


Editorial

Diversity, Equity and Inclusion in International Business: Dimensions and Challenges

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Calls to address diversity, equity and inclusion (DEI) have become common around the globe. This *AIB Insights* special issue examines dimensions and challenges associated with DEI in an international business environment. The introductory editorial to the issue first discusses some major challenges associated with implementing DEI in multinational organizations, including the multi-level factors influencing DEI policy adoption. It then overviews the issue's seven articles and one practitioner interview, which address broader DEI issues such as refugees and migration and the influence of the institutional environment, as well as specific DEI dimensions related to gender, differently abledness and LGBT+ inclusion.

Calls to address diversity, equity and inclusion (DEI) have become common in almost all corners around the globe – whether they relate to gender identity, race, ethnicity, sexual orientation, indigenous identity and ancestry background, religion, (dis)ability, neurological profile, language, immigration status and/or a host of other socially constructed categories. However, while DEI initiatives have been around in the corporate world for decades, they have been primarily limited to human resource management and guided by either a discrimination-and-fairness logic or an access-and-legitimacy logic (Thomas & Ely, 1996). Few organizations have been able to holistically embed DEI at an advanced level, harnessing its learning and strategic potential (Ely & Thomas, 2020; Georgiadou, Gonzalez-Perez, & Olivas-Luján, 2019a, 2019b). In an increasingly polarized world fraught with turbulence, one in which we face the same storms but can find ourselves in very different boats, addressing DEI at an organizational and industry level is becoming an important part of a bigger puzzle of creating what Martin Sandbu (2020) calls an “economy of belonging” that works for everyone, not just some. According to Verna Myers, a well-known inclusion strategist and thought leader, DEI is a little bit like dancing. However, if the difference between diversity and inclusion is analogous to being invited to the party (i.e., diversity) versus being asked to dance (i.e., inclusion), then belonging can be achieved by having the opportunity to dance to the beat of one's own drum or at least to one's own soundtrack. As organizations and business leaders pursue a deeper purpose, one in which high performance is driven by “heart and soul” (Gulati, 2022), DEI strategies can help pave the way to (re)building an economy of belonging at a global level to make sure globalization doesn't go “bump in the night” (Kobrin,

2020). Given this important need, we are happy to present this special issue of *AIB Insights* on “Diversity, Equity and Inclusion in International Business” to provide some guidance across these efforts.

Examining DEI in an international business setting highlights the fact that influences on DEI occur across multiple, often embedded levels. As shown in Table 1, we can consider DEI policy influences occurring at a global influence level (e.g., from the U.N.) down to within-firm team dynamics and even within individuals, as well as many levels in-between. These multi-level DEI influences create different forms of pressure on firms operating in a multinational context and tensions that people, organizations and communities need to reconcile. For example, at the country-level, DEI scholars have made inroads into understanding how societies differ in their abilities to recognize, tolerate, and adapt to various types of (social) differences and diversity (e.g., Zanakis, Newburry, & Taras, 2016). These differences could influence the degree to which various DEI policies of multinationals are accepted within a particular society. Similarly, a recent study of LGBT inclusion across 132 countries has shown a clear link between LGBT inclusion and economic development (Badgett, Waaldijk, & van der Meulen Rodgers, 2019). While the direction of causality warrants more examining, it does suggest that national-level DEI policies are associated with economic advancement, which could have firm-level implications.

