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Diversity Management Paradigms and HRM: Implications of Cultural Diversity for Strategic and Operational HRM

ncreasing workforce diversity is pressuring Human Resource Management (HRM) to adapt its strategic and operational level activities. Indeed, the literature on managing diversity considers HRM as key in accomplishing changes towards organizational equity and inclusiveness. This article offers a fresh perspective from which to analyze an organization's HRM responses to managing diversity. Rather than showing how to manage diversity effectively, it investigates how different diversity management paradigms identified in organizations impact HRM. More specifically, the study approaches this longitudinally through the exploration of HRM activities in managing cultural diversity in five Finnish organizations. This research strategy, along with non-US data, is also rare in diversity management research. Empirically supported typology is used to demonstrate the extent to which HRM is strategically or operationally applied (Brockbank, 1999) and the extent to which it is reactively or proactively accommodated in light of four different diversity management paradigms (resistance, discrimination-and-fairness, access-and-legitimacy, learning-and-effectiveness) (Thomas & Ely, 1996; Dass & Parker, 1999).

The findings revealed that when organizations considered diversity important only as a labour resource (resistance paradigm), they facilitated the reactive diversity management strategy reactively through strategic and operational HRM to maintain the status guo and organizational effectiveness. If diversity was considered as an equal resource (discriminationand-fairness paradigm) to be treated on an equal basis, this reactive diversity management strategy supported only increasing the amount of immigrants by means of proactive recruiting. If organizations perceived cultural diversity important for business, they either implemented the proactive diversity management strategy reactively without any or with some minor adjustments to operational HRM (access-and-legitimacy paradigm) or also considered learning opportunities from diversity (learning-and-effectiveness paradigm) by improving mainly recruiting, training and development and non-financial rewarding.

Altogether, the findings evidenced that proactivity, both at the strategic and operational level of HRM, is crucial in diversity management in order to support equity and inclusiveness as well as to add value through diversity. The main contribution of this article is that by applying the diversity management paradigm approach it is possible to explain how HRM acts in managing a diverse workforce. The study also offers insights into issues that need to be given key consideration, especially at the emergent stages of cultural diversification.