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Anette Heikkilä

# **Navigating Cultural Diversity Within Global Organisation**

Global Management for Organisational Success

School of Management  
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**Author:** Anette Heikkilä  
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**Supervisor:** Christoph Demmke  
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**ABSTRACT:**

Kulttuurinen monimuotoisuus on tullut esille maailmanlaajuisesti eri organisaatioissa. Väestön liikkuvuuden ja työvoiman rajojen ylittämisen kautta yhä useammat organisaatiot ovat kohdanneet tilanteen, jossa monimuotoisuuden aiheuttamiin haasteisiin ja näkökulmiin on löydettävä tehokkaita ratkaisuja organisaation toiminnan kannalta. Maailmanlaajuisesti kulttuurinen monimuotoisuus on eri tavalla tunnistettu alueista riippuen, kuten esimerkiksi verrattaessa Amerikan ja eurooppalaisten maiden eroavaisuuksia suhtautumisessa kulttuuriseen johtamiseen. Tässä tutkimuksessa lähestytään kulttuurista monimuotoisuutta sen tuoman hypoteettisen ryhmien tehokkuuden lisääntymisenä. Hypoteesi perustuu siihen, että monimuotoisuuden kautta organisaatioon tuodaan erilaisia näkemyksiä ja kokemuksia osaksi päätöksentekoa sekä ongelmanratkaisua, jotka edesauttavat tehokkaampaa yhteistyötä yksilöiden välillä. Tutkimuksen tavoitteena on ymmärtää monimuotoisuuden tuomia vahvuuksia organisaation toimintaan, sekä toisaalta mahdollisia riskejä joita tulisi ottaa huomioon kulttuurillisen johtamisen strategian suunnittelussa.

Tutkimus toteutetaan haastatteleamalla eri asemissa olevia henkilöitä, joilla on kokemusta kansainvälisistä organisaatioista työskentelemisestä. Tutkimukseen on valittu mukaan sekä itsenäisiä työntekijöitä, että johtaja-asemassa olevia henkilöitä. Ajatuksena on analysoida sekä työntekijöiden, että johtajien näkökulmaa kulttuurisen monimuotoisuuden toteutumisesta ja heidän kokemuksistaan erilaisista organisaatioista. Tämän lisäksi tutustutaan aiempiin tutkimuksiin, jotka pohjautuvat kulttuuriseen monimuotoisuuteen sekä kulttuurilliseen johtamiseen.

Tutkimuksessa analysoitujen tulosten perusteella voidaan todeta, että kulttuurinen monimuotoisuus lisää erityisesti yksittäisten ryhmien tehokkuutta. Lisäksi voidaan tarkentaa, että niissä organisaatioiden ryhmissä joissa kulttuurista monimuotoisuutta esiintyy, on paremmat edellytykset luovalle ongelmanratkaisulle sekä psykologisen turvallisuuden lisääntymiselle. Ehtona kulttuurisen monimuotoisuuden vahvuuksien toteutumiselle on riittävä koulutuksellinen ohjelma ja perehdytys sen aiheisiin, jolloin kulttuuriseen monimuotoisuuteen suhtautuminen olisi olennainen osa organisaation kulttuuria. Lisäksi se koskisi kaikkia organisaation jäseniä tasapuolisesti. Tutkimuksen tulokset osoittavat, että mikäli kulttuurinen monimuotoisuus ei ole integroitu huolellisesti organisaation toimintaan, voivat sen vaikutukset kääntyä päinvastaiseksi. Tätä kautta riittämättömät tai vääränlaiset koulutusohjelmat voivat heikentää organisaation yhteishenkeä eri kulttuurien keskuudessa organisaation sisällä.

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**KEYWORDS:** Cultural diversity, Diversity, Inclusion, Cross-cultural management, Team performance, HR strategy

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# 1 Introduction

## 1.1. Background

Globalisation is bringing cultural diversity into awareness within many organisations. It also brings complexity. Having individuals come from multiple cultural backgrounds creates complexity within organisations, as it can be evaluated from interactions between demographics which are surface-level and core characteristics, which are psychological. Societal and cultural expectations are in constant movement within today's society where organisational leadership needs to reconsider how to address these topics. Organisations are required to be both sustainably competitive as well as culturally diverse and inclusive, for the workforce to experience more wellbeing at work. (Chua, Sun & Sinha, 2023, p. 636)

The topic of this research will be related to navigating cultural diversity within a global organisation and how it is connected to team performance. Workforce is becoming more diverse across the globe within organisations and team structures are a strong basis for understanding organisations functionality. Team structures and team work is also a key element of working within organisations. That is why team performance has been of interest to research in connection to cultural diversity and how they may reflect on each other. In the studies conducted, it has been of importance to understand what benefits there are related to culturally diverse teams and what may be the consequences of it on the other hand (Nederveen Pieterse, Knippenberg & Dierendonck, 2013, p. 782). This has been a basis for building this research paper as well, to continue understanding the development of cultural diversity management research and to which direction we are heading within management studies.

When evaluating the connection between cultural diversity and team performance, the core question of the relationship is to understand how the connection increases the confidence the team has in its ability to perform, so called team potency. And what will eventually be the reality and what happens, is through team performance. It is built

around understanding networks that may increase or decrease a team's ability to perform well. (Tröster, Mehra & van Knippenberg, 2014, p. 246)

Stahl, Maznevski, Voigt and Jonsen (2010) have mentioned in their research that qualitative reviews within the field of diversity research are most commonly researching various dimensions of diversity including age, gender, function as well as culture and ethnicity. When comparing various research results, the outcomes may differ slightly from each other when looking at all these dimensions. In practice, it also means that some researches prove a strong positive correlation between diversity and performance whereas some other conducted papers refer to a more negative correlation between these key terms. When looking at meta-analyses, no significant connection or actual relationship has been found between diversity and performance, nor a negative connection. (Stahl, Maznevski, Voigt and Jonsen, 2010, p. 691)

Dodd and Zheng (2022) have been studying the impact of cultural diversity within Australian organisations. What they have also stated is that the presence of cultural diversity is applicable in different formats depending on the location. This can have economic, legal, institutional or cultural and social differences that create a specific environment for cultural diversity and a basis for it to function. (Dodd & Zheng, 2022, p. 2)

Raithel, van Knippenberg and Stam (2021) have also argued towards cultural diversity being a two sided experience within team performance. According to their paper, based on previous studies conducted, team cultural diversity can both support and disrupt team performances. The focus has been specifically on team performance and team cultural diversity in their research paper. One reason for this can be misunderstandings within team work when people coming from multiple cultural backgrounds are collaborating. Another experience may be intergroup biases that have the chance to disrupt the processes. On the other hand, team cultural diversity may offer the possibility to provide a wide range of ideas and thoughts for a topic,

increasing innovation and creativity for better team performance. Therefore the ultimate key for attaining the best of cultural diversity within team performance is to prevent the negative effects and to increase the positive effect to promote better team performance. (Raithel, van Knippenberg & Stam, 2021, p. 261)

Another interesting study has been conducted in the US around workplace diversity policies and how they are applied within organisations, if applied at all. Nadarajah, Atif and Gull (2022) have been completing this study and what their hypothesis was relying on was related to the individualistic culture of some countries. The hypothesis was that for individualistic cultures, there was less likely a chance where diversity related policies would have been executed on an organisational level. Due to the individualistic approach of it, inside an organisation managers and the business itself would need to have its employees' interest fully in mind in addition to their own compensation and performance preferences. Implementing workplace diversity policies was not therefore seen as highly likely in an individualistic environment, due to the fact that the personal interests would lay on externally approved factors rather than focusing on understanding the members of an organisation. On the contrary, Nadarajah and others have stated that in those states where individualism as a priority is not as highly visible from a cultural perspective, the organisations are more innovative because of applying workplace diversity policies. (Nadarajah, Atif & Gull, 2022, p. 444-445)

Even approximately 20 years ago, back in 2007, it has been stated that the workforce is starting to consist more of people coming from diverse backgrounds, alternative lifestyles and generational differences than it has ever before (Roberson & Park, 2007, p. 549). Fast forward to the year of 2023, the studies are focusing on understanding how much a diverse board of an organisation is creating a more positive company performance as well as improving their social performance through customer satisfaction, collaboration with local communities and overall better well-being of the human capital (Yilmaz and others, 2023, p. 3126). Based on the amount of existing

research throughout the years and how it has been developing, there is no doubt that research will continue on the topic.

These backgrounds in mind, it was of interest to continue looking into the impact of cultural diversity in global management through understanding team performance improvement in collaboration with the team cultural diversity. Cross-cultural competence has been mentioned as one critical leadership competency for the future, when managing international organisations (Groves & Feyerherm, 2011, p. 536).

The hypothesis for the research is that a connection between cultural diversity and team performance exists, to some extent as is already backed up by previously conducted research. The hypothesis states more towards finding a positive connection between team cultural diversity and team performance, however the discussion will be open to discuss the potential disruptions of team performance due to cultural diversity aspect as well.

In the beginning of this chapter, the background of the study will be defined and explained. This will follow with explanations around terms that will be used and which theories will be utilised to support the study. After that, the structure of the study will be explained and how the processes will be completed throughout the study.

## **1.2. Objectives**

The objective of the study is to bring more awareness of cultural diversity affecting team performance. It will provide perspective for organisations to evaluate, when setting strategic direction towards international people management. The research will evaluate what would be the most efficient way to enhance cultural diversity practices within people management to increase team efficiency. It will also provide the insights on how the future will look like and what will be the direction of development of cultural diversity management.

Through these objectives, the study will be answering the following questions as its research questions.

1. How do HR strategies take into account cultural diversity and through that, contribute towards organisational success?
2. What are the emerging trends within cultural diversity and inclusion for organisations?

The aforementioned questions will include all the core focuses of this study and aim at understanding how these questions are answered in today's organisations. The questions will involve both aspects from employees (also defined as "individual contributors") as well as manager-level employees, who are currently in a manager position or have been previously in their career. With managers, we are defining people working in positions where they are managing other people as their direct reports in an organisation. Having both sides included, employees as well as people managers, it will be of interest to see how the answers may be similar or different from each side.

### **1.3. Structure**

This study will consist of a total 6 (six) chapters. In chapters 2 to 3, the most common terms and previous research will be presented as the background for this research. These chapters will also represent the theories behind this research.

In chapter 4, the execution model of this research will be represented. What methods will be used to retrieve the needed data or qualitative results, in order to be able to analyse and discuss the research questions.

In chapter 5, the results of executing the research interviews will be analysed by breaking them down based on the amount of interview questions. The analysis will

consist of sharing the results based on natural observation as well as sharing the facts that interview participants have shared directly to the researcher by communication.

After the analysis has been conducted, the main points and findings will be organised as a summary at the end of this research. The summary will state the matching of set hypotheses as well as summarise, what is the finding and result of this research.

At the end of the research document, all the credentials and sources will be marked accordingly as a list. This will ensure public access to the sources used in this study and which authors have been picked as a support for the main themes.

## 2 Diversity, Equality and Inclusion

### 2.1. Terms

#### *Diversity, equality and inclusion*

Diversity, equality and inclusion can be measured in demographics, gender, ethnicity, age and disciplines (Bock, 2022, p. 41). Diversity itself is an ambiguous term which means that it can be interpreted in multiple contexts and with different aspects, as it is not fully clarified to be set to relate to only one person or context overall (Risberg & Corvellec, 2022, p. 1851).

#### *Cultural diversity*

Cultural diversity has the potential of offering positive diversity of information to a group of people working at a team setting. It brings creativity, innovation, problem-solving and decision-making as tools to approach complex challenges, where they can be culturally associated or non-associated. (Raither, Van Knippenberg & Stam, 2021, p. 261)

#### *Inclusive leadership*

Inclusive leadership recognizes all kinds of profiles within a workforce. Specifically, the term inclusion can be defined as a state where one feels belonging to a certain group and part of the group as its member. On the other hand, when it comes to inclusion and leadership together, inclusive leadership can be defined as leading people by inviting them to the group as they are and with all the respect. (Malik, 2023, p. 1)

#### *Ally*

Allies, or in other terms, group members, are groups of people supporting the topic of a minority they have formed the group for. The agenda may be related to demonstrating supportive behaviour e.g. through practical action, for example by pointing out non-accepted behaviour towards the minorities in question. Allies are closely connected to DEI training initiatives, as usually the member groups are

responsible for kicking off these trainings and driving them forward and networking with other groups within an organisation. (Perales, 2022, p. 2)

### *Diversity management*

Diversity management as a people management aspect, and being just one perspective of managing people, can either acknowledge differences or homogenise diversity in a group. Diversity management may genuinely represent equality and driving forward initiatives falling under its responsibilities, whereas it can also be seen as a business tool and not humanly supportive, which creates complexities and challenges for those in charge of planning diversity management tools within an organisation. (Risberg & Corvellec, 2022, p. 1851)

### *Workforce diversity*

This term measures how many people in an organisation are coming from different backgrounds and holding different background characteristics. Organisations may arrange workforce diversity programs, where organisations are expanding the value of workforce diversity groups and enhancing the importance of it within the rest of the organisation. Global economy has expanded across national borders, which requires organisations to keep the diversity questions closer to other strategies more than ever before. (Peretz, Levi & Fried, 2015, p. 2)

## **2.2. Previous research**

### **2.2.1. Diversity, equality and inclusion trainings**

Cox (2023, p. 1038) has conducted research on the influence of DEI training within organisations. With DEI training, it is referred to for example cultural training or anti-racism training, therefore the umbrella for it as a header for Diversity, Equality and Inclusivity can be widely understood. Therefore all similar training will be referred to as DEI training in this research.

