

Top Views of Diversity:

Japanese Top Management Perspectives of Workforce Diversity in Japan ¹

Darren M. McDonald

Contents

1. Introduction
2. Emergence of the Concept of Workforce Diversity in the West and Japan
3. The Role of Top Management in Workforce Diversity
4. Overview of the Nikkeiren Report on Workforce Diversity in Japan
5. Method
6. Results & Analysis
7. Discussion
8. Conclusion

1. Introduction

In May 2002, Nikkeiren (Japan Federation of Employer's Associations) released a report (Nikkeiren Daibashiti Waku Ruru Kenkyukai, 2002) on the introduction of diversity management into Japanese companies. The premise of the report is that diversity in Japan is becoming an important factor for corporate growth and that diversity-based personnel management systems need to be established because of this. Nikkeiren's report represents a major shift from the espoused ideals of homogeneity and group orientation in the 'Japanese-style management' of the 70s, 80s and early 90s, to a management philosophy that harnesses differences in people.

¹ This paper is a developed version of the presentation made at the 74th Annual Conference of the Japan Society of Business Administration, Aichi Gakuin University, September 3-6, 2003.

In this paper, I examine the perspectives held by Japanese top management contained in the Nikkeiren report towards workforce diversity in Japan. Firstly, I briefly discuss the emergence of the concept of workforce diversity in the West and Japan. Secondly, I provide an overview of the management literature on the role of top management in diversity management and initiatives, providing a framework or lens through which to conduct the analysis. Thirdly, I use cognitive mapping to draw out the strategic concepts contained within top management perspectives of diversity in interviews published in the Nikkeiren report. Lastly, I highlight the strategic concepts that emerge from the cognitive maps and consider what implications these concepts have when conducting further studies into workforce diversity in Japan.

2. Emergence of the Concept of Workforce Diversity in the West and Japan

In the West, particularly the U.S., concepts of diversity emerged initially from the civil rights and women's movement and the increase in the population of ethnic minorities. In terms of business management, most companies were concerned with diversity largely because of the ethical and legal ramifications due to anti-discrimination laws and affirmative action. Progressively, management attention turned to how to best manage diversity to reduce conflict and increase performance and then to the present focus on diversity as a business strategy and even as a source of core competency.²

The extent to which management see diversity as important today is most evident in the large amounts of money American companies spend on diversity training. Spending is estimated to total \$8 billion annually (Hansen, 2003).

Much of the current literature in managing diversity is informed by the lessons and issues uncovered in consultancy. More recently, studies into diversity are becoming more established in such specializations as psychology (Crosby &

² For example, refer to the survey commissioned by the Department of Immigration and Multicultural and Indigenous Affairs of the Australian Government titled "Corporate Awareness of Diversity in the Australian Workplace: The Mind of the CEO" available from the World Wide Web at <http://www.diversityaustralia.gov.au/case/04.htm>

Stockdale, 2004) and in the more plural approaches that deal with organizational learning (Plummer 2003).

In Japan, diversity is gaining management attention because of the increased diversification in employment structures, especially among peripheral workers (Futagami 1998), changes in values and thinking of workers as evident in such workers as the *shigoto-jin* (*job-orientated worker*) (Ota, 1997), the increasing status of women (Baba 1996), the ageing of the population, the decreasing number of births, and globalization.³

Rather than an ethical pursuit, Japanese management has positioned diversity management as a strategic imperative. This strategic focus is articulated in Nikkeiren's (Nikkeiren Daibashiti Waku Ruru Kenkyukai, 2002) definition of diversity. Nikkeiren states that diversity is:

...a strategy that makes use of the diversity of human talent. It is a strategy not bound by past corporate or social standards and incorporates diversity traits (gender, age, nationality, and so on) as well as diverse values and thinking to respond promptly and flexibly to changes in the business environment and to link company growth with the happiness of the individual. (p. 5) (translation mine)

While Nikkeiren's definition reflects the more recent lessons of the West, it also emphasizes the type of diversity critical to Japan - diverse values and thinking. The definition also insists on a shift from "past corporate or social standards" espoused in the 'Japanese-style management' of the 70s, 80s, and early 90s that are now inhibiting companies from responding more effectively to a new, changing business environment.

³ For a detailed discussion of workforce diversity in the Japanese context refer to Hanaoka (1999), Hanaoka (2000), Hanaoka (2001) as well as McDonald (2003).

3. The Role of Top Management in Workforce Diversity

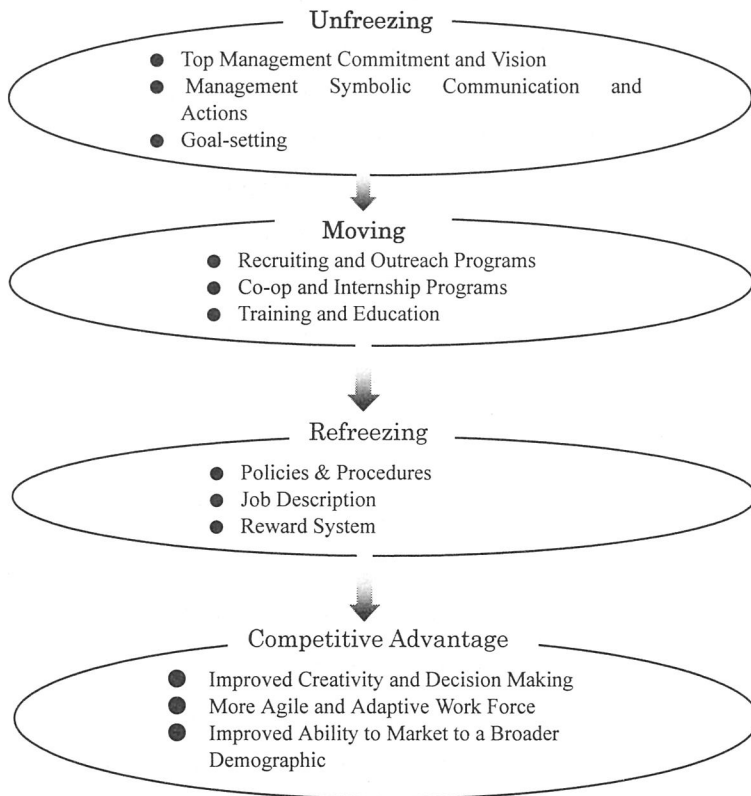
As the focus of this paper is top management perspectives towards workforce diversity, we need to consider what role top management play in implementing and managing diversity. This focus is important because, as Chrobot-Mason & Ruderman (2004) point out, top management play a crucial role in realizing whether workforce diversity is a force behind competitive advantage or negatively influences the organization resulting in costs to the company.

Much of the recent management literature frames the role of top management in workforce diversity within organizational development and culture change. The basis for this framework comes from the difficulties and failures diversity consultants and management have faced in implementing diversity initiatives. Allen & Montgomery (2001) explain that “ ... diversity initiatives often fail because they typically use a scattershot approach instead of a planned approach to organizational change. Top managers often identify a need for diversity – they want the benefits – but the implementation is frequently disjointed ... real cultural change is not enacted.” (p. 152.) Hensen (2003) echoes this by pointing out the dangers of implementing diversity initiatives that fail to fully grasp the nature of the organization in the planning stages.

