– Initiate dialogues with SNEF and MoM to identify &amp; share best practices on diversity</li> </ul>	<ul style="list-style-type: none"> <li>– Singapore Association for the Deaf</li> <li>– Students in Free Enterprises (SIFE)</li> <li>– MoM</li> <li>– SNEF</li> </ul>

The above key priorities were chosen after considering Moneta Singapore's overall strategy and adapted to the local business context. In turn, both the overall strategy and the local business context serve as a basis for translating the concept into a local diversity strategy and, additionally, a 'storyline', which should help to establish and legitimise the implementation of diversity management and a new corporate reality concerning workforce diversity, as will be discussed in the following sections.

One of the main objectives of Moneta Singapore's overall strategy is to attract and retain talent in a highly competitive market characterised by its talent shortage. To pursue this objective, Moneta Singapore has developed a long-term strategy of employee engagement in order to "get people not just to work well for the bank in terms of the hours they put in, but to work productively and enjoy the working experience, and diversity piece is a logical extension of that" (V.M., interview with the author, 04.05.2007). Diversity management is thus embedded in the larger framework of employee engagement, which also includes, for example, the areas of learning and development, working in/with the community and other Moneta strategies like the 'Managing for Growth' plan, which should attract and motivate talented employees. By utilising this already existing framework, helpful linkages are established that can facilitate the acceptance and legitimacy of the new concept. Diversity and its management are not merely perceived as a compliance issue, but as a competitive differentiator and part of the overall vision of becoming an inclusive and equal opportunity employer. Next to employee engagement, leadership/people management, work environment and the development of employees also play an important role in attracting and retaining employees. Diversity management is therefore integrated into the overall objective to attract and retain talent through the selective perception of its benefits. The perceived benefits of diversity are manifold, albeit selectively translated into the local context - as already seen in chapter 3.2 - and constitute the storyline for diversity management, which in turn serves as the discursive basis for the enactment of initiatives.

On the environmental level, the ongoing demographic change in Singapore that is described as 'demographic crisis' by most respondents constitutes one of the cornerstones of Moneta's diversity storyline and strategy. This crisis presents itself mainly in the shortage of young, skilled talent and Singapore's ageing population. The urgency of the demographic crisis Moneta Singapore currently faces is reflected in the matching rhetoric that "one has to fight for talent and show continued effort to hire and retain the best talent" (M.L., interview with the author, 02.05.2007). Recognising demographic changes

and their effects on Moneta's current and future chances of satisfying employee demands led to a focus on different pools of (available) talent, summarised under the umbrella of diversity management. In this regard, diversity management means that Moneta is not closing itself off to a certain talent pool because its recruitment policies focus on particular target groups only. Moneta's newly tapped talent pools and target groups are mature workers and PWDs. The former cohort especially is perceived as a direct answer to the demographic change and projected shortage of talent, as Moneta's Head of Department Custody and Clearing Operations points out:

[...]not so long ago in banking, anybody who was over 40 was over the hill and expendable because they were too expensive. And that, I'm glad to say, is no longer the case because demographics are driving us to the point where, particularly in Singapore, we've got an ageing workforce, and therefore we need our people to work longer and stay with us. And if we want them to stay with us then we've got to commit to making the HR policies available to make sure that we can attract and retain that cadre of worker.[...]It's a sane and sensible thing to do given our demographics, given business needs and also given the workforce available to us in Singapore. You know, it's just the right thing to do. And trying to move away from those old stereotypes: 'Oh, somebody's over 40, they can't learn new skills'. No. It's a question of will, it's a question of looking at people from a talent perspective (V.M., interview with the author, 04.05.2007).

At Moneta Singapore the assumed corporate benefits of employing mature workers are plentiful, as they bring with them a wealth of skills, experience and knowledge; they are perceived as more stable in regard to their job because they know what they want in life and tend to job-hop less than younger employees. Additionally, mature workers play an important part in satisfying customer demands. Customer feedback showed that middle-aged or older customers, who intend to deposit or invest larger amounts of money, do not want fresh-faced graduates to be their relationship manager but more mature ones, with whom they associate life experiences and the knowledge to invest their money wisely. As a response to this feedback, Moneta Singapore deliberately recruited older relationship managers (38-50 years old) (V.M., interview with the author, 04.05.2007). With the new focus on mature workers, Moneta expects to be prepared once a major part of the Singaporean population hits the respective age groups, and does not want to wait until then to develop a corresponding strategy (R.K., interview with the author, 08.05.2007).

The cited arguments are part of a communicated storyline (via texts, presentations, etc.) to establish a new corporate reality of diversity in terms of age (e.g. older age cohorts), to facilitate the institutionalisation process of diversity management and to legitimise the recruitment, integration and promotion of mature workers. Next to communication and respective initiatives, it was recognised by the respondents that special policies to make mature workers stay or to encourage them to start a (second) career at Moneta in the first place are needed. One example for those policies is a special job advertisement specially designed to attract mature workers. Furthermore, stereotypes concerning the incapability of mature workers to acquire new skills or to work in another business for a second career need to be revised and/or eliminated. Both require a mindset change for business managers and those who recruit. This changing mindset goes hand in hand with a new focus on talent and the potential of employees, instead of thinking in certain categories (here for example age) which are often linked to certain stereotypes. How the elimination of stereotypes and the cited mindset change should be realised remained unanswered by all respondents.

Similar to mature workers, PWDs were ‘discovered’ as a new - and until recently - untapped labour pool, which should help to fight the demographic crisis Moneta were facing. An additional piece of the communicated storyline regarding PWDs is that the employee composition should mirror the society the bank is operating in - including PWDs. Moneta’s concept to integrate PWDs involves restructuring jobs and providing access to buildings and offices for this target group. Interestingly, as opposed to the developed rhetoric in regard to mature workers and their value to Moneta’s business success, details on the employment of PWDs are rather vague. According to most respondents, PWDs constitute a potential labour resource that can be used for some (restructured) jobs, but the main intention of integrating this diversity attribute into the overall diversity strategy never became clear during the interviews. The few PWDs (five in 2007) employed by Moneta currently do not constitute a crucial element to deal with the demographic challenge, so it is questionable whether many more PWDs will be hired in the future due to the higher costs involved in restructuring jobs. It seems that the integration of PWDs into the corporate reality has not really taken place yet because of their abstractness due to their low numbers and the lacking embeddedness in the overall economic rationale. As the diversity dimensions age and PWDs showed, the recognition of a current and further intensified demographic change, which endangers Moneta’s overall business success, led to the inclusion of both diversity attributes. In the course of their integration into the overall diversity strategy, respective arguments and rhetoric are developed and communicated,



together with success stories. The aims of the communication activities are increased awareness and acceptance and to serve as a support for the implementation of connected strategies.

Besides emphasising the role of diversity as one answer to Singapore's demographic change, it is also considered a helping hand in the context of the bank's transformation into a transnational/global corporation accompanied by changing local, regional and global populations and markets, different customers and employment markets, etc., as emphasised by Moneta's Resourcing Manager:

[...]we are actually moving into a very global environment, you know; we call the whole world a global village. So, we are not just dealing with pure Singaporean customers. You know, in our day-to-day businesses that we deal with our customers, external customers, we meet with people from all walks of life, from all kinds of backgrounds. So, if we have people who are employed in a bank from different backgrounds, they come with them their knowledge, their profiles, that are able to, you know, meet the external customer needs better (M L., interview with the author, 02.05.2007).

The quotation above highlights another dominant rationale and storyline: diversity on an organisational level enables the bank to successfully meet diversity on the environmental level. A diverse employee base with different levels of knowledge, skills, ideas, problem solving approaches, etc. helps to better meet diverse customer needs, explore and open up diverse markets, makes Moneta more adaptable to new situations and constitutes a competitive advantage and differentiator. This in turn positively influences the bottom line, which closes the circle of the economic benefit and rationality of diversity management. The notion to be different from other competitors is furthermore supported by the respondents' perception that diversity management and corresponding activities reflect Moneta's willingness to be a fair and responsible employer, and supports its aim to be a 'Best Employer'<sup>33</sup>. Being seen as a 'Best Employer' and regarded as a fair and responsible company are images that are needed to attract talent and customers and is again in line with the bank's overall strategy. As already made apparent in chapter 3.2, most respondents referred to these diversity benefits without linking them to individuals or considering any management activities that would deal with increased diversity. Con-

---

<sup>33</sup>Up to the time of the field research, Moneta had already participated in the survey and competition but not won the award at that point (M.L., interview with the author, 02.05.2007).

sequently, these perceived benefits are not reflected in any special diversity initiative or activity and are not related to the local setting, indicating a fractional translation process.

The discussed challenges Moneta is facing due to changes in the Singaporean labour market also influence the recruitment process regarding diversity objectives and target groups. With reference to recruitment, the respondents explained that the process depends on the respective job profile and, correlated with this, the level of expertise and skills needed. Usually, vacancies are posted in job advertisements internally as well as externally, nationally and/or internationally, depending on the vacancy or if headhunters are contacted. Besides this, Moneta is aiming to recruit fresh graduates from universities and polytechnics during so-called campus fares. Although Moneta is considered by many respondents as being open to different backgrounds, ethnicity, ages, genders, etc., when it comes to recruiting, most respondents pointed out that diversity management should constitute a part of the bank's recruitment strategy: "Diversity begins with each person who goes out and recruits someone for a job. And of course, as you know, mindset is the most difficult thing to change. It takes time." (V.M., interview with the author, 04.05.2007). The highlighted importance of recruitment in regard to diversity leads to a question of operationalisation : a) how does one change the mindset of people who recruit, and with this probably their recruitment practice, and connected to this b) how does one realise the recruitment of newly identified target groups (mature workers and PWDs), which apparently do not belong to the traditional target group (young graduates)? The respondents' answers given to the first question are aimed at raising and retaining awareness for diversity and its value for the company. This should be realised through ongoing communication efforts (for example communicating why diversity is essential and highlighting the 'success stories' of employees who were hired in the course of diversity initiatives) and activities like diversity week or food fares, which are aimed at creating awareness and sensibility for the existing diversity within the company. A further important part in this awareness building phase is the emphasis on leadership. Leaders should communicate the issue of diversity, take a leading role and acting as a role model. Furthermore, leadership practices should focus on talent and potential rather than on certain categories like age, gender or disability.

The recruitment of mature workers and PWDs is based on so-called target numbers, which constitute a new locally adapted practice with a differentiated meaning as compared to quotas. Quotas per se are perceived as having a negative connotation in that they force diversity onto managers and employees. A common opinion was that once a manage-

ment practice is enforced, usually employees are not keen to work with it and do not accept it as much as compared to a voluntary approach (S.W., interview with the author, 11.05.2007). Consequently, quotas will not anchor a sustainable ‘diversity mindset’ based on and supported by managers and employees through an understanding of the rationales and objectives of diversity management. The objectives of target numbers in turn are, *firstly*, to encourage managers to look at talent and potential and “forget the shape the individual comes in” (V.M., interview with the author, 04.05.2007), *secondly* to make people think about how to adjust a workplace so that, for example, PWDs can be hired for the job <sup>34</sup> and *thirdly* it was pointed out that Moneta is based on a meritocratic system in regard to promotion, hiring and training, which does not allow for the implementation of quotas. In 2007, the target number for mature workers was 20 and for PWDs five. None of the respondents could explain how they came up with these numbers, but it was mentioned that the question of feasibility had an impact on the decision.

In summary, it became apparent that diversity management at Moneta is adapted to the situation of the Singaporean labour market and its talent shortage due to the relatively small size of Singapore, as well as its changing demographics. This evaluation is also supported by the Divisional Director of the International Manpower Division at the Singaporean Ministry of Manpower:

I think the biggest impact will be the, you look at the workforce profile, it’s gonna be an ageing workforce, and so companies have to think about how they are going to deal with an ageing workforce. Does this mean changing some of their work processes so that people can continue to work longer, you know, in their jobs? How can they continue to retain people for a longer period of time, you know, given that restructuring, you know, now organisational structures are flatter? It’s harder to promote people now. [...] And our labour force is very much fixed, I mean, the, we have, you know, let’s say 40,000 new entries; it’ll be less than 40,000 new entrants, local entrants every year. But the economy is growing much more, much, much faster than that. So, we’ll need more foreigners, we’ll need more overseas Singaporeans to come back. We also need to retrain our existing Singaporeans because there will be some sectors in which we are no longer competitive and we need to retrain people so

---

<sup>34</sup>One example given in this context was that managers should look out for jobs which could be redesigned for a disabled person. Once there is a vacancy in the respective department the workplace could be either redesigned or, if this is not an option, an able employee could fill the vacancy and his/her job in turn adjusted for a disabled person (S.W., interview with the author, 11.05.2007).

that they can move in other growing sectors (K.C., interview with the author, 17.03.2007).

Diversity management at Moneta Singapore means a shifting focus towards different pools of labour (mature workers, PWDs, minority communities), connected with which is the need to change policies in different areas (HR, marketing), recruitment and mindsets. Diversity management also means the support of already existing human resources, as in the case of gender, and reaching out to different communities. As a result, it is assumed that a diversified workforce will be one solution to the demographic crisis Moneta Singapore is now facing; that it will help to reach a diverse customer base in Singapore and the region, will be a representation of society's composition and last but not least will act as a business driver for economic success. Additionally, workforce diversity will support the aim to be recognised as an equal opportunity employer and a 'Best Employer' for different talents and enforce the brand's image. The focus of Moneta's diversity objectives and strategy originates in the fact that both have to make business sense rather than merely achieving some form of social responsibility, in order to gain acceptance and legitimisation. In the case of Moneta, the key commercial issue is to recruit the right talent for a job, which is reflected in the bank's diversity strategy. Through communication, the key objectives and rationale in favour of diversity are disseminated to all employees, aimed at creating awareness and acceptance. According to the head of the HR department, the key is to make diversity a natural thing among Moneta's employees, and it should be common to have a physically disabled or older co-worker (S.W., interview with the author, 11.05.2007). According to all respondents, departments in Moneta Singapore are already diverse, due mainly to Singapore's overall history and geography. The diversity found in most of the departments is therefore not planned but a result of the composition of the country's population. Exceptions are, for example, departments such as offshore banking which deal with customers from the region. Consequently, diversity management at Moneta Singapore is also characterised by its selectivity: different diversity attributes have different values for the bank's businesses, depending on the task of the respective department. Nevertheless, overall it appears that certain diversity attributes are more valuable than others in the current Singaporean business context (for instance, mature workers vs. different ethnic groups). At the moment, diversity management at Moneta Singapore is not about managing a diverse workforce. Special management strategies to deal with a diverse workforce were not mentioned, except flexi-time. According to the HOD HR, flexi-time is targeted at employees at lower levels of the bank hierarchy because at higher levels employees are freer to organise their working times (S.W., interview with

the author, 11.05.2007). With the help of Moneta's diversity strategy the bank's workforce will be further diversified, but there is no consensus among the respondents on how to actually manage a more diverse team or department. In this case, the emphasis is again on leadership and his/her abilities to deal with the different needs, styles, behaviours and knowledge of diverse team members.

Since there are no guidelines from Moneta's headquarters in regard to the implementation of diversity management, the respective countries are fairly independent in their decisions as to which diversity attribute is important and which strategies should be implemented. In this regard, a fairly common example given was the situation of women at Moneta Singapore. Due to an overall gender ratio that leans more toward women than men - at least at the lower levels of the company - and a good representation of women at senior levels, gender is considered an issue that needs to be worked on, but not is not deemed as pressing as in other countries such as India (S.W., interview with the author, 11.05.2007). Nevertheless, in spite of the adoption of diversity management into the Singaporean context, the whole concept and the decision to integrate diversity into Moneta's global strategy are considered by most respondents a 'top-down-approach' and a business directive issued by headquarters, without which it was doubted that diversity and its management would have become an issue at Moneta Singapore (J.W., interview with the author, 07.05.2007). When considering Moneta Singapore's diversity objectives and its focus on talent and leadership, the differences between diversity management and talent and people management especially begin to blur, while the main intentions of Moneta's diversity management agenda appear in a different light.

## **4.2 Rejected Translation: Workforce Diversity at Logistica Singapore**

At Logistica Singapore, workforce diversity and its management in particular are not given a high priority on the corporate agenda, despite the recognition of diversity's benefits as seen in chapter 3.3. The general interpretation of diversity management is actually negative, and sooner or later respondents associate it with quotas, affirmative actions and/or legal requirements imposed by governments. Quotas per se are perceived as something negative in the business environment and mainly associated with the US, New Zealand and Australian experience, as exemplified by the Vice President Talent Management of Logistica Singapore:

[...]I mean, diversity has got quite a bit of a bad name in terms of some of the positive discrimination aspects in the US and the fact that they got these quota systems and they have moved away from hiring people on the basis of skill and experience and more towards issues around gender and, and race. So, I think that in that respect it's probably got a bit of a bad name because it is a concept; whenever people sort of think of gender diversity they kind of think of this quota system which imposes sorts of various rules and regulations on hiring decisions - and I don't think that's positive (M.W., interview with the author, 30.11.2006).

The arguments put forward against quotas can be summarised as follows: *first*, as already mentioned in the quotation, the application of quotas hinders managers hiring on the basis of skills, ability and experiences. *Second*, quotas do not guarantee better business outcomes and *third*, no quotas are needed to diversify SINRO's workforce any further because it is already diverse enough<sup>35</sup>. Diversity management is seen as a direct continuation and extension of the EEO approach adopted in the 1960s and 1970s. Hence, since EEO and AA were not driven by business needs in the first place, diversity management is not perceived as a means for achieving business plans and goals. Diversity management is interpreted as a management strategy which is externally imposed, part of being politically correct and not introduced for the business's sake (B.W., interview with the author, 22.03.2007). Experiences of diversity management in former companies support this perception, since most are dominated by governmental and juridical interventions due to laws and prosecutions in Australia and New Zealand, from where some of the interviewed managers originate and formerly worked.

Nevertheless, most respondents perceive their corporate environment as quite diverse, associating it with the role of SINRO as a regional office where representatives of many Asian-Pacific countries work. Diversity is somehow present, but it is not formally acknowledged, let alone managed, as pointed out by Logistica Singapore's Vice President Strategy and Planning:

Well, I think you are able to somehow observe and experience diversity [...]There's the tendency here, well, without being officially announced or something like that, to just live it, which is in line with the corporate culture, the corporate

---

<sup>35</sup>Since there are almost no statistical data on Logistica Singapore available to me, this statement cannot be verified; thus, it remains a subjective assessment made by the respondents.

behaviour. Regarding diversity, it is not a topic due to the international environment you can find here as compared to other places. In Asia, the culture and the existing way of dealing with diversity are very different, which is not recognised at all in other places and areas. Therefore, there has to exist something to deal with diversity, which is not formulated anywhere (F.B., interview with the author, 07.12.2006)<sup>36</sup>.

This quotation is consistent with managers' evaluations that SINRO's workforce is structured the way it is due to its international role and diversity is needed when dealing with the different Logistica locations in Asia-Pacific and - more interestingly - that it is assumed that there exist unwritten/informal structures and behaviours explaining how to deal with existing diversity without having a clear conception of these structures. A similar interpretation concerning the latter was expressed by respondents at SINCO, where the perception of diversity is twofold and somewhat contradictory: on the one hand, its workforce is seen as homogeneous because mainly Singaporeans work there, yet on the other hand 'Singaporean diversity' is seen as part of daily business and life - people are used to it and therefore unwritten and informal structures exist to deal with the diversity found at SINCO. Since diversity is perceived as a functioning part of SINRO and SINCO's daily routines, most respondents had difficulties understanding what the aims of diversity management are and why these might relate and be translated to SINRO and SINCO, its workforce and its management:

Coming back to the topic [*diversity*], for me it's daily routine; thus, you're preaching to the choir here. That's the great challenge I have to face every day, thus there's not the need to introduce something [...]. It's a given, a key to work here. In this respect, to tell you the truth, it is not relevant as other managers would confirm if you would ask them, because in this environment diversity is very present [...]. Therefore, for me it is not easy to understand

---

<sup>36</sup>Also, ich denke schon, dass eine gelebte Diversität irgendwie feststellbar ist [...]. Da gibt's 'ne Tendenz, die geht in die Richtung, ohne dass das jetzt irgendwo, sag' ich mal, vielleicht mal plakatiert ist, oder irgendwo hängt, sondern was durch ein, ja Unternehmenskultur, ja Unternehmensverhalten irgendwo gelebt wird [...]. Um auf das Thema Diversität dann zu kommen, wenn man das dann mal im Verhältnis sieht, wie, wie das im Moment hier ist, ne, also in einem eh internationalen Umfeld, wo das überhaupt kein Thema ist. Das ist eine ganz andere, wie soll ich das sagen, eine ganz andere Umgehensweise und Kultur die unter diesem Thema Diversität jetzt hier, sag' ich mal, in Asien überhaupt schon da ist, die in anderen Bereichen noch nicht in dem Sinne überhaupt noch nicht, ja, wahrgenommen worden sind. Deswegen muss es hier irgendetwas geben, was damit an sich, ohne dass es irgendwo formuliert ist, damit umgeht.

what you're aiming at because for me it's daily routine (F.B., interview with the author, 07.12.2006)<sup>37</sup>.

Despite the assumption that the diversity found at Logistica Singapore does not need managing, a subdivision *Learning and Development* of SINRO's Human Resources Department offers a programme called 'Managing Cultural Diversity at the Workplace'. The programme's target groups are GML 5-6 managers and GML 6<sup>38</sup> managers, who manage people from across the Asia Pacific region. As stated in the programme outline, the objective of the three-day workshop is:

[...]to develop greater sensitivity and increased communication effectiveness for individuals to operating sensitively with other individuals from different cultures and within different contexts. Participants are provided with practical information on cultural skills and learn how to identify the underlying assumptions and values that determine their own and other people's ways of interacting, both at individual and team levels. They also develop the key skills that enable them to interact successfully in building key relationships with colleagues and foreign individuals (Logistica, 2006a).

The workshop takes place twice a year in different locations and is facilitated by an external consultant. The SINRO HR department is responsible for workshop content, and as well as other workshops they offer, training companies are hired to develop training programmes on the basis of previously determined criteria set by SINRO. The respective country HR department is responsible for approving nominations and for paying fees for the workshop (I.L., 30.11.2006, interview with the author).

---

<sup>37</sup>Aber, komme ich wieder darauf zurück, dass ist für mich Alltag. Da rennen Sie bei mir offene Türen ein, das ist was ich den ganzen Tag mache. Also, das ist die große Herausforderung die ich jeden Tag habe. Insofern, da ist nix was wir jetzt einführen müssen, das haben wir, da sind wir mittendrin. Also, da brauchen wir auch nix, das ist von der Sache her gegeben [...]Und deswegen brauche ich da jemanden, der das hat. Insofern ist das für mich ganz natürlich, ist das ein Schlüssel überhaupt um arbeiten zu können. Insofern glaube ich ist die Fragestellung hier, sehe ich nicht, muss ich ehrlich sagen, weil stellen Sie einer Führungskraft diese Frage und der, der sagt ihnen, nee das, das sozusagen spielt hier keine Rolle. Das, das kann nicht sein, denn er bewegt sich hier in einem Umfeld wo Diversität einfach sehr präsent ist [...]Deswegen ist es für mich eigentlich ein bisschen, manchmal schwer nachzuvollziehen worauf das abzielt, weil, weil für mich ist das einfach Alltag.

<sup>38</sup>Group Management Level (GML) is a categorisation of hierarchical positions within the company, GML 1 being the chairman of the board. GML 5-6 corresponds to the hierarchical level of a team leader. Since the GML categorisation differs from region to region, and between business units, a company-wide alignment was undertaken in 2008. The new categorisation is based upon an alphabetical order, B/C being an executive vice president, D Senior Vice President, E/F Vice President and so forth.



After analysing the description and courseware of the workshop, it became apparent that despite its name the workshop's key focus is cross-cultural diversity and inter-cultural communication on a global level, rather than local diversity found directly in the workplace. Participants should be aware of the impact of culture on doing business in a global business environment, identify major cultural differences found in key target markets and learn effective cross-cultural communication and how to build highly collaborative transnational (virtual) teams. The aim is to work successfully with foreign colleagues and clients and to generate value-added performance and achieve goals, making the management of cultural differences an important component of global competitive advantage. During the workshop a classification of behaviour for each country or region (i.e. Chinese, Japanese, African, Western, US, Latin American, Russian culture) are given, including suggestions on how to behave and what to avoid in various situations (Unknown, na). According to the Regional Analyst Learning at Logistica SINRO, who is responsible for organising various workshops, the aim of the workshop is to create awareness for cultural patterns and behaviour, assisting participants while dealing with people from abroad and/or when going abroad. It is assumed that despite the global focus of the workshop, it can also help participants to deal with existing diversity on a local level as well. Nevertheless, participants usually do not participate in the workshop to learn how to deal with diversity in their workplace, but rather to be prepared when working in international teams (I.L., 30.11.2006, interview with the author). The workshop gives a rather superficial overview of different cultural patterns and 'types' instead of giving a differentiated analysis; as a result, the coursework sometimes reads like a long list of stereotypes:

...many Westerners find themselves talking too much in China; they can't seem to tolerate silence as well as their Chinese counterparts (p.41) [...]In the West, the question is how to fit the right person to the job. In Islamic regions, the emphasis is to fit the good person into any job opening that may come up (p.59) [...]There tends to be a lot of touching in Spain compared with many other Western European countries (Unknown, na, p.104).

Due to the workshop's content and its rather global focus it can hardly be applied to the local Singaporean context or might support the assumed informal/unwritten structures on how to deal with existing diversity.

The first analysis of Logistica Singapore's approach to diversity and its management offers a negative interpretation of diversity management concerning quotas and lacks an association between the possible benefits workforce diversity may have with examples at Logistica

SINRO and SINCO. The only existing initiative in regard to diversity management is a workshop aiming at an international level, offering rather disputable assumptions and comparisons of cultures. Probably the most significant reason for the rejected translation of diversity management can be found in Logistica Singapore's overall strategy, which serves as a basis for all further decisions and choices concerning management concepts and practices, as pointed out by the Senior Vice President HR of Logistica Singapore:

We start with the business plan, right, everything must start with the business plan. That's what we are here to do, that's what our shareholders want us to do is to deliver the business plan, right? Now, that will define a certain human organisation, right? So, how many people, in what construct using what tools with what skills, what knowledges, what knowledge, what mindset - that's an important one - what shared values and behaviours do they need to have? So, all of those characteristics we need to have to deliver the business plan? Right? So, unless you, you have to ask yourself and have answers to all those questions. Then you can go about using the HR, your HR policies practices to create that human organisation. So, the way we lead, the way we recruit, the way we develop, the way we train, the way we resource, all those things, the way we communicate will impact on whether or not we create that human organisation. And if we're right about our description, about the characteristics of the human organisation that we think will deliver the business plan, then we will indeed deliver the business plan. If we are wrong, then we won't deliver the business plan. And of course, it's not a static dynamic either; it's moving all the time, as there are competition moves (B.W., interview with the author, 22.03.2007).

Since all decisions, initiatives, and their implementation depend on the overall strategy - or the business plan, as referred to by the Senior Vice President HR - the question arises as to whether workforce diversity and its management are part of the overall strategy and thus translated into further policies and initiatives. Both can be answered in the negative. Right now, diversity is not perceived as a factor that can achieve set goals, so it is therefore not a topic requiring immediate attention: "[...]we haven't, haven't drawn the conclusion that to achieve the 2015 strategy we need to have a diverse workforce. That's not, that's not the link." (M W., interview with the author, 30.11.2006). In the following analysis of Logistica Singapore's overall strategy and interrelated management strategies and practices, it will become apparent that Logistica Singapore found, for several reasons,

different solutions to its business needs compared to Moneta Singapore - and diversity management is not part of it.

In Asia-Pacific, Logistica Singapore's overall strategy is characterized by a fast and huge growth of the Logistica markets until the year 2015 due to an aggressive market expansion. If not already achieved, Logistica Group should become the No. 1 logistics provider in all countries in Asia-Pacific. This growth strategy generates an employee gap of estimated 35.000 employees needed until 2015, meaning that Logistica staffing requirements are expected to triple from 25.000 in 2006 to estimated 60.000 in 2015. About 70% of the employee demand originate from the three countries China, India and Japan but also Thailand, Hong Kong and Singapore will require a higher proportion of new employees (M.W., interview with the author, 30.11.2006). In order to satisfy the high demand for manpower, Logistica Singapore, especially the HR Talent Management sub-department located at SINRO, pursues a multi-faceted approach to talent management. A small proportion of the new talent required can be recruited from inside Logistica. These are employees whose performance and potential are above the average and who can move to the next job level (Logistica: grade); the higher the grade, the more likely that employees will be recruited from inside the company. In order to identify high potential, several actions are taken on a regional level, among others, to circulate key vacancies as widely as possible, to ensure that employees are aware of career paths in the Asia-Pacific region using 'road maps' and to identify high potential through *Motiv8*<sup>39</sup> on a country, regional and global basis and to ensure that the development of the respective talent occurs. Another approach used to create talent pipelines outside Logistica is the partnership with AIESEC<sup>40</sup> and a graduate programme in partnership with the National University of Singapore and Georgia Institute of Technology in Atlanta, USA. The partnership with AIESEC in particular is a reason for the diversity in nationalities and languages found

---

<sup>39</sup>*Motiv8*, which was introduced in 2004, is an annual performance and management development process used by Logistica Group, whose objectives are to establish group-wide standards, enhance management performance, improve management quality, identify internal talent, support a performance culture, make managers responsible for executive development in their respective business unit and position the group as an attractive employer. The target group is Logistica's management staff, who are annually reviewed (Logistica, 2005).