As stated by other sources and other research previously, standard and non-scientific based DEI training has not been as successful in practice. At worst, it may even create more biases and more collapses between various cultures within an organisation's population. To refer to the other sources, even bigger media and journal sources have been posting about the topic, including Scientific American, Forbes, Business Insider and TIME Magazine, to mention a few. The message has been, that DEI training won't help and work within organisations. At most, it has been declared that non-scientific based DEI training is becoming a business industry and could be currently worth around 8 billion dollars on its own. (Cox, 2023, p. 1039)

As a contrast to this strong message, Cox (2023) is striving to prove that to overcome this problem, an organisation would need to implement empowerment-based approaches within their DEI training for it to be successful and impactful. Empowerment-based approach puts the individual to be the agent of change themselves. It will enhance and help them navigate with the existing information they may already have, to be able to change their own behaviour and actions through their own self-control. This is in contrast to the information deficit model, where the trainers are rather controlling the audience by sending out new information without taking into account the existing beliefs, social values and experiences of an individual. (Cox, 2023, p. 1041)

From scientific perspective, it has been therefore stated that the training with an information deficit model is considered as an ineffective way of trying to pursue cognitive-behavioural change. In order to move from information deficit to empowerment-based model, organisations would need to educate the audience of DEI training first on what the topic of DEI or the course theme in question specifically means. It means communicating the information that the audience is lacking and why they would be going through the DEI training in the first place. They would also need to build the trust towards individuals themselves being the agent of change. By communicating the information and knowledge correctly prior to pursuing a training, it

will allow the audiences to develop deeper engagement towards the DEI training practices and outcomes in the longer term. (Cox, 2023, p. 1040)

### **2.2.2. Multicultural marketplaces**

Kipnis and others (2021) have been researching multicultural marketplaces and how their wellbeing is tied to diversity, equality and inclusion themes across various organisations. (Kipnis and others, 2021, p. 144)

What is stated is that first of all many organisations have been faced with cultural insensitivities in their practices, to mention a few examples: Starbucks had received publicity after arresting two African Americans in one of their cafes, which was profiled as an action due to the ethnicity of the customers and brought up publicly, when it comes to discriminating based on one's background. Another example has been the COVID-19 pandemic that was happening from 2021 to 2022 at its peak. During that time, health information and care was not available equally and in the same format for all populations which has caused conversations on exclusion, visibility and overall inequality in providing proper health care support for people from all backgrounds. (Kipnis and others, 2021, p. 144)

When it comes to multicultural marketplaces, the research made by Kipnis and others suggests that in order to have social wellbeing supported and provided equally, DEI practices would need to be promoted more widely and with a positive experience from all aspects: mental, social, physical and emotional. However, the current issues of why this is not happening as theoretically explained and expected is due to the DEI practices being either too superficial or focusing only on one aspect of DEI. As an example could be mentioned that either DEI is only brought up when it comes to differences with genders of all kinds. Or alternatively, organisations are only focusing on it for one month or hiring a Chief Diversity Officer for example, which looks externally as a proper action but holds within a more surface level strategy point (Kipnis and others, 2021, p. 144). This strengthens the ideal that DEI practices would

not be reviewed in a serious state but rather treating it as a trend among other seasons.

### **2.2.3. Inclusive leadership**

Inclusivity in leadership has been recognised more and more widely within academic research only very recently, as mentioned by Shore and Chung (2022). One of the reasons has been for example the fact that inclusion as a term can be interpreted as an ambiguous term. Within this research which will be now referenced in this document, is that how we can understand what inclusive leader should and should not do, as well as how to understand when certain behaviour may even increase the feeling of not feeling included, even if it has been meant to increase inclusivity within a group or an organisation. (Shore & Chung, 2022, p. 1)

The inclusive leadership has been linked to increase of psychological safety and psychological empowerment. At the same time, it increases work group identification and how an individual identifies themselves as part of a group. Inclusion itself has been defined as a state and a feeling where an individual feels that they are belonging to a certain group and where they feel that their uniqueness is accepted within the group at a satisfied level. This definition is based on an optimal distinctiveness theory which states that people have the need to be similar or different from other people at the same time. When a group shares similarities to an individual, they feel the acceptance and belonging to that group whereas when a person is not sharing the full similarities to a group, they are identified as unique. In order to feel belonging, which is a human need, an individual needs to feel accepted by the group in order to feel belonging both to the group and the leader of the group. (Shore & Chung, 2022, p. 1)

When being part of a group, usually it comes with certain group norms that need to be fulfilled which on the other hand reduce the human need to feel unique within the group. Usually the characteristics separating an individual personally from a group they feel belonging to are related to their unique personal characteristics, e.g.

race/ethnicity, gender identification and age. This separates the individual in a social context from others, which is experienced through comparing oneself to others in the group. When an individual is able to be exclusively themselves in a group but still feel accepted as an “insider” of the group where multiple personalities exist, they feel included. However, once these unique, personal identifications are devalued, the belonging to the group diminishes and starts to affect the individual experience negatively. This has been described in a 2 x 2 inclusion framework, where belongingness and inclusivity through uniqueness create multiple experiences in the group, through different individuals. (Shore & Chung, 2022, p. 724)

One interesting aspect of inclusivity and belonging is related to how much the manager’s management style affects these feelings for a team member, given how much accountability a manager has towards making sure their direct reports feel belonging and inclusion. Leader inclusivity can be defined as communication that leaders use in order to feel their direct reports to feel appreciated and included in the group. It has also been determined that inclusive leadership creates more creativity, psychological safety, psychological empowerment, thriving at work, better unit performance and overall engagement and commitment to work had increased through inclusive leadership. (Shore & Chung, 2022, p. 726-727)

The conclusion to the research conducted by Shore and Chung was that it would be more important for leaders in an organisation to provide the reasons why diverse individuals bring more value to the organisation, and why it should be understood. It is not enough if diversity only exists alone in an organisation and if diverse people are brought in without recognising the value of it. In practice, this means that it may be easier and efficient for leaders to comply with policies around diversity and how everyone should act based on it. However, what may come up as a challenge is the fact that they also need to be providing actions from their side in order to support the marginalised individuals during everyday work. It is also good to note that it can be in some situations challenging for more privileged people to understand their actual

advantages compared to those coming from a marginalised background. And it may result in non-purposeful exclusion for the marginalised groups in this case, where privileged individuals may not realise why their actions are making someone feel excluded. (Shore & Chung, 2022, p. 743)

How a leader is able to observe, whether their leadership is fitting into inclusivity and belonging, is through a couple of examples. When marginalised individuals are able to raise awareness, questions and suggest improvements at the workplace, this may be a message of psychological safety which is a positive sign for the leader. Also conscious discussion is a great way of understanding whether the leader's actions are promoting inclusivity and belonging as expected and to seek feedback from the team members on what is currently working well and what could be improved. From a group perspective, a leader can also evaluate their current status of inclusive leadership by following the communication style of their direct reports. If the team members are using similar inclusive language and putting out words "we as a team", "our team", these can signal a psychological empowerment and stronger sense of a team. This messages to the team members that they are valued and cared about, which makes them more empowered both as a team and as an individual. (Shore & Chung, 2022, p. 744-745)

#### **2.2.4. Understanding diversity**

Risberg and Corvellec have been completing research on how the acknowledgement of diversity questions within an organisation matters. As mentioned, international mobility, ageing population and increasing topic of equality between genders, religions and the disabled within organisations is becoming more and more known and something that the organisations need to learn to manage in today's world. The issue is that many being involved or less involved in formatting the strategies and processes for better diversity training or acknowledgement, are experiencing challenges and issues with how to implement this accordingly in real life. (Risberg & Corvellec, 2022, p. 1850)

The core idea of implementing diversity training successfully within an organisation with preferred outcomes is that it should affect the organisations' design. It is not about networking or mentoring within an organisation but rather transforming change in the core patterns and design of structure. In the worst case, with insufficient or incomplete diversity training stereotypes may only increase or alternatively, diversity groups will decrease within the specific organisation. Also historical background has been recognised as a grey area for implementation, for example in the US where historical events related to ethnic races have made it more complex to drive change and transformation of potentially existing biases and beliefs. (Risberg & Corvellec, 2022, p. 1850)

How the diversity transformation within an organisation becomes successful is through sufficient manager training and making sure that managers recognise themselves to be accountable for these topics. Also, it is vital to recognise that identifying a diversity training to be successful does not mean it would have come to an end, as it is clear diversity management keeps evolving all the time. The point is to become comfortable with transformation and on-going change rather than judging the initiative to be faulted or fully completed. It also can set different expectations to different people and therefore different people may experience the training or transform as a failure, whereas some others may feel it has started a new beginning in an organisational setting. (Risberg & Corvellec, 2022, p. 1850-1851)

Due to this background, the research conducted by Risberg and Corvellec is emphasising the word of trying rather than doing. The risks are that the implementation of new diversity design brings the challenges of accepting change versus striving for steadiness and long-term balance. It can create tensions to short-term gains versus long-term gains if invested into this development. It will also reflect control against flexibility in an organisation. Even if an organisation accepts the drive for becoming more diversity focused, it may still disguise the discrimination and harassment at the same time while bringing positivity around diversity. This will make

it a complex challenge to solve for an organisation and brings the measure of how it will succeed. (Risberg & Corvellec, 2022, p. 1852)

What has been the final outcome of this research done by Risberg and Corvellec (2022) is that it would be of interest to research how the connectivity works between those engaged driving forward diversity topics in an organisation versus those who are not motivated or engaged to drive towards the transformation and potentially making a conscious choice of not willing to change the perspective of diversity. It has been after all recognised that diversity is an ongoing effort and can not be measured in projects or case studies as one. When an organisation is trying rather than achieving, they are trying to understand the complexities related to diversity and the ambiguity of it all. Rather than going for achievement full speed with no clear structure on how to maintain the achievements and how well they have actually been implemented in reality and between the communication of organisations' employees. When an organisation is trying, they acknowledge that they are not where they should be in their culture of diversity and that they are determined to change for it. (Risberg & Corvellec, 2022, p. 1863)

## 3 Cross-Cultural Management

### 3.1. Terms

#### *Cross-cultural leadership*

When defining the meaning of cross-cultural leadership, the most common approach is to identify what traits are considered as universal in global leadership and which parts can be determined as location specific values within leading people, according to the local cultural and societal values. (Den Hartog & De Hoogh, 2024, p. 541)

#### *Culture*

How individuals are understanding and interpreting the world around them, based on which system they belong to. Culture is shaping an individual's beliefs and assumptions of relationships, nature of people and environment. The cultural values within cultures are created when groups of people solve complex challenges and pass on the learnings of specific situations and what is the expectation of behaviour to new individuals living in the culture. (Den Hartog & De Hoogh, 2024, p. 537)

#### *Cultural orientation*

Usually becoming part of an individual's birth as an early socialisation, but can also be happening later on when an individual is working abroad in another country and within a new culture. This is why members of different cultures have separate beliefs and expectations of how interaction should work and look between two different cultures. And this is because of cultural orientation, how the individual has learnt to communicate to others and interact, and how they expect it as a return. (McDaniel Sumpter & Gibson, 2023, p. 194)

#### *Organisational behaviour*

This term demonstrates studies focusing on individuals and groups within organisational context. They measure how organisational processes and practices impact individuals as well as groups. This can be measured for example through

understanding individuals as one: individual's beliefs, values and personality, as well as individual processes demonstrating perception, motivation, judgement, commitment and control. Group details may be related to size and structure, and the processes be related to decision making, leadership and solving conflicts. Organisational processes which involve both of these perspectives, may be related to giving feedback, rewards as well as setting goals for the organisation. What could be added as the bigger headline for all of these details to be mixed together, is performance, turnover and stress to mention a few. (Gibson & McDaniel, 2010, p. 1)

### *Cross-cultural organisational behaviour*

The difference for cross-cultural focused organisational behaviour, compared to the traditional organisational behaviour, is to understand how the common features and things we all share as individuals or as a group, meet the expectations of a cultural context. From an individual's perspective, how culture is connected to cognition and emotions for example. On the other hand, how is management and teams overall connected to the expectations of culture. And then lastly, when looking at the bigger picture of an organisation, how does the structure face the cultural expectations and challenges. When it comes to specifying which cultures will be in question under the behaviour research, usually national cultures have been under focus. However, it is important to note that within national cultures there may exist multiple other cultures as well, which would need to be considered. (Gibson & McDaniel, 2010, p. 1)

## **3.2. Previous research**

### **3.2.1. Cross-cultural experience and global management**

Kroumova and Mittal (2023) have been researching on the topic of how global leaders may change their practices and leadership style in a new, global environment outside of their country of origin. In the research the context has been related to living abroad, working in a multinational company or having a global training in an organisation, especially with a Western working style approach. It is essential to mention that in

order to succeed with discussing and dealing with global business partners in an international organisation, leaders need to possess the motivation and willingness to work across the borders. (Kroumova & Mittal, 2023, p. 90)

Based on the results of the research, it has been found that structured training combined with actual experience in a global setting will be the strongest form of affecting one's beliefs of another culture. It will also be the most efficient way of learning another culture and understanding the perspective of it. These are the tools for a global leader and what a good global leader looks like, is up to where the individual is coming from as well as their societal cultural values and overall experience in having exposure to global leadership styles. Strongest cultural norms and expectations of behaviour from a cultural aspect guide the individual to the expected direction as a leader. (Kroumova & Mittal, 2023, p. 89-90)

Having exposure to different cultures by travelling, working abroad, going on work assignments to another country short-term or working globally from another country by speaking to colleagues coming from other cultures - these are all ways of gathering global experience and creating cross-cultural experience specifically. Cross-cultural experience has been recognised in international business literature as one of the key elements to become successful in global business. The key in the learning process is to have social interactions and social learning towards another cultural context, the exposure alone would not be sufficient to transform one's way of thinking, as stated in the research conducted by Kroumova & Mittal. (Kroumova & Mittal, 2023, p. 91-92)

### **3.2.2. Expectations of cultural leaders**

The GLOBE research has been studying the traits of successful leaders across various countries and therefore various cultures. Universally applicable positive traits of leaders have been found to be for example the following: team builder, confidence builder, honest, trustworthy, motivational, positive, intelligent and problem-solver. On the other hand, what have been seen as negative traits of a leader universally, have

been the following: dictatorial, irritable and ruthless. The traits impacting a leadership experience harmfully are considered in general as abusive, as can be found based on the traits mentioned. (Den Hartog & De Hoogh, 2024, p. 543)

Den Hartog and De Hoogh (2024) have used the GLOBE project's cultural dimensions chart in their research. There are six dimensions defined by the GLOBE project, where cultural aspects are reviewed based on a specific leadership style in a specific location for example, based on applicable cultural values. (Den Hartog & De Hoogh, 2024, p. 545)

### **1. Charismatic based leadership**

Universally effective, motivating and performance focused leadership style where inspiration will be used in order to receive exceptional performance.

