Both here and there, neither here nor there: Managing global diversity from a position of dual liminality

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Abstract

This grounded theory study examines the issue of managing global diversity in multi-national hi-tech organizations, while focusing on the strategies and practices that mid-level Israeli managers use to cope with this managerial challenge. I will argue herein that these managers occupy a position of dual liminality in the global society, in which they both belong and don’t belong to a number of groups operating in the social field, while at the same time representing the managerial, operational, cosmopolitan and the local. This position, alongside their responsibility for synchronizing between a variety of actors and dimensions, imbues them with a measure of neutrality, coupled with a deep understanding of the overall map of interests and mechanisms that shape the social field in which they operate. The findings indicate a method in the world society order, which is manifest at the macro-, meso-, and micro-levels. I will argue that this dually liminal position reveals a dual subordination—to the cultural-national hierarchy in world society and to the professional component, which is used to cope with global diversity, as it serves to bridge between minority groups and the hegemony.

Key words: Global diversity management, Mid-level management, World society, Hi-tech, Israel.

Introduction

With the development of the post-Fordist global economy, international trade is spreading and growing, as are multi-national organizations. Most large economic organizations are Multinational Corporations (MNCs), but even organizations that are not multi-national rely to a great extent on suppliers or customers that are located beyond the borders of the nation state (Barak, 2017). MNCs are becoming significant actors in shaping the world society, not only economically but also culturally, legally, ideologically, and in other dimensions (Appadurai, 1990; Boli & Thomas, 1997; Leung et al., 2005; Ohmae, 1999; Walgenbach & Drori, 2017).

The field of international management that deals with managerial issues and challenges in the global context is developing on this socio-economic background (Yehezkiel & Shenkar, 2005). A central challenge in this field is the management of global diversity. One aspect in the complexity of this challenge relates to the very definition of diversity in a way that varies from one country to another, based on a gamut of social, political, and religious conceptions. This variance indicates the importance of the social and historical context of research in this field and its limited global applicability (Nishii &
Özbilgin, 2007; Zanoni et al., 2010), as well as the subjective aspects of the phenomenon (Mazur, 2010). Another complexity of the issue, caused by the fact that not only is manpower dispersed throughout various countries with varied national and cultural foundations, it also comprises numerous sub-groups. This aspect indicates the need to cope with intercultural gaps on a national basis as well as the necessity of managing a heterogenic population of employees, a significant part of which does not belong to the hegemonic majority (Mazur, 2010).

The labor force has undergone sweeping changes in recent decades, which have resulted in the inclusion of a very wide variety of disadvantaged groups (such as women, minorities, the disabled, LGBT, and more; see Gordon, 1995; Zanoni et al., 2010). Uneven trends of productivity throughout the world, alongside population movements and global labor immigration, have strengthened the trend of diversity in the labor force, with diversity itself becoming a significant resource (Barak, 2017; Gordon, 1995; Mazur, 2010). In addition to strategic business alliances and agreements and a broad organizational structure, MNCs must also utilize the diversity of their work force in order to maximize the potential of their global human resource, regardless of the location of the employees and their national origin (Barak, 2017; Mazur, 2010). Global legislation against the discrimination of disadvantaged groups has required employers in democratic countries—and even in some non-democratic countries—to institutionalize a policy that guarantees fair treatment for all employees (Barak, 2017; Cortina, 2008).

Researchers in the field of public administration and multiculturalism have pointed out the relationship between the basic conceptions of diversity and the strategies implemented for its management. Sever (2015) shows how an approach that views multiculturalism as a virtue that potentially grants an advantage leads to cooperative and egalitarian strategies. On the other hand, an approach that views diversity as a burden and a hindrance that makes ongoing operations difficult to manage, leads to implementing strategies that subordinate the minority culture to the hegemonic one.

Michalle Mor Barak (2017) also pointed out the importance of the way in which managers perceive diversity and the power such perceptions have to shape social reality. She argues that the challenge of managing diversity is not due to the diversity of the workforce itself, but to the inability of managers to fully understand its dynamic,
neutralize their underlying prejudices, and release the potential inherent in the multi-cultural labor force (Barak, 2017).

It is in this context that I will examine the manner in which managers perceive and cope with the challenge of managing global diversity in multi-national organizations. This, while focusing on managers who are in a unique social position that grants them a vantage point which exposes the in-depth conceptions, assumptions, and social mechanisms that shape the way this complex challenge is being coped with. This grounded theory approach research is based on in-depth interviews with 40 mid-level managers (15 women and 25 men) from ten multi-national hi-tech organizations. The research examined how Israeli mid-level managers from multi-national hi-tech organizations cope with the challenge of managing global diversity from their position of dual liminality.

As will be presented, mid-level managers from multi-national organizations are at an intersection of two analytical axes, representing the tension between the managerial and the operational, and between the global and the local. On the one hand, they have an understanding and an influence on the strategic and managerial considerations of the organization in which they operate, while on the other they manage the ongoing operational needs of the organization. Thus, they are responsible for coordinating and mediating between the managerial and the operational, while they themselves concurrently belong and don’t belong to the managerial and operational levels. Further, they must have an overall picture of the activities of their unit and of the considerations of the organization at the global level. At the same time, they are required to deal with the various unique, local needs. I will argue that in the case of Israeli mid-level managers in multi-national hi-tech organizations, they are in a position of dual liminality: It is not only that at the professional level they are positioned in between the managerial and operational in a global environment; they also belong to an economy that is in a liminal position, since in certain aspects it is considered developed, advanced, and even a leader (e.g., technology, innovation), while in others it is considered developing (e.g., geopolitical stability and bureaucratic infrastructure).

Their role as mediators in this intersection, from a position of ambiguous affiliation manifest in a dual liminality, imbues them with a certain neutrality vis à vis the social field in which they operate. As a result, their insights regarding the issue of diversity
management and the practices they use to cope with it may reveal principles that organize the social order, at least with respect to the business-economic context, and perhaps even in the broader social field of the world society in which these organizations are embedded.

I will argue that the main mechanisms used to cope with the challenge of diversity management are subordination to an existing global hierarchy alongside utilization of the professional component as an anchor that organizes and shapes their conceptions, behavior, and conduct in organizing global work.