At the organizational level, DEI has been linked to a series of positive organizational outcomes which include higher creativity, greater adaptability and better problem-solving (Stahl, Tung, Kostova, & Zellmer-Bruhn, 2016). Yet, research coming from social psychology shows that diversity can also act as a double-edged sword through mech-

Table 1. DEI Influence Levels in International Business

Influence Level	Example	Potential Multinational Firm Impact
Global	UN SDG5 – Gender Equality.	Does having a global mandate related to a DEI policy influence MNC policy adoption?
Regional	Regional expectations or policies regarding DEI (e.g., European Union rules).	How do MNCs manage tensions when host country cultures' DEI expectations differ from those of a regional governing body?
Country/ Society	Societal differences in the ability to recognize, tolerate, and adapt to various types of (social) differences and diversity (e.g., Zanakos et al., 2016).	Do MNCs adapt DEI policies based on differing societal expectations where they operate?
Within-Country	U.S. states differ in LGBT HR practice support (e.g., Gardberg, Newbury, Hudson, & Viktora-Jones, 2022).	Do MNCs make location choices based on within-country DEI policy differences?
Organization/ Firm	MNCs develop individual DEI cultures, which are influenced by policies of their home countries, their industries and other factors.	How do MNCs create a global DEI identity for the firm?
Within-Firm Team	Global Virtual Teams include members from different cultural and psychological backgrounds, potentially leading to differing expectations regarding DEI practices.	How does DEI impact the effectiveness of virtual global teams?

anisms of social categorization, attraction based on similarity, information processing and decision making (e.g., Carter & Phillips, 2017). For example, when DEI initiatives lead to minimization of biases and reduced social categorization, members within more diverse groups might focus more on tasks and engage in more effortful information processing in order to address opinions about those tasks arising from greater diversity within the group (Carter & Phillips, 2017).

In line with the so-called learning-and-effectiveness paradigm (Ely & Thomas, 2020), DEI might become an important strategic puzzle piece in how societies, organizations and communities navigate a world with increasing volatility, uncertainty, complexity, and ambiguity (VUCA) and a post-Pandemic “New Normal.” Yet, at the same time, it is important not to see DEI as a silver-bullet end, but a means to many different ends.

It is also important to note that organizations take cues from their institutional environments, while also having the potential to impact them in a process of social structuration where structure and agency interact. Multinationals may be important players in this influence as they carry corporate policies to new countries, becoming cross-pollinators, as well as agents of (institutional) change.

Exploring the multi-level influences on DEI within multinational organizations provides opportunities for IB scholars to integrate country-level research on various types of distance (e.g., cultural, psychic, semantic etc.) with primarily firm-level and within-firm research on diversity. Yet, only recently, have we begun to approach *distance* in conjunction with *diversity* (e.g., Stahl et al., 2016). Both *distance* and *diversity* are conceptually close, acting as “two sides of the same coin” (Doh, 2021). The former captures differences between countries, the latter differences between individuals (Lumineau, Hanisch, & Wurtz, 2021). The diversity literature offers nuance and sophistication which can revitalize traditional approaches to distance within international business (IB), infusing it with much needed actionable insights (Doh, 2021).

Of particular interest to the IB community is how internationalization and diversity issues interact in multinational companies (e.g., Hermans et al., 2017). Issues like the social construction of gender differences (e.g., Koveshnikov, Tienari, & Piekkari, 2019), the use of language and gender marking (e.g., Shoham, 2019), or managing and stigmatization of LGBT expatriates (e.g., Moeller & Maley, 2018), are just some of the areas of research in recent years. Multinational organizations are also social spaces and transnational communities (Morgan & Kristensen, 2006). They act as sites for identity politics, are part of identity building processes, take on broad social issues and can take on the role of change agents (Vaara, Tienari, & Koveshnikov, 2021). This calls for a better understanding of sources, outcomes, and intersectionality of social identities and diversity types in multinational organizations (Rašković, 2021). Intersectionality, which refers to the intersection and interaction of various types of social identities becomes a particularly difficult and important issue in international contexts given that different diversity elements may be perceived or may manifest themselves differently in different geographic contexts. Similarly, as in the case of distance, the “magic” happens not along independent dimensions of distance or diversity, but at their intersection and interaction. While it is beyond the scope of this issue introduction to delve more deeply into all of these topics, we believe they open up a wide range of important areas and questions to explore. It shows us that DEI research doesn't just have a place within the IB discipline, but that DEI research can also help advance several areas of theorizing and research within the IB discipline in turn.