### **2. Team oriented leadership**

Moving towards having one team and all team members focusing on the same goals or objectives. This leadership style is also universally effective.

### **3. Participative leadership**

Involving team members in decision-making and listening to their ideas. More involved within Germanic Europe, Anglo and Nordic Europe.

### **4. Human oriented leadership**

Approaching the people's leadership from compassion and consideration. More applicable in Southern Asia, Anglo, Sub-Saharan Africa and Confucian Asia.

### **5. Autonomous leadership**

Highlight the importance of individualism and being independent in working. More commonly recognised in Eastern Europe and Germanic countries.

## **6. Self-protective leadership**

Self-centred way of leading and having the leader's own status in mind most of the time. Can be found more commonly in Confucian Asia and Southern Asia.

Based on the list above, the most universally endorsed leadership styles are charismatic based and team oriented leadership. The other categories are breaking down into different locations, where some of them may be overlapping with other leadership styles within the same region.

Overall, it has been found that leaders are aiming at understanding what is expected and required in a specific cultural setting and then act based on it. For example, to mention locations with performance driven cultural values, such as the United States and Germany, the expectation of leaders is for them to also be participating in the performance structure. And this is showing in the charts by reflecting that participative leadership is showing up more commonly in these countries, as expected. (Den Hartog & De Hoogh, 2024, p. 544-545)

Based on these findings, what has been given as a recommendation by Den Hartog & Den Hoogh (2024) are the following:

- Enhancing positive leadership styles and reducing the negatively universally recognised traits, such as abusive or harmful leadership.
- Using transformational leadership in areas where uncertainty exists and where more innovation, creativity and change needs to be implemented.
- With change management, it is vital to recognise potential avoidance and acceptance issues towards a new circumstance.
- To align with cultural norms and formatting the leadership style based on what the culture defines, for better global performance.
- Providing training on having the global mindset and prepping the managers better for being exposed to new cultures and how to handle the differences.

- Overall, to have cultural expectations and leadership style more aligned and matched together.

(Den Hartog & Den Hoogh, 2024, p. 560)

### **3.2.3. Culturally agile in cross-cultural management**

With cultural agility, it refers to professionals who are able to work either in different countries and/or with people from different countries and therefore, coming from different cultures. The emphasis is on the ability to be able to work effectively with global collaborators. The background of excellent global management usually consists of natural abilities, coaching, motivation for success and career development over time. The supply for cultural agility is increasing and going way beyond, as it has been reported that roughly 30% of US based companies have not been able to exploit global business opportunities due to lacking the needed global management skills. On the other hand and during another survey, only 13% of companies have reported that they are able to build great global leaders. (Caligiuri & Caprar, 2023, p. 2429-2430)

Cross-cultural management is not only about managing people from different backgrounds but also about solving the puzzle of how to best manage cross-cultural interactions and also interdependence. Individuals have been found to be more efficient in cross-cultural context, when they hold the following competencies: self-management, relationship management and task-management skills. Cross-cultural success is in clear connection especially with self and relationship management related skills. This means in practice that the individual is then able to tolerate ambiguity, taking perspective and being balanced with humiliation as well. The success levels have been measured through excellent job performance in a foreign cultural context, living abroad in another culture or for example by building relationships with host nationals from a foreign country. Therefore, task management as a skill, although mentioned in the list, can be dependent on the task in question and what requirements it has. (Caligiuri & Caprar, 2023, p. 2431)

When measuring the success through cultural collaboration and cultural agility, the decrease of a success happens when an individual would not provide the correct cultural response to a situation or it would be with a wrong timing. Global management skills can be measured in a cultural context through these items: cultural adaptation, cultural minimization and cultural integration. These would affect the level of performance, readiness to build new relationships in a new culture and personality. On a high level it means how a global leader is able to evaluate, which cultural response to take and what is in demand in a specific global setting or decision-making at the workplace. (Caligiuri & Caprar, 2023, p. 2431-2432)

## **4 Execution**

In this chapter, it will be covered which research methods will be utilised in order to acquire input for the research questions and how the received input is going to be analysed towards the official research questions of this research.

First in the beginning of the chapter, a qualitative method as a research method will be explained and clarified in connection to how the data will be collected to support the research questions. To specify the format of a qualitative method, a descriptive research model will be used to analyse the research questions as well as natural observation. These research methods will be clarified more in this chapter.

### **4.1. Qualitative method**

In core, the idea of qualitative research method is to focus on the definition that the person, for example interviewed for the research, will be having about the research questions. Qualitative method is part of natural research methods. Usually interviews or surveys are happening on-site where the chosen candidates are exposed to the relevant topic. It is more simplistic compared to arranging a research conduct within a laboratory for example or by providing needed equipment to participants to be able to measure the results, which is not specific to qualitative methods (Creswell, 2022, p. 193). These reasons were the natural explanations also for this research to be based on qualitative research methods and to follow the sub-categories of what qualitative method may offer for conducting a research in this case.

Based on the natural setting of the qualitative research method, the researcher is in fact the only equipment used for conducting qualitative research questionnaires or interviews. It is common not to use, for example, readily prepared questionnaires by previous researchers who have been looking into similar research topics. The researcher, therefore commonly the one who is interviewing the participants, is constantly observing the behaviour of the interviewed candidate and analysing their

input as literally as possible. All these smaller details can be used as an analysing tool with regards to approaching the research questions and they build up multiple data sources instead of only looking at the words or sentences that an interviewed person is mentioning. It is overall typical for qualitative researchers to use multiple sources for data collection, to add also external sources including social media and external documents (Creswell, 2022, p. 193). In this research, it will be vital to especially utilise the interview answers in the analysing part of the research. It will be of full interest to understand how an individual interprets the interview questions that are ultimately tied to the wider research questions stated earlier.

Because of the core research questions, the qualitative approach seemed clearly the best and optimal format to be used. As a multiple source of data, both interview settings and how the interviewed participants are expressing their thoughts and ideas will be evaluated. The core questions of the research have slightly evolved during the progress of building this research. Also within the interviews, interview questions may be adjusted based on the input of the participant and to specify any scenarios or thoughts that may not correlate directly to the questions. This represents typical qualitative method format as well, as whenever a communication is happening between two people it is highly likely that especially the questions may transform case by case (Creswell, 2022, p. 194).

Lastly, one factor related to this specific research method is on the other hand the act of reflecting. The participants' responses based on their thoughts and input to the research questions can be based on their gender, education, work experience, country of origin, history, culture and socio-economic status to add a few. The researcher will need to outline the connectivity between the research question and these participants, how they are connected and what kind of biases can potentially affect even with a bigger impact to the responses and analysing the gathered data. In addition, it does work also in the other direction - the interpretation of the researcher may be affected when analysing the collected data gathered from the participants, again based on any

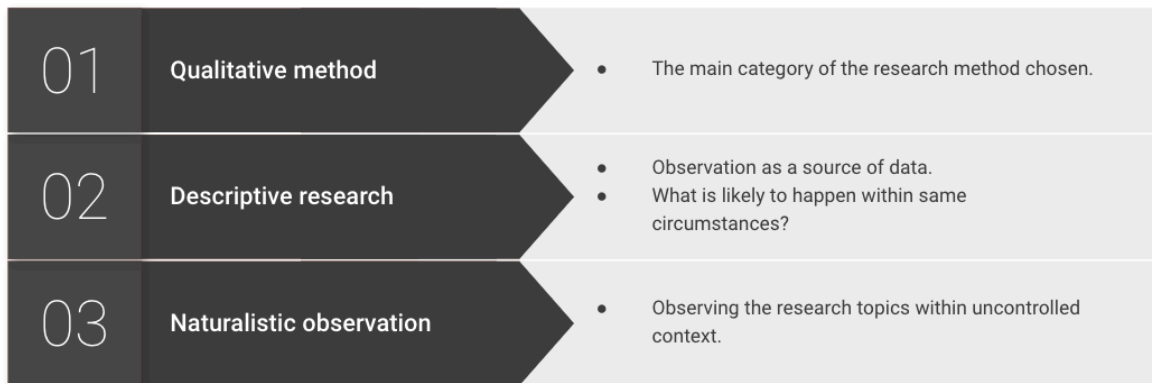
background details or cultural differences (Creswell, 2022, p. 194). Therefore this information needs to be explicitly stated before the readers are introduced to the analysis of collected data.

Based on this, in this research the connection between the participants and researcher will be clarified prior to starting the analysis. On the other hand, it will also be enclosed briefly from where the participants are originally from regarding location and to provide some context on their professional experience and background.

#### **4.2. Data collection methods**

To determine and ensure expectations of the methods of the research, a qualitative method has been chosen as the main category for the data collection. In addition to that, as a sub-category to qualitative methods, descriptive research and through that naturalistic observation will be used specifically to ensure the best possible data collection. The researcher is convinced that these methods will support seamless research processing throughout this study because of the variety they provide. The descriptive method will allow interviews to be utilised officially in a more controlled setting whereas the naturalistic observation fulfils these interview circumstances by allowing other observations related to the participants.

Simplifically, these chosen methods are also correlated between the specific chosen topic for the research and what kind of group has been selected as participants. For example, the participants of the research interviews will be of various cultural backgrounds, of various working experiences and differences between current responsibility levels in their current organisation. As an expectation, this will provide interesting comparison between individuals, how they are defining the core questions of this research and to hopefully exclude any potential biases or redirection of the inputs to these research questions.



**Figure 1.** The research methods in phases.

The descriptive method through interviews is going to allow individual thoughts to be shared and based on that individual's own perspective and how they have experienced the research related topics in reality. It may be argued that this kind of descriptive observation method may not be the most exact way to measure the needed data, as for example different researchers could determine contrary results out of the data analysis based on a descriptive method (Silverman, 2021, p. 209). On the other hand it provides the personalised input that is preferred for the research data collection in this case in the researcher's view. Also, as the other method utilised as part of the research will be non-controlled (naturalistic observation method), the idea was to set up at least a semi-controlled moment as well for interviewed participants to be guided with certain and pre-agreed interview questions.

Through naturalistic observation, the researcher will first of all analyse the participants of the interviews from a non-fixed point of view. Analysing how they are interpreting the questions asked and how they seem to be answering based on the circumstances. What is a vital part of the naturalistic approach as well is a literature review, which will be done in the beginning of this research. The researcher will look into these previously conducted studies related to the same themes and compare the previous researches. The idea is to compare what has been studied previously and determined back then,

compared to what chosen participants are enclosing today to this research's interview questions.

### **4.3. Descriptive method**

As mentioned, the research will conduct research interviews with predetermined questions for selected participants of the research. Specifically this format of conducting interviews will be classified as non-experimental design of interviews. This means that the interviewed participants will not be compared to each other by formatting them into groups for example, where one group would be advised of specific details whereas the other group would be the test group (Silverman, 2021, p. 215). Non-experimental interview design allows the interviews to be arranged with open-ended questions and the participants are viewed as equal to each other. There's no testing requirements or controlling towards some participants as it may be within experimentally created interviews.

There are a few points that need to be taken into account when arranging non-experimental research interviews. When observing the interviewed participants and analysing their input to the research questions, certain biases may occur as stated before as well. Is there a possibility that interviewed persons would try to answer the interview questions to have the correct answer and not the authentic one? Also, alone the fact that the specific persons have been chosen as part of the research interviews, what effect does that have on their responses and how naturally they are able to reflect on their responses? (Silverman, 2021, p. 215). These perspectives will be held as part of this research process and perform the analysis of the responses by eliminating the potential biases to the best extent possible. To further add, it does also tie down to the circumstances where interviews will be conducted and how to create that moment to allow authentic thoughts to be welcomed.

As the non-experimental design will be used in a qualitative method, the number of participants to the research interviews will be relatively small. In total, there will be <10 participants which is a small group and naturally is taken into consideration when creating the summary of the results (Silverman, 2021, p. 216). The researcher of the study will be interviewing these participants directly via Google Meet and with one participant at a time. Only one of the participants will be interviewed in person which allows a natural interview environment. But most of the interviewed participants will be interviewed remotely through Google Meet as the people are located across the globe in various locations.

This recording method (referring to Google Meet) allows the participants to use web cameras during the interview for both parties, which therefore will be easier for the researcher to observe behaviour from a naturalistic approach. The research interviews will be conducted on different days and during different times of the day depending on the exact date of the interview and where the participant is located at.

In this research, it has been agreed that participants will be shared with the interview questions beforehand. The reason for this decision is related to the highly open-end format of the determined interview questions. Although this will allow more time for the participant to be prepared for the questions, they may come up with new perspectives while discussing the questions in the interview setting. And because this has been taken into account already when defining the specific interview questions.