This study is anchored in multi-disciplinary literature from the fields of sociology, anthropology, organizational studies, economics, and industrial relations, and in a robust database. Its findings expand our understanding of the power relations in contemporary world society and of the social role of professionalism. Furthermore, they provide empirical backing for theoretical ideas, while solidifying and expanding existing studies. Consequently, this study may contribute both to the literature dealing with mid-level management as well as to the discourse of international management in general and to the subject of diversity management and multiculturalism in particular.

The challenge of diversity management in multi-national organizations

The challenge of diversity management emphasizes that the workplace generally, and global work organizations in particular, have become turbulent sites and objects of controversy and negotiation. As a result, some see it as a focal point that expresses and even produces the power relations between different groups in society as whole (Acker, 2006; Heery, 2016). The review of the literature and the findings regarding various aspects and layers of global diversity management will be presented using the framers of reference model, suggested by Alen Fox (1966). This model includes the unitary, pluralistic, and radical reference models (Heery, 2016). Each frame of reference comprises a set of values and assumptions regarding the interests that exist in the employment relationship: the needs, desires, and aspirations of the employees, employers, and the state, and the degree of compatibility of these interests (Budd & Bhave, 2008; Heery, 2016). Thus, each frame of reference represents an approach that highlights various aspects of the diversity management challenge and suggests various solutions.
The unitary frame views the organization as analogous to a team whose activity is the basis for cooperation between the employees and the employer. According to this approach, the various interests of the different employees provides a sufficient basis for enhanced cooperation at work and therefore improves the performance of the business. Thus, for instance, Patrick and Kumar (2012) argue that receiving the inputs of employees from diverse backgrounds, with different educational and life experiences, may positively affect the organization’s productivity and its internal processes. Although other studies have supported these findings (e.g., Richard, 2000; Schneider & Barsoux, 2003), a definitive conclusion is unwarranted, as numerous studies have shown that alongside the potential benefits of a diverse workforce, difficulties and challenges also arise in a work environment that has a high level of cultural heterogeneity, which may lead to worse performance, particularly in situations in which employees are required to join forces in a multi-cultural teams without getting the opportunity to develop themselves and their skills (Dameron & Joffre, 2007; Nishii & Özbilgin, 2007). In other words, diversity in the workplace may have positive and negative effects on the organization’s functioning, depending on the level of heterogeneity and a variety of mediating variables (Blau, 1977; Earley & Mosakowski, 2000; Mazur, 2010; Milliken & Martins, 1996).

The interviewees’ reports reflected very well these contrasting aspects of the diverse and multi-cultural workplace. On one hand, the managers referred to the advantages of a diverse global team, as they pointed out the intellectual and professional wealth and the high level of interest that exists in such an environment. Thus, for example, one manager said:

*Usually there is a very, very high level of interest. You can learn from many, many, many people with many, many years of seniority in their position. There is a possibility for group creativity, beyond the ‘brain storming’ process ... if people are open to it then it makes you think in directions you hadn’t thought about ... it gives you a professional challenge... globalization: working with Indians, Chinese, Brazilians, Argentineans, Americans, Europeans ... very rich diversity at work.*

Another example of the advantages of diversity was found in the words of a female manager from a different organization, who said that “You’re open to a lot of cultures and people ... I love the cultures, learning about the wide world. All this mixed multitude of people.” Another manager explained that “It’s good [the diversity of the team], Why is it good?
Because it seems to me that this bringing together of diversity creates a stronger whole. You see people coming from different cultures, bringing something else, and you have to use it.”

Nonetheless, alongside the advantages, the managers also pointed out the challenges that arise when working in a diverse, global team. They emphasized how intercultural gaps may lead to miscommunications between team members, to difficulties in the daily proceedings, and to a decrease in effectiveness at work. For example, one female manager explained that the main challenge when working in a global team is:

**Communication. Understanding the other side, understanding the nuances, the language, the cultures, the difference, beginning from the smallest and most banal things, such as:**

*One day we’re all on a tele-conference and the Indian guy suddenly shows up all shaved and pretty and it turns out that this is a sign of mourning. You don’t know until you commit the blunder. So there are these things and to understand that when a German agrees or says “yes” or “no” — does he mean it? When a Canadian doesn’t speak, how should this be understood? When the French lady objects to something, is she really objecting? There’s a lot of cultural baggage.*

Another manager explained that "A lot of times there are just misunderstandings. In email you lack the intonation, the context ... people and their baggage and their culture and what they read in the email is not necessarily what you meant to write."

Most models in the field of organizational behavior belong to this unitary frame of reference and emphasize the correspondence between a given culture and specific managerial and motivational practices. According to these models, such as the typology offered by Bartlett and Ghoshal (1995, 2002) for multi-national organizations, a high degree of correspondence means greater adaptation of managerial practices to a given culture and therefore better effectiveness (Leung et al., 2005). Another example is the conceptual model suggested by Nishii and Özbilgin (2007) for diversity management. This model strives to balance the various interests and needs of the different actors in order to attain maximum effectiveness of the organization as a unit, while detailing the various variables that must be taken into account to reach the optimal level of global diversity management.

Geert Hofstede’s (1980) important work is perhaps the most influential example of this approach. It deals with the effective management of intercultural gaps and presents a conception according to which culture is an internal variable that shapes the behavior of the individuals in the organization. Thus, it is possible to point out a “national identity” that is a clear, defined, measurable, ready-made pattern that enables objective
comparisons between cultures and managing the differences between them (Hofstede, 2003). On the basis of this view, a variety of models and instruments have been developed to assist the management of multi-national organizations in effectively managing diversity (e.g., Arredondo, 2004; House et al., 2004).

Yet, this approach is severely criticized, the argument against it being that it views national identity as a predetermined cultural pattern that reduces individuals to their social group and ignores the freedom they possess in the identity construction process. Furthermore, the comparisons between cultures conducted by these researchers did not actually compare groups; rather, it took Western, white, educated, heterosexual males as a departure point and the norm according to which all other groups were measured (Ailon, 2008; Ailon & Kunda 2003; Zanoni et al., 2010).

