Developing ethnic talent in the Dutch national tax administration: a case study

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Abstract

Purpose – The lack of career movement of members of ethnic minority groups in work organizations has been widely documented. The purpose of this paper is to gain insight into conditions for the realization of diversity goals in the case of talent development.

Design/methodology/approach – In a case study of management development in the Dutch national tax administration, the practice of fostering vertical mobility of ethnic minority personnel through diversity management has been analysed. The authors make use of theories regarding effective diversity management and career advancement of ethnic minority employees. Data were collected through semi-structured interviews with 12 participants in the management development course, and a further 25 functionaries involved in the project.

Findings – With regard to diversity management as a means of fostering talent development of ethnic minorities, the authors come to the conclusion that key success factors mentioned in the literature such as top level commitment and strategic integration, are insufficient and overrated conditions. More important are “non-issues” in the formulation of diversity strategies, organizational alignment of relevant organizational players, strategic coherence and organizational culture.

Research limitations/implications – The case study design used in this research facilitates case-sensitive analysis, but is limited in estimations of validity and explanatory strength of factors mentioned in the literature, as it is in generalizing across organizations.

Practical implications – Interventions aimed at fostering ethnic diversity in talent development should start with precise analysis of cultural and organizational conditions and processes underpinning standard practices of talent and career development, and not only seek strategic integration and top management commitment but arrange for broad-based organizational alignment.

Originality/value – While there are many theoretical and normative models tracing diversity outcomes to organizational conditions and diversity management strategies, there is a dearth of empirical studies in this field. The case study explores the merits of these models and adds new insights on an empirical basis.

Keywords The Netherlands, Ethnic minorities, Career development, Diversity management, Talent and career development, Human resource strategies, Organizational culture

Paper type Research paper

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Introduction
The labor market in which work organizations operate in The Netherlands and elsewhere has changed significantly in the last decades. In the Dutch case, immigrants from Turkey, Morocco, Surinam, The Dutch Antilles, and refugees from a variety of non-Western countries have come to the Netherlands from the 1960s onward constituting 11.2 per cent of the Dutch population in 2010 (CBS, 2010). During the economic depression of the 1980s unemployment figures for ethnic minority groups started to diverge from those for majority group members, and remained, with variations over time and for various ethnic groups, two to four times as high. Starting in the 1980s various action programs and legislation were developed in order to stimulate employment equity both in the spheres of corporate business and public administration. Gradually, mandatory regulations were abolished and exchanged for voluntary amendments and the practice of diversity management (Glastra et al., 1998). Until the policy statement of the new minority government consisting of liberal-conservatives and Christian-democrats with populist support in October 2010 explicitly made an end to them, employment policies for public administration stressed diversity and equal opportunities.

The concept of diversity is often used to describe the appearance of new groups (women, ethnic minorities, older workers) in the workforce in significant numbers. It refers to differences in individual characteristics such as gender, race, ethnicity, age, sexual orientation (Cox, 1993; Glastra, 1999). Most work organizations negotiate the increasing diversification of their employees by stimulating the assimilation of newcomers (Janssens and Steyaert, 2001). Diversity management, conversely, stresses the importance of recognizing, valuing and utilizing diversity, learning about cultural differences and similarities (Helms, 1990). It suggests that, rather than adapting employees to the standards of the existing organization, these standards should be accommodated to a diversified workforce.

Since the 1990s, the lack of career movement of members of ethnic minority groups in work organizations has figured as a central argument in the dissemination of DM. In the Netherlands, this is apparent from data about their vulnerable positions in the margins of work organizations, their on average lower wage levels, and their disproportionate chance of becoming unemployed (CBS, 2010). Authors such as Thomas (1990) and Cox (1993), argued that affirmative action stimulated organizations to recruit minorities. However, it failed to recognize minority candidates as talents and move them “through the pipeline” towards management levels. Thomas points out that it takes an inclusive organization to realize that goal. Top management aided by DM (consultants) should build it. Since its advocates have claimed a key role for DM in talent and career development (TCD), it is important to explore whether it can live up to these claims in actual practice. Three bodies of literature seem relevant in this context. The first is concerned with talent management and development, the second with conditions that make DM effective as a change strategy. The third explains differences in career development between minority and majority employees.

In the following sections, we will present the theoretical perspectives we used, issues of method, the results of our study, and in conclusion we will look at implications for theory and practice.
Theoretical perspectives

