Company values guiding the recruitment of employees with a foreign background

Abstract

Purpose – In this paper, the following research question is addressed: Why do business organizations recruit employees with a foreign background? This was examined in terms of the values that guide organizations and their management.

Approach – The study focused on two businesses in Finland that are pioneers in the recruitment of immigrants. A case study approach was adopted. The research data consist of interviews and documentary data. The data were analysed using content analysis in accordance with grounded theory.

Findings – Companies can act as an enabling force in the integration of immigrants into the local labour market, especially when the company’s value basis extends beyond only economic values.

Research limitations – The study was conducted only in two case companies in Finland.

Practical implications – Companies have the potential to affect local people’s attitudes towards immigrants as workers. This is important because many western societies are likely to face a labour shortage in the future due to the ageing population and low birth rate.

Originality/value – Prior research has mostly investigated the topic from the viewpoints of the immigrants themselves and of policy makers. The value of this study is that it makes the employers’ viewpoint visible. The dominant theories applied in the field of immigrant recruitment are inadequate to explain employers’ behaviour because of their underlying assumption of the overwhelming importance of economic values in decision-making.

Key words Business organization, case study, diversity management; employee with a foreign background, Finland; recruitment, values

Paper type Case study
Introduction

Due to increased migration and the globalization of firms, there is now more diversity in many societies and organizations (OECD, 2013; Almeida et al., 2015, 2016). Although many countries have introduced migration policies to make it easier for companies to recruit from abroad, previous studies show that employees with a foreign background often work in jobs that are below their level of competency (Ortlieb and Sieben, 2013). It has been noticed that both in Finland, which is the context of this study, and elsewhere, these employees face more problems and more discrimination in the recruitment process than local people (McGinnity and Lunn, 2011; April and Syed, 2015; Kingston et al., 2015; Tilastokeskus, 2015a, 2015b). The refugee problem in Europe might further limit the opportunities open to immigrants, whether refugees or not, in working life, since attitudes toward immigrants seem to have become more negative (Semyonov et al., 2006; Davidov and Meuleman, 2012). However, due to the rapidly ageing population and low birth rate in Europe, the workforce potential offered by immigrants is likely to be vital for the future of European societies (El-Cherkeh, 2009; Salminen et al., 2019).

In this research, we are interested in what leads companies and their management to recruit employees with a foreign background despite the often sceptical attitudes towards such employees in the society in which the company operates. Such recruitment means that companies contribute to the ongoing changes in societies and working life in terms of the increasing number of migrants in the population (El-Cherkeh, 2009; Syed and Özbilgin, 2015). The research question of this study is therefore, Why do business organizations recruit employees with a foreign background? We explore the topic from the viewpoint of the values that guide organizations and their management, because values are important elements of organizational behaviour that define how business is done, explaining, for example, why diversity is taken into consideration in personnel recruitment (Agle and Caldwell, 1999; van Dijk et al., 2012). We focus on values in practice, not the values formally defined in official company documents, because the literature shows that the values practised in everyday organizational life have a significant influence on an organization’s behaviour (Schein, 2010). Moreover, according to Bartram (2010), the values exercised in practice in relation to immigrants are typically taken as self-evident and are not often reflected upon, so more knowledge about these values is needed.

We answer the research question by means of an explorative case study (Tight, 2017) in two business organizations in Finland. In this paper, by ‘employees with a foreign background’ we mean those employees who have come to Finland from another country and who are not ‘ethnic Finns’, i.e. their
mother tongue is not Finnish and their habitus is clearly different from that of the majority of the Finnish population. This definition is not universal: it only describes how being a ‘foreign employee’ is understood and defined in practice in the places of our study, both in the geographical areas and in the target business organizations. This definition excludes ethnic Finns born in another country (e.g. Sweden) and with foreign citizenship (e.g. Swedish or Russian) from being considered employees with a foreign background. The employees in this study have either been recruited directly from abroad to Finland or they have been in the country for some time before their recruitment into the case organization.