Allen & Montgomery Model

Allen & Montgomery (2001) stand as a clear example of turning to studies in organizational development and culture in developing their approach to implement diversity initiatives by company leadership. Drawing from the work of Kurt Lewin (1951) and the later refinement of Lewin’s theory by Edgar Schien (1992), Allen & Montgomery create a five-stage model for creating diversity in the organization (Figure 1).

Figure 1
Model for Creating Diversity



Source: Allen, Richard S. & Kendyl A. Montgomery (2001) "Applying an Organizational Development Approach to Creating Diversity", *Organizational Dynamics*, Vol. 20, No.2, Fall, p. 155.

The ultimate goal of the model is to bring about both changes in organizational processes and culture so companies can be transformed into a multicultural organization. The reference to the multicultural organization comes from the work of Taylor Cox, Jr. who identifies three different types or organizational levels: monolithic, pluralistic and multicultural. According to Cox (1993), the multicultural organization is best equipped "... to maximize the potential benefits of diversity and minimize potential drawbacks." (p. 230)

Leadership has the most direct role in Allen & Montgomery's Model in the "unfreezing" stage. In this stage, the job of top management is to "unfreeze" the company's culture by changing the system within which the culture is operating. As the company's visionaries, top management need to develop a vision of diversity and communicate this to all in the company. This communication is largely symbolic, but must be reflected in management's actions, as well as words. Top management need to also commit organizational resources in order to achieve an overall diversity plan. Resources include staff for a steering committee that is also comprised of top managers themselves. A task of this steering committee is to determine 'a list of critical diversity-related skills and competencies' necessary for the success of the organization as well as a 'set of measurable diversity improvement goals.'

The stages that follow in Allen & Montgomery's model work towards implementing and securing the overall diversity plan and vision set by top management. Allen & Montgomery (2001) stress the importance of top management's planned approach in the first stage by arguing that "... practices (towards the movement of diversity), if done separately and not as part of a planned approach to organizational change, (are) much less likely to be successful in changing the organization's culture." (p. 156)

Taylor Cox, Jr. Model

Taylor Cox, Jr. laid the groundwork⁴ for much of the present-day research into managing diversity within the context of the business organization. Cox's more recent work (Cox & Beale 1997) frames organizational change as a process for enhancing "diversity competency." The focus on process is deliberate as Cox argues that diversity competency is gained through a *process of learning* as opposed to acquiring a list of skills. This thinking is central to Cox's (Cox & Beale 1997) definition of diversity competency, which he defines as "... a process of learning that leads to an ability to effectively respond to the challenges and opportunities posed by the presence of social-cultural diversity in a defined social

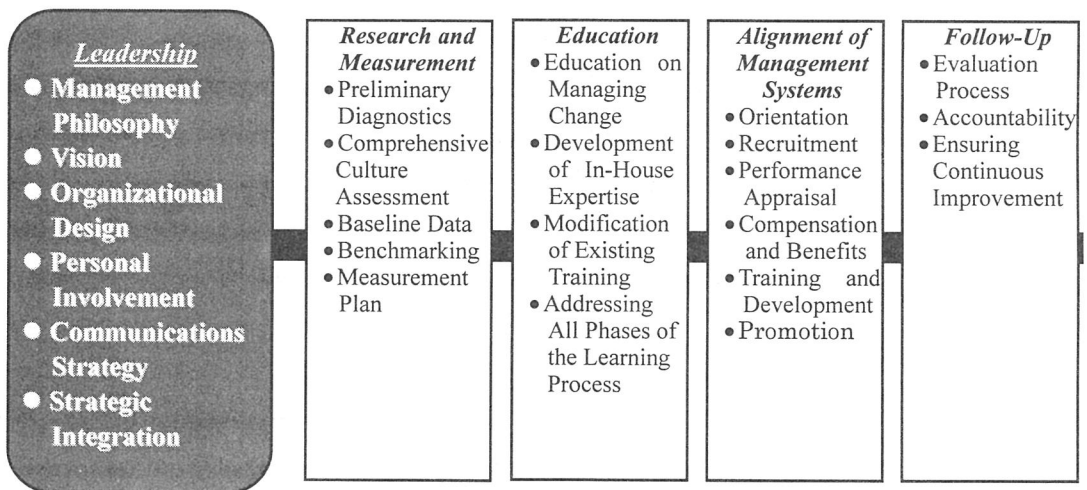
⁴ Especially refer to Cox (1994), Cox & Beale (1997) and Cox (2001).

system.” (p. 2)

Ideally, every single organization member should be responsible for change and learning. However, Cox recognizes the shortcomings of this ideal in practice and therefore asserts the company’s top management (and other leaders) with special responsibilities as indicated in his “Model for Guiding Organizational Change for Managing Cultural Diversity” (Figure 2). In other words, it is leadership who initiate organizational change. According to Cox’s model, leadership is directly responsible for six items: management philosophy, vision, organizational design, personal involvement, communications strategy, and strategic integration.

Figure 2

Model for Guiding Organizational Change for Managing Culture Diversity



Source: Cox, Taylor, Jr. & Ruby L. Beale (1997) *Developing Competency to Manage Diversity: Readings, Cases & Activities*, San Francisco, U.S.A.: Berrett-Koehler Publishers, Inc. p. 285

Chrobot-Mason & Ruderman Model

Chrobot-Mason & Ruderman (2004), make a closer examination of leadership processes and skills necessary for a diverse workplace. While framing the examination within widespread organizational change, Chrobot-Mason &

Ruderman call for a reworking of leadership theories more consistent with diversity.

The need to reexamine leadership approaches comes from the failure of leaders to actively manage diversity. This failure stems from the beliefs management hold to approaching diversity. One belief, known as the “colorblind” perspective, approaches demographic differences by ignoring differences and treating everyone the same. Another belief is to “do onto others as you would have them do unto you.” Both approaches, Chrobot-Mason & Ruderman argue, “... attempt to minimize or ignore differences and treat everyone as if they were alike.” (p. 102) According to Social Identity Theory (SIT) leaders who ignore differences are in essence communicating to their employees they are not valued members of the organization (Cox 1994).

In order for top management to be more effective in leading a diverse workforce, Chrobot-Mason & Ruderman argue for a more individualistic approach, like that found in the Leader-Member Exchange Theory (LMX). LMX looks at the unique work relationship that develops between leaders and each group member. Framing organizational change on the basis of unique individual work relationships, Chrobot-Mason & Ruderman are able to redefine key leadership processes and skills more inline with an organization consisting of diverse members.

