Job Allocations as Cultural Sorting in a Culturally Diverse Organizational Context

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Job allocations as cultural sorting in a culturally diverse organizational context

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A B S T R A C T

This study addresses the inadequacy of the career and diversity literatures in explaining the dynamics of job allocations in a culturally diverse organizational context. In order to better understand this topic, we conducted a qualitative study involving personal interviews with 50 Emiratis and international employees who worked in managerial positions in the United Arab Emirates (UAE). The purpose of the study was to explore the unique challenges associated with managing a culturally diverse workforce and explore the role of culture in allocating jobs among employees with diverse cultural backgrounds. Despite the perceived value of having a culturally diverse workforce, our findings indicate a lack of effective diversity management strategies for dealing with challenges and issues associated with a high level of cultural diversity in the participating organizations. This study provides insights into the impact of cultural/nationality-based stereotypes on job allocations as well as on organizational outcomes. Based on the findings, we discussed implications for research and practice and as well as for policy makers.

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1. Introduction

As the global economy becomes more integrated, growing numbers of individuals are moving across national borders to pursue career opportunities. The higher level of global career mobility of these international employees, or individuals pursuing careers in countries other than their home countries (e.g., migrant workers and company-assigned or self-initiated expatriates), along with more permeable geographic and institutional boundaries, has contributed to cultural diversity in the workforce (Guo & Al Ariss, 2015) and has become an inevitable organizational reality (Jonsen, Maznevski, & Schneider, 2011). Researchers and business practitioners have sought to understand the impact of cultural diversity on organizational outcomes. Early studies found that cultural diversity provided firms with diverse experiences and knowledge, promoted team creativity and innovation and facilitated decision making (Cox, 1993; Cox & Blake, 1991). Research by Lauring and Selmer (2013) showed that cultural diversity was strongly associated with favorable diversity attitudes. In addition, the use of a common language can enhance openness to diversity in multicultural organizations (Lauring & Selmer, 2012); and openness to diversity was found to positively associate with perceived group performance and group satisfaction (Lauring & Selmer, 2011).

Another relevant research stream that has emerged as a response to the observed increasing global career mobility focuses on career challenges and consequences of global work experiences (for reviews, see Dabic, González-Loureiro, & Harvey, 2015; Shaffer, Krainer, Chen, & Bolino, 2012). According to Shaffer et al. (2012), global work experiences are critical to the development of international employees’ career capital. International employees are now viewed as an important part of the global talent pool, contributing to the competitive advantages of the global organizations, (Beechler & Woodward, 2009; Carr, Inkson, & Thorn, 2005; Cerdin, Diné, & Brewster, 2014). However, these previous studies have been mostly done at the individual level and global careers have been examined as a result of individual career agency and motivation, omitting the discussion of the receiving context and the organizational level factors that may also shape global career experiences.

Therefore, major knowledge gaps exist. First, as Jonsen et al. (2011) pointed out, the diversity literature is not so diverse. Although multicultural workforce is a common theme in corporations globally (Shen, Chanda, DNetto, & Monga, 2009), little research has been done outside the United States and we have limited knowledge about how national, cultural and institutional contexts impact diversity (Jonsen et al., 2011). Second, although

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administrative difficulties and structural barriers (e.g., obtaining a work visa) have been well studied in the career literature (e.g., Al Ariss, 2010; Dietz, 2010), little attention has been directed to the perceptual barriers that may inhibit the career success of international employees (Shaffer et al., 2012). Lastly, recent research (e.g., Baltes & Rudolph, 2010; Bingelli, Dietz, & Krings, 2013; Dietz, 2010; Hakak, Holzinger, & Zikic, 2010; Hosoda & Stone-Romero, 2010) has shown that international employees, such as migrant workers, are not a homogenous group; a high level of diversity exists in terms of their cultural backgrounds, religious beliefs, as well as their education and skill levels. However, we know little about the role of culture in understanding different career outcomes received by employees in a culturally diverse organizational context (Al Ariss, 2010; Al Ariss & Syed, 2011; Guo & Al Ariss, 2015).

The purpose of the study is to examine the impact of culture on shaping career outcomes, namely job allocations, received by international employees in a non-Western, culturally diverse organizational context. By doing so, we also explore the challenges and issues associated with managing a culturally diverse workforce. We conducted a qualitative study involving fifty interviews with international employees and their local counterparts working in managerial positions in the United Arab Emirates (UAE). UAE has been a major destination country for international employees worldwide and has emerged as an economic powerhouse in the Arab Gulf region (Elamin, 2011; Schoepp, 2011). Based on the accounts of both local and international employees, our study uncovered that, despite the perceived value of having a culturally diverse workforce, participating organizations did poorly in managing a culturally diverse workforce. The findings showed that cultural/nationality-based stereotypes, in the absence of diversity management strategies and merit-based human resource management (HRM) practices, served as a sorting system throughout which job positions were allocated based on international employees' countries of origin. Such a stereotype-driven job allocative process caused job segregation or cultural separation across cultural groups and job stratification or cultural disparity in access to job positions at different organizational levels.