This study contributes to the literature in the following ways. Firstly, the majority of prior studies on managing workforce diversity are based on the idea of the business case, referring to the cost-saving or competitive advantage to business results brought about by the diversity of the workforce (e.g. Cox and Blake, 1991; Richard et al., 2003; Robertson and Park, 2007; Moryarty et al., 2012; Ortlieb and Sieben, 2013). Often, these studies are based on human capital theory (Becker, 1964), resource dependence theory (Pfeffer and Salancik, 1978) and diversity management (Syed and Özbilgin, 2015). Yet another stream of studies brings out that moral values such as the duty to advance equal opportunity may also play a role (e.g. Rodríquez, 2004; MacKenzie and Forde, 2009; Bartram, 2010; Olsens and Martins, 2012; van Dijk et al., 2012; Almeida et al., 2015; Ng and Sears, 2018). In this study, we show that the distinction commonly made in the previous literature between the economic and moral values that guide organizations in what they do with regard to workforce diversity (particularly, here, the recruitment of foreign employees) may be too simplistic. Organizational values do not occur in a vacuum but are connected to the values of the society (Pučėtaitė and Lämsä, 2008; Van Laer and Janssens, 2011; Kujala et al., 2018). However, as made clear by MacKenzie and Ford (2009), the majority of researchers in the field downplay the significance of the broader social context in which employers take decisions to recruit immigrants. Since the context is closely related to the shaping of the phenomenon, this leaves previous studies on managing diversity open to criticism (Syed and Kramar, 2009; Zanoni et al., 2010). Drawing in their theoretical paper on the theory of commitment, not the theory of values, Ng and Wyrick (2011) suggested that affective motives may influence the implementation of organizational diversity practices. This suggests that other values than economic and/or moral ones can also be meaningful in understanding employer behaviour in the recruitment of foreign employees. This paper extends the literature by showing that the values employers apply when recruiting employees with a foreign background can be more varied than has hitherto been suggested.
Secondly, this study draws attention to the inadequacy of the current literature in explaining employers’ reasons for recruiting employees with a foreign background, which is our focus of interest here. This deficiency is apparent especially concerning businesses located in rural areas, which were studied here (Suutari et al., 2016). Despite some exceptions (e.g. MacKenzie and Forde, 2009; Almeida et al., 2015; Almeida and Fernando, 2016), prior research concerning the recruitment of immigrants (e.g. Ortlieb and Sieben, 2013; Scott, 2013; Almeida et al., 2015) has mostly investigated the topic from the viewpoints of the employees themselves and of policy makers; the employers’ viewpoint has received less academic attention, despite the fact that employers’ behaviour is crucial in shaping the functioning of the labour market and employment. This is particularly true in businesses that are led by owner-managers, as is the case here, because the owner–manager is often the implementer and driver of values (Quinn, 1997; Jenkins, 2006; Gorgievsky et al., 2011; Lähdesmäki, 2012). The owner-manager sets the organizational agenda and allocates the resources that are needed for recruitment (Ng and Sears, 2018).

**Literature review**

*Values framework*

Values guide the way organization members form opinions and attitudes, choose actions as well as assess and justify their actions (Rokeach, 1973; Schwartz, 1992; Gandal et al., 2005; Davidov and Meuleman, 2012). Values signal what is important and preferred in a company (Schein, 2010). Values are motivational by nature, and they show what people think to be right and wrong, good and bad (Gandal et al., 2005). While values define basic beliefs about, for example, immigrants, attitudes are an individual’s disposition to think of and react in a specific way to the topic (Ajzen, 2002). Values are more durable, and there is only a certain number of values but there are as many attitudes as there are objects of the attitudes (Davidov and Meuleman, 2012). Davidov and Meuleman (2012) showed in their empirical study that values significantly help to explain attitudes towards immigrants. Due to the socialization process, a company’s values system is likely to be accepted over time by the members of the organization. Although we cannot say that it is entirely unchangeable, this set of values does not change easily. A well-known classification of values is that of Rokeach (1973). Rokeach distinguishes terminal and instrumental values. Terminal values are ultimate goals of behaviour, such as equality and social recognition, while instrumental values, such as effectiveness and hard work, refer to modes of behaviour to achieve the goals.
In this paper we draw upon a well-known, widely tested and accepted framework of values, that of Schwartz (1992; Schwartz and Bardi, 2001; Gorgievski et al., 2011). Davidov and Meuleman (2012) investigated value orientations in the formation of attitudes towards immigrants in European countries, and although their perspective is on macro-level issues, from the viewpoint of this paper their study is important because it shows that the values framework of Schwartz (1992) is applicable in studying values related to immigration. Schwartz (1992) distinguishes several categories of values. The main categories are openness to change, self-enhancement, conservation, and self-transcendence. With reference to business organizations, openness to change refers to learning, innovativeness and willingness to accept challenges. Self-enhancement is linked to superiority and prestige; in the business context economic success, being competitive, and growth, are all signs of this. Conservation as a category stresses security, stability and tradition; respect for and acceptance of traditional ideologies, customs and norms, for example, are crucial for a company that stresses this category. Finally, self-transcendence is related to a company’s motivation to advance people’s welfare; respect and the acceptance of differences between people are important in this group. (Schwartz, 1992.)