According to Chrobot-Mason & Ruderman’s Model, diversity holds implications for key leadership processes in assembling a team, developing others and enhancing teamwork. At the same time, leaders need to develop what Chrobot-Mason & Ruderman (2004) call ‘multicultural competence’, defined as “ ... proficiency in diagnosing diversity issues and resolving diversity-related conflicts and organizational problems by reaching a mutually satisfying solution for all parties involved.” (p. 114) Multicultural competence includes knowledge of cultural differences, increased self-awareness and the multicultural skills of conflict management, feedback seeking and role modeling.

For the purpose of this study, the above models provide us with a number of different lenses through which to examine the perspectives held by top management towards diversity. Of particular importance is framing diversity management within organizational change and developing an organizational culture supportive of diverse employees. Another point is the focus on building competence to manage diversity through a process of learning rather than aiming for a set of skills per se. Although not discussed above, this point suggests that diversity competency is not so much focused on outcomes but more on processes of transformation. While a subtle shift in focus, this notion recognizes that change is continuous and that outcomes (in this case, the set of skills acquired to manage diversity) become quickly outdated with the change in the organization. A final point is to reframe the role of leadership as a more individualistic approach with a focus on unique leader-employee work relationships.

4. Overview of the Nikkeiren Report on Workforce Diversity in Japan

This paper analyzes the interviews with Japanese top management about diversity in the Nikkeiren Report on workforce diversity in Japan (Nikkeiren Daibashiti Waku Ruru Kenkyukai, 2002). Released on May 15th 2002, the report (in Japanese⁵) describes the research into diversity management by the Nikkeiren Diversity Workrule Committee. The Committee was inaugurated in August 2000 and consists of thirty young (aged from the mid-20s up to the mid-30s) company professionals belonging to personnel/labor departments, as well as five advisors. The companies represented cover a wide range of sectors and are almost exclusively large corporations. A complete list of the committee members and their corporate affiliation is included at the end of the report.

The report contains two main sections. The first section puts forward a business case for diversity management, providing a definition of diversity (based on hearings conducted with Japanese affiliates of American companies), considers

⁵ An English summary of some of the initial research findings by the Committee can be found in the news article "From Ethics to Strategy: Nikkeiren's Diversity Work Rule Committee Releases Interim Report (August 2001)". Available from the world wide web at: http://www.keikyoweb.gr.jp/nikkeiren/english/01_news/041.htm

the direction of diversity management in Japan, and features seven interviews with top management from Japanese companies on their thoughts of diversity. It is on these seven interviews that the analysis and discussion of this paper is based.

The second section describes some concrete initiatives to deal with diversity by examining present-days trends that are propelling diversity in Japan and the actions management needs to take, especially in the area of personnel management. Headings include, complex (plural) personnel systems, strategic human resource development that match the needs of the individual and the organization, trial recruitment practices to attract workers in minor employment categories to enhance diversity, open recruitment practices that meet the diverse needs of the both companies and new graduates, fringe benefits that do not promulgate any one lifestyle, communications that allow clear voicing and listening of concerns, information gathering and coordinating function by labor unions and raising and strengthening functions in policy formulation.

5. Method

Seven interviews contained in the Nikkeiren report (Nikkeiren Daibashiti Waku Ruru Kenkyukai, 2002) with top management about workforce diversity were analyzed. Top management interviewed were: Mr. Hiroshi Okuda (Chair, Toyota Motor Corporation), Mr. Masahiko Okuni (Chair, Oji Paper Co., Ltd.), Mr. Kakutaro Kitashiro (Chair, IBM Japan), Mr. Fumikatsu Tokiwa (Chair and Representative Director, Kao Corporation), Mr. Seiji Fukatsu (Senior Advisor, All Nippon Airways Co. Ltd.), Mr. Yoshiharu Fukuhara (Honorary President, Shiseido Co. Ltd.), and Mr. Keizo Yamaji (Chair, Nihon Tetra Pak K.K.)⁶

Analysis of the interviews used cognitive mapping techniques developed by Eden & Ackermann (1998). As Eden & Ackermann explain, “cognitive mapping ... is a

⁶ Since the publication of the Nikkeiren Report, Nihon Tetra Pak K.K has elected an Australian as the new company president. Refer to the announcement on the company website at http://www.tetrapak.co.jp/NEWS/TOPICS/030201_e.html

technique designed to capture the thinking of an individual about a particular issue or problem in a diagrammatic, rather than linear form.” (p. 285) The mapping technique draws on George A. Kelly’s theory of personal constructs, a cognitive theory that “... argues that human beings are continually striving to ‘make sense’ of their world in order to ‘manage and control’ that world.” (Eden & Ackermann, 2001, p.23)

Ackerman, Eden & Cropper explain that:

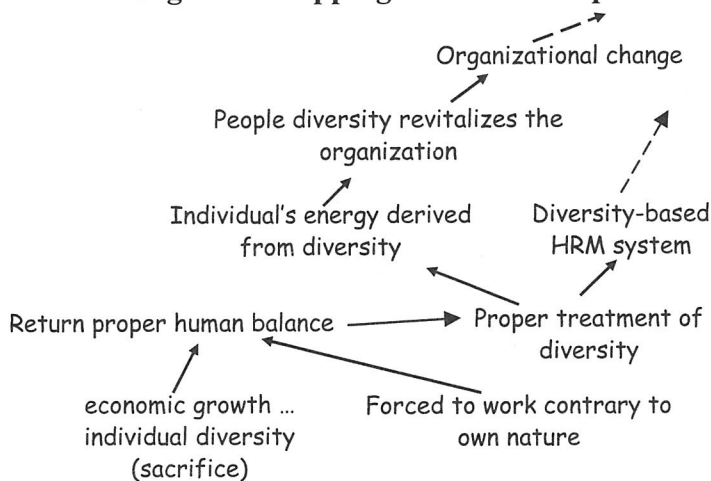
cognitive mapping may be used for a variety of purposes although a "problem" of some sort usually forms the focus of the work. It is a technique used to structure, analyse and make sense of accounts of problems. These accounts can be verbal - for example, presented at an interview, or documentary. Cognitive mapping can be used as a note-taking method during an interview with the problem owner and provides a useful interviewing device if used in this way. Alternatively, it can be used to record transcripts of interviews or other documentary data in a way that promotes analysis, questioning and understanding of the data. (Ackerman, Eden & Cropper 1993-1996)

Cognitive mapping, in this paper, is used to map the statements made by Japanese top management in the printed interviews from the Nikkeiren report. Ideally, a better approach would be to conduct interviews in person using the mapping method so that thinking can be explored more deeply and the map itself (especially the linkages between concepts) could be ‘owned’ by the company top management being interviewed. However, cognitive mapping is also an effective method to draw out a rich picture of perspectives and thinking from qualitative data. For some examples of this method in other studies refer to Porac, Mishina & Pollock (2002), Edkins (1998), and Fahey & Narayam (1986). For the purposes of this study, cognitive mapping of the interviews in the Nikkeiren report provides us with a rich picture of how Japanese top management see workforce diversity.

