

Research on the diversity management in haier company



The Haier Company has operated successfully and puts diversity management into practice. For Bledsoe (2010) “diversity” is to enlarge on the students’ experience in high education. Currently diversity management is supported by HR departments in order to consider who has the talent to undertake the pressures involved and win the core competences in the markets. Panaccio (2010) indicates that the merits of having a diverse workforce could ensure that customers receive the best service and bring the best performances which are both individual and organizational. According to Choi (2010), effective diversity management could improve the effects on outcomes which are brought by the staff. Winkler (2008) notes that team members come from different backgrounds. Cultural diversity is separated into visible and non-visible sides (Yang Yang 2005). Various cultures indicate different backgrounds are come by all kinds of people. The focus of this essay is to examine how companies can become better managers of cultural diversity through integrating theory with practice. This shall be done firstly through defining and discussing what is meant then we discuss cultural diversity and how this impacts on an organization. The ideas of Hofstede and Sparrow will be critically examined and through observing how cultural diversity is managed in practice in the Haier Company we will see how effective there management is in practice.

Definition of diversity management

Kirton and Greene (2005) argue that it is necessary to deal with effectively with workforce diversity. Diversity management has brought the influences on the results which are related to workforce, that is to say having a tender feeling towards someone or something e. g. being fond of a cat or caring

about a friend. (Kellough and Naff, 2004; Pitts, 2006; Riccucci, 2002; Wise and Tschirhart, 2002). The HR department can provide the vital information to the core clients and suppliers and sellers. According to Schneider (2001, p. 27), diversity management is a method of managing the distinctiveness in the companies among all the workforces. Diversity management is to improve the human resource management's function and it influences the company operation. What is more, diversity management means to develop cross-cultural abilities that make the best determination in solving problems and encourages the best creativity in workers.

Literature Review

Hofstede (1980, 2001) identifies several important elements: individualism, power distance, uncertainty avoidance, masculinity and term orientation. Vodosek(2005) notes that Hofstede(1997: xiii) argues that cultural differences can cause problems. In reference to individualism, it identifies the scope to which individuals are belonging to a group; it is the degree to which individuals integrate into groups. For example, in the USA people consider themselves to belong to a specific group and identify with it and others that belong to it but find it more difficult to other people they consider outside of their group. The second one is power distance this refers that the people working for the company believe that the equal opportunities policies in the company are not being followed. The third factor uncertainty avoidance is to address with the tolerance in a society for uncertainty and ambiguity. The fourth ' masculinity' this refers to the distribution of roles between genders and values. The final element that Hofstede identifies is ' orientation'; here he discusses the idea of long term orientation which is

concerned with thrift and perseverance and short term orientation which is concerned with tradition and protecting the face of the company.

The second significant literature is the dimensions of diversity (Hellriegel, Slocum and Woodman). It divides into two parts: primary (genetic) and secondary (learned). In the primary (genetic) part – people of different ages have different thoughts and therefore their opinions are varied. Thomas (2001) points out that racial diversity has an impact on function background. The UK has become a multiracial country with huge cultural and ethnic diversity. At present the majority of people occupying professional, technical and managerial roles are predominantly caucasian in origin. Labelle (2010) maintains that gender diversity is easy to observe and investigates the impact on associated decisions. The disabilities are regarded as the physical abilities; disabled people have higher rates of unemployment than able-bodied people. Finally, there are genders differences in employment – i. e. there are more men occupying the top jobs than women and are still receiving higher pay in many sectors than their female counterparts or are you discussing peoples sexual orientation i. e. homosexual or heterosexual means there is discrimination against those who are gay in the workplace. In the secondary (learned) part, the difference exists in education, work experience, income, marital status, religious belief, geographical location, parental status and personal style. Performance determines income level. In a multinational company, various people have a range of religious beliefs, this means that the company has to ensure that everybody's religious beliefs are respected and they are allowed to practice their beliefs. The

geographical location will also lead to the kinds of conditions at the same time.