Talent management and development

Both in theory and in practice, talent is often seen as an individual characteristic that singles out some individuals from others on the basis of their level of possession of that characteristic. In the context of talent management or development, this talent needs timely and careful discovery, assessment, development, placement and retention by organizations (Lewis and Heckman, 2006). In work organizations operating in the service and knowledge economy, such desirables as innovative capacity and competitive advantage depend on it (Collings and Mellahi, 2009). Therefore, if organizations have a clear description of what they are looking for in terms of talent, talent management seems a clear-cut process. Collings and Mellahi (2009) suggest that the quest for talent should start with deriving key positions for realizing competitive advantage from business strategy, then continue by developing talent pools in order to fill those positions, and setting up appropriate HR architecture to develop the talented. However, researchers who try to trace talent development in actual practices of work organizations are often confronted with the fact that those responsible for spotting and cultivating talent are not very clear or unanimous about definitions and criteria for talent (Singh et al., 2009). Talent seems to exist in aptly showing what the organization, or rather the particular managers who act as talent scouts, are looking for. Visibility on the one hand and certain competences, attitudes and personalities on the other are the two sides of the same coin that make up talent. In our view, talent is not a trait existing within an individual, but the outcome of a specific system and history of interactions between employees and selective agents within the work organization (Barab and Plucker, 2002). According to the strategic and socio-cultural characteristics of work organizations some practices (knowledge, competence, behaviours) become visible and are noted as manifestations of talent, while others remain unnoticed. Since such practices are embodied practices, their recognition is only partly cognitive in nature. It inevitably encompasses social, cultural and communicative aspects, issues of personal style. To be a talent is to be a situated talent. In organizations the “rising stars” (Singh et al., 2009) are quickly recognized within the informal channels of talent scouting and development. Early, visibly outstanding performance and organizational fit do the job of rising expectations for the future. A talent is born. But what is outstanding and what is visible? The rules governing the scouting and development of talents will always be in part informal, left implicit and may differ more or less from avowed organizational values. This makes it hard for non-traditional newcomers to the organization to negotiate processes of TCD. Furthermore, informal and formal criteria for talent may also favour a very restricted set of characteristics and behaviours, and ways to demonstrate these. Cultural closure of the organization to the “talents” of non-traditional employees may be the result.

Barab and Plucker (2002) rightly point out that also organizations may be characterized as more or less talented to the degree to which they succeed in setting up contexts that invite and facilitate learning interactions for a broader pool of employees, including non-traditional employees. This is not to be understood as a purely cognitive undertaking, but also one of opening up relevant social networks. To paraphrase Bourdieu (1992, p. 76 ff.), for the demonstration of talent it is not enough if knowledge and skills demonstrated are “correct”. Talent must above all be socially acceptable, that is, it must be heard or seen, believed in and fit within relevant social contexts to...
become legitimate. This requires a “sense of place” on the part of the candidates, which must be developed and facilitated.

In the literature, the success of talent development is premised on various conditions (Burbach and Royle, 2010; Collings and Mellahi, 2009; Garrow and Hirsh, 2008; Lewis and Heckman, 2006; Yarnall, 1998). Most mentioned are top management commitment, integration with business strategy, fit with other HR instruments and practices. Yarnall (1998) stresses the crucial but problematic position of middle managers who frequently function as developers of talent.

Although equity issues in talent development are mentioned (Garrow and Hirsh, 2008), the literature on talent development pays scarce attention to ethnic minority employees as talents or to diversity issues.

**Conditions for effectiveness of DM interventions**

DM does not yield positive results unconditionally. The field of DM abounds with prescriptive accounts of what it takes for DM to be effective (Cox and Beale, 1997; Morrison, 1992; Thomas, 1990). At the same time, there is a dearth of empirical evidence on relevant conditions for effective DM interventions. We will base our short overview of relevant success factors on Fischer (2007), Wentling (2004), and Seymen (2008), who reviewed research on conditions for effective DM. We will not discuss these success factors extensively, but rather use them as focus points in the analysis of our case study data in order to explore their strength.

DM’s successful deployment is, first, dependent on its strategic integration. This means that initiatives to foster diversity objectives should be part of the diversity policy of a firm, which in turn should be embedded in the firm’s business strategy. This reflects one of the central tenets of the business case for diversity. Strategic integration may also serve to detect organizational policies that counteract DM policies (Wentling, 2004). Second, top management commitment should be demonstrated in exemplary management behaviour and diversity mission statements. Fischer (2007) points out that, additionally, communicating diversity policy to the staff is necessary. Ely and Thomas (2001) argue that fostering diversity will bring both opportunities and challenges. Management should be prepared to take risks and to solve potential social conflict between groups. Research by Chrobot-Mason (2004) suggests that the awareness of managers with regard to their own ethnic identity and that of their employees plays a significant role in perceptions of managerial support among minority employees. A third condition is establishing organizational responsibilities. Kalev et al. (2006) conclude that attitude change among managers contributes little to realizing diversity goals, unless a clear relationship between newly introduced diversity goals with everyday practice has been established. Kalev et al. specify three ways of doing this: instituting a yearly monitoring process with regard to representation of minority groups, assigning responsibility with regard to diversity to a specialized organizational function, and appointing advocacy and oversight committees with representatives of different groups and layers of the organization. In contrast, Kossek and Lobel (1996), and Gilbert et al. (1999) propose HR as the central organizational player (see Seymen, 2008). They argue that HR systems and practices play a pivotal role in fostering a culture of either assimilation or diversity among the workforce of an organization. In order to promote diversity, HR should be made responsible for DM, which should be integrated with business strategy. The fourth
condition is an organizational culture that is open to new developments, prone towards learning, and which supports diversity (Seymen, 2008; Wentling, 2004). This is a particularly difficult condition, since it makes DM dependent on values, beliefs and rules of practice that pervade the organization in all directions.

It should be noted that several of the conditions mentioned overlap with those that should lead to successful talent management: strategic integration, and top management commitment, while establishing organizational responsibilities for DM shows similarities with the notion of committing middle managers to talent management.

Explaining career disadvantages of minority employees

We now turn to explanations of disadvantages in career advancement of minority personnel. A combination of (sometimes interrelated) factors contributes to differential patterns of career advancement among employees. We will give a short summary of the most important influences. We will not deal with factors that are made less relevant by the nature of the DM initiative in our case study, such as the phenomenon of the “late start” of minority employees who are promoted later in their careers than majority candidates (Bihagen and Ohls, 2006; Maume, 2004; Thomas, 2001), or early discharge as a consequence of their vulnerable position in work organizations (see Jain et al., 2000).

