

# Understanding Diversity Management in Companies in Japan: Preliminary Approaches in Applying Grounded Theory<sup>1</sup>

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## *Abstract*

The purpose of this paper is to briefly outline the preliminary approach used in research to understand how diversity managers in Japan conceptualize diversity and diversity management to form a basis to investigate how this conceptualization is being implemented in the company and the outcomes of such efforts. The description of this 'research framework' focuses specifically on the first stages in using Grounded Theory to gather and analyze data sets made up of interview transcripts with Japanese managers responsible for diversity management in their company and is based on a social constructionism research philosophy and inductive research approach. Examples of the Grounded Theory analysis in action are provided and one of the first preliminary findings described.

**Keywords:** Diversity, Diversity Management, Grounded Theory, Social Constructionism, Japan, Qualitative Research

## *Contents*

1. Introduction
2. Diversity Management – Japanese Terminology
3. A Brief Description of the Japanese Literature & Commentary
4. Motivation of Study & Research Questions
5. Overview of Methodology, Method & Grounded Theory
6. Methodology & Method in Action – Preliminary Analysis & Findings Using Grounded Theory
7. Conclusion

## **1. Introduction**

A small, but rapidly growing, number of companies in Japan have recently established offices and appointed managers and support staff to deal with the planning and implementation of 'diversity management'. This emerging emphasis on diversity amongst employees in the business organization and the deliberate attempts by company management to 'manage' this is an important topic to investigate. The importance comes from trying to grasp not only what has led to these efforts but

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1 The research on which this paper is based was partly made possible by a research grant from Daito Bunka University.

also to what it will mean in terms of how companies will deal with their employees and the responses and consequences for the employees themselves.

The importance of such efforts could be easily overlooked if it were not for the commitment to diversity playing an important role in the company's operations by top management of many well-known large companies such as Nissan Automobile Company and Panasonic. Such efforts have received attention in the business media and large management organizations such as Nikkeiren (now known as Keidanren) and Nishi Kansai Keiei-sha Kyōkai have conducted studies into diversity an attempt to sketch out what it means to for companies to pursue Diversity Management in today's world of business.

Despite the establishment of 'Diversity Development Offices' and the implementation of diversity management systems and practices in the real world of business, there is a dearth of analytical studies that try to make sense of this phenomenon as it applies to the Japanese experience and context. In the Japanese academic literature, scholars have largely focused on the roots of diversity in the West, specifically the USA (see, for example, Taniguchi (2005)). The next step is to explore what diversity management means specifically in the Japanese business context. Investigating how in Japan top management, diversity managers and support staff themselves are conceiving and implementing diversity management, opens the way the for a re-conceptualization of diversity from the 'ground up' enabling the building of an analytical theory rooted in the lived experience as perceived by the people in the field.

The purpose of this paper is to briefly outline the preliminary approach used in research that attempts to understand how diversity managers conceptualize diversity and diversity management to form a basis to investigate how this conceptualization is being implemented in the company and the outcomes of such efforts. The description of this 'research framework' focuses specifically on the first stages in using Grounded Theory to gather and analyze data sets made up of interview transcripts with Japanese managers responsible for diversity management in their company and the use of official company documentation, interviews conducted by journalists with some of the same interviewees as well as other written materials such as articles written for publication in business/management focused media.

In following the guidelines in conducting research using Grounded Theory tools (especially as set out by Charmaz 2006), my description traces my efforts to put into practice these guidelines and tools and reflect upon my efforts for the context of my research in the business world in Japan. Before commencing this description, I will consider the terminology used in Japanese to discuss diversity and diversity management, briefly review the Japanese academic literature, describe the motivation and background of the study, state my methodology and how this lead to the inductive qualitative approach I take as well as briefly outline Grounded Theory itself and my constructionist stance within this Theory.

With this background, I launch into a richer description if my current initial attempts to apply the first stages of conducting a Grounded Theory analysis. Central to this description is the analysis

of a section of text taken from an interview transcript and the connection with other statements in the transcript. I describe the preparation undertaken in the lead up to the interview and what went on at the actual interview, discuss the process of analysis providing examples, and finally present a diagrammatical model and a description of this which represents my first initial finding.

## 2. Diversity Management – Japanese Terminology

The field and context of this research into diversity management is Japan and the Japanese language. The terminology used when discussing diversity and diversity management needs to be ‘problemized’ so as avoid simply applying its equating Western terms and their loaded conceptualizations which may have changed in meaning when applied to the Japanese business experience. Indeed the objective of the study this paper refers to is to try and understand how Japanese diversity managers and top management conceptualize diversity and diversity management. Based on this understanding, we can then attempt to make sense of how diversity management is being implemented and the outcomes of such efforts in Japan. As such, at this point of the discussion, I limit the investigation to the terms used when referring to diversity and diversity management by the managers and other employees in the companies, journalists, consultants, members of NPOs and other organizations and other actors or agents that play a part or have a stake or interest in diversity management in Japan.

In Japanese, the word diversity could be translated into any number of words with the most common being 多様性 (*tayōsei*) or 異質性 (*ishitsusei*). *Tayōsei* in Japanese would translate back into English as “diversity” but with the connotation of “variety” or “various”. *Ishitsusei* has a more direct connotation to difference or heterogeneity, where one object is inherently different to another. Despite there being Japanese terms that could be equated to the English word “diversity”, in my general reading of the materials produced by the (business) mass media, top management, diversity managers, business consultants and various advocates of diversity management, the word commonly used is ダイバーシティ (*daibāshiti*). *Daibāshiti* is the katagana form of the English word diversity and as such denotes the word as being non-Japanese in origin. At the same time, however, despite using the term *daibāshiti* to refer to diversity in the context of business, the same people, in explaining or writing about the topic in an article, use the word *tayōsei* in brackets directly following the first use of *daibāshiti* (i.e. ダイバーシティ (多様性) *daibāshiti* (*tayōsei*)). It appears then that *daibāshiti* alone is inadequate to properly communicate its nuance and that *daibāshiti* is not yet an established part of the common or even business vernacular.

Both academics and diversity interest groups have struggled to pin down a term that best represents the lexicon or concept of diversity they want to put forward. For instance, Hanaoka (1999) in an introduction to his study about diversity and human resource management (HRM) in Japan states that,

... when we come to translate the English word into Japanese ... we are faced with the difficulty of deciding whether *tayosei* (sic) or *ishitsusei* is appropriate. In this paper diversity is used in yet another sense. Our research is the complex issues involved in workforce diversity, and how to manage it. We think that *ishitsusei* for example would be inadequate to describe the range of complex issues involved ... Therefore, rather than use an inadequate Japanese term, we have used the English word diversity.” (italics added) (p.1)

Conversely, the Japanese NPO GEWEL was determined to find a native Japanese term and conducted a survey amongst those who attended a “Symposium on Diversity Practice 2006” (GEWEL 2006). Out of 78 attendees who completed the questionnaire a variety of terms were suggested including; 共生化 (*kyōseika*, co-existence), 調整力 (*chōseiryoku*, ability to harmonize), 多類多様 (*taruitayō*, diverse plurality) and 十人十色 (*Jyūnintoiro*, ‘different strokes for different folks’, or more literally, 10 people 10 colors), as well as an opinion to not fret about trying to find a native Japanese equivalent at all. The report made no analysis or stand on choosing a particular Japanese term nor whether or not to actually utilize a Japanese word or remain with the English word in katagana. In the Japanese title for the symposium, GEWEL used the word diversity in the original English, not in the katakana form.

A similar state of affairs occurs when dealing with ‘diversity management’. Just as there are terms in Japanese for ‘diversity’, there are also words for ‘management’; being 経営 (*keiei*) or 管理 (*kanri*). *Keiei* tends to be used in a broader sense in business studies with ‘management studies’ translated as 経営学 (*keiei-gaku*, the study of management). *Kanri* can also be translated as ‘management’, but is commonly used when discussing particular management functions- for instance 人的資源管理 (*Jintekisigen-kanri*, Human Resource Management) or マーケティング管理 (*Māketingu-kanri*, Marketing Management)- or in narrower use of management in the sense of ‘administration’. However, unlike with *daibāshiti*, the writer commonly launches into how they define the term. For example, Morisawa & Kihara (2005), in presenting diversity management as a management strategy, state that “... diversity management is about being receptive towards the various differences held by each individual employee (gender, nationality, social background, etc) and utilizing the value of this, using human diversity as the driving force towards increasing competitive advantage”. (p. 71) In my reading of the literature, there is no one single ‘take’ on the term and the writers range from referring to what could be called a ‘narrow’ definition sighting diversity along the lines such as nationality, gender, physically challenged and religion to a ‘broader’ definition to also include traits as values, thinking and work styles.

That there is such a wide range of perceptions of diversity and diversity management depending on the actor or agent underlines the need to perform an analytical investigation in how the term is being conceptualized and forms one main objective of my study. However, at this point, in limiting the discussion to terminology based on the description above there are a number of points that we need to be conscious of. Firstly, that there is no single word in Japanese that inherently communicates the meaning of the English term diversity. Secondly, that even the popular use of the katakana form

*daibāshiti* is not part of the common vernacular, even in the business world. And lastly, the use of the katakana form of diversity and diversity management in preference to ‘inadequate’ Japanese words indicates that these terms represent the need for a new language to describe what has emerged as a new or evolutionary concept. The fact that there is a dialogue taking place in Japanese in the Japanese context about diversity and diversity management means that we need to firmly locate our analysis in this context and to be wary of simply applying Western notions, even if the roots of the term come from the West.

