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*The impact of organizational culture on
recruitment in international companies*

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Abstract

The purpose of this thesis is to investigate if, and explain why, there is a relationship between organizational culture and recruitment. More precisely, which features of organizational culture are more important than others when recruiting for diversity? Our research is based on the assumption that the more multicultural an organizational culture is (which is often the case in international companies), the more likely it is that they emphasize diversity in their recruitment process.

The study is a qualitative small-N study with an explanatory research design in which we compare the results from six different units to answer our research question. The collected data are retrieved through semi-structured interviews. We chose to interview international companies located in the Kristiansand region.

Our findings suggest that there is a relationship between organizational culture and recruitment. Furthermore, our findings suggest that a company's culture may have an impact on how diversity is emphasized in the organization. Companies that are categorized with knowledge-sharing cultures seem to be more concerned with recruiting inequalities (e.g. different views and opinions), and are thereby more conscious in terms of having diversity in the organization. These companies usually have increased diversity either as a goal in their organization or as an integrated part of their strategy.

Additionally, our findings show that diversity is considered an important resource, due to the fact that it may increase a company's innovation and performance. Nevertheless, an overall comparison of our findings suggest that it is probably more common that international companies located in the Kristiansand region are less affected by diversity and could thus be better at implementing this concept in the organization. Consequently, this thesis suggest that international firms need to put diversity even higher on their agendas and implement strategies to ensure diversity in recruitment. Companies that implement such changes, will potentially have a greater ability to compete in today's labour market.

Preface

This dissertation forms the final part of our studies at The School of Business and Law in Kristiansand, at the University of Agder. The extent of the assignment is 30 credits and is written with a major in International Management.

We see how more companies begin to emphasize diversity among their employees, and felt that it would be both educational and exciting to look into this further and, more precisely, the impact of organizational culture on recruitment in international companies.

After a review of secondary data, we found out that diversity and organizational culture are topics that have gained considerable attention in previous research. However, the impact organizational culture can have on recruitment was a field to which little attention has been devoted. We were therefore curious about what measures companies affected by diversity utilize during recruitment, and to what extent they were emphasized. The specification of international companies was a choice we took based on our research question and previous theory. We also believe the topic for this thesis represents a good summary of our studies. We both agree that this semester has been an intensive learning process, which has resulted in more competence regarding our topic and how to conduct a study.

We would like to take this opportunity to express our sincere thanks to our supervisor, Torunn Skåltveit Olsen, who supported our choice of subject and gave us guidance and support throughout this process. Further, the six anonymous corporations deserve acknowledgement and gratitude for providing us with crucial information. In addition, a special thanks need to be directed to the respondents, who spent a portion of their valuable time on interviews.

Without their help, it would not have been possible to write this dissertation.


A special thanks must also be addressed to Ole-Henrik Borlaug for providing us with essential input and feedback.


Finally, we would also like to thank family and friends for good support, positivity and motivation through the course of the program. Thank you for always being there for us, and providing us with great input and feedback.

Finally, we would like to extend our thanks for two great years spent on this master's degree in Business Administration at the University of Agder. The last two years have been an intensive learning curve. It has been an interesting and educational time, and we will take great deal with us further into a new and exciting future.

Now we wish you an interesting read.

Kristiansand, 01.06.2018


Jeanett Helen Kjærnes


Lotte Eline K. Reiersen

Tables of Contents

- 1 Introduction and research question 1
 - 1.1 Introduction 1
 - 1.2 Research question..... 3
- 2 Literature review 6
 - 2.1 Why are organizations concerned with diversity? 6
 - 2.1.1 Diversity Management 7
 - 2.2 Recruitment 10
 - 2.2.1 Recruitment Practices..... 10
 - 2.2.2 Advertisement 14
 - 2.2.3 Legal regulations 15
 - 2.3 Culture 18
 - 2.3.1 Cultural differences 19
 - 2.3.2 Cultural intelligence (CQ)..... 20
 - 2.3.3 Organizational culture 22
 - 2.3.4 Assimilation & Acculturation 23
 - 2.4 Criticism and arguments for recruitment in a “diversity perspective” 25
 - 2.5 Analytical Framework..... 27
 - Figure 1: Analytical Framework*..... 28
- 3 Method 29
 - 3.1 Qualitative Method..... 29
 - 3.1.1 Small-N-studies 30
 - 3.1.2 Semi-structured interviews..... 30
 - 3.2 Research Design..... 31
 - 3.2.1 Research Approach 33
 - 3.3 Sample 34
 - Table 1: Overview of the respondents*..... 36
 - 3.4 Data collection..... 36
 - 3.5 Validity and reliability 38
 - 3.6 Critiques 39
- 4 Analysis and Findings 41
 - 4.1 How is recruitment influenced by the organizational culture related to diversity?.. 41

	<i>Table 2: How is recruitment influenced by the organizational culture related to diversity?</i>	47
4.2	When recruiting, what attributes does the firm seek among the candidates, and are these influenced by the recruiters' own perceptions?	47
	<i>Table 3: When recruiting, what attributes does the firm seek among the candidates, and are these influenced by the recruiters' own perceptions?</i>	50
4.3	Does the firm utilize recruitment practices which enhance greater diversity of professionals?	50
	<i>Table 4: Does the firm utilize recruitment practices which enhance greater diversity of professionals?</i>	53
5	How is recruitment of professionals in international firms influenced by diversity in the organization?	54
6	Conclusion.....	60
6.1	Further research.....	61
7	References	63
8	Appendix	67
8.1	Interview guide.....	67
8.2	Request for participation	74
8.3	Reflection paper 1	76
8.4	Reflection paper 2	78

1 Introduction and research question

1.1 Introduction

Recruitment is about how corporations bring employees into the organization and the patterns of careers they have once they are there (Lazear & Gibbs, 2015a). How to find the right person for the right job is a frequent problem in today's labour market. Previous research highlights the importance of attracting people with values and beliefs that correspond with an organization's already established organizational culture, as this will increase the likelihood of acculturation (Kamp & Hagedorn-Rasmussen, 2004; Leonard, 2018). Skills can be taught, but fitting in with the organizational culture requires a person's willingness to adapt to the new environment (Simplicant, 2018).

Organizational culture is often referred to as the glue that holds an organization and its employees together (Sander, 2017). It can be defined as "the collective programming of the mind that distinguishes the members of one organization from another" (Hofstede, Hofstede & Minkov, 2010, p. 520), i.e. it is a shared pattern of beliefs in an organization (Scott, Heathcote & Gruman, 2011, p. 737).

Throughout the last couple of decades, the world has experienced an increase in companies working across borders. To be able to compete in today's market, companies implementing international strategies due to increased globalization. As a result, firms are becoming more conscious of diversity in terms of people with different cultural backgrounds, skills and competencies. Companies are beginning to recruit employees from a diverse range of backgrounds, which in turn may help them achieve a competitive advantage or at least be able to survive in the marketplace.

However, it is important that businesses know how to utilize diversity. Being able to implement the right measures and make decisions both in a recruitment process and afterwards will affect the corporations' performances in the future. A study conducted by Scott, Heathcote and Gruman (2011) highlights that "an inclusive organizational culture that embraces the idea of diversity in all actions and activities is the force that creates positive outcomes" (Scott, Heathcote & Gruman, 2011, p. 736). Many companies only recruit

employees from a diverse range of backgrounds because it is seen as the right thing to do. Nevertheless, a previous study conducted by McKay and Avery (2005) suggests that “recruiting (and employing) minorities can increase organizational creativity and innovation and by extension organizational performance and profit share” (McKay & Avery, 2005, p. 331). Consequently, emphasizing diversity in recruitment may benefit the organization and companies should therefore advertise their diversity in order to reach potential candidates who will fit their company (Ng & Burke, 2005; Simplicant, 2018).

A new standard for diversity management is currently being developed in Norway. The standard is called “*Ledelsessystemer for mangfold*” (Management Systems for Diversity). It is based on the belief that “diversity is a strength for society and the individual business, but in order to extract the benefits, good systems and appropriate management is required” (Standard Norge, 2018). The standard was presented at a seminar in Oslo on 25 January 2018, and the consultation deadline expired on 3 April 2018 (Standard Norge, 2018). During this seminar, Loveleen Brenna presented a report on diversity and diversity management before the proposed standard was outlined (Standard Norge, 2018). She argued that diversity management has to be placed on the agenda because worldviews are changing, and this has contributed to greater diversity in the workplace. This is a result of globalization, mobilization, talent competition, demand for labour, and specialist competence. The purpose of the standard is not to be a complete management system for diversity that companies can use, but rather a tool that helps companies establish their own diversity system. Therefore, the new standard becomes a part of previous management standards (e.g. NS-EN ISO 9001).

The new standard has been approved by the Norwegian Union of Municipal and General Employees, and will be launched as NS 11201 “*Ledelsessystemer for mangfold*” at the beginning of June (Herlung, 2018; Hjulstad, 2018). For this reason, we arrive at the conclusion that diversity and diversity management are contemporary topics of relevance in today’s society.

Kristiansand is often mentioned as an open-minded and inclusive city with an international mindset (Hogstad). To be able to survive in today’s highly competitive market, corporations have to think and work internationally. Emphasizing diversity in their recruitment processes

might attract highly skilled people with other types of mindsets, as well as different views and experiences, all of which could prove beneficial for the corporation and their key to success.

In 2016, Vest-Agder County Council, Aust-Agder County Council and the Chamber of Commerce in the Kristiansand region started a project called “Likestilt Arbeidsliv”. The aim of this project was to establish an independent certification organization that continues in efforts targeted at equality and diversity (Likestilt Arbeidsliv, 2018). This will make it easier for businesses (both) in the private and public sector to conduct active and systematic efforts for diversity and equality in their own organization. One of their priorities is to facilitate diversity and equality in recruitment.

Furthermore, two conferences were arranged in Kristiansand in 2006 and 2016 to make people aware of the impact diversity can have on a corporation and its possible effects on growth and value creation (Kommunespeilet, 2016; Olsen, 2016).

Based on the new standard, the project “Likestilt Arbeidsliv” and these two conferences located in Kristiansand, we assume that diversity in organizations has gained a greater emphasis in Kristiansand. Consequently, we are interested to finding out whether, and if so how, diversity impacts an organization’s recruitment process in practice in the Kristiansand area.

1.2 Research question

Diversity is a concept that has gained a greater degree of emphasis in today’s labour market due to its possible effects on an organization’s performance and effectiveness (Cox & Blake, 1991). According to Roget’s 21st Century Thesaurus, diversity is synonymous with words such as variety, heterogeneity, contrast, difference and mixture (Diversity, n.d.).

Previous research defines diversity with various approaches but the main message is usually the same. Thomas Jr (1996) sees diversity as a community of similarities and differences. Similarly, Brandi, Hildebrandt, Nordhaug and Nordhaug (2004) suggest that diversity is “an inclusive mixture of possible inequalities and similarities” (Brandi, Hildebrandt, Nordhaug et al., 2004, p. 29). These definitions correspond to the synonyms listed from the thesaurus

above, but are still unclear in relation to the context to which they apply. In this master's thesis we will refer to diversity as the variety of social and cultural identities (e.g. gender, ethnicity, educational background, cultural background and age) among people who work together in a workplace context (Cox, 2001).

Previous research has primarily focused on cultural differences, cross-cultural management and how to increase diversity through recruitment. However, we believe that the impact organizational culture can have on recruitment in international companies is an important topic to study and have therefore decided to focus our research in this regard.

The topic for this master's thesis is therefore: "*The impact of organizational culture on recruitment in international companies*". This is a broad and relevant topic that can be defined with various approaches. We have decided to specify our research on recruitment of professionals in international companies with an organizational culture influenced by diversity located in the Kristiansand region.

Roget's 21st Century Thesaurus defines a professional as "a person prepared for work by extended study or practice" (Professionals, n.d.). In our study, we refer to professionals as any employees of a corporation with extended education and/or experience.

The main research question in this thesis is therefore:

"How is recruitment of professionals in international firms influenced by diversity in the organization?"

Further to this, we have defined three supportive questions to operationalize the main research question:

"How is recruitment influenced by the organizational culture related to diversity?"

"When recruiting, what attributes does the firm seek among the candidates, and are these influenced by the recruiters' own perceptions?"

"Does the firm utilize recruitment practices which enhance greater diversity of professionals?"

In order to answer the research questions above, we begin by explaining the empirical foundation of our study. Then we connect this theory to our research questions by presenting an analytical framework that will clarify our assumptions in this thesis. Further, we explain our choice of methodological approaches. Primary data is collected through semi-structured in-depth interviews with six international companies located in the Kristiansand region. All these companies operate within an international market and can therefore benefit from diversity in their organizational culture. In-depth interviews with HR managers provide valuable insights into the organizations' cultures and recruitment processes apparent in international companies located in the Kristiansand region. Finally, we link this material to secondary data in order to examine whether, and if so how, diversity in organizational culture affects recruitment.

2 Literature review

This chapter presents literature that is significant for the research question. We have primarily concentrated our search on topics such as diversity, recruitment and organizational culture.

The presentation covers most cited studies, as well as those that have been conducted recently.

2.1 Why are organizations concerned with diversity?

Tipper (2004) suggests that a diverse workforce can improve a corporation's product sales and features, advertising and marketing, and customer service due to the different views and backgrounds each employee possesses. As a result of globalization, companies are experiencing pressure to work and cooperate across borders. The differences among the employees that a diverse workforce brings can therefore be a crucial feature that can help the corporations' position in the marketplace and provide access to new possible markets. This is supported by further research that suggests that a diverse workforce can affect an organization's creativity, innovation and decision-making by bringing employees with different viewpoints, backgrounds and skills together (Cox & Blake, 1991; Ng & Burke, 2005; Thomas & Ely, 1996; Tipper, 2004; Walters, 2017). Consequently, this can lead to a more productive and successful organization.

Thomas and Ely (1996) suggests three different paradigms of diversity. These three different paradigms are:

- *Discrimination-and-fairness paradigm*: highlights equal opportunity and fair treatment. Mentoring and career-development programs are often offered for women and people of colour; in addition other employees are trained to respect cultural differences. Diversity is measured by how well the company achieves its recruitment and retention goals rather than implementing measures that utilize individual perspectives to enhance effectiveness (Thomas & Ely, 1996, p. 3).

- *Access-and-legitimacy paradigm*: celebrates differences and hires people based on their differences. “This paradigm has led to new professional and managerial opportunities for women and people of colour” (Thomas & Ely, 1996, p. 5).
- *Learning-and-effectiveness paradigm*: builds on the two paradigms mentioned above. Corporations incorporate employees’ perspectives into the main work of the organization and enhance work by rethinking primary tasks and redefining markets, products, strategies etc. (Thomas & Ely, 1996, p. 6).