First, prejudice in the appraisal of capacities and performance of minority personnel slows down their career progression. The credentials of minority employees are subjected to more scrutiny or higher promotion standards than those of their majority colleagues (Brooks and Clunis, 2007; Corsun and Costen, 2001). Research also points at subtle discrimination on the basis of linguistic abilities of minority employees (Ogbonna and Harris, 2006). As a result, minority employees are often being nominated to positions under their level of qualifications or work experience. Risk reduction may be an important organizational driver (Smith, 2005). Prejudice and distrust lead minority personnel to concentrate on doing rather than getting a better job. Stereotyping may also land minorities in racialised or gendered jobs with little career prospects (Collins, 1997). Second, promotion procedures and criteria are often obscure, especially where higher level professional and managerial functions are concerned (Brooks and Clunis, 2007). The development towards a knowledge and service economy has led to an increased importance of social, communicative, and “soft” skills (Wood, 1999). Minority employees must acquire a feel for the game of career politics in work organizations (Singh et al., 2002). This disposition can only be developed from specific positions in the organization, and in interactions with influential players. Third, minorities often experience a lack of social capital in the organizations where they are employed. Since higher functions are predominantly occupied by majority personnel in most organizations, they would specifically benefit from “bridging” social capital (Portes, 1998) among these functionaries. Minority employees benefit from a network of mentors who nurture their professional development (Smith, 2005; Thomas, 2001). However, in practice, minorities face greater barriers in accessing mentor relationships, especially with white male mentors, and social circuits for the informal preparation of career advancement (Cook et al., 2002; Ragins, 2002). Fourth, minority employees perceive fewer opportunities for career advancement than their majority colleagues in similar positions (Brooks and Clunis, 2007). Their lack of confidence results from their perception of the stagnating careers of their minority co-workers and their experience of low esteem for their cultural capital in education and former jobs.
They may settle for careers that underutilise their abilities, or seek to reduce the importance of work in their lives (Hicks-Clarke and Iles, 2000). The role of HR systems and practices in minority career development seems seriously under-researched (Ross-Gordon and Brooks, 2004). The image of HR seems rather ambivalent. HR figures either mainly as a positive force of learning and development for minority candidates, or, on the contrary, as an instrument of assimilation to a uniform organizational culture (Janssens and Steyaert, 2001).

DM is presented as an important practice in TCD of minority employees in work organization, and should by implication be able to counterbalance forces restricting career progress of ethnic minorities. In our case study, we will analyse whether, and, if so, how DM can live up to those expectations. Our research questions are: How did DM contribute to realizing talent and career outcomes, which forces and stakeholders influenced these change processes and their outcomes, and how do these findings relate to explanations of differential career advancement between minority and majority employees, and to conditions for effective DM and talent development in the literature? The contribution of this paper is to address questions of effectiveness of DM empirically rather than rhetorically, and laying bare the organizational ramifications of TCD practices that should be taken account of in interventions aimed at changing such practices or their outcomes, and in bringing together the fields of talent management and diversity management, two fields that have hitherto infrequently been combined, except in normative accounts (Thomas, 1990).

The organization context
We studied these questions in an analysis of a diversity initiative involving management development for a mixed group of ethnic minority and majority employees within the Dutch National Tax Administration (TaxAd). TaxAd is known to be an exemplary diversity employer in the public sector (Siebers, 2009). With 30,000 employees, TaxAd is a large work organization in The Netherlands. TaxAd is characterized by a steep pyramidal hierarchy, and by bureaucratic rules of operation and accountability. Traditionally, senior professional and managerial positions can only be reached through career progression inside TaxAd. Career success is mainly indicated by moving up the hierarchical ladder.

Since it exerts vital functions linking the state and its citizens, TaxAd cannot afford negative publicity. This means, among others, that it has to demonstrate its readiness to employ citizens irrespective of their backgrounds, or beliefs. In 2006, the vast majority of TaxAd's personnel are white males, 7.8 per cent are members of various ethnic minority groups (6.9 per cent in 2000), 32.2 per cent are females (29 per cent in 2000). TaxAd has been pro-active in diversity matters. As an organization that interacts with citizens on a regular basis, its performance depends on the quality of its external relations. Together with the imminent retirement of a considerable part of its personnel, and its mission to be an exemplary employer, this is the most important motivation for TaxAd's diversity policy. Diversity issues are discussed on a regular basis in HR teams on different levels, in a “Diversity network” of senior managers, and in “Platform”, an influential and institutionally recognized ethnic minorities' network. The distribution of management functions in TaxAd is represented in Table I.

In 2006, female and ethnic minority employees were over represented in lower wage scales and functions as compared to male and ethnic majority employees respectively.
As to promotions, more male employees were promoted in the top end salary scales and functions (54 per cent) than female employees (21 per cent). The same holds for majority employees (44 per cent) as compared to ethnic minority personnel (21 per cent).

Our study analyses the initial diversity initiative, the training program “Talent on the Move” (“TM”), and its outcomes. “TM” is a program meant for higher professional and lower management employees with academic qualifications and the ambition to grow to higher managerial positions. It offers the opportunity to explore personal ambitions and aptitudes with regard to careers in higher management. The “TM” curriculum (16 days of training over a nine-months period) consists of thematic units concerning self-awareness, personal efficacy, personal development, action learning, and diversity. It is organized and delivered by TaxAd’s Education and Training Centre (ETC). During the program, participants are supported by an ETC-coach and workplace mentors. Action learning is concerned with reflection with regard to work experience postings of the participants. Our main goal is to critically reflect upon the conditions and explanations summarized above.