The current research makes several contributions to the literature on career and diversity. First, the study empirically investigated challenges and issues associated with cultural diversity in a non-Western context. The findings provided support to the previous research that having a culturally diverse workforce doesn't automatically benefit organizational performance. When managed inappropriately, cultural differences are detrimental to workplace efficiency and organizational competitiveness. Second, our study highlights the importance of culture in explaining career outcomes in a culturally diverse organizational context. Departing from the previous career research on job allocations as a result of career agency and individual choices, the qualitative data of our study have shown that job allocations are cultural artifacts built on prevalent cultural biases and nationality-based stereotypes held by employers. Third, the findings of the current investigation have enriched our understanding of diversity as separation and disparity in a culturally diverse organizational context. This study showed how perceptual biases created job segregation (cultural separation) and stratification (cultural disparity), which, in turn, led to institutional biases preventing employees with diverse cultural backgrounds from advancing to the best positions. Lastly, extending the global career literature, the results have suggested that perceptual barriers do not have an equal impact on all cultural groups. While some cultural groups benefited from the positive stereotypes that made them suitable job candidates for certain job positions, others' career development was blocked due to the negativity of the stereotypes associated with their countries of origin.

The rest of the paper is organized as follows. We first review research on cultural diversity and global careers. After that, we explain the contextual characteristics of the UAE in order to situate this study. Then we present the research methodology, followed by the findings and discussions. Implications for theory and practices are suggested. The paper concludes by offering strategies for policy makers to better manage a culturally diverse workforce.

2. Literature review

2.1. Cultural diversity, stereotyping and job segregation

Cultural diversity is defined by Cox (1993: 6) as “the representation, in one social system, of people with distinctly different group affiliates of cultural significance” (Cox, 1993: 6). Cultural diversity was found to be associated with important group and organizational outcomes. Although earlier studies (e.g., Cox, 1993; Cox & Blake, 1991; Richard, 2000) found that cultural diversity is associated with positive organizational outcomes such as creativity, innovative ideas, better decision making processes and firm competitiveness, more recent study approached cultural diversity as a double-edged sword and research attention has been directed to contingent factors of diversity effects (e.g., Joshi & Roh, 2009; Pieterse, van Knippenberg, & van Dierendonck, 2013). For example, Pieterse et al. (2013) found that goal orientation moderated the performance benefits of cultural diversity in such a way that cultural diversity was more positively associated with team performance when team members’ learning approach orientation was high.

Indeed, an inevitable challenge associated with managing a culturally diverse workforce, according to Cox (1993), is that in culturally dissimilar groups, stereotyping, or a perceptual and cognitive process in which specific behavioral traits are ascribed to individuals based on their group memberships, is likely to occur. When individuals interact with people from different social categories (e.g., cultural groups), the effect of these individual differences are more likely to be prominent and hence activate stereotypes associated with that social category (Leonardi & Rodriguez-Lluesma, 2013). Indeed, social categories can be informative by providing inferences about underlying dispositions of individuals in a social group and therefore are routinely referred to (Stangor, Lynch, Duan, & Glass, 1992). Stangor et al. (1992) maintain that social categories such as race and sex are used so frequently in social perception that their use becomes habitual and automatic, occurring without little conscious thought or effort.

Cox (1993) cautions that while stereotyping may make perceptual and cognitive processes more efficient, stereotypical information of a social category may not always be accurate and not all members will be characteristic of the group. Therefore, the use of stereotypes and the reliance on stereotyping can have a negative impact on career outcomes. According to Cox (1993), the greatest impact of stereotypes on career experiences is that stereotypes may block organizational entry by hindering members of certain groups from being hired for certain jobs, or by segregating members of different social groups into different job categories within organizations (e.g., gender and racial ethnicity segregation). Cox’s (1993) theorization lays the foundation of examining the role of stereotypes in constituting the perceptual barriers, which may have a significant impact on career outcomes. However, little empirical research has been conducted to further examine cultural-related perceptual barriers that may impede career development of employees in a culturally diverse organizational context.
2.2. Career experiences and outcomes of international employees

In global career literature, diversity-related issues as well as career experiences and outcomes are mainly discussed in the context of managing international employees, especially migrant workers and ethnic minorities working in Western, industrialized countries (Carr, 2010). Recent studies have shown that international employees with ethnic minority backgrounds, such as migrant workers from developing countries, are more likely to be subject to employment discrimination (Al Ariss, 2010; Dietz, 2010). For example, (Bell, Kwesiga, & Berry, 2010) discussed the discrimination, exploitation and abuse of low-skilled Hispanics in the United States. In Europe, Bach (2007) examines how the migration of nurses to the UK promotes ethnic diversity of the workforce. The author concludes that little institutional support is available to enhance the ethnic diversity of nurses in international recruitment. Based on the experiences of Pakistani, Bangladeshi and Caribbean women working in the public sector in the UK, (Healy, Bradley, & Forson, 2011) examined how inequalities are produced and reproduced in the context of the workplace. Similarly, Baltes and Rudolph (2010) found that the endorsement of a negative Turkish stereotype significantly affected suitability ratings for highly qualified Turkish candidates in Germany.