The strategic international human resource management (SIHRM) is the method of connecting between IHRM (international human resource management) and the strategy in global companies. According to Schuler et al. (1993, p. 451) given the definition of SIHRM, it is regarded as the issuing of human resource management, the functions of HRM (human resource management) and the practices of HRM. All these are the multinational enterprises strategic activities. Sparrow (2007) points out that the influence of SIHRM is to lead to the international concerns and the goals of enterprises. SIHRM is based on the strategic human resource management that the objective is to link HRM with strategic management. For this reason, SIHRM is to the global company or in the local company. The first one is the adaptive SIHRM orientation; this is the system of human resource management for the subsidiary companies that show all the content of local companies. The second one is the exportive SIHRM orientation. It aims to reflect the overseas subsidiaries that have the HRM performances which are used by parent companies. The last one is integrative is to integrate in the individuality and make it associative.

Finally, Braton and Gold (2007), reference Liff (1997b) when considering four approaches to managing diversity in a company. Many companies are devoted to managing diversity and this should need the institution or company need to reorganize their structure to allow for diversity and differences between individuals. The first approach is dissolving differences.

Diversity management seeks to solve these differences among individuals on <https://assignbuster.com/research-on-the-diversity-management-in-haier-company/>

the basis of group work . It emphasizes not to distribute those characteristics among social group members. Instead, diversity management is about solving the differences among individuals. This point is vital because diversity management changes the aims of equality policies. According to Liff (1997, b) the approach of valuing differences is to recognize all the staff or workers are in the whole one group although they have various cultures. The third approach is the accommodating differences. It means that albeit the cultural differences exist, this approach can also help workers or staff to achieve their personal targets. Liff argues that this approach should give the necessary qualifications for recruiting targets. Finally, the last one is utilizing differences which are more different from those three approaches which mentioned above. As there still exists some difference in a company, so leaders in companies should take different measures to treat different people in a company.

Discussion and detailed information On Diversity Management in the Haier Company

Haier Company is the international enterprise and the most estimable brand in China. This company not only occupies the domestic markets but also large overseas subsidiaries. It is understood that the CEO of Haier Company is Ruimin Zhang who has outstanding leadership and management skills in dealing with urgent issues in companies; he has always tried his best to satisfy the needs of customers, while the managers should have much more concerns for their employees and the welfares which workers should get. On the basis of diversity management, the most significant one is the

internationalization strategy. Many limited liability companies are incorporated with Haier Company to study the newest products.

In the starting, the products in Haier Company are White goods. The company has produced refrigerators because Haier Company is the largest manufacture in China, air-conditioners which have various styles to be chosen by consumers, washing machines, water heaters and kitchen applications. The, Haier Company has now entered into the Brown goods which are digital and personal products. Colour television, mobile phone and computer existe from that time. The third step is Client solution business. Haier Company provide the overall solutions and design the system to conclude the products such as central-conditioner. Then, all the electronic devices belong to white goods and brown goods. In the last step, the company has entered into the knowledge industry.

The Haier Company takes several measures to ensure their competitive edge. In their creative diversity management, the Haier Company has decided to use Overall Every Control and Clear (OEC). The strategy has undertaken four stages. The first one is the famous branding development stage between 1984 and 1991. Secondly, there is diversity management strategy in companies from 1991 to 1998. Thirdly, the international development strategy comes from 1998 to now. The last stage is the globalized level strategy. The concept of Haier Company to attract the outstanding workers is that everyone is all excellent. Firstly, according to Hofstede's literature, the distance is a problem. Cultural diversity plays a significant role in managing the company. Employees come from different countries they therefore have various backgrounds. They have distinct