### **3. A Brief Description of the Japanese Literature & Commentary**

Sources of literature into diversity and diversity management in Japanese can be found in the business media (newspaper and magazine articles), reports by management organizations and groups such as Nikkeiren (now named Keidanren) and Nishi Kansai Keiei-sha Kyōkai, and reports by NPOs and other community organizations such as NPO GEWEL and NPO JKSK, as well as books and articles by scholars and academics. Since the literature produced by the journalists, study groups in management organizations, and the works of members of NPOs form part of the documents to be analyzed in terms of a backdrop or supplementary to the interviews conducted as part of this research, in this section the description of the literature will be limited to the works of scholars and academics.

As noted by the publication dates, research and studies into diversity and diversity management by Japanese business scholars are very recent. As of date, there are only five major works, four of which were published from the year 2005, which follows a similar chronology to when companies in Japan started to set up offices or sections to focus on diversity and diversity management initiatives. That the major works consist of only five indicates a dearth of research into diversity in the *business* context by academics. However, it needs to be noted that although studies in the business context is limited, there exists a much larger body of literature in such fields as education and sociology. In the broader study into diversity management this body of literature needs to be examined in recognition of broader social issues that underlay and influence diversity in the business experience in Japan also. This analysis becomes important when attempting to make sense of the results of analysis of this study, especially when formulating the backdrop to a larger theory. At this point, however, to initially sketch out a framework to gain a more direct access to the business field, the study of the literature is limited to that which is specific to the business organization.

Following is a brief description of each of the five major works.

#### *Hanaoka (2001)*

In a book by Masao Hanaoka (2001) into Human Resource Management (HRM) is a chapter titled “Diversity and HRM”. This chapter was a collaborative piece of writing by myself and Hanaoka

and based on a joint-research project conducted in 1999<sup>2</sup>. The study drew upon and modified the 'Interactional Model of the Impact on Individual Career Outcomes and Organizational Effectiveness' developed by Cox (1993) and was used to develop a quantitative research framework to examine how the traits of age, terms of employment and gender interact with a company's corporate culture through how employees colored their attitudes and perspectives towards an employee's company/organization and their own individual job.

At the time this study was conducted, there was not the discussion nor recognition amongst company managers and employees in Japan of diversity or diversity management compared to what was to come some five or six years later. Although the study, through factor analysis, revealed differences *overall* or *totally* among the different diversity traits- i.e. male verses female, peripheral workers verses core workers and younger verses older generations- the differences broke down depending on the company. This meant that what held as characteristic for one trait in total did not necessarily match that at an individual company level. In fact, in one case the peripheral workers in one company showed similar or even stronger traits as a core worker compared to the other companies.

It took a qualitative approach, in this case, holding interviews with management of each company to discuss the results that alerted Hanaoka and myself to the importance that corporate culture plays and the inadequacies of the research method to provide a richer sense of the field.

#### *Taniguchi (2005)*

In her book "Diversity Management: Organizational Utilization of Diversity", Taniguchi (2005) provides a comprehensive review of the US literature into diversity and diversity management. This literature provides for the first time the most detailed description to a Japanese audience of the roots of diversity and sketches out how the concept emerged to be how it is characterized today. Taniguchi reviews the (U.S.) literature to draw out the main themes and models to develop her own framework to conduct a research survey. The main themes focused on are diversity and the links with individual and organizational performance, gender diversity, and diversity and corporate strategic activities. In defining a base for the hypotheses that guide her study, Taniguchi looks to organizational intervention and support and change. By organizational support, Taniguchi is referring to broader systematical personnel, information and financial support that provide an opportune internal environment for the organization's minority members and leaders. Taniguchi defines organizational change in this context as bringing about change in strategy, structure and process. Resultant of this formula is the deliberate effort to elevate diversity to where it is a 'plus' for organizational performance. The assumption underlying Taniguchi's definition of the themes is that, apart from focusing on minority members of the organization, there should be a deliberate strategic motivation to positively increase organizational performance.

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2 Other papers related to this research project in English are Hanaoka (1999), Hanaoka (2000) and McDonald (2003).

Applying her hypotheses in an interview survey with three companies in Japan, Taniguchi summarized her findings pointing out the merits and demerits that characterize diversity. The demerits being the simplicity of diversity characterized by two axes- for example, procuring something new or working with what already exists, A or B, and diversity or homogeneity. As to the merits, the thesis stated is that “ ... by successfully incorporating diversity, the organization that continuously attains (high) performance brings change to its decision-making systems and integrates the pre-existent systems with other (new) systems that would be in conflict (with the pre-existent system)”. p. 387.

### *Sugita (2006)*

Sugita (2006) titles her book “Gender in the Business Organization from the Standpoint of Diversity Management”. Although the starting point is diversity management, Sugita lays out at the beginning of her book the major keywords that characterize her analytical perspective, being: positive action/affirmative action, family-friendly (company), work-life balance, corporate social responsibility (CSR) and decent work. Sugita argues that the diversity management and corporate social responsibility that was first focused on the 1990’s has taken on a new meaning today and thus deserves proper investigation. While properly noting the wider net diversity management spreads beyond gender, her very focus on gender has Sugita proposing a model that draws from US scholars of diversity management (Gilbert et al. 1999) and work/family balance (Clark 2005) as well as gender equality in the business organization drawing from her own specialization in management education studies.

In describing her model, “Research Framework: The Positioning of Gender Equality Strategies in the Business Organization to Enable Continuance of Diversity Management”, Sugita purports that a key to improving or raising the low status of female participation in society is by bringing about gender equality in the business organization. The model positions diversity as bridging the sphere of corporate philosophy and strategic CSR with support mechanisms for gender equality in terms of employment through family friendly measures and linkages with work-life balance. Strategically positioning gender equality initiatives in this way leads to both organizational growth and expansion develops a win-win relationship (for the employee and the company) and growth and development for the individual and gender equality in the employee’s private life also. In this way, Sugita has framed diversity management with a gender specific focus. This focus has enabled her to develop a model that articulates specific organizational measures and the flow on of this right down to the individual. Further Sugita has theoretically been able to appreciate the general widespread notion of diversity management and sketched out how a specific diversity dimension such as gender can be articulated in practice. In other words, Sugita shows us how to approach gender from a diversity management perspective, rather than gender initiatives for their own sake.

Based on her research framework, Sugita conducts three surveys: a survey of companies in Sweden, a questionnaire targeting companies in Japan that have been awarded by the Ministry of

Health, Labour and Welfare for the promotion of equality as well as companies that have received awards for being family friendly, and, interviews with companies and employees regarding family friendly initiatives. Sugita presents the findings of her surveys as a discussion for her book, covering three main sections. The first section uses the findings of the Sweden survey to compare what the situation is in Japan regarding gender equality in society and work-life balance in the company. The second section looks at, from a diversity management perspective, positive action and family friendly initiatives of Japanese companies. The third section looks at family friendly initiatives, gender equality strategies and work-life balance from the standpoint of the individual employee's daily life as it concerns family or private life.

In the concluding chapter, Sugita draws together all her findings pointing to the importance that diversity management plays in advancing CSR management strategy. In doing so, the linkages between gender equality, decent work and work-life balance and the organization at different levels, and the individual employee are enacted more effectively. Sugita argues that for companies in the 21<sup>st</sup> century, one of the big issues will be family friendly measures and initiatives and how they lead to the realization of positive action in the workplace. In this formula, the positioning of diversity management is pivotal. Further, by extension, collaboration can be formed between corporate culture, individual employees and labor unions and other such labor organizations to propel CSR as a workable strategy.

*Arimura (2007)*

In his book, "A Study into Diversity Management: An Investigation in the Actual Conditions of Japanese Affiliate Companies in the US and US Affiliate Companies in Japan", Arimura (2007) sets out three main questions that have guided his study. Firstly, to look at how and why diversity management emerged or developed the way it did in America and what this development is characterized by. Secondly, to investigate, in terms of diversity, the situation for Japanese companies that have made inroads into the USA looking at how these companies perceive the growing diversity in the US, surveying the diversity make up within these companies and investigating whether these companies, like their American counterparts, have instigated managerial measures to harness this diversity. And, thirdly, evaluate the degree it is possible for the diversity management that emerged from the USA to be applied to Japanese society and companies in Japan. Arimura conducts this inquiry in recognition of how diversity management is finally becoming a focus within Japan domestically.