The pluralist frame views the work organization as a site that operates on the basis of a coalition of interests that must be balanced through conflict resolution (Heery, 2016). This approach strives for equal treatment and equal production, in order to achieve social justice at work, regardless of the business context. Accordingly, it argues that “There is a conflict of interest at the heart of the employment relationship that is integral and irremovable” (Heery, 2016, p. 37). Therefore, discrimination in the workplace cannot be dealt on the basis of the employees’ personal interest in equality; rather, effective legislation is necessary, bolstered by an institutionalized union that can negotiate equality and balance the needs of the minority groups at work with the needs of the employers (Heery, 2016). This approach assumes that conflict of interest is inevitable, though the parties can reach accommodations.

The model suggested by Michalle Mor Barak (2017) is an example of the pluralist frame. It points out the conflicting interests that exist in multi-national organizations and argues that MNCs need to expand the idea of diversity to create wider systems in the organizational environment. Thus, Barak offers a model that includes diversity not only in the workforce within the organization but also in the context of proactive actions that cross national and cultural borders. This, while supporting disadvantaged minorities at the level of the community and country. In this way, the model goes beyond the organization as a unit and integrates within it ideological considerations of social justice (Barak, 2017).
The interviewees did indeed report that an inherent conflict exists between the organization’s interests and those of its employees, which is related to the social reality beyond the organization’s boundaries. In the following example, the manager talks about differences in the salaries of employees from different countries as a conflict inherent in the global working environment—a theme that reoccurred in the interviews. He describes how the global team includes people in the same profession that work together on the same project yet are subjected to different terms of employment due to their place of residence. Employment laws and local salary levels create significant differences in the terms of employment, which express the contrasting interests of the employers and employees, as each side aims to maximize its economic gain: The organization aims to decrease costs by hiring professionals in sites that will lower operational costs and enable the organization to expand its global activities, while the employees aim to improve the terms of their employment, their standard of living, and perhaps even contribute to the local economy. Thus, MNCs are interested in organizing salaries according to local levels of salary, while employees wish to match their terms of employment to those of their peers who enjoy better terms. In his own words:

One of the things that at the personal level is very very difficult is that people start to compare themselves globally...we’re a virtual team: Switzerland, Germany, Italy, Israel, and the United States. Now we’re sitting at the table, we’re a team. Now you say I’m a manager, you’re a manager…and you begin to compare what you get from the company...the salary level, rank...the guy from Switzerland says “I get three hundred thousand dollars a year, and each month I get this and that and that”...those are the terms of employment in Switzerland...and the guy from China just does this [stares at the floor and shakes his head] ... Now, they do the same work, but one lives in Switzerland and the other in China. And that creates a great difficulty. And then people cross borders. They say, “OK, I want to work in Switzerland.” Let’s say that he moves to Switzerland, then what do you do? Let’s say that you’re stupid enough to tell him that he’ll receive the conditions of Switzerland, and he lives there two-three years and then goes back to China. What then? So there’s a problem...and comparing people globally when they live locally in a different world...and as a global company you give salaries according to the local market. ... So we invent all kinds of tricks, but it’s very, very difficult.

As can be seen in this example, the accommodation of conflicting interests is mostly handled, in practice, by the direct, mid-level managers. However, at the same time, even though the MNCs operates internationally and therefore there is no significant institutionalized union for the employees - there is an organizational, institutionalized platform for resolving conflicting interests. The interviewees reported institutionalized instruments intended to guarantee financial and behavioral standards aimed to prevent
or resolve conflicts between sub-groups in the organization. These instruments include the development and assimilation of organizational culture through procedures and formulation of an organizational policy. The use of institutionalized instruments is particularly prominent among American MNCs, but showed up to some extent in nearly all the organizations that participated in the study. These processes are meant to assimilate an organizational culture and guarantee internalization of codes of conduct within the organization generally and particularly regarding inclusion of individuals. In the example above, it will be manifested in salary tables and codes of behavior that defines who is allowed to discuss matters regarding term of employment, in what extent and in which context.

In her study, Galit Ailon (2007) pointed out the transparency policy of numerous multi-national hi-tech organizations as a strategy aimed at turning the organizational culture into a hegemonic one, devoid of discrimination. The managers’ testified to the use of a transparency policy and organizational culture as a means of resolving conflicting interests, as seen in the following example given by one manager:

... [organizational] culture of almost complete transparency, total transparency, full and open communication with the most senior managers to the most junior employees ... we are acting gently all the time. We are acting ethically ... you are not allowed to receive a gift worth more than 70$ from anyone ... and that’s just one. Two, the culture that ... says that the employee is our most important resource and says that we are committed to the customers, the employees, the shareholders, and the environment. All the time we are repeating this message over and over again. You must participate in training once a year and pass tests about it all the time.

In the following example too, a manager from a different organization relates how in the context of a merger with an American MNC, the employees were required to undergo a process of socialization that included in-depth study of the requisite code of conduct in the corporation. Here, too, one can see how the organizational culture aims to regulate in advance potential conflicts between sub-groups in the organization:

The moment you begin working for an American company ... right at the start you get hit with all these processes ... each employee has to do this thing once a year, against sexual harassment and the like, and they really place you in, give you there some kind of running questionnaire with a video and everything, and with examples, and this said to that, what he didn’t say correctly, and whether he was allowed to say it from the start. This thing alone took an hour, every employee every year sits through this thing, and you have to get a certain grade in order to pass. The American corporation ... yes, you have to be careful what you say and also, you know, you almost can’t joke with people.
The radical frame criticizes the pluralist approach and views any agreement between employees and employers as passing and fragile and also as undesirable and exploitative. The radical frame assumes an essential and fundamental conflict of interest, which serves the powerful social forces. This approach highlights the continuing inequality, protected by law and the labor unions’ lack of commitment to act on behalf of minority groups (Heery, 2016). Thus for instance Budd and Bhave (2008) pointed out gender interests at work and the need to challenge the subordination of women to the patriarchal interests of the employers and the other male employees, as well as segregation and control along racial lines and the subordination of minority groups to the employers and the majority group of employees (similar findings were made by Jawad, 2007). A variety of studies support this conception and indicate that cultural conflicts at work may lead to a negative dynamic and cultural clash that may create disadvantages for women and minority groups. They argue that this creates significant barriers to cooperation on the part of members of minority groups, particularly in situations of potential conflict. Also, they point out that women and minorities are systematically absent from and leave multi-national organizations to a greater extent than their peers in the majority group (Mazur, 2010; O'Reilly et al., 1989).