According to Cox and Blake (1991) and Walters (2017), corporations that do not have a diverse workforce may suffer a significant competitive disadvantage compared to those which do. This may reflect why many companies are indeed concerned with diversity.

2.1.1 Diversity Management

A diverse workforce should be managed. According to Barak (2016), “successful management of today’s increasingly diverse workforce is among the most important global challenges faced by corporate leaders, human resource management and management consultants” (Barak, 2016, p. 2). Increasing diversity at a workplace could backfire and be the foundation of tensions and conflicts. It is therefore important that an organization implements strategies and measures to manage this diversity.

Diversity management can be defined as “the utilization of human resource (HR) management practices to (i) increase or maintain the variation in human capital on some given dimension(s), and/or (ii) ensure that variation in human capital on some given dimension(s) does not hinder the achievement of organizational objectives, and/or (iii) ensure that variation in human capital on some given dimension(s) facilitates the achievement of organizational objectives” (Olsen & Martins, 2012, p. 1169). This is a quite comprehensive definition and it is necessary to point out that each organization determines the extent to which they handle these effects. Some will try to manage all; others will, for instance, only focus on managing the first effect.

Barak (2016) introduces a more succinct definition, and defines diversity management as “the voluntary organizational actions that are designed to create greater inclusion of employees from various backgrounds into the formal and informal organizational structures through deliberate policies and programs” (Barak, 2016, p. 209). Managing diversity is therefore not mandatory, but it will help the corporation reach the potential benefits of diversity and reduce the chances of potential disadvantages. Furthermore, Cox (1994) views the “goal of managing diversity as maximizing the ability of all employees to contribute to organizational goals and to achieve their full potential unhindered by group identities such as gender, race, nationality, age, and department affiliation” (Cox, 1994, p. 11).

Previous research conducted by Olsen and Martins (2012) introduces six approaches to diversity management: *Terminal assimilation*, *terminal integration*, *instrumental assimilation*, *instrumental integration*, *dual-value assimilation*, and *dual-value integration*. All these approaches are “rooted in social psychological theory on values and cross-cultural psychological theory on acculturation” (Olsen & Martins, 2012, p. 1183).

- *Terminal assimilation* “emphasizes equal opportunities for women and minorities in its staffing and promotion practices, but discourage any further consideration of demographic differences in day-to-day activities” (Olsen & Martins, 2012, p. 1178).
- *Terminal integration* focuses on the moral obligation to treat cultures and individuals, equally, and recognizes that diversity is a desirable end state (Olsen & Martins, 2012, p. 1179).
- *Instrumental assimilation* utilizes “traditionally underrepresented employees to obtain access to specific customer groups. Members are expected to conform to the dominant culture” (Olsen & Martins, 2012, p. 1179).
- *Instrumental integration* “recognizes diversity as a means to achieve organizational objectives and encourages organizational members to draw upon their cultural identities to inform business operation” (Olsen & Martins, 2012, p. 1179).
- *Dual-value assimilation* acknowledges diversity as a valuable end state and a means to achieving organizational objectives, but members are expected to conform to the

dominant culture. To satisfy moral, social and legal responsibility, corporations uphold a fair treatment of individuals (Olsen & Martins, 2012, p. 1180).

- *Dual-value integration* is similar to the *dual-value assimilation* but encourages members to express their cultural identity instead of conforming to the dominant culture (Olsen & Martins, 2012, p. 1180).

Furthermore, Olsen and Martins (2012) link these six approaches to the three different paradigms of Thomas and Ely (1996). They suggest that *terminal assimilation* is similar to the *discrimination-and-fairness paradigm*, *instrumental assimilation* is similar to the *access-and-legitimacy paradigm*, and *instrumental integration* is similar to the *learning-and-effectiveness paradigm*.

As we can see, there are several approaches to managing diversity. Nevertheless, it is important that leaders realize that the way the company defines diversity and the way they manage their diverse workforce may have implications for the company's effectiveness (Thomas & Ely, 1996). A previous study conducted by Pitts (2006) highlights that "if there is at least the potential for diversity to positively affect performance, organizations would actively seek it, and recruitment is the only means by which to achieve this goal" (Pitts, 2006, p. 253). Employers need to ensure that their recruitment strategies reach candidates regardless of, for instance, gender, ethnicity, or disability, in order to secure the possible benefits a diverse workforce can bring. A diverse recruitment strategy should be developed through a collaboration between the senior managers, human resources and marketing departments. This will "ensure that any strategy is effective, with clearly defined goals and desired outcomes to measure success" (Walters, 2017, p. 15).

Diversity management is a voluntary act, but it can influence how diversity impacts the organization. Companies should thereby practice diversity management to reach the potential benefits of diversity and reduce the chances for potential disadvantages. In addition, they should be aware of the diversity that exists within the company and its current utilization.

If the company wants to increase the diversity in the organization, diversity management can be an important initiative in the recruitment process. This is thus something that recruiters ought to be aware of.

We assume that companies with an organizational culture characterized by diversity will be more conscious of diversity management. Consequently, we believe that this may affect the recruitment processes and management style within the company to a certain extent.

2.2 Recruitment

It is often said that there is a "war for talents" among companies in today's labour market. This is usually due to lack of expertise in several industries and professions. Globalization and migration have also led to a more international labour market, which in turn increases competency requirements and competition (Sandal & Høivik, 2009). The increased competition creates challenges related to recruitment in these markets.

Recruitment is mainly about attracting the right applicants and bringing these into the organization to create an excellent workforce (Lazear & Gibbs, 2015b). When it comes to recruitment in a diversity perspective, it means attracting not only ethnic Norwegians, but also minority groups. Minority groups often possess considerable knowledge and experience. Their different language skills and cultural differences can often be an important resource (Sandal & Høivik, 2009), and a great value to make businesses stronger.

The challenges related to recruitment in these markets includes the methods employers utilize in their assessment of competence, how applicants present their skills, values, interests and personality traits, and whether these fit the employer's expectations. This is often a challenge in multicultural markets because of cultural differences (Sandal & Høivik, 2009).

2.2.1 Recruitment Practices

Previous research suggests that several different practices to enhance a firm's recruitment processes should be utilized, which again will increase the chance of finding the right talents.

First of all, it is crucial that the firm implement a desired *recruitment process*, a clear strategy or plan on how to find the right talents. In addition, it is important to develop a plan regarding

how to retain these new recruits (Lazear & Gibbs, 2015b). A well-suited definition of the term “recruitment” in this sense is offered by Barber (1998): ”Recruitment includes those practices and activities carried on by the organization with the primary purpose of identifying and attracting potential employees” (Barber, 1998, p. 5). This is substantiated by Sandal and Høivik (2009), who add that “these activities are aimed at (a) influencing the number and type of job seekers and (b) influencing the likelihood of applicants receiving any job offerings” (Sandal & Høivik, 2009, p. 99).

Secondly, it is important that the firm *invests* in qualified recruiters and keeps training them. Cultural training in particular is an important factor in a diversity perspective of recruitment, since cultural differences are often a barrier to recruitment (Roddvik, 2010). Employees in human resources departments often lack expertise and experience in assessing applicants with foreign backgrounds and other cultures. This contributes to uncertainties and obstacles, and often leads to foreigners being deselected on the basis of their foreign names, accents or stereotypes. Consequently, a candidate from the majority is chosen instead, even though he/she offers equal skills and qualifications (Sandal & Høivik, 2009). One example of this is the recently published article on the Norsk rikskringkasting (The Norwegian Broadcasting Company) website where it was revealed that Adriana Ruiz¹ was not offered a job before she changed her name to Camilla Hansen (Gjestland, 2018). By training or “recruiting professionals from a range of backgrounds at all levels of seniority, businesses gain access to a wide variety of viewpoints and perspectives” (Walters, 2017, p. 2), and hence help improve the level of diversity within the workforce.

Thirdly, it is important to establish a *hiring managers’ relationship*. This includes a collaboration between managers and recruiters in which the managers trust the recruiters’ advice and expertise, and this prevents misunderstanding. Previous research conducted by Theodoridis (2017) highlights that recruitment and selection is essential for achieving diversity management, and that balance and equality on the recruitment board plays a vital role. It is often seen that recruitment activities are intentionally separated from hiring decisions, and Rivera (2012) suggest that there exists “a fundamental disconnect between

¹ A girl from Mexico, who moved to Kristiansand (i.e. Norway) when she was 20 years old. 14 years later, she had a master's degree in Politics and Management, but still had to change her name in order to get a job interview (Gjestland, 2018).

diversity recruitment programs and actual decision-making that may stymie these programs' effectiveness in increasing the racial diversity of new hires" (Rivera, 2012, p. 87). This means that managers are often those who have, after all, the power and make the decisions, which often results in undervaluing minorities and favouring "others". According to social identity theory, our assessment of other people is influenced by our tendency to favour people who are perceived as "like us", and to be sceptical towards people who are perceived as "different" (Sandal & Høivik, 2009, p. 103). When such disconnections between recruitment and hiring exist, diversity is prevented. Hence, establishing a hiring managers' relationship might help eliminate this divide.

Fourthly, it is important to set up *agreements* to make clear who is responsible for what, and what a realistic timeframe is. Previous research conducted by Shen, Chanda, D'Netto and Monga (2009) suggests that developing a framework of HR diversity management must be a priority in order to make use of diversity. This framework can be seen as such an agreement, as it suggests different responsibilities lie with the different managers and levels. Such agreements also help strengthen the hiring managers' relationship, which is also highlighted by Walters (2017), who states that it is important to make "senior managers, HR and different departments collaborate to ensure an effective recruitment strategy" (Walters, 2017, p. 17), and a wider range of candidate reach.

Fifth, it is advisable to improve *candidate pools*, meaning to enable responsive candidate pools. Defining the pools is often a significant problem in recruiting because potential and highly-skilled (minority) candidates are often excluded from the recruitment on the basis of, for instance, attending less prestigious schools or having different cultural backgrounds. Previous research conducted by Rivera (2012) highlights that recruiters typically conceptualize the candidate pool to a few target and core universities, and "given that racial minorities are often concentrated in less prestigious universities, particularly at the professional school level, this serves to exclude a large percentage of potentially high-performing diversity candidates nationally" (Rivera, 2012, p. 77). It is therefore important to make sure that everyone has the possibility to be included in the candidate pool, especially minorities.

Sixth, an important recruitment practice is to screen potential candidates and weed out undesirable candidates that might destroy the firm's value. This is called *screening*, which is the effort a firm expends on finding the right person and evaluating the employees' productivity (Lazear & Gibbs, 2015b). Personality or assessment tests are widely used methods for screening. According to Sandal and Høivik (2009) "a selection test can be described as a systematic procedure for investigating a person's knowledge, skills or personality in relation to present and future tasks" (Sandal & Høivik, 2009, p. 110). These tests are often used only as an "objective" assessment, and the results are usually not emphasized alone, but they can still be an obstacle especially for job seekers of foreign origin, as they can be a source of misinterpretation. This is due to the fact that personality tests used are usually of Western origin (Roddvik, 2010), and are conducted in the native language where the questions reflect the dominant culture, and the utilization of scales often varies greatly from culture to culture. This makes it difficult to compare results of people from different cultures, producing results that are more positive or negative than reality (Sandal & Høivik, 2009).

The seventh recruitment practice is *interviews*, which is another form for screening. This is often the most widespread and highly emphasized method of decision-making. The interview provides better information about the workplace and an indication and impression of the current candidate, thus evaluating whether he or she fits into the organization. The methods are often divided into structured interviews, frequently viewed as a sort of compass, and unstructured interviews that work more like a conversation. Unstructured interviews usually disadvantage applicants from ethnic minorities, since these often are based on discretionary comprehensiveness and selective information (Sandal & Høivik, 2009, p. 102). Multicultural recruitment thus requires interviews in a structured way, based on in-depth job analysis. This implies situational analysis, where one finds situations the applicant must be able to handle in order to succeed in the position. This is often carried out in the form of retrospective questions based on the candidate's experience, or hypothetical questions that relate more to the candidate's ability to reason. Since the hypothetical route requires a more flexible use of language, it often leads to candidates of foreign origin or ethnic minorities performing in an inferior manner when compared to interviews in which retrospective questions are utilized (Sandal & Høivik, 2009).

The first impression is another important element, as it frequently affects the method of assessment during the interview. For example, the way one greets others at the start of the interview might vary widely between the different cultures represented. In western countries, one would normally expect to greet another with a firm handshake and eye contact, while this is not necessarily the preferred greeting in Asian countries. This highlights the importance of well-prepared interviews, and the awareness of potential differences among candidates.

Finally, but highly important, is the *on boarding process* of the new employees. It is important to have a specific training plan for new employees. Generally, joint training is carried out for them. This is often implemented through mentor schemes that follow up and correct the newly recruited. New employees are often offered courses in Norwegian, either at or outside the workplace, or in the form of online courses. However, it is also necessary that practicing speaking Norwegian involves daily social gatherings, events and conversations. In addition, situational training is often used in a diverse business to map out the challenges of diversity and thus reflect on the problems and work situations that may arise in the business. This method helps the employees to think about their own values and reflect on how to deal with challenges in new ways (Roddvik, 2010).

A firm that implements the practices mentioned above will have a better chance of improving their recruitment process, finding the right employees, and strengthening their position against competitors. However, the problem of adverse selection arises if the wrong kind of workers are attracted to the firm. This might arise due to asymmetric information, which is information difficult for outsiders to see (Lazear & Gibbs, 2015a). This means that one party knows something that the other does not. As a consequence, the right kind of advertising is paramount.

2.2.2 Advertisement

It is important that the advertisement of a diverse workplace and the desire for diversity is targeted so that foreigners and minority groups are encouraged to apply. The phrasing should be understandable and at the same time spread out across different media so that more candidates can be reached. Frequently, it is also necessary to take advantage of direct

recruitment in order to achieve a broader recruitment base and reach a wider pool of candidates (Roddvik, 2010).

One method that is often used to improve advertisements is *signalling*. This is a targeted advertising method which is used to reach the desired candidates. Signalling is a method of liability that can be used to prevent the wrong type of candidates from applying for vacancies in the company (Lazear & Gibbs, 2015b, p. 24). As a result, signalling helps to sort out undesirable candidates, but is only effective if the incentives of job applicants are addressed. This can be achieved by providing information or criteria that inspires self-selection, and therefore either encourages employees to apply, or else prevents them. Previous research conducted by Ng and Burke (2005) highlights that organizations exposed to diversity also have to emphasize it in their recruitment messages, especially to women and minorities, in order to attract these as potential candidates. This underlines the importance of targeted advertising.

