German and Czech MNC subsidiaries’ Diversity & Inclusion Management Strategies in the Czech Republic and Germany

Diversity and Inclusion Reserarch

Originating from the USA, diversity & inclusion management (D&IM) has travelled around the globe (Klarsfeld 2014, Bendt/Henttonen/Bleijenbergh/Mills 2015). Depending on the context, D&IM focuses on different diversity dimensions (e.g. Velinov 2018; Konrad/Prasad/Pringle 2006) and is mainly considered to make organizations both more equality-oriented and inclusive (normative approach of D&IM) and financially more successful (business case of Diversity Management) (e.g. Meni-Klarbach 2010).

As such D&IM is not only about meeting the needs of the individuals and increasing the wellbeing of employees but also about leveraging diversity to produce better products, services and, thus, the wealth of all stakeholders (e.g. Kirton/Greene 2015). Furthermore, societal and demographic changes trigger changes in workforce structure along with globalized markets and international competition (Mannix/Neale 2005).

Thus, successful organizations are forced to manage the increasing amount of diversity (internal and external) in order to be competitive and sustainable (Soutar, 2004; Yang, 2005). In terms of multinational companies (MNCs) the question arises how they implement and realize DM strategies contextually, if their subsidiaries are subject to different cultures, socio-political frameworks and law regulations.

Project Overview

This joint project funded by the BTHA aims at investigating the implementation of Diversity and Inclusion measures in subsidiaries of German MNCs in the Czech Republic and vice versa. We proceed from the assumption that the country context determines how Diversity and Inclusion practice is set up and implemented. We suppose that the focus of implementation may differ as well as the importance which is ascribed in the D&IM strategy to the different diversity dimensions, e.g. gender, age, nationality, sexual orientation, disability, ethnicities and minorities, and religions.

Project Methodology and Current Proceedings

As an explorative study, this project examines the Diversity & Inclusion Management of 5 German subsidiaries on the territory of the Czech Republic and 5 Czech subsidiaries in Germany from different industrial sectors. A mixed-method design will be applied for this exploration: In the first phase we will collect secondary data by referring to historical research to trace shifts in the configuration of social, political and economic infrastructures across the political regimes in both countries (Velinov, 2019). In the second phase we will collect secondary data both on financial figures and on the implementation of D&IM of the MNCs and their subsidiaries from their annual reports and websites. In the third phase, based on these collected data we conduct semi-structured interviews with D&IM responsible persons in the subsidiaries in order to get additional information about the realization of D&IM and the handling of the different diversity dimensions and to pose questions which our secondary data collection has triggered. This mixed-method data design with primary and secondary data collection helps us to combine as many data as possible for identifying how the subsidiaries in Germany and the Czech Republic are conceptualizing and enacting Diversity & Inclusion Management by responding to socio-economic policies of past regimes and, thus, different cultural contexts.