ARTICLES AND PRACTITIONER INTERVIEW

Looking at the articles in this special issue, we have seven articles and one additional practitioner interview. The first four articles look at DEI issues in a broader sense. Two of these articles examine DEI issues related to refugees and migration issues, followed by two that examine insti-

tutional characteristics influencing DEI practices. The last three articles and our practitioner interview focus on individual diversity dimensions. Two of these relate to gender. A focus on gender is consistent with gender equality being goal number 5 of the 17 United Nations Sustainable Development Goals (SDGs). The next article in the issue examines neurodiversity as it relates to being differently abled in MNCs. Finally, we conclude with an interview with Ramkrishna (Ram) Sinha, Co-Founder of the Pride Circle. Pride Circle is India's largest social enterprise in the LGBT+ space. Ram shares his experience and advice addressing DEI issues related to MNC operations in emerging markets, both specifically in relation to the LGBT+ community, as well as more generally. We briefly overview each of these articles below. We hope you enjoy these articles, and that they inspire the readers in their DEI activities.

Within this issue, we also note a lack of race-based diversity articles. We wonder if this relates to the difficulties of examining race in a global context, where understandings of what constitute racial differences vary widely. We also see great opportunity for future study of the intersectionality of DEI dimensions in international contexts. Lastly, we also hope that as the broader management discipline advances in its decolonization efforts, future research on DEI issues within the AIB community will also include the overlooked indigenous voices and their stories (Banerjee, 2022; Bruton, Zahra, Van de Ven, & Hitt, 2022).

REFUGEES AND MIGRATION

The first two articles in this issue examine DEI issues related to refugees and migration, two highly important topics in the current global environment. The article "How Multinational Corporations Can Support Refugee Workforce Integration: Empathize Globally, Strategize Locally" is by Betina Szkudlarek and Priya Roy from the University of Sydney, Australia, and Eun Su Lee from the University of Newcastle, Australia. The authors examine the role of refugees in recruitment strategies, and how hiring refugees can not only result in quality employees, but also contributes to DEI strategies. Using the case of IKEA, they demonstrate how the interaction of localization and global strategies can be used by MNCs to develop sustainable refugee workforce integration solutions.

Tanvi Kothari of San Jose State University, USA, Maria Elo of the University of Southern Denmark, and Nila Wiese of the University of Puget Sound, USA, authored the article "Born as a Citizen and Reborn as an Alien: Migrant Diversity in Global Business." The authors note how mass migration has contributed to changes in racial, ethnic and other compositions of modern societies, which has resulted in the creation of superdiversity. They then incorporate various diversity lenses in order to focus attention on managerial and policy areas that need attention to enhance firms' competitiveness and the social cohesion of migrants. In doing so, they bring to the forefront the topic of migrant superdiversity as an important consideration in our understanding of equity and inclusion.

INSTITUTIONAL INFLUENCES

The next two articles examine institutional influences on DEI practices. Visalakshy Sasikala and Venkataraman Sankaranarayanan of the Indian Institute of Management Kozhikode authored "Diversity in Global Mining: Where We Are and What We Need to Do." In this article, the authors examine the diversity statements and initiatives of 25 of the top 50 global mining firms in order to better understand diversity in this historically male-dominated industry. The authors find that home country organizational field configurations influence how mining firms perceive diversity along with the specific diversity dimensions they focus their attention on. More specifically, the authors distinguish between accommodative, defensive and reactive configurations to understand regional variations in how mining firms manage diversity.

"Institutional Distance versus Intra-Country Differences: Capturing and Leveraging the Diversity Within" is written by Susan Perkins from New York University, USA. The field of international business (IB) largely focuses on inter-country institutional differences. However, very little focus and attention have been given to the social interactions of sub-cultural groups within a country. Dr. Perkins asks whether we could be overlooking opportunities to better understand diversity within countries and how these differences can be leveraged to benefit firm performance? This article also aims to provide insights on how IB scholars, managers, and educators can engage further in developing strategies that achieve more diverse and equitable societal and economic outcomes.