Taken together, these earlier studies identified career challenges facing international employees. However, most of the prior research has examined only one or a few cultural groups at a time and hence offers little insight into how culture shapes career outcomes, such as job allocations, received by international employees with diverse cultural backgrounds. In addition, most of the recent cultural diversity studies have been conducted at the team and the individual level rather than at the organizational level (Jansen et al., 2011). In order to explore the challenges associated with managing a culturally diverse workforce and examine the impact of culture on job allocations in a non-Western, culturally diverse organizational context, we conducted an exploratory, qualitative study focusing on diversity-related issues at the organizational level in the UAE. Below we explain why the UAE provides a unique national context to examine these issues.

2.3. Inflow of international employees in the UAE

The UAE is a fuel-rich country that has witnessed rapid economic development and modernization in the last decade. The country is composed of seven emirates: Abu Dhabi, Dubai, Ajman, Fujairah, Sharjah, Ras al-Khaimah and Umm al-Qwain. The UAE possesses 10% of the world’s known oil reserves and 4% of the natural gas (Schoepf, 2011). This wealth has allowed the Emirati governments to build a state-of-the-art infrastructure including educational institutions, transport systems, technological development and a healthcare service among other vital components needed in successful economies in order to attract multinationals and diminish their reliance on petrol incomes. The United Nations (UN, 2011) ranks UAE’s Human Development Index (HDI)1 30 out of 187 countries. In this position, the UAE comes above all the other Arab countries. As a result, in the past few decades, the UAE has experienced a significant inflow of international human capital due to the tremendous economic development (Malecki & Ewers, 2007). The country has become a top destination in the Arab Middle East for both skilled and unskilled international employees (Coles & Walsh, 2010).

Attracting international employees who can contribute to the development of the UAE but at the same time securing the employment of Emiratis has been a key challenge discussed in the literature (e.g., Malecki & Ewers, 2007; Rees, Mamman, & Braik, 2007; Schoepf, 2010). An important feature of the UAE’s workforce is that more than 75% of the UAE’s population is made up of international employees (Elamin, 2011; Schoepf, 2011). Despite Emiratization efforts aimed at increasing the employment of Emirati nationals by imposing quotas on organizations to ensure the employment of local employees, Emirati nationals remain under-represented in the workforce employed in the Emirates, especially in the private sector (Neal, 2010). Emiratization programs attempt, for example, to institutionalize and prioritize the employment of locals in the private sector. Forstenlechner (2008) conducted an exploratory study and analyzed the conditions under which Emiratization can enable organizations to capitalize on local human capital. Findings indicate that organizations lack the motivation to invest in Emiratization programs. As a result, projects under the banner of Emiratization have not always been successful.

The literature concludes that a high level of cultural diversity in the workforce due to expatriation and migration makes the UAE a challenging working environment with specificities that are not yet well understood and hence need further exploration (Sidani & Al Ariss, 2014; Forstenlechner & Mellahi, 2011). From this perspective, the UAE provides an excellent research context for exploring diversity- and career-related issues associated with a culturally diverse workforce.

3. Research method

As we stated earlier, the purpose of the study was to examine the impact of culture on shaping career outcomes, namely job allocations, received by international employees in a non-Western, culturally diverse organizational context. By doing so, we also sought to understand the challenges and issues associated with a culturally diverse workforce. In the present investigation, we collected qualitative data from 28 Emiratis and 22 international employees who were top or middle managers. The first part of the interviews explores Emirati managers’ views on having a culturally diverse workforce and how their perceptions influence job allocations and career outcomes. The second part shows the views of international employees from different cultural groups with regards to their jobs and career experiences in comparison with those of their local counterparts.

As recognized in the management literature, it is difficult to collect data in Arab countries (Zahr, 2011) and gain access to locals (Emiratis). This might be explained by the fact that they are a minority in their home country (less than 15%) and that there is still a lack of understanding of the importance of data collection on management practices (Zahr, 2011). Therefore, the snowballing technique, social contacts, cold calls and also contact via internet addresses were utilized to ensure adequate participation. Tables 1 and 2 show the demographic details of the participants. The international employees in our study can be either self-initiated expatriates or corporate expatriates, although the design of our data collection does not allow us to distinguish them in our analyses. These international employees come from nine countries and work at different companies. Among them, seventeen interviewees are top managers and others are middle managers; four of them are women and the rest are men.