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geographic location. The Haier Company could give employees equal opportunities. The large power distance reflects the different levels in an organization and how much more powerful it is compared to other companies. The Haier Company says the more talented persons they have working for them, the more winning opportunities they will get in the competition. The style of person has played a role of the enterprises. In the HR department in Haier Company, almost all leaders make every effort to make people have much more potential to the most extent. Tovey (1997) suggests that we should be encouraged to clarify the diversity in our country. Cultural diversity exists among members in a corporate cultural team (Joffre, 2007). Diversity means the differences of ages, race, ethnicity, gender, physical abilities and qualities and sexual orientation. Secondly, all the employees are regarded as talented people and have equal opportunities to show predominant skills and literary. This is successful strategy to win the best one and gain the competitive statue. Different education levels will promote the different thoughts and the scope of knowledge. Good work experience will make people understand more ways of dealing with the urgent issues. Globalization has become a trend of making the world much more informative. The economic globalization not only brings much more competitive pressures, but at the same time, gives the Haier Company too many opportunities. According to Taylor et al, there are three SIHRM orientations to be used. Employees have different religions so manager use these three SIHRM orientations to fit parent and subsidiary companies. Managers transfer the dissimilar policies and practices activities all over the world. Thirdly, the Haier Company devotes itself to creating the newest brand and transcendent services to customers. The Haier Company could

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satisfy almost all the requirements which are suggested and carry out the necessary management strategy for improving the cohesion of overall enterprises to enhance sense of responsibility. Fourthly, Liff (1997b), points out that diversity management not only attempts to manage the gender or ethnic group as objectives but also, help most talented people or workers to gain the most goals. Its aim is to resolve and reduce the differences. The valuing of difference is to produce a condition of culture in organizations where the staff feel they will be together not by individuals. Cultural diversity is still exists in the Haier Company. Different employees have dissimilar nationals. Staffs in Haier Company come from all over the world. They have different languages, values, opinions and ages. Managers in the Haier Company take distinguishing measures to cater for all kinds of people. This special management style has absorbed the sense of community, spirit of enduring hardships, development of personality, competition of bringing forth new ideas and rich traditional culture. As the Haier Company has a technical relationship with some famous international companies, it attaches importance to subordinate goals. They have made two motions: internal and external. The internal motions are the basis of enhancing the personality while the external motions are the motivation of enterprises which is the driving force.

In all, the Haier Company has been successful, because it follows five principles. Corporations should gear to the instructor of production and industry on the basis of technology marketing changes. Secondly, companies should focus on the attention of resource sharing and pursuing the coordination strengthens. The Haier Company adjusts its attention of itself

organizational took measures of disposing efficiently in the main field and developed the core competence. The Haier Company pays much more attention to the efficient scope of brand extension. Managers also use diversity management to gain the benefits from controlling the staffs in the company. Managers have obtained the most benefits because they can grasp the different cultural to make the most use of gaining the values. Haier Company has higher profits and best performance over any other company. Managers in the company also have better leadership to bring the largest values and cultural diversity management is used successfully. Cultural diversity management means gaining benefits from controlling the staff working in the Haier Company.

Conclusion

The Haier Company is excellent in the field of equipment. Firstly, it has used the SIHRM to manage the company. The company has taken three international steps: one is creating the loyalty of its international employees. Wherever employees are, they should have loyalties to company. Secondly, they have succeeded in enhancing their international customer's loyalty. The Haier Company has shown that it can satisfy almost all the requirements that the customers require. Finally, the company aims to create much more share in international markets. Therefore, the methods of SIHRM are in use, it brings Haier Company more profits and creates a good relationship between parent companies and subsidiaries. The company also uses both the primary and secondary diversities; these pay more attention on diversification. The managers realize that marketing pays attention to satisfying the needs of international customers. Different people

have various backgrounds and opinions. Employees are hard to build up the diversity strategy in the brand so that company adds the newest kind of household appliances again. Haier Company has done many consumer investigations, listened to the suggestions which come from consumers and absorbed the complaints to enhance it. Haier Company is a cultural organization which has been recognized and widely accepted by the employees. In order to deal with the different people because they have various cultures, levels and honors. The company uses Liff's literature and puts theory into practice. Managers consider different employees who have distinguished cultures and solve various problems. Finally, managers in Haier Company use the power distance and uncertainty avoidance to achieve the highest goal according to Hofstede's cultural dimensions.

A person who is diverse can improve his creativity and productivity. Fustis(2010) suggests that adjusting the activity with the enthusiasm of the diverse advisors via the system is the objective and leaders often consider the different culture. Managers should be responsible for the various backgrounds of people and need to grasp the content of diversity management especially cultural diversity. If managers can gain these skills and employees also can get together to think of the profits, then the Haier Company will be improve in the future.