2.2.3 Legal regulations

When an organization is going through a recruitment process, they are regulated by laws and guidelines. Which laws and guidelines apply will depend on whichever country the corporation is operating in. As this study examines international companies located in the Kristiansand region, Norwegian laws will be most relevant in this case. Nevertheless, we also mention a few others here, as they are highlighted in previous studies and have certain similarities with Norwegian laws.

Recruitment and selection have a great effect on diversity in organizations, although external institutions may have a decisive role in the selection process. In Norway, The Working Environment Act (2005) is an example of such an external institution. It is a regulation created for the purpose of protecting employees, for instance by defining the employment relationship, worker protection, and protection against unfair dismissal. It also includes regulations that work to achieve equal treatment in the workplace and shall protect employees against discrimination (The Working Environment Act, 2005). Furthermore, since January 2018, regulations regarding equality and discrimination have been merged into The Equality

and Anti-Discrimination Act (2017)². Equality is highly emphasized and considered here as equal rights and opportunities. The new law aims to make the legislation more accessible and uniform, strengthening the protection against discrimination. It is essentially a continuation of previous laws, but with some changes in some areas (KS Advokatene, 2017; NHO, 2017; The Equality and Anti-Discrimination Act, 2017).

The purpose of The Equality and Anti-Discrimination Act (2017) is to prevent discrimination and promote equality, specifically to promote the position of minorities and women, as they often are more vulnerable to discrimination. It also strengthens the protection of pregnant women, by a particular duty of facilitation. However, it is not intended to be an obstacle to men, but rather provide access to positive preferential treatment. Furthermore, this law applies to all minorities within legal discrimination grounds, such as disabled people and people with different sexual orientations, as well as ethnic and religious minorities. In addition, the prohibition of discrimination on the basis of age has also become a part of the new law, which means that it includes parts of The Working Environment Act (2005) (Chapter 13). Thus, this new law differs from earlier in the sense that the old laws did not mention anything about this (KS Advokatene, 2017; NHO, 2017; The Equality and Anti-Discrimination Act, 2017).

The Working Obligation (arbeidsplikten) and *The Obligation of Disclosure*

(redegjørelsesplikten) are also continued from the previous laws. Organizations and employers with more than fifty employees have a working obligation to work purposefully and actively to promote equality and prevent discrimination, as well as an obligation of disclosure, meaning to account for both planned and implemented gender equality measures. The Equality and Anti-Discrimination Act (2017) also contains employment rules in a separate chapter which prohibits obtaining information about a potential employee's ethnicity, religion, beliefs, possible pregnancy or desire for children, sexual orientation etc. The same chapter also promotes equal pay between women and men for work of equal value (KS Advokatene, 2017; NHO, 2017; The Equality and Anti-Discrimination Act, 2017).

² Norway has, over a long period, operated with four equality and discrimination laws; “*Diskrimineringsloven om seksuell orientering*” (Discrimination Law of Sexual Orientation), “*Likestillingsloven*” (Equality law), “*Diskrimineringsloven om etnisitet*” (Discrimination Law of Ethnicity) and “*diskriminerings- og tilgjengelighetsloven*” (Discrimination and Accessibility Law). These laws were replaced by a new equality and discrimination law, namely “The Equality and Anti-Discrimination Act” No. 51 of 16 June 2017.

Previous research highlights two instances of legislation that were created by policy-makers in the US and Canada. These are the Equal Employment Opportunity (EEO) and Affirmative Action (AA) legislation, which bear several similarities to the Norwegian laws mentioned above. The legislation was passed in order to remove barriers that were faced by women and minorities in the workplace (Ng & Burke, 2005).

The EEO highlights that everyone should have the same opportunities in the workplace and includes “employment practices to ensure non-discrimination based on race, colour, national origin, sex, sexual orientation, gender identity, physical or mental ability, religion, medical condition, ancestry, marital status, pregnancy, genetic information, veteran status or age” (UC Berkeley, 2018). AA is supposed to “ensure equal employment opportunities for minorities, women, veterans, and individuals with disabilities” (UC Berkeley, 2018).

Ng and Burke (2005) suggest in their earlier research that diversity management is just a more popular alternative to AA. As AA focuses on hiring a particular group of people, diversity management goes further by including all individuals, and deals with issues that AA does not take into account. In addition, diversity management is not legislated by law, but is a voluntary act corporations conduct to enhance their performance (Ng & Burke, 2005; Pitts, 2006).

The measures companies choose to implement in a recruitment process may affect the diversity of the organization. If a company wishes to increase its diversity, it is important that they are aware of the different recruitment practices that may affect this goal. Recruitment practices can help to attract the desired candidates and ensure that those from different cultural backgrounds are properly assessed. In addition, laws and regulations affect companies in their daily working operations, and we assume that this will influence their choices to a large extent in a recruitment process.

Previous theory accentuates that people tend to be influenced by their own opinions and values, which can result in them undervaluing minorities. It is therefore important that companies are aware of cultural differences and the potential benefits employees from different cultural can bring, as this can influence the organizations performance in the labour

market.

2.3 Culture

As mentioned previously, by recruiting professionals from a diverse range of backgrounds, a corporation can gain valuable insights and perspectives that can potentially affect their performance in the marketplace. However, these different opinions and perspectives may also cause difficulties in terms of collaboration between the employees (Walters, 2017, p. 13). Previous research suggests that a corporation that wants a diverse workforce must therefore implement fundamental changes in the attitudes and behaviours of the corporation's leadership (Deng & Gibson, 2008; Thomas & Ely, 1996; Williams, Han & Qualls, 1998). In addition, a diverse workforce also means that the leaders need to influence people from other cultures. Successful influence requires a good understanding of these people's backgrounds and, accordingly, their culture (Deng & Gibson, 2008; Hofstede, 1994).

Culture affects how people communicate, what expectations they have regarding collaboration, and how they interpret information: in other words it is extremely important to understand different cultures when cooperating with people from different countries. Although we know there are different cultures in different countries, people tend to believe that everyone is the same deep inside. We tend to minimize cultural differences by not being aware of different cultures, and this may prove to be the foundation of misunderstandings and conflicts between people from different countries (Earley & Mosakowski, 2004; Lervik & Traavik, 2014).

The word "culture" can have many different definitions. It is often related to the special character of a social group. In this master's thesis, we will refer to culture as "the collective programming of the mind that distinguishes the members of one group or category of people from another" (Hofstede, Hofstede & Minkov, 2010, p. 516). This includes how individuals communicate, think, feel or act in different situations as a result of their values and beliefs. All these factors will influence how they collaborate with other individuals.

Hofstede (1994) separates national culture from organizational culture, where organizational culture can be managed and national culture is more like given factors for management. Similarly, Sirmon and Lane (2004) suggest that “whereas national culture relates primarily to deep-seated values, organizational culture relates primarily to shared beliefs in organizational practices and processes” (Sirmon & Lane, 2004, p. 306). These practices are possible to change and are therefore manageable. Nevertheless, it is important to mention that this is not an easy process. It is thus important that a corporation is aware of differences that may exist across nation lines, as this may affect the corporation’s work environment.

2.3.1 Cultural differences

Geert Hofstede identified six dimensions in relation to national cultural differences in his study of how values in the workplace are influenced by culture (Hofstede, Hofstede & Minkov, 2010). These dimensions provide an overview and, to some extent, help us to understand other cultures, including what to expect and how to behave in certain situations.

The six dimensions Hofstede observed are:

- Power distance: the leader has the power vs. people are treated more equally
- Individualism: individual in centre vs. collectivism: identity defined by group affiliation
- Masculinity: competition and assertiveness vs. femininity: care and social relations
- Uncertainty avoidance: the degree of uncertainty a culture tolerates
- Long-term orientation: the future vs. short-term orientation: present time
- Indulgence: enjoying life and having fun vs. restraint: strict social norms

(Hofstede, Hofstede & Minkov, 2010, pp. 515-522). By understanding these dimensions, one will reduce the probability of a cultural clash.

Like many other theories, Hofstede’s has been criticized. Lervik and Traavik (2014) suggest that the study only says something about the variation between countries, but not those that exist *within* a country. Gooderham and Nordhaug (2002) criticize its representativeness, as the sample only came from one firm. In addition, they suggest that the study is outdated due to globalization, where younger people in particular tend to think more alike and thereby form a

more common view of the world (Gooderham & Nordhaug, 2002). As mentioned previously, there is a tendency that people believe everyone to be the same deep inside, and thereby incline to minimize cultural differences by being unaware of different cultures (Earley & Mosakowski, 2004; Lervik & Traavik, 2014). This lack of awareness could become the foundation of tensions between people from different countries.

Although other researchers have criticized Hofstede's theory, there are several studies supporting his findings. Organizations are becoming more globalized; businesses are cooperating across borders, diversity within corporations is becoming more accentuated on the agenda, and the importance of taking cultural differences into account is only becoming more essential. Hofstede's six dimensions can help corporations with a diverse workforce provide a better understanding regarding the culture of individuals they are considering hiring, as well as their existing employees.

According to Hofstede, Hofstede and Minkov (2010), culture is not genetic, but learned; "it derives from one's social environment rather than from one's genes" (Hofstede, Hofstede & Minkov, 2010, p. 6), where "much of it is acquired in early childhood, because at that time a person is most susceptible to learning and assimilation" (Hofstede, Hofstede & Minkov, 2010, pp. 4-5). As a person grows up, his or her surroundings (e.g. school, work, community) will continue to develop their perceptions of the world. Further, Hofstede, Hofstede and Minkov (2010) suggest that to be able to learn something new, people have to unlearn what they already know, which is a more difficult process when compared with learning for the first time. Nevertheless, some people have a more natural ability to understand other cultures and interpret new knowledge than others. These are, in which case, usually people with high cultural intelligence.

2.3.2 Cultural intelligence (CQ)

A study conducted by Earley and Mosakowski (2004) suggests that corporations tend to have a very distinctive culture, and any new employee needs to spend the first weeks interpreting this specific cultural code. This interpretation may be easier for people with a high degree of a specific characteristic called "cultural intelligence" (CQ).

Cultural intelligence is “when an outsider has a seemingly natural ability to interpret someone's unfamiliar and ambiguous gestures in just the way that person's compatriots and colleagues would, even to mirror them” (Earley & Mosakowski, 2004, p. 139).

Deng and Gibson (2008) suggest that an individual's cultural intelligence consists of its attributes and inequalities. Nevertheless, it is important to meet new cultures and actively learn how to adjust to them in order to be able to build on an individual's cultural intelligence (Deng & Gibson, 2008, p. 184). It is not enough to *want* a better understanding of cultural differences; one also has to experience them in practice.

Cultural intelligence can be divided into three components: Cognitive, motivational, and behavioural (Deng & Gibson, 2008; Earley & Mosakowski, 2004). Deng and Gibson (2008) refer to the cognitive component as “one's specific knowledge to perceive and understand about a new culture based on various types of cultural cues” (Deng & Gibson, 2008, p. 183), the motivational component as “one's self-motivation and commitment to adapt and adjust to a new culture environment” (Deng & Gibson, 2008, p. 183) and, lastly, the behavioural component as “to the capability of a person to generate the behaviours/actions needed to appropriately reflect cognition and motivation” (Deng & Gibson, 2008, p. 184).

A person with high cultural intelligence has the capability to understand specific features of individuals or particular groups, and interpret what makes them unique (Deng & Gibson, 2008; Earley & Mosakowski, 2004). In addition, he or she is usually genuinely interested in learning about new cultures. On the other hand, a person with low cultural intelligence usually misinterpret situations, which may end up becoming the basis of conflicts. As Earley and Mosakowski (2004) put it, having a “low CQ can turn out to be an inherent disadvantage” (Earley & Mosakowski, 2004, p. 140).

Cultural intelligence is not inherent, but something individuals can evolve by being exposed to different cultures. Interestingly, Earley and Mosakowski (2004) suggest that individuals “who are somewhat detached from their own culture can more easily adopt the mores and even the body language of an unfamiliar host, as they are used to being observers and making a conscious effort to fit in” (Earley & Mosakowski, 2004, p. 140).

In summary, cultural intelligence is a characteristic that can help individuals understand and potentially adapt to unfamiliar cultures. In a business perspective, cultural intelligence can help leaders deal with both national and organizational cultures. Having a diverse workforce with high cultural intelligence can potentially increase a corporation's performance.

2.3.3 Organizational culture

Organizational culture, also called "corporate culture", is an extensive concept that can be defined with various approaches. Bang (2013) defines organizational culture as "the set of common norms, values and assumptions developed in an organization when members interact with each other and the environment, and which is expressed in the members' actions and attitudes at work" (Bang, 2013, p. 327). Organizational culture can thus be explained as a cultural pattern and a common understanding of morals, values, habits, norms, rules and practices in an organization. Words such as "norms", "values" and "perceptions of reality" are commonly used by researchers when they try to describe the content of an organization's culture (Bang, 2013).

Norms are expectations of what is regarded as acceptable and unacceptable behaviour, which eventually become common codes of conduct through ongoing activity between the members of an organization (Hackman, 2002). Values are what the group views as right or wrong, good or bad, moral or immoral etc (Hofstede, Hofstede & Minkov, 2010). Hofstede (1993) defines this as "general tendencies to favour certain conditions over other" (Hofstede, 1993, p. 22). Assumptions, or shared beliefs, are perceptions and interpretations of the reality that the group develops together and eventually takes for granted (Hatch, 1993; Schein, 2010). These help the members of the group to create opinion about objects, statements, relationships or actions (Bang, 2013). There is a common understanding of these three concepts (cf. norms, values and assumptions), and they are often referred to as the "glue" that holds an organization and its employees together (Sander, 2017).

A common organizational culture is important in terms of both management and learning in a corporation as it acts as an "invisible management tool" and simultaneously as a "learning organization". This implies that in a well-established organizational culture, the members of the group will take responsibility for, and initiative to, tasks and actions without requiring any

kind of structure or orders. Moreover, the members will learn from these actions and then create improvements and innovations, which in turn leads to future growth (Sander, 2017). The organizational culture depends on the company's individual goals, vision, size and situation, and thus there is no clear answer as to what kind of culture is considered the "right" one. One business might focus on achieving the best results (performance culture), another might focus on taking initiative, being inventive or reacting quickly to changes in the market (innovative culture), while in another company it may be more important to establish a good system and structure, i.e. a hierarchical division of work (bureaucratic culture). In this thesis, we focus on companies with an organizational culture affected by diversity.