Method
Our objective was to reconstruct a specific episode or “story” (Strauss and Corbin, 1998) in the development of (ethnic) talents from the perspectives of different stakeholders, and to situate it within the context of the organization. The research was designed as a case study deploying multiple data gathering sources and methods (analysis of relevant documents, e.g. with regard to strategic mission, management structure, diversity policies, and diversity initiative, and interviews with those involved in the diversity initiative and in “TM”).

We retrieved data from 12 (out of 24) participants in “TM” and from 22 key persons in their functional network. Key persons were selected from the management teams to which they were assigned in the context TM’s work experience component, acting as their day-to-day workplace mentors or their supervisors, higher level managers. The sample of participant respondents is mixed in terms of ethnic background (six minority, six majority members) and gender (six males; six females). Minority candidates were younger ($M = 38.5$) than their majority colleagues ($M = 45.7$) and had less experience of career advancement and management development. We also interviewed a training centre official involved in “TM”, a representative from TaxAd’s ethnic minorities’ network, and one of the sponsors of the initiative. A total of 37 respondents were interviewed.

We developed and pre-tested semi-structured interviews for different parties involved. Interview outlines were designed to trigger experiences and perspectives of those involved and to cover, together, all relevant aspects of “TM” from its design through to its outcomes, about standard practices of TCD in TaxAd and their

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<th>Number</th>
<th>Percentage</th>
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<tr>
<td>Male managers</td>
<td>1,189</td>
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<tr>
<td>Female managers</td>
<td>276</td>
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<tr>
<td>Ethnic majority managers</td>
<td>1,404</td>
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<tr>
<td>Ethnic minority managers</td>
<td>61</td>
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<td>Total number of managers at levels 1 and 2</td>
<td>1,465</td>
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<td>Total number of ethnic minority employees</td>
<td>2,371</td>
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Table I. Gender and ethnicity of TaxAd top- and senior managers, December 31, 2006
organizational and cultural contexts. Interviews were designed to cover theoretical explanations as well as discover unforeseen influences. Interview outlines differed for participants in “TM”, their managers and workplace coaches, and the sponsors of the initiative. Interviews lasted one and a half hour, and were recorded and transcribed verbatim for further analysis (Table II).

The interview transcripts and relevant documents were analysed using open, axial and selective coding (Strauss and Corbin, 1998). The coding process was informed by the general notion that DM is conceived and executed as a strategic endeavour, which is influenced by parameters of the organizational context. In congruence with grounded theory, this notion was not fully operationalised beforehand but rather used as “sensitizing concept”. Central codes included “DM strategy and initiative”, “DM implementation”, “DM outcomes and reactions”, and “explanations” for relevant aspects of process and outcomes. In the coding process each category was developed in terms of sub dimensions with a view to relevant aspects of process, outcomes and the influences at work. With regard to factors influencing the DM strategy and its outcomes, conditions in the literature about DM and TCD mentioned in the theoretical perspective were used in order to categorize the interview data.

Finally, the provisional research results were reported back to the participants and debated within the organization as a means of increasing validity through member checks. Differences in expectations and in evaluations of the outcomes of the intervention between parties involved indicated in the analysis where reproduced in these sessions.

Results: the case of TaxAd

Diversity management strategy: top management initiative

At the time of the initiative, top management decided to tackle the under-representation of ethnic minority employees on managerial levels. Ethnic minority employees did not

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<th>Respondents</th>
<th>Interview themes</th>
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<td>TM participants</td>
<td>Actual professional and management experiences</td>
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<td>Career ambitions and experiences within TaxAd</td>
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<td>Experiences and evaluations of “TM” access, program and outcomes</td>
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<td>Career steps after “TM”</td>
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<td>Managers and workplace coaches</td>
<td>Involvement in and evaluation of “TM”</td>
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<td>Experiences with participant involved</td>
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<td>Evaluation of the diversity initiative and diversity policies in TaxAd</td>
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<td>General TCD practices in TaxAd, including definitions and scouting of talent</td>
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<td>TaxAd management culture</td>
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<td>Sponsors</td>
<td>Motives for the diversity initiative</td>
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<td>Implementation and responsibilities concerning initiative</td>
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<td>Evaluation of “TM” and outcomes</td>
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<td>Characteristics of TCD in TaxAd</td>
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<td>TaxAd organizational culture</td>
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Table II. Interview themes for different groups involved in DM intervention at TaxAd
participate in TaxAd’s management development programs at all. Two top managers wrote down a “Development program for the advancement of ethnic minorities”. They stated that this program was meant “to do something concrete for the career advancement of the target group”. Potential qualities for senior management functions should guide the selection of candidates. Participants should be offered a “development program enabling them to participate as serious candidates at times of regular selection rounds. Participation in the development program does not warrant actual appointment in a vacant position”. The authors stated that they would be the sponsors of the initiative. In an interview, one of the authors stressed the non-routine nature of their initiative. Going by the book would have given less chance of success. TaxAd’s ETC was invited to work out the details of the proposal.

Implementing the DM initiative

Program design. In reaction, ETC worked out “a personal development program for ethnic minority employees with a view to advancement to higher function levels (especially management functions) in the organization.” In comparison to the initial policy note, ETC shifted the program focus from “career advancement” to “personal development”. ETC decided to make use of “TM”, one of their standard training and development formats. “TM” enables employees with academic backgrounds to develop career orientations regarding management positions in the organization. The central focus is personal development as a basis for career development. “TM” consists of formal training in combination with workplace learning and mentoring. Normally senior managers in regional TaxAd departments decide who will be candidates and they provide learning-on-the-job opportunities for candidates. These are then sent to “TM”.