Organizations and their members build value hierarchies according to the importance of different values to the organization – some values are prioritized over others (Gandal et al., 2005; Tuulik et al., 2016). A crucial element that influences the organization’s value system is its management. Managers are in a powerful position to create matching behaviour in those who observe them; those who have a lower position in the organization are far less influential. Managers can have a far-reaching effect on organizational values through their decision-making and behaviour (Smircich and Morgan, 1982; Huhtala et al., 2013; Riivari and Lämsä, 2019). Owner-managers are in an even better position to reflect their personal values in organizational decision-making than are managers in large corporations (Quinn, 1997; Jenkins, 2006; Lähdesmäki, 2012). While managerial discretion plays a key role in exhibiting personal values in organizational decision-making, owner-managers are considered to have the autonomy to exercise such discretion (Jenkins, 2009) since they are usually at the centre of all company behaviour (Miller, 1983; Covin, 1991). Since managers’ personal values have a strong influence on the strategies they adopt when operating their businesses, this will also affect strategies associated with staff recruitment (Thompson and Strickland, 1986; Kotey and Meredith, 1997; Ajzen, 2002; Koiranen, 2002).

*Previous studies of the topic*

The recruitment of employees with a foreign background has been studied from the employers’ viewpoint usually through the lenses of human capital theory, resource dependence theory, or
diversity management (Ortlieb and Sieben, 2013). According to human capital theory, human capital means the knowledge or characteristics the employee has that contribute to his/her productivity. An employer’s investment in human capabilities thus plays a crucial role in achieving successful business results (Becker, 1964). This theory assumes that the labour market treats its potential workforce equally, on their competencies (Almeida and Ferdando, 2016). The theory suggests that it is economic values that are the crucial factor in a company’s decision to hire foreigners.

The idea in resource dependence theory is that the need to accrue critical resources such as social capital and abilities is crucial for a firm’s survival (Pfeffer and Salancik, 1978). According to this line of thought, in recruitment decision-making an important aim is to hire employees who have the abilities necessary for the company’s success. For example, drawing on resource dependence theory, Ortlieb and Sieben (2013) argued that competencies related to foreign employees (e.g. their language skills and cultural skills) and ethnic background (e.g. internationality, image value) can be potentially valuable resources to the company that offers them employment.

Drees and Heugens (2013) say that resource dependence theory draws mainly on the assumption that business organizations are motivated by economic values but that the theory can also explain organizational actions that rely on social acceptance: it is not only its economic values but also its actions that legitimize the role of the company in its environment and are of importance for its success. This suggests that companies rely in their decision-making not only on economic values but also on social responsiveness to the external environment, that is, on their adaptation to broader traditions and customs in the environment. Seen from the viewpoint of resource dependence theory, companies are also likely to adapt their recruitment policies to the broader values of the social environment in which they operate.

Diversity management stresses that workforce differences, for example ethnicity and nationality, have the potential to create a working environment in which diverse people’s competencies and characteristics are utilized to achieve organizational success (Cox, 1991; Syed and Özbilgin, 2015). Diversity management is typically based on the business case for diversity (Cox, 1991; Syed and Kramer, 2009). In the majority of diversity management approaches, a company’s reasons for recruiting employees with a foreign background are based on economic values.

However, Ely and Thomas (2001), for example, broadened the idea of diversity management by showing that three different standpoints on workforce diversity can be distinguished, namely, the
integration-and-learning standpoint, the access-and-legitimacy standpoint, and the discrimination-and-fairness standpoint. The integration-and-learning standpoint stresses the value of learning as a key idea in diversity management, while the access-and-legitimacy standpoint emphasizes the adaptation of employee characteristics to the diversity of customers in the market, thus stressing the economic value of workforce diversity. Finally, according to Ely and Thomas (2001, p.245) the discrimination-and-fairness perspective is characterized by the idea that hiring a diverse workforce, for example, is a moral value to ensure justice and the fair treatment of all the members of society.

Methods

A case study as a method focuses on a small number of cases that are studied intensively, and this allows close focus on the topic in its context (Cassell and Symon, 2015). Two companies that can be considered exceptional cases (Tight, 2017) were selected for this study. We looked for two contrasting cases as regards size, branch of industry and location. The main reason for choosing these companies was that they were both pioneers in their different parts of the country and fields of business in the recruitment of employees with a foreign background. Two leading authors of this article were familiar with these companies as a result of their previous studies and personal contacts, which made it easier to contact the informants. The recruitment policy pursued by these companies can be considered risky in their environment because no other companies had decided to pursue a similar policy. In general, despite the increasing number of immigrants, Finland is still a homogeneous society, and the fact that the number of people with a foreign background is quite low means that few companies have much experience of recruiting foreigners.