As Arimura's study into diversity management begins with a discussion of the development of what has become to be known as 'diversity management' in the USA, the framework used throughout his study draws heavily upon the models developed by US practitioners such as Thomas Cox Jr., especially Cox's earlier "Model for Planning Organization Change" (Cox 1993, p.231). Thus Arimura tends to focus on what could be termed a 'narrow' definition of diversity involving references to the traditional signifiers of diversity as race, gender, physical characteristics, marital status, and sexual orientation and so on. The various US definitions of diversity management that Arimura compares concern the initiatives by management to utilize diversity for the betterment of the company. Arimura



(2007) himself states that "... although the language used by each author differs, there are elements that all have in common. That is to say that diversity management is 'the long term process of organization change to increase the competitive position of the company through various differences found amongst people (or what is called) diversity' ". (p.39)

Arimura's investigation highlights a major difference between the Japanese and US companies he surveys. In essence, in both the USA and Japan, Japanese companies fall behind their US counterparts in both representation of racial minorities and women and the implementation of diversity policies and training. The results show that Japanese companies in the US, compared to US companies, were less responsive or adaptable to the changes that were born from diversity, specifically in terms of the makeup of the labor force. Viewed from the perspective of 'global diversity', Özbilgin (2005) points to Arimura's finding "... where Japanese firms reflect their domestic approach to diversity in the USA context ... Japanese companies tend to emphasize corporate social responsibility (CSR) for justification of supporting diversity, while the USA companies cite competitiveness as a key reason." (p.37) The finding for US companies supports Arimura's take of what characterizes diversity management in the USA at the outset of his book.

In the closing of his book, Arimura notes that in Japan there is a widening interest in diversity management, especially as it pertains to women. Yet, despite various studies that link diversity management with performance, those who advocate diversity management such as younger members of personnel departments, labor union members and consultants are greeted with only a surface-level interest mixed with a different reality at a deep-down level. Arimura cites comments like: 'managers talk of gender diversity, but the number of companies that have actual initiatives or practices in place is extremely low', 'that, in the end, diversity management is about multi-racial, trans-racial issues', 'that, at any rate, human diversity is too much trouble to deal with', and the question, 'does diversity management actually lead to increased productivity and what objective evidence exists to prove this if it is so?'. In response, Arimura argues that in the initial diversity training sessions held by USA companies in the USA, similar comments and counter-arguments existed. However, companies in the US responded not only to the changing demographics but, by also considering the effect of global competition, 'pushed on with diversity management'. For Japan, Arimura states the extent to which diversity management is implemented ultimately rests upon the decision-making power of top management. Arimura believes the Japanese companies in Japan that introduce diversity management initiatives will be the first ones to achieve the potential competitive advantage that comes from this.

*Nihonkeidanren-shuppan ed. (2007)*

The publishing arm of Nihonkeidanren (the Japan Business Federation) brings together, in an edited volume, case studies of eleven Japanese companies in Japan they describe are pursuing measures in the promotion of diversity. The collection is not presented as an academic work, instead providing a space where managers involved in diversity and women's initiatives can report and share with a wide Japanese audience their company's systems, thinking and practices in diversity

management. Considering the very limited literature in Japanese about diversity management, the collection provides a formal source from which future studies can draw from and where scholars can conduct an analysis. As such, despite the book not being an academic work, deserves to be included in this description of the literature. Further, considering that Nikkeiren, the former organization to Nihonkeidanren, released a report in 2002 titled “Back to the Basics: Directions in Diversity Management” (Nikkeiren Daibashiti Waku Ruru Kenkyukai 2002)<sup>3</sup>, the collection provides a relevant ‘snapshot’ of how what was recommended in the report was put into practice in the five years following.

Titled ‘Case Study Collection of (Corporate) Support of the Efforts by Female Employees: The Initiatives of 11 Companies in the Advancement of Diversity’, the volume opens with a commentary by an academic who explains what positive action is and describes how it is characterized in Japan. Despite the subtitle positioning initiatives targeting women as advancing diversity, the commentary does not reflect upon or analyze this position. The eleven companies that form the cases studies are clearly named with the manager from each company who writes the report clearly identified by name, affiliation within the company and position. All the managers belong to the personnel department in their company, with three of the managers belonging to sections that contain ‘diversity’ in the title. The companies are well-known Japanese companies, ranging from TEPCO (Tokyo Electric Power Company), Itoenshoji to Shiseido.

The positioning of diversity management in terms of women’s initiatives range from diversity being the main driving force to presentation of diversity as the logic or rationale. Where diversity is positioned as overarching the company’s initiatives towards women, a clear definition is provided and appears in the corporate policy statement and goes beyond the dimension of gender. In this case, a sketch is provided in which is shown how diversity management becomes manifest in women’s initiatives. In cases where diversity is positioned as a supportive philosophy or rationale, the approach is one where the women’s initiatives are first described and then diversity introduced as the logic behind pursuing this. However, no matter how diversity is positioned, all managers report on its importance for their company.

### **Commentary – Proposal for a New Direction in Research**

Although the academic Japanese literature into diversity management is limited, they provide for an important starting point. Taniguchi (2005) and Arimura (2007) provide us with a comprehensive sketch of the roots of diversity management in the USA. As Arimura has shown, this sketch provides for an important base upon which the case of companies in Japan can be raised or highlighted by comparative analysis. These scholars have also created a space in which a dialogue can take place. Sugita (2006) takes us further by looking at how gender is (re)conceptualized in diversity management

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3 For a more detailed examination of the Nikkeiren report on diversity management refer to a previous paper I wrote, McDonald (2004).

and Nihonkeidanren-shuppan ed. (2007) a rich first-hand account of diversity management in action. If these works represent the beginnings of research into diversity management in Japan, how should we view these efforts in terms of pursuing or shaping future research?

Common amongst the works covered in this section, except that by Nihonkeidanren ed. (2007), is how the scholars have drawn from the US management literature, identified what characterizes diversity in this same context, and through their research frameworks have used US diversity management concepts as the benchmark for diversity management in Japan. Considering they were the first analytical studies in Japanese, this approach could be viewed as an important strategy for raising diversity as a topic of research in Japanese management studies. However, keeping to this approach can ultimately lead to distancing the very audience the research needs to speak to: managers, employees and other agents that are affected by diversity.

Applying a benchmark or top-down approach using US concepts of diversity with all its US contextual 'baggage' upon the Japanese experience could result in two negative consequences. Firstly, it becomes easier for the Japanese manager, for instance, to view diversity management as probably important, but at the same time unrelated to their own experience in their company in Japan. I believe what these managers need is a concept of diversity conceptualized within their own experience, being re-characterized or spoken of in terms that have a more direct meaning for them. Secondly, a benchmark approach inherently assumes a 'should-be' best practice. Apart from the fact that this 'should-be' goal was crafted by the US experience, this approach overlooks the various and indeed diverse circumstances that individual companies face contingent upon the specific company's external business environment and internal environment- especially in terms of differentiated corporate culture that has developed over time. In essence, benchmarking does not provide a wide enough lens through which new constructions of diversity management are 'raised up' from the lived experience in the business field.

Considering the potential pitfalls covered above, I propose that the future direction of research into diversity management should both re-conceptualize notions of diversity management for the Japanese experience and when doing so develop this conceptual model from the Japanese field, from the ground up.

#### **4. Motivation of Study & Research Questions**

Especially over the past five years, 'diversity management' has gradually become, at least amongst a small but growing number of large Japanese companies, an established part of the world of business in Japan. We hear company CEOs declare their commitment to diversity and establish 'diversity development offices'. The managers and support staff of these offices have been forming study groups such as Daibashiti Nishi-Nihon Kenkyūkai (Diversity Western-Japan Study Group) where they are learning from each other about ways to implement 'diversity initiatives'. Management organizations such as Nikkeiren and Kansai Keiei Kyōkai (Kansai Employer's Association) have set up

working groups to look into diversity management. Symposiums, hosted by NPOs and management associations, have encouraged wider discussion about diversity and what it means for companies in Japan. NPOs and business consultants are working with companies in setting up diversity initiatives and trying to educate employees about the diversity and these initiatives. Finally, both the business and mass media are reporting about corporate diversity activities and like NBOonline are conducting ongoing series of interviews with diversity managers to report on their experiences. Although we can read and hear about the gradual diffusion of diversity management in Japan, there is a dearth of *analytical* investigation of what is taking place in the field.

The motivation for my study comes from wanting to gain a more critical sense of diversity management in Japan. It means wanting to try to understand how top management, diversity managers and other agents are conceptualizing diversity management and seeing how this relates to how diversity initiatives are being implemented and the 'take' of outcomes of such activities by these same actors. It is an attempt to work from the ground up, building an analytical model grounded in how the various agents construct their reality or meaning of diversity management and its implementation which ultimately means me building a conceptualization of how I see all this happening.

Guiding this analytical investigation are two main questions. How do Japanese top managers and diversity managers conceptualize diversity management? And, how is diversity management being implemented and what the outcomes of such efforts?