Therefore the circumstances will be formatted to be more naturally orientated and to provide enough tools for successful data gathering through the option of offering the questions beforehand. The answers and input received from the participants will be transcribed and used later during the analysis phase of the research together with naturalistic findings. Using transcriptions will ensure accurate record-keeping and exact answers shared, preventing any misinformation from transferring over during the

interview questions. Transcripts will also prevent any misunderstanding for the researcher as the researcher is able to go back to the exact conversation at any time.

Lastly, it has been guaranteed that no personal identity information such as a full name, or the organisation the participant works for currently will be mentioned related to the research interview participants. This is to secure confidential information throughout the process and to not share any specific protected business secrets either. It will also allow the participant to be more safely open and protect the naturalistic setting to answer the interview questions accordingly.

With that, the collected inputs will be anonymised to a larger extent. What is going to be published though as part of the research and for the matter of conducting proper analysis based on selected participants and their background, is their current scope of responsibilities and where they originally come from or are located at. It can be shared that the participants are coming from different organisations, of different sizes and with business entities located across the globe to get the most diverse input. What is common for them all, is that the represented organisations from which participants have been selected are all multinational companies. This is due to the international theme of the research topic and to allow as relevant data to be able to be gathered as possible.

The research questions to be used for the interviews will be the following, as listed below. They will be represented to the participant in the exact same format and in the same structured order as they are listed in this research paper.

#### **4.4. Interview questions**

- For people leaders (manager roles): Can you describe your experience with managing cultural diversity in a professional setting? How did it contribute towards organisational success? / For individual contributors (non-manager roles): Could you share your personal experiences in working within a culturally

- diverse professional environment and explain how you believe such diversity contributes to the success of the organisation?
- What are the key challenges organisations face when it comes to embracing cultural diversity in their workforce and management practices?
  - Could you provide examples of successful strategies or initiatives that have been implemented in your organisation to foster a diverse and inclusive workplace?
  - How do HR strategies and policies in your organisation address issues related to cultural diversity, and what impact have they had on employee engagement?
  - What specific tools or methods have you found to be effective in promoting cultural diversity and inclusion in the workplace?
  - Can you share any experiences or examples where cultural diversity has directly influenced decision-making processes or innovation within your organisation, resulting in improved performance or success?
  - What are the key performance indicators (KPIs) or metrics that your organisation uses to measure the impact of cultural diversity on organisational success, and how have these metrics evolved over time?
  - In your view, what are the emerging trends and future considerations for managing cultural diversity in modern management?

In the first question, the reader can interpret that there are two options. These options have been determined based on the current experience level of the participant. In case the participant is or has been a people manager, they will be asked from the management perspective of that question. However, from individual contributors it is more relevant to ask from the experience side of view, to understand how they as an employee have faced these topics.

It is clear that the interview questions are lengthy and not too simplified. The researcher has determined that by creating more space and context to the interview questions, it will be more accurate to receive open-ended inputs to them. It will also

help the interviewed participant to review possible multiple perspectives and to reflect towards them carefully. On the other hand, it has also ensured the required control of conditions by modifying the questions to ask directly about core questions of the research. This decreases the potential of sidelining to irrelevant side topics. It is of interest to restrict the inputs and topics discussed that would go outside of the relevant areas of the core questions of this research, to be able to focus on the core reason why the research has been conducted originally.

The preferred outcome of the interview will be to have as diverse answers as possible on the other hand, to then be able to connect the core ideas of those perspectives. The expectation from the researcher is that the core ideas and values of the participants will most likely have the most interesting data points to analyse. Even if a topic would be analysed from a specific example case, it may have a holistic connection to topics that are currently involved with cultural diversity in organisations. This will provide fascinating analyses and help to conclude the summary of the outcomes.

#### **4.5. Naturalistic observation**

The naturalistic approach towards observation in this research allows the researcher to gather potentially comparable findings to the interview inputs. Naturalistically observed data is non-controlled and can be explored more widely than research interviews. The background for naturalistic observation being a relatively popular choice of method within research stems from the fact that there is already a lot of natural data within the world. Also, it may expose the researcher to circumstances or information that could not have been explored through research interviews only (Silverman, 2021, p. 219). This is why the researcher of this study has decided to have both methods available, as they share some differences which may take the research towards more findings compared to using one method alone.

As the topic of this research is related to cultural diversity among organisations and at the same time, slightly connected to diversity and inclusion themes, the researcher will

review previous literature related to these topics. The findings of the literature can be then connected to the interview inputs and how they may correlate between. Or on the other hand, how they are not connected and how the individual perspectives regardless of an employee or a manager may be differentiating from how the previously conducted studies approach these themes. It is acknowledged that these two settings are quite polarised as the interviews will be more controlled compared to looking for cultural diversity related publications from various researchers.

When it comes to a naturalistic approach, it means that the literature under review will be already available to the public. It can be stated that this literature has been published earlier for other purposes rather than for this research. Therefore it falls under the naturalistic category as it can be uncontrollably searched from the internet already and there is no connection to this research paper.

#### **4.6. Data analysis**

The data analysis phase started only after all the participants were interviewed. Interview data needed to be fully in place and ready to be categorised, as the researcher thought that it would be more equal to have all responses in place before starting to format the analysis.

Starting from the research interview questions. The research interview questions were presented earlier in this paper and it was agreed that they may be evaluated as lengthy. Therefore, the inputs that participants have given for the research interview questions will be thoroughly scanned and only the main points relatable to the core research questions of the study will be included as part of the analysing process. As Creswell (2022) mentions, due to qualitative methods producing usually dense text materials, it is important to disregard any part of it that would not be reasonable as part of the research analysis.

The first phase of analysing the interview questions included reading through the answers through the transcripts. Having used the transcript tool in Google Meet, the researcher was able to capture all the words and sentences that the interviewed participants answered to the asked questions. Only one interview was arranged in person and through that, notes were created based on the interviewed participant's input to the questions.

When analysing the answers, the main topics would be coloured with highlights to make them stand out of the dense text materials. As Creswell (2022) explains, what are the key areas of interview analysis can be for example the following: what is the general message that participants are trying to say? What would be the tone of the answer and how can it be interpreted? And most importantly, how credible the answers are to the interview questions? As the researcher is going through the answers, certain findings will be noted down during the process as well and outside of the transcript text. This will ease the process of shaping the main themes which will be evaluated as part of the data analysis.

When analysing the interview results and the recorded transcripts, what will be valuable in the process is also determining the answers that may have been surprising rather than expected (Creswell, 2022, p. 210). Noting down these aspects will give new insights to the core research questions and potentially show them in another light. It also ensures a more unbiased way of stating the findings and forming the final summary of the data findings in this research.

Once all of the materials have been gone through, the findings will be categorised to larger themes. This will allow alignment and equality between the answer analysis. It will also help to find comparison between all the findings that will be visible. Once the interview findings have been identified and categorised, can they be evaluated against previous literature that will be used as a natural approach. This will ultimately make up the summary of the research and how the research questions will be answered.

Combining both interview materials as well as the naturalistic findings through previous literature, ultimately they will be combined to the same themes. Although the expectation is that for example in the previous literature certain outcomes may be found that are not at all discussed in the interview answers, it will still be interesting to bring up all the possible contrasts. It is more of the meaning to combine these two methods together instead of separating them too much and trying to find differences between two sides.

#### **4.7. Participants of the interviews**

In this section, it will be explained that on which basis the participants of the research interviews have been chosen as part of this research. All the participants were asked to voluntarily take part in the research. The organisations that they represent are different and therefore it is to mention that the research answers do not represent only one organisation and its employees. However, as mentioned earlier they all come from international companies of all sizes, some of them being from bigger organisations whereas other participants may be from smaller teams. The international aspect was the key requirement in this research participation as the topic of the research is related to cultural diversity globally.

The participants were collected based on their current role and how their experiences may be related to the topic of this research. The idea was to gather together participants of all profiles, from all levels all the way from entry level to more senior leadership level. The purpose is to analyse the background together with the participants' insights and will allow certain comparisons to be shaped. For example, how the younger generation may see the cultural diversity now and in the future, compared to a more senior-level knowledge and experiences. On the other hand, it is also expected that certain alignment will be visible no matter the background of previous experiences of an individual.

As mentioned, the participants will remain anonymous and neither organisation details will be exposed. However, the researcher has gathered together the details that were allowed to share and what are also essential to be aware of when looking at the analysis of interview outcomes. It will be of interest to be aware of the interview candidate pool used in the research interviews.

Participant	Role	Location
A	Vice President, People	United Kingdom
B	Global Head of Learning & Development	Germany
C	HR Generalist	United States of America
D	HR Business Partner	Finland
E	HR Business Partner	Germany
F	Talent Acquisition Partner	United States of America
G	Principal Talent Acquisition Partner	Finland
H	Global Head of Total Rewards	United States of America
I	Global Head of Human Resources Information Systems	United States of America
J	Payroll Manager	Finland

**Table 1.** The participants of the research interviews.

The participants are not in a specific order in the table but mentioned in random sequences and it is not related to the outcome of the research. The participants' current roles and background regarding where they come from will be used as an analysis tool in the analysis section.

For example, the location may open up how cultural backgrounds may have an effect on how the participants view the research questions related to cultural diversity and what kind of experiences they may have. The location data is close to the core

questions of this research and therefore, with the permission of the participants, this detail has also been added visible in addition to their current roles in their current organisation.

## 5 Results

### 5.1. Analysis

Within this chapter, all the interview inputs and data gathered from those meetings will be analysed against the research questions. In the interviews there have been multiple interview questions involved, which is why the analysis section has been divided based on these questions' main themes. This will allow more clarity into the analysing process and to define what similarities and less similar findings may be included among different participants.

As mentioned before, some of the interview participants have been allowed to respond over writing whereas some of them have been participating in an in-person interview, either via Google Meet or physically in-person. This has been allowed also in order to see how it may affect the respondents answers and if there are any differences based on the circumstances. In general participants have not been shared with other background information except for the interview questions only beforehand.

Research interviews have been an important part of conducting the research, as the researcher feels that the main themes of this research require an open discussion with the participants. The results can not be numerically measured as it is based on individuals' prior experiences, their own perspective and from which backgrounds they are originally coming from. They are all coming from various backgrounds as well as years of experience, which may affect the fact that in how many circumstances they have been involved with from a cultural diversity perspective.

In the analysis of responses, the main topics will be highlighted that have been raised during the interviews. But the researcher will also add in any interesting and abnormal outcomes that may provide new perspective into the outcome of the research. The researcher has attached some interesting comments as a quote under the relevant

interview question section to enlighten the authentic responses to the interview questions.

### **5.1.1. Cultural diversity and organisational success**

This was a question to begin with the theme and to have the first touch base on how the participant has experienced cultural diversity connected to organisational success in their careers. In the first question, the question was tailored based on the individual's experiences being either a people manager or on an individual contributor level. This information has been available to the researcher previously and therefore the first question has been planned accordingly for each participant.

*“As a team lead in various organisations, cultural diversity has always been, I think, part of my reality - I never really worked in a homogeneous culture.”*

The main themes coming up from the answers of this first question are related to these main themes: 1. How cultural diversity has been visible in their previous or current organisations, 2. What has been the attitude towards cultural diversity and 3. How have they experienced it affects the day to day basis work, no matter the organisation.

What can be mentioned as a general point of view is that all participants have felt that cultural diversity is an important topic to have. Some have more or less been more connected to implementing it and experiencing it as a neutral approach towards work whereas for others it has become part of their working environment only recently. What connects the differences according to the researcher based on the interview answers, is the background and type of companies where participants are coming from.

*"I've had a couple different experiences. I would say, I've had an experienced organisation and you could see, even from a talent perspective, that because it had such a great reputation of being a very culturally and diverse organisation, it would always even attract that type of talent to work there. So it was a really interesting organ and I could see that."*

It comes up frequently that, especially comparing European and American companies, cultural diversity and its connectivity to organisational success is more common in the American companies. One of the participants mentions that when working for a New York based company for example, it is not a question whether multiple cultures will be visible within the organisation. Peppas (2001) has defined that not only is multicultural an accepted state in the United States but it is also widely celebrated (Peppas, 2001, p. 59). And this is taken into account with strategic planning, setting up OKRs (Objectives and Key Results) and especially human resources planning. However, when mentioning an American company this may not be the case all over the United States. There can be regions, where cultural diversity is not actively part of the planning at all times.

What seems to be visible especially in the United States for cultural diversity, is the fact that companies may represent various cultures but not be globally distributed at the same time. Meaning, that the business operations are only within the United States but the backgrounds of their employees are varying to a big extent. This is an interesting finding from one of the participants. The company they previously worked for represented various ethnicities and was setting an important tone for cultural diversity within, attracting similar minded talent at the same time and arranging activities even outside of working hours. The topic was very visible within the organisation and there were people working hard for it to be kept up and using that creativity to create events and other niche ideas to assure continuation of the cultural diversity.

*“The people with diverse backgrounds always have a different perspective and different ideas about things that they have seen. And having that input on the table, it always helps us look at the bigger picture and not just focus on how we are looking at a problem from one angle. So it definitely helps in expanding your horizons.”*

One of the other participants based in the United States and having worked there for several years has shared that the cultural diversity within organisations there does allow more creative decisions and ideas to be born within the organisation. This can be supported by Nederveen Pieterse, Knippenberg and Dierendonck (2013) as they highlight that cultural diversity is more positive for team performance outcome, when approach towards the orientation of learning is high and performance is a preferred state to be in. People coming from different backgrounds have various and new ideas to share with others that would potentially not show up similarly for a more homogeneous organisation. With homogeneous organisation it is described as an organisation with a similar outlook of backgrounds in it, and not having that much of variety (Nederveen Pieterse, Knippenberg & Dierendonck, 2013, p. 782).

