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## Strategic Diversity Management Initiatives: A Descriptive Study

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### Abstract

The study presents a brief literature on diversity management, affirmative action, and equal employment opportunity concepts perspectives, and explores how diversity management takes place in the hotel industry via websites of the biggest hotel groups in Turkey. Recent strategic human resources strategies have reoriented from addressing the average employee stereotype to the employee with diversified skills, backgrounds, cultural competencies and the effects of globalization identities, organization are confronted with the challenge of recognizing and managing diversity. In the study, diversity related human resource management statements and diversity management statements within the given literature are taken into account and interpreted. Data suggests that regarding preceding studies, the biggest hotels groups in Turkey generally do not communicate with the internal and external shareholders about diversity-related issues. Out of 15 entities, only one organization with domestic-based capital has mentioned statements and all the foreign capital organizations have in their websites, but not in Turkish.

Keywords: Diversity management; Employee's perception

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### 1. Introduction

Since the 1960s, anti-discrimination social movements in the United States have made workplace diversity an important issue within a business context. Some scholars tend to focus on equal and legal

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perspectives, while others tend to focus on strategic- and business-oriented perspectives. Until the 1990s, Diversity Management (DM) issues have been dominated by Equal Employment Opportunity (EEO) and Affirmative Action (AA) programs. Scholars began researching the potential benefits of diversity as a business case (Gilbert, Stead, & Ivanchevich, 1999; Thomas & Ely, 1996; Sürgevil, 2010) with the contribution of studies which focuses on DM impacts on organizational performance. DM has started replacing its position from human resources management to “strategic” human resource management. (Özbilgin, 2007).

Human resource management (HRM) involves planning, integration, and actions to achieve effective management of all employees. In addition, DM includes planning and executing practices of human resource management to maximize the potential advantages of diversity and minimize its disadvantages (Taylor Cox, 1993). In this approach, diversity can be included in the set of human management practices, guaranteeing an alignment between the strategies of human resources and diversity management goals (Jabbour, Gordon, & Oliveira, 2011). In this focus, the concept of DM practices is characterized as the set of formalized practices developed and implemented by organizations which can be viewed in three perspectives: 1) formalized practices are relatively long-lived; 2) have the potential to penetrate across the organization; and 3) formalized practices can be observed and compared between organizations and linked with important outcomes at the organizational level of analysis (Yang & Konrad, 2011).

Since the initial operational definition made by Roosevelt Thomas’ (1990) “*organizational commitment to recruit, retain, reward and promote a heterogeneous mix of employees*” highlights the necessity of DM initiatives, scholars of strategic DM have taken the subject of human resources seriously. When considering that managing and valuing diversity is a key component of effective people management, literature suggests effective DM can improve the following areas (Sands, Holvino, & Cumming, 2000; Cox & Blake, 1991; Mazur, 2010): a) workplace productivity; b) competitive advantage by enhancing operational effectiveness; costs savings, and promoting social justice and equity, c) resource acquisition by gaining both improving retention of high quality staff and broader access to clients, beneficiaries, investors and other stakeholders, d) marketing by excelling in performance and industry reputation, e) creativity, by enhancing innovation f) problem-solving; and, e) organizational flexibility.

In the labor-intensive tourism/hospitality industry, DM plays a crucial role (Nicolaidis, 2010). It is seen that current DM literature on hospitality- tourism management, particularly the global hotel industry, is notably limited (Gröschl, Diversity management strategies of global hotel groups A corporate web site based exploration, 2011), and the hotel industry mostly AA oriented (Gröschl & Doherty, 1999). Scholars tend to examine either a specific social diversity category or initiative. Thus, a holistic approach to research is required to define current position of hotel groups and DM initiatives. DM practices related to organizational size (Gröschl, 2004: 30) should enhance with training by original curriculum (Hearn, Devine, & Baum, 2007) Research shows that especially in multicultural environments diversity-related issues implicate all into the core business. Then the question of how hotel groups manage and direct human resources to serve diversified customer arises. As a starting point, dealing with secondary data, corporate websites of the biggest hotel groups in Turkey were selected to investigate whether or not they have diversity related statements in their websites.