First, comments, in the form of sentences, were selected from the text from each interview and translated into English. These comments were then mapped following the twelve guidelines described by Ackermann, Eden & Cropper (1993-1996). In summary, these guidelines are: (1) separate sentences into distinct phrases (2) build up the hierarchy, (3) watch out for goals (which should end up at the top of the map), (4) watch out for potential strategic directions (which are

linked to goals above and potential options below, (5) look for opposite poles as they clarify the meaning of concepts, (6) add meaning to concepts by placing the concepts in the imperative form and where possible including actors and actions, (7) retain ownership by not abbreviating but rather keeping the words and phrases used by the problem owner⁷, (8) identify the option and outcome within each pair as this provides the direction of the arrow linking concepts (9) ensure that a generic concept is superordinate to specific terms that contribute to it, (10) code the first pole as that which the problem owner sees as the primary idea, (11) tidying can provide a better more complete understanding to the problem and, (12) start mapping two thirds of the way up the paper in the middle and try to keep concepts in small rectangles of text rather than as continuous lines of text. An example of how these guidelines were followed for this study is illustrated in the partial concept map of the interview with Mr. Hiroshi Okuda, Chair, Toyota Motor Corporation in Figure 3.

Figure 3
Cognitive Mapping Process Example*



*Part of cognitive map of the interview with Hiroshi Okuda, Chair, Toyota Motor Corporation

⁷ As the sentences and phrases were taken from a printed interview and were translated into English from the source language Japanese, this guideline was slightly modified. Rather than keeping the exact phrases and words, which would imply a direct translation approach, the *message* implied in the phrases and words were translated. This is in line with recent translation theory and is necessary so that the concepts that these phrases become can maintain their logic construction for mapping in English. Even with this approach, special words and terms used by the interviewee were kept where possible. Further studies need to be done into exploring the implications of conducting cognitive mapping entirely in Japanese.

All the seven cognitive maps were then merged (Rosenhead & Mingers, 2001, p. 32) to form one map. Statements in the map were then clustered, resulting in the emergence of strategic concepts. Once the seven maps were merged, statements in the individual maps were also merged to identify the strategic concepts for each company president.

6. Results & Analysis

(A) Individual Company Concept Maps

Results for each of the seven companies appear in the form of the cognitive maps listed in the Appendix. Following is a point-summary of the strategic concepts in each map.

Hiroshi Okuda, Chair, Toyota Motor Corporation

- Diversity is a core source of energy for people.
- Pro-actively introducing and supporting diversity in the organization can lead to change and even enable the company to leap in new directions.
- Diversity provides the frame within which creativity can flourish.
- Diversity should act as stimulus for the whole organization and not be segregated.
- Founding philosophy of diversity that focuses on difference within sameness.
- Importance of diversity-based personnel system and a diversity-friendly corporate culture.
- Diversity provides top management with a totally new framework to think in. (Thinking out of the box. Dare to dream.)

Masahiko Okuni, Chair, Oji Paper Co., Ltd.

- Diversity ultimately leads to maintaining high productivity.
- Major forces propelling the increase of diversity include gender issues, a shrinking labor force, the nature of corporate cost structures and the globalization of business practices.

- How to deal with the peripheral worker presents a critical challenge for management.
- Diversity, particularly through global forces, is bringing change to Japanese management practices.
- Diversity philosophy focusing on how to obtain the best from a larger (international) pool of talent.

Kakutaro Kitashiro, Chair, IBM Japan

- Diversity positioned as a strategic managerial goal.
- Diversity helps create a corporate culture that attracts talented workers in a competitive labor market.
- Individual-based personnel system acts as support mechanism for diversity, enabling the “right person for the right job.” Diversity philosophy based on respecting each person as an individual and providing an environment where each employee can realize her or his skills and abilities.
- Gender issues as a current critical issue.

Fumikatsu Tokiwa, Chair and Representative Director, Kao Corporation

- Diversity differentiates one company from another being a competitive strength — from ‘bigger is better’ to ‘quality is competitive’.
- Nature of the borderless (organization) means proactively inviting difference.
- Diversity-based personnel system support mechanism brings out the quality in diversity.
- Founding philosophy that views diversity has multi-faceted (complex) and looks within as well as outward.

Seiji Fukatsu, Senior Advisor, All Nippon Airways Co. Ltd.

- Critical focus on the function and role of top management – from rhetoric to practice.
- Major force behind diversity is the global setting of business operations.
- Diversity-based personnel system that proactively brings in people with different outlooks and ways of thinking.

- Diversity enables matching the right person for the right job.
- Western manager experience with diversity has been largely passive (reactionary rather than proactive).

Yoshiharu Fukuhara, Honorary President, Shiseido Co. Ltd.

- Diversity viewed as being good for the long-term (survival) of the company.
- Diversity should be (strategically) converged with management practices.
- Enables to view older and retired employees as a renewed human asset.
- Implementation of gender-free projects.
- Role of companies to help employees be accommodating of diversity by developing character and humanity.

Keizo Yamaji, Chair, Nihon Tetra Pak K.K.

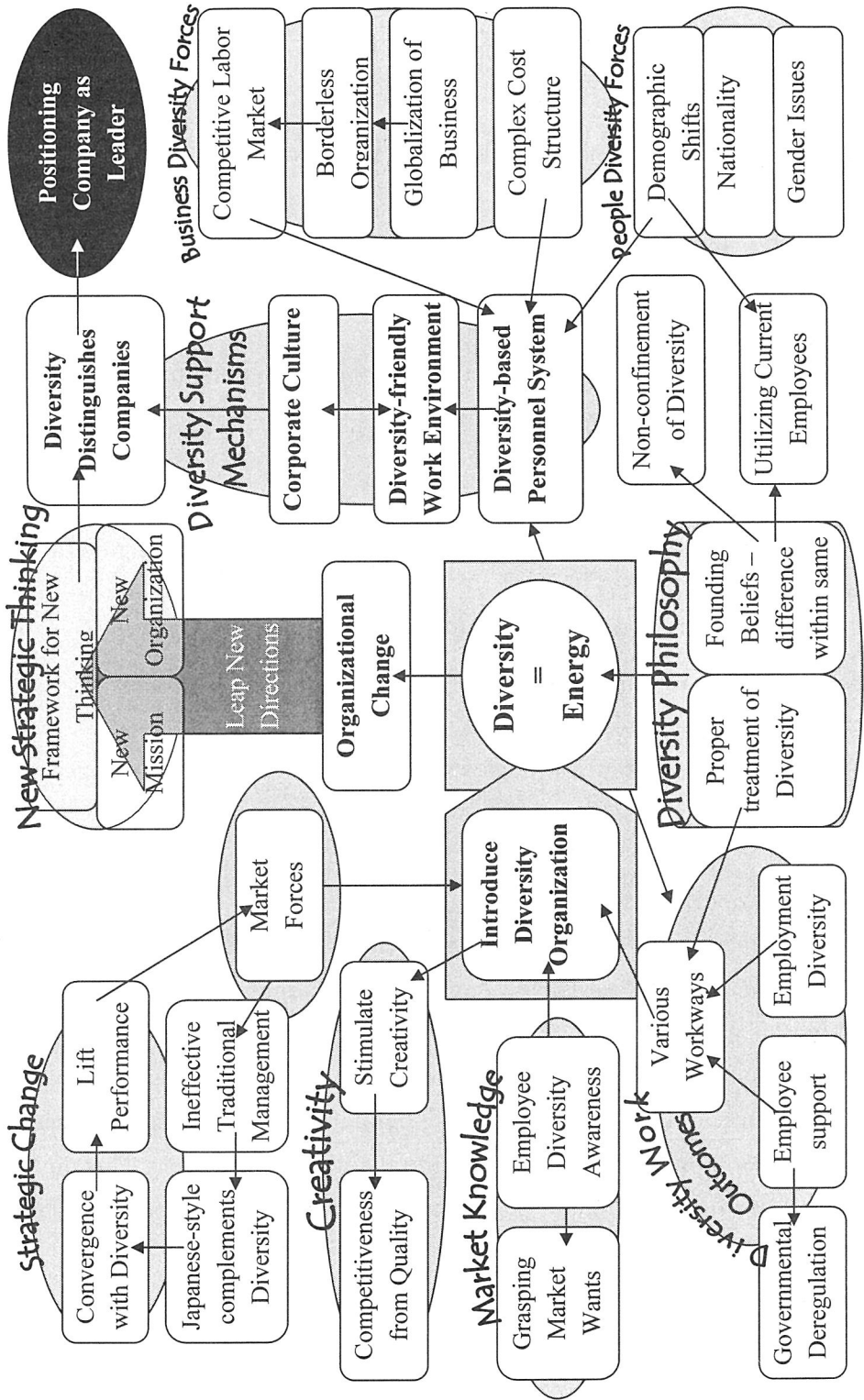
- Diversity can position the company as future leader by distinguishing it from other companies.
- Diversity as a critical component of management strategy.
- Long-term thinking and respect for people as components of Japanese management philosophy that can support diversity strategy.
- Personnel employment strategies as support mechanism for diversity.
- Globalization of business a critical force in appreciating diversity.