‘Regimes of inequality’ and social power relations in the world society

In this study, I will adopt the radical frame, since the depth of the conflict and the essential inequality that it refers to are well-reflected in numerous works dealing with diversity management in labor organizations generally and in MNCs in particular, from the 1980s onwards. Thus, for instance, Avery Gordon (1995) presented a conception that views a corporation’s organizational culture as an instrument of control developed by MNCs to cope with the challenges of global management and particularly with the challenge of diversity (Gordon, 1995). This, while diversity management has become a core component of the organizational culture of corporations in the post-modern era. Although the vision of this culture is indeed based on humanistic and individualistic values that encourage community action, trust, liberty, and mutual respect, Gordon points out fundamental problems in this approach to diversity management. First, it ignores the social-historical context in which the sectoral and racial relations in the organization are conducted. Thus, the multi-national organization’s limited approach to diversity management represses the racial demand for gender and racial homogeneity, which existed in the workplace in the past. Second, it is not possible to refer to diversity
solely as an object of management; rather, the broader social context, power relations, and subjective layers of interpretation related to the gaps between various social groups among which relations of inequality exist must be brought into account. Gordon argues that this disconnection from the historical and social context and the attempt to manage the issue of diversity from an a-historical point of view that represses the political baggage creates a situation in which multi-national corporations ostensibly maintain a liberal culture, but in actual fact preserve racist practices, which he terms “liberal racism”. Thus, the individual employees in the corporations do not view themselves as racist and even believe that they cherish diversity, while in fact they often express a discriminatory and racist attitude. Lilia Cortina’s work (2008) supports Gordon’s argument. She describes how selective incivility in the context of work relations may be a mechanism that reflects sexism and racism in organizations, while also reproducing power relations. This despite the efforts, legislative and otherwise, to eradicate discriminatory treatment in the American workplace. Cortina details various types of racism and stereotypical conceptions that ignite discrimination in the workplace and are manifest in the relations between the genders and races. Thus, researchers such as Cortina, Essed (1991) and Gordon (and others, such as Alderfer et al., 1980; Calas & Smircich, 2006; Nkomo, 1992) identified various types of discrimination in contemporary organizations, such as aversive racism, symbolic racism, modern racism, everyday racism, and liberal racism. Despite minor differences between the different categories, they all reflect a de facto reality of daily practices that express prejudice and discriminatory treatment of discrete, disadvantaged groups in the workplace, even if only in a subtle, unconscious, and unintentional manner. Thus, Acker (2006) suggested the term ‘inequality regimes’ to describe the combination of practices and processes that produce continuing inequality in work organizations (Acker, 2006; Cortina, 2008; Gordon, 1995; Essed, 1991; Zanoni et al., 2010).

Studies conducted from within the radical frame have shown how diversity management not only does not reduce inequality in the organization; it actually contributes to its reproduction (Zanoni et al., 2010). Frankel, Lian, and Drory (2015) showed that since the cross-cultural training (CCT) system is influenced to a great extent by multi-cultural management literature that relies on an essentialist, static, and simplistic conception of culture, it becomes a platform that supports and preserves stereotypical conceptions in multi-national workplaces. In their study they showed how
the CCT industry not only shapes the knowledge of multi-cultural management but also the experience and position of the individual within this social field. This, while reproducing stereotypical conceptions of “the other”. Thus, in fact, regimes of inequality are drawn from the multi-cultural field and its translation into the multi-cultural training industry that encourages stereotypical thinking (Frenkel et al., 2015). Indeed, all the interviewees reported that their organizations conduct workshops that deal with the challenge of working with diversity and intercultural gaps. Further, the interviewees described the traits that derive from “the national identity” of the different working groups. They reported how CCT teaches to identify these characteristics and cope with them. Thus, one can see how a stereotypical flattening of employees characteristics on the basis of their nationality occurs and is reproduced through CCT training. In this sense, the findings of the current study support and solidify the argument made by Frankel et al. (2015) and affirm that the same process occurs not only among Israeli and Korean employees, as presented in their work, but also among managers of other nationalities. An example of such flattening can be seen in the following, related by one of the managers:

First of all, the issue of mentality is very important. When having a conference call with an Indian, American, Israeli, you have to know how to manage it. Because the Indians will always say “yes” but later they’ll do nothing; the Americans will perhaps say “no” or out of politeness they’ll say “yes” and later call you and argue; the Israeli will do whatever he feels like doing. And by the way, there are special courses in the organization on how to conduct such a conversation, how to work with several people, how the Indian culture works and so on. I’ve done these courses, I wanted to learn.

Similar things were expressed by another female manager who said that:

When you work with groups of Indians and groups of Chinese … then you do begin to see the pattern. It is very obvious with the Bulgarians, who are charming, polite, industrious people, and they have an East-European something that remains very strong. The remnants of Communism, that is still very strong with them. You simply cannot assume that everything is personality.

These conceptions pave the way for schematic thinking that organizes the world in an intercultural ranking based on distinguishing the West from the rest (Leung et al., 2005; Zanoni et al., 2010). These conceptions have deep roots, with numerous researchers indicating colonial imperialism as the foundation for them (Elias, 2012; Linklater,
They argue that this world order continues to exist in contemporary world society.\footnote{For instance, Norbort Elias and Andrew Linklater pointed out the standard of civilization created in the 19th century, which patterned the mutual relations and power relations in the world society, while providing legal and moral legitimacy for Western conquests and the use of force toward non-European populations; controlling the “barbarians” and aiding backwards populations in coping with “the lack of progress” in which they were mired, as well as shaping their ongoing development (Elias, 2012; Linklater, 2016). On the basis of the same point of view, Said pointed out Orientalism as sanctioning the stereotypical conception of the Western man as advanced, developed, rational, and enlightened, compared to the non-Western man who is backwards, impulsive, and limited in his analytical abilities (Said, 2000).}

Thus, it is possible to argue that the regimes of inequality at the meso-level in MNCs reproduce a social field that both engenders and reflects an international hierarchy at the macro-social level of the world society. This, while one can point out the superiority of the Western nationalities belonging to developed countries compared to the inferiority of nationalities belonging to developing countries. In other words, the issue of diversity management expresses not only the power relations within the organization (Zanoni et al., 2010), but also the power relations at the level of the world society in which the multi-national organizations are embedded.