In the United States, one participant has even very specific and thorough experience from leading cultural committees, employee resource groups and being the initiator of activities related to cultural diversity representation within the organisation. Therefore the participant is able to share very specific examples on what has been affecting the organisation through these topics and how it has had an impact on the employees especially. They mention that when cultural diversity has been strongly represented within an organisation and it has been a conscious topic of enforcement and development, it has eventually increased employee’s feeling of safety and especially psychological safety. The entire feeling of security is more represented and employees are able to be themselves fully at their workplace.

*“Business challenges will be approached from different angles which can lead to better products and a higher business performance.”*

When discussing with participants coming from European companies and living in Europe in general, there are slight differences visible. One of the most interesting perspectives discussing European background is the fact that migration affects the way cultural diversity is starting to shape within European organisations. Historically, people have been moving between continents even and adapting to new cultures, new ways of acting within a society when they are moving from the other side of the world to another country.

There is one participant who has moved from Canada to Europe and therefore they have experienced both sides of the world experiencing cultural diversity and applying that to their daily lives. The contrast seems to be the most visible in this case, as the individual is exposed to all communities in fact and for a long-term duration, not just reflecting short-term travel over two continents. They have mentioned that the first years in a new place, in Europe, have been all about adapting and trying to learn how the society behaves, the language, the local practices and how organisations work here in Europe in terms of ways of working. And how the connection works with people from various backgrounds. Naturally in Europe, there are many bigger cities in various countries where multinational presence is very common and it is not far from the United States for example.

Another perspective looking at the European side is related to early career programs. In Europe, as stated earlier, there are multiple backgrounds working in multinational organisations and where the equality comes into play the most is the early career programs that are set up by organisations. They are meant for employees early in their careers, having similar education backgrounds but originally potentially coming from different countries, different life situations and backgrounds in general. These programs allow people at the same pace to have the equal experience of entering

organisations and using their skills and knowledge despite their backgrounds in reality. And this is how organisations are able to have the workforce more diverse and culturally various. Once the companies are setting the stakes already on early career programs, the cultural diversity is continuing later on as well and the focus of its implementation will develop as employees grow within their careers.

### **5.1.2. Challenges in embracing diversity**

From a high level what is really in alignment with responses to these questions, is ultimately tied down to the day to day execution of work. Many of the respondents feel that the biggest challenge lies down with how we could ensure the continuation and execution of diversity, equality and inclusion within the day to day basis communication, cooperation with co-workers and overall the behaviour of people within an organisation. All the participants of the interviews have mentioned this as a main concern for the future and how they have experienced it until this point.

*“I think another thing that you can do is elevate the conversation that can be through curriculums. So having a proper educational pathway which allows new people and existing people to think about what inclusivity means for the organisation that you work for and have purposeful discussions about where they felt included and where they've not been included before.”*

Some good specific examples to this have been related to the experience of inclusivity. As an organisation, it is straightforward to represent an inclusive organisation and organise that as part of the strategic planning and agenda for the upcoming year for example. It is easier to come up with the idea of it rather than thinking about how it could be successfully executed to be applied in everyone's day to day lives at the workplace. The participant does mention that most often the initiative needs to be coming from the management first and to assure that they are also keen on investing into it. And it is possible to arrange guidelines and policies in place from top-down, but

the biggest challenge comes with the fact that others' behaviour can not be controlled afar at the end of the day.

Another practical example from another interview participant has been related to how the higher level part of the organisation may be able to encourage celebration of cultural diversity more top-down. And how this can be of help to ensure an organisation is not rejecting cultural diversity but celebrating and approving of it. Basically, to encourage any positive and strengthening behaviour behind the initiatives related to embracing cultural diversity and at the same time naturally, to acknowledge moments where it would not be handled appropriately and where the behaviour needs to be discontinued from the whole community's perspective.

*“As a company, you can say: We are inclusive. We want to be inclusive. Here's our principles. The reality is what happens on a day-to-day basis between people and the challenge to that is going to be the degree to which individuals are inclusive and practice and have inclusive practices.”*

From the United States perspective, one participant has shared that especially diversity, equality and inclusion as a theme seems to sometimes have its highs within company cultures and it does become more a topic of that time within American companies. And it is not executed sustainably for the long run. This may result in hiring a Chief Diversity Officer and focusing more on employee resource groups, investing into culturally diverse events and the list goes on. Having a lot to go on at once and celebrating it, but then if financially the times are becoming more intense and the economy is experiencing a fall down, it is most commonly the DEI areas where money deduction is happening. And cutting all the costs related to initiatives, management being more sensible of investing into the areas at the time. So when this happens, it is not a long-term solution but a short-term trend to mention more likely. This creates a lot of uncertainty on how seriously the topic of cultural diversity is taken into consideration and how businesses are evaluating it as part of business growth.

Among all the participants, it can be evaluated that some of them share more in-depth knowledge already on the topic and based on the surface level of discussion they are able to dive more closer to the core of cultural diversity. However, for some in this category it also starts simply with the question of clarifying first what do we mean with cultural diversity? How can it be defined, especially within a workplace context? The difference comes from differences of experiences, as not all of the participants have been exposed as closely to the topic of cultural diversity in practice. In these cases, it would be important from their perspective to define what it means, what goals are organisations setting towards achieving these targets of cultural diversity. And in which areas does it have an impact? This itself could be described as cultural diversity itself, with the differences of knowledge and experiences.

*“When there's a cultural moment, for example, with 2020 and here in the US, there is a lot of attention. I would say, when it comes to the ethnic dynamics here in the US and it was very important for, people of a certain community to see that a company supported and invested in areas of DEI. and I think it's a challenge for a lot of companies because if you don't have a lot of disposable income as a company.”*

Good practical examples are also reflected on the recruiting side of an organisation. When recruiters are meeting with new, potential employees, that is the first representation of the organisation to the candidate, as a potential new employer. Therefore interview input from this perspective has also been valuable with researching on the topic.

*“Also a challenge is probably on the learning and development side too. Making sure we're able to just get everybody together to do training, for example, on what it means to be a diverse organisation? How do we communicate here, what cultural nuances and differences? Can you experience training? But, a lot of people might not attend it or there might be roadblocks in the way.”*

From a recruiter perspective they are able to mention that most challenges related to cultural diversity are coming from meeting the person. There may be unconscious bias somewhere beneath that creates thoughts about someone's accent, how they are representing themselves and overall communication style can be totally contrasted between two cultures, when attending a job interview. This all may be due to previous experiences meeting with a similar person representing the same culture. And you may experience unconscious bias through these previous, potentially negative experiences of a similar situation. Another perspective is, which one participant shared, around unconsciously going towards similar minded candidates when choosing the best candidate for the role. This can be a threat to the organisation's diversity within teams, in case these unconscious biases are not noted.

It is also very difficult sometimes to find diverse talent, when an organisation has set specific goals towards that target in the long-run. From both HR and Talent Acquisition background in these interviews, it comes up that finding diverse talent can be challenging especially within certain areas of work. For example, within computer engineering there is a very small percentage of females studying and working with it. In case an organisation would be willing to recruit more females as part of its teams within this area of work, it can take time and challenges to find the suitable fits as the population and talent pool alone is quite small.

Another challenge may be related to even political backgrounds or language barriers of people coming from different backgrounds at a workplace. The global events within political and other areas may raise discussions or at least feelings within people from a cultural background, that may be in the spotlight of any global event. At the same time, eventually it will be an action item needed to cover by the employer and workplace as well. And how to support its employees in the face of challenging times happening outside of work.

### 5.1.3. Success through diversity initiative

Generally, participants see the learning programs and other culturally diverse programs launch the most beneficial initiatives to support cultural diversity within an organisation. It is widely agreed that the organisations need to invest in these ideas and create plans to have them executed and launched for the whole organisation. However the ideas of these programs have been varying among the interview discussions and there have been some very curious and intriguing ideas that have shown up from different participants.

*“I think we're really successful when it's embedded into organisation design.”*

What was also worth mentioning from the researcher's side, while conducting the interviews, is that it was interesting to see some similar responses come up during different questions. Something that another participant had been reflecting on earlier within another question, was brought up later on by another participant within another questions' context. It is interesting to see how the human mind may connect the same dots just within different aspects and context and then draw the line eventually to the same outcome.

*“Don't spend for as an interview more focusing on the future. Yeah, so that is also changed for diversity.”*

The initiatives mentioned have been the following. First, a popular topic has been to focus on talent programs and how to initiate those as a culturally diverse supporting project. A talent pool may have a target of reaching x amount of culturally diverse candidates at a specific stage of the hiring process. However, at the same time it would need to measure how well the candidate fits the overall role and the tasks required, how does their work experience meet the expectations and everything else that is

under consideration when looking out for new candidates. Although a diverse pool would be the main target, the requirements will be in a fixed format. One of the participants mentions that they are aiming at diverse hires, however holding tight to the requirements. As they are not willing to let the business impact be unbalanced with the applied targets of having diverse candidate pools. A candidate with a diverse background needs to also fulfil all the other requirements set for the role that would be required in any case and this can sometimes be challenging but definitely not impossible to find the exact talent profiles among the candidates.

Another aspect of talent acquisition was brought up related to hiring new leadership members to an organisation. In the hiring process of hiring more senior leaders, keeping the culturally diverse, inclusion and equality aspects does impact the whole organisation in the bigger picture. So one of the participants, coming also from a recruiting background, shared how even within leadership hiring it would be the target to get as many diverse candidates as possible. And this would not only rely on one factor but many features that may represent the candidate as a diverse candidate for a leadership role. The thought behind is that by starting from the very top-level, it is more natural to bring the same programs also to lower level teams and within hiring practices happening in those areas.

Within hiring, it was earlier discussed with another participant about early career programs and internships within organisations. During this question about cultural strategies, also another participant has brought up the importance of these career programs for recent graduates. And this example was eventually also tied to the top level of hiring leadership roles from a culturally diverse perspective, as the talent pool of senior leaders representing culturally diverse backgrounds will be smaller. In case early career programs are not conducted from the very beginner level, it would not allow the same possibilities for leadership roles in the future for people coming from rare backgrounds, where for example higher education would not be as common.

Launching early career programs allows all backgrounds to be on the same line and to show up as their authentic selves with their collected knowledge and skills.

*“Having a strong group of folks from different backgrounds who had the connections and the network to oversee these years, we were able to help create those safe spaces and so our employee resource groups were incredibly popular and the overall safety and engagement in the organisation increased.”*

Other implementations of culturally diverse programs are related to ideas of inclusive language within a workplace. One of the participants has run in their previous workplace a program intended to promote inclusive language and how everyone can utilise that in their everyday work communication with other colleagues. It has been related to ensuring an inclusive as well as psychologically safe language. The program would not only be related to how to format a way of communication but also, how beneficial inclusivity and cultural diversity is within an organisation. And what employees would not necessarily be first conscious of but could be proud of within that context, when a culturally diverse environment is in balance and allows psychological security.

The remote or non-remote as well as hybrid working setups were mentioned as part of having a diverse and inclusive strategy, when it comes to ways of working. Organisations providing this flexibility are providing more diverse ways of working and one participant had also mentioned during the interview, that this would be a crucial part of an organisation’s talent strategy as well. International organisations setting up more and more hybrid options for their employees are more likely to be able to attract the best international talent at the same time. This is due to being able to add more locations as part of the business operations and therefore be able to set up legally compliant working set ups across the globe.

Some programs mentioned were also more free formatted, and related for example to meeting over lunch breaks to discuss cultural diversity and the different backgrounds everyone is coming from within a specific team. This would be more of a self-initiated event rather than an official strategic program implemented across the organisation. However, in another contrast, one of the participants has explained how one of their previous organisations have had councils for overseeing and supervising the topics around diversity, equity and inclusion. This has taken the themes within an organisation to be strictly part of their strategy and vision, making sure at the same time to have the themes visible officially as part of the organisation's everyday life.

On the other hand, the soft side of the project management of implementing a successful cultural diversity program would pre-identify any weaknesses and potential issues that could come along the way. For any resistance or challenging feelings coming up to the surface, were it to be for personal or collective reasons as cultural topics may be also sensitive to many of a bigger group due to past experiences or how they see their own cultural background.

#### **5.1.4. HR strategies for cultural diversity impact**

The outcomes that the researcher has been able to discover from the interviews around this question, are either related to HR being the key initiators of the conversation around cultural diversity and how it is executed. As well as also giving the perspective of HR being just the accommodator of the theme around the organisation, but the truthful ownership of executing cultural diversity comes from the very top, from the executives.

Beginning from the side of HR being one of the key owners has highlighted multi areas around what effect HR may have on the topic and what they could do for it in practice. The discussions have been around HR providing education on the topic to other employees, as well as streamlining the current trends within cultural diversity. There

can be topics that employees are expecting from HR and what HR is describing as their responsibility, so two sides to the question and its outcome. On another note, there could be a third option of having the responsibility of implementation be effective across the organisation.

*“But employees in general don't like policy. So instead of saying policy... I think you can create some more like a better wording to say here is the one we want to change for engagement or I always think if HR people (including myself) started to use the terminology related to one engagement policy or those of things there. They don't like it.”*

One of the participants has started imagining it from a higher level and discussing how the organisational design itself will first determine how culturally diverse and inclusive the organisation is. This all starts from how the teams are structured, how the ways of working are set up and in which regions the organisation is functioning? Those questions will eventually nail it down to how different cultures can be pursued and taken into account in the context of employees and both customers who will be connected to the organisation externally.