Organizational culture is created through socialization, thus reflecting the company's informal actions and social work environment. New members of the organization subconsciously learn the unwritten laws and regulations that exist in the organization through interaction with the other members. However, an important aspect of achieving a good organizational culture is dialogue. This implies a form of integration, which involves having genuine curiosity, an exploratory vision, and the ability to understand the perspective of others. If an organization's culture is characterized by diversity, it is especially important that the employees understand how to communicate with people who are different from themselves (i.e. a different ethnicity, national culture, traditions, perspectives, etc.), as this provides the opportunity to build on each other's experiences and more easily adapt to the environment. This helps create a collective understanding and a community, which makes it possible to exploit the differences in an organization characterized by diversity (Bang, 2013; Medieseksjonen HiOA, 2015).

2.3.4 Assimilation & Acculturation

Several approaches to diversity management which are all "rooted in social psychological theory on values and cross-cultural psychological theory on acculturation" (Olsen & Martins, 2012, p. 1183) are already presented above. Similarly, a previous study conducted by Kamp and Hagedorn-Rasmussen (2004) suggests that diversity management often contributes to improving the position of ethnic minorities in the labour market. However, they emphasize the fact that diversity management creates a change, but leads in particular to assimilation instead of creating mutual integration within an organizational culture.

Assimilation is often described as the process whereby the non-native abandons their culture of origin in favour of the native country and culture, which means adopting the majority culture and language in the local country (Kamp & Hagedorn-Rasmussen, 2004).

Simultaneously, the citizens of the home country must adapt to the settlers, and this usually happens in the form of pure curiosity, or standards such as ethnocentrism or polycentrism (Jortveit, 2010). Ethnocentrism and polycentrism are concepts that have been around for years, but are often associated with the EPRG Framework³. The EPGR Framework is a global mindset a business or organization adopts, where ethnocentric is the comparison between the non-native and native culture (and native is regarded as the best and most suitable one) and polycentric is the adaptiveness and acceptance of other cultures and values (Alon, Jaffe, Prange & Vianelli, 2016; Jortveit, 2010; Wind, Douglas & Perlmutter, 1973).

However, the term *acculturation* describes the more ambiguous cultural exchange and process that occurs when two ethnic groups, previously independent and separated, come into contact with one another and leads to mutual interpretation of rituals, organization, language, etc. Acculturation can thus cause two separate cultures to form a subordinate culture, or assimilation which is just one of several acculturation strategies that minorities can make when they want to adapt to society and the superior culture (Tjora, 2018).

In a diverse organization, one would prefer to see that acculturation occurs instead of assimilation, since the members then retain a part of their own culture, and simultaneously accept and adapt to the customs of the majority, instead of a situation that leads to greater discrimination (Berry, 2005; Kamp & Hagedorn-Rasmussen, 2004; Samnani, Boekhorst & Harrison, 2012). As a result, it creates its "own" organizational culture, which includes being respected and accepted by all members, regardless of their background.

Samnani, Boekhorst and Harrison (2012) emphasize the implications of acculturation on psychological satisfaction, self-confidence, social networks and occupational outcomes. They suggest that foreigners who choose to acculturate will achieve psychological well-being, while those who assimilate will, in contrast, achieve a negative psychological well-being. Thus, they suggest that acculturation generally results in the most positive outcome (Samnani,

³ An alternative for classifying management orientations, and stands for: Ethnocentric-, Polycentric, Regiocentric, and Geocentric orientations.

Boekhorst & Harrison, 2012, p. 325).

This brings to the fore the importance of good recruitment strategies and advertisements valuing diversity management, so that each candidate can feel that there are equal opportunities for them, and hence no one is considered more suitable than others in advance. As a result, each person will have the desire to bring their diversity forward and to be themselves, including what they stand for and believe in. This creates a climate where diversity is utilized, and each employee achieves their full potential, which will again benefit the entire organization (Cox, 1994; Samnani, Boekhorst & Harrison, 2012).

2.4 Criticism and arguments for recruitment in a “diversity perspective”

There are already a number of studies on diversity and recruitment in relation to this concept. We have mainly referred to the arguments for diversity and recruitment tailored to this until now. However, it is worth mentioning that the concept also has been criticized.

A study conducted by Kamp and Hagedorn-Rasmussen (2004) identified different arguments for recruiting more diversely. The critical literature focuses, among other things, on the power of organizations, and on how control is integrated into the discourse of diversity management. Some differences are cultivated while others are not welcome (Kamp & Hagedorn-Rasmussen, 2004, p. 10).

Further, they assume that the “war of talents” plays a central role in the arguments for diversity. This means that any organization should ensure that talented people – regardless of colour, religion and gender – have the opportunity to apply for vacancies. Nevertheless, the researchers underline that the definition of talent itself is not challenged (Kamp & Hagedorn-Rasmussen, 2004, p. 10). The competition for talents can create new possibilities for minorities and heterogeneous organizations, yet it tends to create expectations for adaption and assimilation (Kamp & Hagedorn-Rasmussen, 2004, p. 17), which means that the minority is usually renounced in favour of the majority.

Kamp and Hagedorn-Rasmussen (2004) argue that gender equality is often criticized for its tendency to stereotype people. Diversity management has previously had a tendency to focus on minorities as weak and inadequate, where it is often about creating room for “the others”, thus stigmatizing a whole group (Kamp & Hagedorn-Rasmussen, 2004, p. 16). The researchers believe that the equality of humans should be accentuated, and that everyone should thus be treated equally.

Kamp and Hagedorn-Rasmussen (2004) argue that diversity management can help to dissolve stereotypes, yet they warn that there are other problems with it. It can create blindness to differential treatment, which can lead to discrimination, as the attention around this concept disappears (Kamp & Hagedorn-Rasmussen, 2004, p. 11). In addition, they argue that there is a risk of recruiting staff to specialized, locked positions in which they do not have the opportunity to evolve or move any further in the labour market (Kamp & Hagedorn-Rasmussen, 2004, p. 17).

In addition, a Norwegian study conducted by Rogstad and Solbrække (2012) problematizes the “right to be different” versus the “right to be equal” in an organization. Their study shows that diversity management is often met with indifference. Rogstad and Solbrække (2012) argue that diversity often is seen as a “buzzword” which the majority meet with positivity and do not distance themselves from, but nonetheless do not have a passion for. They warn therefore that this may cause the social mechanisms to maintain their rigidity instead of changing them.

The study suggests that the relationship between diversity and institutional change in particular is conditional on corporate culture, and that the concept of diversity is quickly taken for granted (Rogstad & Solbrække, 2012, p. 317). They warn that the term “diversity” is either understood as *the right to a resemblance* or as *an equal right to a differential treatment* (Rogstad & Solbrække, 2012, p. 321). The right to equal opportunities is about the right to get work on equal terms, regardless of ethnic background, which involves competence development and social mobility. The right to differentiate, then, is about practicing distinctive cultural and religious practices, and entails that the business management establishes specific knowledge, perspectives and identities to create schemes. Therefore, the problem is that the definitions point in two different directions, and that it is largely the right

to a differentiate that characterizes the practical facilitation of diversity work (Rogstad & Solbrække, 2012, p. 322).

Consequently, Rogstad and Solbrække (2012) argue the necessity of greater awareness in large organizations about which actions they can use to increase the degree of internal diversity. They have found that measures for *the right to be equal* are legitimate and well established, but that this is not enough. They warn that it is not sufficient to facilitate for differences, since you also have to create and facilitate equal opportunities. They suggest that the focus on diversity is not sufficiently integrated into organizations. Measures aimed at employment and career advancement are also an important part of diversity work, and one way to implement the ideal of equal opportunities. Their argument is therefore that in order for diversity not to end up as a buzzword, a career policy is required that includes minority employees.

In summary, diversity management is a concept that can lead to creativity and better results, and thereby strengthen the company's competitiveness in the labour market. Nevertheless, diversity management can result in assimilation in the workplace, which may create blindness towards differential treatment and greater discrimination. Differential treatment is not a sufficient solution in itself, as another important aspect of diversity management is to facilitate equal opportunities and career development for all employees. This requires a sufficiently integrated career policy, which also includes minority employees. It is therefore important that organizations realize that diversity requires awareness, strategies and/or measures to both utilize and increase the diversity in the organization. Consequently, this also argues for why diversity management is important in a recruitment process. The necessity of diversity should be sufficiently integrated in organizations in order to benefit from diversity management.

2.5 Analytical Framework

The model below illustrates our assumptions for this thesis linked with the main themes of our theoretical framework. It presents three central topics in this dissertation: diversity, organizational culture and recruitment.



Figure 1: Analytical Framework

The model is based on the assumption that diversity in organizations will affect the organizations' culture. Further, we assume that an organizational culture characterized by diversity will affect the choices a company implements in recruitment, which in turn will affect the diversity in the organization. Thus we see it as a continuous circle, where each point will affect the next.

In summary, we assume that the more multicultural an organizational culture is (which is often the case in international organizations), the more likely it is that they emphasize diversity in their recruitment processes. As a result, we want to investigate if and why there is a relationship between organizational culture and recruitment. In other words the question is what characteristics of the organizational culture are more important than others when recruiting diversely?

3 Method

In the following, we will explain our choice of methodological approaches in this master's thesis, which includes our choice of research design, research approach and research method, as well as our decisions when collecting necessary information and data. Finally, the quality of the research is evaluated through the degree of reliability and validity.

3.1 Qualitative Method

According to Lacey and Luff (2001), qualitative methods are good at answering questions like “why”, “what”, or “how”. Our research question corresponds with such questions.

Nevertheless, it is worth mentioning that these questions could also be answered by quantitative methods, but not to the same degree as qualitative ones. The researcher does not communicate with the respondent “face-to-face” in quantitative methods, and therefore does not have the ability to observe and clarify different aspects of the research (Lacey & Luff, 2001).

Theory usually distinguishes between qualitative and quantitative research methods. A quantitative method is usually expressed in numbers and quantity units, where statistical methods are used to generalize. A qualitative method, on the other hand, is used to understand the context of the phenomenon being studied, rather than to generalize (Gripsrud, Silkoset & Olsson, 2010, pp. 79-80). A qualitative method allows the researcher to go in depth by focusing on a particular topic, compared with a quantitative method where the researcher aims for more breadth (Ryen, 2002).

Furthermore, qualitative research involves studying things in practice - in other words, approaching the phenomenon in its natural environment, in order to interpret the respondents views and perceptions (Yin, 2009). It is common to use interviews as a method for retrieving data in qualitative studies, as the purpose of interviews is to obtain relevant information that can illuminate the research problem (Ryen, 2002). In this thesis, we will collect primary data through semi-structured interviews. This allows us to go in depth in each interview. Hence, the number of respondents is not the most important factor, but rather the information they

can provide (Ryen, 2002). The goal is to gain information from companies that will be essential for us to answer our research question.

Conducting a study using a qualitative method is no “quick fix”, and some will say it is more comprehensive than conducting a quantitative study. Nevertheless, a qualitative approach will help us gain a better understanding of our topic and is thereby the most appropriate method for our study. Furthermore, we want to conduct a qualitative small-N study with six different companies.

3.1.1 Small-N-studies

Small-N studies have the ability to illuminate the phenomenon being studied from several different perspectives. The researcher chooses a few units (eg. organizations) which enable him/her to go in depth within each unit and receive input from several situations (Jacobsen, 2003).

A study conducted by Jacobsen (2003) accentuates that if “we want a rich description of a particular phenomenon, we should choose small-N studies” (Jacobsen, 2003, p. 79). A Small-N study will therefore be suitable for our research as we want to obtain a comprehensive picture of our research problem and identify if, and why, a relationship exists between organizational culture and recruitment, and what this relationship may consist of (Gschwend & Schimmelfennig, 2007; Jacobsen, 2003). We have chosen to interview one respondent from each company in order to be able to illuminate our research question. The information from the different respondents will be retrieved through semi-structured interviews, which enables the interviewee to speak freely and express their opinions on the topic.

3.1.2 Semi-structured interviews

According to Rubin and Rubin (2011), semi-structured interviews may be described as formal interviews. The interviewer prepares a questionnaire in advance, often called an interview guide, which serves as guidelines during the conversation. Nevertheless, the interviewer has the opportunity to move beyond this guide if it is appropriate. It is normal to follow a specific

structure during the interview, starting with more general questions and ending with more particular ones, depending on the respondent's answers (Leech, 2002; Rubin & Rubin, 2011).

Semi-structured interviews are referred to as a middle way between a source of insight and high knowledge about the subject (Leech, 2002). They can help us to get more detailed information from someone inside the company, which in turn helps us obtain a better understanding of the current situation. This is because a semi-structured interview resembles a conversation in which the respondents are able to express their own opinions and experiences, which in turn can increase the chance of a reliable comparison between the collected data later.

This interview technique is most appropriate for our study as it helps to create a collaboration between ourselves and the respondent. This will make the interview feel more like a dialog and make it possible for the interviewee to come up with new relevant aspects that will help us generate as much information as possible about our topic.

3.2 Research Design

The research design in this study is derived from our research problem and research questions. Some theory about organizational culture and diversity already exists. However, there are only a few studies looking at the impact organizational culture can have on recruitment. We are therefore curious to find out what kind of measures corporations influenced by diversity implement in recruitment, and to what extent they are utilized.

Our research question is developed from previous research related to organizational culture, diversity and recruitment strategies. Therefore, it may seem appropriate to use a causal research design, as this design is used when attempting to explain a relationship between two variables (Sekaran & Bougie, 2013). However, parts of our study are not properly covered by previous research, and our findings can thus provide new insights into existing theory. Based on this, one can say that our study is a combination of exploratory, descriptive and causal research design.

We are open to new findings and relationships (exploratory), we want to describe what we find (descriptive), while we at the same time want to see if our findings correspond with existing theory (causal).

Since this thesis focuses on a less documented area, i.e. what impact organizational culture can have on recruitment in international companies, we have decided to use an explanatory research design (a form of causal design).

Explanatory research design is used when a problem is not properly investigated (Yousaf, n.d.). The main goal with studies using explanatory research design is usually to increase understanding about a specific phenomenon (Yousaf, n.d.). Yousaf (n.d.) highlights four techniques when using an explanatory research design: *Literature searches*, *focus groups*, *case analysis* and *in-depth interviews*.