These power relations are organized by various researchers on an analytic axis: At one pole there is a force accelerating the globalization process and the institutionalization of a world society, and at the other pole a strengthening of local components. Arjun Appadurai (1990), for instance, pointed out the tension between homogeneity and heterogeneity in contemporary global society, within societies and cultures that are under pressure to assimilate the political force that is greater than them and adjacent to them. Leung et al. (2005) also pointed out a similar tension and the processes of cultural convergence and divergence in the global society. Similar to Appadurai, they present the mutual influences of various cultures in the global society and the gaps in the power and influence that different groups have. They showed that the world is actually only partially global: In practice, less than ten percent of the world’s population are active participants in the consumption of global products and services. Thus, the concept of a universal culture often refers to assumptions, values, and practices of Western people and parts of non-Western elites. The economic élite that controls and shapes what is termed the “the global culture” was described by Sigmund Bowman (2000) as “an ex-territorial élite”, while Huntington identified it as an economic forum that convenes in
Davos (Switzerland) and controls the important international institutions (Leung et al., 2005).

The interviewees reflected very well how the hierarchy in world society is manifested in multi-national hi-tech organizations. The following example was given by a manager who described the gaps in salary as well as terms of employment and daily conduct between employees who differ not professionally but in their nationality:

_This becomes a very very real difficulty, and you are on the one hand global, but your feet are local, there’s nothing you can do about it. They [the European managers] would fly business class and I’d have to fly coach because the division in Israel doesn’t fly business ... I don’t belong to the division in Israel, But you belong to the Israeli culture and you can’t have the vice president of sales arriving in coach and he’ll see you in business ... and then you say, “I’m not equal”. There is no equality, true. Now they[the European colleges] arrive fresh and spotless, flying, say, ten hours from Switzerland, and you’ve flown 24 hours from Israel because you stopped over for five hours. ....” Now these are terrible feelings, feelings of discrimination ... you feel inferior ... the Chinese guy would cry all the time. He’d say “Listen, it’s impossible this way, you aren’t treating us as equals, you’re discriminating against us._

**The dual liminal position of Israeli mid-level managers in multi-national hi-tech organizations**

**The liminality of the Israeli hi-tech economy**

In the context of the global hierarchy that is organized around the division between “the West and the rest”, the status of the Israeli hi-tech economy can be seen as liminal, as it belongs at one and the same time to the developed economies (particularly regarding technology and innovation) as well as to the developing economies (especially with regards to geopolitical stability and bureaucratic red tape). Thus, the Israeli economy simultaneously encompasses growth and technological progress alongside inequality, poverty, and a cumbersome bureaucratic infrastructure (OECD, 2016). Though Israel is the 'start-up nation' that was accepted into the exclusive OECD club in May 2010, the past two decades have not been characterized by significant growth of the entire Israeli economy compared to other developed economies (Taub Center, 2017). Thus, on one hand, it is possible to point out the success and growth of the Israeli economy. For instance, since it joined the OECD, it has grown by 23.5%—higher than the average growth in OECD countries. Further, the combination of continuous growth and a low level of unemployment (4.8% at the end of 2016) and low debt have led to a 45% spike in income from taxes between 2010–2016, alongside a flow of foreign investment into
the Israeli economy. These investments have been critical to the growth of the Israeli hi-tech sector, which has become a primary engine of economic growth ever since the 1980s. At the time, the global technological wave was an unprecedented springboard for the growth of the Israeli hi-tech sector (Rozin, 2017; Rubin et al., 2016; Sanur & Singer, 2011). As of 2010, Israel was ranked fourth in foreign investments, relative to the size of its economy (Rozin, 2017). Since the 1970s, large hi-tech MNCs have been operating extensively in Israel. Their presence in Israel has expanded alongside the gradual removal of bureaucratic obstacles and the relaxation of foreign currency controls. Currently, most established, large-scale MNCs such as IBM, Intel, Motorola, and Google operate their centers of research and development from Israel. In this context one must note that contrary to other countries in which the centers of research and development are intended for the implementation and provision of services, the development centers in Israel are characterized by being an integral and significant part of the mother company’s primary research and development activities (Rubin et al., 2016).

Nonetheless, many of the eight million citizens of Israel are not partaking in this economic growth: According to the GINI index of inequality, Israel is ranked 31 out of 35 countries (OECD, 2016). The poverty rate in the country is 18%, the highest in the OECD. The civilian expenditure reflects this situation and is the lowest in the OECD—29% in 2016, compared to an average of 42% (OECD, 2016).

This duality of the Israeli economy is manifest in a variety of measures that indicate its relatively high ranking in the field of technology and innovation compared to a relatively low ranking on measures of welfare, geopolitical stability, and image. For instance, the Martin Prosperity Institute created the global creativity index for 2015 based on the three T’s: Talent, Technology, and Tolerance. According to this measure, Israel is ranked 30th out of 139 countries, excelling in technology, innovation, and investment in research and development. Israel ranked first in the research and development measure and ninth in innovation (measured by the number of patents per capita). In the combined technology measure, Israel ranked third. At the same time, Israel ranked 93rd on the tolerance measure (Florida et al., 2016); 52nd on the World Bank’s “Doing Business” measure, below almost all of the other OECD countries (World Bank, 2017); 51st out of 70 countries on the Reputation Institute measure that examines the image of countries and their perception as contributors to global culture.
and trade. Thus, alongside excellence in technology and innovation which places it among the developed countries, on other measures that examine infrastructure and geopolitics, Israel ranks with the developing countries. This duality testifies to the liminal position of Israel economy: In professional terms, the Israeli economy in general and especially the hi-tech sector is at the forefront of technology and innovation, but geopolitically, Israeli society is in a constant state of conflict and instability and is required to cope with a variety of internal social challenges that affect the welfare of all its citizens and its image in the international community. Thus, it is neither developing nor developed, but exhibits some characteristics of both.