The companies selected are located in two different municipalities in rural areas of Finland, one in the west and the other in the north of the country. Rural areas in Finland, as in other Western countries, are experiencing significant demographic changes, which also affect the functionality of the labour market (Hoyos and Green, 2011). Emigration and population ageing, which contribute negatively to the availability of workers, are a serious concern for many rural communities in Finland, as elsewhere (Suutari et al., 2016). In these areas, it is important for businesses to find a way of compensating for the ongoing decline in the population of working age and enabling the local labour market to continue to function. Foreign workers are the solution, but the majority of workers with a foreign background in Finland live in big cities. The availability of a workforce in rural areas cannot, however, be guaranteed unless companies as well as the local authorities can attract foreign workers and engage them as part of their local community (Suutari et al., 2016.)
Both case companies are of Finnish origin and their management is in the hands of the owner-manager. One case, referred to here as the Factory, employed people with a foreign background who had come to the country for occupational reasons, while the other company, the Pharmacy, hired an asylum seeker as a trainee. Their recruitment strategies being different, it is possible for us here to capture the topic more broadly than if the cases had been similar (Tight, 2017).

The research data consist of two primary data sets. First of all, altogether three open-ended interviews (Rubin and Rubin, 2005) were conducted with the owner-managers of the companies, one with the owner-manager of the Factory and two with the owner-manager of the Pharmacy. Interview topics included the company’s key principles, strategies and methods, its personnel policy and recruitment, its reasons for and experiences of recruiting employees with a foreign background, and the challenges encountered in the recruitment process. Company values were thus not approached directly but allowed to emerge among the principles and practices of the companies. Interview questions were posed so that the interviewees could easily speak of the topics in their own words.

Secondly, various forms of documentary data were collected about the companies and their recruitment: website information put out by the companies and local authorities, the minutes of municipal council meetings concerning setting up a refugee centre, and a petition to the municipal council from local inhabitants setting out the problems of foreigners living in the area and their recruitment into the companies. To contextualize these primary data, secondary data were also used, in the shape of parliamentary papers and information from Statistics Finland and from the regional authorities concerning immigration, employment, and the social and economic environment of the region.

The data were analysed using content analysis (Cresswell, 1998; Guest et al., 2012) in accordance with grounded theory (e.g. Glaser and Strauss, 1967; Corbin and Strauss, 2015). We started with a thorough reading of the data in order to familiarize ourselves with what was there. In our research group we then discussed preliminary ideas about values and made notes on them, working with the data from the ground upwards (Urquhart, 2013). At this stage it became clear that the material was very rich and provided a complex view of the topic and case contexts. Next, the data were grouped in such a way that we could build text blocks on values related to recruitment. Then, the blocks were grouped so that similar ideas relating to values in recruitment were categorized together. In this process the researchers discussed the data thoroughly to identify relevant core ideas there (Urquhart,
It turned out that the Factory and Pharmacy each had a unique set of key values linked to recruitment. At this stage, these sets looked quite different from each other. In the case of the Factory, they consisted of an appreciation of hard work, equality, as well as growth and development as profit-generating business resources. In the case of the Pharmacy the set of key values consisted of high quality, accountability, as well as learning and development. Finally, we developed the analysis further by examining the detected key values through the lens of Schwartz’s (1992) framework. At this stage the level of conceptualization of the values was advanced. It turned out that the key values of the case companies were partly similar and partly different, depending on which values category they belonged to.

Case study findings

Next, in this article, the results are presented case by case, beginning with the Factory. First of all we highlight some general information about the company and describe the context in which it operates. Then follows a discussion of the values of the company and a look at how its values are present in the company’s recruitment practices. The Pharmacy is then considered in the same way. Finally we develop the analysis further and look at values from the viewpoint of Schwartz's framework.

The Factory

Natural internationality: the case company and its environment
The Factory, founded in 1956, operates in the field of construction. The company operates not only in Finland but also in the U.K., Sweden and Russia. The company employs over 550 people, the majority of whom are based at the company’s headquarters in Western Finland. At the time of the data collection, one in every five permanent employees at headquarters was of foreign origin. The Factory is a family business with its roots in a small local woodworking and carpentry shop. Initially the Factory sold its products to local customers but during the 1970s it became a nationwide player. The company entered international markets at the turn of the millennium. From the early 2000s the Factory has systematically recruited foreign labour.