- *Literature searches* are based on secondary data and this is probably the simplest technique to conduct (Yousaf, n.d.). It is worth mentioning that this technique is usually used in conjunction with others.
- *Focus groups* usually consist of a small group of people who are asked to discuss a specific topic controlled by a moderator. They are typically used to evaluate and further develop new ideas (Gripsrud, Silkoset & Olsson, 2010, p. 39).
- *Case analysis* consists of selecting specific cases to gain new insight into the phenomenon being studied (Yousaf, n.d.).
- *In-depth interviews* are used when an individual's experience and specific opinions are of interest. These types of interviews are usually conducted when it is hard to use other types of techniques due to, for instance, sensitive information that the respondent does not want to, or is not able to, comment upon in the presence of others (Gripsrud, Silkoset & Olsson, 2010, p. 40). This technique will thus be the most suitable for our study, as we would like to know how corporations emphasize diversity during a recruitment process.

Furthermore, previous literature by Jacobsen (2003) suggests that an intensive research design should be used when “we are interested in understanding or explaining what is happening in a particular situation or explaining a particular event” (Jacobsen, 2003, p. 107). The researcher usually conducts in-depth interviews of a few people in order to gain a comprehensive picture of the phenomenon being studied (Jacobsen, 2003, p. 74). In other words, the researcher focuses on a specific phenomenon, but wishes to illuminate it from within different situations. This corresponds with our intentions, as we are aiming to look at differences between companies, and we can therefore say that we have an intensive explanatory research design.

3.2.1 Research Approach

There are two different approaches of reasoning. These approaches are called inductive and deductive reasoning, and depend on how theory is emphasized in a research process.

Hyde (2000) defines inductive reasoning as “a theory building process, starting with observations of specific instances, and seeking to establish generalisations about the phenomenon under investigation” (Hyde, 2000, p. 83). In other words, the intention is to improve already existing theories by incorporating the study’s findings. Deductive reasoning is the opposite of inductive reasoning, and can be described as a process where we “start with a general theory and then apply this theory to a specific case” (Sekaran & Bougie, 2013, p. 26). It is a process in which the researcher develops hypotheses based on existing theories that can be tested empirically, and thereby either be rejected or accepted. In short, inductive reasoning is about creating new theories, while deductive reasoning involves testing already existing theories.

Although there is a clear distinction between the two different approaches, they may include parts of each other to some extent. For instance, Bryman and Bell (2015) introduce six steps a deductive reasoning usually progresses through. These steps are (in this specific order): “theory, hypothesis, data collection, findings, hypotheses confirmed or rejected and revision of theory” (Bryman & Bell, 2015, p. 23). The last step can be associated with inductive reasoning since the researcher uses his or her findings to build on existing theory. Similarly, a strategy called iteration can take place during an inductive process. This implies that a

researcher goes back and forth between data and theory in order to determine what conditions a theory will or will not hold (Bryman & Bell, 2015; Sekaran & Bougie, 2013).

In this master's thesis, we want to find out if recruitment of professionals in international companies in the Kristiansand region is influenced by organizational culture related to diversity. The research question is based on secondary data and the hypothesis is developed from this. The research question is based on the assumption that the more multicultural an organizational culture is (which is often the case in international companies), the more likely it is that they emphasize diversity in their recruitment process. The aim is thereby to explore if, and explain why, there is a relationship between organizational culture and recruitment. In other words, what features of the organizational culture are more important than others when recruiting for diversity? Since there is less research concerning why, this is a more exploratory approach in which we seek to understand the relationship (causality) with a certain theoretical basis and an *inductive* reasoning will consequently be a suitable approach for this research. This will make it possible for us to explain if there is a relationship and what this relation might consist of (Jacobsen, 2003).

3.3 Sample

Whereas quantitative studies usually utilize a random sample, qualitative studies utilize a more purposive sample (Jacobsen, 2003; Sekaran & Bougie, 2013). A sample of qualitative studies must be clarified by several factors, as in – who should be examined, who should be excluded and in which context the study will be conducted (Leech, 2002). This means that the sample is chosen purposively by the researcher with the intention of obtaining a comprehensive picture of the situation, which helps to answer the purpose of the research.

It is important to identify respondents who possess good knowledge of the phenomenon being studied (Rubin & Rubin, 2011). In this study it is relevant to contact international companies in the Kristiansand region - more precisely, the human resource management within these organizations and their respective managers. These people possess a lot of information regarding their organizational culture and recruitment practices, and are therefore appropriate respondents for this study.

The data collected for this thesis was retrieved from six international companies. These companies have in common that they all are private and located in the Kristiansand region. All of the selected companies are foreign-owned, except from company B and F. Nevertheless, everyone operates internationally. The corporations presented are referred to as “Corporations A-E”, to protect their anonymity. The companies and respondents are kept anonymous as this was crucial in order for some of the companies to participate in our study.

Company A is a subsidiary of an American multinational conglomerate and offers a wide range of products and services to improve the productivity and security in specific industries. Company B is owned by a Norwegian company and is a leading global supplier of safe and efficient solutions and services.

Company C is owned by an Asian company and is one of the world’s largest manufacturers of industrial materials.

Company D is an American owned company, and is a global provider of engineering services and products.

Company E is a part of a French industrial group, and is a world-leading total supplier of building materials.

Company F is a global company that offers world-leading insurance services.

The selection of respondents was a strategic choice to obtain the most relevant information relative to the research problem. As we wanted to generate knowledge about the impact organizational culture could have on recruitment and what this relationship could consist of, we interviewed employees in HR. We selected one respondent from each company. The reason for this is that the number of respondents was dependent on how well the respondent managed to illuminate our topic. Moreover, it turned out that it was not appropriate to have more respondents from HR, as they would have similar answers to one another.

Respondent number	Respondent position	Corporation
Respondent 1	HR Manager	Corporation A
Respondent 2	HR Manager	Corporation B
Respondent 3	HR Manager	Corporation C
Respondent 4	HR Manager	Corporation D
Respondent 5	HR Manager	Corporation E
Respondent 6	Chief HR Officer	Corporation F

Table 1: Overview of the respondents

3.4 Data collection

Due to our choice of research design, we started our research by gaining knowledge of our topic through secondary data. Furthermore, we collected primary data through semi-structured interviews.

All the interviews were conducted during the time span April to May 2018, during weeks 15, 16 and 18. The interviews took place at the companies' offices, with the exception of two that were held via Skype. It was important for us to interview the respondents in their natural environments to make them feel more comfortable in the situation, while giving us the opportunity to interpret their reactions and body language.

The respondents were contacted by e-mail. In some cases, we had to contact the company directly by phone to get the HR manager's contact information. The e-mail contained information about who we were and the reason for our inquiry, as well as a request for participation in our study (cf. Appendix 2). This was a choice we took as previous literature highlights the importance of sending an e-mail to the respondents explaining the main features of the study (Ryen, 2002, p. 83).

We chose not to send the interview guide to the respondents prior to the interviews. This was a choice we made as we wanted to get honest and spontaneous answers from the respondents, which is also one of the main features of semi-structured interviews. If the respondents had received the interview guide in advance, it could have given them the opportunity to plan and prepare their answers, which in turn could have affected the validity and reliability of our study. Nevertheless, the respondents were informed about the different topics the interview was going to address.

The interview guide (cf. Appendix 1) was divided into three parts. First, we started the interview with a brief introduction in which we talked about who we were, the purpose of the interview, our research problem, and why we found the topic interesting - according to the recommendation from Bryman (2015). Then we began to ask some basic background questions to gain an overview of the respondent and his/her position in the company. The next part was divided into two; the first was based on organizational culture and diversity, and the other on recruitment.

The structure of the interview guide was created by twenty-five main questions. Each of these questions had one to three consecutive sub-questions. We tried to avoid leading questions when designing the main questions and would rather ask relatively open-ended questions to get honest answers that were not influenced by us, in the sense that the respondent perceived it as something we would like to hear (or emphasized) (Leech, 2002). The sub-questions were thus used more as auxiliary questions for our own part, in case the interview was going in another direction than that we intended. We did this by using various techniques, such as example questions and prompts (Leech, 2002). Consequently, the interview guide was used more as a guide, and not something we followed to the letter, which made it possible for the respondents to come up with new relevant aspects that would help us generate as much information as possible about our topic.

The interviews lasted between sixty and ninety minutes. Data was recorded in the form of notes. It may be questioned why we did not use recordings, but this was a choice we took due to the potential effect it could have on the respondents. Nevertheless, we do not feel that we are missing any information. The collected data was transcribed the same day as we conducted the different interviews. This was a choice we took to ensure that the answers and

reflections were still clear in our minds. In addition, the corporations have been very helpful afterwards and submitted both documents and reports. They emphasized that we could contact them if there was anything we needed to clarify. However, this was something we wanted to do as little as possible and only undertake if it were essential to our thesis.

3.5 Validity and reliability

When conducting a new study or evaluating studies already performed, it is important to consider how trustworthy they are (Gripsrud, Silkoset & Olsson, 2010). This is related to the validity and reliability of a study. Validity is about how well and precisely a study is conducted, while reliability is about how trustworthy a study is. If a study is valid, it is reliable. However, it is not automatically the same the other way around. A study with a high reliability does not necessarily have a high validity (Gripsrud, Silkoset & Olsson, 2010, p. 51). To make sure that the quality of our research in this thesis is consistent, we have taken some precautions to maintain both validity and reliability.

Internal validity is about the confidence we can place in the cause-and-effect relationship in a study (Sekaran & Bougie, 2013, p. 225). The quality of the respondents could potentially have a great effect on the internal validity in this thesis. It is therefore important to choose the respondents carefully, to make sure that the research is both valid and reliable. Each corporation was selected wisely and strategically to gain the most relevant information to answer the research question. However, we have only interviewed one respondent from each company. Therefore, we cannot be completely confident that these respondents present an accurate picture of the situation in the organization, as another respondent could have contributed with different perspectives. Consequently, the reliability can be questioned. Nevertheless, based on our subjective opinions, HR managers are the company's representatives in terms of knowledge about their recruitment process and organizational culture. Accordingly, we believe that our representative is able to illuminate our research question and provide a picture of the organization's situation.

Another factor that could be essential is how the interview is conducted. The interview must be carried out in such a way that the respondents' answers are not affected by either the

question or the interviewer (Saunders, Lewis & Thornhill, 2012). Each interview is based on an interview guide that was made in advance. This entails open questions where the interviewee can speak freely about their opinions. Additionally, to make the interview as comfortable as possible for the respondents, it was conducted in their offices, except for two interviews that were conducted via Skype. This helped to create an environment where the interviewee could feel safe and relaxed, which contributed to a good dialogue in which we had the opportunity to interpret the respondents' reactions. This could help to increase the reliability in this thesis.

External validity concerns whether the findings are generalizable to other settings (Sekaran & Bougie, 2013, p. 182). The findings from our research cannot be generalized to all international corporations in the Kristiansand region, as we have only used six corporations. However, they will still provide some indications of how diversity is emphasized in recruitment processes in international companies in the Kristiansand region.

3.6 Critiques

There are various factors in our master's thesis that we are aware of that do not satisfy the requirements to support general claims of scientific research. Qualitative studies are often criticized for their lack of reliability, as one cannot guarantee a comprehensive control over the different elements (Sekaran & Bougie, 2013). Our research is based on a sample of six international companies located in the Kristiansand region, and the reliability and validity of this thesis can therefore be questioned. Our findings cannot be generalized, but only provide some indications of how diversity in an organization impacts recruitment.

Further, the validity could be questioned as we did not use recordings, which may affect our interpretation of the collected data. Nevertheless, we took notes and had the opportunity to contact the various companies if anything was unclear.

Additionally, the reliability could be questioned as there may be different reasons for why the respondents decided to participate in our study. There could have been hidden intentions or certain objectives they wanted to achieve, which is beyond our control. Furthermore, we only

interviewed one respondent from each company, which may also affect the reliability of this thesis.

4 Analysis and Findings

In this section we will present our findings and analyse them within the theoretical context presented in Chapter 2. To ensure that we provide an optimal analysis, we chose to first introduce the results of the six different companies in relation to the various research questions. This will provide a better overview and understanding of the results in this thesis. Further, these findings will form the basis of an answer to our research problem.

4.1 How is recruitment influenced by the organizational culture related to diversity?

This research question illuminates the first part of our interview guide and its corresponding questions under the second part (cf. Appendix 1). This mainly constitutes questions about diversity, diversity management, organizational culture and the recruitment process.

The concept of diversity

It is important to mention that the various companies define diversity differently (cf. Table 2). Companies A and B primarily refer to gender and age when they say that they want to increase diversity. Companies C, D and E go somewhat further and include ethnicity, cultural background and sexual orientation (Brandi, Hildebrandt, Nordhaug et al., 2004; Cox, 2001; Thomas Jr, 1996). Interestingly, all of these companies are foreign-owned, which may explain why they have a greater designation of diversity. Company F, which defines itself as a global company, agreed with the definition above, but also emphasised that this is about working in a way that makes one utilize diversity (Barak, 2016). This company sells a service rather than a physical product, which may explain why its response differs from the rest of the companies.

“If I am to lead, I need to know who I am going to lead – who they are and what they do, in order to meet them in the way they expect to be met”. – Respondent 3

Consequently, we get the impression that a company’s ownership may affect their definition of diversity, and accordingly their emphasis on it. Nevertheless, it is worth mentioning that

Company A is also foreign-owned, but Norwegian language is a requirement of recruitment (cf. Table 4), which may therefore influence why they primarily underline gender and age.

Diversity Management

All the different companies practice diversity management, except Company A (cf. Table 2). Companies D and F are particularly concerned with training their managers to manage different types of people. It is about understanding that there are different needs, different ways of seeing things, and that one must be aware of this.

Company B underlined that they could be better at hiring managers from different cultural backgrounds, as this could affect the company's value (Standard Norge, 2018). However, only Companies B, E and F have top executives from different ethnic backgrounds. Nevertheless, Company A has employees with professional responsibility from other ethnic backgrounds, but these do not have personnel responsibility.

Company A does not practice active diversity management, but this is rather described as a self-directed process. Norwegian laws and regulations are accentuated as being more important, as these are with them on a daily basis. Nevertheless, Companies A and E participated in the project «Likestilt Arbeidsliv», which showed that both companies were reasonably conscious in terms of diversity and diversity management (Likestilt Arbeidsliv, 2018). Company E had the highest score in terms of facilitation among the corporations that participated in the project.

The fact that diversity management is essential for recruiting a greater diversity seems to be a perception that is common among the different companies. Company D underlined the importance of showing potential candidates that the corporation has diversity and people from various backgrounds (Ng & Burke, 2005). Similarly, Company B emphasised that if they manage to play on diversity, this will in turn *promote* greater diversity.

“I think you may have the ability to think a little outside the box by putting together a group with different backgrounds. Diversity will provide more opportunities – the opportunity to play on each other, which can increase the competitive advantage and improve the performance in the end”. - Respondent 5

This complements prior studies, which indicate that the differences among the employees that a diverse workforce might bring can increase an organization's performance and effectiveness (Cox & Blake, 1991; Ng & Burke, 2005; Thomas & Ely, 1996; Tipper, 2004; Walters, 2017).