(B) Merged Concept Map

Figure 4 indicates the result of merging the seven individual concept maps. In summary, the map indicates that Japanese top management perceives workforce diversity as an important source of people energy and seeks to proactively introduce diversity to enable the organization to leap to a new direction. To ensure the proper functioning of this energy, top management see it as their job to create a work environment that realizes individual skills and abilities. This environment is realized through personnel systems and work styles that respect the individual,

Figure 4

Strategic Concepts (Cognitive Map) of Japanese Top Management Perspectives of Workforce Diversity



based on a founding philosophy of diversity that preaches sympathy and solidarity. Inherently, diversity needs to function as an in-built mechanism of corporate culture. The major forces at play in the business environment are seen to be globalization, shifts in consciousness in gender, diversification of tastes among customers, the increasing fluidity of the labor market, erosion of organizational boundaries, and market forces that demand quality over quantity and marked distinctions between companies. Top management ultimately envisages diversity as helping the company become a leader. To top management individually, diversity provides an important mind-set to break the bounds of dogmatic economic rationale.

7. Discussion

Japanese top management views of diversity, as articulated in the individual and merged cognitive maps, raise a number of points we need to consider when looking at workforce diversity in Japan. Following is a summary of some of these issues with references and extensions of the ideas all ready explored in the models of the “role of top management in managing diversity”.

Reconsideration of Diversity Philosophy

Japanese top management is encouraging us to revisit our fundamental notions of human diversity. The impetus for this revisit is the recognition that, in Japan, in order to pursue national economic objectives, humanness was sacrificed. Consideration of diversity, therefore, represents a return to proper ‘human balance’. Diversity is viewed as being at the very core of humanity and thus the source of people energy. Framed in this way, to truly understand difference at a fundamental level, we need to recognize that as humans we are largely the same. This deep-level understanding raises our sense of positive sympathy towards differences in other people and lays the foundations of solidarity. Extended to the organization, this means that diversity initiatives should *not* be pursued as independent and segregated.

Shift from Quantity to Quality

In looking to the future, Japanese top management is conscious that competitive strength will come from quality as opposed to being the biggest. Although it is immediately important to consider diversity in terms of productivity, for the long-term, diversity needs to be looked to as the company's core source of creativity.

Support for Human Resource Management (HRM) Strategy

Although HRM systems need to support the functioning of diversity in the organization, diversity also supports HRM strategy. For instance, diversity helps create a corporate culture attractive to talented workers in a competitive labor market as well as draw on non-mainstream sources of labor such as retired workers. In order to support diversity, HRM systems need to become more individual based resulting in better job-person matches (fit).

Organizational Change

Diversity needs to be a core power source in organizational change. This implies that rather than trying to change the organization to suit diversity, diversity needs to be a mechanism for organizational change itself. This attention places more importance on the proper functioning of diversity, rather than just on outcomes.

Organizational 'Leaps'

Given that Japanese top management see traditional "Japanese-style" approaches to management as proving ineffective, diversity not only provides management with tools to break from the traditions, but also 'leap' into new directions. This notion gives organizational change a more pronounced and quickened progression to a totally new organization with a new mission. What top management is suggesting is that diversity may be the source for a new paradigm shift in organizational change.

Diversity as a Base for New Managerial Mindsets

Diversity helps top management frame their thinking in new ways. In strategic thinking, focusing on diversity enables management to reframe the company's core competencies. Focusing on diversity also gives top management the latitude to consider new and different perspectives that are not dictated by economic rationale.

A New Working Definition of Workforce Diversity

Based on the merged cognitive map, a modified Nikkeiren's definition of workforce diversity more in line with top management can be formulated.

“Diversity is the core force of energy in people and drives organizational change, enhancing competitive strength through quality. Diversity dwells in the ‘difference in sameness’, and as an in-built mechanism of corporate culture and change enables employees to realize their potential skills and abilities as well as quality of life. Diversity provides top management with a new mindset for strategic thinking and, by intrinsically distinguishing the company from others, positions the company to become a leader.”

8. Conclusion

This paper examined perspectives held by Japanese top management towards workforce diversity. Cognitive mapping indicated that top management view diversity as an important source of ‘people energy’ to change and steer the company towards becoming a leading company. As such, past—espoused notions of homogeneity are being passed over for an environment and corporate culture that realizes the potential, and fuller set of skills and abilities, of the individual. With the focus on the individual employee and a shift to individual-based management systems, further research needs focus on employee perspectives.

A common focus of Japanese top management was on the role of diversity in organizational change. Although diversity was seen as bringing about change, it was also viewed as being the very mechanism of change. This reframes the concept

of “managing diversity” more in line with Cox Taylor’s notion of developing diversity competencies with a closer focus on processes rather than on outcomes. This thinking deserves further study, especially in line with the more recent management theories in organizational learning, appreciative systems and autopoiesis. These theories shift the interest from functionality for set desired *outcomes* to *internal transformation*.