<sup>40</sup>AIESEC is the world's largest student-run organisation and is present in more than 107 countries and territories. The aim of AIESEC is to develop the leadership potential of young people in order to make a positive impact within society. Logistica Asia-Pacific and AIESEC started cooperating in 2002, and one year later Logistica's parent company agreed on a global partnership. In 2006, about 30 AIESEC interns worked at SINRO, about 10-20 interns were hired after completing their internship. Most AIESEC interns work at SINRO due to many different work areas, a higher degree of popularity of the AIESEC programme in SINRO and SINRO's ability to bear the cost of interns (A.S., interview with the author, 28.11.2006).

in SINRO's HR department. The popularity of AIESEC interns is partly due to the relatively moderate salaries they are paid, and is thus an economic way to recruit well educated young potentials (A.D., interview with the author, 18.12.2006).

As a further cornerstone in realising the 2015 growth target, the Asia-Pacific management board launched the *Employer of Choice* programme, which is targeted at both internal and external talent. The vision of the programme is to create a company where employees like to work in the present and in the future and have the opportunity to advance within a performance-oriented corporate culture ('say, stay and strive'). At the same time, Logistica Group should be a well-positioned and positively recognised brand in the external (job) market. In its first phase (2006-2009) the Employer of Choice programme consists of several projects such as talent management, leadership (which is the core project of the programme), employee communication and change management. During the following second and third phases, projects such as employer brand, work-life balance, learning and development processes, corporate social responsibility and diversity should be implemented. At the beginning of each project, terms, definitions, possible gaps and goals need to be defined and conceptualised. Diversity is one part of an external benchmark - the 'Best Employer' Award by Hewitt - aimed at by Logistica (F.B., interview with the author, 07.12.2006, and following correspondence with the author). Hence, diversity only exists because of the 'Best Employer' Award integrated in Logistica's Employer of Choice programme and part of the Hewitt's award.

The recruitment of new employees is guided by the 2015 strategy in view of the number of people required at each job level. In general, there was consensus amongst all the interviewed managers that Logistica hires the best talent available depending on the respective position. As an example, the Vice President Organisation Transitions of Logistica Singapore describes it as follows:

[...]and Logistica has had a philosophy of hiring the best. You know, and not looking at colour, not looking at gender or religion [...]the good thing which means is the local HR or the people who are hiring in this organisation are actually completely, what should I say, neutral. When people are hiring into the department they don't look at gender, they don't look at religion, they don't look at communities and what has come out; they look at the best talent available. And what has come out is the best talent and the best talent has been across gender, the best talent has been across religions, it has been across countries [...]people look for the best talent and they have not bothered about

where this talent comes from (A.D., interview with the author, 18.12.2006).

According to the respondents, the main criteria for hiring new employees are their skill-set, qualifications and expertise, potential and performance. Nevertheless, several other factors influence recruitment and the selection of adequate employees. Since Logistica is a logistics provider, many employees work ‘on the ground’. Applied to the Singaporean context this means that the two largest departments at SINCO are the service centres located in different parts of Singapore/SIN HUB at the airport and the call centre. In particular, employees in the service centres do not require a high level of (academic) education, as the Vice President Talent Management summarises: “We are not necessarily looking for the best and brightest individuals” (M.W., interview with the author, 30.11.2006). Hence, important criteria are not education and expertise; instead, practical considerations influence the selection process. As already described in chapter 3.2, both service centres and the call centre are manned 24/7 and thus require diversity of ethnic groups when it comes to religious/ethnic festivals and public holidays. When moving up the hierarchy, education and qualifications, skill-set and expertise become more and more important, as became apparent when talking about educational level in SINRO’s HR department during the interview with Logistica’s Senior Vice President HR:

They have to be deep experts in what they do, they have to be highly educated. Some of them perhaps not as highly educated as I would like them. So that’s not a, not a characteristic in which I want diversity. I want specialism, high levels of education in very specific fields. That’s not about diversity; diversity will not deliver to me the competitive advantage I need in that team. I need high levels of education in very specific areas [...] You might describe it as diversity, I don’t. I want deep experts in human resources management at very, at very high levels of education (B.W., interview with the author, 22.03.2007).

As demonstrated by the quotation above, the search for experts in various fields is not linked to diversity management but apparently associated with random diversification of the workforce. Hence, diversity management is not interpreted as a solution to the search for talent, as evidenced in the case at Moneta. Consequently, Logistica’s job advertisements throughout the Asia-Pacific region (pictures and introductory text are the same) do not promote Logistica Group as an inclusive employer, or point out its (partly) diverse and international working environment. Instead, they emphasise Logistica’s position as

a market leader in the international express and logistics industry, its international network and the generated revenues of the Logistica brand. According to the Vice President Regional Office Human Resources, job advertisements are non-discriminatory:

OK, we, we do not talk about race preference or gender preference; we're quite, we're open with that. We just talk about education, qualifications, experience. So, basically what's required of the role, nothing mentioned about only Singaporeans can apply or only, you know, males would be preferred or speaking this language is preferred - no we don't [...]because we're a global company (A.M., interviews with the author, 08.12.2006; 21.12.2006).

Next to job level, another factor taken into account during the recruitment process is the differentiation between SINRO and SINCO. Due to SINRO's role as a regional office, there exists the consensus amongst all respondents that people from across Asia-Pacific should - and do - work at SINRO. Nevertheless, this composition is not considered part of a conscious diversity management policy but as a practical consideration which is needed when working in a regional/international environment:

I don't go out with an intent to recruit the most diverse, the most diverse team I can. What I do, though, when I, when I fill vacancies, I'm very careful, particularly around ethnicity, to make sure that I have the right balance of ethnicity in the team [...]they got to be representative of the region if they want to be effective in the region. So, if I have all Australians and New Zealanders that's too, too much balance in one direction. If I got all Chinese that's similar. I, I like a more diverse mix of ethnicity because that delivers more power to me in the region (B.W., interview with the author, 22.03.2007).

In spite of having a rather diverse workforce in terms of ethnicity and nationality, as pointed out in the above quotation, most interviewed managers agree that they do not consciously think about diversity issues when dealing with their staff. The most important criterion is that the respective job is done, as highlighted by Logistica SINRO's Vice President Reward and Remuneration:

Managers want, rarely think about diversity. They might think about issues which are diversity-related and they may not say to themselves 'this is a

diversity issue' [...]my priorities have not been to manage in an appropriate way, just to consider diversity; my priorities have been to manage in a way to get the jobs that need to be done completed [...]There's no point, I mean we're not here, our purpose is not to manage diversity issues. Our purpose is to manage. We can probably manage better if we are mindful of diversity issues [...]it may be a means, just like having good communication skills, just like having clear agendas and priorities, manage diversity could be one compound of that. Because we are not here to manage diversity, we're here to help the company, which is here send packages (J.C., interview with the author, 19.12.2006).

In daily business matters, managers are (well) aware of diversity in language or the double burden of work and family for working women - they act accordingly regarding being more patient and listening closely or making occasionally allowances for family needs. The latter especially is done in an informal way because no official flexible work arrangements exist to accommodate the diverse needs of employees (e.g. flexi-time, working from home, etc.) on the grounds that it is not permitted by the HR department and not part of Logistica's overall strategy (C.Y., interview with the author, 12.03.2007; J. Khoo, interview with the author, 25.01.2007). Nevertheless, many of the interviewed employees, in particular working women, were quite open to the idea of flexible work arrangements.

In addition to dealing with diversity on an operational, albeit mostly unconscious, level, some respondents have an idea how to deal with it by drawing on arguments and suggestions that are rather part of the theorised model of diversity, because for several reasons none of the respondents saw the need to translate and adopt them to the local context. Examples are certain ground rules during brainstorming or discussion sessions involving a diverse group of employees, or enhancing personal skills to better understand and manage diverse staff, but these are not transferred into daily business. Even though personnel management is apparently less influenced by diversity, most respondents agree that special management strategies are needed to manage diverse teams. What kind of strategies are needed was not explained in detail, but it became obvious that these strategies should be adopted *first*, to clearly articulate certain ground rules when working together in a diverse environment (e.g. what is culturally appropriate etc.) and install a mechanism that deals with violations (for example, sexual harassment), *second*, to find ways to recruit a diverse workforce and *third*, to equip managers and employees with knowledge about cultural, religious, gender, etc. differences and sensitivities to make teamwork more effective.

The reasons for not translating and adopting these strategies are as follows. According to the respondents, existing diversity does not need any special strategies because there already exist some kinds of unwritten/informal structures and behaviours around how to deal with it; they do not consider it as being relevant due to the workforce diversity in *their* department, which does not require any special management practices, an initiative of Logistica's parent company already covers the topic of diversity and the respect for differences is already part of Logistica's culture, as perceived by Vice President Regional Office Human Resources of Logistica Singapore:

This, this is Asia, this is how it's gonna be - all the different cultures, ethnic groups, race, religion, social behaviours. All these things have got to be respected. And that's what we do. So, we go to the countries, we got to respect them. If you go to Japan, Korea or China for a meeting you wear a coat and tie. If you go for Australia for a meeting, it's fine, now you just wear a shirt and a tie. You know, jacket and tie for those countries is necessary. If you go to Singapore for a meeting, you don't need to wear a jacket and tie. So, those kind of things, got to respect them, you know. They have you invited for a drink, you go. So all these things, you know. What are the do's and don'ts and all that is cultural behaviour. So yes, we respect all of them, we know what they want, how they approach things, how you should manage even a focus group on surveys, how you manage it. How to get them to start opening up, typically sentiments in Japan and Korea will be always be a pessimistic view of things, they complain so much, they hold it back. But that's the way they are productive. They work very hard. And they feel the boss as the master, the Dju-Su and the Chinese Kong-Fu style and, and that's how they respect seniority in those countries. Yes, inevitably we have, you're sucked into it and that's why I'm saying, it is there, the practice is there. We are respecting I think, it's not documented anywhere but respect for one another is there in Logistica (A.M., interview with the author, 08. 12. 2006; 21.12.2006).

Overall, it can be said that at Logistica Singapore workforce diversity and its management, compared to Moneta Singapore, are interpreted differently. Diversity management in general has a rather negative connotation, a practice that is carried out due to externally imposed laws and regulations, and is associated with quotas which hinder recruitment based on qualifications and skills. Additionally, the benefits of a diverse workforce and



its impact on the bottom line are doubtful. Workforce diversity is not interpreted as a requirement to fulfil the 2015 strategy and therefore not integrated into the related actions. Only when it comes to the ‘Best Employer’ and related awards does diversity gain certain significance. Business needs resulting from the 2015 strategy are similar to Moneta’s increasing demand for talent, but the solutions found are rather different. Talent management at Logistica Singapore is divided between the search for highly skilled and semi-skilled employees, where the former are developed internally or recruited via different pipelines such as AIESEC or partnerships with various universities. The major part of the projected employee gap consists of semi-skilled labour working on the ground, highlighting the different talent demands of a logistics provider and a bank and its availability. Due to different job specifications/requirement profiles, both companies have to deal with different situations regarding the supply and demand of manpower in the Singaporean labour market. Since Moneta Singapore’s demand for skilled talent is not met by actual supply, the aim of diversity management is to open up new, formerly unattended, pools of labour. Apparently, this is not the case at Logistica Singapore, since the demand for highly skilled labour can be addressed through internal recruitment or development without such measurements. Therefore, diversity management is not needed in regard to the recruitment of talent at Logistica Singapore. Overall, there seems to exist a correlation between diversity management and different industries *if* diversity management is utilised as a management approach regarding the search for talent<sup>41</sup>. Nevertheless, Logistica Singapore is not devoid of talent shortage, which is mainly due to the company being recognised as a logistics provider, as indicated by Logistica Vice President Talent Management:

I think in our business it’s difficult to attract certain groups of people because of the perception that we are operating in a, being in a transport industry [...] So, if we presented it as more as a solution-based business than we might find that we are able to attract a more diverse workforce, because there might be more interest in attracting a more balanced gender mix and also educated people. But yeah, I think it is a challenge in terms of attracting people to this industry because it’s not widely, it’s not necessarily held in high regard (M.W., interview with the author, 30.11.2006).

---

<sup>41</sup>Regarding the different industries and therefore institutional environments to which both companies belong (Moneta as a bank being subject to both technical as well as institutional pressures), none of the respondents at Moneta Singapore mentioned any existing institutional pressures from regulatory bodies or interest groups to conform to procedural requirements, especially in regard to workforce diversity and its management as predicted by Scott and Meyer, 1991.

Considering these difficulties in being recognised as an attractive and interesting employer, diversity is again not taken into account to build the employer brand.

The perception and interpretation of the existing diversity as such is contradictory at Logistica Singapore. On the one hand, at SINRO diversity exists and is needed due to its function as a regional office. Some respondents even sense unwritten, informal structures that regulate and manage existing diversity and how it functions. On the other hand, all respondents agree that no ‘official’ diversity management is needed for several reasons, amongst which are that due to the homogeneous composition of their department/team it does not require diversity management or the department is diverse enough and thus there is no need for further diversification. At SINCO, teams and departments are perceived as not being diverse in terms of ‘Singaporean’ nature. As a consequence, no diversity management is needed unless the departments or teams show ‘real’ diversity, which then requires some kind of management. This Singaporean interpretation of diversity and the fact that it does not need to be managed are in contrast to the interpretation at Logistica headquarters, as we shall see in the following subsection.

### **4.3 The Commodification of Otherness: Diversity Management at Logistica Group**

Diversity management of Logistica Group bases upon the Code of Conduct and the Corporate Values - therewith establishing linkages to foster acceptance and legitimacy of the concept like it was done at Moneta Singapore. Designed as a standard of working together, the Code of Conduct which was created in 2005 constitutes a guiding principle of the company’s employment policy. The Code of Conduct identifies goals and rules reflecting Logistica’s commitment to act in a responsible, ethical and lawful way and should serve as guide and support for employees concerning their daily decision making. In regard to diversity, the Code of Conduct states:

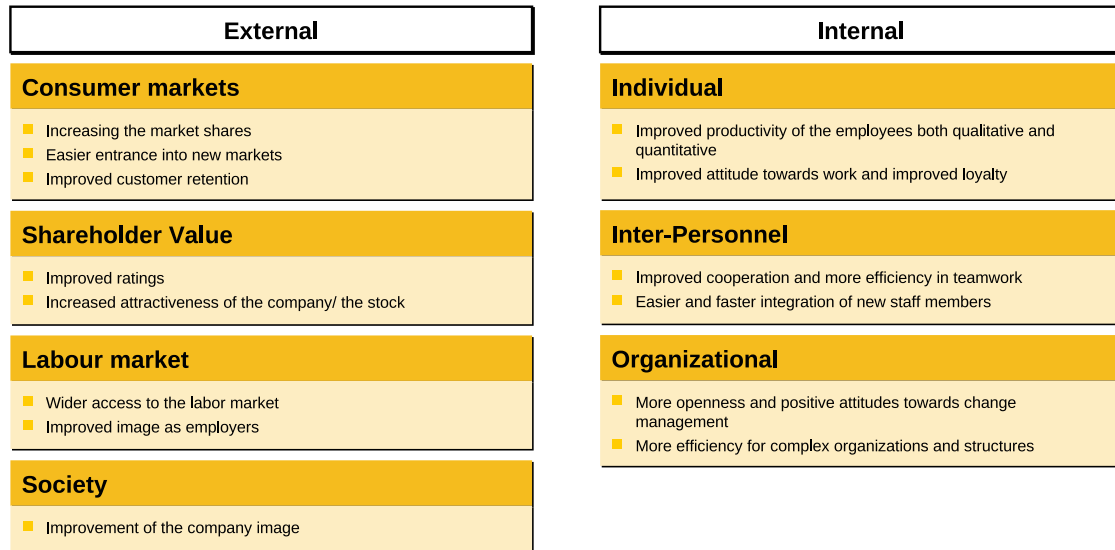
We see employee diversity as a guiding principle in our employment policy. This means promoting the diversity and heterogeneity of the individuals in the company in order to attain the highest possible productivity, creativity and efficiency. Skills, performance and ethical conduct shall be our only indicators for employee qualification. We will not discriminate or tolerate discrimination with respect to gender, race, religion, age, disability, sexual orientation, na-

tional origin or any other characteristic protected under law. Each employee is required to contribute to an environment of respect that precludes any kind of harassment, including workplace bullying, unwelcome sexual advances, unwanted physical contact, propositions or a working environment poisoned with harassing jokes, words and demeaning comments (Logistica, 2010a).

Logistica's Code of Conduct in turn is based on its corporate values - mainly on Corporate Value VI 'Integrity' - developed in 2003. The objectives of Logistica's corporate values are manifold: they provide a basis for coordinated and harmonised activities, enable employees to make decisions in line with overall strategy, help to set priorities in daily business, improve work processes and enable employees to better identify with the company. Both the Code of Conduct and corporate values are binding documents that apply to all Logistica's employees around the world.

The interpretation and translation of the theorised concept of diversity management and its enactment were assigned to a special department, which was established in 2005 and is located at Logistica's headquarters. Diversity Management evolved from the department equal opportunities; the concept of equal opportunities in turn was introduced in 1997. In 2007, Logistica Group signed the Charter of Diversity and committed themselves to creating a working environment free from prejudice and discrimination. Next to diversity management, the Code of Conduct and corporate values are covered by the department. The arguments regarding diversity and its management presented by the Senior Expert Diversity Consultant from the Corporate Culture department, and especially in internal as well as external documents, indicate that the main rationale for workforce diversity and its management is the commodification of differences immanent in workforce diversity. According to the arguments, Logistica Group is a global corporation operating in rapidly changing (business) environments, and has among other things to deal with globalisation, changing organisational structures, mergers and acquisitions, strategic alliances, shareholder values, cost pressures, increasing competitive market environments and different ethnic, legal and economic demands and challenges (Logistica, 2006c, p. 8). Workforce diversity in Logistica's global dimension is understood as a given within and outside the company and is constructed as a benefit for the company in this changing and challenging environment, as shown in 4.1.

Diversity per se is not of value to the company. The value of diversity is instead generated through its contextualisation regarding the economic environment and resulting business needs. A further reason for the adoption of the concept is the increased (perceived) pres-



**Figure 4.1:** Logistica's Business Benefits of Diversity (Logistica, 2006b, p. 43)

sure to acquire respective structures that are thought to be legitimate and rational in the institutional environment in which Logistica operates. In Logistica's Position Paper Diversity (Logistica, 2006c), diversity rationales, initiatives and awards won by major competitors and other major multinational companies are listed, indicating close monitoring as well as a subjective increased need to adopt these structures to gain and maintain legitimacy. Despite these rationales, the company's definition of diversity and diversity management is rather vague. The former is rather general because it covers visible as well as less visible diversity attributes. The latter is described in different ways: "Diversity management characterizes how a company can improve its position by not only perceiving differences consciously but also foster them and take advantage of those differences" (Logistica, 2006b, p. 7), or "Diversity management means promoting the diversity and heterogeneity of the individuals in the company" (Logistica, 2004, p. 20). In summary, diversity management means perception, promotion, appreciation and utilisation of the differences found in the company. In these documents, there are no further references to how this can be put into practice. Among practitioners who deal with diversity in the corporate context of Logistica Group, there does not exist a common understanding of diversity and its management either, but it is - if at all - defined in the respective local/regional context. Intensive research in the corporate intranet in 2008 showed that diversity and its management are not seen as a key priority in Logistica's different business units. Although the term diversity is used in different contexts, documents and/ or profiles, it is often used as a mere slogan, which is particularly apparent when searching for corresponding activities that are mostly non-existent. When policies and activities are

issued and carried out, their main focuses are equal employment opportunities, creating a workplace free of discrimination, harassment and bullying and affirmative action. The rationale behind most existing policies and activities is compliance with existing laws and regulations (as in evidence at Logistica USA, South Africa or Australia).

This finding is contradictory to the aim of the department dealing with diversity management, which is to act as a transporter of the concept of diversity management through the communication and penetration of its rationale across the company and different businesses and its translation into strategies and initiatives. The latter includes the formation of working structures, defining roles and responsibilities as well as fields of action, giving examples on how to implement diversity management, and last but not least define what diversity and its management mean at Logistica Group. As for roles and working structures, the Corporate Culture Department is supposed to be the central coordinator of corporate-wide diversity activities; additionally, the department should act as the central point of a corporate-wide diversity network used to foster an exchange of information and to define in the context of this network what diversity and its management entail:

Medium- and long-term goals are to develop a mutual understanding of diversity management within the corporate group, an overall concept and respective structures that allow for differences regarding its formulation and a conscious management approach according to different requirements in the different regions. It constitutes a communication challenge in the near future [...] A real challenge for communications, that is to say, we have the aim to establish diversity management within the corporate group and now we need to develop a strategy to implement it as well as a mutual understanding of diversity management. To implement different activities, to create awareness and to offer the possibility to use different tools, that's a challenge for communications. Thus, everything we are doing right now is first and foremost a communication issue. The web training we set up is a communication issue. The aim of the diversity zone is to get people involved, to gather information about their activities and to communicate it. And, well, use the opportunity to travel, meet people and talk to them (J.B., interview with the author, 31.07.2007)<sup>42</sup>.

---

<sup>42</sup>Mittel- und langfristigen Ziele sind dass Diversity und dass es innerhalb des Konzerns ein gemeinsames Verständnis von Diversity Management gibt, dass dieses Leitbild tatsächlich von jedem, natürlich anders formuliert und so weiter, aber ein gemeinsames Leitbild zum Thema Diversity Management gibt und es auch Strukturen gibt, um bewusst mit Diversity Management in den Regionen nach Bedarf arbeiten zu gehen, zu können. Also, Verständnis dafür. [...] Es ist eine Herausforderung für die Kommunikation in

Most initiatives issued from the Corporate Culture Department are targeted at employees working in Logistica's country of origin and/ or at the headquarters, as illustrated in 4.2. Programmes addressing an international group are the International Mentoring Programme (IMP) and the Corporate Volunteering Programme. Both programmes are designed for the participation of a relatively small amount of employees (13-20) and take place once a year.

---

der nächsten Zeit, [...]ja, wirklich eine Herausforderung an die Kommunikation, das heißt wir haben das Diversity Management, das Ziel, das wollen wir im Konzern haben, und jetzt die Strategie zu entwickeln, wie kriegen wir das im Konzern umgesetzt, wie kriegen wir ein gemeinsames Verständnis von Diversity Management. Und das ist eine Herausforderung an die Kommunikation, indem man auch verschiedene Maßnahmen startet und jedem das Bewusstsein gibt und jedem die Möglichkeit gibt, mit verschiedenen Instrumenten arbeiten zu können. Und deswegen ist alles was wir im Moment machen sicherlich in erster Linie eine Kommunikationsgeschichte. Wir haben diese Webtrainings aufgesetzt, im Prinzip auch ne Art der Kommunikation. Wir haben die Diversity Zone aufgesetzt um die Leute jetzt abzuholen, einzusammeln. Was habt ihr? Und darüber zu kommunizieren. Und, ja gut, Gelegenheiten nutzen um da hinzufahren, hinzureisen, mit denen zu reden.

**Table 4.2:** Logistica Diversity Initiatives

Key Priorities	Target Group	Country/ Region	Objectives	Key Activities
Communication	<ul style="list-style-type: none"> <li>– Managers (training)</li> <li>– All employees</li> </ul>	<ul style="list-style-type: none"> <li>– Global</li> </ul>	<ul style="list-style-type: none"> <li>– Communicate key themes around diversity effectively</li> <li>– Create a discrimination-free work environment</li> <li>– Create awareness and acceptance for diversity</li> <li>– Provide a platform for communication &amp; sharing best practices</li> </ul>	<ul style="list-style-type: none"> <li>– Diversity awareness training (Intranet) – Diversity zone (Intranet)</li> </ul>
Gender	Female staff	<ul style="list-style-type: none"> <li>– Global (IMP)</li> <li>– Logistica headquarters/ country of origin</li> </ul>	<ul style="list-style-type: none"> <li>– Guarantee equal opportunities</li> <li>– Improve the balance between family, profession and career</li> </ul>	<ul style="list-style-type: none"> <li>– International Mentoring Programme (IMP): a year-long development programme which targets high potential with an interest in an international career</li> <li>– Collaboration with a specialised service provider: consultancy and placement in regard to child and elder care</li> <li>– Nursery</li> </ul>
PWDs	People with disabilities (emotionally, physically)	<ul style="list-style-type: none"> <li>– Logistica headquarters/ country of origin</li> </ul>	<ul style="list-style-type: none"> <li>– Offer accessible work places for disabled</li> </ul>	<ul style="list-style-type: none"> <li>– Competition on the innovative layout of the workplace</li> <li>– Promotion of sheltered workshops through buying of services &amp; material</li> <li>– Company-wide agreement on the integration of PWDs</li> <li>– Provision of work aids on the intranet</li> <li>– Workshop for people with psychological stress in daily business</li> </ul>
Age	Older workers	<ul style="list-style-type: none"> <li>– Logistica headquarters/ country of origin</li> <li>– Europe</li> </ul>	<ul style="list-style-type: none"> <li>– Succession planning and supporting talent management</li> <li>– Implement personal development and knowledge management initiatives</li> </ul>	Demographic Risk Monitor: provides an overview on important key figures including an evaluation and deduction of need for action
Nationalities	All employees	Global	<ul style="list-style-type: none"> <li>– Reflect national variety</li> <li>– Support integration of foreigners</li> </ul>	<ul style="list-style-type: none"> <li>– Corporate Volunteering Program: deployment of volunteers in Kenya for two weeks to promote access to health services, to foster inter-cultural communication &amp; international teamwork</li> </ul>
Sexual Orientation	Lesbian, gay, bisexual & transgender employees	<ul style="list-style-type: none"> <li>– Logistica headquarters/ country of origin</li> </ul>	<ul style="list-style-type: none"> <li>– Promote acceptance &amp; tolerance</li> </ul>	<ul style="list-style-type: none"> <li>– Employee network</li> <li>– Employee Group Rainbow Net</li> <li>– Support of Voelklinger Kreis, a professional association for gay managers</li> </ul>

The fields of action defined and worked on by the department mainly apply to diversity dimensions in Logistica's country of origin and/ or headquarters (PWDs, demography, gender/ family), but nevertheless should serve as an example of how to approach different diversity dimensions. Due to specific laws and regulations in the country where Logistica's headquarter is located, the integration of PWDs is an integral part of Logistica's personnel policy. The corresponding activities apply to this country only but are thought to be of interest and act as examples for other business units planning to initiate or further develop workplace disability management. The same holds true for Logistica's collaboration with a specialised service provider regarding child and elder care and its nursery, the activities for lesbian, gay, bisexual and transgender employees which are aimed at employees working in Logistica's country of origin and/ or headquarters. In 2008, projects targeting employees in Logistica's country of origin and/ or headquarters and elsewhere were the Demographic Risk Monitor (DRM), the International Mentoring Programme, the Corporate Volunteering Programme and the Diversity Zone. The DRM is a simulation tool which reveals data on demographic changes. The data should be used for workforce analysis and highlights key action points regarding changes on workforce qualification, competency and demand in different business units and regions. The roll out of the DRM in Logistica's country of origin was accompanied by workshops, and the launch at European level is planned but not yet carried out. Contrary to previous initiatives, employees of all business units and regions can apply for the International Mentoring Programme (IMP) as well as the Corporate Volunteering Programme (CVP). The IMP is a year-long development programme which targets high potential talent with an interest in an international career. It also follows the need for a cultural change due to demographic trends and the lack of women in leadership positions. Hence, two-thirds of the mentored employees are female, while one-third are male. Eighteen are paired with mentors, who guide them in their professional development. The CVP takes place in the context of Logistica's commitment to reducing child mortality worldwide. In the course of the CVP, employees are deployed as volunteers for two weeks in Kenya in order to assist health workers and support a health awareness campaign. Due to major restructuring processes in Logistica Group in 2009, the International Mentoring Programme moved to another department within the headquarters, which is now solely responsible for the programme's conceptualisation and implementation. In the course of the same restructuring processes, the Corporate Volunteering Programme was discarded and not replaced by another program for the diversity dimension nationality. After this restructuring process, the only global diversity activities currently undertaken are Diversity Awareness Training



and the Diversity Zone found on the corporate intranet and the Demographic Risk Monitor (Europe). The aims of diversity training and the zone are to create awareness for the issue of workforce diversity and to provide a platform to share experiences, to learn about different activities and approaches and to foster more transparency about diversity management within the company. The diversity zone is supposed to make it easier to find information on diversity activities carried out in other regions and countries and to identify key persons involved in diversity management.

Overall, it can be summarised that diversity management at Logistica Group in general is not as successful translated and enacted as intended by the department responsible for diversity management. Some of the initiatives that exist under umbrella diversity management are successful, well-known and positioned appropriately - as is the case with PWDs. The issue of PWDs in the respective corporate context has a longer history in that is characterised by laws and regulations legislated to foster economic participation and eliminate any discrimination of PWDs. Therefore, the activities of Logistica regarding PWDs are mainly mandatory in order to observe the respective law, are actually independent of the company's diversity strategy and are not initiated in the course of the newly introduced diversity approach. To my knowledge, on a global level there are no further initiatives concerning PWDs at Logistica not driven by legislation. Other projects are well accepted and effective on a smaller scale, such as the Logistica nurseries. Despite their success, due to political reasons within the company, it is undesirable to promote these nurseries outside the vicinity of the headquarters because it might create demands in places where nurseries are not available. As a consequence, although the department responsible for diversity management has established the importance of 'gender/family', they are not able to promote it as a persuasive precedent or to demonstrate the positive developments of their diversity activities. After the restructuring process, the department has no projects left which involve employees outside Europe and therefore loses its indented role as an impetus for diversity management. The diversity zone and diversity awareness training programmes found on the intranet are also not as successful as intended by the department. Training, for instance, is combined with a lesser training concerning Anti-Discrimination, which is mandatory for managers. Consequently, the department expects a wider dissemination of diversity management among managers. Nevertheless, no tools or measurements exist to check the impact and sustainability of such training sessions. The diversity zone is solely used by the Corporate Culture Department to present its diversity initiatives. Despite the repeated promise of some diversity practitioners in the company, no further activities are presented. The diversity zone is far from being a

platform on which to share good practices and information and is apparently not used by anyone one else other than the Corporate Culture Department. A meeting of key persons involved in diversity management corporate-wide, which was planned for a long time, was never realised. As well as missing contacts and awareness levels, the Corporate Culture Department has insufficient resources left to organise such network meetings.