Organizational culture

The organizational culture varies between the different companies (cf. Table 2).

Organizational culture is often referred to as the “glue” that holds an organization and its employees together (Sander, 2017). It is created through socialization, thus reflecting the company's informal actions and social work environment. The organizational culture depends on the company's individual goals, vision, size and situation, and thus there is no clear answer as to what kind of culture is considered the “right” one. One business might focus on achieving the best results (performance culture), another might focus on sharing knowledge and skills, where collaboration is seen as a strength (knowledge-sharing culture), while in another company it may be important to take initiative, being inventive or reacting quickly to changes in the market (innovative culture). In this thesis, we have found some similarities between the different companies, and thus categorized them into two different types of corporate cultures. Companies A, B, D and F are categorized as knowledge-sharing cultures. These companies expressed that they value differences and believe that knowledge sharing is a strength. The two remaining companies (i.e. C and E) are categorized as performance cultures. These companies emphasised that their organizational culture is characterized by open communication, whereby they are investing in employee growth and measuring results, and will thus be suitable under this category.

Furthermore, four of the companies said that they have a relatively Norwegian corporate culture⁴ (cf. Table 2), regardless of whether the companies are foreign-owned or operate in an international market.

“The Norwegian culture clearly shines through. We have headquarters in Norway, which affects our corporate culture here – we speak Norwegian and we have this culture in the air”.

– Respondent 2

⁴ Norwegian corporate culture is influenced by low power distance and follows egalitarian principles. Collaboration and knowledge sharing are appreciated, and “an effective manager is a supportive one” (Hofstede Insight, 2018).

It appears that the different companies believe that a Norwegian corporate culture is characterized by collaboration and knowledge sharing. The employees help each other and want the company to perform as well as possible. It is a culture that is based on trust and low power distance. Interestingly, one of these companies (i.e. Company E) is categorized with a performance culture, which may imply that this organization misunderstands what the different corporate cultures imply, as a Norwegian corporate culture and a performance culture do not correspond with one another. Nevertheless, this company underlined that the Norwegian corporate culture is internal - within the company - while externally the company has a performance culture. Furthermore, Norwegian culture is characterized by knowledge sharing, and corresponds accordingly with a knowledge-sharing culture, which the three remaining companies are categorized as being characterized by.

All the companies emphasized that their organizational culture is characterized by diversity, but nevertheless this is in different degrees. Companies B and D have been influenced by what many refer to as “the oil crisis”, which has resulted in an organizational culture that is not as characterized by diversity as it used to be. When a crisis occurs, companies usually implement measures to adapt to the various changes. “The oil crisis” resulted in several downsizing processes for the two different companies in question. In many of these processes, seniority was emphasized, which meant that these companies lost cohorts, as well as diversity. Accordingly, this is something these companies now want to increase, and Company D has a goal to ensure greater diversity than they currently have through recruitment.

“One cannot avoid the fact that organizational culture influences our choices during a recruitment process”. - Respondent 4

The statement above seems to be a perception that is common to the different companies, except in the case of Company A. In this instance, the informant is uncertain as to how organizational culture might affect the recruitment process. Nevertheless, it appears that all the companies see acculturation, instead of assimilation, as preferable when recruiting. This is something that is recommended in organizations characterized by diversity, as this usually leads to positive outcomes both for the individual employee and the organization as a whole (Berry, 2005; Kamp & Hagedorn-Rasmussen, 2004; Samnani, Boekhorst & Harrison, 2012).

Nevertheless, both Companies A and E have a requirement that all employees must be able to speak Norwegian. This may indicate assimilation, since the non-native then has to adapt to the local country's language (Jortveit, 2010; Kamp & Hagedorn-Rasmussen, 2004). However, this requirement is based on security considerations and is therefore something these companies cannot simply ignore.

“Birds of a feather flock together, but they definitely do not think the best. If you assemble similar people in a room, they will certainly come up with a solution that everyone agrees to be very good, but there is probably a solution that is better. You need diversity, to get the best out of people”. – Respondent 6

Furthermore, the various companies agree that diversity is important in the workplace and want to increase it. Company D has a sub-goal to ensure greater diversity through recruitment. Company E has diversity as a focus area and wants more diversity in terms of gender, ethnicity and culture, even though they have Norwegian as a requirement in recruitment. Company F has a diversity committee and wants more diversity in the company. Nevertheless, it is emphasised that it is also as much about utilizing the diversity you already have, as increasing it. Companies B and C also underlined that they wanted more diversity. Company A has the language requirement, which might lead to exclusion of candidates with the right skills and personal qualities. Nonetheless, they emphasize that they might have wished for more diversity.

Recruitment strategies

The different companies are relatively similar when it comes to who is responsible for the development of recruitment strategies. They are mainly developed in collaboration between HR and management, which could help to ensure an effective strategy (Walters, 2017). In terms of who makes the decisions in a recruitment process, this varies slightly between the different companies. At Companies B, C, D and F, it is the leaders who make the decisions. Both Company B and F have a principle that always requires approval from “leader over leader”. In company E, HR is the entity making the decisions. This is also the case with Company A, but in cooperation with management. This is interesting, as previous studies often criticize the relationship between recruitment and employment, where it usually tends to be the leaders who have the decision-making authority. This can create a disconnection

between recruitment programs and decision making, and thereby prevent diversity. It is therefore recommended that a relationship be established between those involved both in recruitment and employment, in order to prevent this from happening (Rivera, 2012; Sandal & Høivik, 2009). Furthermore, it does not seem like the difference between performance culture and a knowledge-sharing culture has any particular influence on the companies' recruitment strategies, but the knowledge-sharing culture seems to be nonetheless the only one making decisions in collaboration, requiring an executive's approval.

DIVERSITY	
Age and Gender	○ Companies A and B
Age, Gender, Ethnicity, Cultural background and Sexual orientation	○ Companies C, D and E
Age, Gender, Ethnicity, Cultural background, Sexual orientation and Utilization of diversity	○ Company F
DIVERSITY MANAGEMENT	
NO	○ Company A - Norwegian laws and regulations are more important
YES	○ Companies B, C, D, E and F
Training of managers	○ Companies D and F
Managers from different ethnic backgrounds	○ Companies B, E and F
Participated in “Likestilt Arbeidsliv”	○ Companies A and E

Diversity management is important for recruiting greater diversity	○ Yes: all the companies
ORGANIZATIONAL CULTURE	
KNOWLEDGE SHARING CULTURE ○ Valuing differences ○ Power through shared knowledge	○ Companies A, B, D and F
PERFORMANCE CULTURE ○ Invest in employee growth ○ Open communication ○ Measuring results	○ Companies C and E
NORWEGIAN CORPORATE CULTURE ○ Low power distance ○ Collaboration ○ Knowledge sharing	○ Companies A, B, D and E
Working language: ○ English	⇒ Company F

Table 2: How is recruitment influenced by the organizational culture related to diversity?

4.2 When recruiting, what attributes does the firm seek among the candidates, and are these influenced by the recruiters' own perceptions?

This research question is answered by its related questions from the second part of our interview guide and questions about cultural intelligence that were initially addressed in the first part (cf. Appendix 1). It mainly contains questions about the recruitment of diversity, fundamental values and cultural intelligence.

Fundamental values

“We go for the best minds. The best minds are competence, experience and personal qualities”. - Respondent 1

Competence is the first thing emphasized by the different companies, then it personal qualities (cf. Table 3). In relation to whether education is more important than experience, it seems like there is a common perception that this will differ depending on the various recruitment projects. Both Companies C and E offer candidates the opportunity to acquire a certificate of apprenticeship at the company. Company F accentuates the expression "hire for attitude and train for skills", which means that candidates may lack some professional skills but still be eligible for the position in question if they have the proper attitude (Simplicant, 2018). If the candidate lacks the right attitude, it does not help that the candidate is very good otherwise. Interestingly, the two companies mentioned above (i.e. Companies C and E) are the same companies that are categorized with performance cultures. The different measures they implement, correspond with the characteristics of a performance culture, which reinforces our distribution of the different companies (cf. Table 2).

It seems like there is an overall perception of talented candidates among the companies. Talented candidates are described as those who are passionate about what they are doing, that deliver beyond expectations and take responsibility for their own development. However, Company D was uncertain about the use of the term talented candidates, which is interesting as it corresponds with the previous study by Kamp and Hagedorn-Rasmussen (2004), which criticizes the fact that the word is not properly defined.

Recruitment of diversity

The various companies agree that it is important to emphasize diversity in recruitment, yet not everyone does this actively. Many of the companies have admitted that they often tend to make choices based on candidates who are considered to be similar to themselves, as it may be easy to be influenced by their own opinions and values (Sandal & Høivik, 2009). This is something that HR in particular actively works to prevent, as different compositions can increase a company's performance and challenge it to think innovatively and thereby move

forward.

“If you manage to assemble a diverse group, it will perform better when it first works, than a homogeneous group. I think it is extremely important to learn from each other and draw synergies from each other. Unfortunately, theory shows that people are attracted to and usually hire people who are considered to be similar to themselves. This is something I think HR have to be aware of, and work on the basis of which diversity they want in the company”.

- Respondent 2

Cultural intelligence

Moreover, though most respondents were too humble to call themselves culturally intelligent, most do desire to be so and possess a genuine interest in different cultures. Respondent 1 called himself/herself culturally intelligent and outlined their fascination with hearing about people from other countries and the communication they have between them as colleagues. Furthermore, the respondent pronounced that he/she does not let the subconscious control the decisions in a recruitment process, but handles this in a structured manner. Respondents 4 and 6 pointed out that they would rather call themselves culturally conscious (cf. Table 3), where they underlined that this is more about being aware of the existence of cultural differences and that you at all times try to take this into account.

“The moment you see yourself as so culturally intelligent that you forget to be humble for things you do not know, you risk making mistakes”. – Respondent 6

The majority of respondents believe they have not been unsure when recruiting candidates of another ethnicity, except respondents 3 and 6. Respondent 3 emphasised that this was mainly related to communication, as it can be easy to misunderstand one other (Sandal & Høivik, 2009). Respondent 6 tied this together with cultural intelligence and the importance of having a humble approach to the word “cultural intelligence”. Respondent 5 had not personally been unsure of recruiting someone from another ethnicity, but underlined that the company has experienced a change after recruitment, which could create disturbance among individuals. If this occurs, the company will manage this quickly. This corresponds with prior studies which suggests that cultural differences can be the foundation of misunderstandings and conflicts

between people from different countries (Earley & Mosakowski, 2004; Lervik & Traavik, 2014) if there is a lack of knowledge about different cultures.

RECRUITMENT	
The first thing that is emphasized among potential candidates is <u>competence</u>	<ul style="list-style-type: none"> ○ All the companies
Possible to acquire a certificate of apprenticeship at the company	<ul style="list-style-type: none"> ○ Companies C and E
RECRUITMENT OF DIVERSITY	
Has been unsure of recruiting candidates from another ethnicity	<ul style="list-style-type: none"> ○ Respondents 3 and 6 (Companies C and F)
CULTURAL INTELLIGENCE	
Culturally intelligent	<ul style="list-style-type: none"> ○ Respondent 1 (Company A)
Culturally conscious	<ul style="list-style-type: none"> ○ Respondents 4 and 6 (Companies D and F)

Table 3: When recruiting, what attributes does the firm seek among the candidates, and are these influenced by the recruiters' own perceptions?

4.3 Does the firm utilize recruitment practices which enhance greater diversity of professionals?

This research question is illuminated by means of its associated questions in the second part of our interview guide (cf. Appendix 1). This mainly includes questions about recruitment practices, recruitment strategies and the recruitment process.

Recruitment practices

The companies utilize skill tests, ability tests, personality tests, and/or score-schemes based on desired personal characteristics among potential candidates (cf. Table 4). This can be an obstacle for job seekers from other countries, as it may lead to misunderstandings (Roddvik, 2010). The results may be more positive or negative than the reality, and it is therefore recommended that companies do not rely on these results alone (Sandal and Høivik (2009). This is something the different companies seem to agree on and usually only utilize in combination with conversations.

“Combination is best - interview, tests and case”. – Respondent 6

Furthermore, the various companies announce job advertisements via Finn.no, LinkedIn, Facebook, their website and newspapers. Many emphasize that the place where they advertise the position depends on the candidates they want to reach. Companies A, B and D (which are categorized as knowledge-sharing cultures, cf. Table 2) use direct recruitment at different universities to reach “the best minds” and raise interest among younger people (Roddvik, 2010). Companies C and E (which are categorized as performance cultures, cf. Table 2) use recruitment agencies, as these have larger databases and thereby the ability to reach a greater number of candidates (Rivera, 2012). Nevertheless, Company C underlines that this usually only applies when the company is hiring managers. Consequently, it may seem like the companies’ culture might have a certain influence on which recruitment practices they utilize (cf. Table 2).

The majority of these companies do not actively utilize recruitment practices to exclude unwanted candidates, but rather highlight that everyone is welcome. Nevertheless, screening and signalling are used in some cases, and the majority emphasize that they use the ad text deliberately to reach the right candidates, as well as excluding unwanted candidates (Lazear & Gibbs, 2015b). Companies D and F use reference checks. Companies A and E have Norwegian as a requirement when recruiting (cf. Table 4), which may exclude candidates who otherwise would have been eligible.

Recruitment strategy

Our findings suggest that there is a consensus between the different companies in terms of the

impact the organizational culture has on recruitment strategy.

"We are conscious of what we lack and what we need. This may be different subjects, but also people coming from another country, ethnicity, as well as gender and age". – Respondent 2

Similarly, this will also apply to the majority of the different companies if they want to increase diversity (cf. Table 4). Company D wants to increase diversity in the organization and highlighted that this has contributed to an obvious change in their strategy. Companies A and C do not emphasize diversity in recruitment, but are more interested in finding the right talents, regardless of who they are. Nevertheless, they underline that if they had agreed to increase diversity, this would become a part of the strategy they made before employment. Company F expressed that this would rather affect the recruitment process, as increased diversity is already a strategy the company has on a general basis. Further, the company accentuates that they actively utilize personality tests, which means that all employees know what personality profile they have. This affects their choices in a recruitment process, particularly in relation to recruiting into teams. Then the company looks at the composition of the team and determines that characteristics might benefit them. This might include different cultures, ages, gender or personalities.