ETC persuaded the sponsors who preferred a separate program for ethnic minority employees exclusively, to set up “TM” for a mixed group of 12 ethnic minority, and 12 majority group employees. ETC argued that a mixed “TM” would make matters less controversial.

Recruitment and selection. Candidates were recruited by means of an announcement on TaxAd’s intranet summoning employees “with ethnic backgrounds and the potential to grow towards senior management levels” to apply. It further stated that “TaxAd wants to strengthen diversity in the organization by means of the program.” Platform, the ethnic minorities network within TaxAd, supported the initiative and asked its members to participate. Eventually, 120 ethnic minority employees applied. Given their previous absence from “TM”, this massive application came as a surprise. In regions with several candidates, management selected one of them.

As a rule, ETC makes use of an assessment procedure in cases where candidates do not have an academic degree or when the candidate’s competencies are doubted. Since ETC had no experience with ethnic minority candidates in “TM”, and in order to reduce the risk of failure, all ethnic minority candidates had to pass assessment, their academic degrees notwithstanding. The majority candidates joined the program without assessment. Their talent status had already established itself among relevant parties within TaxAd. They enrolled at the end of a TCD trajectory involving various project assignments, and a temporary management posting. Most of the ethnic minority candidates were not involved in such trajectories and none held a temporary management position. As “ad hoc talents” they started at the tail end of TaxAd’s normal TCD practices.
Training and work experience positions. In a briefing session, ethnic minority participants expressed their high expectations regarding appointment to management positions as a result of “TM”. These expectations were not tempered by TM-coaches who invited participants to formulate their own goals, even if this would eventually lead them to leave the organization. Personal development and individual employability goals thus supplanted the sponsors’ goal of strengthening diversity.

An essential element of the “TM” curriculum, besides training and development sessions, is work experience through postings of the participants in management positions. ETC is aware of the importance of the quality of these postings, the challenging nature of tasks involved, and the experience and social capital of the workplace mentors involved for the candidates’ career. However, it left the responsibility to find suitable postings and a competent mentor to the minority candidates, and did not intervene where this proved to be difficult. The nature of work experience postings for participants differed in terms of management responsibilities involved. Looking back, a minority participant states:

In TaxAd, it is exceptional to have such management replacement positions. Therefore, they start thinking in terms of caution. Risk avoidance is built into TaxAd. But, they have to throw me in at the deep end. I can learn more there, I think. But at the time they said “you should take a position in a management team that functions well, so as not to be overburdened and to be able to learn”.

Overall, our research points out that majority participants had already secured relevant positions with high organizational visibility before joining “TM”. For most minority candidates, obtaining such positions became a time-consuming battle only after they had been selected to “TM”.

Since all candidates finished “TM” successfully, their performance in work experience positions was to be the most distinctive resource for their career advancement within TaxAd. A manager with minority background states:

The best thing about “TM” is the work experience position, which enables the organization to get an idea of what your capacities are. (…) I had one as a manager and that was what eventually counted. I could apply what I learned in “TM” to my own team. These participants miss that. If they don’t have that chance, they can’t show anything.

Outcomes and reactions. Overall, both majority and minority group participants were satisfied with “TM” itself. However, participants used different criteria for the evaluation of “TM” outcomes. Majority participants judged “TM” in terms of opportunities to explore personal ambitions and competencies. Minority respondents focused on career advancement, and voiced their doubts:

“TM” was very positive. A very tight group, a feeling of incredible safety. Mutual support. All of that is positive. Negative is what does it all add up to? Nothing. Personal development, greater career possibilities? Nothing. “TM” means nothing to the regional departments.

Participants were positive about the social relations within the “TM” group. However, afterwards contacts between “TM” group members were discontinued. The same holds for the relationships with their “TM” coaches and workplace mentors. This means that “TM” did not contribute significantly to the social and career capital of the candidates.

Two years after the “TM” program, five members of both majority and minority groups had been appointed to senior management positions. However, the majority
members reached higher positions and wage levels as compared to their minority peers. In the years that followed, “TM” programs did cease to attract employees with minority backgrounds. These outcomes resulted in the call for an evaluation of the initiative within TaxAd, and in a defensive reactions of ETC. ETC stated that “TM” should not be judged by its contribution to increasing diversity on senior management levels within TaxAd. Senior managers supervising “TM” candidates were worried too. They stressed that the disappointing results should be seen as a shared responsibility with the top management level. They also suggested that scouting could be improved by training the socio-communicative competencies of minority talents.

Explanations
In our analysis of the empirical data, we have found several explanations for the problems that ethnic minority participants faced during the implementation of the program and in securing an appointment to senior management levels. Three broad explanatory categories have been developed:

1. The intervention failed to tackle standard practices of TCD at TaxAd.
2. Integration of the initiative with organizational strategy can be said to exist, but the decisive contribution of important organizational stakeholders (senior management, ETC) had not been secured.
3. DM initiative and implementation showed strategic incoherence.

Standard practices of TCD at TaxAd untouched
The initiative was launched in the context of established practices of TCD within TaxAd. These practices have a number of relevant properties that we will deal with in what follows: Career progress tends to be a very slow process within TaxAd, it is enacted in largely informal interactions and requires relevant social capital, criteria of social fit play a dominant role, while TCD is underpinned by an ideology of natural selection.