The work of the Corporate Culture Department and its initiatives were mainly limited to the German business context, as also stated by the department's Senior Expert Diversity Management:

As things are now, diversity management is limited to the headquarters. The ideas and initiatives have not even been spread and implemented across Logistica's country of origin as it is intended by us. We as the Corporate Centre are just those who, please put 'just' in quotation marks, those who strategically define and develop different topics as well as issue guidelines how to implement those topics (J.B., interview with the author, 31.07.2007)<sup>43</sup>.

Now, two years later, the situation has not changed greatly. There are several reasons for the low degree of institutionalisation and the corresponding low level of internal acceptance and legitimacy of diversity management within Logistica Group and the unsuccessful work of the Corporate Culture Department. First and foremost, a collective commitment to diversity management of Logistica's management board and top managers does not currently exist. Diversity management is regarded as a means of achieving neither the business goals and strategies of Logistica Singapore nor those of its parent company, despite the commitment of some members of the management board. It seems that diversity management is rather 'nice to have' as long as it does not require too many resources in terms of money and personnel. This assumption is consistent with Logistica Group's positive image regarding diversity management, which is externally presented on its web pages, brochures and reports (for example, the social report or diversity report of Logistica Group) on the one hand and its rather uncoordinated and unsuccessful internal strategy and activities on the other. Apparently, Logistica's parent company aims at maintaining its 'ceremonial façade' concerning diversity management and therefore the

---

<sup>43</sup>Stand der Dinge, ja, das es hier in der Zentral ist. Man kann noch nicht mal sagen, dass es hier im Land, in dem Logistica's Unternehmenszentrale liegt, ist weil daran knüpfen sich die ganzen Maßnahmen und, und Ideen und so weiter an die wir jetzt noch umsetzten wollen. Wir sind ja als Corporate Center immer nur, 'immer nur' bitte in Anführungsstrichen, diejenigen die irgendwelche Themen strategisch besetzten, entwickeln und dann auch Vorgaben machen wie es denn umgesetzt werden kann.

belief of concepts' rationality and legitimacy to conform to environmental expectations and institutions, as already pointed out by Meyer and Rowan, 1977.

Due to missing commitment, the direction and scope of activities change with almost every new divisional head. One example of this phenomenon is the department's work in the field of gay, lesbian, bisexual and transsexual employees. Once not tolerated under one divisional head, the matter was ignored by the next one but work continued in some kind of grey area and with the support of one member of the management board, and is currently not regarded as necessary by the newest divisional head. The work on this topic was continued and showed some success, but only because of the persistence of dedicated members of the Corporate Culture Department. Additionally, there are not many intra-departmental and no inter-departmental synergies which could help to better position the topic and make it more sustainable. Within the department, every field of action is worked on by different employees, without establishing clear linkages and using a consistent rationale. At inter-departmental level, no synergies exist which could help to anchor the topic even further<sup>44</sup>.

Since existing key people from all business units and regions involved in diversity management are not integrated into a diversity network (again, due to the lack of support from the top and related shortage of resources), essential questions concerning the meaning of diversity and its management for the group and each business unit, the importance of a group-wide diversity policy, measurements, programmes and cooperation are not answered. This approach would support the acceptance and legitimisation of diversity management and the work of the Corporate Culture Department, not only on national but also on international levels. Hence, up to this point the Corporate Culture Department has not succeeded in operationalising diversity management as it was envisioned and outlined originally in 2006's Position Paper Diversity. As a result, only marginal knowledge of the department and its work exists on national as well as international levels, as exemplified by the Senior Vice President HR of Logistica Singapore:

[...]we don't know what the corporate strategy [*in regard to diversity management*] is. Do they have one? If they have and they haven't communicated it

---

<sup>44</sup>Examples for inter-departmental synergies may be the cooperation of the Corporate Culture Department with knowledge management (succession planning, lifelong learning), health management (workspace design, stress management), marketing (advertisements, 'minority marketing') or talent management. All topics are worked on somewhere within the company, but no contacts, let alone any form of cooperation exist.

[...]we don't really know what Logistica's parent company is doing, the communication is not very good (B.W., interview with the author, 22.03.2007).

In view of Logistica Singapore's overall strategy and its related business needs, its interpretation of diversity and resulting absence of its management, and marginal knowledge of the diversity approach of Logistica's parent company, it can be doubted if diversity management is gaining ground and will convince managers of its benefits. Since no laws or regulations regarding workforce diversity in Singapore are known to the respondents, there is no need to engage in diversity management. The only mentioned guideline is those issued by the Ministry of Manpower, the National Trades Union Congress and the Singapore National Employers Federation on non-discriminatory job advertisements, and was only mentioned in the context of Logistica job advertisements (layout and context). Additionally, the Singaporean government is described as very open to the hiring of foreign labour, which is "creating a lot of diversity of talent" (A.D., interview with the author, 18.12.2007) within society and is available to the job market and Logistica Singapore. The employment pass, issued by the Ministry of Manpower<sup>45</sup>, is seen as the only (temporary) hindrance concerning the employment of foreigners. Interestingly, a difference between Singaporean and foreign managers regarding their perception of the governmental interventions concerning diversity and its management in Singapore became apparent. While Singaporean managers perceived diversity as a way of life and governmental interventions through laws and regulations "invisible hands" (W.L., interview with the author, 24.01.2007) used to achieve and preserve racial harmony and balance, foreign managers pointed out that the diversity found in Singapore is "somewhat" artificial due to the regulations and categorisations issued by the government (P.C., interview with the author, 26.03.2007). Nevertheless, Singaporean as well as foreign managers agreed that workforce diversity in companies is not affected by laws and regulations issued by the Singaporean government, which accounts for the current minor significance of diversity management at Logistica Singapore: "[...]if the legislation would change in Singapore diversity became much more an issue than it is right now. I'm sure about that" (M.W., interview with the author, 30.11.2006).

---

<sup>45</sup>According to the Employment of Foreign Workers Act and Immigrations Act, to employ a foreign professional, executive or manager employers are required to apply for an employment pass. The category of employment pass is decided on the basis of a points system with criteria such as salary, skill, degrees, job type and working experiences. The various categories of the employment pass go along with varying rights. While the employment pass caters for professionals, the work permit caters for unskilled or semi-skilled workers. The S pass, which was introduced in 2004, applies to middle category workers (such as technicians) and acts as both a work permit and an employment pass (Tan, 2006, p. 44; Chandran, 2005, p. 285ff).

### 4.3.1 The Embeddedness of Diversity Management at Logistica Group

Due to the marginal knowledge of the Corporate Culture department and its strategy regarding diversity management, the failed internationalisation and institutionalisation of the topic within Logistica Group and resulting absent contacts, none of the respondents at Logistica Singapore had a clear idea on how diversity management is integrated in the company's structure and which business division is responsible for its contextualisation and implementation. Some respondents classified diversity management belonging to Corporate Social Responsibility (CSR) or corporate culture, others to employer value proposition. While some respondents at Logistica Singapore consider diversity a part of CSR in the sense that the company is responsible for the development of the community in which the company is operating (e.g. the recruitment of people from these communities), others describe diversity as an inherent part of Logistica corporate values, as done by the Vice President Regional Office Human Resources of Logistica Singapore:

They're living the values, they're living the respect for cultural diversity and diversity as a whole. But, they're not, they don't know it consciously, they're just doing it, you know. But not consciously maybe but, but as a way of life. It becomes a way of life in Logistica (A.M., interview with the author, 08.12.2006; 21.12.2006).

However, this is interpreted differently by the Senior Vice President HR of Logistica Singapore, who regards the Groups's corporate values in opposition to diversity management. According to him, the purpose of corporate values is to get people aligned to think and act in a similar way. The values should guide decisions and actions in a certain way, which might lead to more homogeneity than heterogeneity - the opposite of diversity management (B.W., interview with the author, 22.03.2007). Since the main motivation and objectives of diversity management are not known at Logistica Singapore as intended by the Corporate Culture Department, respondents are only left to guess about the integration of diversity management. However, one can assume that the integration and alignment of diversity management and initiatives are clearly established at Logistica headquarters and the Corporate Culture Department.

The Corporate Culture Department is part of the headquarters' HR development policy. It is responsible for the Code of Conduct (task conceptualisation, roll out (national and international), global Code of Conduct/compliance office), corporate values (conceptualisation, roll out) and diversity management. The emphasis of the departments work is

clearly placed in the Code of Conduct, which is supported and comes under the close supervision of the managerial board of Logistica Group. According to the department's self-conception, diversity management should have a clear focus on the company's employees, particularly their attraction, retention and development. Most initiatives concerning diversity management can be subsumed as HR development, such as the Demographic Risk Monitor, actions in the field of PWDs or the relocated International Mentoring Programme. Next to the actual purpose of the initiatives (for instance, succession planning, supporting talent management, offering accessible workplaces), the other main objective is to establish diversity management as a HR development tool. Other initiatives cannot be assigned to the field of HR development in the first place - despite the department's project ownership, these initiatives are not promoted or perceived as a HR development, and are thus contradictory to the department's purpose of establishing and positioning diversity management as a HR development tool.

### **Logistica's Corporate Volunteering Programme**

The Corporate Volunteering Programme (CVP) serves as an example of the cooperation of the Corporate Culture Department with another company-wide promoted issue (CSR) at the expense of the objectives regarding diversity management. Until its demise, the CVP was part of the partnership of Logistica Group with the UN; the partnership with various UN organisations in turn is part of Logistica's CSR engagement. The objective of the partnership is, on the one hand, to support the international community's humanitarian work by using the core competencies as a logistics provider, and on the other hand employee engagement. One of the first forms of cooperation by Logistica Group and UNDP/OCHA was in the field of disaster management, starting in 2005<sup>46</sup>. In order to expand the focus of the partnership, and to provide a platform for broad employee engagement, the partnership with UNICEF was launched in 2006. Its main objective is the reduction of child mortality on a worldwide basis. The UNICEF-Logistica Group partnership consists of three main aspects: in-kind and earmarked cash contributions, employee initiated/participated fund-raising and a volunteering programme, with the latter two the

---

<sup>46</sup>The partnership's main objective is to improve disaster preparedness and response. Activities include programmes in schools (StormZone Simulation), the rebuilding and refurbishment of five Indian schools severely damaged in an earthquake in the District of Tamil Nadu and disaster response teams, whose members have special skills to manage airport handling support during major nature disasters. Currently there are three disaster response teams respectively in Singapore, Florida and the Middle East. They are managed on a regional level and coordinated globally by the group's Corporate Social Responsibility Strategy and Policy Department located at the headquarters.

focus of the partnership. The objectives of the volunteering programme are to provide a selected group of employees with the opportunity to gain an understanding about the partnership and reasons for setting it up, and upon return to become ambassadors for the partnership. In this context, ambassadorship means to actively seek possibilities to communicate first-hand experiences, to inform about the partnership and to raise funds. Furthermore, the CPV should constitute a unique personal development and networking opportunity for the selected employees, as well as enhance integration among the different geographical regions and business units from which the participants originate. Additionally, the CVP should increase employee pride and loyalty to the company, as well as motivate employees through realising their social responsibilities as individuals. It should also act as a showcase for Logistica's commitment to Corporate Value VII<sup>47</sup>. Kenya is the pilot country for the volunteering programme, but due to the expansion of the partnership, Peru and India have been added as target countries. Next to the CVP and locally sponsored programmes, field trips for executives to raise their interest and awareness for the Logistica Group-UNICEF cooperation are offered. The conceptualisation, organisation and financing of the CVP was delegated to the Corporate Culture Department. The partnership with the UN and further related programmes are coordinated by the Corporate Social Responsibility Strategy and Policy Department.

The two-week CPV took place once a year. Employees of Logistica Group who had worked a minimum of two years for the group, had the approval of their direct managers, were in sound health and had the ability to communicate in the English language at ease could apply. The application was open to all employees at all levels, countries and business units that met the mentioned criteria. Since the application forms were available on the intranet and the internet only, however, it is questionable if many employees who had no/restricted access to both formats (for example employees at service centres) had relevant information about the programme and an opportunity to apply. A divisional quota according to the number of employees working in the different divisions was in place. The CVP ran for three years from 2006-2008. The number of applications and volunteers increased year by year from ten (2006) to 14 (2008). After the selection process a two-month preparation phase for the volunteers began. The Corporate Culture Department provided the volunteers with necessary information (e.g. about vaccinations, Kenya, the Logistica Group-UNICEF partnership, inter-cultural training, etc.) and organised administrative

---

<sup>47</sup>Corporate Value VII's mission is 'To accept social responsibilities', which includes an obligation to the welfare of the societies in which the company operates, to respect traditions, values and structures of the countries Logistica Group works in, to protect the environment and to promote the social commitment of the group's employees (Logistica, 2004, p. 9).

and logistical matters (e.g. flights, visas, reimbursement, etc.). During the preparation phase the department organised conference calls with all participants (volunteers, Logistica departments involved, Logistica Kenya, UNICEF Kenya) so they could get to know each other and to exchange information. Additionally, the department was responsible for the organisation of so-called 'orientation days', two-day training sessions prior to the actual assignment, taking place in Nairobi. The orientation days contained presentations of the organisations and Logistica departments involved, inter-cultural communication training and an introduction to the Kenyan culture as well as team building activities.

The volunteering programme took place in the context of the Malezi Bora campaign. 'Malezi Bora' means 'Good Nurturing' in Swahili and can be summarised as 'Child and Mother Health and Nutrition Weeks' taking place once a year. The target groups for the campaign were children and mothers in marginalised rural communities, while the aim was to improve the health of children under five years and expecting/lactating mothers. The facilitators of the program were the Kenyan Ministry of Health, UNICEF Kenya, the World Health Organization, the Red Cross and partners such as Logistica Kenya. The location of the volunteering programme was in the southern region of the country. Since the volunteering programme was embedded in the Malezi Bora campaign, most activities the volunteers undertook were linked to the aim of the campaign. The volunteers assisted the roadshow team in setting up the stage and participating in educative entertainment. Additionally, they worked together with health workers by weighing babies and children, distributing Vitamin A and de-worming pills to children and lactating mothers, and participated in HIV/AIDS counselling and testing and other related activities. The assignment ended with a day-long closing session, which included among other things the planning of follow-up activities of the volunteers as UNICEF ambassadors and a formal closing ceremony.

In the third year of the CVP an evaluation initiated by the Corporate Culture Department took place and I carried it out. It was also the first time that someone from the Corporate Culture Department had spent the entire duration of the CPV in Kenya and taken part in the activities instead of joining the orientation days and/or closing ceremony (the person who mainly conceptualised and realised the programme left the department after the nomination and selection process of the third round of the CVP). The evaluation was initiated because no one in the department had a clear idea about which activities the participants would undertake, how the programme would be organised on the ground and how well-known the aspect of diversity management was among the participants



and other involved organisations. The evaluation showed that the participants had no knowledge about the role of the Corporate Culture Department or diversity management in the programme. It became obvious that the department's objectives in regard to diversity management, such as the development of each volunteer in regard to his/her soft skills, inter-cultural competencies and experiences were never clearly communicated and no holistic approach embedded the programme in a HR context. Consequently, information concerning the role of diversity management in this programme, given during the orientation days, was not regarded as being relevant in these circumstances or for the tasks of the following assignment. A conducted survey, however, showed that all volunteers were convinced that the experience would have an impact on their development on a personal as well as on a business level. The positive impacts most often mentioned were developing inter-cultural competencies, improving communication skills, having the chance to work in an international environment (as some volunteers had never had this opportunity before), working under extreme circumstances, especially in a team made up of total strangers, and learning to be more patient, especially in situations when people do not speak their mother language or have different perceptions and opinions. A post-assignment monitoring of each volunteer's development in regard to the mentioned competencies was not in place, which is unfortunate because it would also have provided facts and figures showing the impact of the programme from a HR perspective. Despite being the project owner, the Corporate Culture Department failed to strengthen the HR/diversity aspect in the volunteering programme due to a lack of communication and preparation, as well as follow-up activities. The communication of the programme was dominated by the Corporate Social Responsibility Strategy and Policy Department, and the Corporate Culture Department had difficulties placing their statement of interests and diversity's *raison d'être* into the programme. As a consequence, the CVP is known corporate-wide as being part of the corporate social responsibility approach of Logistica Group and not as a diversity initiative or HR development tool.

The evaluation revealed that despite the conceptualisation and realisation of the CVP, the Corporate Culture Department did not succeed in establishing the programme as the sustainable diversity initiative it was envisioned as and promoted in several media outlets (corporate intra- and internet, brochures, etc.). Due to the focus on the Logistica Group-UNICEF partnership and the connected activities in Kenya, the effectiveness of the whole programme as a diversity/HR development tool is debatable. It appears to be a project which can be subsumed under CSR and extended to HR development due to reasons unknown to me. Aside from constituting a required diversity pillar (nationality), the

CVP - as it was organised and carried out in the previous three years - did not contribute to the successful establishment and implementation of diversity management within the company. After thorough negotiations between the Social Responsibility Strategy and Policy Department and UNICEF, the three-year partnership contract was not extended and ended at the end of 2008. The Corporate Culture Department was not involved with the negotiations, so had no impact on the project's outcome. This supports the assumption that the CVP was initiated and utilised in the cause of corporate social responsibility, but the realisation was carried out by the Corporate Culture Department. This case shows that cooperation with other issues (here CSR) is not necessarily beneficial for the cause of diversity management. Although taking recourse to established corporate programmes might be beneficial to the facilitation of acceptance and legitimacy, the given example also demonstrates the need for clear positioning, communication and monitoring of diversity management within the project to successfully implement and promote it as a HR development tool and not be seen as an appendage to other programmes.

#### **4.4 Diversity Management and its Linkages to other Initiatives at Moneta Singapore**

According to the statements made by respondents at Moneta Singapore, diversity management pursues the objective of attracting and retaining talent in a highly competitive market, which is characterised by its shortage of talent as analysed in chapter 1.3. It was emphasised that diversity management has to have an economic rationale to gain legitimisation and to develop into a sustainable practice. Nevertheless, when asked in which organisational entity workforce diversity and its management is embedded, the respondents' answers were not very specific and (apparently) contradictory to the previously given economic interpretation. For most respondents, diversity management is linked to corporate culture and values, corporate social responsibility, employees' voluntary work and/or staff engagement. Staff engagement in turn is regarded by most respondents as one key element of the company's overall strategy to attract and retain employees. The most successful example of staff engagement is Moneta Singapore's voluntary programme, which has existed for more than ten years. Additionally, more than 50% of Moneta's employees are engaged in voluntary work outside working hours (S. N., 17.05.2007, interview with the author). Volunteers are involved, for instance, in reforestation, learning sign language or helping people with learning disabilities. The reasons for the success of the

volunteering programme are explained by Moneta's Head of Custody & Clearing:

And I've been spending some time recently analysing why that volunteer programme is so successful. And what started me thinking about this was a number of these people have told me, a number of these volunteers, some of them volunteer leaders, that their job at the bank is perhaps not so interesting in terms of the nature of their job, but what keeps them here is the volunteer programme. And that, and I literally stepped back and thought this is extraordinary, and then I started to look and tried to work out why the volunteer programme is so successful. Because it's not being driven by senior managers, nobody is cracking a whip saying 'you shall do this, this, this'; it's all volunteer. And I come to the conclusion that the success of our volunteer programme is the success of people being thoroughly committed to what they are doing and enjoying working with each other in a, in the absence of a hierarchical structure. We do have volunteer leaders, but they are only there because they are so experienced and they are there to guide but they are not, they are not the great dictators of the past. And, I was saying to some of my business colleagues that if we could only harvest a fraction of the energy that people expend in the volunteer programme to our commercial teams, think what a compelling story we would have to tell. And that suggests to me that there is a lot of work to be done in appreciating diversity of talent (V.M., 04.05.2007, interview with the author).

It seems that Moneta's volunteering programme benefits from the mobilisation of the bank's employees outside the corporate context and the diversity of talent they bring with them. This mobilisation of talent is, according to the citation, due to the absence of a hierarchical structure compared to the corporate context, which might hinder individual potential. Transferred to the business context, this finding would suggest that the bank's hierarchical structure and leadership values need to be reconsidered in order to benefit from the diversity of talent of Moneta's employees. Leadership in regard to diversity management is often mentioned by respondents, but they mainly refer to the required support for the diversity issue from top management and to leaders as being role models in establishing a diversity mindset, without which diversity remains purely lip service (J.W., 07.05.2007, interview with the author), and not to concrete measures to bring out employees' diverse talents. Furthermore, the existing diversity strategy and initiatives are

aimed at the promotion and especially recruitment of certain target groups rather than at the ‘ordinary’ employee and his/her potential.

This divergence highlights a general challenge for the embeddedness of diversity management and relatedness in the corporate and organisational contexts. On the one hand, both Logistica’s parent company and Moneta Singapore emphasised that diversity management has to have economic benefit and legitimacy and is basically regarded and communicated as a HR development tool. Initiatives aiming at the development and recruitment of human resources are usually easier to measure with determined benchmarks, in order to evaluate their success (for example, how many women participated in Logistica’s International Mentoring Programme, how many PWDs were recruited by Moneta). These ‘hard facts’ can be used to support the case of diversity management and the developing storyline within the company. On the other hand, diversity is often directly linked to corporate social responsibility, as evidenced by Moneta’s Vice President Commercial Banking:

Corporate social responsibility is part of the bank’s culture [...] And I think diversity is part of, in my opinion it’s quite linked to corporate social responsibility. It’s part of your responsibility to the society. And why do we need to employ hearing impact? I think they bring with them certain qualities and it’s about giving opportunities to people who are less privileged. So, we, we believe in that (R.K., interview with the author, 08. 05. 2007).

From this point of view, diversity management is not only limited to the corporate context but also is extended to the society and environment in which the company operates. This not only entails recruiting less privileged people (e.g. from minority communities or PWDs, as done by Moneta Singapore), but also developing each participating employee in volunteering and/or other programmes taking place outside the company. It is assumed by respondents at Moneta Singapore and Logistica’s parent company that both kinds of diversity management (HR development and in the context of CSR) do have an impact on staff loyalty, retention, motivation, etc. and therefore contribute to the overall economic development of the respective company. In this case, however, it is much more difficult to measure these ‘soft facts’ and the success of individual development and talent. Consequently, the embeddedness of diversity management in the corporate and organisational contexts has to be chosen carefully in order to match the communicated storyline and to present diversity management as a holistic and sustainable approach that will benefit employees and the company alike. Diversity management and CSR do not

have to exclude one another, but as became apparent in the the case of Logistic's CVP, the cooperation of diversity management and CSR can have rather negative implications for the cause of diversity management in terms of failed objectives and used human and financial resources. As a consequence, it seems to be very important to clearly define objectives in such cooperation and to precisely communicate the linkages between CSR and diversity management.

In summary, the analysis of the different strategies implemented by Moneta Singapore and Logistica Singapore shows that the concept of diversity management is selectively interpreted and translated depending on the companies' different labour demands and needs. Diversity management in the Singaporean context is thus not a business imperative - as it is often portrayed in the broader context - it has already been questioned by respondents themselves whether diversity management at Moneta Singapore would have been introduced if it had not have been a directive from company headquarters. The motivation to translate diversity management to the local context, and the implementation of diversity initiatives both at Moneta Singapore and Logistica's parent company, is partly ambivalent regarding, for instance, the external presentation of the company's diversity efforts and its internal strategy, or the undefined linkages to other programmes, as we see at Logistica's parent company, or the blurry differentiation between diversity management and talent management in the case of Moneta Singapore - revealing the low degree of institutionalisation of diversity management in both companies. It also became apparent that through the formation of Moneta's diversity committee and Logistica's Corporate Culture Department that corporate actors are actively interpreting and translating the concept of diversity management, which then takes on differentiated meanings or includes new practices such as Moneta Singapore's target numbers. However, the rejected translation of diversity management at Logistica Singapore shows that their managers are no less active in interpreting the company's business situation and developing strategies accordingly. Since both companies are embedded in and greatly influenced by the broader environment that shapes regulative, normative and cultural-cognitive meaning systems, the next chapter's aim is to analyse existing institutions and structures which encounter the concept of diversity management and influence its implementation in the business context, as well as possibilities to utilise workforce diversity considering these circumstances.

## Chapter 5

# Diversity Management in the Singaporean Context between Constitutive Institutions and Systematic Utilisation

Corporations are not autonomous entities but are instead embedded in an environment made up of multiple institutions that influence their scope of action and interests, as well as actors. Therefore, the process of institutionalising diversity management in the Singaporean context does not solely depend on the corporate actor's interpretations and translations of the concept; instead, they are influenced by the institutional environment. Scott's three pillars of institutions (2001) provide a framework for the following analysis of Singapore's institutional environment, its influence, constraints and enabling of social action within the corporate context. In the first part of the chapter it will become apparent that the government's active approach to diversity management generates an institutional environment which is perceived as a social reality, reproduced in social interactions and taken for granted by respondents. At the same time, cultural-cognitive institutions such as racial identity have an impact on social interactions, behaviour, perceptions, self-ascription and ascriptions by others that are also reproduced in the corporate context. Other regulative or normative institutions such as laws, acts or programmes such as recruitment practices directly influence corporate decisions and actions. With the Singaporean government taking the leading role in the institutionalisation of the country's various facets of diversity and related issues, it constitutes an important player in the field of (corporate) diversity management, guiding the perceptions and interpretations of actors in the corporate context.

Taking the interrelationship between institutional and corporate environment as a basis,

the next part of the chapter examines the possibilities of utilising existing workforce diversity in the Singaporean business context. In a first step, the challenges companies have to face regarding their workforce are analysed, followed by possible approaches to address these workforce challenges through the utilisation of existing diversity (for instance, through broadening the available talent pool by including employees with different qualifications, or the internal development of human resources), its feasibility and possible constraints. Since the diversification of a company's workforce entails additional challenges and issues like conflict management, measurement of the success and effectiveness of implemented initiatives or the impact of diversity management on the bottom line, these are discussed in the concluding part of the chapter.

## **5.1 Institutions as Determinants of Singapore's Business Environment**

The Singaporean state is characterised by what Barr and Skrbis, 2008 call "constructionism" (p. 12) in the sense of *first*, material construction of infrastructure and its functionality, *second*, the dominance of the Singaporean state in the social, economic, political and cultural spheres through the continuous (re)evaluation and (re)construction of its policies and *third*, the government's exclusive claim in regard to the construction of ideology and its acceptance by the Singaporean population (ibid., p. 11–12). The constructionist approach of the government, namely the PAP, shapes to a large part the environment in which companies operate by establishing institutions, structures, expectations and cognitive meaning systems that are seldom challenged and yet continuously reproduced in social interactions. At this point it is necessary to highlight the backgrounds of these institutions and structures and evaluate their influence on the operating sphere of companies in order to assess the possibilities of spreading and translating diversity management into the Singaporean context.

Through its active diversity management approach, which stresses tolerance of diversity and accords equal status to different racial groups, the Singaporean government takes the lead in defining and controlling individual identity by forcing racial, cultural, religious and linguistic diversity into the CMIO framework. The CMIO model constitutes an intervention in one major domain of Singaporean society and individuals, and highly influences the perception and ascription of individuals and others, irrespective of the context. According to the CMIO model, many Singaporean respondents define the diversity found

in their country, as well as in the corporate realm, along the predetermined lines of race, religion, language and cultural background (J.L., E.T., N.G., interviews with the author, 08.02.2007, 24.01.2007, 06.02.2007, respectively). The intertwining of race with culture, language and religion institutionalised by the government is also adopted by respondents when talking, for instance, about the different races in Singapore defined as Chinese, Muslim, Buddhist and Christian (N.G., interview with the author, 06.02.2007) or by pointing out that race and religion often follow the same path (K.C., interview with the author, 17.03.2007). Hence, the definition and perceptions of diversity in the Singaporean (business) context are highly influenced by governmental policies and ideology, constituting a taken-for-granted social reality and therefore a cultural-cognitive institution in the sense of Scott, 2001, which is shared by Singapore citizens and reproduced in social interactions. These racial categories not only have an impact on social interactions, but also on norms, self-ascription as well and ascription by others. It is important to note that each person's racial and dialectal identity is not subject to an individual decision, but is determined by the father's race and written on the individual's identity card. As a consequence of this practice, racial identity is highly institutionalised and subject to a bureaucratisation process that eliminates individual negotiation. The rigidity of the racial categories makes them politically and administratively transparent and manageable. At the same time it does not acknowledge the complex social reality of a heterogeneous Singaporean society through its homogenising effects on racial groups, each of which shows a lot more diversity and changes over time through immigration, for example:

So, there's quite a wide range of racial and religious, racial groups and religious practices, and even though we have those three main, three or four main racial groups, if you cut further there's quite a lot of variety within them. So, if you're looking at the Indian group, traditionally we've had a lot of people from the South of India. But I think if you look at the more recent immigration pattern we're getting people from all other parts of India. Traditionally, I think you get South India, Sri Lanka but now you're getting people from North India, even from the West, Bengal as well (K.C., interview with the author, 17.03.2007).