Recruitment process

Although the different companies believe that diversity is an important asset to have in the organization, half of them do not actively signal this in recruitment. Companies B, D, and F (categorized as knowledge-sharing cultures, cf. Table 2) highlighted that they have a desire for more diversity in job advertisements and on their websites (Ng and Burke (2005)). Two of these companies have either increased diversity as a goal in the organization or as an integrated part of their strategy. Nevertheless, there is a common perception among the different companies that this is an area they should become better at.

"Diversity is a buzzword that has been used for a long while, and is something many (people) think they are working on. But, if people turn around and look at themselves, this is not necessarily the case". - Respondent 6

It appears that it is common to use unstructured interviews among the different companies, which previous research believes could be a disadvantage for candidates with different

cultural backgrounds, and highlights that structured interviews should be used instead (Sandal & Høivik, 2009). Nevertheless, the different companies underlined that they may alter their language, and Company E may change the questions to ensure that everything is understood.

RECRUITMENT PRACTICES	
ATTRACT	
Direct recruitment	○ Companies A, B and D
Recruitment agencies	○ Companies C and E
Personality- and/or ability tests	○ Companies A, C, E and F
WEED-OUT	
Screening (e.g. qualifications in the job advertisement)	○ Companies B and D
Reference checks	○ Companies D and F
Norwegian language requirement	○ Companies A and E
RECRUITMENT STRATEGY	
The organizational culture impacts recruitment strategy	○ Yes: all the companies
If the company wants to increase diversity in the organization, it will affect the recruitment strategy	○ Yes: companies A, B, C, D and E - Company F = no, it will affect the recruitment process
RECRUITMENT PROCESS	
Unstructured interview	○ Yes: all the companies
○ Adapts in terms of language	⇒ Yes: all the companies
○ May change questions	⇒ Company E
Actively signal the desire for diversity	○ Companies B, D and F

Table 4: Does the firm utilize recruitment practices which enhance greater diversity of professionals?

5 How is recruitment of professionals in international firms influenced by diversity in the organization?

In this chapter, our research problem is answered by comparing our findings from the three supportive research questions. This establishes the basis for concluding with some interesting findings in this thesis.

Our results suggest that there is a common understanding of the importance of diversity, both with regard to recruitment and in the company in general. Nevertheless, not all companies are actively working to ensure diversity in recruitment which, according to Pitts (2006), is extremely important if one is to take advantage of the potential benefits that diversity can bring, “as this is the only means to achieve this” (Pitts, 2006, p. 253).

It may be important to point out that the different companies have different starting points, where Companies B and D are slightly different as they have been affected by what some refers to as “the oil crisis”. This has meant that Companies B and D have been through several downsizing processes. In many of these processes, seniority was emphasized, which has consequently influenced their organizational culture both in terms of age and diversity. Nevertheless, both of these companies underlined that they still have diversity in the business today, but not to the same extent as previously. However, when it comes to ethnicity, it may be questioned whether the recruitment of the former diversity was the result of lack of appropriate labor in Norway and not a conscious desire to increase diversity.

When a crisis occurs, companies usually implement measures to adapt to the various changes. If companies work reactively, it usually means that they have to implement measures immediately, which may lead to a marginalization of measures focused on maintaining diversity. Therefore, companies should work proactively by establishing strategies to manage future changes, thus ensuring that diversity does not disappear due to, for instance, reactive measures. This is related to diversity management, and the importance of being aware of the diversity in the organization and what resources you cannot afford to lose.

Company D emphasized that, if they had known what to expect before they were hit by the "oil crisis", they would have developed a more targeted plan regarding which groups they had to take care of in order to maintain diversity. Thus, the business wants to be more aware when recruiting, since part of their goal is to ensure greater diversity. Company B underlined that they emphasize diversity in recruitment, but that this is mostly in relation to gender and age composition due to the position they are in now. However, they consider it to be particularly valuable if the candidates are from another country.

“If we want to move on, we have to think in a new perspective and hire people who challenge us a little. Diversity is what makes us move on”. - Respondent 4

Furthermore, our findings show that all the companies say that their organizational culture is characterized by diversity, and the majority confirmed that this affects their choices in a recruitment process. Nevertheless, according to our definition⁵, there may be some differences between the different companies in terms of diversity. Two of the companies (i.e. Companies A and B) mainly refer to gender and age when they say that they want to increase diversity in the company, whilst this is only a limited part of our definition. However, the organizational culture in these companies is partly affected by professionals from different countries, but these are probably not recruited on the basis of their ethnicity, as it seems like these companies do not have an active attitude towards the recruitment of ethnic diversity. The four remaining companies (i.e. Companies C, D, E, and F) refer to gender, age, ethnicity, cultural background and sexual orientation when they say that they want to increase diversity in the organization, which is similar to our definition. Three of these companies (i.e. Companies D, E and F) have increased diversity either as a goal for the company or as an integrated part of their strategy, which affects their recruitment process.

Moreover, our study indicates that there is a consensus between the different companies in terms of the impact the organizational culture has on recruitment strategy. If the company in question wishes to increase the diversity in the organization, the majority asserted that this will have an impact on the strategy.

⁵ Definition: “the variety of social and cultural identities (e.g. gender, ethnicity, educational background, cultural background and age) among people who work together in a workplace context”.

"The strategy is a result of our desire to add something to the organization". - Respondent 4

Nevertheless, only half of the companies advertise that they want diversity in job advertisements and on their websites (i.e. Companies B, D and F). This is interesting as there is a consensus between the different companies in relation to the importance of emphasizing diversity in recruitment, and the fact that everyone wants to increase the diversity of their company. According to Ng and Burke (2005), it is extremely important to both advertise that the company has a diverse workplace and a desire for greater diversity to attract these candidates. This can thereby affect companies' ability to attract desired candidates and could prevent diversity. Company E has increased diversity as a goal of the organization, but still does not announce this in recruitment, which may affect their ability to achieve this goal. Companies A and C do not emphasize diversity in recruitment, which may imply that the diversity they have in their organizational culture may be more of a coincidence than a conscious choice.

Respondent 6 highlighted that he/she believes the term diversity is being used too narrowly, as it is often about gender and culture, and accentuated that it is about much more than that. *"A girl is not a girl, a Japanese is not a Japanese"* - it is more complicated. Furthermore, the respondent emphasized that many talk about diversity because it is important, especially in the Kristiansand region, but more in the form of gender diversity.

"Companies often think they have a focus on diversity and are good at this concept, but if they stop and look at themselves, this may not be the case". - Respondent 6

The above compliments prior research, which underlines that leaders have to realize that the way they define diversity and the way they manage their diverse workforce can have implications for the company's performance (Rogstad & Solbrække, 2012; Thomas & Ely, 1996). Diversity has a tendency to not be properly rooted in companies, because people are unaware of what it actually is, as many define this concept differently (Rogstad & Solbrække, 2012; Thomas & Ely, 1996). If diversity was to have been properly rooted in companies, it could influence their attitudes towards diversity and consequently the diversity in their organization. This may be a reason why some of the companies do not emphasize diversity in

their organization.

Furthermore, our findings suggest that different companies use an array of recruitment practices to reach out to candidates. They usually utilize ability tests, personality tests and scorecards, which additionally might be a disadvantage for candidates from different cultures (Roddvik, 2010; Sandal & Høivik, 2009). Nevertheless, the companies emphasized that these results were usually used in a combination of interviews and cases. Additionally, the different companies used multiple channels to announce new positions, which is recommended by previous research to reach a broader recruitment base (Roddvik, 2010).

Moreover, all the companies wanted acculturation instead of assimilation, as this increases the chance of a "cultural fit". This means that the candidate must have the ability to communicate with the company's culture in order to contribute, not that he/she needs to be completely equal with the rest of the business. This complements prior studies, which suggest that acculturation should be used in organizations characterized as diverse (Berry, 2005; Kamp & Hagedorn-Rasmussen, 2004; Samnani, Boekhorst & Harrison, 2012). Interestingly, this may cause another problem in recruitment. Companies want candidates that can fit into the existing organizational culture, which may cause the recruiters to choose candidates who resemble themselves. These are not necessarily the candidates that will best complement the organization, and this is usually a disadvantage for ethnic minorities. Consequently, the company will be characterized by employees that are similar to each other, rather than complementing one another, and the company will thus not be able to benefit from the potential advantages of diversity.

Additionally, the companies expressed that they usually do not change the procedure for interviews if they are interviewing someone with a different cultural background. It appears that it is common to use unstructured interviews, which might be a disadvantage for candidates with different cultural backgrounds (Sandal & Høivik, 2009). Nevertheless, the companies expressed that they adapt in relation to language to ensure that the candidates understand what is being said.

Moreover, language requirements can be an obstacle for cultural diversity. Companies with English as the working language can much more easily achieve diversity through recruitment

(i.e. cultural diversity) than companies with Norwegian as a requirement (cf. Table 2 and 4). Nevertheless, Norwegian as a requirement is usually based on security, and thereby something these companies cannot simply ignore.

Furthermore, our findings indicate that there is a consensus among the different companies that diversity within an organization can lead to valuable insights and perspectives that may affect their performance in the marketplace. This is in accordance with prior studies suggesting that a diverse workforce can lead to a more productive and successful organization (Cox & Blake, 1991; Ng & Burke, 2005; Thomas & Ely, 1996; Tipper, 2004; Walters, 2017).

“Diversity, especially in terms of different cultures, is important in the future. We, as a business, should have a greater focus on this. We, as HR, should demonstrate an awareness of this and help our leaders to think about it - what diversity should we have in our company?” - Respondent 3

Nevertheless, only a few of the companies have implemented measures to increase diversity through recruitment. All the companies said that they wanted to increase the diversity in the organization, yet there were several who did not actively do anything to ensure this through recruitment. If a company wants to increase the diversity in the organization, it is important that they emphasize this in recruitment, as this is the only means to achieving this. However, all the different companies said that their organizational culture is influenced by diversity (i.e. not only age and gender, but also different ethnicities). However, this is to different degrees, and it seems as though it is probably more common to be less affected by this concept. Still, it appears that there is one company that stands out (Company F). This company has its own diversity committee, leaders with different ethnicities, and English as a working language. Further, this company sells a service rather than a physical product, and it could therefore be questioned whether this may be the reason they are more influenced by diversity in the organization compared with the remaining companies.

Moreover, the companies that advertise a desire for diversity in recruitment are categorized as knowledge-sharing cultures. Similarly, two of the three companies that have increased diversity either as a goal in the company or as an integrated part of their strategy, are also categorized as knowledge-sharing culture. Thus, we can assume that the company's culture may have an impact on how they emphasize diversity. A company categorized as a

knowledge-sharing culture seems to be more concerned with recruiting inequalities (e.g. different views and opinions) in the organization, and will therefore be more dependent on having diversity in the organization.

6 Conclusion

The purpose of this dissertation was to investigate how recruitment of professionals in international firms is influenced by diversity in the organization. More precisely, to explore if and why there is a relationship between organizational culture and recruitment. An overall comparison of our findings clarifies that the organizational culture often impacts recruitment, and diversity is regarded as an important resource that can affect companies' performances.

After analyzing the six different companies, we found some main features that illuminate how organizational culture affects recruitment and what measures corporations are implementing to increase diversity in the organization.

First of all, our findings indicate that a corporation's organizational culture tends to impact the recruitment process. It is the organizational culture that determines what companies lack and need to add through recruitment. Additionally, acculturation is usually preferred over assimilation, as companies want potential candidates to match the existing organizational culture. Nevertheless, this can lead to the problem of recruiting candidates who resemble the existing employees of the company. Consequently, the company will be characterized by employees that are similar to one another, rather than those who complement each other.

Secondly, our findings show that companies implement different recruitment measures, which may have different consequences in terms of diversity. Companies that actively advertise that they have a diverse workplace and a desire for greater diversity, usually have this as a goal in their organization or as an integrated part of their strategy. Companies that implement more general advertising of new positions, usually emphasize competence rather than diversity.

Thirdly, our study indicates that companies' requirements when recruiting can have consequences in relation to the diversity in the organization. Companies that have Norwegian as a requirement when recruiting, tend to be less characterized by diversity. However, such requirements are usually based on security and thus cannot be ignored. Companies that do not have language as a requirement when recruiting tend to be more characterized by diversity in the organization.

Fourthly, our study shows that international companies tend to think of diversity as an important resource that can affect the company's performance. This means that international companies usually want diversity in their organization, which further affects their elaboration of the recruitment strategy. Nevertheless, the potential ignorance of what diversity really is and the tendency to recruit people who resemble the existing employees of the company, may affect the companies' abilities to increase diversity in the organization.

Finally, our study suggests that the company's culture may have an impact on how they emphasize diversity in the organization. Companies that were categorized as knowledge-sharing cultures seemed to be more concerned with recruiting inequalities (e.g. different views and opinions), and thereby more dependent on having diversity in the organization.

Although there is an overall positive image of diversity, we believe that companies should pay greater attention to this area. Our dissertation indicates that diversity is seen as a critical resource that can affect a corporation's competitive advantage. Nevertheless, it seems as though companies could be better at implementing this concept in the organization. This gives us the impression that international firms need to put diversity even more on their agendas and implement strategies to ensure diversity in recruitment. In addition, it is important that companies are aware of the diversity in the organization and how to utilize this concept in order to take advantage of its potential benefits. Companies that implement such changes, will potentially have a greater ability to compete in today's labour market.

6.1 Further research

Although this study has provided new perspectives on how organizational culture affects recruitment in international companies, it is important to emphasize that this study cannot provide empirical evidence that applies to all international companies. This is mainly due to the time aspect granted for this thesis. However, it can provide an insight into factors that can be studied further. Further research should measure variables over a longer period of time, to provide a better understanding of what our findings seem to imply. It could be interesting to compare international companies from different cities in Norway and explore whether there is

a common perception that organizational culture affects recruitment, and if the importance of diversity in the workplace is consistent elsewhere in Norway.

In addition, our study is based on a purposive sample of managers. It could therefore be interesting to study employees' or other managers' perceptions of diversity in organizations and whether this differs from the manager's opinions.

Another aspect that can be studied further is the impact the new standard "*Ledelsessystemer for mangfold*" will have on companies in the future, and whether this has an effect in terms of diversity in organizations.

Furthermore, it could be interesting to see how the companies' situation turns out in the future, and this will therefore provide the potential for further studies. Many of the companies have implemented goals to increase diversity, and it could therefore be interesting to see whether this will have had any impact on these companies in the future. Diversity is frequently stated to be a critical resource that can affect corporations' performances and their ability to compete in today's highly competitive market. The labor market continues to grow and diversity will thereby be an important resource in the future.