The interviewees are well aware of the prevailing hierarchy in the global society and their liminal position as Israelis, so much so that it affects their conduct. Thus, one manager described the difficulty of managing subordinates who come from countries that are ranked higher than his in the hierarchy:

\[... the company that was purchased, then there’s the baggage of ... “Here are these natives that bought us and all of a sudden they’re managing us. We built this industry and these lousy clowns from the Middle East, now he’s telling me what to do.\]

In the following example, from another manager, one can see how the awareness of a global hierarchy leads some interviewees to actively obscure their Israeli identity, in order to alleviate the emotional dissonance that may arise among their colleagues and subordinates from other nationalities that are ranked higher in the world society hierarchy:

\[The team was entirely American ... but they placed Israelis in key positions. [For instance:] The guy responsible for the operation was an Israeli who had to relocate, me. There was Hebrew and a specific instruction not to speak Hebrew in the halls because it offended the Americans.\]

In this example it is possible to see how the innovation and technology in which Israelis excel grant them key positions in the organization, but this is accompanied by a requirement to obscure their Israeli identity because Israeli society as a whole is perceived as inferior to the other developed Western societies, and their managerial positions could create a emotional dissonance that may harm efforts to recruit and maintain Western employees. Another example from a manager in a different company also reflects the difficulties of subordinates from Europe and the United States in accepting the authority of an Israeli manager: “They told me this after the fact, that when I came in, these two managers from abroad who were there, they were really afraid—‘oh boy,
they’re bringing someone who is not from here and also Israeli.’” Another manager from a different organization described how he works on his own to obscure his Israeli identity and adapt himself as much as possible, in order to make it easier for those from Western cultures that belong to the developed economies:

A lot of times when I talk about our location I don’t say Israel, I write TLV [Tel Aviv]. Now, I’m sure they know what that means but it means something else as far as they’re concerned. Question: Why are you obscuring? Answer: There were several more Americans in the discussion and I—in every situation, I try to adapt myself to them. For instance, I talk with them about the weather and I don’t tell them the temperature in Celsius, I’ll always tell them in Fahrenheit. I quickly open Google and say “60”, “70”. … I’m always trying to adapt myself to them, so they’ll feel comfortable.

However, alongside the inferiority of the Israeli managers relative to the developed Western societies, they are also well aware of their superiority relative to the developing countries ranked lower in the global hierarchy. For instance, one female manager expressed herself in the following manner when describing how she took upon herself an educational role vis à vis the employees from these societies:

… To explain and educate all the time. I sometimes feel like a nanny, but all the time educating how to work correctly. With the Taiwanese in the beginning it was very difficult, but in the end they got it. Perhaps it’s them specifically, but they wanted to learn how to work with us, and they got better all the time, when we explained to them how we see their progress, why there are problems; … they listened and internalized and experimented. With the Indians, you can explain it to them all over again every week and they never internalized it, and they never arrive on time; that’s why they’re late. They don’t learn how to work correctly, they have their own opinion, they don’t listen, and they don’t try to learn how to change.

The findings indicates that the global hierarchy is internalized and reflected in the work practices of the interviewees and their perception of their status as Israelis not only at the meso level of the organization, but also at the micro level of the individual. This strengthens the conclusion reached by Galit Ailon (2007), who examined in her ethnographic work the processes of identity construction during the merger of an Israeli hi-tech company with its American competitor. She highlighted the subordination of identity components to the global hierarchy at the micro-social level. The findings of the current study expand upon them, as they indicate that subordination to the global social hierarchy occurs not only in unique organizational situations such as mergers and acquisitions; rather, it is an integral part of daily life in multi-national organizations. Additionally, the current study significantly expands the range of nationalities involved in these power relations, beyond Americans and Israelis.
The liminality of mid-level managers

Along with the liminal status of the interviewees on the world society hierarchy, they also occupy a liminal position in the organizational professional hierarchy as mid-level managers, which grants them a unique, influential position. According to the middle-management perspective, mid-level managers are crucial actors that explain and execute key processes and outcomes in the organization (Burgelman, 1994; Dutton et al., 2001; Minzberg, 1978; Wooldridge & Floyd, 1990; Wooldridge et al., 2008). In this study, I adopt the definition according to which mid-level management refers to managers located under senior management but above the first line of supervision in the organizational hierarchy. However, the one characteristic that distinguishes mid-level managers is not based on their location in the organizational chart but on their access to senior management, along with their knowledge of operations. This combination enables them to operate as mediators between organizational strategy and the organization’s daily activities (Wooldridge & Floyd, 1990; Wooldridge et al., 2008). Mid-level managers are an important interface between actors and fields that otherwise would be disconnected: They mediate between the lower, operational echelons and senior management, while shaping organizational strategy and the cognitive and affective meanings of the activities occurring within the organization both for its members and for external stakeholders (Dutton et al., 2011; Huy, 2002; Rouleau, 2005).

Their position at the intersection of various internal and external elements grants them a unique point of view due to which they can serve as fine-tuned sensors: They are exposed to challenges, needs, and opportunities, both managerial and operational, and are in a position that enables them to instruct and learn organizational skills and practices and to serve as important catalysts for the utilization of existing capabilities of the organization and for setting in motion organizational processes related to learning and renewing organizational competencies (Bartlett & Ghoshal, 1995; Burgelman, 1994; Floyd & Woolridge, 1990; Nonaka, 1994). In multi-national organizations operating in a wide geographical deployment and a dynamic work environment, mid-level managers serve as an interactive, decentralized leadership that aids the ongoing management functioning of the organization (Andersen, 2004; Floyd & Woolridge, 1990; Marković, 2008; Pappas & Wooldridge, 2007; Wooldridge et al., 2008). Thus, one can view the position of mid-level managers as liminal in the sense that they do not
belong to the senior management of the organization but they also do not engage solely in operations; rather, they manage them. They have a significant influence on strategic decision-making, without actually being board members. In this sense, they both belong and don’t belong to management and operations.