Lacking in the perspectives was a self-reflection on the company leadership’s own representation of diversity. If Japanese top management is to act as a role model for diversity in the organization, then management need to consider more consciously how to fulfill this role. As the Japanese definition of diversity extends beyond traits as race and gender to values and thinking, then new notions and approaches to portraying these more invisible traits to all the organization need to developed.

As Hiroshi Okuda, Chair of Toyota, so succinctly stated, “people’s energy comes from diversity”. The challenge for all companies in Japan will be how to integrate this energy within the very structure of the organization. Meeting this challenge is imperative for corporate resilience and survival, and for the good of every individual member of the organization.

References

- Ackermann, Fran, Colin Eden, & Steve Cropper (1993-1996) *Cognitive Mapping: Getting Started with Cognitive Mapping*, Management Science, University of Strathclyde. Retrieved January 11, 2004, from <http://www.banxia.com/depaper.html>
- Allen, Richard S. & Kendyl A. Montgomery (2001) "Applying an Organizational Development Approach to Creating Diversity", *Organizational Dynamics*, Vol. 20, No.2, Fall, pp. 149-161.
- Baba, Fusako (1996) *Hataraku Josei no Shinrigaku (Psychology of the Working Woman)*, Tokyo: Hakutoshobo. (In Japanese)
- Brazzel, Michael (2003) "Historical and Theoretical Roots of Diversity Management," in Deborah L. Plummer (ed.) *Handbook of Diversity Management: Beyond Awareness to Competency Based Learning*, Lanham, USA: University Press of America, ©Inc. (pp. 51-93).
- Chorbot-Mason, Donna & Marian N. Ruderman (2004) "Leadership in a Diverse Workplace" in Stockdale, Margaret S. & Faye J. Crosby (eds.) *The Psychology and Management of Workplace Diversity*, M.A., U.S.A: Blackwell Publishing Ltd.
- Cox, Taylor Jr. (1993) *Cultural Diversity in Organizations: Theory, Research & Practice*, San Francisco, U.S.A.: Berrett-Koehler Publishers.
- Cox, Taylor, Jr. & Ruby L. Beale (1997) *Developing Competency to Manage Diversity: Readings, Cases & Activities*, San Francisco, U.S.A.: Berrett-Koehler Publishers, Inc.
- Cox, Taylor Jr. (2001) *Creating the Multicultural Organization: A Strategy for Capturing the Power of Diversity (University of Michigan Business School Management Series)*, San Francisco, CA: Jossey-Bass John Wiley & Sons, Inc.
- Eden, Colin & Fran Ackerman (1998) *Making Strategy: The Journey of Strategic Management*, London: Sage Publications Ltd.

Eden, Colin & Fran Ackermann (2001) "SODA – The Principles" in Rosenhead, Johnathan & John Mingers eds. *Rational Analysis for a Problematic World Revisited*, West Sussex, England: John Wiley & Sons, Ltd.

Edkins, Andrew (1998) *A Cognitive Approach to Exploring the Management of the Design Process*, RICS Research, The Royal Institution of Chartered Surveyors (UK), Retrieved January 12, 2004, from <http://www.rics-foundation.org/publish/document.aspx?did=2091>

Fahey, Liam & V. K. Narayanan (1986) "Organizational Beliefs and Strategic Adaptation", *Academy of Management Proceedings*, pp. 7-11

Futagami, Kyoichi (ed.) (1998) *Senryaku-teki Jinzai Kaihatsu: Kontenjento Koyo Shisutemu, (Strategic Human Resource Development: The Contingent Employment System,)* Chuo Keizai Sha. (In Japanese)

Hanaoka, Masao (1999) *Diversity and HRM in Japan*, Research Paper No. E-20, Institute of Business Research, Daito Bunka University (March)

Hanaoka, Masao (2000) *Implications of Workforce Diversity for Human Resource Management in Japan: A Research Survey*, Research Paper No.E-32, Institute of Business Research, Daito Bunka University (March)

Hanaoka, Masao (2001) *Jintekisigenkanriron (Human Resource Management)*, Tokyo: Hakutoushou. (In Japanese)

Hensen, Fay (2003) Diversity's Business Case Doesn't Add Up, in *Workforce*, May. Pp. 28-32.

Lewin, Kurt (1951) *Field Theory in Social Science*, New York, USA: Harper and Row

McDonald, Darren (2003) "Strategic Human Resource Management Approaches to Workforce Diversity in Japan: Harnessing Corporate Culture for Organizational Competitiveness", *Global Business Review*, 4:1, pp. 99-114

Nikkeiren Daibashiti Waku Ruru Kenkyukai (2002) *Gentenkaiki: Daibashiti Manejimento no Hokosei (Back to the Basics: Directions in Diversity Management)*, May, Tokyo: Nihonkeieishadantairenmei. (In Japanese)

Ota, Hajime (1997) *Shigoto-jin no Jidai (The Age of the Job-Orientated Worker)* Tokyo: Shinchosha. (In Japanese)

Plummer, Deborah L. (ed) *Handbook of Diversity Management: Beyond Awareness to Competency Based Learning*, Maryland, USA: University Press of America, Inc.