Most of the interviews were conducted in English because all participants in this study spoke English fluently. If participants allowed, interviews were recorded and later transcribed as soon as possible. Time for the interviews was limited (on average 15 to 20 min) due to the busy work schedule of the participants, all of whom had key organizational positions, and due to the reasons explained above. The interviews were conducted at the place of

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1 The HDI is an alternative to conventional measures of national development, such as the level of income and the rate of economic growth. It provides a three-dimensional measure human development: health, education, and income.
Table 1
Profile of Emirati Participants.

<table>
<thead>
<tr>
<th>No.</th>
<th>Pseudonym</th>
<th>Position</th>
<th>Business sector</th>
<th>Gender</th>
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<td>Top management</td>
<td>Services</td>
<td>M</td>
</tr>
<tr>
<td>3</td>
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<td>Top management</td>
<td>Construction</td>
<td>M</td>
</tr>
<tr>
<td>4</td>
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<td>Top management</td>
<td>Gas industry</td>
<td>M</td>
</tr>
<tr>
<td>5</td>
<td>Salem</td>
<td>Top management</td>
<td>Airlene</td>
<td>M</td>
</tr>
<tr>
<td>6</td>
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</tr>
<tr>
<td>7</td>
<td>Rafik</td>
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<td>M</td>
</tr>
<tr>
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<td>Jihad</td>
<td>Top management</td>
<td>Services</td>
<td>M</td>
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<tr>
<td>9</td>
<td>Fouad</td>
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<td>UAE Government</td>
<td>M</td>
</tr>
<tr>
<td>10</td>
<td>Sharif</td>
<td>Top management</td>
<td>Gas industry</td>
<td>M</td>
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<td>Services</td>
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<td>M</td>
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Table 2
Profile of international employees.

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choice of the interviewees, and by phone when interviewees requested. Written notes were taken or self-reported by interviewees for interviews that were not recorded. At the beginning of the interview, participants were first ensured of confidentiality and then asked to provide background information, such as their knowledge of spoken and written language(s), their work experience and current job position. After that, for Emirati managers, open-ended questions were asked concerning (1) their views of having a culturally diverse workforce in the UAE; (2) challenges associated with working with and managing a culturally diverse workforce; (3) their interactions with international employees at work and in non-work contexts; and (4) processes of assigning jobs among international employees. Interviews with international employees also focused on the above topics, as well as their work experiences and interactions with Emiratis and other international employees in the workplace.

Layder (1998) approach to analysis was adopted, which involves considering existing theory and allowing interpretations to emerge from the data. Accordingly, the authors did content analysis based on the common themes of the interviews along the interview questions. For the purpose of this paper, thematic coding was used to code the material collected. Coding was iterative and each interview transcript was read several times and relevant segments of text were sorted into themes. In order to draw conclusions from the data, we compared the individuals' subjective accounts by examining common issues as well as differences between their respective experiences (Fendt & Sachs, 2008).

4. Research findings

The section below presents findings from the interviews with Emiratis followed by results from accounts of international employees. For clarity purposes, findings are presented in this same order. The first part of the findings presents the Emiratis' experience of working with and managing a culturally diverse workforce in the UAE as well as their perceptions of job allocative processes among employees with diverse cultural backgrounds. The second part presents accounts of international employees.

4.1. Emirati participants’ view of challenges associated with a culturally diverse workforce

Most Emirati participants in our study valued cultural diversity and its positive impact on organizational outcomes. A high level of cultural diversity in the workforce was viewed as a key element leading to innovation and creative ideas in the workplace. Despite a strong belief in the positive outcomes brought by cultural diversity, however, Emirati participants raised concerns and acknowledged possible challenges. All Emirati participants in our study reported a lack of knowledge in terms of how to manage such a culturally diverse workforce. Specifically, Emirati participants mentioned that a high level of cultural diversity caused barriers to effective communications and social interactions due to a lack of understanding of different cultural and ethnic backgrounds of international employees. As a result, international employees of the same nationality or with similar cultural backgrounds were assigned to work in the same business unit. According to the Emirati participants, such a job allocation method, by ensuring a common cultural background, eased difficulties in cross-cultural communications and facilitated interactions among employees within the same business unit. However, this method also lowered the diversity level in each business unit and led to monopolizing of jobs as well as fragmentation of the workforce, both of which, at the organizational level, suppressed innovative ideas and cross-cultural collaborations. For example, as an Emirati manager explained:

I fully approve of diversity in the workforce. In the past, there has been a mafia-like problem in the workforce. A group of Arabs tend to monopolize the workforce and that is not good. That can be largely avoided by having a diverse workforce. Also, consultations are important and draw out the benefits of having
diversity in the workforce. I often ask people from other departments for their opinions on various issues. ... Innovation is also an attribute here. Creativity and ideas are important since we can learn from each other. [Sharif, Emirati top manager]

In addition, international employees were perceived by the Emirati managers as lacking local knowledge of Emirati culture and business practices. Most of the Emirati managers in our study noted that non-UAE employees’ language and cross-cultural competencies need to be improved in order to better perform in the local culture. For example, several Emirati managers mentioned that it is typical for their companies to send Emiratis along with international employees to business meetings so that the work could be done in a culturally appropriate manner. As one Emirati manager explained:

...There are challenges when working with expatriates in terms of their lack of knowledge about the culture, their lack of knowledge about the local business practices. Sometimes good business practice does not apply in the UAE due to the difference in cultural norms and standards. The main challenge is the difference in ways of thinking. This applies mainly to newcomers to the region.... Sometimes when we have a business meeting with Emiratis, we have to send fellow Emiratis along with the expats so that the meeting goes smoothly. One issue, for example, is the body language and gestures that expats do not grasp. The way you talk in a business meeting when you are negotiating is very important when dealing with Emiratis. [Kamil, Emirati top manager]

All Emirati participants in our study reported the need to learn and understand cultural norms and practices of the international employees. They also recognized a high need for organizations to create more opportunities for international and Emirati employees to get to know about their respective cultures. Such encounters were perceived to be of critical importance in facilitating cultural integration and creating positive organizational outcomes, as the lack of such cultural understandings, in some extreme cases, led to severe consequences. For example, one Emirati participant reported that an international employee committed suicide in an offshore field because of a misunderstanding with his Emirati manager. Specifically, as the Emirati manager states,

Sometimes cultural differences lead to misunderstandings. I remember that an international worker committed suicide in the offshore field because of a small misunderstanding with his manager. The worker’s family had an emergency back in his own country. The worker strongly wanted to leave the field that same day but the manager refused and said he could leave in three days' time. Then the worker kept silent and did not discuss the situation and finally committed suicide.... The suicide case had a major effect on my relationship with other international employees. Now I read more about other cultures, and I ask my international workers questions such as Is this acceptable in your culture? [Wahab, Emirati middle manager]

In general, Emirati participants reported that there was a lack of interaction between Emirati employees and international employees. On the one hand, Emirati participants mentioned that although they thought social interactions with international employees would lead to a more productive workplace, they tended to work and socialize more easily with Emiratis due to cultural similarities, and hence their socialization with international coworkers was limited. On the other hand, Emirati participants commented that international employees, especially those working at the higher organizational levels, tried to keep locals away so that they can keep senior positions for themselves. In the latter case, they felt that international employees might not be keen on socializing with locals and helping them develop professional skills and advance careers. As a result, Emirati participants noted that they were left working with their Emirati compatriots, further dampening their motivation to network with international employees.

4.2. Emirati participants’ views of job allocations in a culturally diverse workforce

Most Emirati participants mentioned that job allocations and placement in theory should be done based on merit and their organizations striving to be equal opportunity employers. As one Emirati participant explained,

[Name of the company] is proud to be an Equal Opportunity Employer. We do not favor any one nationality over another. In fact, within our group we have over 160 different nationalities working with us both here in Dubai and at our offices around the globe. No one nationality holds a particular position... [Salem, Emirati CEO of one of the largest Emirati Groups in the UAE]

However, most of the participants mentioned that their organizations did not actually follow the equal opportunity principles and there was a lack of formal, meritocracy-based HR practices for managing a culturally diverse workforce. Instead, the impact of cultural/nationality-based stereotypes on job allocations was evident in our interviews. Our interview data showed that job allocations were done based on the matching of what is understood to be the requisite characteristics of an ideal job candidate and cultural biases or nationality-based stereotypes associated with international employees’ countries of origin. Emirati participants mentioned that international employees from a particular country were selected based on the stereotypes of the comparative advantage of the job candidates’ home country in a certain industry or specialization. For instance, at the top management level, international employees from Western developed countries such as France, the United States and the United Kingdom were preferred due to the prevalent perception of better management skills available in these countries. At the middle management level, Arabs were perceived as being the most suitable candidates due to their language skills and intimate knowledge of local contexts as well as being able to interact and communicate in a culturally appropriate way. An Emirati manager stated the following:

...At the higher management level, since we are an oil company, we have often employed Westerners, such as French, American and British people. Here, I do tend to prefer Westerners. At mid-management level, I would say Arabs for easy communications. A directive by the UAE government has been issued stating that most governmental as well as private business communications need to be in Arabic. So it will help to employ Arabs since they speak and write Arabic. [Sharif, Emirati top manager]

Similarly, the quote below illustrates how German employees are perceived to be strict on time management and therefore are likely to be assigned to positions such as project manager.