## **5. Overview of Methodology, Method & Grounded Theory**

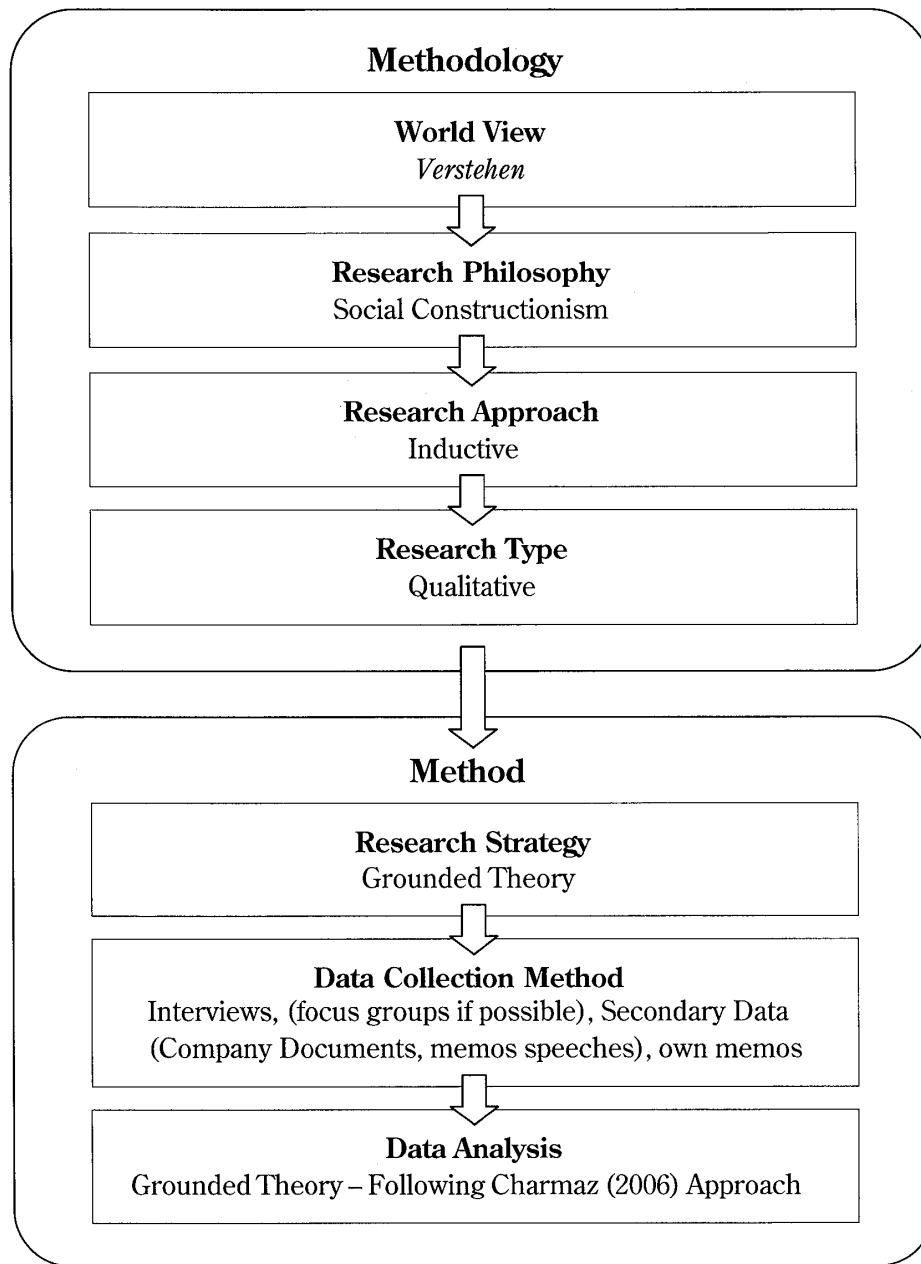
In seeking out answers to the research questions that guide my study, I need to clearly state the methodology and method that determine the nature of how I approach the study and conduct the research. Figure 1 "Methodology/Method Flow Chart" indicates, not only the 'flow' of the research but also builds a logical connection between each of the components of the flow chart indicating how committing myself to a certain research philosophy effects the methods and strategies that follow.

### **Methodology**

#### *World View*

How I see or view the world underpins what choices I make throughout the entire research process. In this instance, the world I am looking at is human action as it pertains to people involved in diversity management in companies in Japan. Trying to understand this action means trying to gain insight into how people think and feel about their experiences and aspirations. This could be what Johnson & Duberly (2000) term "Verstehen" which refers to understanding the internal logic of human action to 'make it intelligible'. More precisely, Verstehen is " ... the interpretative understanding of the meaning a set of actions has to an actor through some form of contact with how they experience their experience". (Johnson & Duberly, p.34)

Figure 1 Methodology/Method Flow Chart



### *Research Philosophy – Social Constructionism*

Especially when it comes to human beings, I have learnt from my own personal experience in the business field that people see the same one thing or incident differently to varying degrees. As each person attempts to make sense of what they observed or experienced, or think about what should have happened, they tell us a story. Each person's story varies somewhat according to a complex array of individual characteristics and circumstances as well as certain social conditions. As such, in contrast to the 'traditional scientific method' or what is termed 'positivism' that asserts there are independent 'facts' or a 'reality' that can be objectively discovered, my belief is that what we take as 'fact' or 'reality' is constructed in a very subjective way. This perspective firmly situates me in what is commonly referred to as 'social constructionism'.

Burr (2003) points out that since not all of those who identify with using social constructionism completely share all the various characteristics that are constructionist, it is difficult to provide any one definition. Instead, Burr takes a 'looser' approach drawing from Gergen (1985) some key founding assumptions which are "... things you would absolutely have to believe in order to a social constructionist". (Burr 2003, p.2) These key assumptions are: a critical stance toward taken-for-granted knowledge, historical and cultural specificity, knowledge is sustained by social processes and, knowledge and social action go together. Burr explains that social constructionism is a term mainly used by psychologists, but that "... many of its basic assumptions are actually fundamental to ... sociology". (Burr 2003, p.2)

As a philosophy applied to research, social constructionism is being used in a wider field of disciplines. In the case of this study, my own approach is to apply social constructionism to management studies as it relates to Japan. Easterby-Smith, Thorpe & Lowe (2002) in focusing on applying social constructionism to management studies provide us with a more pragmatic definition that looks for the essence of the philosophy. They state that social constructionism,

is the idea ... that 'reality' is determined by people rather than by objective and external factors. Hence the task of the social scientist should not be to gather facts and measure how often certain patterns occur, but to ... appreciate the different constructions and meanings that people place upon their experience. The focus should be on what people, individually and collectively, are thinking and feeling ... One should therefore try to understand and explain why people have different experiences. ... Human action arises from the sense that people make of different situations. (p.30)

The above descriptions and definitions of social constructionism reflect well my own beliefs on how I see the world and this is the philosophy that drives my whole approach to research.

### *Research Type - Inductive*

In pursuing research based on social constructionism, another point to note is that "... rather than

starting with a theory (as in postpositivism), inquirers *generate* or *inductively* develop a theory or pattern of meaning” (Creswell 2007, p.21, emphasis added). This generative or inductive characteristic of inquiry is what determines my inductive research approach.

An inductive approach to research refers to both reasoning and an analytical strategy which translates into ways of collecting and analyzing data. In management studies, ‘analytic induction’ is what encompasses this approach. Johnson (2004) defines analytic induction “... as involving the intensive examination of a strategically selected phenomenon ... (this entails) the public readjustment of definitions, concepts, and hypotheses” (p.165). Johnson, in adapting Bloor’s approach, describes analytic induction as involving four phases: gaining access to the phenomenon of interest, defining the phenomenon and indentifying variations in this, causal analysis of the data, and presenting theoretical explanations grounded in the data.

An inductive approach resounds well with the new direction of research into diversity management I propose when I stated earlier that the research should both re-conceptualize notions of diversity management for the Japanese experience and when doing so develop the conceptual model (which could also be termed ‘theory’) from the Japanese field from the ground up. This is made most clear when Johnson (2004) further explains that analytical induction “... is a set of methodological procedures which attempt to systematically generate theory grounded in observation of the empirical world” (p.165). In line with my proposition for a new direction in research, I am not applying an established theory of diversity management and testing or benchmarking this with the field in Japan, but rather, and following Johnson’s (2004) line of thinking, am reflecting upon the experience of people involved in the social phenomena and attempting to formulate explanations and generate theory from this.

## **Method**

As I have indicated in Figure 1, there is a marked distinction between ‘methodology’ and ‘method’. As Saunders, Lewis & Thornhill (2007) explain, methodology “... refers to the theory of how research should be undertaken” (p.3). Whereas “... methods ... refer to techniques and procedures used to obtain and analyze data” (p.3). Therefore the research philosophy, approach and type determines what and how techniques and procedures that make up method are used characterizing even how data is obtained and analyzed. I point this out because under this definition it means that not only can the same methods be used with different methodologies, but also methods that may be popularly associated with one particular methodology may be used in other methodologies providing that the methods are used in accordance with the research philosophy. This point becomes important in terms of how I have chosen a certain variant or implementation of Grounded Theory as my research strategy.

### *Research Strategy – Constructionist Grounded Theory*

‘Grounded Theory’ gets its name from its founders Barney G. Glaser and Anslem L. Strauss

and was first explained in detail in their book “The Discovery of Grounded Theory: Strategies for Qualitative Research” (Glaser & Strauss 1967). As Denscombe (2003) points out, as a growing number of researchers have adopted and adapted Grounded Theory over time, there has emerged wide enough differences for there to be ‘alternative versions’. Even the founders Glaser and Strauss eventually took different directions distinct enough in the eyes of researchers that they now refer to a ‘Straussian’ (Buran & Bell 2007, Bluff 2005) and ‘Glaserian’ (Bluff 2005) Grounded Theory. Creswell (2007) notes other versions as ‘Constructivist Grounded Theory’ as advocated by Charmaz (2006) and following in a similar vein Clarke (2005) with his ‘situational analysis’ which draws from the postmodern.