Career progress within TaxAd is very slow. Employees have to climb through the ranks by proving themselves extensively at each level. Skipping ranks or joining TaxAd at senior management levels from the outside is very exceptional, the number of senior positions is limited and vacancies occur infrequently. Anyone who seems to be making quick career progress is met with distrust. A senior manager with minority background observes:

“TM” is always good except this time. It had to be done quickly, the top decided. The whole group was wrong. They had to deliver, but there was no time. If you send someone to “TM” then you want him to obtain a management position. It occurs to me that this was not the case with this “TM”.

Speed seems ill-advised. A minority participant states:

During TM, I really felt that they did not give me any credit, because I am different, I am a Moroccan, I am young. I am climbing rapidly. Most of senior management have no university degree and it took them 25 to 30 years to get the job. And they've had to suffer for it. And here I come, and it looks to them as if I got everything for free.

The appreciation for slow career progress is prominent in the ranks of senior managers, who do the actual work of talent scouting.
Officially, the responsibility for talent scouting is shared between the senior manager and the employee involved who is “the architect of his/her own career”. Visibility to senior management, not formal tests or assessments, gives employees access to the status of potential talent. A senior manager states: “The hardest thing is always whether you are alert enough to be able to discover a talent. However, it is more important that you have employees who know that they have to show themselves.” Thus, talent recognition, like career progress in TaxAd is premised on valuable social contacts and assertiveness on the part of the candidates. The longer candidates keep the attention of senior management, the more chance they will have, to be recognized as talents. In this respect, newcomers to the organization are disadvantaged. Senior managers blamed the faltering career development of newcomers on their insufficient “presence”. Ethnic employees experience a lack of social capital, and the complexities of TaxAd’s organizational culture hamper negotiating the career ladder. A minority participant states:

We have a rather hierarchical organization, but it is nowhere manifest. It is as informal as can be. I can phone the top manager and he will answer me. If you do not know the code, you have a problem. You are allowed to talk to the highest in command, but you don’t do it. Relationships are hierarchical. Everything is fixed and fenced off, it is extremely formal.

Everyday social relations between employees and management have an informal and equitable “front stage” character. Power and status differentials are preferably enacted back stage.

Management responses suggest that talent scouting and advancement at TaxAd is dominated by criteria of social fit: “he will make a good colleague”, “he has our sense of humor”, “just like us, he does not take himself too seriously”. For ethnic newcomers at TaxAd, social fit is something that is rarely accepted at face value. Management respondents associated ethnic minority employees with problematic attitudes toward leadership. Allegedly, they are so sensitive to authority that they dare not assert themselves, hence becoming invisible for talent scouts. Alternatively, they are portrayed as the very stuff that authoritarian leaders are made of, hence unfit for the informal, self-denying type of hierarchy of TaxAd. A senior manager who mentored a minority participant states:

(…) what happened to him is that he looked up to senior managers. He did not feel relaxed with them, and had more problems in making himself understood. So senior managers must be aware that there is a big difference. And then there is a downside. He thought “once I am the chief, they will have to listen to me like I listen to my chief.” You run into trouble, if you start acting the dominant manager here.

Cultural standards as to what is a good manager tend to receive ambiguous applications within TaxAd. In the case of newcomers, assertiveness will easily be perceived as arrogance, concern for one’s career as a lack of loyalty to TaxAd.

Talent scouting and development implies taking risks. Talents have yet to prove their added value. Unanimity in talent recognition is a practice directed at risk control. A senior manager:

The talented nature of a person must be seen by a superior. It must not be the case that someone disagrees. Then doubt emerges. Of course, you can take that away by organizing an assessment. However, principally, whenever one senior manager voices doubts, the thing is off.
Risk reduction within TaxAd is further pursued by the practice of slow career progress, the use of assessments in case of doubt, and by assigning the final decision about appointments to personnel committees. Applying for senior positions in TaxAd implies dealing with a selection committee and a personnel committee. The former looks at qualifications and work experience in the light of specified job requirements. The latter judges whether management candidates fit the social make-up of the team. Social fit judgments of personnel committees are binding and frequently excluded ethnic minority candidates. Challenging such decisions in favor of minority candidates proved to be out of bounds, even to top management diversity sponsors. Senior managers left their mentees to this “organizational hour of truth” with a plea of self-efficacy of candidates required at this level. The formal preclusion of interference form higher up support in promotion procedures thus lends a socio-cultural process of securing social fit the aura of “natural selection”. Social conformism emerges from our analysis as the strongest factor in risk management working against the new and the different.

In TaxAd, talents must prove themselves as talents before being formally accepted as talents. As a consequence, compensatory programs such as “TM” targeted at minority personnel, run counter to the traditional image of the evolutionary course of TCD in TaxAd. The talents of those “crash courses” cannot be trusted at face value. Hence they become the object of engrained social conformist practices of risk management. Thus, the instrumental value of “TM” is restricted by deep-seated cultural mechanisms. In trying to circumvent organizational mechanisms that slow down change, the sponsors also skipped the analysis of the very practices that lead towards the exclusion of ethnic minorities from TCD, and to their under representation among leadership.