Next to the CMIO identity, the Singaporean ideology of multiracialism also allows another identity - the national Singaporean one. This adoption of a "hyphenated identity" (Hill and Lain, 1995, p. 104) is approved and fostered by the state, as long as the racial identity is politically non-threatening to the national identity. Despite the CMIO model's strong emphasis on differences and its adoption by the Singaporean respondents, most of them



also referred to a common identity as Singaporean. In this regard it was pointed out by a (non-Singaporean) respondent that the national identity and apparent homogeneity are especially emphasised when it comes to comparisons between Singaporeans and other nations:

So, even the concept that they are homogeneous as all Singaporeans, I don't believe that it is. When, they, they can sometimes view themselves as homogeneous when they are talking out against the Japanese or against mainland Chinese versus Singapore, but when they compare themselves there's still in them a differentiation [...] (J.Ca., interview with the author, 24.04.2007).

This observation corresponds with that made by Siddique, 1997, who asserts that the word 'Singaporean' is mainly used in specific situations when Singaporeans encounter the oppositional category of non-Singaporeans. People's own identity in the Singaporean context is usually established by the ascription to one of the CMIO categories (p. 123). The racial identity of Singaporeans is therefore subject to a highly institutionalised process determined by the government, which restricts individual negotiation and constitutes an institution in itself. The given CMIO classification neglects the heterogeneity within each race and makes identification difficult for people whose identity is ambiguous, for example in interracial marriages<sup>48</sup>. Furthermore, the institutionalisation of race, and the primordial conception whereby racial identity and therefore cultural identity are inborn and unchangeable, have an impact on racial awareness that is higher due to the constant confrontation with racial categories and fosters the maintenance of ethnic boundaries, tensions as well as stereotyping (Barr and Skrbis, 2008, p. 51–52).

Most stereotypes expressed by respondents refer to generalised characteristics and/or allude to economic differences between the different racial groups, as pointed out by one respondent who characterises the Chinese as entrepreneurs, Indians as outspoken, Eurasians as proud of their background and Malays as artistic and easily contented. For SINCO this implies that there are more Chinese and Indians in senior level management, whereas more Malays work as couriers<sup>49</sup>. The composition of SINCO, and the hierarchical level of

---

<sup>48</sup>For a more detailed description of the negotiation of ambiguous racial identity and related cultural, lingual and religious affiliation, see Siddique's research on the interplay between governmental policies and everyday life in interracial marriages (Siddique, 1997).

<sup>49</sup>Some respondents asked to remain anonymous when talking about issues such as stereotypes or perceptions of different racial groups. These statements were, according to the requests of the respondents, not taped but written down only and made anonymous.

different racial groups, happens, according to respondents, because of the poorer education of Malays compared to their Chinese counterparts because Malay parents apparently do not value education as highly as Chinese parents do. This explanation is given as the reason for the dominance of Singaporeans with a Malay background working in service centres/operations departments and Singaporeans with Chinese backgrounds in the higher hierarchical levels of the company.

In particular, arguments, perceptions and stereotypes about the economic development of each racial group are shaped by a strong commitment to meritocracy, which is next to multiracialism as an important pillar of PAP's ideology and the basis of Singapore's economic development. These stereotypes are similar to (racial) identity cultural-cognitive institutions due to the fact that their taken for granted status is seldom questioned and shared with others. In the Singaporean case, meritocracy is totally compatible with the multiracial ideal of equal citizenship, and places ability, achievement, hard work and competitiveness above ascribed criteria such as race, culture, gender and religion. Nevertheless, problems of economic disparities and associated discrimination in the economic realm are expressed by the Malay and Indian community, and are partly reflected in economic statistics<sup>50</sup>. Concerns about how to catch up with the successful Chinese as a group, and the underlying problems regarding the 'backwardness' of Indians and Malays, are not only limited to the economic realm, but also apply to social issues, as outlined by the Divisional Director, International Manpower Division of Singapore's Ministry of Manpower:

I think, if we look at say the Malays, I think it's quite well documented that as a, as a racial group they don't perform as well in school; incidences of, say, drugs is a bit higher and the employment, unemployment, things like teen pregnancy, single families is also a bit higher for that group. And in a way the unemployment rate is also a bit higher. Something that the community, the Malay community, is also looking at to see what are the reasons behind this, you know. But the variation is that, that great because of the different racial groups (K.C., interview with the author, 17.03.2007).

---

<sup>50</sup>Although the economic position of Malays and Indians improved between 1990 and 2000, statistics show that especially the Malays are over-represented at the bottom level (cleaners and labourers, production and related) and under-represented at the higher level (administrative and managerial, professional) of employment (Singapore Department of Statistics, 2000b, p. 5). Hence, the meritocratic principle did not serve to reduce economic disparities, especially between Malays and Chinese, but rather consolidated racial inequality (Brown, 1994, p. 87).

The government's attitude towards the different economic performances and social issues of racial groups is determined by its meritocratic ideology, and it has therefore refused to accord privileges or impose quotas in favour of minority communities. According to the PAP, special privileges and a welfare approach would result in a dependence mentality and turn out to be harmful for both minority communities and the economy. Instead, the government fosters a community-based approach of self-help in the form of ethnic-based associations<sup>51</sup> that are supported by the government. With the establishment of these associations, the ideologies of meritocracy and multiracialism - equal opportunities and rights - remain uncontested.

Explanations for the economic positions of Malays and Indians often draw on cultural reasons and subsequent backwardness, which have their origins in the colonial ascriptions of economic roles that are based on the cultural values and norms of different ethnic groups (Hill and Lain, 1995, p. 109–110). Members of minority communities partly attribute their economic development and position to discrimination in regard to recruitment, promotion, language or still prevailing stereotypes. This is expressed by a respondent from an Indian background who blames so-called 'Chinese gatekeepers' for fewer chances to get into private companies and responsible positions due to their selective recruitment and promotion policies based on racial membership. Many graduates with a Malay or Indian background struggle to find jobs and are not even invited to interviews because of a pre-selection in terms of their racial background. The respondent argued that he/she got all jobs except the current one after walk-in interviews that made pre-selection impossible. Additionally, many job advertisements require applicants to speak Mandarin or Chinese dialects, justified on the basis of increasing trade relations with the PRC, but even if Malay or Indian applicants speak Mandarin the chances of getting the job are low. It is the respondent's opinion that beyond the official picture of racial harmony held up by the government, one can find a lot of frustrated Malays and Indians who feel discriminated against by Singapore-Chinese. This perception is supported by other respondents, who pointed out that discrimination is (still) practised between the racial groups in regard to recruitment and salary, and that stereotypes are not only limited to the main racial groups in Singapore but also exist in regard to other Asians. The Cartus Director Intercultural

---

<sup>51</sup>Prominent and influential ethnic-based associations are Yayasan MENDAKI, formed in 1981 to assist Malay community members in education, the Singapore Indian Development Assistance Council (SINDA), established in 1991, dealing with education and socio-economic issues of the Indian community, and the Chinese Development Assistance Council (CDAC), set up in 1992 with the main mission of fostering the development of Singapore's Chinese community by managing student tuition centres and training programmes for low-skilled, low-income workers (Tan, 2006, p. 32, 67, 96).

Sales & Account Management states:

[...]in previous organisations I had Malay staff reporting to me, and if you talk to them, their perspective is that it's not homogeneous at all and that they've been to many, many interviews where they asked questions that you would, they wouldn't be allowed in other countries. And that they believe the pay structure and how they are treated, there is a definite perspective of Chinese first, Malay second and Malay, Indians second, third. I've heard a lot of Singaporean Chinese talk about Malays being lazy, Indonesians being stupid, Filipinos being great singers but they can't seem to get their act together, great social people but can't do beyond that, Hong Kong Chinese being aggressive, mainland Chinese just always trying to make a fortune but don't have sophisticated education, and so there is, even amongst Asian races, there is a huge, there're, there're lots of clichés, boxes they put people into (J.Ca., interview with the author, 24.04.2007).

Apart from Article 12(2) of Singapore's Constitution, there are no further regulative institutions to prevent discrimination in employment, and even the Article's impact on the respective actions of private employers is unclear due to the ambiguity of its wording, as outlined in chapter 1.3. Further codes and guidelines, such as the Tripartite Guidelines on Non-Discriminatory Job Advertisements, are legally unenforceable and thus rather constitute normative institutions. However, according to the Divisional Director, International Manpower Division of Singapore's Ministry of Manpower, "[...]they [*the Tripartite Guidelines on Non-Discriminatory Job Advertisements*] do carry quite a lot of weight. So, when we spot advertisements, for example, that flaunt these guidelines, specifying race, religion, gender, age, we are able to call up the company and the company will usually back down" (K.C., interview with the author, 17.03.2007). Tripartite Guidelines is the only institution covering discrimination or work practices in a diverse working environment referred to by the respondents. The guidelines are seen as a step taken by the government to prevent discriminatory behaviour (W.L., interview with the author, 24.01.2007) or as part of the process to move away from stereotypes (V.M., interview with the author, 04.05.2007), and apparently are considered sufficient in the Singaporean business environment.

Overall, it is apparent that the racial harmony and tolerance stressed by the government do not always reflect the reality in which stereotypes and ethnic boundaries influence the interactions and social life of different racial groups. The ideology of multiracialism

and meritocracy that aims at establishing and preserving racial harmony and preventing conflicts has far-reaching significance, because it is almost invisibly woven into the social fabric of Singaporeans and, to a lesser extent, foreigners by influencing perceptions, ascriptions, behaviour and interactions. It constitutes an institutionalised instrument of social engineering with which the government ensures social stability and therefore economic development and helps to depoliticise ethnicity. The result is a complex framework of fixed racial categories associated with consistent characteristics such as culture, language, religion and associated stereotypes, a shared national identity that finds its expression in hyphenated labels and furthermore includes the ability to advance on the basis of merit and achievement as well as (subjective) perceptions of discrimination. The existing regulative and normative institutions written down in the constitution, various codes and guidelines do not include all types of discrimination and do not necessarily cover private employers and are not legally enforceable. In the case of these institutions the Singaporean government does not pursue legal interventions in favour of the free market, but leaves the matter for the most part to companies to deal with workforce diversity.

Due to the government's active diversity management policy, and its impact on everyday social reality, diversity is a part of life for every Singaporean citizen: everyone goes through the same schooling system, speaks the same slang (J.L., interview with the author, 08.02.2007), diversity is taken for granted and people just live with it because it's there (J.Ch., interview with the author, 25.01.2007). The harmonious coexistence of the different racial groups and its importance for Singapore's (economic) survival is a central discourse in the Singaporean public arena that is actively maintained and circulated and is part of the self-conception of Singaporeans, as described by Logistica's Vice President Human Resources Information Systems:

I think diversity is not a problem. Because we, we grow up in a very diverse environment, we have so many races, you know, we are called a multiracial country. So, diversity is not a problem for us and we are raised up, you know, in schools, we are even raised up to respect other cultures. And our teacher always tells us why is it that we have such a stable economy today is because we respect and we try to understand other cultures. So, I think for most Singaporeans is not that big a problem because it's just part of us (T.L., interview with the author, 01.02.2007).

Governmental efforts to manage diversity are perceived differently by respondents, ranging from being some kind of invisible hand or force to blend the people together, as done in

housing policies<sup>52</sup>, which is just one example of a governmental policy achieving and preserving racial harmony (W.L., interview with the author, 24.01.2007), to the appreciation of the respective policies and their limitations:

You know, when I came here 22 years ago one of the things that first impressed me about Singapore was here was a country that preached good race relations and actually had them [...] And the point about Singapore is that was not achieved by accident. There has been made deliberate policy in the Singapore government of ensuring that our diversity, our racial diversity and the by-product of our religious diversity is recognised and respected [...] Singapore is a place where, you know, people mingled together and lived together in a perfectly happy way [...] But while staying in their own community because that's their background, their heritage, their culture they are still very aware of their neighbours' background and culture. And you get lovely things like neighbours who live together with different races give each other food which is very, the ultimate Asian compliment. Giving each other food on their particular high days and holidays. People except that and thank, and everybody knows the do's and the don'ts. So, that nobody wants to go and offend somebody else. I agree you are not going to get huge numbers of people, you know, of different ethnic groups going out together. That will happen but it's, you know, it's your generation and the next generation that will do that. For now, we've gone from a period of, what, forty years ago, where there were ethnic riots on the streets for no other reason than somebody was a different race. That was all, that was just the spark to where we got a peaceful, well-run state where everybody is respected and everybody got a chance. You know, it's not like the past where, when the British ran Singapore. The Eurasians and the Peranakan were, were the top locals. And everybody else was regarded as a sort of colourful servant, you know. Almost not to be noticed. That was the

---

<sup>52</sup>Soon after the PAP came into power, the Housing and Development Board (HDB) was established to build large-scale housing projects in order to provide living space for the growing population that often lived in squatter settlements. Several initiatives were taken by the government to encourage Singaporeans to purchase their flats, in order to ideologically, as well as materially, incorporate the population (examples of these initiatives are the Home Ownership Scheme or the allowance to use up to 90% of an individuals' Central Provident Fund to purchase the flat). Furthermore, the HDB programme serves to break up ethnic minority and Chinese dialect communities by mixing them in the housing estates, maintaining a certain quota for each minority population. According to Chua, 1997, the breaking up of established communities and mixing them with the help of the housing programme is "ideologically justified as a necessary step to pre-empt any possibility of race riots [...] this again reflects the Government's tendency to make pre-emptory moves in its management of society" (p. 323).

case. So, I think the diversity issue is one of awareness that diversity exists not being threatened by it, and respecting differences. And I think we have that here (V.M., interview with the author, 04.05.2007).

It seems that multiracialism is an ambivalent issue: on the one hand, the public discourse is shaped by meritocracy and multiracialism, which are central pillars in Singapore's nation building strategy, while on the other hand it also means that different racial groups live in (apparently) equal coexistence side by side, with the tendency to stay in their own community, as indicated in the quotation above and by the remark of one respondent that Singaporeans tend to mix less in their leisure time because they can choose with whom they want to spend their time (N.G., interview with the author, 06.02.2007).

A free discourse about sensitive topics, for example about racial and cultural issues, is further hindered by the so called out-of-bounds markers (OB markers) that identify subjects that are not to be discussed in public for "fear of destabilizing or jeopardizing public peace and order" (Lyons, 2005, p. 213). The PAP determines the limits of the OB markers, which often remain unclear and therefore generate a kind of self-regulation of individuals and organisations operating in civic society. Only a few respondents point to breaches in the official strategy of racial harmony by emphasising, for example, socio-economic inequalities, discrimination and existing ethnic boundaries as indicated by the quotations above, a point which is also taken up by Chua, 2003:

The ideological success of this strategy [*multiracialism and the corresponding neutrality of the state*] is reflected in the ease with which Singaporeans readily describe the nation as multiracial, as evidenced by religious, cultural and linguistic guarantees and practices. The government consistently describes its policies as multiracial, multilingual and multi-faith. Indeed, from the outside, the term multiracialism sits comfortably - disconcertingly so - with both the Singaporean government and the people. There is an apparent absence of anxiety about being multiracial, about differences and potential conflicts that are presumed to be well policed and kept in check by legislation and by government agencies (p. 61).

Issues and potential conflicts many multiracial societies face, for instance discrimination, structural inequalities and stereotypes, are usually not to be debated and negotiated in public in Singapore. Nevertheless, the subjective perception of discrimination and

inequalities remains and influences the relationship in the corporate context, too. As a consequence, the complex and interwoven institutionalised ideologies of multiracialism and meritocracy need to be taken into consideration, examined and analysed with great care, particularly if the concept of diversity management is translated into the Singaporean corporate context.

As already indicated by the constructionism of the Singaporean state, the government not only dominates the social and cultural sphere through its ideology of multiracialism and meritocracy, but also controls and manages, alongside Singapore's economic development, other related areas such as managing demographic change, immigration and workforce planning. Probably the most major workforce challenge that requires governmental attention and management is the changing demography of the population, which contributes significantly to the shortfall in domestic labour supply and also changes the composition of the available Singaporean workforce. This also has an impact on employment practices, forms of employment and changing demands on companies. The government has taken steps to influence the structure of the Singaporean workforce through its proactive role in population/family planning - a highly institutionalised field that is dominated by the government - as well as measures taken that aim at enhancing the employability and competitiveness of Singapore's workforce and to make it more attractive for employers to retain older workers. As became apparent in chapter 3.1, although gender is institutionalised as a common feature in Logistica as well as Moneta's corporate social reality due to the high number of women working in both companies, it is not as current a (diversity) topic as age, which is perceived as a 'problem' by both companies and the government, as indicated by MOM Divisional Director, International Manpower Division:

I think the biggest impact will be the, I, you look at the workforce profile, it's gonna be an ageing workforce. And so companies have to think about how they are going to deal with an ageing workforce. Does this mean changing some of their work processes so that people can continue to work longer, you know, in their jobs? How can they continue to retain people for a longer period of time, you know, given that restructuring, you know, now organisational structures are flatter, it's harder to promote people now? So, so I think those are the main sort of challenges that people have to face (K.C., interview with the author, 17.03.2007).

The institutionalisation of age as a problem in the Singaporean context, and respective initiatives to solve this problem, focus very much on economic considerations made by the



government and companies alike; it is perceived as being the main labour force challenge. In addition to the initiatives and acts introduced by the government, the ageing workforce is also increasingly recognised by companies like Moneta, which implement various programmes to meet this challenge and institutionalise age as an diversity issue.

Besides changing workforce demographics, the shift of Singapore's economic development strategy toward a knowledge economy, manufacturing and service hub is accompanied by a changing structure of economic sectors, as producing industries increasingly move to neighbouring countries - indicated by Accenture's Human Resource Director Southeast Asia, Australia and Korea:

I think, you know, I think the type of work that's done across ASEAN and across Asia-Pacific is shifting to different countries. So, I think Philippines and Malaysia will continue to be, considered to be outsourcing hosts and they might attract, and India. Pretty much India, Philippines and Malaysia depending on what research you raise. I would say they are the top three countries in the world in terms of outsourcing locations [...]so I think Singapore is not going to be a centre for that type of work. I think it will continue to be the higher value, for us, higher value business and technology consulting [...]Singapore has such a huge infrastructure in terms of government and need to keep that work onshore, I think the outsourcing market in Singapore is gonna start to become quite robust. So, I think there will be more and more businesses looking to providing an outsourcing business processes, outsourcing back office-type function support to businesses in Singapore. So, that's also gonna bring an additional pressure to the labour market as well, in addition to IT skills (L.B., interview with the author, 03.05.2007)

This evaluation is shared by MOM Divisional Director, International Manpower Division K.C., who gives an estimation of the importance of the different economic sectors in Singapore's overall development:

Well, the big growth sectors will be in the service sector, whether it's financial services or hospitality. You know, and if you look at the services sector they contribute three out of four new jobs in Singapore [...]Where people are finding it hard to hold on to the jobs, a lot of them are in the manufacturing sector but more at the lower end part of manufacturing. Manufacturing as a

whole is still growing, it's growing at the pace of GDP in fact, it's just that they don't hire as many as before (interview with the author, 17.03.2007).

Obviously, Singapore's economic development entails the changing requirements and demands of the workforce and coincides with changing demographics. Due to the chronic domestic labour shortage since the first appearance of full employment, the Singaporean economy increasingly relies on the importation of foreign labour. With the help of various strategies, schemes and programmes the government tries to attract highly skilled labour to work and live in Singapore. The city state is promoted as being an attractive, safe and cosmopolitan place to stay and work, and according to respondents the advantages of Singapore for individuals and companies are English as the standard language, a free lifestyle (for example, in regard to religion), a safe environment, top infrastructure as well as the economic and social management of the government (J.Ca., interview with the author, 24.04.2007; K.C., interview with the author, 17.03.2007). The government's efforts to facilitate the flow of foreigners to Singapore is positively acknowledged by respondents, especially in regard to the shortage of talent. Accenture's Human Resource Director Southeast Asia, Australia and Korea explains:

Yeah, I think it's really a lack of it [*talent*] in boom times over here in Singapore [...]So, I think we are really seeing competition from all over. It's not only local but we got a lot of MNC coming to Singapore expanding operations here [...]it's a real battle for the best [...]Singapore enables people to come in and work very easily. And because we are in the Asia-Pacific region people from the Philippines, people from India, people from Indonesia, people from Thailand, they wanna come and work in Singapore cause it's a high cost, low tax country. High cost, high paying, low tax country (L.B., interview with the author, 03.05.2007).

Overall, the respondents evaluated the Singapore government as being open and helpful in attracting foreigners wanting to work in Singapore and/or being recruited by companies. The various strategies, instruments and programmes, such as the Employment of Foreign Labour Act or tax deduction schemes for companies that recruit foreign talent, constitute regulative institutions that manage the inflow of foreign workers with respective skills and therefore influence the diversity of the available workforce. Foreign labour coming to Singapore can be divided into two categories: unskilled workers, usually from neighbouring countries, and professionals, coming from all over the world. The former especially are

mostly from the same racial background as Singaporeans (Malay, Indian, Chinese), and according to respondents can be integrated with relative ease in racial and cultural terms. As exemplified in chapter 3.1, the foreigners working in Logistica SINCOs operations department originate from Malaysia or the PRC, blend into Singaporean society and are therefore part of Singapore's social reality: "[...]by and large, people can assimilate into society and I think what's also important is because we've always been so heterogeneous you can't really see the impact of immigration as much [...]it doesn't hit you on the street so much" (K.C., interview with the author, 17.03.2007).

Concerning immigration, the government's focus is on foreigners with tertiary education who are thought to bring vigour and dynamism to the population as well as inspire change. Before the 1990s, most highly skilled foreigners came from developed countries, but that has changed in the last decade whereby more hail from the region (especially China and India) (Pang, 2006, p. 160). The composition of Moneta's diversity committee and Logistica SINRO's HR department constitute good examples of Singapore's successful immigration policies around the acquisition of highly skilled labour. The diversity committee is divided equally between Singaporeans and foreigners. The latter are mainly Indian and Malaysian, with only one person originating from Great Britain, who is also the only one to have lived in Singapore for over 20 years (the others have lived in Singapore for a couple of months/years); a finding that supports that made by Pang, 2006. Management positions in Logistica SINCO's HR department are filled by more foreigners than Singaporeans (5:3), the former originating from New Zealand, Australia, Germany and India. All members of Moneta's diversity committee and managers of SINRO's HR department have either a Bachelor or Masters degree, thus fitting the immigration scheme of highly skilled labour. The consequences of these immigration patterns for companies are on the one hand a worldwide pool of talent and on the other hand a diversification of their workforce that might increase as the government reinforces its efforts to attract skilled labour, fitting the economic development plans of the government and companies alike.

A great deal has been done to make Singapore an attractive place for foreign talent, but the inflow of foreigners is not always perceived as positive by Singaporeans, who feel overrun as well as outrun by foreigners (J.K., interview with the author, 25.01.2007) or fear that too much diversity might lead to a loss of one's own identity (R.C., interview with the author, 05.12.2006). According to Lai, 1995, one reason for these ambivalent perceptions is that the immigration policies favour foreigners of Chinese ethnic origin - a

perception that is especially common among Singapore's minority communities (p. 168)<sup>53</sup>. Another reason is the perceived advantage of employing foreigners (e.g. new migrants and first-generation permanent residents) in the job market and concerning their career advancement due to the compulsory two to two-and-a-half years' national service and subsequent annual recalls for military training for Singaporean males (Hui, 2002, p. 39). Respondents highlighted the economic and social differences between Singaporeans and expatriates who came to Singapore and received special housing allowances, education for their children, high salaries, etc., which fuelled resentment amongst Singaporeans. In this regard, the dominant perception was, and still is, "us-and-them" (J.Ca., interview with the author, 24.04.2007), which is part of the public discourse about foreign labour and also extensively covered by the media:

Months of talking about Singapore's need for talent beyond its own shores have not helped Singaporeans come to terms with the foreign talent in their midst. The us-versus-them divide kept rearing its ugly head at yesterday's Annual Feedback Group Conference [...]. Now, it is not that Singaporeans are against the Government's policy to bring in talented foreigners to boost economic growth, participants were quick to note. In fact, a Singapore Press Holdings survey in March this year found that nine in 10 Singaporeans supported the move to absorb foreign talent into the economy. But feedback participants made it clear yesterday that while they had no quarrel with the rationale behind the move, their emotions on the issue were not quite as settled. They said they disliked the "aggressive" way the Government has gone about promoting the need for talented foreigners to come here. As one participant put it: "It makes locals feel second class." No one should be surprised by these utterances. They are hardly new (The Strait Times, 1999).

The issue of foreign workers vs. Singaporeans has not waned over the past few years, especially in times of economic slowdown. Nevertheless, one respondent noticed a change in the offers foreigners receive and accept, moving away from special allowances and high salaries to smaller packages because some foreigners start to focus on the opportunities and business potential Singapore has to offer instead of monetary return. This in turn

---

<sup>53</sup>The government treats Malaysia, Hong Kong and Taiwan as traditional sources of labour, whereas Indonesia, Bangladesh or Sri Lanka are considered non-traditional sources. Additionally, the government relaxed its immigration policies in 1989 to attract and settle 25,000 Hong Kong families with respective talents and skills, raising concerns with minority communities that the government was to turn Singapore into a Chinese stronghold (Lai, 1995, p. 168–169).

leads to more companies considering hiring a foreigner, whereas historically they could not afford to do so, further diversifying the workforce (J.Ca., interview with the author, 24.04.2007).

As illustrated by the ambivalent perceptions and discourse about foreign workers, next to the regulative institutions such as acts, programmes and initiatives, obviously there exist related cultural-cognitive institutions which might influence attitudes and behaviour towards foreign workers, outside as well as inside the corporate context. Next to the existing resentment and fears of Singaporeans in view of fostered immigration, these institutions are also exemplified by the perception of foreigners, especially Westerners, by Singaporean respondents. These are often simplified categorisations of behaviour that are opposed to how Singaporeans/Asians are viewed: Westerners tend to dominate the conversation, are more outspoken and do not include less verbal people (here Asians); Asian cultures are more passive (A.M., interview with the author, 08.12.2006); Asians are, in comparison to Westerners, more reserved and do not speak up; Singaporeans are not high risk takers, whereas Westerners are (W.L., interview with the author, 24.01.2007) and for Asians the company comes first (N.G., interview with the author, 06.02.2007). It is somewhat surprising that despite the evaluation of many respondents that other Asians blend in and assimilate with ease into Singaporean society, perceptions and related stereotypes are not limited to Westerners vs. Singaporeans but are also extended to the different Asian races. As a result, those cultural-cognitive institutions might foster certain expectations and behaviour for Singaporeans and foreigners alike in the corporate context, which influence for example teamwork and communication.

In summary, it became evident that the institutional environment of Singapore is quite complex, extends to the corporate realm and therefore influences the (potential) interpretation, translation and implementation of diversity management practices. The Singaporean government took the leading role in the institutionalisation and discourse of the nation's various facets of diversity (race, ethnicity, age, gender, etc.) and related issues (immigration, workforce planning, housing, demographic management, etc.), aiming at Singapore's (economic) survival. The different cultural-cognitive institutions that are part of the social reality of Singaporeans and foreigners are reproduced and taken for granted, thus contributing to the maintenance of these institutions. As established, different regulative, normative and cultural-cognitive institutions have an impact on recruitment, promotion or perceived (economic) challenges, as well as on social interactions, norms, (self-)ascriptions and the behaviours of individuals, which are also transferred into

the business context and the respective company. Due to its leading role, the government constitutes an important player in the issue field of corporate diversity management. This might be incomprehensible at first glance because there are few direct governmental interventions in regard to workforce diversity, but, according to Hoffman's concept, issues - here workforce diversity and its management - define what the field is and bring together actors who are not commonly part of an organisational field in the traditional sense (Hoffman, 1999). As evidenced in this study, the government's active diversity management outside the corporate realm directly or indirectly influences the discourse, perceptions and (organisational) behaviours of actors. If, for example, the Singaporean government changed the regulative institutions regarding workforce diversity, it would in turn change the action patterns of corporations and field membership (including all corporations affected by the legislative change). Hence, it is crucial to evaluate and incorporate the Singaporean institutional environment and field members of the respective issue field in the course of translating workforce diversity management into the Singaporean context, in order to assess the potential of diversity initiatives and the possibility of diversity management to become an institution itself in the corporate sphere.

## 5.2 Possibilities and Limitations of the Systematic Utilisation of Diversity Management in the Singaporean Business Context

It was shown in chapter 5.1 that diversity management implemented by the Singapore government has a different meaning than in the corporate context. The rationale for the political management of race and racial relations was and still is the securing of the nation's survival by preventing communal politics and riots through the de-politicisation of ethnicity. The result of these efforts is a stable society, which is one important foundation of economic development and a reason why many companies have expanded into Singapore. Despite its emphasis on different races, the CMIO-model fosters the homogenisation of differences within each racial category, a concept that is diametrically opposed to corporate diversity management that promotes heterogeneity and focuses on individual differences and uniqueness. The popular and promoted main objective of diversity management in companies is the promotion, appreciation and utilisation of differences, which are thought to be an economic asset, instead of managing conflicts inherent in a diverse workforce. This concept of corporate diversity management can therefore not be considered as a local concept developed as an answer to local conditions in the Singaporean corporate context. As already illustrated in chapter 4.2, for many respondents it did not make sense to translate the concept of corporate diversity management to the Singaporean context because the workforce is already diverse enough, Singaporeans are used to diversity and/or are homogeneous. The harmonious coexistence of differences fostered and promoted by the government is, according to the respondents, also transferred to the business context. The economic utilisation of differences as such is not intended by the Singaporean government, except as a defined and fixed marker of differences between different racial groups or to provide a colourful (albeit economically profitable) background.