INDIVIDUAL DIVERSITY DIMENSIONS

The next two articles in this issue examine topics related to Gender and DEI. The first, "It Is All in Their Positioning: Academic Women's Silence in Iran", is by Leila Lotfi Dehkharghani of Ferdowsi University of Mashhad, Iran, Jane Menzies and Harsh Suri of Deakin University, Australia, and Yaghoob Maharati of Ferdowsi University of Mashhad, Iran. Noting that Iran ranks 150 out of 156 in the World Economic Forum's Global Gender Gap Survey, the authors use positioning theory to identify and explain storylines regarding appropriate roles for women in Iran which contribute to their silence in academic settings. They argue that women's silence in Iran is reinforced by their macro, meso and organizational environments, which collectively constrain their self-esteem and self-confidence. The authors then provide recommendations to local and international organizations operating in Iran to help in the process of creating new storylines to counteract the pressures on women towards silence.

Suparna Chakraborty of the University of San Francisco, USA, and Ryka Chopra from Mission San Jose High School, USA, authored "Transcending Cheap Talk in Female Entrepreneurship: Cross-Country Evidence." The authors note that while it is common for nations to have policies empowering women, it is questionable whether these policies are effective in encouraging female entrepreneurship and

that a gap remains between policy enactment and enforcement. The authors then examine cross-country differences in female entrepreneurship and relate them to political, workplace and social domains, providing policy suggestions within each of these three domains.

Dana L. Ott of Otago Business School, University of Otago, New Zealand, and Emily Russo and Miriam Moeller of UQ Business School, University of Queensland, Australia, wrote “Neurodiversity, Equity, and Inclusion in MNCs.” The authors address the issue of neurodiversity, which they describe by noting that “the idea that neurological differences that have traditionally been considered atypical are normal variations of the human genome – essentially, neurodivergent individuals are simply differently abled.” They then further specify how neurodiversity is an invisible form of inequality in most MNCs, and how neurodiversity inclusion challenges these companies. The authors conclude by providing guidance to MNCs and their international human resource management leaders regarding integrating neurodiversity initiatives into their DEI agendas, which they suggest will ultimately help improve MNC effectiveness and performance.

PRACTITIONER INTERVIEW

We conclude this issue with a practitioner interview. In “Building Bridges Between (Global) Business and the Rainbow Community in India: An Interview with Pride Circle’s

Co-Founder Ramkrishna Sinha,” Matevž (Matt) Rašković of Auckland University of Technology in New Zealand interviews Ramkrishna (Ram) Sinha, the Co-Founder of Pride Circle in India. Established in 2017, Pride Circle is India’s largest LGBT+ focused social enterprise and one of the largest players in the DEI space within Asia. Ram challenges Ely and Thomas’ (2020) recent call to move beyond making a business case for DEI to organizations. As long as business is done, there also has to be a business case for DEI, says Ram Sinha from the Pride Circle. Ram discusses some features of the LGBT+ community which distinguish it from other types of minority groups and points to a further challenge of a lack of standardization. Discussing MNC hiring policies related to DEI, to how sexuality is often overlooked within organizations, Ram shares his was experience in the DEI space through several examples of best practices which highlight how emerging markets, like India, are rapidly becoming hotbeds of DEI innovation. Perhaps most striking within his interview is Ram’s observation that: “DEI is all about empathy and listening to other perspectives (not just the perspectives of others). Listening to a perspective that is not part of my reality, which is something I don’t know about. Hence, that is why I am listening to someone else’s perspective.”

Once again, we hope you enjoy the pieces in this issue, and we thank you for your support of *AIB Insights*. Please continue to submit your applied international business research and actionable insights to the journal!



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