7 References

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8 Appendix

8.1 Interview guide

INTERVIEW GUIDE

BACKGROUND

Name:

Position:

Education:

Work or education abroad (years):

Years within the company:

We can see you have the title:

1. *Can you please tell me what this title implies?*
 - a. Can you tell me about your role in a recruitment process?
 - b. How early do you get involved? Are you involved from the start?
 - c. How much responsibility do you have in the process?

PART 1

2. *You are a foreign-owned company. Does that have any significance for the organizational culture here in Norway?*
 - i. If yes, how?
 - ii. If no, why not?

3. *What do you associate with the word diversity?*
 - i. Why?

Diversity can have many different definitions. In this case, we refer to diversity as a variety of social and cultural identities (e.g. cultural background, religion, ethnicity, gender, age) among people who work together in a workplace.

4. Do you think diversity is important in the workplace?

- i. If yes, why?
- ii. If no, why not?

a. Is this a perception shared with the rest of the (management) organization?

- i. If yes, why?
- ii. If no, why not?

5. How would you describe the organizational culture in the company?

a. Is the current organizational culture characterized by diversity?

- i. If yes, why and how?
- ii. If no, why not?

b. Do you want more diversity in the company?

- i. If yes, why?
 - a. How can it be better?
- ii. If no, why not?

c. Do the employees appreciate diversity in the organizational culture?

- i. If yes, why?
- ii. If no, why not?

Diversity can bring various benefits for a corporation and affect the corporation's presentation if it is managed properly.

6. Do you practice diversity management in the company today?

- i. If yes, why and how?

- a. *What do you associate with the words “diversity management”?*
- b. *Do you think that diversity management is important for the recruitment of greater diversity?*
 - i. If yes, why?
 - ii. If no, why not?
 - 1. *Are Norwegian laws and regulations more important?*
- ii. If no, why not?

7. *Do some of your top leaders have another ethnic background?*

- i. If yes, why?
- ii. If no, why not?

8. *How much of your workforce comes from another country?*

Many highlight the importance of cultural intelligence in order to benefit from diversity and create an effective organizational culture. This includes the ability to understand other cultures, how to behave, and how to communicate in their culture.

9. *Would you say that your business is characterized by a culturally intelligent workforce?*

- i. If yes, in what way?
- ii. If no, why not?
- a. *Do you consider yourself to be culturally intelligent?*
 - i. If yes, in what way?
 - ii. If no, why not?

PART 2

HOW IS RECRUITMENT INFLUENCED BY THE ORGANIZATIONAL CULTURE RELATED TO DIVERSITY?

10. Are the company's attitudes and values expressed in a recruitment process?

- i. If yes, how?
- ii. If no, why not?

11. What values does the organization appreciate the most in a recruitment process?

- i. Why?

12. Does the organizational culture affect your choices during a recruitment process?

- i. If yes, how?
- ii. If no, why not?

13. Who in the organization is responsible for developing a recruitment strategy?

- i. Why?

14. Who makes the decisions in a recruitment process?

- i. Why?
 - a. *Are any of the recruiters of another ethnicity?*
 - i. Does he/she have decision-making authority?

WHEN RECRUITING, WHAT ATTRIBUTES DOES THE FIRM SEEK AMONG THE CANDIDATES, AND ARE THESE INFLUENCED BY THE RECRUITERS' OWN PERCEPTIONS?

Fundamental values

15. What do you emphasize among potential candidates in a recruitment process?

- i. Why?*
 - a. What do you emphasize within the term "competence"?*
 - b. How important is education versus experience when hiring?*
 - i. Why?*
 - ii. If experience, what kind of experience?*

16. Today's market is often characterized by a "war" for the best talents. What do you associate with the word "talented" candidates?

- i. Why?*

Recruitment of diversity

17. Do you think it is important to emphasize diversity in recruitment?

- i. If yes, why?*
- ii. If no, why not?*

18. Do you emphasize diversity in recruitment?

- i. If yes, why?*
- ii. If no, why not?*

19. Have you ever been unsure about recruiting a candidate with another ethnicity?

- i. If yes, why?*
 - a. Can you give me an example of such a situation?*

DOES THE FIRM UTILIZE RECRUITMENT PRACTICES WHICH ENHANCE GREATER DIVERSITY OF PROFESSIONALS?

Recruitment practices

20. Are there any special recruitment practices the company uses to reach the right candidates?

- a. Can you give an example of a recruitment practice you use to reach desired candidates?**
 - i. What is its benefits? Is this effective?

- b. Can you give me an example of a recruitment practice you use to exclude unwanted candidates?**
 - i. Why is this necessary? Is this effective?

Strategy

21. Does the organizational culture (characterized by diversity) affect the design of the recruitment strategy?

- i. If yes, why?
- ii. If no, why not?

22. Does the firm change the recruitment strategy if you want to increase diversity?

- i. If yes, can you explain the difference you make in such a situation?
- ii. If no, why not?

Recruitment process

23. When announcing new positions, does the company emphasize that they want diversity? (images or text in job advertisement or website)

- i. If yes, why and how?

- ii. If no, why not?

24. How do you conduct interviews of candidates with a different cultural background?

a. Do you emphasize structured interviews (situation analyses) or unstructured interviews (conversation) in such situations?

i. Why?

ii. Can you elaborate on this by giving us an example?

ADDITIONAL QUESTIONS

25. Is there anything you would like to add about this topic?

8.2 Request for participation

Request for participation in the research project

“The impact of organizational culture on recruitment in international companies”

Background and purpose

The purpose of the study is to find out if an organizational culture influenced by diversity affects companies' choices during their recruitment process. The research problem is:

“How is recruitment of professionals in international firms influenced by diversity in the organization?”

Three research questions emerge from this:

- 1) “How is recruitment influenced by the organizational culture related to diversity?”
- 2) “When recruiting, what attributes does the firm seek among the candidates, and are these influenced by the recruiters' own perceptions?”
- 3) “Does the firm utilize recruitment practices which enhance greater diversity of professionals?”

The project is in conjunction with our master's degree in Business Administration at the University of Agder, where we have chosen to immerse ourselves in international management. To illuminate our research problem, we want to interview several organizations.

The project focuses on international companies located in the Kristiansand region. Since you are an international company, we ask for permission to interview 1-2 employees in HR regarding this topic.

What does participation in the study involve?

The information from the different units will be retrieved through semi-structured interviews, which enables the interviewees to speak freely and express their opinions on the topic. The questions will address topics related to organizational culture, diversity and recruitment practices. Data will be recorded in the form of notes.

What happens to your information?

The project is scheduled to be completed on 01.06.2018. We can inform you that the organization and any respondents will be anonymized. The collected data will only be used to shape our master's thesis in order to obtain the degree "Siviløkonom".

Voluntary participation

It is optional to participate in the study and you can at any time withdraw your consent without giving any reason. If you withdraw, all information about you will be anonymized. If you want to participate or have any questions about our study, please contact Lotte Eline K. Reiersen +47 478 16 105, Jeanett Helen Kjærnes +47 994 64320 or Torunn Skåltveit Olsen (supervisor) +47 372 33 162.

Consent for participation in the study

I have received information about the study and I am willing to participate

(Signed by project participant, date)

8.3 Reflection paper 1

This thesis was written as my final work of my studies at UiA with a major in International Management. The topic of my master's thesis was "The impact of organizational culture on recruitment in international companies", which I believe represents a good summary of my studies. With my specialization in International Management, I consider the topic and its themes to be typical areas I am very likely to meet in a professional career. The process was at times challenging. We wanted to investigate if, and explain why, there is a relationship between organizational culture and recruitment. Briefly, what features of the organizational culture are more important than others when recruiting for diversity? The main themes of this topic have therefore been diversity, organizational culture and recruitment. Now, as the work is done, I believe that I can say I have learned a lot about different organizational cultures and international companies, as well as how to do research in general.

The thesis may contain some assumptions, but my partner and I have attempted to make the best use of the information obtained. The main findings of this thesis have been that there is a relationship between organizational culture and recruitment, and that diversity is considered an important resource, due to the fact that it may increase a company's innovation and performance. Furthermore, a company's corporate culture may affect the recruitment of diversity in the organization, as the culture determines both what is needed and simultaneously which recruitment measures to implement. Moreover, international companies generally want diversity in their organization, however they may have difficulties with anchoring the diversity in their organizational culture.

International trends

In today's business environment, internationalization of businesses is one of the most prevalent trends. This is something we have been introduced to in several of the subjects at UiA, precisely because we have taken a specialization in international management. More and more businesses have seen the need to expand in order to compete and grow. The topic of this thesis therefore relates to broader international trends in the sense that the world is continuously changing, that globalization has led to many companies working across borders, and which in turn has led to increased mobilization and thus demand for labour.

Organizations therefore have to make use of diversity in order to keep up with competitors and compete successfully.

Diversity is today an acknowledged concept, but there are still many companies that are struggling to both implement and make use of it. In the subject "Strategy", we learned that a business strategy is about corporate values and attitudes, which can help firms to gain an advantage in a changing environment. As diversity can contribute to increased performance, it is therefore important for companies to anchor and establish fundamental strategies around this concept in order to both integrate, protect and benefit the diversity of the organization.

In several of the taught subjects we have also learned that international companies are affected by environmental factors, especially political, economic, sociocultural and technological factors. The business cycle therefore affects international companies to various degrees. The oil crisis and other unforeseen crises are some examples, as they can lead to uncertainty and influence companies to downsize, possibly to the detriment of diversity.

Innovation

One of the focus areas in previous studies on diversity has been innovation. Studies have found that diversity can lead to greater likelihood of achieving innovation. Since this theme has already been thoroughly investigated, this was not something we emphasized in our study. However, I do believe that diversity relates to innovation. By putting together a workforce characterized by diversity, i.e. composed of different viewpoints, perspectives, cultural backgrounds, interdisciplinary skills and experiences, they may complement each other and consequently contribute to improved development and faster innovation.

Responsibility

Another international trend that has gained increased importance in recent years is corporate social responsibility. Furthermore, organizations are increasingly affected by pressure on diversity, and this is an area that has received attention more than ever. Consequently, these are also important reasons for why companies should anchor diversity as part of their fundamental strategy. International companies must assess their actions and follow ethical and social consequences.

By anchoring diversity in their fundamental strategy, they may be able to better act according to the requirements of corporate social responsibility related to inequalities and ethnicities. Companies that do not comply with social responsible requirements risk poor reputations,

which in turn can lead to loss of employees and labour shortages. Accordingly, the new standard of diversity management is therefore an important tool the organizations can use in order to shape a well-balanced and valuable organizational culture.

This thesis has explored the impact of organizational culture, and measures to increase the diversity in organizations through recruitment. The thesis can therefore help businesses to become aware of diversity, put it on the agenda and focus more on these areas.

8.4 Reflection paper 2

The purpose of this dissertation was to investigate if, and explain why, there is a relationship between organizational culture and recruitment. More precisely, how recruitment of professionals in international firms is influenced by diversity in the organization. To narrow down the focus of our dissertation, we have focused on international companies located in the Kristiansand region.

Our research is based on a sample of six international companies located in the Kristiansand region, and our findings can thereby only provide some indications of how diversity in an organization impacts recruitment.

First of all, our findings suggest that there is a relationship between organizational culture and recruitment. It is the organizational culture that determines what the different companies lack and need to add through recruitment.

Furthermore, our findings indicate that a company's culture may have implications for how diversity is emphasized in the organization. In our dissertation, companies that were categorized as knowledge-sharing cultures were more concerned with recruiting inequalities, and thereby more dependent on having diversity in their organization.

Moreover, our thesis suggests that international companies located in the Kristiansand region have an organizational culture characterized by diversity. Nevertheless, it is important to emphasize that this varies to different degrees. Companies that do not actively advertise that

they have a diverse workforce and a desire for greater diversity, tend to be less affected by diversity in the organization. This also applies to companies that stipulate Norwegian as a language requirement in recruitment.

For some of the companies in our dissertation, it seems like the diversity in their organizational culture may be more coincidental than something they have a conscious attitude towards. Nevertheless, one company stands out in our dissertation. This company has its own diversity committee, leaders of different ethnicities and English as their working language. Interestingly, this is the only company of our sample that sells a service rather than a physical product, and it can therefore be questioned whether this may be the reason for why they are more influenced by diversity in their organization compared with the remaining companies.

Accordingly, our dissertation indicates that it is probably more common to be less affected by diversity, although the various companies agree that diversity is an important resource that could potentially affect their performance in the labour market. Consequently, we get the impression that international companies (in the Kristiansand region) need to put diversity even higher on their agendas and implement strategies to ensure diversity in recruitment. It is also important that companies are aware of the diversity that exists in their organization and how to utilize this concept in order to take advantage of its potential benefits. Companies that implement such changes, will potentially have greater ability to compete in today's labour market.

Internationalization

As a result of globalization, companies are experiencing a pressure to work and cooperate across borders. This implies that companies are not only cooperating across borders, but also across cultures. People tend to minimize cultural differences by remaining unaware of different cultures, and this may prove to be the foundation of misunderstandings and conflicts between people from different countries. The ability to understand cultural differences can therefore be essential for the company's success.

Diversity in organizations usually includes people with different backgrounds, views and perspectives. Companies with diversity in the organization can take advantage of this

inequality and create strategies that complement the market they either collaborate with or operate in. Consequently, the differences among the employees that a diverse workforce brings can be a crucial feature that can help the corporation's position in the marketplace.

Innovation

In today's market (i.e. especially in Norway), we often hear that the future will be characterized by digitalization. Consequently, innovation has been afforded greater focus among companies.

Innovation is about streamlining solutions and to constantly come up with new ideas and improvements that can help a company to stand out from its competitors.

A diverse workforce can affect a company's innovation by bringing employees with different backgrounds, viewpoints and skills together. It must be noted that diversity should be managed. Diversity management is voluntary, but it will help companies achieve the potential benefits of diversity and reduce the chances of potential disadvantages. This may be something companies are unaware of. It is important to make sure that each employee achieves their full potential, as this can potentially affect the innovation of the company, and consequently performance.

Responsibility

Responsibility is related to the two topics mentioned above (i.e. internationalization and innovation). It is the company's responsibility to implement strategies to ensure diversity through recruitment, as well as managing the diversity that already exists in the organization to be able to take advantage of its potential benefits.

Diversity management is, among other things, about managing different cultures. In order to lead employees from different cultures, managers need to be aware of cultural differences. In recruitment, this applies in relation to the managers' own perceptions and beliefs, and they must ensure that these do not influence their decisions.

To be able to utilize the diversity in the organization, companies need to take responsibility and implement measures that will ensure it, as this can affect the company's performance.

Companies that manage to implement such changes will potentially have a better “starting point” for competing in today’s labour market.