Strategic integration and the lacking involvement of key organizational players
Explanations can also be found through an analysis of the DM initiative and program in terms of a strategy involving social agents, goals and instruments within the organizational context. In our research, we have found that diversity initiative and program are integrated with well-developed diversity policies within TaxAd. These in turn were closely linked to TaxAd’s strategic mission to stay informed about newcomers among tax payers, to tap into new sources of personnel given the “graying” of its workforce, and to be an exemplary employer. The initiative and the program were backed up by top management acting as sponsor and instructor of ETC, and supported by TaxAd’s Diversity network and Platform. Despite these forms of integration, minority candidates faced unfair treatment accessing “TM” and management experience positions, and in realizing career progress. An important explanation lies in the fact that the implementation of the initiative was delegated immediately to ETC, a separate organizational unit. As a result, senior managers with key responsibilities in TCD as mentors, colleagues in work experience postings, and career gatekeepers, were not targeted by the initiative. Thus, integration remained superficial and inconsequential since it lacked “organizational coherence”.

As a central actor, ETC was not in the position to impact on existing practices of TCD. It did not consider outcomes beyond satisfaction and personal development of participants as its responsibility. Organizationally speaking, ETC was not equipped to play the instrumental role that the sponsors assumed it should play, since it was
institutionally cut off from the larger process leading towards goal realization. Opting for a tried and proven program (“TM”) and the assessment of minority candidates can be understood as measures to prevent damage to the already weak value added status of ETC with top management. As we have seen, this lack of coherence was not compensated for by purposive actions of top or senior managers.

**Intentional and programmatic incoherence**

Explanations may also be found in the level of coherence linking goals, instruments and social agents in the enacted strategy. In the case study, we have established a misalignment between the intentions of the sponsors, those of ETC and expectations of the ethnic minority participants. These differences that refer to “intentional coherence” were not discussed but taken for granted, and may account for feelings of frustration among all parties involved. ECT used a standard program in order to implement the initiative. Delegation entailed a shift of goals: Taking action for diversity in leadership was transformed into making personal development and career orientation available to ethnic minority candidates (and to majority participants).

Underlying “TM” is a central discourse in HR about valuing the needs and aspirations of abstract and idealized individuals. Its core value is the humanist assumption about the autonomous, self-directed and self-fulfilling “I”, who knows gender nor ethnicity (Rigg et al., 2007; Siebers, 2009). HR-activities should endorse such values, and lead to personal development, empowerment, and flexibility, especially where senior personnel are concerned. “TM” concentrated on psychological growth. It did not deal with strategies for making career moves, acquiring social capital or management competencies. This was seen as the individual responsibility of the candidates. The evolving strategy showed a lack of “programmatic coherence”. Arguably, “TM” was a bad choice for realizing diversity goals, while it was a good choice for reproducing TCD practices. Fostering career advancement for minority talents cannot be accomplished without enabling them to gain competencies in playing or changing the organization game.

**Conclusion**

In answer to the research questions, we conclude that DM (diversity initiative and implementation), has not contributed to realizing diversity outcomes as envisioned by the sponsors, diversity networks and minority candidates. An equal number of majority and minority participants were eventually appointed to senior management positions, among whom minority participants had made less progress in terms of position and wage levels. Participation in “TM” has not led minority candidates to improve their social networks. In the following years, “TM” fell back to exclusively recruiting majority candidates. The study also showed that minority participants faced disadvantages in accessing the program, relevant work experience and gaining organizational visibility. The influence of three important forces on DM as a change process and its outcomes has been traced:

1. Standard practices of talent development and career advancement within TaxAd had not been targeted and were not influenced by the DM strategy. As a result, institutionally preferred cultural practices (for slow careers, informal pre-selection, natural selection in promotions, and social conformism as a last resort for risk reduction) counteracted a fruitful implementation of the strategy.
The strength of an intervention strategy is dependent on its implicit “non-issues”, e.g. taken-for-granted practices and basic assumptions constituting everyday realities of an organization. As our case study shows, such non-issues can be well-entrenched in the dominant culture of an organization, and may lead to exclusion of new, non-traditional groups.

(2) The integration of the DM strategy was reasonably strong in terms of top management and policy support, and in relation to TaxAd’s strategic mission. However, stakeholders playing decisive roles in the distribution of career progress opportunities, such as senior management (Yarnall, 1998) and ETC (Garrow and Hirsh, 2008) were not committed to DM goals. DM lacked in critical organizational alignment (Wenger, 1998).

(3) Diversity initiative and program showed incoherence in terms of the goal perceptions of different parties involved (see Garrow and Hirsh, 2008), and in terms of the suitability of “TM”, as a program predominantly directed at personal growth, for realizing diversity goals. Our research resonates with Yarnall (1998) who points out, that knowing yourself is not enough to make career moves, if knowledge and social networks pertaining to careers in the organization are missing.

We will now relate these findings to the literature on differential career advancement between minority and majority employees, conditions for effective DM and talent development, and look at some practical implications.

Discussion
Theoretical implications concerning the career advancement of minority personnel
Contrary to the literature, no evidence was found for a lack of self-confidence on the part of the minority candidates. The respondents saw the initiative as a real opportunity for vertical mobility. The massive response questions the depth of the supposed lack of self-consciousness. This point needs further research. We have ample evidence of prejudice in the appraisal of talent and performance of ethnic minority personnel. Mostly, however, prejudice is not manifest (Siebers, 2009), and inequities stem from standard practices of TCD. The discourse of social conformism and natural selection renders the explicit voicing of doubts with regard to the suitability of minority personnel unnecessary. We have also found some evidence of obscure, but more accurately of ambiguous procedures and criteria of promotion. Ambivalence manifested itself mainly in the independence of assessments of management qualifications, and of social fit for appointments. Obscurity is apparent in the varied and often intractable ways in which different departments and senior managers within TaxAd come to define, pick and groom their talents. Lack of social capital is indeed a serious setback for minority talents inside TaxAd. When the initiative was announced in the organization, no mentor relationships and no pool of ethnic minority talents existed (Ragins, 2002). As for the role played by HR, the study showed “TM” to be an assimilative set of practices. Setting diversity goals is not enough to change this. In sum, our study has underlined the relevance of factors impacting on the career progress of minority personnel. In our view, the factors mentioned take effect through practices and discourses of slow careers, risk avoidance, natural selection, and social conformity of talents that are endemic to and specific for TaxAd’s culture. However,
these practices and discourses in themselves cannot explain the results of the DM intervention. Therefore we turn to a consideration of DM as a change strategy from the perspective of DM and talent development theories.