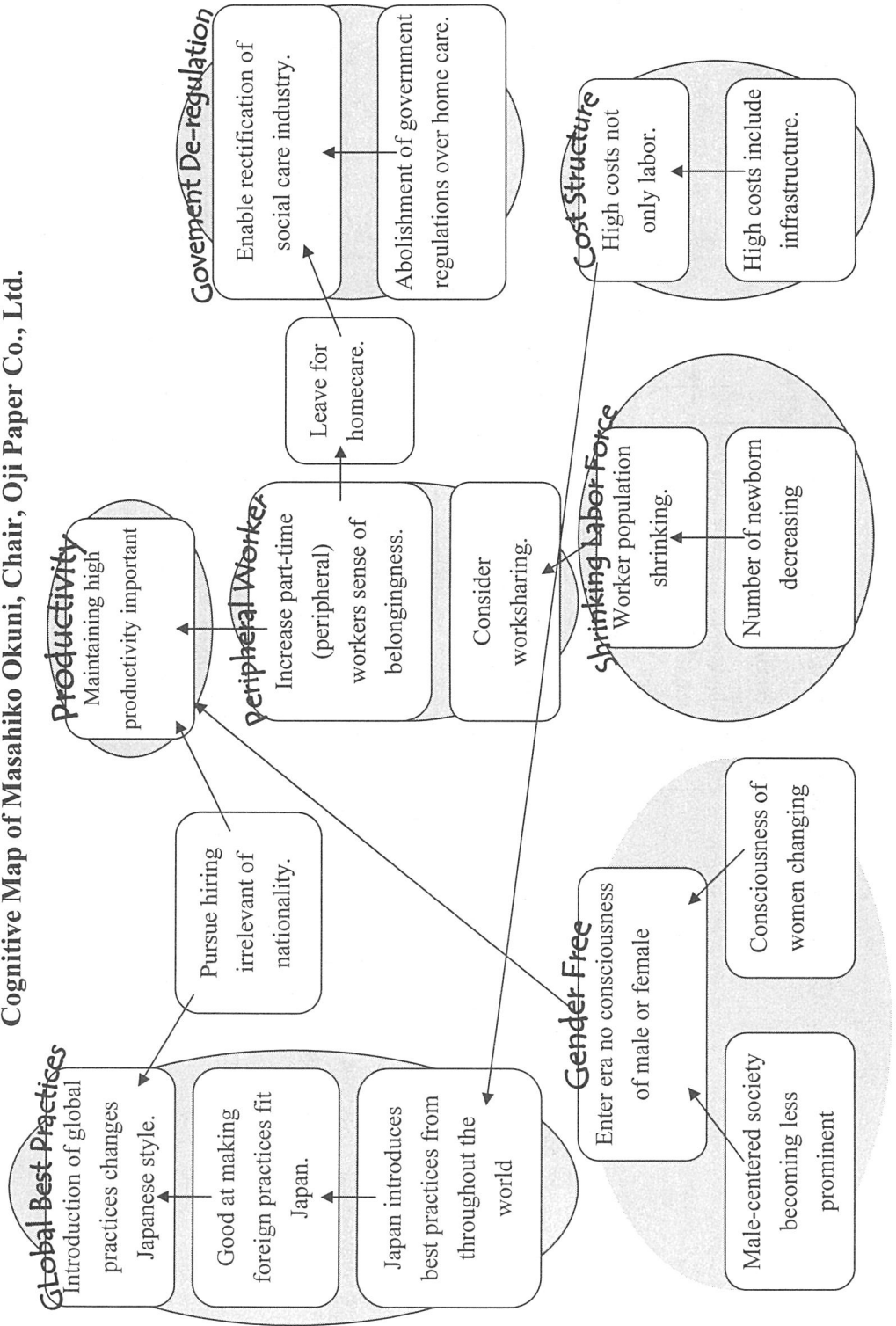
Porac, Joseph F, Yuri Mishina & Timothy G. Pollock (2002) “Entrepreneurial Narratives and the Dominant Logics of High-Growth Firms”, in Huff, Anne S. & Mark Jenkins (eds.) *Mapping Strategic Knowledge*, London, U.K.: Sage Publications Ltd.

Schein, Edgar (1992) *Organizational Culture and Leadership, 2nd ed.*, San Francisco, U.S.A.: Jossey-Bass.

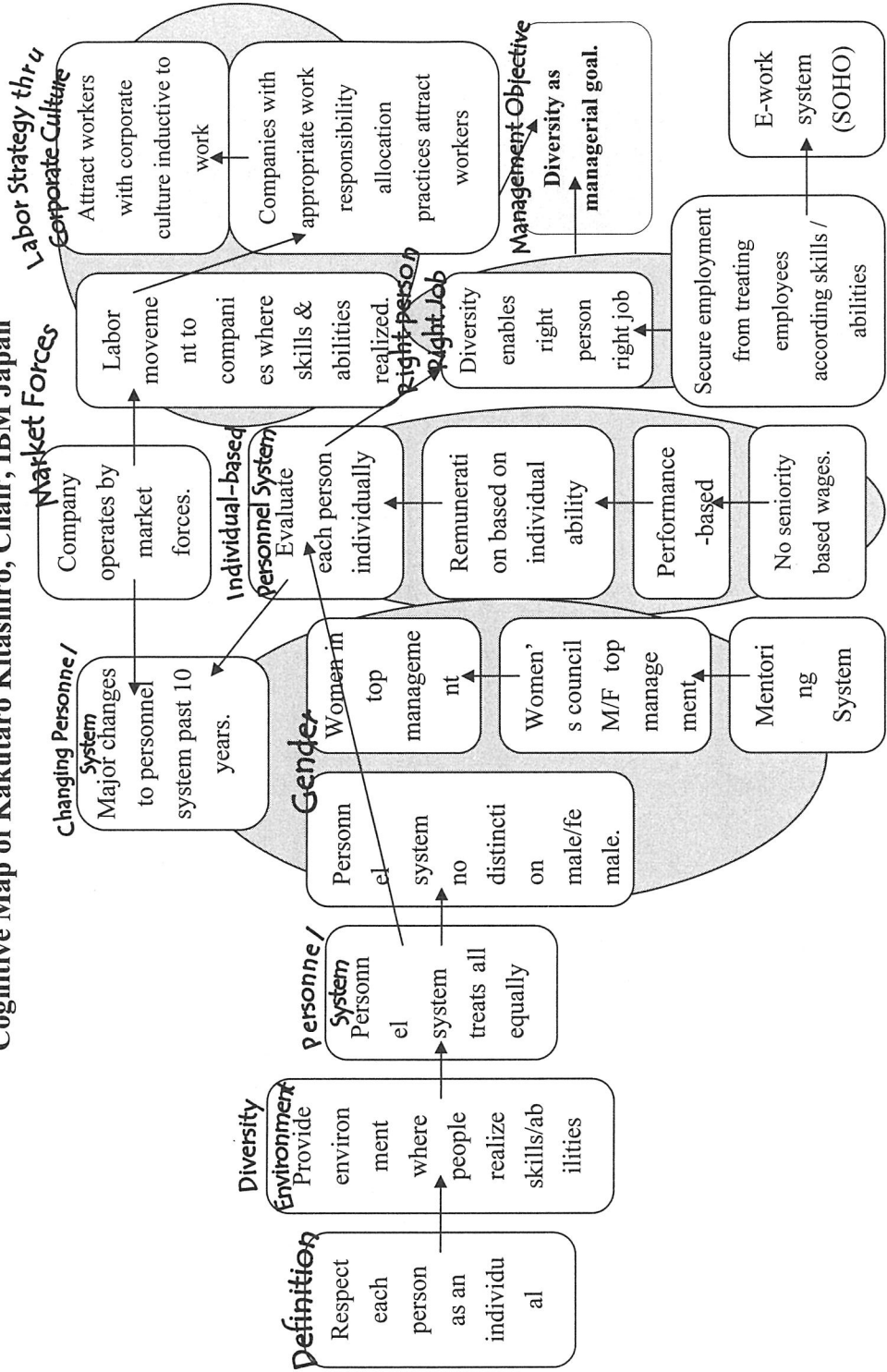
Stockdale, Margaret S. & Faye J. Crosby (eds.) *The Psychology and Management of Workplace Diversity*, M.A., U.S.A: Blackwell Publishing Ltd.