Here I need to declare which version I choose to take. Since my research philosophy is based in social constructionism, I adopt the constructivist<sup>4</sup> approach developed in the writings and practice of Charmaz (1994, 2000, 2005, 2006). The constructivist stance Charmaz talks of “... assumes the relativism of multiple social realities, recognizes the mutual creation of knowledge by the viewer and the viewed, and aims toward interpretive understanding of subjects’ meanings” (Charmaz 2000, p.510) Charmaz recognizes the positivist underpinnings of ‘classic’ Grounded Theory pointing out how such an approach leads to such things as “... talk about discovering theory as emerging from data separate from the observer” (Charmaz 2006, p.10). However Charmaz (2000) argues it is possible to ‘reclaim’ the tools used in understanding empirical worlds “... to form a revised, more open-ended practice of grounded theory that stresses its emergence, constructivist elements” (p.510).

This claim is feasible if we situate Grounded Theory as a part of method, in this case a ‘research strategy’ and as such follows my argument above which when applied to Grounded Theory means we can take its methods providing it is in accordance with the social constructionist research philosophy.

In the words of Charmaz (2006), the constructivist approach to Grounded Theory sees that,

... we are part of the world we study and the data we collect. We *construct* our grounded theories through our past and present involvements and interactions with people, perspectives, and research practices.

My (Charmaz) approach explicitly assumes that any theoretical rendering offers an *interpretive* portrayal of the studied world, not an exact picture of it. Research participants’ implicit meanings, experiential views- and researchers’ finished grounded theories – are

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4 Although it is common in the literature to find ‘constructivist’ used in a context which is actually ‘constructionist’, I recognize that there is a difference as described by Burr (2003). I take the constructionist stand to follow the underpinnings of sociology rather than constructivism based in psychology. It also needs to be noted that scholars in Japan such as Ueno (2001) and Uchiyama (2007) who make it a point in their writings to define the meaning of constructivism and call for it to be used correctly.



constructions of reality. (p.10)

It is also of note that Juliet Corbin – who was to work closely with Anselm Strauss in the development of Grounded Theory which was described in the two editions of their book “Basics of Qualitative Research”– has recently written (Corbin & Strauss 2008) that she has been influenced by contemporary feminists, constructionists, and postmodernists, to even ‘admire’ the work of Clarke and Charmaz. Corbin (Corbin & Strauss 2008) goes as far to state that she,

... agree(s) with the constructivist viewpoint that concepts and theories are *constructed* by researchers out of stories participants who are trying to explain and make sense out of their experiences and/or lives, both to the researcher and themselves. Out of these multiple constructions, analysts construct something they call knowledge. (p.10)

#### *Appropriateness of Grounded Theory to the Research of Diversity Management*

As a research strategy, it follows from the discussion above that a Constructionist Grounded Theory is most appropriate for my aims in researching diversity management in Japan. This research strategy equips me with the tools in trying to understand how people in the field involved with diversity management are conceptualizing diversity and seeing how this relates to how diversity initiatives are being implemented and the take by these same people and myself of the outcome of such activities.

Further, several scholars have also applied Grounded Theory specifically to research of diversity and diversity management. Auerbach & Silverstein (2003) explain that “... qualitative research (Grounded Theory) is particularly well suited to the study of diversity because it does not assume there is one universal truth to be discovered, but focuses on listening to the subjective experience and stories of the people being studied” (p.26). They go on to point that though their research focuses on differences between groups, the method opens up the importance of noting the difference within each group as well. Simmons (1995) even provides pointers, as the title of his paper explains, in “Using Grounded Theory in the Managing Diversity Context”, describing how Grounded Theory’s criteria sits well with the study into diversity management. Finally, Grounded Theory has a proven track record when you consider the pioneering work of R. Roosevelt Thomas Jr., that was to push the concept of diversity beyond the stalemate of race and gender, was based on a study which results are drawn upon in Thomas (1991) using Grounded Theory (Gregory 1996).

#### *Main Tenets of Grounded Theory*

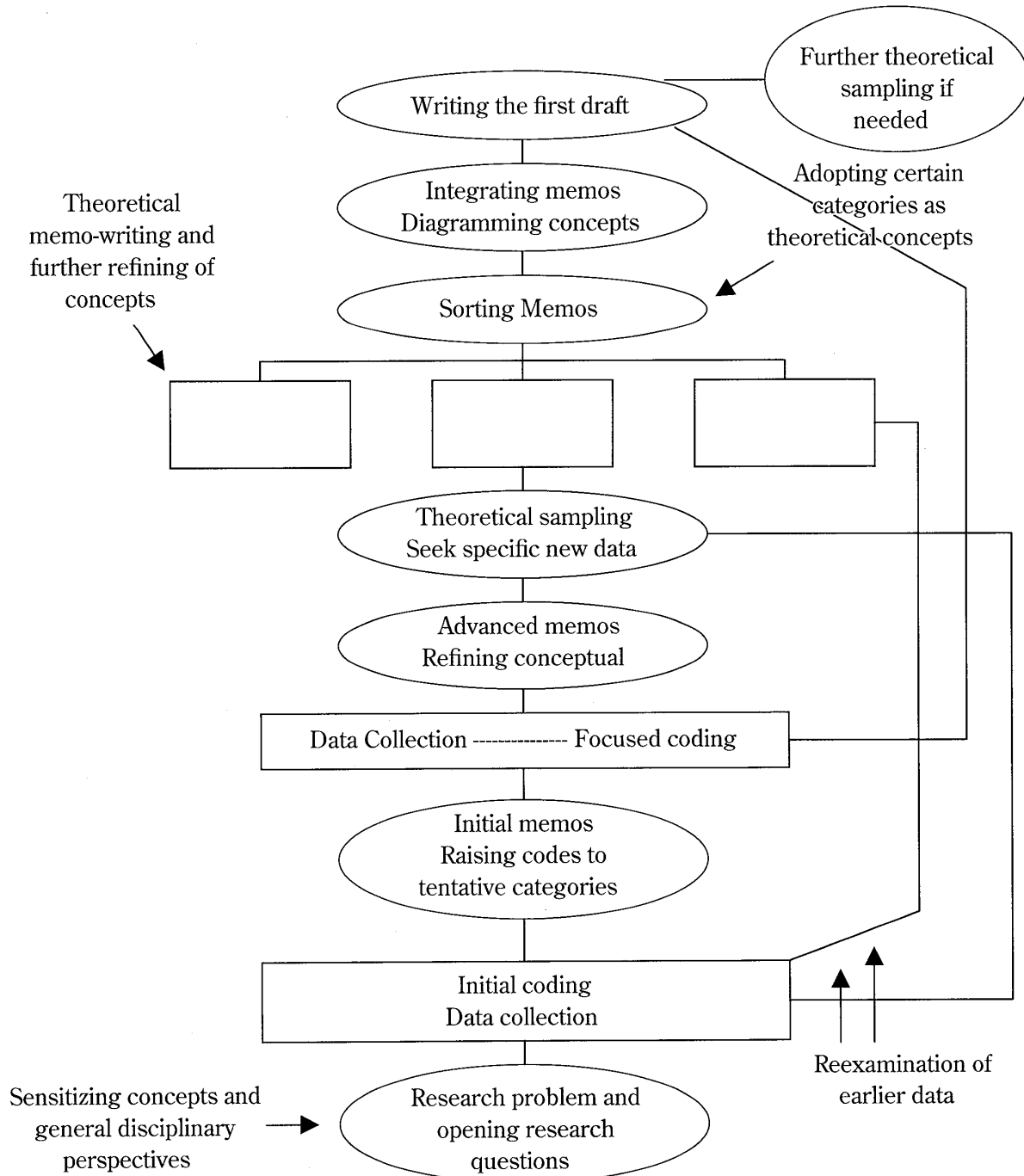
Despite the various ‘versions’ of Grounded Theory, Descombe (2003) argues that there are basic ideas in the approach to Grounded Theory ‘that remain fairly constant’. These ideas are that: theories should be ‘grounded’ in empirical research, theories should be generated by a systematic analysis of the data, the selection of people, instances, etc to be included in the research reflects the developing

nature of the theory and cannot be predicted at the start, researchers should start with an ‘open-mind’, and, theories should be useful at a practical level and meaningful to those ‘on the ground’.

*Process of Grounded Theory*

As to a brief outline of the process of Grounded Theory itself, I refer to “The Grounded Theory Process” chart – Figure 2 – developed by Charmaz (2006).

**Figure 2 The Grounded Theory Process**



Source: Charmaz (2006) p.11

The chart, in character with Grounded Theory itself, is to be read from the bottom up. Charmaz points out that although the chart may indicate a linear process, that in practice it is not as researchers stop and write 'whenever ideas occur to them'. As the chart shows, the process involves starting with a research problem and opening research questions. Focus then turns to getting 'rich data' which involves choosing various strategies and approaches that enable the data to be gathered and placed in their situational and social contexts. Then as the researcher learns how the research participants make analytic sense of their meanings and actions the researchers conducts 'line-by-line' and 'focused coding' to sort through large amounts of data. During this process, some codes 'crystallize' meanings and actions in the data.