...I might prefer Europeans because they are very keen on time management... I recall an experience my brother had when he was working with a team whose quality of work was excellent but there were often delays. After a while they had a German manager and the habitual delays disappeared completely. [Khaled, Emirati top manager]
4.3. International employees’ view on challenges associated with managing a culturally diverse workforce

Similar to the Emirati participants, international employees in our study also reported a lack of effective strategies of managing diversity-related issues. Most international employees noted that a high level of diversity could be a major barrier to workplace efficiency and a source for cross-cultural misunderstanding and inter-group conflicts. For example, an expatriate explained,

...When it comes to globalization and expanding into new markets, diversity is definitely good, but when it comes to efficiency and operations, it is better to have a low level of diversity in order to complete a task at hand. [Bassim, Lebanese top manager]

In addition, international employees shared the same concern with the Emirati participants and considered cross-cultural communications a main challenge when managing a culturally diverse workforce. Employees from outside the UAE commented that language barriers could lead to confusion of job requirements and role ambiguity. This was reported especially in instances of communicating with unskilled international employees. Specifically, as two expatriates explained,

For us (international employees), the challenge is the language. It is hard to convey certain things at times. Their (local employees’) perceptions and understanding of what I expect them to do and carry out can lead to misunderstandings. [Wissam, Lebanese top manager]

...The challenges in dealing with international employees from East Asia lie in the field of communication. It takes detailed instructions, with an emphasis on the right wording in order to get the task accomplished. Not that they are not competent or able but there seems to be a propensity for misunderstandings, which might have to do with their command of the English language. That is why I took time to explain things in a simple and straightforward manner. As for Emiratis, dealing with employees in HR is time-consuming. It takes several attempts and various e-mail requests to get things set up. [Daniel, British top manager]

Besides language, challenges also emerged from differences among international employees in their approaches to, for example, business dealings, business meetings, and managing customer relationships due to their cultural backgrounds. One British manager explained the following:

...The challenges are that you are dealing with nationalities from diverse backgrounds. Many have different styles of interactions in business dealings. That can be positive as well as negative. Some expats tend to expect quite a bit of leeway when asked to speak on behalf of [name of his company], which we grant if that person has a proven track record. In other instances that has caused difficulties since they have not always implemented the desired outcomes. We have tried to streamline the way we have our employees engage in the [business] negotiation strategies but still remain flexible with some of our employees [Simon, British top manager]

4.4. International employees’ views of job allocations in a culturally diverse workforce

In terms of job allocations, although most international employees in our study mentioned that meritocracy was desired, similar to Emirati participants’ account, they commented that certain job positions were, in practice, only available to employees of a certain nationality or cultural background. For example, Americans were perceived to be suitable working in sales roles and generally assigned to work in top management teams; the French were perceived to be most effective working in hospitality, management and the fashion industry; Indians were perceived to excel in the high-tech industry; the Lebanese were perceived to be good at working in media; and Arab employees were particularly valued for their linguistic and cultural understanding of the local context. Job allocations, therefore, were largely influenced by commonly shared stereotypes of comparative advantages of international employees’ home countries in certain industries or specialties. Most international employees in our study mentioned that, for example, Indian employees were preferred for certain types of jobs because Indian workers were perceived as being submissive and respectful in dealing with others, or as having cultural norms highly similar to those of the Arabic culture. Similarly, Pakistanis were described as especially hardworking and were welcomed in unskilled jobs. Filipinos were valued in hospitality and service sectors for being friendly and helpful. In top management positions, international employees from Western countries such as the United States or Canada were preferred. As two international employees noted,

...Americans and West Europeans reach top management positions, Indians operational jobs... I think that there is a perception that these people might be more productive in certain positions... [Abbass, Sudanese top manager]

The individuals that work on construction sites are mainly from East Asia: Indians, Pakistanis, Bangladeshis and Nepalese etc. As for shift leaders, I personally prefer Indian workers. Their English is usually better and they seem to be more responsible and able to get things on track...[Donald, Canadian top manager]

5. Discussion

5.1. Main findings

In this study, we conducted a qualitative study based on personal interviews with 50 Emirati and international employees working in managerial positions in the UAE. Findings of our study have shown the consistency in both Emirati and international employees’ accounts about challenges and issues associated with a high level of cultural diversity. Despite the acknowledged value of having a culturally diverse workforce in the UAE, the interview data uncovered a common perception that cultural diversity impeded workplace efficiency and caused difficulties in communications, interpersonal interactions, as well as cross-cultural collaborations. The lack of appropriate cultural diversity management strategies further resulted in cultural closure and isolation based on cultural similarities, discouraging the development of cross-cultural understandings, trust, and suppressing innovative ideas that can emerge in a culturally diverse workforce.

Our findings highlight the importance of culture in explaining career outcomes, namely job allocations, received by international employees in a non-Western, culturally diverse organization context. Our study demonstrates how cultural biases or nationality-based stereotypes serve as the sorting system through which jobs were allocated based on international employees’ cultural backgrounds or nationalities rather than on their skills and qualifications. Such stereotype-driven job allocative processes, while providing a quick and easy solution to managing a culturally diverse workforce, created job segregation across business units.
and a cultural hierarchy in which job positions were rank-ordered and made available to “suitable” cultural groups based on nationality-based stereotypes. We summarize the findings of our study in the model of cultural sorting, job allocations and organizational outcomes in a culturally diverse organizational context (see Fig. 1).