This study consists of two sections. In the first section, relevant literature is reviewed such as: diversity management approaches, and diversity management initiatives. In the second section regarding the questions below, a web-based survey is designed:

- Do the biggest hotel groups in Turkey communicate via their websites in diversity-related issues?
- What are the diversity initiatives are mentioned in hotel groups' websites?

## 2. Literature Review

### 2.1. Diversity Management Approaches

Scholars have produced much literature in the fields of, AA, EEO and DM (Steger & Erwee, 2001). Affirmative action occurs when an organization attempts to ensure there is no discrimination in education and that equal opportunity exists (Crosby & Konrad, 2002). According to Barak (Barak, 2005), discrimination occurs when individuals, institutions, or governments treat people differently because of personal characteristics such as race, gender, or sexual orientation instead of their ability to perform their jobs, including when such actions have a negative impact on access to jobs, promotions, and compensation. However, DM is a strategic approach to human resource management, and is supported by some programs, activities and tools, directed towards integration and development of diversity, both physical and job-related, exhibited by members of an organization (Bernardi & Toni, 2009). A proactive, social justice-oriented affirmative action approach and a voluntary business-oriented diversity management approach (Syed & Kramar, 2009). Table 1 shows the differences between affirmative action and diversity management.

Table 1: Comparison of Affirmative Action and Diversity Management (Syed & Kramar, 2009)

	<b>AA</b>	<b>DM</b>
<i>Approach</i>	Legal approach	Voluntary corporate
<i>Rationale</i>	Equality of outcomes	Improved business
<i>Target group</i>	Designated population groups such as minority and women	No specific group targeted, all employees treated as diverse
<i>Drivers</i>	Legal compliance; societal pressure	Business outcomes, company reputation

<b>Evaluation</b>	Governmental timelines and targets	Lesser emphasis on evaluations; difficult to specify outcomes
<b>Benefits</b>	Increased workforce participation of the designated groups	Opportunity oriented; improved productivity because of improved human capital
<b>Limitations</b>	Problem oriented violates merit; backlash by the powerful groups	Takes the focus off minority ethnic workers and women. Fewer evaluations

Managing diversity aims to maximize employees’ contribution with their diversified talents, knowledge, and social capitals regarding organizational goals. There is a distinction when comparing AA and DM in this standpoint. While Affirmative action focuses on specific groups because of historical discrimination, such as people of color and women, and emphasizes legal necessity and social responsibility; managing diversity emphasizes business necessity as acquiring benefits from this variety of diversified wealth. In short, while managing diversity is also concerned with under representation of women and people of color in the workforce, it is much more inclusive and acknowledges that diversity must work for everyone. (Pathak, 2011)

*2.2. Diversity Management Initiatives*

DM initiatives generally are recruitment and selection programs which typically focus on the achievement of percentage or numeric placement goals for minority and female employment. DM initiatives can emerge both on global and national dimensions (Felsberg, 2005). When considering the global dimension, there are three models of global diversity management evident in global firms: universal, localized, and transversal (Karabacakoglu & Özbilgin, 2010). However, there are various practices with regards to domestic or national dimensions.

*DM Policies and Practices:* Diversity policies are economically-based strategies trying progress to organizational goals, cultures, structures, policies, and reward systems. The evolution of policies forms assimilation (treat everyone same), differentiation (capitalize on differences), and integration (appreciate difference and respect) (Allard, 2002), including formal training programs which contains a series of programs and activities that highlight differences among workers and offer strategies for handling them (Delta Publishing, 2006). In Table 2, probable diversity practices in organizations are shown.

<b>Employee referral programs</b>	<ul style="list-style-type: none"> <li>• Diverse recruiting teams</li> <li>• Internship programs and sponsored scholarships</li> <li>• Job posting and advertising initiatives targeting specific groups</li> <li>• Minority conference and job fair attendance</li> </ul>
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	<ul style="list-style-type: none"> <li>Recruiting efforts targeting universities and community colleges with diverse student bodies</li> </ul>
<b>Retention</b>	<ul style="list-style-type: none"> <li>Corporate-sponsored employee resource or affinity groups</li> <li>Employee benefits (e.g., adoption, domestic partner, elder care, flexible health, and dependent spending accounts)</li> <li>Work life programs and incentives (e.g., onsite child care, flexible work schedules, onsite lactation facilities)</li> </ul>
<b>Development</b>	<ul style="list-style-type: none"> <li>Leadership development training programs</li> <li>Mentoring programs</li> </ul>
<b>External Partnership</b>	<ul style="list-style-type: none"> <li>Minority supplier programs</li> <li>Community service outreach</li> </ul>
<b>Communication</b>	<ul style="list-style-type: none"> <li>Award programs providing public recognition of managers and employees for diversity achievements</li> <li>Newsletters, internal Web sites on diversity</li> <li>Senior leadership addresses, town hall meetings, business updates</li> </ul>
<b>Training</b>	<ul style="list-style-type: none"> <li>Awareness training on the organization's diversity initiative</li> <li>Issue-based/prevention training (e.g., sexual harassment, men and women as colleagues)</li> <li>Team building and group process training</li> </ul>
<b>Staffing and Infrastructure</b>	<ul style="list-style-type: none"> <li>Dedicated diversity staffs</li> <li>Executive and local diversity councils</li> </ul>