At this point, in-depth memos are written to indicate how the codes are developing ideas. Memos are written throughout the whole process and also help to 'compare data, to explore ideas and to direct further data gathering'.

As the process of coding continues, theoretical sampling is pursued to obtain more targeted data (which often involves pursuing the same or different types of participants) to better refine categories. It is here that a 'theoretical saturation' occurs in which the data collection ceases to present any new ideas and theory when following the process to its procedural end. Charmaz places great importance on memos discussing how to sort memos 'to fit the theoretical categories and show relationships that integrate the work'. In doing this the use of 'diagramming' is useful.

Finally, Charmaz charts out the approach to 'writing the draft' in line with 'Grounded Theory strategies (that) lead (the researcher) to concentrate on ... analysis rather than on arguments about it, to delay the literature review<sup>5</sup>, and to construct an original theory that interprets the researcher's data'. Since this type of writing contradicts 'traditional requirements for reporting research', Charmaz provides direction so as to reconcile the tensions.

Overall, the process Charmaz outlines starts with opening up the research problem/question to writing the analysis and reflecting on the entire process.

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5 As Charmaz (2006) notes herself, there is a debate about when and how to approach a literature review in Grounded Theory. A paper by McCallin (2003) became the basis for a debate on the topic in "The Grounded Theory Review: An International Journal" (Vol.5, Iss. 2/3, March/June 2006). The debate widened to consider what it means to start Grounded Theory research with an 'open mind'. Since I have already come across the literature into diversity as a researcher of Human Resource Management, the issue for this study is made void. Yet, even if I had not come across the literature I believe that we need to recognize we already possess certain knowledge about the research area we are interested in studying, because it interests us enough to want to study or research it. To me an 'open mind' means recognizing the knowledge we have, but not imposing this knowledge in data gathering and analysis in the same way we are not to impose a pre-determined theory.

## **6. Methodology & Method in Action – Preliminary Analysis & Findings Using Grounded Theory**

In this section, I provide a description of my preliminary attempts to put into action the Grounded Theory method and present some initial results gained through analysis. Firstly I outline how I set up the study, gained access to the research participants, prepared for and conducted interviews and then show the process of analysis providing examples of coding and memo writing. Finally, I present a diagram that integrates an initial finding concerning one particular case.

### **Access, Data Gathering & Initial Analysis**

#### *Approaching the Topic & Developing Research Questions*

My initial interest in diversity and difference in the workplace in Japan started when I was working for Japanese companies in Japan in the early 1990's. Despite the boom in 'Japanese-style management' at the time which painted in my mind a image of the Japanese workers as homogenous, harmonious, and group-orientated, in my daily work I found at times very strong differences in opinion and attitudes and at times great conflict. Although I had no language for it then, I noted that underneath the surface social niceties, there existed strong manifestations of individuality.

This reckoning became the basis for my MBA and PhD research when I entered graduate school at a Japanese university. In my reading, I came across the concept of diversity in the workplace in the USA. Much of the literature echoed the experiences I had, but instead of the strong US focus on race, ethnicity, gender and religion, other than gender, I felt that the tacit, less visible dimensions of workers in Japan meaning individual personality, beliefs and attitudes, perceptions and worldviews and identity were comparatively the traits of diversity critical to Japan.

By utilizing the framework of diversity proposed by Cox (1993) and Thomas (1995), together with my supervisor and research team at the time, we implemented a survey in early 1999 to look at employee perspectives towards work and the company so as to reveal the tacit attitudes and beliefs these employees held. The diversity traits were limited to employment type, gender and age group. The results of this research were reported in McDonald (2003). Although the survey analysis did reveal differences, it was the interviews that followed with management that provided the richer understanding of what diversity meant to these actors. It should be noted that although the managers we spoke to did not have the language or concepts of 'diversity', they showed a strong affinity and shared common interests in wanting to learn what we were wanting to learn.

By 2002, Nikkeiren came out with a report of their own on diversity management, Nikkeiren Daibashiti Waku Rūru Kenkyūkai (2002), which was one of the first formal introductions to the real world of business and academia in Japan of a diversity vernacular. A few years later saw a number of well-known Japanese companies opening 'Diversity Development Offices' and top management openly declaring commitment to diversity. Study groups made up of newly appointed 'diversity managers' sprang up in Tokyo and Osaka/Kobe and several management symposiums themed around diversity

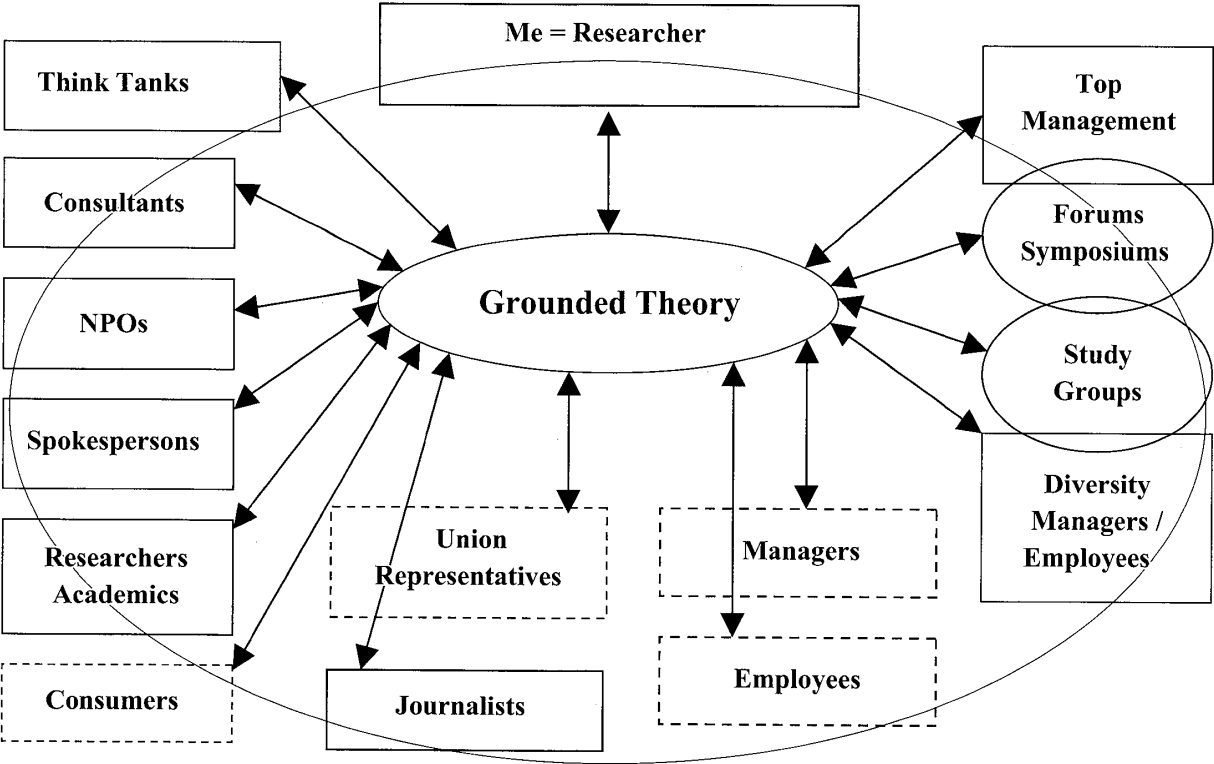
hosted by management associations were held. I attended many of the study group sessions in Tokyo and the symposiums. The sense I had was that the people directly responsible for implementing diversity were grappling not only with how to implement or view the diversity initiatives already implemented, but also were trying to pin down their take on what diversity and diversity management meant to them. There was no literature in Japanese except the Nikkeiren report that they could refer to. In other words, it was as yet an unexplored field in Japan. This realization prompted me to start considering how I could provide a better overview or sketch of what was going on by speaking with these people as part of a formal analytical investigation.

This investigation became the basis of PhD research at a university in the UK where the research questions to guide my studies were crystallized as: how do Japanese top management and diversity managers conceptualize diversity management, and, how is diversity management being implemented and what are the outcomes of such efforts?

*Choosing Research Participants & Gaining Access*

“Figure 3 – Agents in Research” sketches out the people or agents I see as most pivotal in the research into diversity in Japan. As already noted, is not known at the outset which people would be included in the actual study as this is determined during the process of conducting Grounded Theory research. However, sketching out the potential participants helped me in preparing to build a network of contacts.

**Figure 3 Agents in Research**



As a first step, I decided to focus on diversity managers and employees in the diversity development offices. My reasoning for this is that they represented the 'interpreters' or 'filters' of top management thinking and thus corporate policy about diversity management and were directly responsible for educating company employees, developing, implementing and evaluating diversity management initiatives. Because of this role, I considered they were the best first point of contact.

Fortunately, diversity managers and employees of diversity development offices were the easiest for me to gain access to. As I was attending the same study groups as these people, a familiarity which often extended into a professional trust relationship developed. After attending a number of study group sessions, I asked if they would agree to participate in my research and all I spoke to agreed. Many said they looked forward to my findings so that they could see how their own thinking and efforts stood within the broader picture.