*“It's actually the celebration of difference which actually comes back to my point around strategies or your question is that's the key. It's about saying that we're not trying to make everything the same. We are hiding how difference makes us better. How differences, interesting how differences give us an edge. That is the trip. And the sameness comes from the fact not that we're all the same. But we all believe in what this organisation can be and we all understand our place within it and even though you're different to me, we know that we can be our authentic self here.”*

Representing the cultural diversity from HR side and through its policies, it could also create challenging situations where a person would be a hard-working employee, but if the cultural values are not aligned with the behaviour or even severely disrespected, it

could result in letting go of the employee. And this would be the hard step for HR to evaluate. Situations like this would put the strength of cultural diversity within an organisation to test and how important it is actually set in the organisation's strategy and policies. This is one example that a participant has shared as part of examples for HR policies and strategies within cultural diversity.

Another participant has started thinking about cultural diversity and HR policies connectivity from general overviews, related to for example code of conduct and anti-harassment policies. All of these policies are important to ensure behaviour is well managed as well as it is ensured that all employees are working within a safe space. The participant has connected this as part of cultural diversity and especially inclusion by adding that in the long run, having the applicable policies in place the employees would be more engaged and work longer within the same organisation.

#### **5.1.5. Tools for diversity: Aligning with organisational goals**

As for the interview question related to tools for diversity, one perspective that comes up frequently is providing training from top down levels. And highlighting especially the fact that it should be provided from top down, to ensure that the theme is taken into account on all levels within an organisation. On the other hand, one of the responses highlights data to be a crucial tool as well.

One good example that arises from a more practical point of view is an app called Textio. This app allows organisations to create for example job descriptions in an unbiased way and to follow a diverse and inclusive language in them. It will help the person in charge to provide a professional text that is meeting the expected standards for diverse and inclusive language. Moving from creating texts and documentation, also some locations may require certain data to be collected and published within a specific cadence. Usually this may depend on the size of an organisation, for example gender pay gap.

Gender pay gap has been used to determine potential differences within compensation between female and male genders. There is a certain formula used which this is evaluated against and it will be a key tool for organisations to determine how they are currently evaluating females and males within an organisation - especially when taking a look at same levels of a role and experiences behind a person.

*“I think tools for recruiting purposes are just to make sure that you're even just posting and searching for talent in what would be more classically diverse areas. For example, for internship programs you want to make sure you're opening it to HBCUs which are historically black colleges and universities here in the US.”*

One interesting aspect that came up with one of the interviewed candidates working within Talent Acquisition is overall the tools of making sure the job postings are posted to widely available areas. Including areas and especially those, where diverse talent candidate pools may be driven the best. The interviewed participant explained that there are for example portals for students to access where internship positions should be posted for a bigger group of visibility. In the US, one of them is called HBCU which includes historical black colleges and universities to mention one.

One of the topics that turned up commonly among all participants to some extent was creating surveys on diversity and inclusion within an organisation. However, especially for those coming from a global organisation background it was recognised that these surveys would not always provide the most accurate data after all. The issue with especially global diversity surveys is that the topic itself is handled in different ways within specific regions. In Europe, it may not be even legally possible to conduct very specific, personal information collecting surveys that would give the organisation the interesting data to analyse, e.g. on ethnicity, gender identities and other background information about a person. However, in the US to mention this is more widely

happening and it may be even determined as a neutral form of collecting data within organisations.

To provide contrast to more common opinions and thoughts that were shared during the interviews, one of the participants saw humanity and discussion as the best tool to approach diversity and inclusion. This would include having face to face conversations about the topic, understanding others more thoroughly and exposing the topics in person to each other. This would allow a more natural tool to dig into one's background and what is there to learn from it truly.

One participant has answered as a connection to having discussions around diversity and inclusion and how to approach it as a group, a plus side of virtual meeting possibilities. So one of the participants has outlined that they appreciate the way people are able to meet globally using Slack by chatting or using Google Meet for face to face interaction either for two people or a bigger group. These kinds of opportunities are breaking any borders there may have been and making it easier for all cultures to meet up at the same time, almost in-person and with similar circumstances to it.

Employee resource groups were identified by one of the interviewed participants, who encouraged them to be an effective tool for managing cultural diversity within an organisation. And ultimately through that being able to improve the organisation's success, as it will have employees participate into it and feel that they can be part of driving growth and development for more cultural diversity through these ERGs set action agendas.

*"That's also part of the reality. Is that insight in data, maybe very culturally accepted by one group and not by another right? There's more scepticism in Europe around data than there is in North America sort of thing and so on and so forth. But it is still one of*

*our most powerful tools is our ability to understand the demographics and the makeup of our employee base on an aggregate level.”*

To finalise the section of this question, all interviewed participants were thinking about the fact that within an organisation everyone should be treated equally and to respect the set culture of a group and the whole organisation. This would be one effective tool to maintain cultural diversity and inclusion within even bigger groups of people and by accepting all different backgrounds of where individuals are coming from, through learning from them.

#### **5.1.6. Diversity's influence on decision-making**

One of the participants has directly stated to this question that the teams where there were more diverse candidates involved, performed the best overall compared to other teams where less diversity was included. It was not mentioned specifically how this had been conducted or benchmarked overall.

Another way of having diversity influence decision-making has been through cultural events where organisations have been intentionally celebrating different cultures' national days or theme parties that have been in connection to a cultural celebration. For example, the participant explained that in Vancouver, in a company that they worked for back in the days, there was a branch operating in Chinatown where they focused on celebrating Chinese New Year and they were investing fully in making these celebrations happen. It was made clear that the events would not be just a side event to what is going on overall during the year but it was actually something that the top level wanted to focus on and provide the proper possibilities to create these full celebrations. As the cultural importances was recognised by all.

*“We want to do this, and people were very excited. But then I would say I don't know what happened, it just dropped down. So, definitely, I think that is one area where I feel if you're really trying to make an impact and a change and bring some new innovation*

*style, then we need to keep up with the momentum and not just: the beginning was amazing and we did so much and then it slows down.”*

Another good perspective to put into the decision-making is a product or a tool an organisation is providing or using as their purpose, and to make that diverse and inclusive. In one of the previous interview questions listed here, one of the participants working within Talent Acquisition had mentioned that it is an important factor and part of diversity, equity and inclusion initiatives to have the product aligned with any set cultural diverse and inclusion goals that an organisation is creating. As this would eventually expand to clients and what they are expecting out of it, coming from potentially various regions and being interested in using the product or the tool.

One of the participants then mentioned during this question that it was amazing how one of their previous employers had come up constantly with new ideas to enhance any new cultural findings and how to utilise those traits in their product. To make it more available across all audiences of clients. It would be all about making it more accessible, no matter who you are or from which background you are coming from. One practical example was to develop the organisation’s web application so that it would be more accessible for clients with disabilities for example, so that they would still be able to navigate through and use it for any personal needs.

One interesting way of looking at this one was when one of the participants set the standards of having both diverse candidates to be hired for roles but also the fact that within a Talent Acquisition team where recruiters are located and working with candidates, there we also need to have diversity and inclusion in place. So it needs to retain within both sides, not only hiring diverse candidates but also having diverse recruiters working within an organisation. As then the whole group will be full of new ideas to be shared across the team and with new ideas, the processes of hiring new diverse candidates will also improve.

*“We changed the way that we talked about our product internally, we interviewed for a global mindset.”*

When looking at different cultures and putting them together, when creating decisions, not necessarily only making decisions on other areas and inputting diversity into them but when having people come together. As in accordance with one of the participants, the situation itself needs to be neutralised. It needs to be understood how differently various cultures approach an issue. As some of them may not start the conversation directly and from an honest point of view but rather talk outside of it. Whereas some people may go directly into the topic of it and not leave any side notes in between. So once all backgrounds are understood and the situation itself is made more open and transparent, free of all expectations, it will create a more natural setting for various cultures to meet up and make decisions together to align everyone’s opinions and values.

#### **5.1.7. Measuring impact: KPIs for diversity success**

As data has been mentioned before as a crucial tool for executing diversity and inclusion, one of the participants explained here how they then exactly use the data in practice to deliver more successful ideas from cultural diversity’s perspective. The organisation was collecting employees' information at their consent during pulse surveys or new hires’ onboarding to understand how diverse the organisation’s population is at the end of the day. With this data, they were able to create policies, processes and events that would celebrate the diverse population. And at the same time, provide that environment for all to feel included in and to be able to express themselves.

As data itself can mean a lot of things, it is good to break down the exact data here that participants have been mentioning as their KPI for cultural diversity and inclusion measurements. Outside of collecting personal background related information, good

data sources of understanding employee diversity are also attrition rates or employee churn rates, hiring statistics and the engagement survey results putting together many areas related to employee experience, so not only diversity and inclusion directly. For example with churn rates, it is interesting to look at possible trends for certain roles to have churn within, are there certain locations included or employees on a certain level specifically? For hiring statistics it is quite straightforward to be related to educational and work background/experiences, where they are coming from, what their personality is like and among all the other perspectives.

*“I saw my last company change from not really tracking diversity at all to tracking it as part of diversity surveys and then in terms of inclusivity in employee engagement surveys.”*

One of the participants mentions directly educational programs being one way of measuring impact as a KPI. This would set targets for certain educational levels that are strived for and this could be then measured by looking at the candidate pools. It would be more individually focused KPI only on the educational side but an interesting factor to follow how the educational background is visible within an organisation.

Many of the KPIs mentioned and discussed during the interview are initially leading back to hiring statistics and how, for example, organisations are following their leadership gender divination closely. It can be followed that a certain % needs to be females within the group of executive team members. Or there can be other gender identity benchmarks that need to be reached to have a culturally diverse leadership group within an organisation.

The timing of keeping up with KPIs and other metrics to support success within an organisation is crucial. The targets would need to be consistent in order to provide long-time, reasonable and most of all reliable data to rely on. In case it becomes a one

time trend to create diversity and inclusion focused KPIs, it will not create as many successful strategies in the long run as per one of the interview participants states.

Some of the interview participants have felt and experienced that having KPIs set for organisation success through diversity and inclusion would not be possible directly. Either organisations have never set up such targets and KPI metrics to follow against or they have and the experience has not resulted in revenue growth or business growth through direct initiatives. But it has been more of affecting another aspect, to add employee efficiency as an example through having a more psychologically safe environment around them. But the general idea has been that the organisations would not have yet found ways to directly impact successful outcomes simply through diversity and inclusion initiatives.

#### **5.1.8. Future trends in cultural diversity management**

When asking about the future trends that would highly likely be potential within the cultural diversity and inclusion topics of discussion, it is mentioned by participants that it is challenging to determine exactly what would happen next. It would be more of guessing based on where we are currently heading at and how the trends are looking at this moment. However, when thinking about those possibilities these ideas were coming up from the discussions with the participants to finalise the interviews. And after all the other aspects the researcher had covered with them through the first questions. The expectation was that after going through the first questions, it will create flows of thoughts for the candidates to reflect on and therefore be better equipped to answer the question about next trends as the very last question.

One participant outlines that the highly likely of having regional discussions continue rather than going fully global yet is the most likely first step. They see and feel that cultural diversity and inclusion would not yet feel ready to transform fully global but there is still a lot of work involved with discussing them regionally and then taking it on a global level across the globe. Right now it is more focused on shouting out global

from an individual perspective rather than putting it to be global actually from a global perspective for communities and not only for one individual themselves.

In connection to working through the global aspect of it, one participant starts by discussing and defining how to have intersectionality recognised fully. As there will always be one part from another that separates a person from a bigger group. But how are we able to look at that as a whole picture instead of focusing on those small, varying details only? And then on the other hand since many people may be still included in the majority group of people where there may not even be those major, smaller details that would differentiate them. How to embrace everyone equally when there are so many groups represented?

One globally exposed topic currently has been utilisation of AI (artificial intelligence) and this was also brought up during these interviews. As an emerging trend, would artificial intelligence be able to step up the cultural diversity discussions and provide new tools for us to embrace it better globally?

The consistency of cultural diversity and inclusion comes up with repetition, to have it more of a natural process in the future. It should not be treated as a trend only as one of the participants states, but more of the DNA of every team. Maybe even something that it would not be fully recognised at first but be something that is clear to everyone and something that everyone would need to be respectful of by default. And it would come down to all aspects of cultural diversity, be it personality, way of communicating, educational background, work experiences, years of service... There are many details to be named under its value proposition.

To go back to smaller details of it, one of the participants had mentioned that through work languages it will become more of a trend to have more inclusion available especially within multinational organisations. Using English as the first preferred

language would allow all people to be able to connect with each other better, whether it is within an office or through different offices through various countries.

Finding diverse talent pools will be becoming both challenging and rewarding for organisations as we look at the future. As per the researcher's conversation with a participant coming from a business HR background, it is clear that the remote work landscape will open up the job markets from both sides - for the employers and employees. However, this will create the hang of it at the same time as the competition will get tighter for all organisations trying to attract the best talent. Having no borders will have more organisations competing within the same landscapes and same industries but locating in different countries. It would not be a traditional "finding a workplace from your local city", but "finding employment even across the ocean" and you could still remain living where you are currently at. It will break through the whole talent and job market, and at the same time allow bandwidth both for employees and employers. But the options will be larger and more, creating higher benchmarks being looked at.

In general, cultural diversity and inclusion will be more visible within organisations key result setting and strategic planning, as per one of the interviewed candidates coming from the background of HR and Talent Acquisition. More and more organisations will be connecting the dots between employee engagement and having these key results align with cultural diversity themes. It will be realised how these strategic goals will be as important as other goal setting within an organisation, regardless of their area of business or function overall.