The following examples reflect this positioning of the mid-level managers. Here, one manager describes the role of mediator, coordinator, and resolver-of-contradicting-interests that he is required to fill on a daily basis in his position. He synchronizes between team members that are dispersed among various sites and cultural foundations, between colleagues who are managing other groups and projects, and between the employees and senior management:

The most difficult problem is synchronization. Synchronizing everyone so they’ll understand, be connected to the tasks, the priorities, the challenges and the execution ... a lot of times I see that it’s not done properly and then I on one hand try, from the point of view of mentorship, to talk to the engineers and explain to them how to do it differently and why it’s correct and so on, and on the other hand, when things get too heated, to try and lower the flames and say that we all have the same goal and try and connect them. But the greatest difficulty is that a large portion of the global groups are connected to numerous projects and they have different priorities, different pressures. Our ability to influence them is not very great and here it depends very much where your project is on the organizational hierarchy. ... it’s a problem because each team has its own interests, its own desires. Sometimes it’s the team’s survival, ... needs to understand the map of interests and try to press the right buttons to get what you need. As a manager that’s the hardest challenge.

Thu, Israeli mid-level managers in multi-national hi-tech organizations are actually in a position of dual liminality. At the level of their professional standing they occupy a liminal position between the managerial and the operational in the global context, while at the same time their standing in global society places them in between “developed” and “developing”. Thus, they are at the intersection between the global and the local, and the managerial and operational. They are required to constantly and methodically deal with strategic and operational complexity related to professional operations and with aspects and tensions caused by mediating between the Western élite from developed countries and activities in developing countries that are lower on the world social hierarchy. This social positioning grants them a unique point of view and understanding of the complex needs of the various partners in the global social field. The concurrent belonging and not-belonging grants them a neutral position that emphasizes the need for mediation, coordination, and synchronization of the various elements and aspects. Accordingly, their attention is directed toward unraveling the
explicit and implicit interests of the various partners and the organizing principles of the social order in this field. Hence their point of view reveals various aspects of the issue of international management in general and diversity management in particular.

**Methodology**

This research was conducted within the constructivist paradigm, which asserts that human consciousness constructs social reality through the way in which it perceives the recurring characteristics of daily phenomena and turns them into a self-evident social order (Schutz, 1967). The term “social construction” indicates that the social order is not stable and permanent, but rather it is a dynamic situation that is construed through constant negotiations between people, as recurring patterns in these interactions shape this order, solidify it, but also change it (Shlasky & Alpert, 2007; Shlasky & Arieli, 2016).

Qualitative research implements naturalistic research practices that concentrate on people as the subjects of research, aiming to present episodes from their lives that have been documented in natural language and that present how people feel, what they know, what interests them, and what are their beliefs and conceptions. These inter-subjective reports reflect social agreements that are manifested in action (Ragin, 1994; Shlasky & Arieli, 2016).

According to the mid-level management perspective, the managers who participated in this study are managers with a clear professional foundation (professionally trained in engineering, programming, human resources, etc.) that represents their grasp of daily operations. Additionally, they participate in their daily work in forums and work groups that include representatives from senior management, in which strategic issues are discussed. Their participation in such forums reflects their influence at the managerial level. Thus, in their daily work, the interviewees combine the operational aspect with the managerial aspect.

The field work was conducted between 2014–2017 and comprised semi-structured interviews with mid-level managers in multi-national hi-tech organizations. The interviews began with an overview of the interviewees’ life story, while referring to the way they arrived at their current profession. Subsequently, questions were asked regarding career development choices and the experience of working in a multi-national organization. Further questions were related to the challenges and advantages of work
in a global environment and factors that assist or hinder those operating in such a context. The interviewees were asked to present examples of the challenges that characterize their work in multi-national organizations and the way they cope with them. In accordance with the ethical rules, the interviewees were guaranteed that their personal identities and those of the organizations mentioned throughout the interviews would be obscured, and they gave their informed consent to participate in the study. The interviews lasted from 1–3 hours (an hour and a half, on average).

Since several multi-national hi-tech organizations refused to permit this research within their formal activities, the managers were approached using a “snowball sample” approach, in which interviewees were asked to connect the researcher with their colleagues who are also mid-level managers in multi-national hi-tech organizations. Such a sample is suitable for the study of an inaccessible population (Nahmias & Nahmias, 1998).

All the interviews were recorded, transcribed, and processed with the ATLAS .ti program for organizing and analyzing quantitative materials. In order to guarantee trustworthiness, data processing was conducted using the three-stage method suggested by Strauss and Corbin (1990) for attentive, methodical, and strict quantitative analysis, with the aim of forming a theory based on data derived from the research field. This, while controlling for biases and assumptions that may arise during the analysis and developing the sensitivity necessary for producing a rich, solid theory with the power to explain that is as close as possible to the reality that it describes.

In the first stage of data processing, open coding was conducted, in which the categories of meaning were extricated from the data. A methodical coding was conducted for each part of the research data. In other words, the main idea of each segment was identified and summarized in a caption. Subsequently, a methodical search was conducted for similarities and differences in the conceptualizations that had come up, with similar conceptualizations being assembled under a shared category. In this way, the open coding aimed to extract as much information as possible from the text that had been gathered in the field, and to identify the series of issues and categories and sub-categories rising from it (Shimoni, 2016; Strauss & Corbin, 1990). In the second stage axial coding was conducted, in which the primary and secondary categories were identified and the links between them began to be revealed. New configurations of data
were created, and these were reorganized under subtle and refined categories and sub-categories. Using axial coding, generic characteristics in the categories were identified, which enabled the creation of a reliable mapping of categories, as a basis for the formation of a solid theoretical explanation (Strauss & Corbin, 1990). Finally, in the third stage, a selective coding was conducted, in which the organizing theoretical explanation of the researched phenomenon was consolidated (Strauss & Corbin, 1990).