Table 2: Diversity Practices in Organizations (Jayne &amp; Dipboye, 2004)

### 3. Methodology

#### 3.1. Research Goal

The purpose of study is to view DM literature as a business case and ascertain origins and antecedents, potential outcomes to manage in any given business context. Organizations are examined from their DM initiatives. Organizations fulfilling the criteria that being manifested diversity management policies on their Websites. Data obtained from websites will be analyzed via the qualitative method and organizations will be classified through their diversity management policies and practices.

#### 3.2. Sample and Data Collection

In the study, sample is provided based on the research data of Ekin Grup's "Biggest Hotel groups and Groups in Turkey- 2011" study (Resort Dergisi, 2012). The sample consists of the biggest hotel groups in Turkey in 2011: Hilton, Rixos, Crystal, Paloma, Kaya, Club Voyage, Intercontinental, Limak, Dedeman,

Kervansaray, Delphin, Stone, Asteria, Marriott, Barut. Stone Hotels were not included due to the fact that their websites were unaccessible.

### 3.3. Analyses and Results

The research process designated to explore through the process of the study, websites of the selected corporations are scanned whether any updates have occurred or not.

When analyzing the websites to disseminate data regarding the purpose of the study, two criteria are defined as having HRM statements and DM statements. It is revealed that most of the biggest hotel groups in Turkey have neither HRM nor DM statements. As seen in Table 3, six out of 15 have HRM statements and policies in their corporate websites, and four out of six have DM related statements. Data is advertently divided into two clusters and summarized below as HRM statements and DM statements.

**Table 3: Sample**

Name	Number of Hotels in Turkey	Human Resources Statements	DM Statements
<b>Hilton</b>	22	+	+
<b>Rixos</b>	11	+	+
Crystal	13	-	-
Paloma	9	-	-
Kaya	11	-	-
Voyage Hotels	6	+	-
<b>Intercontinental</b>	1	+	+
Limak	9	-	-
Dedeman	12	+	-
Kervansaray	7	-	-
Delphin	5	-	-
Asteria	4	-	-
<b>Marriott</b>	9	+	+
Barut	5	-	-

It is seen that, only six out of the entire sample declared their HRM statements in their websites. The parts that reserved for HRM statements in the websites were implied to evaluate as consisting of general goals and having DM related subjects. Domestic capital-based hotel groups have a general tendency to emphasize a collectivistic discourse, mostly human resource adaptation to solid organizational goals and in “strategic” outlines.

*Voyage Hotels: “.....consisting policies which enables transparency, dignity, justice, and trust based relationships. .... Selecting human resource from the candidates whom could **strike corporation’s culture and goals....**”*

*Dedeman: “...keeping the position sustainable that among the most preferable corporations in the sectors that Dedeman Co. operates by promoting openness, team work, entrepreneurship, creativity... to implement our employees perceiving collective line of vision in **corporate culture framework regarding the corporate goals...**”*

*Asteria: “...human resources strategies are consisted to promote Asteria Hotel’s quality policies, and operational strategies... in order to improve current processes, enhance new process, and practice*

*better... we believe that success comes out by people. We benefit from each other's creativity, different point of views, and innovative ideas."*

*Rixos: "...Human Resources' responsibility is to ensure that our human resources are more talented and motivated than those of our competitors. In line with our strategic human resources management, we deliver continuous training in order to ensure that Rixos Hotels employees are cognizant, actively engaged and to further enhance their personal development and competencies.....Making quality measurable means identifying targets by establishing connections between results so as to continuously improve the system and ensuring collaboration between management and employees."*