*"We need to start thinking about the nitty-gritty of it all. So while we've been focused in the past as a society on, things like: gender, diversity, and folks, who might have a protected medical condition in the workplace. I think we are now going to be looking at those smaller details. So the thing that sets those diversity's apart is someone."*

*“With the war for talent companies need to become diverse as enough talent can’t be found in local markets anymore. Companies have to find talent in other parts of the world. In order to attract those talents, companies need to provide a diverse and inclusive work environment. Diversity should be addressed very visible in the company on a regular basis. Increase the accountability of top and middle management to drive diversity proactively.”*

*“Some of the trends I can see are that we are still feeling cultural awareness and diversity as a regional perspective, not a global one. I think in the business context, we’re still thinking regionally and not globally when we try to think globally.”*

*“So then, how does that translate in a business context? So that people also feel that I can have my cultural individuality or my specificity but I also am part of this larger organisation, right? So you can almost apply the same sort of thinking as we would do in a political context in terms of government and countries with sort of a business.”*

## **6 Discussion**

### **6.1. Discussion of the analysis**

The main research questions for this study were related to how HR is approaching cultural diversity in strategy and what will be the trends within cultural diversity management in the future.

The interview questions of the research for this cultural diversity within organisational management for organisational success have been wide and multiple, supporting the set two main research questions as mentioned above. Many aspects have been included by adding as many detailed perspectives as possible and creating the base for this study that would support finding the most precise outcomes the researcher is able to define. The process of interviewing multiple persons coming from various backgrounds and various countries where they are currently residing, has made it possible to gather reliable data on cultural diversity. As they are the participants to have experienced and lived through these areas, based on their backgrounds as well as variation of seniority when taking a look at their backgrounds.

There will and could not be one linear and clear answer to the whole topic of understanding the connectivity between team cultural diversity and team performance. As has been mentioned in the first pages of this research by Raithe, van Knippenberg and Stam, previous studies have found conflicting results for the relationship of team performance and team cultural diversity. Some of the research has found a positive connection whereas some have stated the conflicts related to misunderstanding and potential biases between members of the groups coming from different backgrounds.

Leifels and Zhang (2023) have argued over team cultural diversity creating tension and stress in individuals, when there are cultural differences. This has been based on the fact that when you are working in a culturally heterogeneous group, you are forced to

consider other cultural traits and keep in mind the individual's expectations coming from another culture. This will create additional job demand, which has been proven to increase stress in individuals if the wellbeing practices are not in balance with job demand. On the other hand, when working in a culturally homogenous group, these demands are not present due to individuals understanding each other better by default and not having to consider false interpretations as actively. When comparing these two different groups, cohesion has also been marked to be less applicable in heterogeneous groups compared to the homogenous groups of individuals representing mainly the same cultural background. (Leifels & Zhang, 2023, p. 369)

This can be interpreted from this research's interviews as well, as candidates have most commonly commented on how diversity could be added as part of the daily organisational design, without it feeling forced. The researcher would not argue towards this creating excessive stress to an unhealthy amount, as has been briefly mentioned by Leifels and Zhang earlier. But it is evident that this is showing in the day to day basis communication between individuals coming from different cultures.

Two interesting theories to add as part of this discussion is the social categorisation theory and similarity attraction theory. Per the similarity attraction theory's background, similar individuals tend to be drawn to each other and get along better as well as identify with each other. On the other hand the first one of the theories, social categorisation theory, represents how people are prone to categorise others based on their characteristics and group them accordingly. With this, individuals belonging to the same group tend to be favoured more rather than those being considered as outside of the group. (Leifels & Zhang, 2023, p. 369)

To evaluate these theories based on the candidate answers in research interviews, it has been interesting to note that many of the participants are thinking outside of the box in contrast to these naturally drawn theories of categorising and attracting similar people. One practical example is the field of talent acquisition and recruiting. There are

certain requirements that are set and at the same time the organisation may be looking for a culturally diverse candidate to be hired for the role. In this scenario, the organisation is trying to break the pattern by including different personalities into the team setting. When thinking about the role of a recruiter and how it is possible to remain unbiased in the role, when interviewing candidates from all backgrounds, there is constant movement happening. Naturally drawn choices can not be considered without first evaluating it from the bias perspective, making sure that the decision would not be drawing from social group selection or similar attraction. This is one format of a culturally diverse organisation and how it may affect the team performances in the long run, when decisions are firm and keeping their focus on the set standards of culturally diverse candidate pools.

Therefore, what is a positive note to take is that clearly the topic of cultural diversity and inclusion is a matter of importance for many. Interviewing 10 candidates that have lived in different regions, different countries, being of different ages and having some years of service behind or not having not so many yet, has alone created a diverse pool of participants for this study. And all of the participants have had some insights on the questions asked during the research interviews. It is also findable to have previous studies available where the researcher could benchmark those interview materials and previously conducted studies. Increasing globalisation has given many reasons to research on how certain diversity characteristics affect team outcome, which can somehow be connected to the performance as well. These can be such as nationality, gender and race (Tröster, Mehra & van Knippenberg, 2014, p. 1).

The topic of cultural diversity and inclusion is also not very specific on its own and it can create various thoughts depending on who is being asked about and who is telling its definition. But these matters put together are creating the fascinating nature of it and exactly the interest of how it is defined by all these different groups. And what we can based on that understand from it. There is one specific research conducted on the influence of organisational success and how cultural diversity can be detrimental, done

by Corritore, Goldberg and Srivastava (2020). They have stated that every organisation forms a culture which affects individuals and individuals create the culture. The cultural aspect of an organisation may influence the performance of individuals, affecting their motivation and attitudes towards teamwork and common goals. There are scholars interested in the questions on the beliefs and values affecting organisational performance and through that driving the research of cultural diversity's impact. However, the growing materials are focusing more on the consequences and not the performance driven approach (Corritore, Goldberg & Srivastava, 2020, p. 359-360).

#### **6.1.1. Embracing initiatives, setting HR strategy and policy for cultural diversity**

It can be set from the answers of interviews as well as based on previous studies made on the themes that cultural diversity is a factor in creating policies within HR, creating people strategies especially for global organisations and embracing those initiatives even more and more. It can be cut out potentially that cultural diversity would still be more of an emerging regional topic rather than being yet a fully global recognition in every country. HR effectiveness itself can be based on multiple aspects and how it may be measured. Guest and Conway (2011) have mentioned in their research paper about HR effectiveness being driven for example through organisational performance as a proxy for its measure. Other aspects are to add workforce retention as well as absence calculations. Or alternatively, by meeting set targets for the organisation from employee development perspective or organisation's policy perspective (Guest & Conway, 2011, p. 1687).

When looking at previous research, teams where diversity has been applied to some extent and actioned accordingly, may experience increased creativity as well as developing innovative ideas. It may also reduce a "groupthink" and provide more extensive ideas to problem solving. This happens through raising also more controversial comments or opinions about topics under discussion, which creates the whole group to be more alert and critical towards finding the best solution. Overall, using the individual experiences coming from various cultures and holding those

personal experiences that individuals are willing to share, can be used when planning the product of business, market strategy and overall practices of work within an organisation. (Hofhuis, van der Zee & Otten, 2015, p. 180)

There is a positive correlation between strong HR commitment practices and organisational performance. With high commitment HR practices, it can be referred to as recruitment, designing job structures and incentive practices that support employees' long-term motivation and investment towards the same organisation. By investing into the employees, the employees will invest also in employers which creates a mutually stronger connection (McClean & Collins, 2011, p. 342). With high commitment practices within HR being effective on organisational performance, it can be connected that cultural diversity may be one driving factor towards increasing efficiency within an organisation. Cultural diversity touches closest upon recruiting as well as maintaining the culturally celebrated culture for the existing employees. This was analysed through in candidates' research interviews as candidates mentioned that they can have set targets for achieving cultural diversity in hiring. These can also be taken into account very specifically in practice when reviewing job descriptions or advertisements, and how those are represented to the public. Interviewed candidates have also highlighted how the same job opportunities are willing to be offered to people coming from all backgrounds, which is connected to job structuring and promoting culturally diverse hiring.

Going back to HR and its work in an organisation. HR is part of implementing internal policies within an organisation. These policies may come out of demand or as the landscape keeps moving towards development. There can also be directives which need to comply with either international or local laws. Although it is recognised that both HR as well as for example, the CEO of the organisation, are all responsible for building the foundation of diversity culture. It is mentioned at the same time that managers should be the other key persons to elevate this culture forward. Ng & Sears

(2020) have argued over individual beliefs and values affecting cultural diversity within an organisation, through managerial positions being the ones driving change forward. This has also been stated by one of the interviewed candidates, who thought that it is important for HR to be the goal setter and build that cultural foundation. However, the day to day execution will be shared between everyone who is working for the organisation (Ng & Sears, 2020, p. 438).

HR strategies can be inputted as willingness to create the environment and space for creating organisational actions that promote equal opportunity, equal treatment and more variety on the inclusion of employees that are coming from different origins and ethnicities. Some organisations may approach questions associated with diversity management as a moral discussion: what needs to be done and what is right to do. Some approach it as a business reason, to create the most value out of diversity strategies, which on the other hand measures the greater impact on performance and innovation. And lastly, there is the view where it is only stated that it needs to be dealt with diversity management with a neutral approach, as the globalisation is increasing across the world. (Farashah & Blomquist, 2021, p. 290)

Strategy was reviewed from various perspectives during the interview when evaluating cultural diversity. It was associated with internal, external communications, product offering, hiring diverse talent across the globe and setting targets for leadership hiring when it comes to diverse metrics. These are just a few examples of how cultural diversity may be measured from various points of views. What it is an interesting view is that Farashah and Blomquist (2021) think that cultural diversity would need to be studied more from other countries outside of the United States, where they think historical, social and legislative context have an impact on understanding the current universal situation of cultural diversity and its measurement globally (Farashah & Blomquist, 2021, p. 291). This can also be followed up by the fact that American companies have been focusing on internationalisation and transforming their

operations to be more global ever since the 1980s. This stems from the event of foreign venture expansions (Palich & Gomez-Mejia, 1999, p. 587).

The reason why organisations would need to enhance diversity through initiatives and strategy, is also connected to diversity providing positive impact on organisational flexibility, recruitment, retention as well as financial sustainability. This has been suggested by Michielsens, Bingham & Clarke (2014, p. 51). Also they have stated that a diverse workforce may provide competitive advantage as well as prepare organisations to adapt better to changing marketplaces.

Lauring and Selmer (2011) have also stated in their research paper, that openness and positivity towards diversity within a group may increase team performance and improve it. This proves the external research conducted and proves the satisfaction individuals themselves experience when they feel accepted within a certain working environment. This comes with supporting linguistic, value and informational based diversity factors that may affect group performance. The only difference between supportive links was that there was no clear connection between group performance and visible cultural diversity. The supportive factors focus more on invisible details that an organisation would need to focus on, rather than the external and visible factors. It was stated that especially HR should be prioritising on how cultural diversity is foundationally built within an organisation and through which processes it can be implemented in the day to day execution in order to increase employee engagement. (Lauring & Selmer, 2011, p. 90)

It was clearly outlined based on all interviewed participants that overall organisations would need to stay firm with culturally respectful environments and allow all backgrounds to be able to express themselves, as backed up by the aforementioned previous research as well. And this would need to be aligned on all organisational levels and all management levels as it would be seen as a mutual work and mutual collaboration towards a more culturally diverse organisation. Through which more

success may be created, if not directly through culturally diverse initiatives then contributing towards employee engagement and efficiency procedures.

The historical development of this has been interesting as from 1980 until 2000 time period has measured the transformation of culture becoming part of organisational management design. This was seen through expatriate managers becoming more engaged partners in a host country rather than being more detached, as the history had written before this time period. Through this, effectiveness had been reported to rise through the swiftness of viewing the value of cultures within an organisation, were it to be from a regional or multinational perspective (Bird & Mendenhall, 2016, p. 117). Financial results may also reflect long-term rather than short-term, when it comes to investing into cultural diversity and reviewing it from an economical perspective. Labucay (2015) has included in their research paper, that in order to benefit from long-term financial results organisations would need to accommodate different cultures to be able to learn from each other and through that support their development and growth as individuals (Labucay, 2015, p. 426). This puts out a strong background reference for the economic perspective of cultural diversity's influence on organisations.

#### **6.1.2. Strategies, tools and KPIs for cultural diversity**

As KPI metrics (key performance indicators) it was surprisingly challenging to come up with directly measured metrics that would create useful information for organisations to use and allow them to have a deeper understanding of how cultural diversity is currently represented. However, as the main major point was naturally brought up all kinds of data points that organisations are able to collect and utilise as part of their strategy setting processes and creating targets towards new challenges and new successes.

Data can be measured through various perspectives and therefore it was mentioned that it could be around an individual's background and personal details, having data on

employee churn and attrition rates if analysing the diversity aspect from employee engagement side of profile and also, through engagement surveys. Engagement surveys would focus on all areas of employee engagement but naturally cultural diversity being one of the key functions of these surveys - either measured through direct questions or indirectly among other topics.