Theoretical implications concerning DM and talent development
The TaxAd case study gives rise to doubt with regard to the importance attached to strategic integration of DM initiatives and top management commitment as success factors of DM. The lack of influence of strategic integration on diversity in the workforce is corroborated in research among Dutch work organizations by De Vries et al. (2005). Our case study suggests, that DM interventions that fall back on existing organizational routines and divisions will risk intentional and programmatic incoherence. When risk avoidance and social conformism are dominant in organizations, top management commitment is not enough. Preparedness to question routines, take risks and to resolve social conflicts on all management levels in diverse organizations (Ely and Thomas, 2001) may have greater importance. Models of DM idealize strategy as rational alignment of means and goals uncontaminated by its organizational context and overestimate the influence of top management vis à vis day to day organizational processes.

Establishing organizational responsibilities seems a more important condition in DM. In this context Kalev et al. (2006) mentioned a yearly monitoring of employment equity, instituting specialized diversity functions and appointing advocacy and oversight committees. These conditions were indeed present in TaxAd, but proved not sufficient to secure better intervention results. The more general idea of organizational alignment (Wenger, 1998) seems important here. This implies that organizational processes and systems must be facilitated and coordinated in order to make DM practicable as a change strategy. At TaxAd this means that routine processes of TCD and the main agents, senior managers acting as scouts and mentors, and HR functions supporting this process, must be targeted in the first place. In the light of the case study, Yarnall’s (1998) insistence on the problems and the necessity of co-operation between HR systems and senior managers responsible for talent development seems particularly relevant. This implies also, that issues of bureaucratic restrictions on co-operation between main players must be tackled. In the TaxAd case, lacking organizational alignment seems more important than strategic integration and top management commitment. These remarks tie in neatly with conditions for talent development such as middle or senior management commitment and lack of co-operation between middle management and HR systems mentioned by Yarnall (1998) and fit with other HR systems mentioned by Garrow and Hirsh (2008).

Cultural conditions for successful DM proved to be influential in our case study: risk avoidance, slow careers, social conformity, respecting bureaucratic division of labour all worked against the initiative. In this sense, its good intentions and reputation notwithstanding, TaxAd is not (yet) characterized by an organizational culture that is open to new developments, prone towards learning, and valuing diversity. As long as the majority of senior management acting as talent scouts can only recognize talent emerging from long slow careers, and from closely knit social networks, just like their own careers, crash courses in TCD for minority talents will counteract dominant cultural models in the organization and are bound to fail (Garrow and Hirsh, 2008). The importance of organizational culture for DM can hardly be overstated (Glastra et al., 2001). The case
study illustrates that strategy formulation itself is influenced by the dominant culture and power relations between stakeholders in organizations. The diversity initiative, rather than being a fresh start, may be more fruitfully understood as the feasible outcome of a history of pressures and resistance in fostering diversity at TaxAd (Legge, 2005). Organizational culture must therefore be seen as a decisive condition not only for the occurrence of change, but also for the construction of change strategies.

In terms of practical implications, we may conclude that the analysis of such cultural conditions must be part of any development of DM strategy. Interventions aimed at fostering ethnic diversity in talent development should start with precise analysis of cultural and organizational conditions and processes underpinning standard practices of talent and career development. They should not seek strategic integration and top management commitment so much as arrange for broad-based organizational alignment. Yarnall (1998) goes so far as to suggest that changes in talent development must not be expected to be induced top down, but should be driven from below. This would most certainly not work for ethnic minority employees at TaxAd. The opening up of career perspectives for them through the DM initiative sparked up activity that was not there before nor after the initiative. The practical implication is that TCD for ethnic minority personnel needs a wake up call from top management but should start at the level of senior management acting as talent scouts. Furthermore, development of ethnic talent cannot be done without a HR focus on learning the career game and actively opening up relevant social networks. This study also underlines the practical importance of managing expectations with regard to TCD among targeted groups stirred up by DM and TCD initiatives (see Garrow and Hirsh, 2008). This holds for the career prospects for the “TM” group within TaxAd, but also for those 108 candidates who hoped to enter “TM”, but were turned down. Organizations run the risk of being perceived to break their promises when expectations of career advancements are not realized, and they may lose precisely the group, which they targeted.

Our remarks about the relevance of different factors influencing the successfullness of DM and TCD for ethnic minority careers are based on a qualitative case study in one organization at one period in time. This design facilitates case-sensitive analysis and advice, but is obviously limited in estimations of validity and explanatory strength of factors mentioned in the literature, as it is in generalizing across organizations. Given the growing importance of diversity in work organizations, TCD of ethnic minorities deserves a broad-based, longitudinal study. Our case study may contribute in designing such a study, and pointing out relevant factors, processes and hypotheses.

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