Considering these circumstances, it is no surprise that the relevance of diversity management for companies operating in Singapore - MNCs and local companies alike - is not very high. According to the feedback given, the majority of Singapore-based subsidiaries of the MNCs and local companies I contacted during the research did not have a strategy to deal with workforce diversity or any implemented practices regarding diversity management. Only two out of 45 companies gave the direct feedback that they have a diversity strategy, one being Moneta Singapore. The other company was another leading global financial institution with its regional headquarters in Hong Kong. An employee working

in the HR Asia Pacific department of this financial institution gave during a meeting an insight into the company's diversity management which, according to him, had already moved away from the 'awareness building phase' to the operationalisation and integration of diversity in the field of recruitment, for example. The company's Head of Diversity is located in the USA, where the global diversity strategies for the bank are developed. In Asia Pacific, diversity management in Hong Kong is of special importance due to the bank's continuous growth and the talent shortage in Hong Kong's labour market. In this situation the bank depends on the recruitment of mainland Chinese, whose integration is not always free from conflict. Further insight into the diversity management strategies regarding the situation in Singapore was not given. Overall, the introduction of diversity management is, according to the respondent, mainly an answer to external pressure from business and private clients who criticised that the composition of the management board and employees did not reflect the bank's position as a global player (R.E., meeting with the author, 31.01.2007)<sup>54</sup>. Other multinational companies operating in Singapore informed me that they either do not have a department dealing directly with workforce diversity (in Singapore and/or in general) or that the topic is not regarded as important in the Singaporean business context. Most contacted companies took up the argument also given by respondents at Logistica Singapore, emphasising that the workforce in their Singapore subsidiaries were already diverse and that it did not need any further diversification. This is exemplified by the Senior Director Corporate Strategy Asia Pacific of a large, multinational information processing company in an email to me:

[...]the topic you mentioned [*workforce diversity and its management*] is not very high on the agenda of topics HR should deal with most urgently. As you pointed out, Singapore does offer a very diverse background which reflects itself in the composition of our workforce. For now, we're grateful for this but take it as a given (S.S., email, 17.01.2007).

A further argument for the non-existence of diversity management is developed by the Singaporean subsidiary of one of the largest technological company's, herein known as Technica, which is owned completely by its parent company. This is, according to Technica's Managing Director, the reason for the dominance of a corporate and work culture that can be found in the company's headquarters and is influenced by its country of origin

---

<sup>54</sup>In contrast to this bank, respondents at Moneta Singapore did not mention any such pressures from external stakeholders. Thus, the assumption of Scott and Meyer, 1991 that banks are subject to both technical as well as institutional pressures cannot be verified in the context of this research.



and is supported by expatriates coming from Technica's headquarters who are working at Technica Singapore, mainly in management positions. He highlights the team and consensus-driven culture in which, for example, team performance is more important than individual performance and decision-making is a collective process that is contrary to the rather individual approach of Singaporeans. As a Singaporean manager it is most important that you have to respect and understand the respective corporate culture (S.P., interview with the author, 14.05.2007). It seems that the mentioned elements of this corporate culture, which are also part of Technica Singapore, are opposed to the established conception of corporate diversity management with its focus on individual differences and heterogeneity, their appreciation, promotion and utilisation. Hence, workforce diversity is of no value in regard to its promoted individualism and uniqueness in an environment where both are subordinated to the principle of collectivism. Nevertheless, in some aspects, diversity can be of value that is generated through its contextualisation regarding the business environment and needs of Technica Singapore. *Firstly*, Technica Singapore serves as a regional base for the whole Asia-Pacific region (including India and Pakistan), emphasising the need for extended knowledge of different regional cultures. However, it did not become clear if and how Technica Singapore deals with this demand. According to Technica Singapore's Managing Director, the company's headquarters promotes the cultural understanding of its employees by sending expatriates to other countries in order to work in Technica's subsidiaries (the same is done with expatriates working at Technica Singapore), but to my knowledge no comparable programme takes place at Technica Singapore. Nevertheless, the importance of cultural knowledge is repeatedly highlighted, for example Technica Singapore's annual sales conference is attended by people from around the world, whose needs and wishes need to be considered. *Secondly*, it is difficult for Technica Singapore to recruit people, especially younger ones, into the line of business in which it operates. Therefore, Technica Singapore abandoned the principle of seniority, which is an important aspect of the work culture of its parent company<sup>55</sup>. For Technica Singapore this means that younger employees can also work in management positions, as long as they have the potential. At the time of the interview, the average employee age was 42 years and the aim was to lower it further. Next to extended career opportunities for younger employees, Technica Singapore focuses on employee development and satisfaction to recruit and retain (especially younger) people. The company offers a reasonable salary, bonuses, awards and a good work environment, and the latter particularly

---

<sup>55</sup>According to S.P., the principle of seniority is based on the idea of lifelong employment with one and the same company. Promotions mainly depend on the seniority of employees (interview with the author, 14.05.2007).

should be promoted through cross-functional work and good leadership. *Thirdly*, mature workers add, due to their skills, training and knowledge, value to the company. Technica Singapore also employs two mature workers, who formerly worked for the company, on a contract basis after they reach retirement age. The contract is extended every year depending on the health situation of the respective employee.

Technica Singapore is an example of a company where the non-existence of a diversity strategy or corresponding initiatives is (partly) ascribed to the influence of the corporate and work culture of its parent company. The arguments against diversity management that are given at Logistica Singapore - an already diverse workforce and the homogeneity of its Singaporean employees - are not picked up at Technica and do not influence the arguments in any way. Despite the general statement of Technica's parent company that "respecting and valuing the diversity of our employees creates synergy and adds new value" (Technica, 2010), the diversity initiatives of Technica are mainly aimed at the local business environment at the company's headquarters<sup>56</sup>. The rationale in favour of diversity, as described by Technica's parent company, is not transferred to its Singaporean subsidiary where, according to its Managing Director, the dominant corporate and work cultures have a great effect on management strategies and personnel management. Nevertheless, it became apparent that certain aspects of workforce diversity occur because of a specific business environment and the corresponding business needs of value for Technica Singapore.

Overall, one can state that workforce diversity in Singapore is of minor importance in the corporate context. This is reflected in the arguments developed against the implementation of diversity management, and is the reason why only a few companies have actually developed a diversity strategy and implemented respective initiatives. Nevertheless, it also became apparent that companies do utilise existing workforce diversity in different ways, for example in regard to scheduling, using the cultural knowledge of employees or the skills and knowledge of mature workers. If companies (unintentionally) already make use of workforce diversity, the question arises as to how and in which cases companies in Singapore can utilise and benefit from diversity in a more systematic way? The

---

<sup>56</sup>Technica's parent company launched a diversity development project in 2006 to create awareness and respect for diversity, as well as different work styles, and to build synergies among employees. Work-life balance, with its focus on the maintenance of a balance between work and family, is the key element of Technica's diversity approach. One initiative of the programme is, for example, a daycare centre for group employees. A further initiative is the employment of PWDs in order to meet the legally mandated ratio of physically and mentally disabled employees. Additionally, as a response to an ageing society, Technica provides post-retirement work opportunities in specific jobs to interested employees who have reached the retirement age (Technica, 2010; S.P., interview with the author, 14.05.2007).

crucial first step of this analysis is an examination of the challenges companies have to face regarding their workforce, which are (partly) influenced by Singapore's institutional environment. The next step focuses on the possibilities diversity management offers to address the respective workforce challenges. In the course of the subsequent step of the analysis, different factors need to be taken into consideration to evaluate the potential and challenges involved in translating diversity management into the Singaporean business context.

As outlined in chapter 5.1, Singapore's economic development and changing demographics have resulted in a chronic domestic labour shortage. In April 2010, the Singaporean Ministry of Trade and Industry (MTI) announced that the country's GDP had expanded by 13.1% in the first quarter of 2010. This strong growth and the overall improved outlook for the global economy caused the MTI to upgrade its GDP growth forecast to 7.0%-9.0% (Ministry of Trade and Industry Singapore, 2010). Driven by economic growth, the overall unemployment rate declined to 2.2% in March 2010, indicating full employment, and similarly job vacancies rose by 4.3% in the same month, which was 63% higher than the previous year (Ministry of Manpower, 2010c). These figures indicate a further tightening of the labour market, which consequently has a direct impact on companies operating in Singapore. The contacts from other MNCs indicated that Moneta Singapore is not the only company that is challenged by the recruitment of employees, and the talent shortage is considered a serious problem. One approach to the 'demographic crisis' is taken by Moneta Singapore, with its focus on different talent pools (mature workers, PWDs, minority communities). This approach also matches the rhetoric used by many respondents at Moneta Singapore, although we also see at Logistica Singapore the value of diversity when it comes to talent searching and recruitment, as discussed in chapter 3.2. This is a *raison d'être* of Moneta's diversity strategy realised in implemented initiatives, and constitutes a cornerstone of the bank's communication efforts. The argument was also put forward by respondents at Logistica Singapore, but this response produced a rather blurred image of diversity, e.g. a clear idea of (potential) employees showing specific diversity attributes whose recruitment might have a positive impact on the labour shortage is missing.

In general, the attempt to broaden the pool of potential candidates by focusing on talent not necessarily made up of young graduates might be a promising strategy. The mature workers and PWDs recruited by Moneta Singapore work in special (created) jobs; their existence is - especially in the case of mature workers - justified by customer demands

and feedback. Thus, the broadening of talent pools depends on the business needs of the respective company that legitimises the recruitment, integration and promotion of these talents. In the case of Logistica it would not make sense to recruit PWDs or mature workers for physically challenging jobs, such as a courier, but it might be an alternative in departments like the company's call centres. Nevertheless, despite the incipient success of this approach implemented by Moneta Singapore, the numbers of recruited employees from the different talent pools remain relatively low (20 mature workers and five PWDs in 2007) and apparently cannot be the main solution to the demographic problem and constitutes an additional resource only.

Another approach might be the recruitment of people from different backgrounds, with lower (academic) qualifications but certain certifications and work experience not necessarily listed in the original job profile, as indicated by Logistica's Vice President Regional Office Human Resources:

If you talk about having people coming from different backgrounds, in resourcing I've seen people coming from different backgrounds; although it can be improved, it is improving but not to the fullest. It tends to sway toward people who have come from a similar background but it is improving [...] Think out of the box, maybe I think than it'll work [...] So, we're looking for a different level of expertise. In the aviation industry what does a Master degree do for you? The people who enter the industry get certifications along the way and handling different aircraft, different operations and move around the way and you got to go for those kinds of education. Just like, you know, in construction. The Masters in Civil Engineering, so what? You know what, unless the guy goes and handles different kinds of projects along the way, gets certified along the way. Similarly to a guy in the IT profession, Masters degree in IT but the one who's certified Lotus Notes professional, certified ORACLE you know, 4.5.1. whatever, you know [...] So, the guy may have A-level but he has a whole list of certifications you don't have in the role profile. And he brings all that out, certificate, certificate, certificate in aircraft maintenance of a 737 - that's a big deal (A.M., interview with the author, 08.12.2006).

Opening up to a diverse set of qualifications - which do not fit the job description to the fullest - might also lead to a larger pool of candidates in an otherwise tight labour market. It is self-evident that this approach cannot be adopted with regard to all jobs

or every talent pool, as some jobs demand candidates with specific abilities, education and knowledge, but it would be careless if a candidate with respective qualifications, certifications and knowledge would not be considered for a job because he/she does not fit the popular scheme of candidates or the job description 100%.

A further promising strategy used to deal with the talent shortage in Singapore is pursued by Moneta Singapore, Logistica Singapore and Technica Singapore: the internal development and recruitment of highly skilled labour. The focus of the companies differs, however, with Moneta in particular promoting the career development of women and, to a lesser extent, minority communities, Logistica implementing various programmes to identify and develop highly skilled employees or to recruit young talent via AIESEC, or partnerships with various universities, and Technica having abandoned the principle of seniority to promote younger employees to management positions. As seen, all companies utilise existing resources depending on their business needs and demands. Nevertheless, it also became apparent that only a few selective resources are used for the companies' long-term benefit. A consequent use of these resources at all levels of the company's hierarchy, as well as an expansion of resources, would provide an answer to one of the most urgent business challenges for companies operating in the Singaporean business context.

The composition of the workforce at Moneta Singapore and in departments at Logistica Singapore shows that at least half of the workforce consists of women. However, respondents of both companies gave inconsistent statements regarding the role and hierarchical dissemination of women in both companies. At Moneta a common perception among respondents is that gender "is not an issue in Singapore because thankfully we've got women at all levels of the bank including the senior levels of the bank" (V.M., interview with the author, 04.05.2007), while at the senior level (vice presidents) the women/men ratio is almost 50:50 (S.W., interview with the author, 11.05.2007). Despite these evaluations, Moneta's diversity committee saw the need to establish gender as a key diversity initiative to promote female employees' personal and career development and to ensure an equal gender ratio at the highest management levels. Activities include lunchtime talks, a women's networking forum and focus groups, where executive women discuss issues like family-work balance and career development.

At Logistica Singapore, two-thirds of the employees working at SINRO's HR department, and all employees working at SINCO's HR department, are female, while in SINCO's marketing department more than two-thirds are women. On the one hand it is recognised by managers at Logistica SINRO that women are an important resource because "if there's

a glass ceiling for women through informal culture and experiences in the organisation, then you're reducing your potential senior workforce by half" (J.C., interview with the author, 19.12.2006), and, for example, the numbers of women on Logistica Singapore's management board (two women, 13 men) or the number of (senior) vice presidents in Logistica SINRO's HR department (one woman, seven men) do not reflect the actual female workforce participation rate. On the other hand, gender is considered a preferential rather than a business issue (M.W., interview with the author, 30.11.2006) or not regarded as an (diversity) issue at all: "Well, I have a totally different perception of diversity right now. To me, diversity is not, to tell you the truth, regarding diversity, men and women are irrelevant" (F.B., interview with the author, 07.12.2006)<sup>57</sup>.

Nevertheless, at Logistica Singapore there are indications that gender does play a role in the business context, for women at least. One example is Logistica Singapore's 'Meet a Manager', a periodic event for interns. I visited one of these events, during which K.Ch., Head of FCL Services Asia Pacific, gave a speech. The event targeted female interns only, a fact that was criticised by male interns prior to the event. With the help of her occupational career, K.Ch. tried to outline possible career hindrances for women and opportunities to advance in an organisation like Logistica. According to her, there still exist stereotypes and clichés about women and their typical behaviour patterns. In the course of her speech she made suggestions as to how women should behave to be taken seriously and viewed as professional (e.g. not being too emotional, setting clear boundaries regarding their workload, no cat fights, finding a balance between being ambitious and being over-ambitious). She also stressed that Logistica board members are not misogynistic but rather pragmatic, e.g. who is available and suitable for the management board. Women should show their willingness to reach higher positions and actively promote their work and skills, while women from a more 'traditional' background should leave this behind and become an international person. The exchange of her experiences with women in similar positions and situations is, according to her, very helpful (K. Ch., Logistica 'Meet a Manager' event, 14.02.2007).

The suggestions made by K.Ch. mainly target the individual behaviour of women needed to succeed in a male dominated environment. It seems that the career advancement of women depends on the one hand on their ability to abandon their ascribed female traits in favour of male traits (e.g. being less emotional, more active and aggressive, etc.) and on the other hand on emphasising supposedly female strengths (e.g. the ability to

---

<sup>57</sup>Also, ich habe im Moment einen ganz anderen Blick für Diversität. Also, für mich ist Diversität nicht, ich beziehe, Männer und Frauen spielen für mich ehrlich gesagt keine Rolle dabei.

sense misunderstandings, stress and conflicts). No suggestions were made as to how to change the operational and organisational structure to promote women's careers. These considerations are often associated with quota systems and positive discrimination, which is disapproved of at Logistica Singapore because "whenever people sort of think of gender diversity they kind of think of this quota system which imposes sorts of various rules and regulations on hiring decisions - and I don't think that's positive" (M.W., interview with the author, 30.11.2006). The objectives of events like Logistica's 'Meet a Manager' or Moneta's lunchtime talks and the women's networking forum are to establish opportunities and a platform for women to exchange information and experiences, as well as make contact with other women in similar and/or different situations and hierarchical positions. Nevertheless, it can be assumed that these activities are not sufficient enough to enable women to compete at all hierarchical levels, as intended by Moneta's diversity committee, and would be consistent with the Singaporean principle of meritocracy.

Apparently, both companies prefer to rely on 'soft' initiatives such as talks and forums instead of offering tangible support for women to help them balance their work-family life or open up career opportunities. In Singapore, women are challenged by constraints like the lack of sufficient childcare facilities, combining both a career and family life (concerning not only children, but also older family members<sup>58</sup>) and the lack of support from companies. Logistica Singapore does not provide flexi-time, work at home opportunities, childcare facilities or a special return to work programme for mothers (or fathers). There only exist unofficial arrangements that depend on the respective manager. Moneta Singapore has already introduced flexi-time and nursing rooms for mothers, but these are besides the talks and forums the main diversity initiatives regarding gender. Improvements in this area could open up further possibilities for women to combine their career and family life, encourage mothers to join the workforce, reduce recruiting costs by retaining highly skilled women and improve the employer image of the company. Logistica's cooperation with the pme Familienservice GmbH at the headquarters, which provides consultancy services and placement in regard to child and elder care, or the International Mentoring Program could serve as an example for respective initiatives. The already existing events and forums act as additional support concerning career orientation, organisation and motivation.

---

<sup>58</sup>The Singapore government's aim regarding the care of older people is to create structural and social conditions conducive to the sharing of the costs of the caring. The Parents Maintenance Act, passed in 1996, imposed a legal obligation on children to maintain their parents. Since the main caregivers are women, the focus on family-based care without sufficient governmental support imposes an additional burden on women (Perry and Yeoh, 1997, p.98-99).

Nevertheless, despite existing initiatives there are still gender-related prejudices restraining women from climbing up the management ladder and preventing men from taking responsibility for family and child care (for example, negative feedback and/or a slump in their career when taking maternity leave). Overall, it became apparent that, contrary to the organisational discourse on age, the discourse on gender and its various facets is not as institutionalised as economic consideration, opportunity and the need of companies - a fact that is also supported by the meaning of talent shortage in the corporate context. The term is mainly used by respondents in regard to young graduates and the various responses to this shortage - employing PWDs, the need to retain and/or employ older workers, recruit talent outside Singapore or inside the company - but the opportunity to promote women and interrelated measures are not considered the main answer to the talent shortage, despite the high female population at Moneta Singapore and Logistica Singapore.

Besides gender, probably the most dominant diversity attribute of Singapore's population is its racial diversity, which coincides with diversity of language, religion and culture, as outlined in chapter 5.1, and leads to the question as to whether this diversity can also be utilised as a benefit for companies and constitutes a possible solution to the talent shortage experienced in Singapore. A first approach to answer this question is to consider whether ethnic diversity might be helpful in addressing the workforce challenges of a company. It was shown in chapter 3.2 that racial diversity is of value and used in a rather pragmatic way in terms of scheduling or vacation planning in departments operating 24/7, as seen at Logistica Singapore's operations department or the call centre of Moneta Singapore. In this case racial diversity is indeed used to avoid labour shortages on public holidays, but is not based on systematic planning (e.g. how many employees of which ethnic group are needed to staff the respective department) and does not include any indicators to measure the success of the 'strategy'. None of the respondents considers this practice as diversity management, but rather a necessity in a diverse environment with corresponding holidays and festivities. This utilisation of racial diversity, however, constitutes one solution to the workforce challenges many companies face, and could be further systematised (e.g. a planned, balanced composition of departments in regard to ethnic diversity through recruitment) to ensure smooth work processes, even on public holidays.

A further approach used to assess the potential of racial diversity in the corporate environment is based on the respondents' evaluation that workforce diversity will increase productivity, creativity and efficiency and improve decision-making processes. This is thought



to be due to differences in behaviour, values, mindset, ideas, perspectives, etc. that are ascribed to employees from diverse backgrounds, including different racial backgrounds. Considering this line of argument, however, several factors might limit the utilisation of racial diversity for the companies' benefit. *First*, all respondents have a blurred image of diversity, i.e. none of them had a clear idea of which diversity attributes might have a positive impact on work outcomes or how it linked to individuals. Without this linkage, the systematic deployment of personnel from a specific (racial) background is not possible and effective. *Second*, it is debatable whether racial diversity as such can be utilised as a benefit in the corporate context, because it is not evident which traits and characteristics are referred to when considering it. In the Singaporean context, the institutionalisation and rigidity of the CMIO model eliminates individual negotiation and imposes a framework of fixed characteristics and traits, as discussed in chapter 5.1. The effect of this established social reality is a homogenisation of heterogeneity that leads to the frequent statement that Singaporeans consider themselves homogeneous, despite the clear differentiation intended by the CMIO model. This, however, is contradictory to the concept of corporate diversity management, with its emphasis on individual differences and uniqueness. Reinforcing racial diversity through diversity initiatives might cause an unintended increase in racial awareness as well as maintain and/or intensify racial boundaries due to institutionalised perceptions, (self-) ascriptions, cognitions and behaviours that constitute the everyday social reality of Singaporeans and are enforced through governmental diversity management. Furthermore, it might negatively influence social interactions and communication or foster stereotypes, as already observed in the non-corporate sphere of Singaporean society. *Third*, a promotion of particular racial groups, as carried out by Moneta Singapore, by recruiting 20% of all interns from minority groups might constitute a sensitive issue in the Singaporean context of multiracialism and meritocracy. As made evident in chapter 5.1, the Singaporean government refuses to accord privileges or impose quotas in favour of minority communities. The meritocratic principle places ability, achievement, hard work and competitiveness above ascribed criteria such as racial group and other associated characteristics. On the one hand, the active promotion of certain racial groups could be regarded as a challenge to the governmental policies of meritocracy and multiracialism, because it would imply that both policies are not as successful as presented by the government. On the other hand, through the promotion of certain racial groups, companies could enlarge their existing talent pools and enable people to compete at all levels where ability, knowledge and skills should determine advancement. Following this argument, the meritocratic ideology would remain rather uncontested.

Overall, it can be summarised that a possible utilisation of racial diversity is not as unproblematic as it is popularly assumed. The institutions established by the Singapore government that aim at preserving racial harmony have far-reaching consequences that also affect the corporate sphere. The social reality of multiracialism and its CMIO model, as well as meritocracy that is shared, reproduced and taken for granted, constitute an environment in which every action and initiative concerning the established cornerstones of Singapore's society has to be carefully considered regarding its dimension and outcome. The sensitivities in terms of racial diversity are greater than for other diversity aspects (for example, gender, PWDs) because they touch the foundations of Singapore's existence and self-conception.

The utilisation of diversity often leads to a further diversification of companies' workforces, as discussed in the case of education, the recruitment of older workers and PWDs or the promotion of a certain talent pool, for example women. Diversification is also facilitated by the importation of foreign workers, who should be employed at both ends of the labour market. This inflow of foreign labour helps companies to meet their workforce demands and challenges, for example the couriers at Logistica SINCO's operations department who come from neighbouring countries and for whom special recruitment events are held in the PRC to find staff to work for Logistica Singapore (E.T., interview with the author, 24.01.2007) or as foreign vice presidents working in Logistica SINRO's HR department. Foreign labour is also of interest for companies that do not exclusively serve the Singaporean market but are set up as a regional office, serving the Asia (-Pacific) region, as is the case with Logistica SINRO and many other MNCs operating in Singapore. This phenomenon is highlighted by the Divisional Director of the International Manpower Division at the Singaporean Ministry of Manpower:

[...]I think multinational companies who set up here, they don't, because again the market is small, they don't serve the Singaporean market. They use it as a regional hub. So, really they need people who can understand the so-called cultural nuances and I think a lot of, increasingly we will see more and more multinational companies using Singapore not just as a regional, I mean, headquarters, but also to develop certain services and products. And I think really you need a diverse range of backgrounds and opinions and ideas to help develop that for this market (K.C., interview with the author, 17.03.2007).

The need to regionalise the composition of its employees was pointed out by respondents at Logistica SINRO and Logistica SINCO, whose call centre is staffed with employees from

Japan, Thailand and Korea, all of whom can talk to customers in their mother tongue (W.L., interview with the author, 24.01.2007). With the increasing diversification of the workforce through the employment of foreigners, especially in times of a high demand, there might emerge the need to deal with related issues such as team integration and conflict management.

According to SINCO's HOD HR, due to the relatively small number of foreigners working at SINCO there is no help or programme to help them integrate into the respective team/department and work environment; foreign employees have to blend in and figure out how to get along with their colleagues on their own (W.L., interview with the author, 24.01.2007). Due to the evaluation of respondents at SINCO that the composition of the country office is not very diverse, and at SINRO that the regional office might be quite diverse in some aspect, although this does not require any special management, most respondents at both locations ascribe existing or potential conflicts within a team to specific roles, functions, personalities and/or pressure, as well as time constraints. At SINCO, no official or unofficial guidelines exist regarding teamwork or conflicts. It is therefore mainly expected that employees will solve the latter on their own or approach a direct supervisor and/or HOD to mediate between team members. When serious problems cannot be solved by the HOD, the HR department is consulted. The overall accepted 'build in' rule is that people should get along with their colleagues (J.K., interview with the author, 25.01.2007). Most departments at SINCO conduct annual team building sessions involving outdoor activities, personality/team profiling, eating out or attending courses to reinforce team spirit and team bonding. Departmental diversity is similar to conflict solving, not a topic in these team building sessions. No data is available for SINRO concerning conflict management and teamwork and team building. Nevertheless, since no respondent emphasised special activities regarding workforce diversity, it can be assumed that they are non-existent at SINRO, too. It was acknowledged by one respondent at SINRO, however, that increasing diversity - here gender diversity - could lead to related problems and issues with which the company has to deal:

A lot of times you'll find an organisation which has a fair amount of gender diversity. Then the organisation has to be prepared to handle, you know, even issues like sexual harassment at work and so on and so forth. So, there must be an inbuilt mechanism which is, which will provide employees with a way of addressing these issues as well (A.D., interview with the author, 18.12.2006).

The issues and mechanisms addressed by the respective respondent are anything but

coincidental because of his role as Regional Values Officer (RVO) for Logistica's Code of Conduct. As already described in Chapter 4.3, the Code of Conduct outlines goals and rules that reflect the company's commitment to act responsibly, ethically and lawfully, and is designed to guide and support employees in their daily decision making. The Global Values Office (GVO) based in the corporate headquarters oversees the implementation of the Code of Conduct, and together with a network of RVOs manages the Code's compliance within the company. The RVOs in turn manage the local compliance network, solve complaints on a regional level, provide guidance on local/regional compliance issues or document complaints and forward them to the GVO (Logistica, na). According to the RVO for the Asia-Pacific region, the Code of Conduct and the respective compliance hotline are effective mechanisms for dealing with potential diversity-related issues as part of the compliance process, but not as part of diversity management:

[...]now, with the launch of this corporate Code of Conduct and the provision of the hotline, which deals with not just financial issues but non-financial issues. Of course, the Code of Conduct has just been launched but that's a wonderful tool which will give people an opportunity to remain anonymous and yet raise issues from sexual discrimination, sexual harassment to financial irregularities and misappropriation of funds, you know, and so on [...]Well I have, in my role as the Code of Conduct regional values officer, I've heard of the diversity department and S.N. heading that department, but on the diversity issue they have no directives or initiatives (A.D., interview with the author, 18.12.2006).

Since workforce diversity is not perceived as a factor in achieving the set business objectives of Logistica Singapore - and thus does not require immediate attention - the same holds true for diversity-related issues and conflicts. This perception is contrary to the evaluation of respondents both at Logistica SINRO as well as SINCO in as much that diversity in teams/departments might lead to a lack of understanding, communication problems, different expectations, the need to get used to each other or provide employees with knowledge about differences and sensitivities to make teamwork more effective. The compliance framework provided by Logistica's parent company might prove sufficient when it comes to cases like discrimination or sexual harassment, but does not help to deal with immediate issues within a diverse team. With increasing diversification of the workforce, the need to pay attention to these diversity-related issues might increase, too.

Interestingly, even Moneta Singapore, which actively promotes the diversification of its workforce through its various initiatives, does not have a systematic approach on how to deal with diversity-related issues and conflicts. Right now, it is not regarded as an issue, and it is assumed by only one respondent that probably later the need will arise to establish a committee that manages conflicts regarding diversity (V.K., interview with the author, 02.05.2007). In regard to PWDs, it is recognised that line managers need help in some kind of training to understand the different needs of disabled persons (S.W., interview with the author, 11.05.2007). Other consulting services and/or training concerning the employment of diverse persons and their special needs were mentioned by none of the respondents. Apparently, diversity management at Moneta Singapore clearly has its focus on the benefits diversity might have in the bank's specific business context, without taking into consideration which implications these initiatives and activities might have for the affected departments, their managers and employees. Conflicts might not constitute the main problem, but increased diversity might give rise to behavioural insecurities, fears, problems regarding different understanding, communication and needs or expectations that have to be taken seriously.

Additionally, the ambivalent perceptions, resentments and fears of being outrun by foreigners, as well as resulting behaviours, need to be taken into consideration because Singaporeans might influence, for example, teamwork or communication. When it comes to the integration of foreign workers from the region, companies should not solely rely on their ability to 'blend in' but also keep in mind that although these foreigners might easily blend into Singaporean society in terms of their physical appearance, this might not be the case regarding their behaviour, experiences, perceptions or attitudes towards work, communication or teamwork. Different approaches such as providing consulting or training, contact persons to mediate, expert knowledge and/or practical advice could help to deal with these issues and should be part of the work of Moneta's diversity committee. As patently obvious, either in the case of Moneta Singapore, with its active promotion of diversity, or in the case of Logistica Singapore, with its rather random diversification within the workforce, an increased awareness and monitoring of diversity-related issues seems to be necessary in order to provide a framework of measurements.