Despite being an international company, the Factory is profoundly local at heart and boasts about its regional heritage. This region has played a central role in the history of Finnish internationalization. An exceptionally large proportion of the population of the province left in the mass emigration of Finns to America in the late 1800s and early 1900s. A second wave of mass emigration from the same
region took place in the 1960s and 1970s, this time to Sweden. Some of the migrants stayed on in their countries of destination, others returned to Finland (Kero, 1972; Korkiasaari, 2000; Virtanen, 1979). But even those who did not strike gold and returned to Finland claimed that they had increased their human capital: “Even if you don’t get rich on your travels, you will get wiser.” (Toivonen, 1963, p.204).

The municipality where the Factory’s headquarters is located is a small one, with some 3000 inhabitants. The Factory began the systematic recruitment of foreign workers around 2005, and the policy intensified in the 2010s. This had a marked influence on the population structure of the place: in 2006, the share of foreign language speakers in the population was 0.54 percent, but by 2010 the figure was 1.37 percent and by 2015 it had risen to 5 percent. The rate is notably higher than in the region in general and almost as high as the average Finnish rate. The Factory has been a prime motor in this development, and other enterprises in the region have followed suit and also recruited foreign labour. Nevertheless, a majority of the foreigners in the area work in the Factory.

**Business development connected with traditional Finnish values**

As for the Factory’s corporate values, it is relevant that this is a family business now spanning three generations. The values of the Factory and its managers are not arbitrary or random, nor have they been adopted from some fashionable new doctrine, but they rely on tradition. The Factory’s value set is grouped as follows: 1) appreciation of hard work, 2) equality and 3) growth and development as a profit-generating business resource.

The inhabitants of the region are traditionally regarded as possessing an exceptionally entrepreneurial spirit, as valuing hard work, as believing in equality and having a devout attitude to religion (e.g. Zimmerbauer, 2002). Such principles derive in large part from a Protestant value set, particularly Calvinism, but also from Pietism (Weber, [1904] 1980: 57–94).

If you think of our home village, it’s very strong in terms of religiousness. […] We [our own family] surely do have [a religious background]. It stems from [our home village ...], that’s where these values are from. Revivalism and valuing of hard work above all else. And equality above all else. Everyone starting off from the same line. […] If someone achieves something, it’s their own achievement, not something gained or inherited. (Managing director)
The high regard for work, emerging from Protestant values, is a fundamental aspect of the Factory’s value basis; it means a strong organizational ethos with an emphasis on the personal ability of each employee. For example, anyone working in blue-collar jobs can advance up the corporate ladder into supervisory, sales or administrative positions on the basis of merit. Recruitment is based on the prospective employees’ diligence and know-how gained through hard work. “Hard work wins over hard luck” is an old Finnish proverb which exemplifies this value.

Equality and equal opportunity – key values in Finnish society in general – are core values also in the company. The same payroll system applies to all employees, and the terms of employment are the same for everyone. The Factory’s payroll system is based on the employees’ performance. No difference in recruitment is made with reference to where you come from or what language you speak or whether you are male or female. The emphasis is on each employee’s own abilities and effort.

The Factory’s target has always been towards business growth and development. The company has grown in the last 60 years into a consolidated corporation operating in an international business environment. The growth of the company has come through its own development efforts, not as a result of mergers or acquisitions of other companies and their know-how. Instead, the Factory has relied on developing its own competence and expertise. The Factory sees the skills and performance of its workforce and its own corporate knowledge base as key resources for business success.

Foreign labour guarantees growth

In the 2000s the Factory started to base its recruitment policy on foreign labour. The rationale behind this strategy was the prevailing labour shortage. The situation was similar around the region: industry was unable to recruit employees either locally or regionally, or even nationwide (Mattila and Björklund, 2013). Turning to foreign labour served the company’s goals and values of growth and development.

[Had we not been open to this alternative], we’d probably be just like so many other enterprises in Finland. Complaining about the labour shortage, no chance of growth, it’s impossible to find labour, [which] prevents everything. We would have been stuck at a certain level, we’d be a much more static company. […] Instead[,] we started off briskly. […] Ours was definitely a strategic choice. (Managing director)
Initially, the Factory turned to workers from within the EU. The first step was to hire workers from Estonia. Somewhat later the search was extended to the rest of Europe, as a result of which employees were recruited especially from Romania and Poland. At around the same time, nearby vocational colleges were attracting large numbers of Russian students, mainly from Russian Karelia on Finland’s eastern border. The company made it known that apprenticeships at the Factory were available to construction students. This led to some students being recruited through apprenticeships to work in the company. As a result of such arrangements, workers from three countries in particular - Estonia, Russia (especially Karelia and St. Petersburg) and Romania - were employed in the company. The company’s foreign labour therefore came both from within the EU, with its free movement of labour, as well as from outside the EU, namely from Russia. The company has gained a reputation as a recruiter of foreign labour.