Our model shows that the observed reliance on cultural/nationality-based stereotypes in the job allocative process is due to organizational-level factors such as lack of diversity management strategies and merit-based HR practices, as well as factors related to features of the workforce, that is, cultural distances between local and international employees and cultural distances existing among international employees. As a result, nationality was adopted as a proxy and cultural/nationality-based stereotypes were used to determine the suitability of potential job candidates. While stereotyping is common in the hiring process, it can be particularly evident in international recruitment in which the recruiter and the potential employee are culturally and physically separated between the country of employment and the country of origin of the job candidate (Findlay, McCollum, Shubin, Apsite, & Krisjane, 2013). Recent ethnic and racial studies (e.g., Findlay et al., 2013; Friberg, 2012; Maldonado, 2009; Wills et al., 2009) done on migrant labor division in global cities have shown that organizations usually lack the motivation to invest in lengthy and costly recruitment screening processes and employers tend to adopt national and racialized stereotypes to determine the reliability of potential recruits and to differentiate between migrant workers. The findings of our study showed how, in a culturally diverse organizational context, job allocations were based on nationality-based stereotypes and led to horizontal job segregation and vertical job stratification, which in turn, resulted in unequal access to job positions across cultural groups.

The observed job segregation and stratification in the current investigation provide an empirical demonstration of diversity dimensions in Harrison and Klein’s (2007) theorization. According to Harrison and Klein (2007), diversity has three dimensions: separation, variation and disparity. Separation refers to the lateral differences in positions or opinions of unit members; variety

![Cultural Sorting Diagram](image_url)
reflects differences in kinds or categories of information, knowledge or experiences among unit members; and disparity is defined as vertical differences in concentration of valued social assets or resources such as pay and status held among unit members (Harrison & Klein, 2007). Our findings showed that, as a managerial effort to address challenges and issues associated with a culturally diverse workforce, a high level of cultural diversity invoked a high concentration of a certain cultural group assigned to work in the same business unit so that employees with common cultural background can effectively communicate and collaborate in completing organizational tasks. Such a job assignment method created job segregation and a high level of lateral separation in terms of employees’ cultural beliefs, values and workplace attitudes as well practices across business units. Further, the observed job stratification or cultural hierarchies created a high level of vertical disparity with certain cultural groups towering over others. As we discussed previously, cultural groups, especially the ones occupying the top positions, attempted to preserve the status hierarchy by intentionally distancing themselves from others at lower organizational levels. The high level of separation and disparity together endangered variety. On the one hand, organizations did not provide a structured way for cultural groups to share task-related information or knowledge with each other; on the other hand, cultural groups with access to valuable organizational resource and assets attempted to preserve the status quo and hence lacked the motivation to interact with individuals from groups with less privileged status. Job segregation and stratification subsequently resulted in decreased level of variety in shared experiences and task-related knowledge, leading to negative organizational outcomes, such as heightened inter-group conflicts, cross-cultural miscommunications, a low level of trust, as well as resentful deviance and counterproductive behaviors.

5.2. Limitations

The current study has several limitations. First, due to the exploratory nature of this qualitative research, findings may not be generalized to other cultural contexts. Although the selection of the UAE is due to the high level of cultural diversity in its workforce and hence is theory driven, we acknowledge that the UAE, with its recent rapid economic growth as well as its institutional and cultural compositions, represents a unique context where organizations in general have a higher level of cultural diversity than the diversity level in other parts of the world. Future research could replicate the current study in other cultural contexts and see if similar results might be obtained. Quantitative or mixed-methods research based on large samples are also needed to empirically examine the impact of nationality-based stereotypes and cultural sorting on important organizational outcomes. Second, most participants in the current study were in either key managerial positions and therefore our findings do not reflect the perceptions of international and local employees at lower organizational levels on issues related to cultural diversity. Future research could incorporate accounts of employees at various organization levels and with different qualifications and skill levels to achieve a more balanced understanding. Lastly, as we stated earlier, the analysis of cultural diversity and job allocations in the current study is at the organizational level; future research could extend the current research and examine cultural sorting and its impact on team and individual level issues.

5.3. Implications for theory and practice

Our study generates implications for future research on diversity and global careers. First, our study highlights the importance of culture in explaining career outcomes in a culturally diverse organizational context. The career literature has mainly focused on careers as a result of individual choices, career agency, motivation and skill sets. Such a supply side perspective (Tilcsik, Antebby, & Knight, 2015) largely ignores the demand side of the phenomenon, that is, how career outcomes can be attributed to employers’ practices and actions (Fernandez-Mateo & King, 2011). Our study attempted to fill this knowledge gap by investigating the impact of culture on job allocations among employees from diverse cultural groups. The findings have shown that job allocation processes and practices, in the absence of diversity management strategies and merit-based HR procedures, are cultural artifacts that are built on prevalent cultural biases and nationality-based stereotypes held by employers. Future research could extend this line of research by examining how culture, when interacting with other factors (e.g., provision of diversity training and implementation of merit-based HR system), can shape career outcomes in a culturally diverse organizational context. In addition to job allocations, it would be interesting for future studies to examine the impact of culture on other important career outcomes, such as career satisfaction, intention to stay and perceived career success.