Hotel groups which are based on foreign capital do not have HRM statements in the websites of their subsidiaries in Turkish. Thus, a potential employee candidate, or a curious customer or any shareholder of the groups is diverted to a central website of the hotel groups. The diversity-related statements in their HRM section are as below:

*Hilton: "...Our diversity and inclusion approach is aligned with our mission to become the preeminent global hospitality company. We seek to leverage the unique cultures of our global communities, and to develop talent, workplace and marketplace strategies to create a work environment of inclusiveness. As such, we hold ourselves and all of our Team Members to the highest standards of integrity, ethics and service excellence. We will achieve and maintain this status by living our core values; attracting the best and brightest talent; and valuing and leveraging the diversity of our Team Members, Guests, Suppliers, Partners and Owners..."*

*Intercontinental: "...The hospitality industry doesn't just employ receptionists and room attendants. To keep any large hotel operating round the clock takes a diverse team of highly skilled specialists with backgrounds ranging from accountancy to IT. ....Maintaining our position as the world's largest hotel group means we can offer more opportunities to develop your career in many different directions..."*

It is remarkable that only the hotel groups which are foreign capital-based have DM strategies, initiatives and practices together. Only one hotel group, Rixos which is domestic capital-based whose founder is non-Turkish, has diversity-related statements.

*Hilton: "...Our Diversity Initiatives at Hilton Hotels Corporation are designed to produce quantifiable and qualitative results which go beyond just establishing and maintaining a diverse workforce. We have incorporated diversity principles into all aspects of our business operations: employment, training and mentoring, purchasing, franchising/hotel ownership, advertising, marketing, community support, and management performance measurements.....our Diversity Initiatives enhance our competitiveness and strengthen the business value of our corporation; for those reasons, we take pride in the fact that, at Hilton Hotels Corporation..."*

*Rixos: "We seek to recruit the most qualified people while recognizing and encouraging the value of diversity in the work place. We establish, administer and communicate sound policies, rules and practices that treat employees with dignity and equality while maintaining firm compliance with Local employment and labor laws."*

*Intercontinental: (when mentioning about a vice manager) : “.... she initiated a complete redesign of strategy, operating structure and governance model for Honeywell’s diversity management and provided leadership and coaching for business unit leaders.”*

*Marriott: “...inclusion of all associates. This legacy is now a fundamental operating principle and business imperative...Since 2003; our Committee for Excellence has promoted the recruitment, retention, and advancement of women and minority employees, and initiated efforts to develop an increasingly diverse owner, guest, and supplier base...”*

#### 4. Discussion/Conclusion

Studies directly relevant to this study show that corporations in various industries vigorously started communicating with their shareholders about diversity related issues via their websites, especially in west Europe (Point & Singh, 2003) but hotel groups tend to act reversely (Gröschl, 2011). which this study presents a concordant sample.

The study is designated as a starting point of a further research in the hospitality area. The findings of the exploration suggest that similar to the initial research of Gröschl (2011) which is an underlying of this study, hotel groups do not communicate via their websites to the public in diversity management issues. Surprisingly, the study shows that only one of the groups of the sample has DM and inclusion-related statements in Turkish. Additionally, all the groups stress the “strategic” point of view on their websites in various ways.

It comes to mind that focusing on DM depends on contextual factors such as region; GDP, conscientiousness about diversity, culture, so on. These, and additional factors point out the limitations of this study. To enlighten diversity management and initiate strategies, further researches are needed in targeted area. It could be assumed that internal environment, like organizational design or external environment, like legal regulation is strictly adherent to DM and hotel groups’ initiatives and communication strategies about diversity in a given country.

DM is a voluntary-oriented strategic business preference beyond affirmative action and equal employment opportunity relying on a series of management practices. In a highly competitive environment accompanied with a diversified workforce in a labor incentive industry, hotel groups have to surmount new challenges to achieve viable human resources strategies. The study signifies that as an effective management tool, enhancing corporate image and reputation, and strengthening employees’ commitment, managing diversity does not provide enough places in the biggest hotel groups’ websites. This, in turn, creates a lack of an essential public relation with a diversified workforce, customers, and a diversity-centered world.

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