The Factory’s recruitment policy is based on the value of equality. Foreign recruits include men and women alike, although there are more men than women. However, the proportion is the same among Finnish employees. The company has launched a special research and development project to promote the principles of equality and equal opportunity in a multicultural work environment and to commit employees with different cultural backgrounds to the work community. Even though most of the foreign workforce are recruited into production, they also include office staff. This means that foreigners do not work only in manual jobs, but are genuinely on the same footing as Finnish nationals.

Some basic training and experience in the construction industry are considered an advantage when applying for a job at the Factory, but not an essential condition of employment. The most important consideration in the recruitment of new employees is their diligence and willingness to work hard. A positive attitude and resolve to learn are decisive, since the company basically trains its workforce. The managing director says he respects the old system of apprenticeship and learning on the job:

What is the actual level [of Finnish vocational education]? What has been achieved, say, in the past 10 years? [Lately] the apprentice-based approach has started to gain momentum. Similar to what they have in German industry. There they have a long historical tradition with BMW or some other [well-known] brands, for instance. There it’s a natural training method. But in Finland the prevailing idea seems to be keeping these youngsters sitting at their desks growing frustrated. (Managing director)
The Factory’s foreign employees are introduced to their work and their work environment in an induction process which includes training material in several languages: Finnish, English, Estonian and Russian. The induction process is the same for all recruits: no difference is made between different groups. The Factory’s transformation into an enterprise using international labour owes much to the ease of the change: it has been a question of the organic growth of their “own” company in a situation of labour shortage. The company’s active and unprejudiced personnel policy with its recruitment of foreign labour has been a key to the company’s corporate growth, development and business success. It is very likely that without its active recruitment policy, the Factory would be a much smaller enterprise, and probably a local one.

The Pharmacy

Winds of change: the case company and its environment
The Pharmacy is located in Northern Finland. It was established 128 years ago. Despite being a small enterprise, it is of medium size among Finnish pharmacies. The enterprise has 11 permanent employees in addition to the entrepreneur, and all of them are women. The current entrepreneur has been in charge of the Pharmacy for 10 years. During autumn 2015, the local authority where the Pharmacy operates experienced at first hand the ongoing refugee crisis. As a result of the crisis, a record total of some 32,500 asylum seekers entered Finland, a huge increase from the 3600 refugees who arrived the previous year. The situation was almost chaotic, as applicants surged into the country.

A considerable number of asylum seekers were settled in the Pharmacy’s municipality, Northern Finland being an important point of entry into the country. Winter was on its way and it would soon be cold, so there was an urgent need to find warm accommodation for everyone. The reaction to the situation was characteristically Finnish - “Necessity is the mother of invention” - and creative solutions had to be devised quickly, from scratch. An emergency accommodation unit, later to become a reception centre, was quickly established in a village in the Pharmacy’s area. Then the Pharmacy made the decision to offer a traineeship to one of the asylum seekers staying at the reception centre.

Sceptical attitudes towards foreigners
The municipality has a population of about 9000, of whom 62 were foreign nationals in 2015. This corresponds to 0.6% of the municipal population, whereas the figure for the whole country was 4.0%. Due to the small number of foreigners in the place, its inhabitants were likely to be rather
unaccustomed to interacting with people with a foreign background. Indeed, there was some scepticism towards the asylum seekers among the population. This was evidenced, for example, on a nationwide TV news broadcast which showed residents of the village where the refugees were staying saying they had received “150 uninvited guests”. For another example, a public petition concerning a refugee centre was sent by inhabitants of the village to the municipal decision-makers, using the following arguments, among others:

What happens when winter comes and there will be even less to do? Where can they release all that extra energy? In our opinion, idleness is not a good starting point for the period of days, weeks or even months that these asylum seekers will stay in emergency accommodation. We want to help, but there is a limit to helping. We don’t want to do it at the cost of our home village, our homes and our lives. We do not think of ourselves as racist or unfair just because we want to keep our home village peaceful and preserve its reputation as a safe place to live. (Village Association Petition, 2015)

Despite the petition, a reception centre for asylum seekers was opened in the village, and the trainee employed by the Pharmacy was staying there. In general, the opinions of the inhabitants in the municipality were divided into positive and negative. The employment of an asylum seeker as a trainee in the Pharmacy therefore took place amidst a lot of controversy. Public discussion generally took a fairly negative tone: asylum seekers were presented as a uniform group and a source of social problems. The media, on the other hand, pointed out positive aspects, especially from the viewpoint of labour, noting that asylum seekers were hard-working and eager to do odd jobs for people who lived round about, such as changing winter/summer tyres free of charge.