APPENDIX

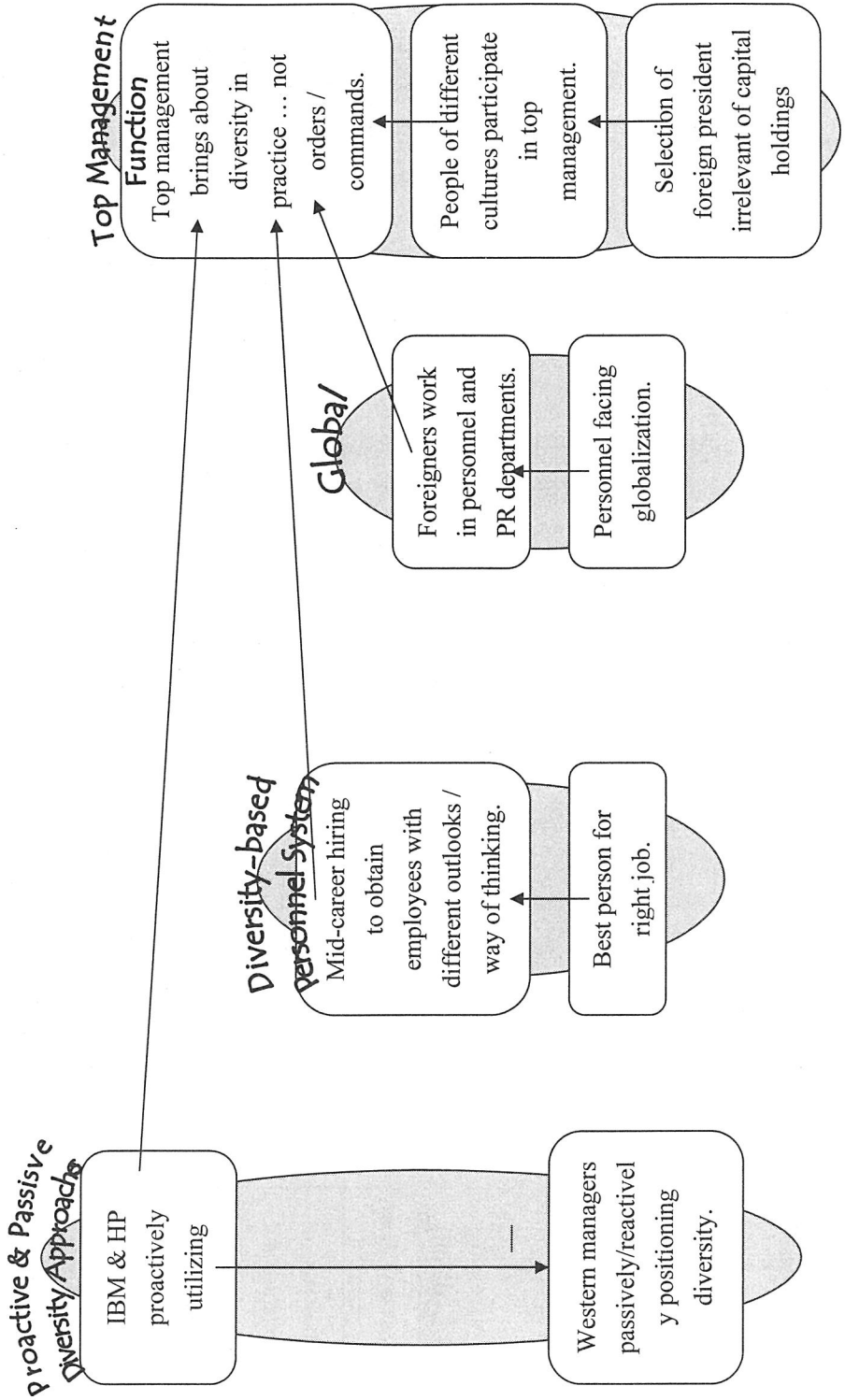
Cognitive Map of Masahiko Okuni, Chair, Oji Paper Co., Ltd.



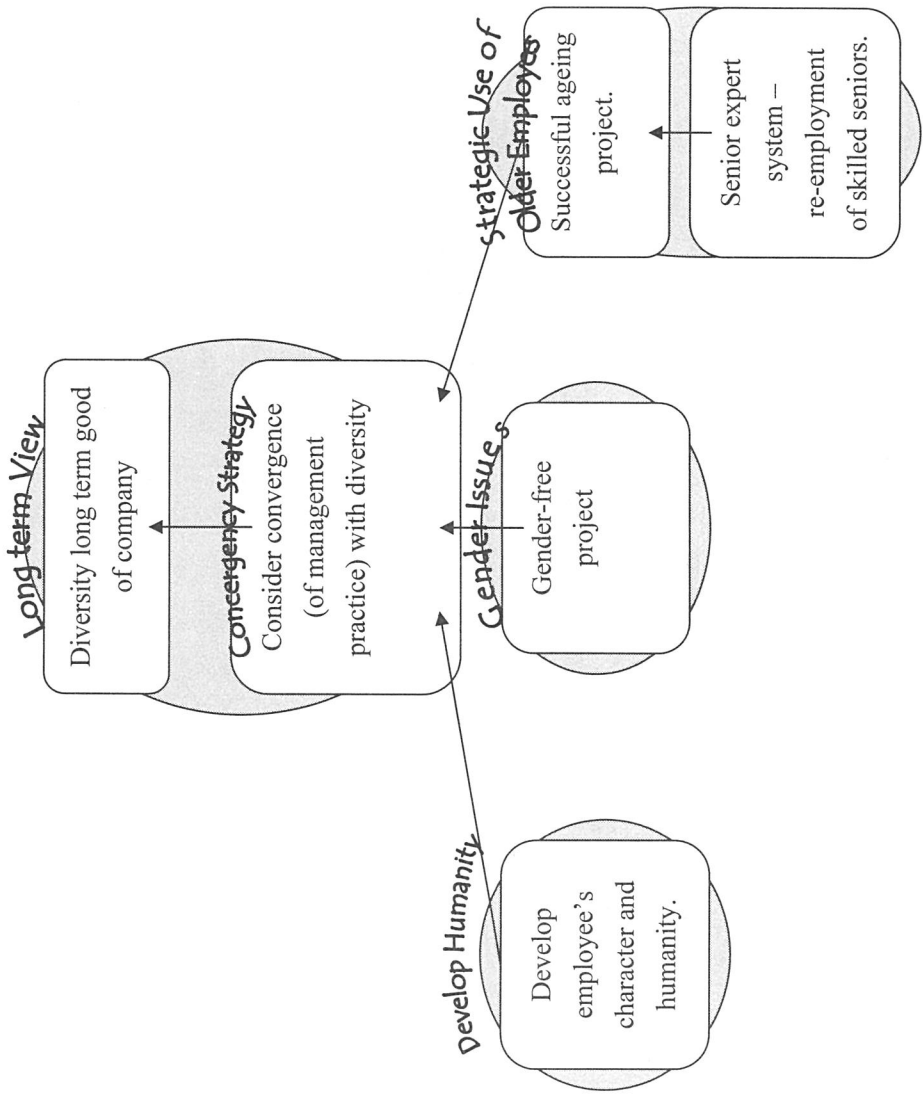
Cognitive Map of Kakutaro Kitashiro, Chair, IBM Japan



Cognitive Map of Seiji Fukatsu, Senior Advisor, All Nippon Airways Co. Ltd.



Cognitive Map of Yoshiharu Fukuhara, Honorary President, Shiseido Co. Ltd.



Cognitive Map of Keizo Yamaji, Chair, Nihon Tetra Pak K.K.