A further important area whose development and implementation seems to be in infancy (if at all) involves the indicators and measurements for the success and effectiveness of implemented diversity initiatives. The terms of reference for Moneta Singapore's diversity committee state that "within the scope of the Committee's objectives, suitable measures

or indicators of diversity within each area will be identified and appropriate data will be collected to track these” (Moneta Singapore, 2007). For mature workers and PWDs, target numbers were identified, whose implementation can be verified for a specific period. These hard facts, e.g. numbers of employed mature workers and PWDs, are opposed to the rather vague indicators for other initiatives described by members of the diversity committee. For events like Moneta’s lunchtime talks or diversity week, the main indicator seems to be the number of participants attending these events. It became unclear during the interviews whether the numbers of participants were systematically collected or estimated instead. Most respondents pointed out that if the rooms are packed, an initiative can be considered successful: “You, you can sign up, I mean it’s voluntary. It’s not compulsory to attend. So, if you see a room, 50 people, well I think the response is quite good” (R.K., interview with the author, 08.05.2007). If not already in place, a more systematic approach would help to obtain data that could be evaluated in relation to the overall target group and compared with other events for the same target group, at different locations or over certain time periods. According to some respondents, surveys conducted by Moneta’s diversity committee evaluate the overall response and satisfaction with these activities, but the respondents could not name the outcomes of these surveys. It was even pointed out by one respondent that it is rather difficult to get feedback due to the bank’s working and Singaporean culture:

One of the things about Singapore is that it’s difficult to get feedback. It’s the nature of the culture. You know, people [...]who have been working in the bank for a long time have rarely been asked in the past for their views. So, they are inherently suspicious of someone who asked that question because they are concerned about the repercussions, because in years gone by there would have been. So, it’s a trust exercise [...]You’ve got to be very sensitive to the fact that we live in a society where feedback is a relatively new concept, not just in the bank but society as a whole. And most people would prefer just to keep their heads down. You know, they don’t really want to open up. It takes time. It’s a mindset change (V.M., interview with the author, 04.05.2007).

Overall, it seems that the objective to develop suitable measures and indicators for Moneta’s implemented diversity activities has not been fully realised, which means that the diversity committee is missing data that could help to evaluate the success of the activities in an objective way, as well as support communication and the *raison d’être* of the

company's diversity strategy and related undertakings.

Various diversity initiatives implemented by Logistica's parent company, similar to Moneta's target numbers for mature workers and PWDs, could be generated to show, for instance, the number of employees participating in online diversity training, the number of active participants in the GLTB employee network situated at Logistica's headquarters, the number of employees consulting the pme Familienservice GmbH or the number of participants in a workshop dealing with the demographic risk monitor. Besides the number of participants, the long-term impact and sustainability of these programmes are more challenging to monitor. One example for a failed evaluation and ongoing monitoring of a diversity initiative is the Corporate Volunteering Programme initiated by Logistica's parent company. Since one major rationale of the programme from the diversity management point of view was the development of each volunteer regarding his/her soft skills, competencies and experiences, a closer and more frequent monitoring of this development would have been crucial. The monitoring could have, for example, comprised questionnaires sent out to the volunteers and their respective line managers on a semi-annual basis. On the one hand, these questionnaires would have provided an overview of the development of each volunteer; on the other hand they would have provided facts and figures showing the impact of the programme regarding diversity management, which is embedded in the wider field of human resource development. It is remarkable that almost no evaluation or monitoring tasks were implemented in a programme that was conceptualised and realised as a diversity initiative by the Corporate Culture Department and amounted to an annual six-digit budget spend. Consequently, these facts and figures were missing when it came to further planning, possible modifications to the programme, communication and the evaluation of the programme's sustainability.

The overall impact of diversity management, however, is a controversial issue among respondents at Moneta Singapore, as well as Logistica Singapore. The measurements and indicators discussed in the preceding paragraphs are only able to provide an evaluation of diversity initiatives to some extent, because it is difficult to quantify all possible internal and external benefits of diversity management. The prevailing opinion at Logistica Singapore is that workforce diversity and its management do not have an effect on the bottom line, since these elements do not help to achieve set business goals, whereas at the Corporate Culture Department its positive impact and possible measurements are emphasized:

Well, the business case. Demographic change, 'Employer of Choice' are key-

words, we need to open up to attract skilled labour, to retain labour, because competition exists and we need to think about how to retain these people. How can we be an attractive employer? [...]How do we motivate people, increase engagement? It is also important to focus on the individual, to take the individual more seriously and so forth. It is also measurable if you are open to new ideas, for example with the help of employee opinion surveys. Another calculation is that it is cheaper to develop employees within the company, which could be considered a diversity initiative as I see it. You can implement an international mentoring program with talent from different countries and promote their professional development. This is also something you can calculate; we have tried it. It is cheaper to do that instead of externally recruiting somebody. Well, such things are calculable with the help of different parameters [...]We tried to calculate it last year and it turned out to fill volumes. Anyway, it's working if you single out certain parameters. Is it possible to measure motivation? It will increase probably because different things happened. You might observe changes regarding the costs of recruitment or PWDs because if you pay more attention to the integration of PWDs their sick days are not that high, right? Well, these parameters are calculable (J.B., interview with the author, 31.07.2007)<sup>59</sup>.

---

<sup>59</sup>Also, der business case. Da gibt es, das kann man fest machen sicherlich an dem, an dem Begriff demographische Entwicklung, 'Employer of Choice', wir müssen uns öffnen wenn es darum geht Fachkräfte zu gewinnen, wir müssen uns anders aufstellen wenn wir Fachkräfte binden wollen, weil der Wettbewerb wird da sein, wie wollen wir diese Leute an uns binden? Wie wollen wir unser Unternehmen attraktiv halten? [...]Wie wollen wir die Leute motivieren, das Engagement zu steigern? Auch das ist wichtig indem wir uns um den Einzelnen, mehr auf den Einzelnen fokussieren, mehr, mehr ihn ernst nehmen und so weiter und so fort. Mehr an Ideen zulassen, dass ist auch messbar, zum Beispiel durch Mitarbeiterbefragung. Man kann auch rechnen, dass es billiger ist, Leute innerhalb des Unternehmens zu entwickeln, vor dem Hintergrund Diversity meinetwegen. Dass man, wie wir es jetzt machen, ein internationales Mentoringprogramm aufstellt, wo wir Fachkräfte aus allen Ländern zusammenholen und die ein Jahr lang bewusst fördern. Auch das kann man rechnen, wir haben's auch versucht. Es ist billiger das zu machen als jemanden von extern zu rekrutieren, zum Beispiel. Und, ist auch für das Unternehmen interessanter die Leute intern zu entwickeln mit so einer Maßnahme als jemand von extern zu holen weil die dann auch schneller einsetzbar sind. Also, wenn wir mal schnell eine Fach- oder Führungskraft brauchen dann haben wir den Pool, auf die können wir zurückgreifen, die können wir dahin schicken ohne jemanden extern einzustellen. Also, solche Sachen kann man rechnen an verschiedenen Parametern [...]Wir haben ja letztes Jahr auch versucht einen zu rechnen und zwar umfassend. Das war nachher so eine Schwarte. Aber man kann durchaus wie ich meine einzelne Parameter herausgreifen und da funktioniert's. Kann man Motivation und Engagement messen? Das wird gesteigert weil vielleicht das und das, sicherlich vielleicht das und das stattgefunden hat. Man kann bei den Recruitingkosten was feststellen, ja man kann bei Behinderten sicherlich auch was feststellen. Ja weil, wenn man sich mehr um die Integration von Behinderten kümmert, sind auch die Ausfall- und Krankentage nicht so hoch, ne? Also, so an diesen Stellen lässt sich durchaus was rechnen.



At Moneta Singapore, opinions regarding the impact of diversity management on the bottom line also differ. On the one hand, respondents highlighted the direct impact, e.g. greater levels of staff retention and productivity, due to good leadership and management, fair and just remuneration, and engaging, interesting work (V.M., interview with the author, 04.05.2007). On the other hand, the outcomes of diversity management were perceived as nebulous and complicated to measure. Nevertheless, in the same breath the need of workforce diversity and its management, as well as their positive impact regarding creative solutions and sharing of ideas, were stressed (J.W., 07.05,2007).

Considering these estimations, it transpires that an isolated examination of the impact of workforce diversity and its management on the bottom line is a complex - and probably impossible - issue. A direct link between diversity management and 'soft indicators' such as staff engagement, increased creativity or improved work climate is difficult to establish because there are other factors like leadership style or remuneration that might influence the outcome. As the previous discussion suggests, in the beginning 'hard facts' are more reliable and significant. With the decision to develop a diversity strategy and to implement respective initiatives, it can be assumed that the company has a clear agenda as to why it is going to introduce diversity management, what the outcomes should be and then implement the activities accordingly. The monitoring could then focus on defined indicators (for example, recruitment numbers for different talent pools, promotion, leadership diversity, number of participants in events and their feedback, reach of communication and awareness level) that could give evidence as to whether the set goals have been met and support the case for diversity management and its sustainability. Additionally, surveys done by independent providers, which evaluate the perception of the company in terms of diversity and inclusion, special advertisements, recruitment strategies or participation in awards (like Hewitt's 'Best Employer' award), could contribute to the overall assessment of diversity management in the respective company.

The decision to implement diversity management as well as its objectives also has an impact regarding its scope (e.g. different hierarchies). The respondents' answers were ambivalent, but it became apparent that most of them associated diversity at management board level/higher levels with different ideas, perspectives, experiences and ideas that are considered important in the decision-making process: "[...]it makes different kinds of impact on different levels, right. So, certainly at a decision-making level it is really important that diversity, it tends to be less and less important as you go down the chain" (R.C., interview with the author, 05.12.2006). At Logistica Singapore, it was also

acknowledged that the regional management board does not have an Asian in its team and therefore does not represent the diversity of the region. Arguments in favour of diversity on higher levels focus on beneficial differences that act as a catalyst in terms of creativity and decision-making, as well as constitute a representation and reflection of the region in which the company operates. Interestingly, neither company has an initiative to actively diversify its workforce at respective levels or to facilitate the mentioned positive processes.

The benefits of diversity on lower hierarchical levels are quite controversial. On the one hand, it is seen as being beneficial when it comes to customer contact, because different employees might be able to better understand and handle different customers (A.D., interview with the author, 18.12.2006), positively shape their perceptions (M.W., interview with the author, 30.11.2006) or are helpful when it comes to scheduling and planning. On the other hand, employees at this levels are mainly required to follow standard operating procedures and diversity is not required to fulfil their job: “We don’t want them wandering around doing something different than the standard operating procedures. That’s not their job. Their job is to follow the standard operating procedures” (B.W., interview with the author. 22.03.2007). The main argument for diversity management that applies to all levels of the company is that the culture and values (e.g. acceptance, tolerance, etc.) that go along with diversity management cannot be valid solely for a certain group of employees that constitute the target groups of the initiatives (L.B., interview with the author, 03.05.2007). As the discussion shows, there are no general solutions regarding the scope of diversity management and its initiatives, but rather these depend on objectives and the reasons for their introduction. If diversity management is mainly utilised as an answer to different workforce challenges, then the main target groups would be limited, albeit not to a hierarchical level. Additionally, general values like tolerance and acceptance held by companies, which might already be recorded in some kind of vision, code or guideline, could explicitly include workforce diversity. Nevertheless, to ensure that these values, codes and guidelines do not end up as paper tigers that sanitise the public image of the respective company, mechanisms need to be in place to monitor their realisation.

In the course of the preceding analysis it became obvious that the concept of diversity management in the corporate environment as such is not embedded in the local context and is a major reason why respondents often drew comparisons between diversity management legally imposed and associated with quotas (particularly in the USA, Australia or New Zealand) and the situation in Singapore, where this kind of diversity management is, according to many respondents, not needed. A positive interpretation of the concept,

and a subsequent enactment of initiatives, mainly referred to the workforce challenges companies have to face in the Singaporean business context. This context is also highly influenced by a regulative, normative and cultural-cognitive institutionalised environment mainly dominated by the Singapore government, which constitutes a dominant part of the issue field of (corporate) diversity. Despite the importance of diversity inside and outside the corporate context, it became apparent that the governmental/social and corporate meanings of diversity management differ significantly. However, it was shown that the concept of diversity management does have potential when it comes to the specific problem of labour shortage in Singapore and that it can be utilised in a more systematic way. As evidenced at Moneta Singapore, although the broadening of potential talent pools is only limited to a small group of people (PWDs, mature workers, minority communities), it could also be extended to diversity in education, qualification and knowledge - a diversification that could also applied to Logistica Singapore. Both companies pursue the strategy of utilising their existing human resources to develop talent inside the company, a strategy that is not exploited to the fullest, as analysed in the case of gender. The potential of racial diversity in the corporate context remains rather problematic due to the institutions established by the Singapore government and their incorporation in the social reality of Singaporeans. It was also shown that the possibilities of workforce diversity management identified are accompanied by several factors that need to be taken into consideration in the course of an intended or unintended diversification of the company's workforce. Diversity-related issues might pose a challenge due to different understanding, communication, needs or expectations that need to be taken seriously not only in the case of an actively pursued diversity management, but also in the case of a gradual and situational diversification of the workforce. Active diversity management, as practised by Moneta Singapore or Logistica's parent company, not only has to deal with emerging related issues and respective mechanisms, but also demand indicators and measurements to assess the effectiveness of implemented diversity initiatives. Collected data could support the rationale in favour of diversity, communication, modifications and further planning.

## Chapter 6

# Lost in Translation? Concluding Remarks on Workforce Diversity Management at Moneta and Logistica in Singapore

When considering the multiple facets of diversity found in Singapore, one could assume that it constitutes a promising field for applying the concept of workforce diversity management for the benefit of companies operating in the city. However, what appears to be a successful and necessary strategy at the macro-level, which is promoted by business literature, researchers, professionals and parent companies, actually constitutes a translation process that differs from organisation to organisation at the micro-level. It became apparent in the course of the research that this translation process is influenced not only by different factors on the organisational level, but also by the broader institutional environment, emphasising processes of active interpretation, definition, translation and enactment of the concept to fit into the specific Singaporean (business) context.

In the case of Moneta Singapore, the local business context - talent shortage, demographic change and changing customer demands - constitutes a framework for the translation and enactment of diversity management. The demographic challenge the bank has to face provides the main economic rationale and storyline for the introduction of diversity management, and at the same time its main legitimisation, namely that diversity management is a strategic business interest considering the 'demographic crisis' Moneta Singapore faces. With the development of respective strategies, initiatives and communication efforts, the concept became enacted, e.g. objectified, so part of the corporate reality facilitates the concept's institutionalisation efforts on an organisational level. While drawing from broader discourses of the (globally) available interpretation that diversity

management constitutes a business imperative due to changing demographic trends, in the course of the translation process the concept was reshaped and modified to fit local business needs, as economic value was ascribed to certain groups depending on the task at hand (mature workers, PWDs, minority communities, gender), recruitment processes adapted, networking forums established and target numbers as a newly introduced practice. It became apparent, however, that the strategy concerning mature workers is driven largely by customers, who ask for maturer relationship managers. Furthermore, the pressure to adopt and successfully translate diversity management at Moneta Singapore was fostered by its parent company and its efforts to institutionalise the concept through a top-down-approach, without which it was doubted by some respondents that Moneta Singapore would have adopted the concept in the first place.

Due to the interpretation that diversity management does not support the business goals of its overall strategy, and therefore different workforce demands, the translation of diversity management to the organisational level for Logistica Singapore was not regarded as necessary. Therefore, the overall strategy and its business requirements determine the concept's non-application in Logistica's Singaporean business context. Additionally, the interpretation that diversity management constitutes a tool for either further diversifying the workforce or for managing an apparently homogeneous Singaporean workforce, both of which are not wanted at Logistica SINRO and SINCO, contributes to the respondents' objection to translating the concept. Interestingly, respondents detected some kinds of unwritten/informal structures and behaviours used to deal with diversity, which are assumed to be just there. This is next to the initiatives of Logistica's parent company regarding diversity management (if respondents have any knowledge of their existence) and the perception that respect for differences is an inbuilt part of Logistica's corporate culture; a further reason for the non-translation of the concept. Dealing with existing diversity is limited to the operational level (e.g. making occasional allowances for family needs or listening more closely when talking to people whose mother tongue is not English) and happens rather subconsciously and is not considered a type of diversity management. Only when it comes to pragmatic considerations, such as scheduling and vacation planning, in Logistica SINCO's 24/7 departments is diversity deployed for the benefit of the smooth functioning of the department. However, this is not considered a translation of the concept of diversity management, but rather as a necessity in view of Singapore's diverse employee base and its differing demands. Apart from dealing with diversity in a mainly subconscious way, some respondents have an idea how to deal with and manage it by drawing on arguments that are part of the theorised model of the managing

diversity concept rather than relying upon their own experience (for example, establishing rules for discussion sessions, brainstorming diverse teams or enhancing personal skills to better manage diverse employees). Although Logistica Singapore's parent company also intends to institutionalise diversity management at national as well as international levels, it became obvious that these efforts did not contribute to and influence interpretation, the translation process or individual perceptions of organisational actors at Logistica Singapore at all, explaining the limitation of the workforce diversity discourse on a rather theoretical level.

In addition to the different factors influencing the translation of diversity management at an organisational level, the Singaporean institutional environment transpired to constitute an important influencing variable (adopting) organisations have to face. Despite the absence of leading laws and regulations regarding workforce diversity, multiple normative and cognitive-cultural institutions influence the perceptions, ascriptions, behaviour, interactions and expectations of organisational actors to a great extent. It was shown that due to the active diversity management of the Singaporean government, diversity is part of every Singaporean's life, a taken-for-granted social reality, determining individual identity and the subjective perceptions of discrimination and inequality that also influence relationships in the corporate context. In this regard, the Singaporean government constitutes an important player in the field of corporate diversity management due to its leading role in the institutionalisation of the country's various facets of diversity and related (economic) issues, and has to be taken into consideration in the course of interpreting and translating the concept of corporate diversity management. Through the homogenising effects of racial diversity management enforced by the Singaporean government, and its focus on conflict management, it is diametrically opposed to the concept of corporate diversity management and its focus on heterogeneity, individual differences and uniqueness that are considered a corporate asset. This leads to the assumption that corporate diversity management is not a local concept developed and deployed as an answer to specific conditions in Singapore's business context. Furthermore, the governmental policies of multi-racialism and meritocracy, which make up the cornerstones of Singapore's ideological framework and self-conception, might limit the utilisation of diversity, for instance in terms of race, in the corporate context due to an increase of (racial) awareness and boundaries because of institutionalised perceptions, cognitions and behaviour, as well as undermining the meritocratic principle through the active promotion of certain groups. Other governmental policies that influence the composition of Singapore's workforce, such as attracting highly skilled labour to work and live in Singapore, broaden the available

talent pool for companies but equally are not regarded as a reason to implement diversity management because they are not interpreted by either Moneta Singapore or Logistica Singapore as tools for managing a diversified workforce and related issues. The flow of foreigners, however, is not always perceived as something positive by Singaporeans, as determined during the research. A dominant perception in this regard is of being overrun as well as outrun by foreigners, whose special allowances fuel resentment amongst Singaporeans and often lead to an 'us-versus-them' feeling. As a result, this cultural-cognitive institution influences attitudes and behaviour towards foreign workers and fosters certain expectations of Singaporeans and foreigners alike, which might for example have an impact on teamwork or communication in the corporate context.

Considering these influencing variables on the interpretation, translation and implementation efforts of diversity management in the different corporate contexts, it becomes apparent that two of the main reasons for the adoption or rejection of the diversity management concept are the different labour demands and supply situations of a logistics provider and a bank. Both companies aim to attract and retain employees in order to achieve their business objectives, but Logistica Singapore's major labour demand is among semi-skilled workers who work mainly 'on the ground' in its operations departments and service centres; highly-skilled labour is mainly recruited from inside the company. Unlike Logistica Singapore, Moneta Singapore faces sharp competition for (young) highly skilled employees, especially in a tight labour market like Singapore, which requires the tapping of additional sources of labour in order to satisfy increasing demand. Thus, the diversity management initiatives implemented at Moneta might constitute one solution to the bank's workforce challenge. However, it was shown that there are further possibilities for addressing these workforce challenges through the utilisation of existing diversity within the companies. One approach is to broaden the pool of potential candidates by recruiting employees who are not necessarily young graduates, e.g. people with different (lower) educational qualifications but certain valuable certifications and work experiences, depending on the business needs and respective job. Another strategy is the internal development and recruitment of highly skilled labour, an approach that is pursued by Moneta Singapore, Logistica Singapore and Technica Singapore. Nevertheless, it became apparent that only a few selective human resources are used; for example, gender is not regarded as a diversity issue (Logistica Singapore) and is not considered high priority (Moneta Singapore). Initiatives and events offered for women can be considered rather 'soft', such as talks and forums instead of offering support to balance work-family-life through flexi-time or opening up career opportunities through mentoring programmes. Obviously gender is

- contrary to the organisational discourse on age - not institutionalised as an economic consideration or opportunity for companies. The promotion of women is not considered a crucial answer to the talent shortage experienced by all three companies.

Since the respondents at Moneta did not mention any (external) institutional pressures to adopt diversity management, the differentiation between companies operating in rather institutional or technical environments or which are influenced by both environments, such as banks Scott and Meyer, 1991, does not explain the adoption of diversity management at Moneta Singapore. The degree of (institutionalised) pressure Moneta has to face mainly stems from the outlined specific situation in the Singaporean business context. Diversity is therefore of value and utilised if it fits the context and business needs of the respective company and is translated correspondingly. The translation and related institutionalisation processes are facilitated by organisational actors like Moneta's diversity committee or the Corporate Culture Department of Logistica's parent company, which determine the meaning, understanding, definition and importance of workforce diversity at the organisational micro-level. These social construction processes are a reflection of internal power bases, such as support from board level and influential managers, implementation capacities such as workplace modifications for PWDs, embeddedness and relationship with other (group-wide) strategies and initiatives and the institutional environment, its demands and expectations. Actors are therefore not passive adopters of a management concept depicted by earlier institutional studies, but are instead active interpreters and translators of the given local- and company-specific framework. Nevertheless, it was also shown that actors only actively translate and interpret concepts if they can relate content to context. One example is the translation and implementation of the diversity initiative concerning mature workers at Moneta Singapore, a case in which the broader diversity management discourse - diversity management as a business imperative due to changing demographic trends - matches the local business context, e.g. Singapore's demographic crisis as experienced by the bank.

As the interpretation and translation process is selective and focuses on specific challenges and the respective potential problem solving capacities of diversity management, it does not include further reasons to adopt diversity management such as social obligations or widely promoted advantages the successful management of differences has to offer (e.g. increased productivity, performance, efficiency, etc.). These potential benefits, for example higher employee engagement and motivation or better work outcomes and business performance, were reproduced by respondents in both companies alike, but it turns out



that they are not proven in the local setting. Respondents thus adapted the widely disseminated and available arguments and rhetoric almost one-to-one, but were not able to link the rather abstract and universal benefits to individuals in the local context and none of the respondents referred to experiences or situations in which workforce diversity made a positive difference. Nevertheless, in most respondents' opinion, diversity management is something positive, and it was rarely discussed if, in some cases, a homogeneous workforce would make more sense. This discrepancy between the normative (theoretical value of diversity attributes) and operational levels (implementation of initiatives to achieve described benefits) leads to a gap in translation, especially in the case of Logistica Singapore. Furthermore, it became apparent that none of the respondents reflected on the company's readiness to take up the new ideas, experiences and thoughts a diverse workforce might bring, in order to benefit from this diversity.

It became obvious that a common understanding of what the management of diversity actually means in the respective corporate context does not exist, although there does exist consensus in both companies that special strategies are needed to manage diverse teams in order to benefit from existing diversity, but these were never defined. Although the link between diversity, its management and benefits was made by many respondents, it was not translated and implemented because existing diversity was not considered to be in need of active management, or the respondents referred to the importance of leaders who need to be pro-diversity and act as role models. This finding uncovers a blurred understanding of diversity and its management, e.g. a missing linkage between diversity attribute, the individual and benefit as well as a vague understanding of the management of differences. This allows for the conclusion that diversity management is often used as a catchphrase, without necessarily having a specific idea of what it actually means in the respective corporate context. Furthermore, the missing linkage indicates that an important 'pillar' of the theorised model, e.g. the justification of diversity management as a business advantage that is generated by promoting the manifold benefits, is in large instances not translated or operationalised. The abstraction and universality of the concept - and therefore its detachment from the U.S. context that should enable the concept's dissemination and travel between contexts - did not facilitate the complete 'arrival' of the concept in the Singaporean context nor encourage actors to translate, interpret and fill in the model on a one-to-one basis.

The same situation applies to Logistica's parent company, which adopted diversity management, its understanding and rationale without major adaptations. Diversity manage-

ment is also understood as a strategy used to improve a company's position by fostering differences and then taking advantage of them. Nevertheless, this strategy is only fragmentarily translated on the organisational level because there exists no common definition of what diversity management actually implies and with which diversity attributes and respective initiatives many of the quoted benefits can be achieved. Similar to this reproduction of the popular logic of diversity management, Logistica's and Moneta's parent companies, as well as Moneta Singapore, adopted broad definitions of diversity similar to those issued by many other MNCs. Most MNCs refer to a broad diversity definition and use visible and less visible attributes when describing workforce diversity or an all-inclusive diversity definition. It was shown that diversity definitions issued by companies not only resemble each other, but also are in line with diversity definitions found in the literature, obviously leading to a homogenisation of diversity definitions on a global level. The research showed, however, that these diversity definitions cannot be transferred to the local setting because, as it transpired, the definition is a reflection of a social construction process that is influenced by individuals' everyday reality, depends on the directness and indirectness of social interaction and is influenced by discourses taking place inside and outside the company. Examples of the directness vs. indirectness of social interaction are the frequently mentioned diversity attributes such as gender, race and nationality which are part of the closest zone of an individual's corporate reality and prominent discourses in the Singaporean political and social contexts. As became apparent in the case of PWDs at Moneta Singapore, this diversity attribute was rarely mentioned due to the very few interactions of respondents with PWDs in the corporate context, resulting in PWDs remaining rather abstract and anonymous in respondents' perceptions, despite being a key objective of the bank's diversity strategy. This social, local reality was reproduced and objectified in the respondents' diversity definition, which has little in common with those issued by the parent companies and emphasises the need to take the social, political and economic contexts into consideration. In this regard it is important to consider who the addressees of this diversity definition are and what the aim of the definition entails. On the one hand, a localised definition might be of importance in the course of the translation and implementation process by creating meaning and a contextual relationship for the respective diversity strategy and initiatives, establishing corporate diversity and respective attributes as an objectified reality in the course of time. On the other hand, if the definition's aim is to address and attract potential employees, an open and all-inclusive definition might include those employees who are not on the company's radar.

Logistica's parent company adopts and externally presents not only a broad and general

type of diversity, but also the major rationale and benefits of diversity management as implied by popular rhetoric (for example, easier entrance into new markets, improved ratings and image of the company, improved productivity and loyalty of individuals or wider access to the labour market) that stands in contrast to its internal translation and related activities. Similar to Moneta Singapore, this rationale is only partly translated and enacted in the organisational setting of the Logistica Group, focuses on a few diversity attributes (gender, PWDs, age, sexual orientation) and is mainly limited to employees working at the headquarters. There are no initiatives that, for example, link certain diversity attributes to specific tasks in order to benefit from the differences in attitudes, beliefs, ideas, personality and so on that should in turn improve work performance and outcomes. Nevertheless, Logistica's parent company does include this justification in its own rationale in favour of workforce diversity and its management, and presents it externally as a holistic approach, which is not the case when considering the translated strategy, implementation of initiatives, the lack of comprehensive and sustainable measurements and the ambiguity of the embeddedness of the concept within the corporate context. Additionally, there are no inter- and few intra-departmental synergies to further anchor diversity management and add to the concept's sustainability. It seems that Logistica's parent company is under considerable pressure to adopt diversity management, in order to conform with external expectations and the demands of its institutional environment. Indicators for this increased pressure include the close monitoring of the company's direct competitors and other MNCs and their efforts regarding diversity management, the increasing number of large German companies adopting diversity management and extended coverage in the media, which constitutes an important carrier of the topic<sup>60</sup>. This finding is consistent with the concept of legitimacy as developed within the new institutional theory, which is crucial for organisational survival. Legitimacy as a social construct reflecting the respective system of norms, values, beliefs, expectations and demands depends on the wider context in which the company operates, as well as the groups of social actors that ascribe legitimacy to the company. In the case of Logistica's parent company, corporate diversity management has gained importance in the specific (business) context in Germany and prompted many companies, along with the Logistica Group, to adopt diversity management or to sign the Charter of Diversity as an expression of conformity. Next to the actual benefits diversity management might have in the German context (demographic change,

---

<sup>60</sup>Media coverage of workforce diversity and related issues in Germany refers to a broad range of topics, amongst which we count gender (Scholter, Judith, 2010; Die Tageszeitung, 2010; Oestreich, Heide, 2008), ethnic diversity/migrant workers (Die Tageszeitung, 2008b), inter-cultural communication and behaviour (Rothlauf, Jürgen, 2007), the General Anti-Discrimination Act (Die Tageszeitung, 2008a) or special dossiers dealing with diversity management (Sueddeutsche.de, 2010).

shortage of talent), rationalised beliefs are adopted (e.g. diversity management improves morale, commitment, problem-solving, creativity or innovation). Although efficiency is not necessarily proven, it is part of the relevant organisational environment, which is why there are differences in Logistica's external presentation of diversity management, which rather resembles a ceremonial façade in order to conform to internal as well as external beliefs and expectations and internal translation and activities (Meyer and Rowan, 1977, p. 340–341).