**Quality connected with learning and accountability**

The value set of the Pharmacy can be described in terms of three key values: 1) high quality, 2) learning and development and 3) accountability.

The quality criteria for pharmacies in Finland are very stringent. Human health, even human lives, are at stake in the sale of drugs and other pharmaceuticals. Apart from the actual regulation by the public authorities, pharmaceutical enterprises are generally expected to base their operations on high quality, with an emphasis on reliability, professional competence and carefulness. The high level of education and know-how demanded of pharmacy personnel provides a solid basis for quality. Pharmacy personnel need to have a relevant qualification, often a university degree. High quality can
be regarded as a value that is inbuilt in the industry, and it is seen in the values of pharmaceutical enterprises such as the Pharmacy. It is also likely that whoever seeks employment in the industry has similar values, which further strengthens the culture of quality in the pharmacy sector.

Under the current entrepreneur’s term, and contrary to the situation under the previous owner, continuous learning and development have been introduced as core corporate values at the Pharmacy. Several major reforms have been implemented during her tenure. Pharmacy staff are encouraged to learn new things through continuous training and development, as well as to acknowledge and discuss problems and mistakes openly. This applies to everyone equally: the employees and the entrepreneur herself. Under the management of the current pharmacist, the Pharmacy has developed into an active, modern enterprise.

An important value of the Pharmacy is a strong sense of accountability. Accountability reflects here the principles of care ethics (Gilligan, 1982) and corporate social responsibility (Jenkins, 2006). The principles of care ethics are seen in the way the Pharmacy supports a good working atmosphere and the staff’s wellbeing. It is believed in the Pharmacy that when this can be ensured, all else will follow – including the desired financial results. Financial performance is not an end in itself but it has instrumental value. Employee relationships should be built on trust, and the entrepreneur urges employees to talk openly about all issues, including difficult ones.

Even though the Pharmacy does not have a written corporate social responsibility programme, its choices regarding social responsibility are well considered and deliberate. The staff have been informed about these choices and the entrepreneur has discussed them with the employees. The Pharmacy implements its social responsibility by supporting employment, among other things. It gladly employs trainees to give them a chance to get to know the pharmacy industry and see if they are interested in the field. The Pharmacy also cooperates in the local community, for instance, with the sports association, which engages in youth work, and with the pensioners’ association, and it also offers summer jobs to young people at the local school.

First foreigner ever – and moreover, an English-speaking male!
When the decision was made to recruit an asylum seeker for a traineeship, the recruitment process went swiftly, as usual in recruiting trainees. What was different, though, was that it is usually the trainee who contacts the pharmacy asking for a job, but this time the initiative came from a reception centre worker, who suggested the idea to someone working at the pharmacy. Potential candidates for
training at the Pharmacy were selected by the reception centre. The Pharmacy was told that two
asylum seekers had announced their interest in the job: one was a young man with no experience or
education in the field whatsoever, while the other was a 28-year-old man who had migrated to Finland
with his wife and small children and had studied chemistry and worked in the pharmaceutical field in
his home country. This information was based solely on what he claimed – he had no certificates or
other documents to prove it. Because the quality requirements for pharmacies demand that all
employees must have a certain level of competence, the latter applicant was selected for the job on
the grounds of the professional experience and education that he claimed. When the man heard he
had been chosen for the training job, he was so happy he burst into tears.

The Pharmacy is probably the only pharmacy in Finland that has employed an asylum seeker for
training. An article was published in a national pharmaceutical industry magazine about his
recruitment. The decision to hire an asylum seeker was guided by the value of caring and the desire
to do good and to help. Additionally, it was thought in the company that it was their moral obligation
to do what is right and to address an urgent social problem by offering a refugee a training
opportunity.

The [asylum procedure] process goes on and on, and these people, they have nothing to
do. […] At some point I heard that it might be possible for them [asylum seekers] to
work at a Finnish workplace, that is, to get to know Finnish working life. That, and even
more importantly, to have a chance to get away a little from the centre, out into the
public. […] And well, I see humanity in this, [a human being] meeting another human
being. (Managing director)

A rural environment such as the area where the Pharmacy operates, with only a few foreign
inhabitants, means that foreigners with a different ethnic background are very visible in the
community. The Pharmacy had never before had a foreign employee, and what is more, the person
selected for the job became the only male in an otherwise female workplace. In addition, he knew no
Finnish apart from basic greetings. In other words, there were three features that rendered him
particularly visible: foreignness, gender and language. Even though the staff of the Pharmacy had
been apprehensive about how to manage in English, language never became a major issue. In contrast,
the asylum seeker’s maleness and his being a foreigner were aspects that affected the employees’
preliminary thoughts about him. The manager describes these prejudices as follows:
And then you have this man arriving here, well, at first we wondered what he might think of us women bustling about here, and of ending up in such a predominantly female workplace. I kept wondering whether a pharmacy could employ someone like that. And if it’s a foreigner, would he steal drugs more easily and what was his mentality like and his attitude towards us and the products that we sell here. So these were the kinds of things I was considering, whether to take [an asylum seeker] to work or not. (Managing director)