Second, in response to the lack of research on the impact of national context (e.g., culture and institutional) on diversity, the findings of our study enriched our understanding of diversity as cultural separation and disparity in a culturally diverse organizational context. Harrison and Klein (2007) note that research on diversity as disparity and separation is rare and mostly focuses on pay dispersion. Our study extends the previous research by unveiling the role of cultural sorting in creating job segregation (separation) and stratification (disparity), which in turn, led to institutional biases preventing international employees from advancing to the best positions and a decreased level of variety in shared task-related information, knowledge and experiences. We encourage future research to explore other institutional factors that may have an impact on cultural diversity. For example, one can expect that the receiving country’s immigration policies as well as the availability of international hiring agencies may determine the composition of international workforce and subsequent organizational outcomes.

Lastly, our study explicates how perceptual biases – cultural and nationality-based stereotypes – shaped the career experiences of international employees. The interview data showed that stereotyping and stereotypes did not have an equal impact on all cultural groups. While some cultural groups benefited from positive stereotypes associated with their nationalities and hence enjoyed exclusive access to job positions usually at higher organizational levels, others were placed at lower levels due to the negativity of the stereotypes associated with their countries of origin. We believe that such nationality-based stereotypes create institutional bias, or preference patterns institutionalized at an organizational level, which prevent full participation by members from diverse cultural groups (Cox, 1993, 207). We suggest that future studies identify factors that may alleviate the reliance on stereotypes and stereotyping in international recruitment and job allocations. For instance, we speculate that in high-tech industries where organizational competitive advantages depend on unique expertise and skill sets of international employees, organizations are less likely to use cultural sorting in the hiring process.

Our research also generates practical implications. First, culturally diverse organizations may consider creating positions for diversity managers. These diversity managers should have the authority to act, create and implement diversity practices. For example, these managers could closely monitor the job placement of international and local employees working at various levels of the organization and in different business units. Such monitoring would show a clear picture of whether there are potential cases of
institutional biases, discrimination or favoritism based on one's nationality or cultural background. In addition, the diversity managers could organize formal diversity trainings or cultural integration events and activities that involve both local and international employees so that more opportunities are provided for them to interact and establish mutual understandings as well as cross-cultural competencies.

Second, organizations should establish and implement appropriate HRM strategies and practices in order to fully realize the benefits that can be reaped from a culturally diverse workforce. HR managers should play an essential role in establishing objective job selection criteria; building a more inclusive organizational culture; setting up performance appraisals that reward cross-cultural collaborations and knowledge sharing; offering mentoring to both local and international employees; and helping structure group composition in such a way that variety in employees’ experiences, task-related knowledge and skills is maximized. These HR practices can foster talent management on an equal basis (Altman & Shortland, 2008; Bach, S. (2007). Going global?: The regulation of nurse migration in the UK. British Journal of Industrial Relations, 45(2), 383–403.); feel there are valued by their qualifications, skills and merit, not because of their cultural backgrounds. This topic is a crucial one and needs more exploration in the future (Crowley-Henry & Weir, 2007; Harvey & Groutis, 2012).

The current study also generates social implications for policymakers making in the Arab Gulf region and other emerging economies that have successfully attracted international employees. Governments of countries with a high level of cultural diversity in their workforce may consider creating formal institutions to ensure that appropriate equality and diversity policies are issued and implemented at national, industry and firm level. Moreover, the local government could set up an authority to ensure equal employment opportunity in organizations and to prevent and ban any discrimination, both against local and international employees. Missions of such institutions could be, for instance, to conduct nationwide quantitative and qualitative studies on how diversity-related issues are addressed by organizations in different sectors. This would show a clear picture to the policy-makers of the current situation and possibilities for improvement. Local governments should support educational institutions, such as universities, in providing courses, at undergraduate and graduate level, that explain and promote cultural diversity. This approach could better prepare future managers for working with greater openness and raise the awareness of issues and challenges associated with managing a culturally diverse workforce.

6. Conclusion

The current investigation contributed to the international human resource management literature by exploring the role of culture and perceptual barriers in determining job allocations among employees from different cultural groups. Our study also examined the challenges and issues associated with a culturally diverse workforce. Organizations should not assume that having a culturally diverse workforce will automatically generate competitive advantages. When managed inappropriately, cultural diversity is a source of misunderstandings, conflicts and counterproductive behaviors, all of which can suppress innovative ideas, discourage cross-cultural collaborations and jeopardize organizational competitiveness. Acknowledging cultural diversity as a double-edged sword, we agree with a recent call by Stahl and Tung (2015) that future research should adopt a positive organizational scholarship (POS) lens and more attention should be directed to factors and mechanisms that can turn cultural diversity into a valuable organizational asset and opportunity for advancing careers of international employees.

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