Also attending the study groups were business consultants and members of NPOs who had an active interest in diversity management. These people offered to introduce me to other diversity managers that had not attended the study groups as well as offering themselves to be interviewed so they could give their own take on what was going from their discussions and work with diversity managers. Not only had my network expanded numerically, but geographically also- spreading across Kanto, Chubu and Kansai.

### *Preparing for the Interviews*

I followed up by email and telephone calls with the contacts I made, setting up times and places for interviews. I also asked members of NPOs and the business consultants to set up meetings for me. Once a date, time and location (which in all cases was at the participant's office) was set, I asked the research participants if they could send me any information they had about diversity and diversity management in their company as well as general corporate information ahead of the interview.

In preparation for the interview, I thought out a strategy to use during the interviews. I decided on a semi-structured type of interview that offered the best balance between covering certain topics I was pondering with the opportunity for the participant to introduce areas they felt were important. As many of the participants wanted to know in advance what I was going to ask them, I explained to them the semi-structured interview approach and provided them a list of topic areas I had thought of. Thus I developed a list of topics and related questions. I also asked the participants to add to the list what they wanted to talk about. Besides the general list of topics and questions, I developed specific questions based on the literature and other information the participants sent me.

About a month before the first interviews were to start, the UK university I was conducting research towards a PhD at expanded their ethics requirements to include research conducted in all disciplines that involved contact with people. This involved me applying for approval from the university's ethics committee, which I received, as well as gaining signed consent from the research participant before the start of each interview. I emailed each participant in advance the ethic documents they had to read and sign on the day of the interview. Since I had already developed a trust relationship with the participants

in which a spoken agreement was as good (if not better) than a written one, many of the participants complained that making them sign forms would require having to get written approval for the verbal approval they had already obtained from their bosses, which in many cases was top management. For many, this type of request was a first as the academic culture in management research in Japan does not require this. In the end, all the necessary approval was obtained, but the procedure became an unnecessary intrusion in the smooth process of research and threw a shadow over the trust relationship itself and as such deserves proper investigation in a separate study.

### *The Interview*

Usually before each interview started, I would be given a quick tour of the participant's office and introduced to the office staff. Then, in a quiet room, the participant, sometimes with one or more other members from the same office would seat themselves across from me. We would sign and exchange the ethic consent forms. In some cases, the signed form had to be read over again by management in which case the participant posted the form to me a few days later. We then discussed how to best go about the interview and I obtained consent to record the interview using a small-sized IC recorder.

At the start of each interview I would ask each participant to state their name, position, and the division they worked for in the company and then have them briefly describe what their position and job entailed. Here the nature of the talk was formal and at 'surface level'. To direct the interview so that the participants would 'open up' I had them share their life stories and ask them to talk about the first time they came across diversity in their lives. Though each interview was different, I found that the more the participant opened up the more frank they would talk about their take and struggles with diversity management. The franker parts of the interview often painted a different picture to the formal company statements they first explained.

Upon completion of the interview, I asked the participant/s if I could do a follow-up interview and ask questions via email if I came across something that needed clarification or wanted to probe more deeply. In all cases, the participants gave their verbal approval.

### *Preparation for Analysis*

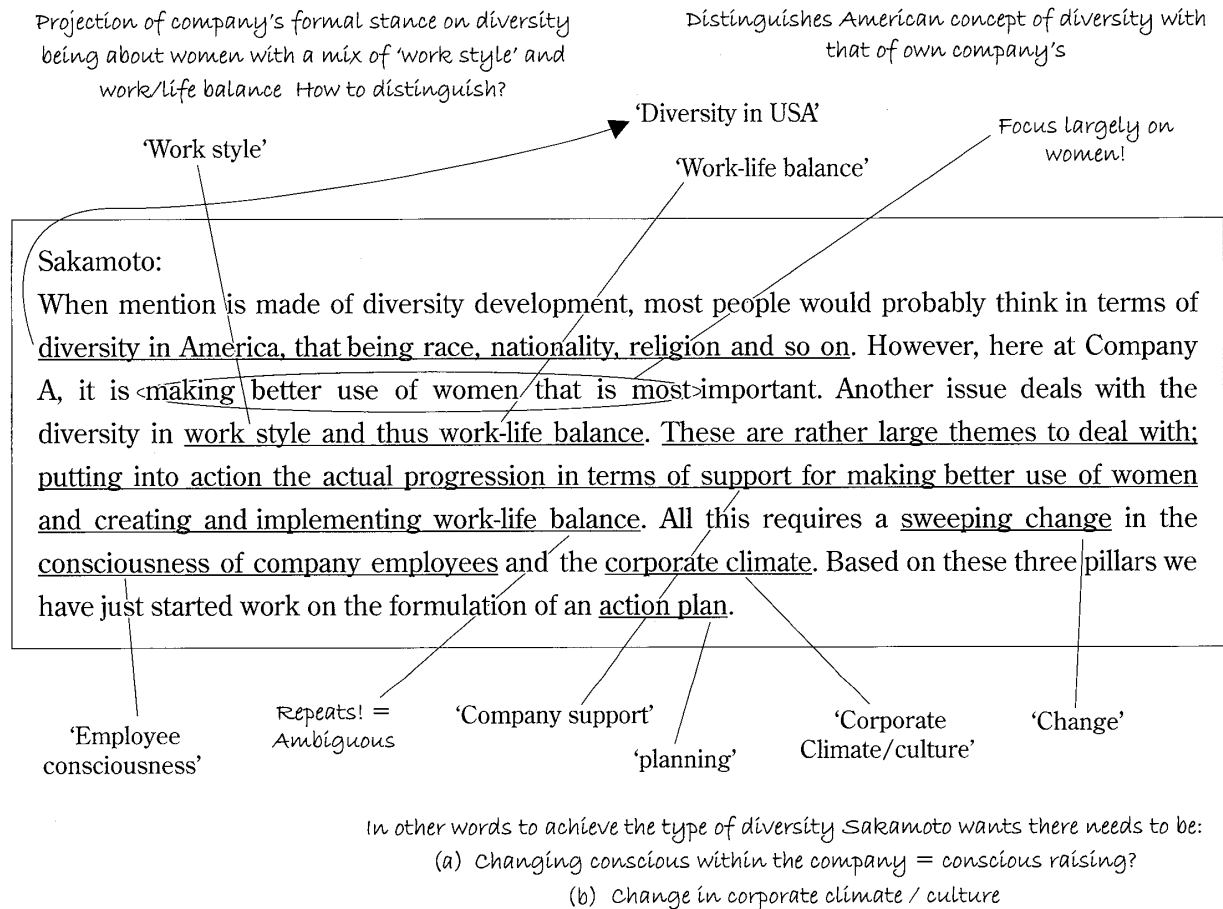
Upon completion of each interview I had a native Japanese speaker transcribe the interview. As I was more interested in the content of the interview, I asked the transcriber to not include the 'umms' and 'errs'. Upon completion of the transcript I would listen to the recording and check the accuracy of the transcript.

### *Analysis of the Transcribed Interview*

#### *Line-by-Line Analysis*

First I would read through the whole transcript without doing any specific analysis. Then I would go through the transcript, line by line, coding sections I found important. An example of this is illustrated in "Figure 4 – Line-by-Line Analysis".

**Figure 4 Line-by-Line Coding**



First I would think of a keyword or phrase that best captured the essence of the section and the keyword or phrase would become the code. I would then write up on a separate piece of paper what the code represented. After a while I would start to see links between the codes— a broader logic – and would write a note around coded sections and draw some linkages.

*Memo Writing*

After writing out the linkages, I attempted to make sense of them by writing a memo. An example of one these memos related to the same section is presented in “Figure 5– Memo”.

As can be seen by reading the memos, I wrote in ‘critical’ tones about the logic of the participants’ statements and as such was trying at this point to maintain an ‘analytical distance’. The memos were also in a discussion form, a dialogue with myself, about the grounding of the logic of the statements where I would make notes of possible assumptions and other underlying thinking. The memo writing also helped in clarifying what further questions or topics needed to be asked in future interviews with either the same or different participant. When writing these questions, I was also considering who would be best to ask and have them answered by. It was in this way a ‘map’ or course of the types of people that needed to be included in the study started to form.



## Figure 5 Memo

### Perception of Diversity in the USA

Diversity is perceived by Sakamoto in the US as being about issues or dimensions related to race, nationality, religion and such.

- This begs the question, where does this perception come from?
- An extension of this is what is it that actually informs diversity managers' ideas of US diversity? How does this differ to their own development of perceptions of diversity as it relates to their own company and Japan in general?

*In an interview (or in further reading of the transcript) I would need to obtain this knowledge by asking:*

*How did you come to know about diversity in the US? What had you read?*

*Who had you spoken to?*

- Thus we need to consider the role of 'educators' or 'informers' in the conceptualization of diversity.

### USA Diversity as 'Out There'

By stating that "...when you talk about diversity in America ... but in our company", Sakamoto is indicating a distinction, stating that diversity in America is 'out there' and not directly related to especially her own company (or possibly Japan in general?)