Having certain targets and goals towards diversity and inclusion, and through that to cultural diversity, may emphasise the role of managers. The role of managers has been identified as one obstacle when it comes to achieving the targets of diversity related to the equality implementation gap. Senior managers have been constantly trained on the topic of understanding diversity but they are not yet excelling in executing this appropriately on a day to day basis. Previous research has tried to understand the issue of this and what the reasons could be behind it. Most common reasons come up to be the constantly increasing people management burden, unclear understanding on the real meaning of diversity and how it differs from inclusion, local regulations as well as other competing priorities in managerial work. Therefore, to conclude that is to mention that there still seems to be the challenge of motivating the leadership level to understand the importance of cultural diversity. Another problem is related to managers not leading by example by following the set diversity associated policies and norms. (Noon & Ogbonna, 2021, p. 620)

Noon and Ogbonna (2021) have been analysing the results and materials associated with the research around diversity target setting. It is mentioned that setting targets for diversity goals have been important in the organisation their research was conducted upon, and these targets have been included in the performance management system. The organisation has also mentioned the set goals and targets in annual reports and public websites. In the organisation mentioned as part of their research, there are both organisational level KPIs related to diversity and inclusion as well as managerial targets for each manager alone. The manager targets may consist of multiple targets, diversity and inclusion being just one of their set goals. This creates

the foundational understanding that cultural diversity is significantly taken into account in the specific organisation by implementing the targets to be applied to all people managers across the organisation. And this would affect directly to their performance level, if the targets would not have been fulfilled. (Noon & Ogbonna, 2021, p. 629)

Despite this company level setting by setting the targets across all people managers, it is mentioned as part of the research paper that multiple managers had conflicting views on this practice as a feedback. Some of them struggled with understanding how to achieve the set targets or if it would be even realistic to achieve them as set. Some of the managers had even felt that the targets would not be applicable to them in reality, and that the business would benefit them by not following the targets. The set targets tended to focus only on gender and ethnicity. The interviewed managers had stated that the targets in diversity were only effective if it was tied to a reward. The differences were also related to the level of the manager, as executives saw the targets fully deliverable whereas senior managers struggled with implementing these rightfully to the day to day execution. (Noon & Ogbonna, 2021, p. 630-631)

In this research, some of the candidates did align with the challenges when it comes to setting targets or key results for cultural diversity. It was commonly mentioned despite the role or the level of being an IC or a people manager, that the targets would be hard to define. This may be due to participants coming from different roles. It was clearly set that setting cultural diversity targets is more natural in the aspect of hiring and talent acquisition practices. Whereas in HR, working with current employees and retaining them, defining the key results or targets becomes more complex for the organisation, according to the participants.

When it comes to measuring population data from cultural diversity's perspective, Yilmaz and others (2023) have discussed board members' variation in culturally diverse population vs. gender diversity. Actual membership of board members is per previously conducted results to be more culturally diverse rather than gender diverse.

In the Refinitiv report conducted in 2019, women represented 18% of board members while there were 29% more culturally diverse directors on the other hand, measured in 2017. Having more culturally diverse representation brings multiple and creative ideas to the board members' work as people coming from multiple countries are able to bring diverse range of thoughts and ideas. This creates effective leadership as well as better decision-making quality, when all perspectives are combined together. This proves that although cultural diversity is less spoken when it comes to governance performance and social performance, compared to gender diversity being more topical, cultural diversity would need to be more understood. (Yilmaz & others, 2023, p. 3126)

When interviewing the participants about specific tools on promoting cultural diversity, some of them mentioned an app that supports culturally diverse and inclusive language creation and helps its users to produce unbiased, professionally supported language when cultural diversity and inclusion is highlighted through an organisation's communication practices. This would not directly be a system to track cultural diversity but a platform that would bridge the organisation towards being more diverse and inclusive in its communication and how it is visible externally.

What can be connected from the analysis of this research related to organisational strategy is that candidates mentioned culturally diverse organisations to attract similarly focused people to work there. Nederveen Pieterse, Knippenberg and Dierendonck (2013) have discussed in their research paper the effect of performance avoidance, the contrast of having an environment supportive of diverse perspectives. People under performance avoidance are trying to make others think that they are fully competent in their work, not to appear as incompetent in front of other people. This keeps the people to stay on routine based tasks and not drive towards uncomfortable situations and outside of comfort zones. When someone is strongly under the performance avoidance, they will also feel less approachable towards experiencing different perspectives and ideas from their own. It will make them feel

threatened and at the same time, less motivated towards exploring a new option. This challenges groups that are represented by various cultural backgrounds. What may be the outcome with people focusing on the performance avoidance styles within culturally diverse groups is that they might focus on irrelevant details related to abilities instead of the task itself, or other challenges that they experience outside of the actual focus. Eventually the defences may cause diversity focused perspectives to disappear within a group, if a person is not willing to accept another perspective. This avoidance may also result in coming up with stereotyping or intergrouping bias. (Nederveen Pieterse, Knippenberg and Dierendonck, 2013, p. 787)

Overall diversity strategies may be visible in contrasting ways depending on an organisation. As mentioned by Podsiadlowski and others (2013) is that organisation's strategy towards cultural diversity may be episodic, freestanding or systemic. What it means is that an organisation may orient very neutrally or not at all towards having a diversity management strategy. Alternatively, an organisation may invest a lot of resources towards creating a strategic view of diversity practices and how they are able to develop training within the organisation on its matters. Basically organisations' approach towards this topic may be ranging from not recognising diversity to a huge significance in recognising cultural diversity. (Podsiadlowski & others, 2013, p. 160)

### **6.1.3. What are the future trends of cultural diversity?**

Many interesting aspects have been concluded from the discussions around cultural diversity and how its future trends along with emerging topics may be looked at when predicting the next steps of this topic within organisations. Some interview participants have mentioned that it is actually challenging to define the exact next steps of how everything will be concluded in the future and what might happen if not visible yet in terms of the transformation. However, some ideas and predictions can be created based on where the discussion is currently going for cultural diversity and inclusion and how it may be utilised even more in the future to create more organisational success.

Ideas have included naturalisation of the topic. Some of the interview participants felt that the role of cultural diversity and inclusion is going to transform into a neutral topic that would not be highlighted on its own that much anymore but to have it as a firm baseline for every team and every organisation in the future. As a norm for everyone to follow initially and not to have too much focus on it being successful in a perfect way. But to allow it as part of living within an everyday of an organisation, in its imperfect ways.

In research, there is a need to simplify some of the context related to cultural diversity and at the same time to unfold some of the associated complexities. There is a need for theories of cultural systems that through interaction create impact and provide feedback for constant movement of change. Also, when looking at a team level specifically and individuals themselves, there is constant change happening also for individuals. Only a few people remain the exact same throughout the years and time itself may reformat diverse teams into something they have not been before. Due to individual development and growth. This would be an interesting pathway to research and to understand the direction of development. The same could be applied to external factors - teams working before the world pandemic of COVID-19 likely are not the same teams anymore facing the future of post-pandemic times. (Minbaeva, Fitzsimmons & Brewster, 2021, p. 52)

In the interviews with participants, some other thoughts have been going around cultural diversity being more consistent. Whether it is going to be a topic of discussion more or not, it would start becoming more consistent rather than being a focus for some specific years and then fading away for a while. The importance of it will be recognised more which will allow for more solutions in how it can support organisations with creating success, for example through growth of revenue by creating more inclusive tools and services and thinking about the population of customers through a lens of diversity more.

What can be stated for the future when it comes to working the day to day execution, is to continue working on what already is working towards achieving the positive results of culturally diverse organisations. When looking at previous research, providing training on diversity is important but the research discussion is still not clear on its efficiency and utilisation and what is the best format of training to be provided. Basically, in what format the training is working with cultural transformation and creating long-term impact for the organisation on all levels. In general, attitudes and culture would need to move towards the transformation of managing for diversity rather than strongly managing diversity without the connection of why it matters. Once common organisational values are created, it may be easier for those in the organisation to approach for whom the topic remains still a bit unknown and foreign. The requirements would be that the diversity training is mandatory for all to attend and that the principles should be able to execute on a day to day execution basis (Triana & others, 2021, p. 183). Whilst organisations are aware of cultural diversity existing and the need for it is not very recent. The ways of delivering it currently are not yet matching with the results that would like to be received (Chua, Sun & Sinha, 2023, p. 636).

Another aspect is crafting diversity statements by organisations. This would allow both existing and new employees to feel that their diverse background is taken into account adequately. At the same time, they will feel fully identified by the organisation and through that, accepted authentically as they are. It has been stated that an applicant's intent to apply for a specific job position in an organisation may be affected by the following factors: their race, organisations' policies, any discrimination experiences happening in the past and the organisations' diversity messaging. In order for an organisation to attract culturally diverse talent, these are important factors to consider in the future. (Triana & others, 2021, p. 183)

Lastly, from HR perspective and focusing on organisational policies for the future. Diversity management policies are commonly associated with work-life flexibility, for

example how to provide equal family leave opportunities for both birthing and non-birthing parents. In case an employee feels that there is not flexibility enough to maintain work-life balance, this has been proven to affect increased resignations and lower subjective wellbeing overall. Eventually it may impact organisational performance negatively, in case the employee populations are not feeling well. To follow the example of neutralising certain gender roles within organisations, a supportive environment should be created where managerial support and flexible working hours allow better alignment for working parents between work and personal life. When drafting these policies, it is considerate to understand cultural differences in family lives to draft the policies inclusively. (Triana & others, 2021, p. 183)

Artificial intelligence (AI) is going to be a question mark among cultural diversity for the future for sure, due to the Fourth Industrial Revolution (4IR) increasing the usage of emerging technologies. This will cover artificial intelligence (AI), big data, machine learning, mobile technology, geo tagging and speech recognition to mention a few. It will change the operation of organisations both locally and globally, and create new ways of working as well as affect employee engagement. The other side of the emerging technologies are concerns related to destroying work and questioning the essence of humanity (Budhwar, Malik, De Silva & Thevisuthan, 2022, p. 1066). How will organisations be able to utilise the world of AI in the future with making more culturally diverse aware decisions and create knowledge that would not be able to be scaled in the same way without automation? Overall AI will also be an interesting partner among attracting diverse talent when scanning through candidates and reaching for the set targets of ideal diverse hire pools.

From research perspective, it has been proven that diversity and inclusion as a topic and as a phenomena is improving financial performances, leveraging talent, reflecting marketplace and affecting building of reputation as well as increasing innovation and therefore adding group performance levels (Douglas, Williams & Walsh, 2017, p. 1525). These statements alone are putting the whole agenda of diversity and inclusion to be a

topic of very much interest to research further. Combining this with cultural competence and cultural aspect of having diversity actioned within organisations would be a sub category for the headline of diversity and inclusion as a research for further. The workforce demographics and internationalisation are driving towards having cultural diversity questions as the main top priorities for organisations to think about in the next upcoming years, especially for the executive teams. Another aspect is that top management teams are a clear sign of how an organisation is approaching cultural diversity, depending on the members of top management teams and how diverse they are (Ponomareva, Uman, Bodolica & Wennberg, 2022, p. 1). This will set executive leaders into a position to clarify the strategy of the organisation's people.

Another interesting question of understanding the global standpoint of cultural diversity would be to do further research on non-Western countries and countries outside of the United States for example. Most current research has been conducted on single-countries. There is some evidence on emerging markets in Asia, Africa and India, however the systematic knowledge between countries is still lacking from a research point of view. (Ponomareva, Uman, Bodolica & Wennberg, 2022, p. 11)

In order to succeed in diversity management and finding the creative tools of implementing it with a boosting and positive outcome, workforce diversity research has found the following aspects to be the most important parts to increase organisational performance. The most important factors to acknowledge are diversity training, diversity management systems, fostering a diverse culture environment and leadership being fully engaged with implementing a culturally diverse strategic plan. Out of these factors, it has been also determined that the actions of leadership have been the most significant in measuring the results of successful diversity management (Chua, Sun & Sinha, 2023, p. 636). These would be the most important factors to start drafting the culturally diverse culture of today and the future.

## 7 Conclusions

Cultural diversity, in all its simplicity and complexity at the same time, is approaching more and more organisations both locally and globally. Work becoming more across the borders, organisations are faced with the situation to understand how they will approach this theme of culture and whether they will take action points towards accommodating it for their employees. Right now, the appearance and experience of cultural diversity seems to be more of a strategy rather than being a natural part of organisational design. One of the reasons to explain this is the fact that even starting from the training of diversity, when not executed properly it may result in completely opposite reactions than what the organisation is looking for. And this is the complete opposite of natural.

Cultural diversity will not necessarily be only part of behaviour or how everyone should be treated and met at an organisation. But its influence will be living within celebrations, within attitudes, within business decisions as well as customer relationships. It will be more visible than many are able to consciously identify at first, as has been pointed out during the research interviews for this research. And this is through how it will have a reflection on various policies and strategies, as it will be one of the key perspectives another human will meet another person. Cultural diversity will also impact financial performance of an organisation, as stated earlier in the research document. The results of it will not be likely short-term returns of investment but rather the reward for long-term commitment of implementing a foundational strategy.

When not understood and planned ahead properly, the implementation of a culturally diverse environment can also impose weaknesses on organisations. Conducting training on the topic for the workforce may result in creating more challenges between minorities and major groups if not executed accordingly. These complications may be related to miscommunication, misunderstanding, creating disruption to the daily work or even lowering the team performance effectively due to avoidance.

Cultural diversity is without denying a human experience and human expression but how will technology influence it, possibly through artificial intelligence? This and many others will be something to experience in our future and how it may be able to convert the roles of human resources. Right now the topic of cultural diversity is part of decision making mostly for the executives but also HR professionals. However, it would be a question to research on what structures have been the most efficient in researching the cultural diversity topics within an organisation. And how are people managers the key persons driving these agendas as it has been noted by previous research that people managers would need to take more responsibility in building this culture.

Culturally diverse teams are increasing performance by providing more creative outcomes, increasing innovation and releasing all different perspectives into problem solving for the best possible outcomes. This was one of the core questions of this research and by looking into previously conducted studies, despite some limitations, there seems to be a positively developing direction towards understanding that culturally diverse teams are benefiting the agenda of an organisation. The organisations are not able to benefit from it automatically but they need to understand how cultural diversity is to be implemented as part of organisational design. Structures and policies will help transform the culture towards a more culturally diverse and culturally accepted environment, where individuals identify as themselves and feel comfortable working within the organisations by investing into them long-term.

In case a continuation of research would be conducted after this research paper, it would be of interest to have more research on the diversity targets and key results. Right now, some areas of organisations may have challenges with setting up organisational level goals related to cultural diversity. However, it would be of interest to look into understanding how data results could be increased within the field of cultural diversity and performance.

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