Considering the scope of the translation, as well as the implementation, of the concept of diversity management, the research shows that the concept's degree of institutionalisation is rather low at Logistica Group and Moneta Singapore. Diversity management is currently not characterised by its durability, constant reproduction and transmission or how it is taken for granted in the respective organisational setting, but rather relies on the communication, mobilisation and transmission efforts of the organisational actors responsible for its translation and enactment. In the case of Logistica's parent company, a common perception seems to be that diversity is 'nice to have' as long as it does not require too many resources in terms of personnel and money, which is a reflection of the lack of commitment and support from the company's top managers/board and the absence of a comprehensive and sustainable concept of diversity management. Since the importance of the concept and its dissemination is influenced by its supporters and their power, as well as legitimacy, the chain to infuse the concept with value and energy for its dissemination and institutionalisation is missing important links viz. actors at Logistica. It became apparent that the Corporate Culture Department as a transporter of the concept did not succeed in operationalising and internationalising diversity management, resulting in marginal knowledge of the department, its agenda and initiatives.

Furthermore, it turned out that there exists no consensus among the translating actors at Logistica Singapore, its parent company or Moneta Singapore, where diversity management is embedded in the corporate structure. The given opinions - HR development, corporate social responsibility or corporate values - reflect the different interpretations of diversity as either being an economic topic or a social responsibility, or are opposed to the concept of diversity management per se, as is the case with corporate values with the call for universal values and norms to build a strong and consistent corporate culture. Since the success of an adopted concept also depends on its ability to relate to already existing categories, strategies, institutions and related behaviour, in order to facilitate its acceptance and identification, a consistent and comprehensible positioning would foster

the concept's institutionalisation efforts. If diversity management is linked to other existing strategies or programmes, a clear agenda aligned with suitable positioning, monitoring and communication is needed. This became obvious in the case of Logistica's Corporate Volunteering Programme in that despite the Corporate Culture Department being the project owner it was not regarded as a diversity initiative or HR development tool and subsequently did not contribute to the successful establishment and implementation of diversity management within the company. Moreover, the research shows that additional activities and issues that accompany the implementation of diversity management are not considered or neglected in both companies; there exist few or no indicators and measurements for the success and effectiveness of implemented diversity initiatives. Apart from Moneta Singapore's target numbers for mature workers and PWDs, further indicators such as the number of participants attending certain events are rather vague, since the systematic collection of this kind of data is not in evidence. Thus, the diversity committee is missing data that could help to evaluate the success of the respective initiatives and support communication and legitimisation activities. The same situation applies to the diversity activities of Logistica's parent company in that these, too, are not systematically monitored or underpinned by generated data.

The overall impact of corporate diversity management, however, is a controversial issue - as the respondents' answers and evaluations show. The prevailing opinion at Logistica Singapore is that workforce diversity does not have an effect on the bottom line, whereas the Corporate Culture Department at Logistica's headquarters highlights its positive impact and its attempts to calculate it. It became apparent that direct links between workforce diversity and indicators such as staff engagement or improved work climate are difficult to establish because there are additional factors like leadership style that might influence the outcome. Nevertheless, in order to support the case for diversity management, monitoring and evaluation of the implemented diversity initiatives is crucial and provides evidence if the set goals are met. A precondition for an evaluation, though, is a clear agenda as to why the company is going to introduce diversity management, which initiatives and activities should be implemented to achieve the set goals and a clear indication of the evaluated outcomes.

Further issues not considered by the companies are the possible (unintended) consequences a diversified workforce might imply, calling for a mechanism to address the integration of diverse employees, conflict management, different work styles, sensitivities, lack of understanding or communication issues. It was determined through this study that the

compliance framework established by Logistica's parent company might be sufficient when it comes to cases like discrimination or sexual harassment, but it does not provide any help while dealing with immediate issues within a diverse team. Even Moneta Singapore, which has implemented several diversity initiatives leading to the diversification of its workforce, does not have a systematic approach on how to deal with these issues. For now it seems that the companies are only focusing on the immediate benefits diversity might have in the respective business context (as evident in the case of Moneta Singapore) or are reproducing the benefits on a theoretical level (as done by respondents at Logistica Singapore), without taking into consideration what implications these activities might have for the affected departments, their employees and managers. The same applies to the question asking whether diversity should be implemented at all or just at certain hierarchical levels, which was a contested issue among the respondents. The research showed that there are no general solutions to this issue; instead, it depends on the objectives of diversity management and its reasons for implementation. Considering these shortcomings, it is apparent that diversity management, as translated and implemented at the moment, does not constitute a holistic approach for managing and benefiting from workforce diversity, but is just a fragmentary translation in a specific business context, whose promise is the solution of a certain localised problem.

Contrary to popular rhetoric, and despite the diversity of Singapore's population, workforce diversity and its management do not necessarily constitute a business imperative, the values and challenges of which automatically increase with changing demographic trends, social expectations, legal requirements and increasing globalisation. At this point in time, it rather remains a management fashion instead of an institution, whose partial translation appears to be appropriate and attractive in the given situation. According to the outcomes of the research, the relevance of diversity management for MNCs operating in Singapore is not very high; it is not regarded as being important because, due to the composition of the Singaporean workforce, there is no need for further diversification of the companies' workforces, or work and corporate cultures are dominated by the foreign parent company - as highlighted at Technica Singapore. Due to the selectivity of translation as well as implementation of Moneta Singapore and Logistica's parent company diversity management apparently constitutes some kind of tool box out of which certain measurements are adopted that fit their respective local business need and context without necessarily translating the concept as a whole. However, to successfully translate and implement these measurements companies have to develop a comprehensible framework that defines the rationale and aims for the adoption of diversity management in order

to create a legitimising base, which diversity attributes are then in turn of importance and how these can be linked to individuals - the recipients of diversity management - to formulate a respective diversity definition, how this can be enacted and implemented on an organisational level and how these initiatives and activities are linked to and embedded in the organisational context. This approach is of rather a pragmatic nature because it does not imply the adoption and translation of the theorised and globally available model of diversity management and its apparently manifold benefits, which should lead to a competitive advantage, but instead focuses on situational problems and their solution. However, if diversity management is stripped from one of its main lines of argument and reasoning and is used selectively, as we see at Moneta Singapore, it is difficult to establish what the differences are between diversity, talent, HR or demographic management.

Overall, the research shows that workforce diversity per se is not of value to companies, as the value of diversity is generated through its contextualisation in the respective business environment or against a set of needs. In order to successfully translate and implement diversity management, companies and translating actors have to consider next to demands, needs, capabilities and requirements on an organisational level the wider institutional level in which they operate. The questions - are the already implemented initiatives beneficial and successful in the long term and are the widely promoted benefits of diversity management that are mainly reproduced but not translated by respondents of value in the Singaporean business context - have to be taken up by further studies to assess their sustainability, as well as any possibilities or challenges for their translation and enactment. Considering Singapore's wider institutional environment, companies' different needs and respective selective translation (if there is any at all), existing disagreements within the wider scientific community about the beneficial linkage between diversity attributes, work group performances and outcomes that cannot clearly be proven despite myriad studies and experiments, it is debatable whether translation and application provide a business benefit that exceeds the potential costs of implementation, management and institutionalisation efforts. At the moment, corporate diversity management is fashionable in Singapore, but its sustainability and existence are questionable in the long run or in the case of an economic downturn. In addition, translation and implementation challenge the concept's overall meaning and framework. Nevertheless, as much as fashionability and institutionalisation seem to be opposites, they can be regarded as being interconnected and related, thus providing an opportunity for experimenting, adopting parts and dismissing others that, ultimately, could lead to organisational change and institutionalisation: "[...]much as fashion seems to sabotage and threaten established in-

stitutions, it is also an institutional playfield: new practices can be tried out and disposed of - or institutionalized, thus revitalizing the existing institutional order” (Czarniawska and Joerges, 1996, p.25). In this regard, it remains to be seen whether workforce diversity management is one of those management concepts that spreads at a rapid rate until interest in it has faded, or whether it will become more rooted in organisations in the Singaporean context.



# Bibliography

- Agócs, C. and Burr, C. (1996). Employment equity, affirmative action and managing diversity: Assessing the differences. *International Journal of Manpower*, 17(4/5):30–45.
- Andrews, T., Chompusri, N., and Baldwin, B. J. (2003). *The Changing Face of Multinationals in Southeast Asia*. Working in Asia. Routledge, London, New York.
- A\*Star (2010). About A\*Star. <http://www.a-star.edu.sg/AboutASTAR/Overview/tabid/140/Default.aspx>. Online, accessed 15. September 2010.
- Barley, S. R. and Tolbert, P. S. (1997). Institutionalization and structuration: Studying the links between action and institution. *Organization Studies*, 18(1):93–117.
- Barr, M. D. and Skrbis, Z. (2008). *Constructing Singapore: Elitism, Ethnicity and the Nation-Building Project*. NIAS, Kopenhagen.
- Becker-Ritterspach, A. and Becker-Ritterspach, J. C. (2006). Isomorphie und Entkopplung im Neo-Institutionalismus. In Senge, K. and Hellman, K.-U., editors, *Einfuehrung in den Neo-Institutionalismus*, pages 102–136. VS Verlag für Sozialwissenschaften, Wiesbaden.
- Berger, P. and Luckmann, T. (1966). *The Social Construction of Reality: A Treatise in the Sociology of Knowledge*. Penguin Books, London.
- Boxenbaum, E. (2006). Lost in translation: The making of danish diversity management. *Amercian Behavioral Scientist*, 49(7):939–948.
- Brown, D. (1994). *The State and Ethnic Politics in Asia*. Routledge, London, New York.

- Bundeszentrale fuer Politische Bildung (2006). Multinationale Unternehmen. [http://www.bpb.de/wissen/3MGD0S,0,0,Anzahl\\_Multinationaler\\_Unternehmen.html](http://www.bpb.de/wissen/3MGD0S,0,0,Anzahl_Multinationaler_Unternehmen.html). Online, accessed 20. September 2010.
- Campell, J. L. (2004). *Institutional Change and Globalization*. Princeton University Press, Princeton and Oxford.
- Cassel, C. and Biswas, R. (2000). Editorial: Managing diversity in the new millenium. *Personnel Review*, 29(3):268–273.
- Chan, A. (2005). Singapore's Changing Age Structure: Issues and Policy Implications for the Family and State. In Tuljapurkar, S., Pool, I., and Prachuabmoh, V., editors, *Population, Resources and Development*, volume 1, pages 221–242. Springer, Dordrecht.
- Chandran, R. (2005). *Employment Law in Singapore*. Pearson Prentice Hall, Singapore.
- Choy, W. K., Lee, A. B., and Ramburuth, P. (2009). Multinationalism in the workplace: A myriad of values in a singaporean firm. *Singapore Management Review*, 31(1):1–31.
- Choy, W. K. W. (2007). Globalisation and workforce diversity: Human resource management implications for multinational corporations in singapore. *Singapore Management Review*, 29(2):1–19.
- Chua, B. H. (1997). Not Depoliticized but Ideologically Successful: The Public Housing Programme in Singapore. In Hui, O. J., Kiong, T. C., and Ser, T. E., editors, *Understanding Singapore Society*, pages 307–327. Times Academic Press, Singapore.
- Chua, B. H. (2003). Multiculturalism in singapore: An instrument of social control. *Race and Class*, 44(3):58–77.
- Coase, R. H. (1937). The nature of the firm. *Economica, New Series*, 4(16):386–405.
- Commons, J. R. (1924). *Legal Foundations of Capitalism*. Macmillan Company, New York.
- Contact Singapore (2010). Contact Singapore - About. <http://www.contactsingapore.sg/about/>. Online, accessed 30. August 2010.
- Cox, T. H. (1991). The multicultural organization. *The Executive*, 5(2):34–47.
- Cox, T. H. (1994). A comment on the language of diversity. *Organization*, 1(1):51–58.

- Cox, T. H. and Blake, S. (1995). Managing Cultural Diversity: Implications for Organizational Competitiveness. In Harvey, C. and Allard, M. J., editors, *Understanding Diversity. Readings, Cases, and Exercises*, pages 64–79. HarperCollins College Publishers, New York.
- Creed, W. E. D., Scully, M. A., and Austin, John, R. (2002). Clothes make the person? the tailoring of legitimating accounts and the social construction of identity. *Organization Science*, 13(5):475–496.
- Czarniawska, B. and Joerges, B. (1996). Travel of Ideas. In Czarniawska, B. and Sevón, G., editors, *Translating Organizational Change*, pages 13–49. Walter De Gruyter, Berlin, New York.
- Daimler (2010). Diversity Management. <http://www.daimler.com/dccom/0-5-659599-1-1303189-1-0-0-1303207-0-0-135-7145-0-0-0-0-0-0.html>. Online, accessed 20. September 2010.
- Debrah, Y. A. (1996). Tackling age discrimination in employment in singapore. *The International Journal of Human Resource Management*, 7(4):813–831.
- Die Tageszeitung (2008a). Ethisches Wirtschaften kostet wenig. *Die Tageszeitung*, page 6. August, 15.
- Die Tageszeitung (2008b). Firmen mit Einwanderern werden belohnt. *Die Tageszeitung*, page 6. April, 9.
- Die Tageszeitung (2010). Gleichstellung braucht systematische Planung. *Die Tageszeitung*, page 6. July, 6.
- DiMaggio, P. J. (1988). Interest and Agency in Institutional Theory. In Zucker, L. G., editor, *Institutional Patterns and Organizations*, pages 3–21. Ballinger Publishing Company, Cambridge; MA.
- DiMaggio, P. J. (1995). Comments on “what theory is not”. *Administrative Science Quarterly*, 40(3):391–397.
- DiMaggio, P. J. and Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review*, 43:147–160.

- DiMaggio, P. J. and Powell, W. W. (1991). Introduction. In DiMaggio, P. J. and Powell, W. W., editors, *The New Institutionalism in Organizational Analysis*, pages 1–38. University of Chicago Press, Chicago, London.
- Dinwoodie, David, L. (2005). Solving the dilemma: A leader’s guide to managing diversity. *LIA*, 25(2):3–6.
- Dobbin, F., Kalev, A., and Kelly, E. (2007). Diversity management in corporate america. *Contexts*, 6(4):21–27.
- Dobbin, F. and Sutton, J. R. (1998). The strength of a weak state: The rights revolution and the rise of human resource management divisions. *American Journal of Sociology*, 104(2):441–476.
- Dobbin, F., Sutton, J. R., Meyer, J. W., and Scott, R. (1993). Equal opportunity law and the construction of internal labor markets. *The American Journal of Sociology*, 99(2):396–427.
- Economic Strategies Committee (2010). Report of the Economic Strategies Committee: High-Skilled People, Innovative Economy, Distinctive Global City. <http://www.esc.gov.sg/>. Online, accessed 19. September 2010.
- European Commission (2010). European Law, Anti-discrimination Directives. <http://ec.europa.eu/social/main.jsp?catId=612>. Online, accessed 19. September 2010.
- European Commission (2005). The Business Case for Diversity: Good Practices in the Workplace. Office for Official Publications of the European Communities, Luxembourg.
- European Commission (2008). Continuing the Diversity Journey: Business Practices, Perspectives and Benefits. Office for Official Publications of the European Communities, Luxembourg.
- Frenkel, M. (2005). Something New, Something Old, Something Borrowed: The Cross-National Translation of the “Family Friendly Organization” in Israel. In Czarniawska, B. and Sevón, G., editors, *Global Ideas. How Ideas, Objects and Practices Travel in the Global Economy*, pages 147–166. Liber and Copenhagen Business School Press, Malmö.
- German Minister for Migration, Refugees and Integration (2010). Charter for Diversity. <http://www.vielfalt-als-chance.de/index.php?id=3>. Online, accessed 09. September 2010.

- Glover, S. and Carrington, F. (2005). Comfort zone: How to win buy-in for diversity programs. *LIA*, 25(2):7–10.
- Hall, P. R. and Taylor, R. C. R. (1996). Political science and the three new institutionalisms. Max-Planck-Institut fuer Gesellschaftsforschung Discussion Paper, Koeln.
- Hampden-Turner, C. M. (2003). Culture and Management in Singapore. In Warner, M., editor, *Culture and Management in Asia*, pages 171–186. RoutledgeCurzon, London, New York.
- Harrison, D. A., Price, K. H., and Bell, M. P. (1998). Beyond relational demography: Time and the effects of surface- and deep-level diversity on work group cohesion. *Academy of Management Journal*, 41(1):96–107.
- Hartmann, J. (2003). *Geschichte der Politikwissenschaft*. Leske + Budrich, Opladen.
- Hellmann, K.-U. (2006). Organisationslegitimität im Neoinstitutionalismus. In Senge, K. and Hellman, K.-U., editors, *Einfuehrung in den Neo-Institutionalismus*, pages 75–88. VS Verlag für Sozialwissenschaften, Wiesbaden.
- Hewitt (2010). Best Employers Study Around the World. <http://was2.hewitt.com/bestemployers/pages/index.htm>. Online, accessed 22. September 2010.
- Hewlett-Packard (2010). Diversity: The Meaning Behind the Words. <http://www8.hp.com/us/en/hp-information/about-hp/diversity/meaning.html>. Online, accessed 28. July 2010.
- Hill, M. and Lain, K. F. (1995). *The Policies of Nation Building and Citizenship in Singapore*. Routledge, London, New York.
- Ho, G. C. (2005). *Creating Value out of People: Themes and Perspectives of HR Management in Singapore*. Singapore Human Resources Institute, Singapore.
- Hoecklin, L. (1995). *Managing Cultural Differences. Strategies for Competitive Advantage*. Pearson Education Limited, Harlow.
- Hoffman, A. J. (1999). Institutional evolution and change: Environmentalism and the u.s. chemical industry. *Academy of Management Journal*, 42(4):351–371.
- Hofstede, G. (1980). *Culture's Consequences*. Sage Publications Inc., Newbury Park, CA.

- Hubbard, E. E. (2004). *The Diversity Scorecard: Evaluating the Impact of Diversity in Organizational Performance*. Elsevier Butterworth-Heinemann, Burlington, Oxford.
- Hui, W. T. (2002). Foreign manpower in singapore. In Koh, A. T., Lim, K. L., Hui, W. T., Bhanoji, R., and Cheng, M. K., editors, *Singapore Economy in the 21st Century. Issues and Strategies*, pages 29–50. McGraw-Hill Education, Singapore.
- Hwang, H. and Suarez, D. (2005). Lost and Found in the Translation of Strategic Plans and Websites. In Czarniawska, B. and Sevón, G., editors, *Global Ideas: How Ideas, Objects and Practices Travel in the Global Economy*, pages 71–93. Liber and Copenhagen Business School Press, Malmö.
- International Labor Organization (2003). Time for Equality at Work. Global Report under the Follow-up to the ILO Declaration on Fundamental Principles and Rights at Work. International Labour Office, Geneva.
- International Labour Organization (2005). ILO Thesaurus 2005. <http://www.ilo.org/public/libdoc/ILO-Thesaurus/english/tr3330.htm>. Online, accessed 20. September 2010.
- Jackson, S. E. and Joshi, A. (2002). Research on Domestic and International Diversity in Organizations: A Merger that Works? In Neil Anderson, D. S. O., Sinangil, H. K., and Viswesvaran, C., editors, *Handbook of Industrial, Work and Organizational Psychology*, volume 2 of *Organizational Psychology*, pages 206–231. SAGE Publications.
- Jayne, M. E. and Dipboye, R. L. (2004). Leveraging diversity to improve business performance: Research findings and recommendations for organizations. *Human Resource Management*, 43(2):409–424.
- Jehn, K. A. and Bezrukova, K. (2004). A field study of group diversity, workgroup context, and performance. *Journal of Organizational Behavior*, 25:703–729.
- Jepperson, Roland, L. (1991). Institutions, Institutional Effects and Institutionalism. In DiMaggio, P. J. and Powell, W. W., editors, *The New Institutionalism in Organizational Analysis*. University of Chicago Press, Chicago, London.
- Jones, D., Pringle, J., and Shepherd, D. (2000). Managing diversity meets aotearoa/ new zealand. *Personel Review*, 29(3):364–380.
- Kandola, R. and Fullerton, J. (1998). *Diversity in Action. Managing the Mosaic*. Institute of Personnel and Development, London, 2 edition.

- Keil, M. (2004). Vorsprung durch Vielfalt. Der unternehmerische Umgang mit Unterschieden. *politische ökologie*, 91-92:86–88.
- Kelly, E. and Dobbin, F. (2001). How Affirmative Action Became Diversity Management: Employer Response to Antidiscrimination Law, 1961-1996. In Skrentny, J. D., editor, *Color Lines. Affirmative Action, Immigration, and Civil Rights Options for America.*, pages 87–117. University of Chicago Press, Chicago, London.
- Kersten, A. (2000). Diversity management: Dialogue, dialectics and diversion. *Journal of Organizational Change*, 13(3):235–248.
- Kochan, T. e. a. (2003). The effects of diversity on business performance: Report of the diversity research network. *Human Resource Management*, 42(1):3–21.
- Krugman, P. R. and Obstfeld, M. (2009). *Internationale Wirtschaft*. Pearson Studium, Muenchen, 8 edition.
- Lai, A. E. (1995). *Meanings of Multiethnicity: A Case-study of Ethnicity and Ethnic Relations in Singapore*. Oxford University Press, Kuala Lumpur.
- Latour, B. (1986). The Powers of Association. In Law, J., editor, *Power, Action and Belief: A New Sociology of Knowledge?*, pages 264–280. Routledge and Kegan Paul, London, Boston, Henley.
- Lederle, S. (2008). *Die Ökonomisierung des Anderen: Eine neoinstitutionalistisch inspirierte Analyse des Diversity Management-Diskurses*. VS Verlag für Sozialwissenschaften, Wiesbaden.
- Lee, E. (2008). *Singapore. The Unexpected Nation*. Institute of Southeast Asian Studies.
- Litvin, D. R. (1997). The discourse of diversity: From biology to management. *Organization*, 4(2):187–209.
- Logistica (2004). The Individual: Creative Force of the Company. Human Resources and Social Report. Brochure, Logistic Town.
- Logistica (2005). motive8: A guide. Brochure, Logistic Town.
- Logistica (2006a). Managing Cultural Diversity in the Workplace. Unpublished document.
- Logistica (2006b). Position Paper Diversity. Unpublished presentation.

- Logistica (2006c). Positionspapier Diversity. Unpublished document.
- Logistica (2010a). Code of Conduct. [http://www.logistica.com/en/about\\_us/code\\_of\\_conduct.html](http://www.logistica.com/en/about_us/code_of_conduct.html). Online, accessed 01. August 2010.
- Logistica (2010b). Diversity Management. [http://www.logstica-karriere.de/en/responsibility-online\\_report\\_2010/employees/diversity\\_management.html](http://www.logstica-karriere.de/en/responsibility-online_report_2010/employees/diversity_management.html). Online, accessed 28. July 2010.
- Logistica (2010). Diversity Management. [http://www.logstica-karriere.de/en/responsibility-online\\_report\\_2010/employees/diversity\\_management.html](http://www.logstica-karriere.de/en/responsibility-online_report_2010/employees/diversity_management.html). Online, accessed 28. July 2010.
- Logistica (n.a.). Global Values Office Handbook, Draft. Unpublished presentation.
- Lyons, L. (2005). Transient workers count too? the intersection of citizenship and gender in singapore's civil society. *SOJOURN*, 20(2):208–248.
- March, J. G. and Olson, J. P. (1989). *Rediscovering Institutions: The Organizational Basis of Politics*. Macmillan, New York, Ontario.
- Marvin, S. and Girling, G. (2000). What is managing diversity and why does it matter? *Human Resource Development International*, 3(4):419–433.
- Merton, R. K. (1957). Bureaucratic Structure and Personality. In Merton, R. K., editor, *Social Theory and Social Structure*, pages 195–206. Free Press, Glencoe, 2 edition.
- Meyer, J. W. and Rowan, B. (1977). Institutionalized organizations: Formal structure as myth and ceremony. *American Journal of Sociology*, 83(2):340–363.
- Meyer, R. and Hammerschmid, G. (2006). Die Mikroperspektive des Neo-Institutionalismus. Konzeption und Rolle des Akteurs. In Senge, K. and Hellman, K.-U., editors, *Einfuehrung in den Neo-Institutionalismus*, pages 160–171. VS Verlag für Sozialwissenschaften, Wiesbaden.
- Milliken, F. J. and Martins, L. L. (1996). Searching for common threads: Understanding the multiple effects of diversity in organizational groups. *Academy of Management Review*, 21(2):402–433.



- Ministry of Manpower (2010a). Employment of Foreign Manpower Act (Chapter 91A). [http://agcvldb4.agc.gov.sg/non\\_version/cgi-bin/cgi\\_retrieve.pl?actno=REVED91A&doctitle=EMPLOYMENT OF FOREIGN WORKERS ACT%0A&date=latest&method=part](http://agcvldb4.agc.gov.sg/non_version/cgi-bin/cgi_retrieve.pl?actno=REVED91A&doctitle=EMPLOYMENT_OF_FOREIGN_WORKERS_ACT%0A&date=latest&method=part). Online, accessed 15. July 2010.
- Ministry of Manpower (2010b). Further Tax Deduction Scheme for Overseas Talent Recruitment. <http://www.mom.gov.sg/career-capital/Pages/further-tax-deduction-scheme.aspx>. Online, accessed 10. September 2010.
- Ministry of Manpower (2010c). Labour Market, First Quarter 2010. <http://www.mom.gov.sg/newsroom/Pages/PressReleasesDetail.aspx?listid=313>. Online, accessed 23. June 2010.
- Ministry of Manpower (2010d). Work Permit (Foreign Worker) - Levy Payments. <http://www.mom.gov.sg/foreign-manpower/passes-visas/work-permit-fw/levy-payments/Pages/levy-payments.aspx>. Online, accessed 19. September 2010.
- Ministry of Trade and Industry Singapore (2010). MTI Revises 2010 Growth Forecast to 7.0 to 9.0 Per Cent. <http://app.mti.gov.sg/default.asp?id=148&articleID=21703>. Online, accessed 15. May 2010.
- Mohammed, S. and Angell, L. C. (2004). Surface- and deep-level diversity in work groups: Examining the moderating effects of team orientation and team process on relationship conflict. *Journal on Organizational Behavior*, 25:1015–1039.
- Moneta (2010). About Moneta - Diversity. <http://www.moneta.com.sg/1/2/career-home/moneta-as-employer/about-moneta-diversity>. Online, accessed 28. July 2010.
- Moneta (2010a). Definition: What is Diversity? <http://www.moneta.com/1/2/careers/diversity>. Online, accessed 28. July 2010.
- Moneta (2010b). Moneta Diversity. <http://www.moneta.com/1/2/careers/diversity>. Online, accessed 28. July 2010.
- Moneta Singapore (2006). Employee Composition. Unpublished document.
- Moneta Singapore (2007). Diversity Committee Singapore: Terms of Reference. Unpublished document.
- Moorhead, G. and Griffin, R. W. (1995). *Organizational Behavior. Managing People and Organizations*. Houghton Mifflin Company, Boston, Toronto.

- Mor Barak, M. E. (2005). *Managing Diversity. Toward a Globally Inclusive Workplace*. Sage Publications, Thousand Oaks, London, New Delhi.
- Murray, G. and Perera, A. (1996). *Singapore: The Global City State*. China Library, Folkestone.
- Nass, O. (1998). *Interkulturelles Management in Suedostasien*. Gabler Verlag, Deutscher Universitaets-Verlag, Wiesbaden.
- Ng, E. S. W. and Burke, R. J. (2005). Person-organization fit and the war for talent: Does diversity management make a difference? *International Journal of Human Resource Management*, 16(7):1195–1210.
- Nkomo, S. M. and Cox, T. J. (1996). Diverse Identities in Organizations. In Clegg, S. R., Hardy, C., and Nord, W. R., editors, *Handbook of Organization Studies*, pages 338–356. SAGE Publications, London, Thousand Oaks, New Delhi.
- Nkomo, S. M. and Stewart, M. M. (2006). Diverse Identities in Organizations. In Clegg, S. R., Hardy, C., Lawrence, T. B., and Nord, W. R., editors, *The SAGE Handbook of Organizational Studies*, pages 520–540. SAGE Publications, London, Thousand Oaks New Delhi, 2 edition.
- Oestreich, Heide (2008). In Frauenfragen von Norwegen lernen. *Die Tageszeitung*, page 8. May, 9.
- Oliver, C. (1991). Strategic responses to institutional processes. *Academy of Management Review*, 16(2):145–179.
- Pang, E. F. (2006). Foreign Talent and Development in Singapore. In Kuptsch, C. and Pang, E. F., editors, *Competing for Global Talent*, pages 155–170. International Institute for Labour Studies, Geneva.
- Parsons, T. (1956). Suggestions for a sociological approach to the theory of organizations. *Administrative Science Quarterly*, 1:63–85;225–239.
- Peebles, G. and Wilson, P. (2002). *Economic Growth and Development in Singapore. Past and Future*. Edward Elgar, Cheltenham, Northhampton, MA.
- Pelled, L. H. (1996). Demographic diversity, conflict, and work group outcomes: An intervening process theory. *Organization Science*, 7(6):615–631.