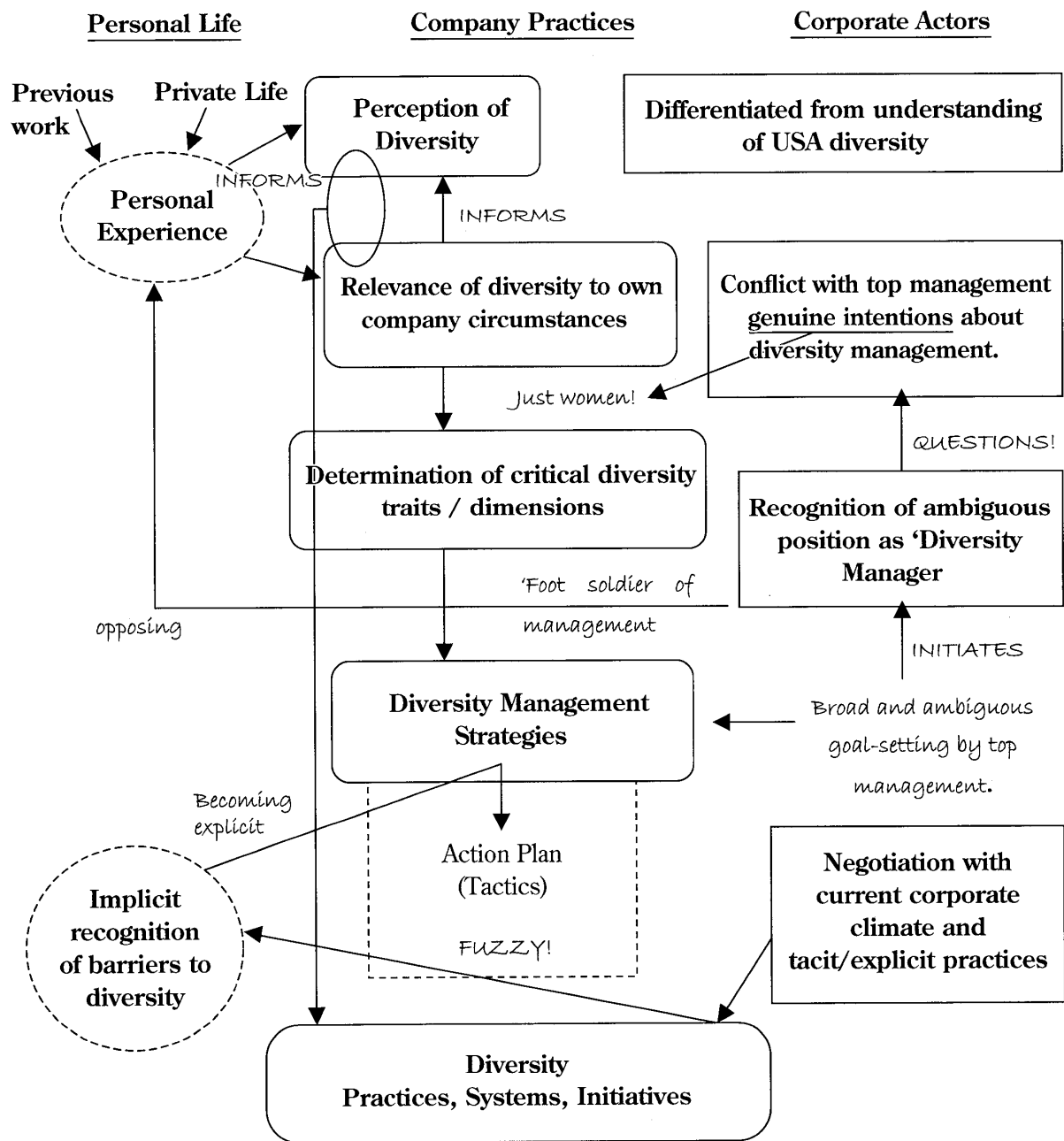
- But there is a contradiction here. Sakamoto goes on to talk about women's issues, which is stated in the US management literature as important in diversity in terms of gender issues.

*> Does Sakamoto unravel this apparent contradiction with either (1) a different understanding of women's issues and gender, or (2) is she talking about a different situation for women in Japan?*

*Diagramming*

At a point in the interview transcript where the topic of discussion would turn to a completely different area of focus, I would stop coding and memo writing and read through my memos as well as the sections the memos referred to in the actual transcript to try and start drawing connections to map out a concept based on what I thought the participant was ‘really’ trying to say. In Charmaz’s (2006) words, what I was attempting to do is ‘sort the memos to fit the theoretical categories and show relationships that integrate the work’ (p.12). “Figure 6 – Diagramming Example of a Preliminary Concept” provides an example of such diagramming.

**Figure 6 Diagramming Example of a Preliminary Concept**



To gain a sense of the richness of such diagramming, following is a description of my first preliminary finding gained from my first attempt to put Grounded Theory into action.

### **Preliminary Finding**

In the case of Ms. Sakamoto<sup>6</sup>, the process in which her perception of diversity is transformed into practice involves her personal background experience, the practices and circumstances of the company, and the various actors in the company organization.

Although 'perception of diversity' is located centrally at the top of the diagram, this perception has been constructed by both Sakamoto's preconceived ideas about diversity she gained from working previously in different companies and her attempts to make sense of her ideas as she is confronted by the situation or circumstances particular to Company A.

Overall she clearly differentiates the idea she has of diversity for her company, Company A, and a general concept of diversity in the USA- which she sees as 'out there' and not really relevant to the situation she sees in her own company despite 'women' representing a critical trait or dimension of diversity.

Ms. Sakamoto recognizes a conflict with her own perception of diversity compared to that held by top management. Top management's over-simplistic take of diversity makes Ms. Sakamoto question the genuine intentions and commitment top management have to diversity itself as top management's only directive has been to 'improve the utilization of women'. This directive does not equate well with Ms. Sakamoto's complex understanding of diversity as 'women' means working along only two axes, male and female. In her view there is so much more to gender, indeed so much more complexity within what could be regarded as 'woman' itself. In essence, top management are using diversity as a replacement for 'women's initiatives' and as such possibly undermining the effectiveness of diversity management itself.

Top management's broad and ambiguous goal-setting concerning diversity provides Ms. Sakamoto with little clear direction and it is here that, though she may not be conscious of it, she uses language that suggests she been put in a position as a mere 'foot soldier' of top management. Being positioned in this way has created a dilemma where while she has been given the responsibility to initiate diversity practices, she can only do so within bounds that do not reflect her heart-felt personal commitment to improving lives according to her take of diversity. Despite this, she has put into place a number of management practices, systems, awareness raising and initiatives.

Instead of formulating a diversity management strategy then developing action plans to implement practices, systems and initiatives, there has been a direct jump from the nature of the relevance of diversity to Company A to the '*gemba*' or on the ground specific initiatives. These new *gemba* initiatives are negotiated in real time with employees who hold assumptions in line with the

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6 Ms. Sakamoto and Company A is a pseudonym used to protect confidentiality. However, the details discussed with regards to Ms. Sakamoto and her company are factual.

current corporate culture, as well as both tacit and explicit practices that have been born from the past development of the company. Ms. Sakamoto is implicitly aware of the resistance to the diversity practices, which are new for both the employees and in conflict with corporate culture. The grappling with resistance at a tacit level of the *gemba* diversity initiatives constructs a 'fuzzy' action plan which gradually becomes more articulated when Ms. Sakamoto is able to make her implicit understandings clear.

Overall, due to both Ms. Sakamoto's precarious position as 'diversity manager' and the tensions with a solid corporate culture that goes to the level of top management, directly implementing her take of diversity by enforcing initiatives directly at the *gemba* level is the first outcome. As tensions occur and the barriers become clearer, a higher level diversity management strategy is finally thought through. This process shows how in practice diversity management is being pursued. Firstly at a high conceptual level then directly to a *gemba* level, conflict occurs and diversity is 'problemized'. Having the diversity initiatives problemized makes the barriers to diversity management clearer and stock is taken to develop a more articulate diversity management strategy. In essence, different to the common plan-do-see management formula, it is a perceive → do → see('feel') → negotiate → plan → articulate approach to diversity management.

## 7. Conclusion

Diversity management in Japan represents an area that deserves analytical investigation so that some sense can be made of what is going on. Initial studies in Japanese have introduced the US concept of diversity to Japan, but to make further studies speak to the experiences of Japanese managers, employees and others affected by diversity in the field newer approaches are required.

In this paper, I attempted to outline a methodology and method that aims to bring about new understanding of diversity management in the context of Japanese business world. The approach is bottom up, concepts and theory are built up from the differing constructed realities of people in the field. In order to do this the methodology, drawing greatly from social constructionism, was outlined and applied to the case of diversity management. So too was the method Grounded Theory in which a constructionist approach was chosen and processes explained and illustrated with actual examples.

Although at only the initial stages, the approach used is helping piece together a rich construction and thus understanding of the dynamics of implementing diversity management in the company. Further work needs to be pursued to obtain a much fuller picture.

As the practice of diversity management spreads amongst a larger number of companies throughout Japan, the need for continued research to provide deeper understanding will become important. As with the complexity and fluidity of diversity itself, approaches to analyzing and research this will also have to adapt and develop. Just what form future research takes will only be known during the process of conducting the inquiry itself. For the researcher, there is the challenge to step out of preconceived theoretical boxes and step into unknown territories and try to construct a new

understanding of the endless change taking place.

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