**The professional anchor as a means for coping with the challenge of global diversity**

The tension between homogeneity and heterogeneity at the macro-social level in the world society is manifest not only at the meso-level, which strives to regulate the diversity and the contradictory interests in MNCs, but also at the micro-level, in the conception of belonging and the individual process of identity construction. The question of the interrelationship between different identity components, and particularly between the organizational identity component and other identity components, is magnified in the context of global work organizations, due to the fact that they are ambiguous with regards to the social boundaries within which identities are defined and stabilized (Ailon, 2007).

Chrobot-Mason et al. (2007) pointed out four strategies for coping with the ambiguity and tension between conflictual bases of identity in the multi-national workplace. All four share a reorganization of identity components, while granting greater significance to selected components in a way that reshapes the internal boundaries at work and the relationships between the various partners.

The findings show that parallel to the implementation of the strategy of subordination to the world society hierarchy, the interviewees also adopted these strategies, with the primary anchor being the professional component: The managers coped with the challenge of diversity in the global workplace by emphasizing the professional component and adopting it as an über-criterion for the measurement, evaluation, and comparison of various partners in the organization, and by prioritizing it over other components in their individual identity.

In the following example, one manager describes how the professional component was not only a precondition for becoming a member of the organization and preserving membership, but also a compass that guides his conduct within it. One of the manifestations of the superiority of this component was that it constituted a factor that
justified confrontation with officials in various levels and sites of the organization, a sort of casus belli. The manager also describes the tension between interpersonal relations and professional commitment. Since the professional component is afforded the highest priority, it subordinates interpersonal relations at work and shapes them:

First you have to be professional at a very high level. And after that, if you believe in something, nobody can stand in your way. You clobber them. There’s nothing else to do. Question: How can you clobber someone that is your senior? Answer: In a professional debate. It’s always a professional argument, never personal. If you believe in something professionally, you raise the issue directly ... if there’s a problem I’ll fight over it, that’s the way it is. But professionally ... most people don’t want to fight with someone that is their senior, but on the other hand if you do nothing, in the end you’ll get run over and you’ll also be acting unprofessionally. You have to be thoughtful. Not to blow up every time and not to be personal ... it cannot be personal ... you can’t discount the interpersonal thing. It’s a catastrophe. People who did that were totally burned. But you have to fight. Always, it can’t be personal.

The female managers who were interviewed constitute a gender minority at the workplace, in addition to their dual liminality as mid-level managers (on the marginality of women in the global workplace in general and the hi-tech sector in particular, see for example, Acker, 2004; Frenkel, 2008; Cooper, 2000), and they too referred to the professional component as a component that assisted them in bridging the differences that could have caused them to be discriminated against. Focusing on the professional component blurred and subordinated other identity components, such as gender and religion, in a way that allowed them to cope with discrimination against minorities. This is reflected, for instance, in the following example from one of the managers:

I was used to, I went to board meetings, and the chances of seeing a woman there are minuscule, almost zero. I also learned to conduct myself in this masculine milieu, so I don’t think that a woman should be given allowances just because she’s a woman, of course not, that’s why I’m so strict in the professional field, because if you’re a professional then you’re a professional, it doesn’t matter.

A female manager from a different organization expressed herself in similar terms:

I’m a woman and a religious person, and it doesn’t play any role whatsoever. At all. The fact that I’m a woman does not factor into it, it gives me an advantage. There was not one interview that they didn’t want me. And I think it’s also because I’m a woman. Not because I’m a beautiful blond [the interviewee, who has dark skin and hair, ironically hints at her affiliation with a sub-ethnic North-African ethnic group, which is disadvantaged in Israeli society] but because they understand that a woman has the skills needed to persuade, to stab[to be aggressive when required]- no less than a man. ... I can tell you that I advanced despite the fact that seven of my similarly ranked colleagues were men and I was a woman, but I was a director and they weren’t, and that’s [professional] performance.
Summary and Conclusions

Multi-national hi-tech organizations are at the forefront of the globalization process (Ailon, 2007), as they express the technological, economic, and social developments that are accelerating it. Focusing on those who are at the heart of the process, i.e., the mid-level managers from multi-national hi-tech organizations who are in a liminal position, enables us to examine the globalization process from a unique and revealing point of view. Viewing this issue from the dual liminal perspective grants a certain neutrality alongside a deep understanding of the various aspects that shape the social processes in the global society. Accordingly, this research shed light on a specific aspect of one of the primary challenges in this context: global diversity management.

The findings indicate that the tension between conflicting forces in the world society is reflected at the macro-, meso-, and micro-levels: The conflict between homogeneity and heterogeneity is manifested in the power relations between “the West and the rest” at the macro-social level. This conflict raises the need to reconcile opposing interests and needs of the various partners at the meso-level of the multi-national organization. At the micro-level this tension is reflected in the interrelationship between the contrasting identity components of the individuals who operate in the multi-national work place. Additionally, the findings indicate the existence of a method in the global social order, which is manifested in these three levels. We have seen that the interviewees cope with the conflictual tension through a dual subordination that organizes the social order: subordination to the hierarchy of nations in the world society, giving preference to the West over the rest, alongside subordination to the professional component. The subordination to the national-cultural hierarchy, which numerous researchers have pointed out (particularly in the field of sociology and anthropology), is manifested at the organizational level in the subordination of inter-group relations in the work organization to this global hierarchy. This subordination is evident also at the micro-social level in individual practices.

In addition, the prioritization of the professional component over other components has been revealed as an additional instrument used to cope with the tension of contrasting forces in the world society, expressed in the challenge of global diversity management. By emphasizing the professional component and adopting it as an über-criterion for the measurement, evaluation, and comparison of the various partners in the organization,
the interviewees were able to cope with the challenge of diversity in the global workplace. The findings showed that the professional component also served the managers with a minority background (gender, ethnic, or religious) and was a bridging factor in shaping their conception of belonging, which created a unification and obscuring of the differences between them and the homogenous population. Thus, the dual liminal position reveals a dual subordination to the post-modern social order: to the national-cultural hierarchy in the world society, and to the professional component, at least in the context of the management of multi-national hi-tech organizations.

Furthermore, findings were presented that strengthened and enriched previous studies of diversity management. Thus, this study contributes to a further understanding of the global order and the social processes in work organizations and even in the global society as a whole, and enriches the discourse in the fields of international management and mid-level management, particularly our knowledge of global diversity management.

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