- Perry, M. and Kong, L. and Yeoh, B. (1997). *Singapore. A Developmental City State*. John Wiley and Sons Ltd., Chichester.
- Phillips, D. R. and Bartlett, H. P. (1995). Aging trends - singapore. *Journal of Cross-Cultural Gerontology*, 10:349–356.
- Powell, Walter, W. and Colyvas, Jeannette, A. (2008). Microfoundations of Institutional Theory. In et al., R. G., editor, *The SAGE Handbook of Organizational Institutionalism*, pages 276–298. SAGE Publications, London, Thousand Oaks, New Dehli, Singapore.
- Richard, O. C., Kochan, T. A., and McMillan-Capehart, A. (2002). The impact of visible diversity on organizational effectiveness: Disclosing the contents in pandora's black box. *Journal of Business and Management*, 8(3):265–291.
- Rothlauf, Jürgen (2007). Interkulturelles Verhalten zielt auf Ganzheitlichkeit. *Frankfurter Allgemeine Zeitung*, page 20. October, 29.
- Sahlin, K. and Wedlin, L. (2008). Circulating Ideas: Imitation, Translation and Editing. In *The SAGE Handbook of Organizational Institutionalism*, pages 218–242. SAGE Publications, London, Thousand Oaks, New Dehli, Singapore.
- Sahlin-Anderson, K. (1996). Imitating by Editing Success: The Construction of Organizational Fields. In Czarniawska, B. and Sevón, G., editors, *Translating Organizational Change*, pages 69–92. Walter De Gruyter, Berlin, New York.
- Sahlin-Andersson, K. and Engwall, L. (2002). Carriers, flows, and sources of management knowledge. In Sahlin-Andersson, K. and Engwall, L., editors, *The Expansion of Management Knowledge*, pages 3–32. Stanford Business Books, Stanford, CA.
- Schiller-Merkens, S. (2008). *Institutioneller Wandel und Organisationen: Grundzüge einer strukturationstheoretischen Konzeption*. VS Verlag für Sozialwissenschaften, Wiesbaden.
- Scholter, Judith (2010). Die Methode Frau. *Die Zeit*, pages 69–70. September, 2.
- Schuelein, J. A. (1987). *Theorie der Institutionen: Eine dogmengeschichtliche und konzeptionelle Analyse*. Westdeutscher Verlag, Opladen.
- Scott, W. R. (1991). Unpacking Institutional Arguments. In DiMaggio, P. J. and Powell, W. W., editors, *The New Institutionalism in Organizational Analysis*, pages 164–182. University of Chicago Press, Chicago, London.

- Scott, W. R. (1995). *Institutions and Organizations*. Sage Publications, Thousand Oaks, London, 1 edition.
- Scott, W. R. (2001). *Institutions and Organizations*. Sage Publications, Thousand Oaks, London, 2 edition.
- Scott, W. R. and Meyer, J. W. (1991). The Organization of Societal Sectors: Propositions and Early Evidence. In DiMaggio, P. J. and Powell, W. W., editors, *The New Institutionalism in Organizational Analysis*, pages 108–140. University of Chicago Press, Chicago, London.
- Sell, A. (2003). *Einführung in die internationalen Wirtschaftsbeziehungen*. R. Oldenbourg Verlag, Muenchen, 2 edition.
- Selznick, P. (1949). *TVA and the Grass Roots*. University of California Press, Berkely.
- Senge, K. (2006). Zum Begriff der Institution im Neo-Institutionalismus. In Senge, K. and Hellman, K.-U., editors, *Einfuehrung in den Neo-Institutionalismus*, pages 35–47. VS Verlag für Sozialwissenschaften, Wiesbaden.
- Siddique, S. (1997). The Phenomenology of Ethnicity: A Singapore Case Study. In Hi, O. J., Kiong, T. C., and Ser, T. E., editors, *Understanding Singapore Society*, pages 107–124. Times Academic Press, Singapore.
- Sie Kok Hwa, B. (1997). Singapore, a modern city state: Relationship between cultural and economic development. Proefschrift Katholieke Universiteit Nijmegen.
- Singapore Department of Statistics (2000a). Singapore Census of Population 2000. Advance Data Release No. 2. <http://www.singstat.gov.sg/pubn/papers/people/c2000adr-religion.pdf>. Online, accessed 13. September 2010.
- Singapore Department of Statistics (2000b). Singapore Census of Population 2000. Advance Data Release No. 4. <http://www.singstat.gov.sg/pubn/papers/people/c2000adr-economic.pdf>. Online, accessed 14. September 2010.
- Singapore Department of Statistics (2010a). FAQ on Foreign Direct Investment and Direct Investment Abroad. <http://www.singstat.gov.sg/educorner/faqsinvestment.html#qn6>. Online, accessed 15. September 2010.

- Singapore Department of Statistics (2010b). Foreign Equity Investment in Singapore 2008. <http://www.singstat.gov.sg/pubn/business.html#fei>. Online, accessed 15. September 2010.
- Singapore Department of Statistics (2010c). Glossary of Terms and Definitions. <http://www.singstat.gov.sg/pubn/popn/c2010acr/glossary>. Online, accessed 13. September 2010.
- Singapore Department of Statistics (2010d). Population Trends 2010. <http://www.singstat.gov.sg/news/news.html>. Online, accessed 14. October 2010.
- Singapore Department of Statistics (2010e). Singapore Yearbook of Statistics. <http://www.singstat.gov.sg/pubn/reference/yos10/yos2010.pdf>. Online, accessed 13. September 2010.
- Strang, D. and Meyer, J. W. (1993). Institutional conditions for diffusion. *Theory and Society*, 22:487–511.
- Stroh, L. K., Northcraft, G. B., and Neale, M. A. (2002). *Organizational Behavior. A Management Challenge*. Lawrence Erlbaum Associates, Publishers, Mahwah, 3 edition.
- Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, 20(3):571–610.
- Sueddeutsche.de (2010). Diversity Management. [http://www.sueddeutsche.de/thema/Diversity\\_Management](http://www.sueddeutsche.de/thema/Diversity_Management). Online, accessed 04. October 2010.
- Suess, S. (2009). *Die Institutionalisierung von Managementkonzepten*. Rainer Hampp Verlag, München, Mering.
- Tan, C. H. (2006). *HR Singapore Quictionary: A Quick Reference to Human Resource Concepts, Practices and Guidelines*. NUS Business School, Singapore.
- Tan, N. T. (2005). *People Effectiveness: Maximising Human Resource Potential in Times of Change*. SIM Research Series. Singapore Institute of Management, Singapore.
- Tan-Hong Tuen, J. (1999). Effects of the economic crisis on the placement of people with disabilities in singapore. *Asia and Pacific Journal on Disability*, 2(1).
- Technica (2010). Providing Supportive and Diverse Workplaces. [http://www.technica.com/csr/society/member/index.html#office\\_01](http://www.technica.com/csr/society/member/index.html#office_01). Online, accessed 01. August 2010.

- The Ronald Coase Institute (1997). Interview with ronald coase. Inaugural Conference, International Society for New Institutional Economics St. Louis, Missouri, USA.
- The Strait Times (1999). Foreign Talent Still Hot Topic. *The Strait Times*, page n.a. July, 18.
- Thomas, D. A. and Ely, R. J. (2001). Making Differences Matter: A New Paradigm for Managing Diversity. In *Harvard Business Review Paperback*, pages 33–66. Harvard Business School Publishing.
- Thomas, R. R. J. (2001). From Affirmative Action to Affirming Diversity. In *Harvard Business Review on Managing Diversity Paperback*, pages 1–31. Harvard Business School Publishing.
- Tolbert, P. S. and Zucker, L. G. (1996). The Institutionalization of Institutional Theory. In Clegg, S. R., Hardy, C., and Nord, W. R., editors, *Handbook of Organization Studies*, pages 169–184. Sage, London.
- Unknown (n.a.). Managing Cultural Diversity in the Workplace - Courseware. Unpublished document.
- US Department of State (2010). Background Note: Singapore. <http://www.state.gov/r/pa/ei/bgn/2798.htm>. Online, accessed 15. September 2010.
- van Knippenberg, D., De Dreu, C. K. W., and Homan, Astrid, C. (2004). Work group diversity and group performance: An integrative model and research agenda. *Journal of Applied Psychology*, 89(6):1008–1022.
- Veblen, T. (1969). *Veblen on Marx, Race, Science and Economics. The Place of Science in Modern Civilization and Other Essays*. Capricorn Books, New York.
- Veblen, T. B. (1898). Why is economics not an evolutionary science? *The Quarterly Journal of Economics*, 12:373–397.
- Walgenbach, P. and Meyer, R. (2008). *Neoinstitutionalistische Organisationstheorie*. Verlag W. Kohlhammer, Stuttgart.
- Wan, D. (2004). HRM in Singapore: Chance and Continuity. In Rowley, C. and Benson, J., editors, *The Management of Human Resources in the Asia Pacific Region*, pages 129–146. Frank Cass, London.

- Warner, M. (2003). Introduction: Culture and Management in Asia. In Warner, M., editor, *Culture and Management in Asia*, pages 1–23. RoutledgeCurzon, London, New York.
- Weber, M. (1972). *Wirtschaft und Gesellschaft*. J.C.B Mohr (Paul Siebeck), Tuebingen, 5 edition.
- Wentling, R. M. and Palma-Rivas, N. (2000). Current status of diversity initiatives in selected multinational corporations. *Human Resource Development Quarterly*, 11(1):35–60.
- Williams, K. Y. and O'Reilly III, C. A. (1998). Demography and diversity in organizations: A review of 40 years of research. *Research in Organizational Behavior*, 20:77–140.
- Wooten, M. and Hoffman, A. J. (2008). Organizational Fields: Past, Present and Future. In et al., R. G., editor, *The SAGE Handbook of Organizational Institutionalism*, pages 130–147. SAGE Publications, London, Thousand Oaks, New Dehli, Singapore.
- Yakura, E. K. (1996). EEO Law and Managing Diversity. In Kossek, E. E. and Lobel, S. A., editors, *Managing Diversity. Human Resource Strategies for Transforming the Workplace*. Blackwell Publishers Inc., Malden.
- Zanoni, P. and Janssens, M. (2003). Deconstructing differenc: The rhetoric of human resource managers' diversity discourses. *Organization Studies*, 25(1):55–74.
- Zucker, L. G. (1977). The role of institutionalization in cultural persistence. *American Sociological Review*, 42:726–743.
- Zucker, L. G. (1988). Where Do Institutional Patterns Come From? Organizations as Actors in Social Systems. In Zucker, L. G., editor, *Institutional Patterns and Organizations*, pages 23–49. Ballinger Publishing Company, Cambridge; MA.

## Appendix A

### Methodologies Applied

The main body of the thesis is based upon research that was conducted in Singapore during the nine months between October 2006 and June 2007. Due to the lack of literature and respective data about workforce diversity and its management in Singapore, a qualitative approach was chosen, the case studies from which allowed for exploring the topic with a higher degree of depth and detail and therefore provided a first structural assessment of diversity management in the Singaporean business context. Most of the collected data derive from semi-structured interviews – guided interviews based on predetermined topics with open-ended questions that motivate respondents to talk – that leave room for focal deviations such as the modification of questions and changes in interview topics.

The companies for the case studies were selected on the basis of certain criteria. Both companies, Logistica Singapore and Moneta Singapore, are MNCs with subsidiaries in Singapore, diversity is part of their (HR) strategy and both belong to different industries, which allowed for the comparison of their diversity management and its importance. Contact with Logistica Singapore's regional HR department was established through the Corporate Culture Department of Logistica's parent company, whose employees gave me an overview of the responsibilities and initiatives of their department and the structure of Logistica Asia-Pacific prior to the fieldwork. Interviews were conducted at Logistica SINROs' HR department with vice presidents and the senior vice president, and were in agreement with the respondents recorded. Topics included different aspects of workforce diversity within the company, the composition of the HR department and recruitment. Due to Logistica SINROs' function as a regional office responsible for the whole Asia-Pacific region, the research focused on Logistica SINCO, which operates solely in the



Singaporean market. Contact with SINCOs' HR department head was established with the help of SINROs' senior HR vice president. At the HR department of Logistica SINCO, interviews were conducted with the head of department (HOD) and with staff, although the latter were the only ones recorded at the country office. Interview topics included diversity management, personnel recruitment and employee composition at the country office. Logistica SINCOs' marketing and operations departments were chosen for further and detailed research, because the former consisted of highly skilled employees, where diversity might be of use in regard to enhanced creativity and innovation, and the latter unskilled workers who showed – according to respondents in SINCOs' HR department – a high degree of functional diversity. The dichotomy of both departments in view of their demands on employees, different employee composition and tasks should provide information about the value of diversity in departments on different hierarchical levels and determine whether diversity proves beneficial in the respective department according to its different tasks. An additional interview was conducted with the head of Logistica SINCOs' Global and Multinational Customer Department, which has a diverse customer base and might consider diversity an asset. The interviews covered the areas of workforce diversity and its management, work environment and teamwork (employees), as well as recruitment and turnover (managers). At Logistica's headquarters, an interview with a senior expert diversity consultant was conducted after returning from Singapore.

I faced severe restrictions at Logistica's country office: I was not given permission to record interviews, there was no independent access to the respective departments and a list of potential respondents had to be compiled without meeting anybody from the respective department or having the chance to gain further detailed information on the department – apart from that found on the Intranet. After selecting potential respondents, a request was forwarded by the HR department to the respective respondent, accompanied by the questionnaire, prior to the meeting. This procedure prevented familiarisation with departmental structures and employees, and there was not enough time for the respondents to get to know me or answer questions, or for me to explain my role and the purpose of the research. The reason(s) for these restrictions are subject to speculation, but informally I was told by respondents at Logistica SINRO, as well as SINCO, that people thought I had been sent by Logistica's headquarters and the research might constitute some kind of performance check regarding diversity. If so, my neutral status as a researcher might be questioned, leading to these restrictions and probably also to reticence or influencing respondents' answers.

At Moneta Singapore, all members of the diversity committee except the CEO were interviewed; some interviews were recorded, while others, corresponding to the wishes of the respondents, were not. Contact was established with the help of the HR department of Moneta Singapore. Interviews topics, while similar to the interviews at Logistica Singapore in covering different general aspects of workforce diversity, recruitment procedures and the composition of the respondents' departments, went into more detail because the bank had already developed a diversity strategy and supporting initiatives. At Technica Singapore, one interview was conducted with its managing director, but several managers also attended the meeting. The interview revolved around workforce diversity and its management at Technica, as well as the company's employee composition.

In order to evaluate and gain information about the significance workforce diversity has in the Singaporean business context, interviews with experts from consulting agencies and the Ministry of Manpower were conducted. These interviews contained questions about diversity as business driver, the successful application of diversity management in companies as well as workforce diversity in Singapore, its present and future development. The number of interviews conducted in the course of the research in each company, external persons interviews and the respondents' positions are summarised in A.1.

**Table A.1:** Interviews Conducted in the Course of the Research

<b>Company &amp; Department</b>	<b>Number of Interviews</b>	<b>Respondents Position</b>	<b>Interview Recorded</b>
Logistica Singapore SINRO HR department	8	Senior Vice President Vice Presidents	yes
Logistica Singapore SINCO HR department	3	Head of Department staff	no yes
Logistica Singapore SINCO Marketing department	4	managers staff	no
Logistica Singapore SINCO Operations department	7	managers service center staff	no
Logistica Singapore SINCO Global and Multinational Customer department	1	Head of Department	no
Logistica Corporate Culture department at the company's headquarters	1	Senior Expert Diversity Consultant	yes
Moneta	9	different departments & positions	five recorded four not recorded
Technica	1	Managing Director	no
Experts: Accenture Cartus Singapore Ministry of Manpower	3	Human Resource Director Southeast Asia, Australia and Korea; Director Intercultural Sales& Account Management; Divisional Director International Manpower Division	yes

The textual data collected was coded and analysed with Atlas.ti, which allows the handling of larger sets of data and – more importantly – provides a methodical analysis and generation of ideas and theoretical linkages through abstraction, comparison and establishing relationships between the data.

In addition to the qualitative data, secondary data were collected and analysed. A statistical survey was conducted in the HR and marketing departments at Logistica Singapore SINRO, as well as with one Logistica SINCO service centre. The aim was to gain an overview of the diversity found in each respective department. Employees from each respective department were asked about demographical data as well as further non-demographical data (e.g. education, languages, etc.). Furthermore, I was allowed to observe the work of the couriers during one morning shift in a Logistica SINCO service centre and to accompany one courier on his route. As an observer, I took a rather passive role and was able to take notes of my observations, something that was not possible in the same degree during my employment at Logistica's Corporate Culture Department, where I worked for nine months and took an active role as a participant. During that time no formal interviews were conducted, but through my work I was able to obtain experience, knowledge and (informal) information that turned out to be very valuable forms of data. Published as well as unpublished brochures, presentations and papers, as well as Logistica Singapore, Logistica Group and Moneta web pages, provided further secondary data that were incorporated in the analysis.

## Appendix B

# Questionnaire: Logistica Singapore SINRO

### Diversity Management

- If we are talking about diversity in your company, what kind of diversity do you have in mind?
- Does an official definition of diversity exist at Logistica?
- How much is diversity of value to Logistica?
- How much can diversity be a challenge for Logistica?
- Singapore and the Asia Pacific region has a highly diverse workforce (especially in terms of cultural and ethnic diversity). As a consequence, does an official diversity strategy exist in order to deal with the existing diversity? If yes, please outline details of the strategy:
  - When was it introduced?
  - Why was it introduced?
  - What are the contents?
  - What are the (short- and long-term) objectives of the diversity strategy?
  - Does the diversity strategy apply to all levels of the company or just to specific divisions?
  - How is the diversity strategy implemented within the company and its departments?

- What kinds of actions are taken?
- If not, why?
- Does an unofficial diversity strategy exist?
- Are there any other strategies/programmes in which diversity plays a (minor) role?
- Are there any guidelines concerning diversity management issued by Logistica's headquarters?
- Are diversity and its management (important) issues within your field of work?
- In your opinion, does diversity matter at all at Logistica? Why/Why not?
- Where (e.g. departments/teams) is diversity an (important) issue?
- Why does diversity matter in these departments/teams?
- Do different types/aspects of diversity become important at different company hierarchy levels?
- What are, in our opinion, the benefits of diverse departments/teams?
- What kinds of problems/conflicts may occur within diverse departments/teams?
- How are these occurring problems/conflicts dealt with?

### **Composition of HR department and Recruitment**

- How would you describe the composition of the Logistica SINRO HR department in regard to diversity?
- Was the composition of the HR department planned or did it evolve by chance?
- What target group do you have in mind when recruiting new staff?
- Have you or any other members of the HR department ever participated in diversity training or a related workshop?
  - When?
  - What kind of training/workshop?

## Appendix C

# Questionnaire: Logistica Singapore SINCO's HR Department

### Diversity Management

- If we are talking about diversity at Logistica, what kind of diversity do you have in mind?
- Does an official definition of diversity exist at the country office?
- How much is diversity an asset for Logistica?
- How great a challenge is diversity for Logistica?
- Singapore has a highly diverse workforce (especially in terms of cultural and ethnic diversity). As a consequence, does a diversity strategy exist in order to deal with and manage the existing diversity?
  - If yes, please outline the details of the strategy.
  - If no, why not?
- How do you actually deal with the existing diversity?
- Do any other strategies/programmes exist in which diversity plays a (minor) role?
- Are diversity and its management (important) issues within your field of work?
  - Why/Why not?

- In your opinion, does diversity matter at all in Logistica?
  - Why/Why not?
- Where (e.g. departments/teams) is diversity an (important) issue?
- Why does diversity matter in these departments/teams?
- Can you name departments at Logistica SINCO which are highly diverse?
- In your opinion, why are these departments highly diverse?
- Do different types/aspects of diversity become important at different company hierarchy levels?
- What are, in our opinion, the benefits of diverse departments/teams?
- What kinds of problems/conflicts may occur within diverse departments/teams?
- How are these occurring problems/conflicts dealt with?

### **Personnel Recruitment**

- Is diversity important in regard to the recruitment of personnel?
- Where do you advertise vacancies (media, in-house, etc.)?
- Is diversity a topic used in advertisements for Logistica Singapore?
- What kind of selection procedure do you use (interview, assessment centre, etc.)?
- Do you recruit personnel with or without the respective head of department?
- What are the three main criteria considered when recruiting new staff?
- Are there any legal regulations in Singapore which may influence the hiring of new personnel?
- Does the SINCO HR department have to follow any guidelines/strategies issued by the SINRO HR department? If so, which guidelines/strategies?

### **Composition of SINCO**



- Why, when compared with the Singaporean population census, are a disproportionately high number of 'Malays' and 'Others' working in SINCO?
- Roughly 75% of the employees working in SINCO are aged 39 and below – what is the reason for this age composition?
- How would you describe the composition of the Logistica SINCO HR department in regard to diversity?
- Was the composition of the HR department planned or did it evolve by chance?
- Have you or any other members of the HR department ever participated in diversity training or a related workshop?
  - When?
  - What kind of training/workshop?

## Appendix D

# Questionnaire: Logistica Singapore SINCO Marketing and Operations Department

### Perception of Diversity

- If we are talking about diversity at Logistica, what kind of diversity do you have in mind?
- How much is diversity an asset for Logistica?
- How much is diversity a challenge for Logistica?
- Would you describe your department as diverse?
  - Why?/Why not?
- Would you consider the diversity found in your department valuable (a good thing to have)?
- Are there any (informal) codes of practice in your department used to deal with diversity?
- What are – in your opinion – the benefits of a heterogeneous department/team?
- In your opinion, what kinds of problems/conflicts may occur in a diverse department/team?
- How are these problems/conflicts dealt with?

- Is diversity and its management an (important) issue for your work/within your department?
  - Why/why not?
- In your opinion, does diversity matter at all at Logistica?
  - Why/Why not?

### **Work Environment/ Team Work**

- Do any flexible work arrangements exist (e.g. telecommuting, job sharing, working at home, part-time work assignments) in order to accommodate the diverse needs and lifestyles of the department's employees?
  - Who of the employees makes use of such work arrangements?
- Are department/work group meetings held on a regular basis?
- Who participates in these meetings?
- What is the usual procedure for these meetings?
- What topics are discussed during the meetings (exchange of information, coordination of work and appointments, working atmosphere)?
- How do you make sure that all members of the team are involved?
- Are there any (unwritten) rules concerning teamwork within the department?
- What actions are taken to facilitate teamwork within the department?
- What strategies are adopted to solve a conflict/problem between employees?
- Do you also meet colleagues in your spare time? Who do you meet?
- With whom do you spend your break (include people outside the department)?
- Are any activities for the employees (spouses, children) arranged by the company/department?
- Have you ever participated in diversity training or a related workshop?
  - If yes, when?

- What kind of training/workshop?

### **Head of Department**

- Are you involved in the recruitment of new personnel for your department?
- What are the three main criteria considered when recruiting new staff?
- What target group do you have in mind when recruiting new staff?
- What was the composition of your department when you started your current position?
- Is there a high rate of employee turnover in your department?
- What reasons do you think are responsible for the high/low rate of employee turnover?
- Is there a high rate of absenteeism in your department?
- What reasons do you think are responsible for the high/low rate of absenteeism?

## Appendix E

# Questionnaire: Moneta Diversity Committee

### Diversity Management

- If we are talking about diversity at Moneta, what kind of diversity do you have in mind?
- Does an official definition of diversity exist at Moneta?
- How much is diversity an asset for Moneta?
- How much can diversity be a challenge for Moneta?
- Singapore has a highly diverse workforce (especially in terms of cultural and ethnic diversity). As a consequence, does an official diversity strategy exist in order to deal with existing diversity? If yes, please provide details of the strategy:
  - When was it introduced?
  - Why was it introduced?
  - What are the contents?
  - What are the (short- and long-term) objectives of the diversity strategy?
  - Does the diversity strategy apply to all levels of the company or just to specific divisions?
  - How is the diversity strategy implemented within the company and its departments?
  - What kinds of actions are taken?

- How do you measure the outcomes of the implemented diversity strategy?
  - \* If you do not measure diversity, why?
- Does an unofficial diversity strategy exist?
- Are there any other strategies/programmes in which diversity plays a (minor) role?
- What are the reasons for the formation of the diversity committee at Moneta?
- What are the duties and responsibilities of the diversity committee?
- Are any guidelines issued by Moneta's headquarters concerning diversity management?
- Are diversity and its management (important) issues within your field of work?
- In your opinion, does diversity matter at all at Moneta?
- Where (e.g. departments/teams) is diversity an (important) issue?
- Why does diversity matter in these departments/teams?
- Are different aspects/types of diversity important at different levels of the company hierarchy?
- What are, in our opinion, the benefits of diverse departments/teams?
- What kinds of problems/conflicts may occur within diverse departments/teams?
- How are these occurring problems/conflicts dealt with?

### **Composition of Respondents' Department and Recruitment**

- How would you describe the composition of your department in regard to diversity?
- Was the composition of the department planned or did it evolve by chance?
- Is diversity important in regard to the recruitment of personnel?
- What target group(s) do you have in mind when recruiting new staff?
- What are the three main criteria considered when recruiting new staff?

- Have you ever participated in diversity training or a related workshop?
  - If so, when?
  - What kind of training/workshop?

## Appendix F

# Questionnaire: Technica Singapore

### Diversity Management

- If we are talking about diversity at Technica, what kind of diversity do you have in mind?
- Does an official definition of diversity exist at Technica?
- How much is diversity an asset for Technica?
- How much can diversity be a challenge for Technica?
- Singapore has a highly diverse workforce (especially in terms of cultural and ethnic diversity). As a consequence, does an official diversity strategy exist in order to deal with the existing diversity? If yes, please outline details of the strategy:
  - When was it introduced?
  - Why was it introduced?
  - What are the contents?
  - What are the (short- and long-term) objectives of the diversity strategy?
  - Does the diversity strategy apply to all levels of the company or just to specific divisions?
  - How is the diversity strategy implemented within the company and its departments?
  - What kinds of actions are taken?



- How do you measure the outcomes of the implemented diversity strategy?
  - \* If you do not measure the outcomes, why not?
- Does an unofficial diversity strategy exist?
- Are there any other strategies/programmes in which diversity plays a (minor) role?
- Are diversity and its management (important) issues within your field of work?
- In your opinion, does diversity matter at all at Technica?
- Where (e.g. departments/teams) is diversity an (important) issue?
- Why does diversity matter in these departments/teams?
- Are different aspects/types of diversity important at different levels of the company hierarchy?
- What are, in our opinion, the benefits of diverse departments/teams?
- What kinds of problems/conflicts may occur within diverse departments/teams?
- How are these occurring problems/conflicts dealt with?

### **Composition of Technica Singapore**

- How would you describe the composition of Technica Singapore in regard to diversity?
- Was the composition planned or did it evolve by chance?
- Is diversity important in regard to the recruitment of personnel?
- What target group(s) do you have in mind when recruiting new staff?
- What are the three main criteria considered when recruiting new staff?
- Have you ever participated in diversity training or related workshop?
  - If so, when?
  - What kind of training/workshop?

## Appendix G

# Questionnaire: Experts

### Perception of Diversity as a Business Driver

- If we are talking about diversity in companies, what kind of diversity do you have in mind?
- How much is diversity an asset/of value to a company?
- How much can diversity be a challenge for a company?
- Should diversity be an issue for all levels of the company hierarchy?
- The introduction and implementation of a diversity programme or strategy requires resources, encouragement from top management and a major mindset change throughout the organisation. Why should a company support this action if there are no legal requirements and no direct, measurable monetary benefits?
- In your opinion, is diversity a necessary condition for the success of a company in the global marketplace?

### Diversity Management

- What are the most important aspects a company has to consider when formulating a diversity strategy?
- What are – in your opinion – the most important aspects of a successful diversity management strategy?

- How can companies support the creation of a workforce that has the skills needed to turn diversity into an advantage?
- How are companies able to quantify the benefits of diversity and their implemented strategies?

### **Workforce Diversity in the Singaporean Context**

- How would you describe the current workforce in Singapore in terms of diversity?
- What are the major challenges a company has to face in regard to the Singaporean workforce?
- What are the major labour market trends in Singapore, and what impact do these have on companies operating in the country?

## Appendix H

# Statistical Survey

**Table H.1:** Questionnaire for the Statistical Survey

<b>Date:</b>	
<b>Sample No.</b>	
<b>A. Sex:</b> 1=Male, 2=Female	V001
<b>B. Age:</b> Years old	V002
<b>C. Religion:</b> 1=Taoist, 2=Buddhist, 3= Muslim, 4=Hindu, 5=Protestant, 6=Catholic, 7= No Religion, 9=Others	V003
<b>D. Nationality:</b> 1=Singaporean, 2=Malaysian, 3=Indian, 4=Chinese, 5=Indonesian, 6=German, 7=American, 8=Australian, 9= Other	V004
<b>E. Ethnic background/community:</b> (to be coded later)	V005
<b>F. Disability:</b> 1=Yes, 2= No	V006
<b>G. Language(s) spoken by the respondent:</b> 1=English, 2=Mandarin, 3=Chinese Dialects, 4=Malay, 5=Tamil, 6= Hindi, 7=German, 9=Others	V007

*Continued on the next page*

**Table H.1:** Questionnaire for the Statistical Survey

<b>H. Education (highest degree achieved):</b> 1=PhD, 2=Master, 3=Bachelor, 4=Primary School, 9=Other, specify:	V008
<b>I. If the answer is 1-3, what university?</b> (to be coded later) Name of university/country:	V009
<b>J: Field of study</b>	V010
<b>K: What is your current work position at Logistica?</b> Please specify:	V011
<b>L: Duration of employment at Logistica</b> Please specify:	V012
<b>M: Employment history:</b> Please describe:	V013