It soon became clear that the trainee did indeed have earlier work experience in the pharmaceutical industry and the necessary professional competence for the job. He quickly learned the special features of Finnish work practices, which differed somewhat from those in his home country. The staff regarded the trainee as hard-working, committed and motivated. After becoming familiar with his job, he even suggested some extra tasks that he felt needed to be done.

Overall, the Pharmacy employees felt they had learned something very significant during the trainee’s work period. Seen from the value of learning, the enterprise itself had succeeded in its aim of promoting mutual learning: the asylum seeker had learned about Finnish working life and the pharmacy staff had learned not only about foreignness but also about losing their prejudices. In the course of the working period, the setting of “the only male among women” lost its meaning. The main thing was that he was a good, motivated worker. The enthusiasm with which he got down to such duties as cleaning, for example, which are traditionally considered more suitable for women, helped in this regard.

**Company values in Schwartz’s framework**

In Table I the values of the Factory and the Pharmacy are presented in terms of Schwartz’s (1992) values framework. The table shows that the values that guided these two companies in their recruitment were partly similar and partly different. There are more categories in the values of the Pharmacy in relation to recruitment (three categories out of four) than in the Factory (two categories out of four).

Table I. The values of the case companies in the recruitment of employees with a foreign background from the viewpoint of Schwartz’s (1992) values framework
The Factory’s values are deeply entrenched in the local and the national Finnish ethos. The Factory’s values in the category of conservation (Schwartz, 1992) – equality and appreciation of hard work – are deeply rooted in the region’s Pietism (Zimmerbauer, 2002). At the same time, though, they are common Protestant values that can be found all over Finland, which is mainly a Lutheran socio-cultural and historical context (see Weber, [1904] 1980). However, the Factory’s decision to recruit foreign labour is also a sign of the value of self-enhancement (Schwartz, 1992), which in the business context relates to economic success, competitiveness, and growth – essential aspects of the Factory’s values regarding recruitment. The company needed foreign employees as human resources in order to be able to grow, make a profit and be competitive. As the Factory’s owner-manager put it, they, like many other Finnish companies, could simply have accepted the labour shortage and resigned themselves to the fact that there would be no growth. Instead, they “started off briskly” and made a “strategic choice” and started recruiting foreign labour.

As Table I shows, in the case of the Pharmacy, high quality is a key, as it is also an industry-wide value. Because high quality ensures continuity and security for the business, it is positioned in the category of conservation (Schwartz, 1992). Pharmacies often deal with life and death issues, which places high demands in terms of quality on the competence of those who are recruited to work in the sector. This was considered to some extent by the Pharmacy when the decision was made to recruit a refugee, although the employee’s competence was still uncertain at that stage. This, then, was a somewhat risky decision to make, and less attention than usual was paid to the traditional value of quality; instead, the values of accountability as well as learning and growth were preferred – even in the environment in which the company was operating, with its partly negative attitude towards refugees. Accountability, which belongs in the category of self-transcendence (Schwartz, 1992), was a crucial moral value in the recruitment decision, particularly in the form of caring for and willingness to help refugees (Gilligan, 1982), and corporate social responsibility (Jenkins, 2006). The latter refers to the Pharmacy’s willingness to show responsibility for handling the sudden challenge of an increasing number of refugees in the society and region; they were not seeking the company’s own economic success and interest. Additionally, the value of learning and development (Ely and Thomas,
2001) was present, showing the company’s openness to change (Schwartz, 1992). A new and controversial situation had arisen in the region and in the country as a whole, and the Pharmacy preferred not to dodge it but to learn from it.

**Discussion and conclusion**

In this study with the help of a detailed case study of two businesses in rural parts of Finland, our focus was on the values that come into play in the recruitment of employees with a foreign background. The study has made visible the employers’ viewpoint, which has seldom been brought out in studies on the recruitment of immigrants (MacKenzie and Ford, 2009). The study has shown that both instrumental values (e.g. profit-seeking and growth) and terminal values (e.g. caring) (Rokeach, 1973; Olsen and Martins, 2012) can be important in the recruitment of foreign workers.

Typically, when employers’ values for managing a diverse workforce have been studied, it has been argued that the business case is a crucial viewpoint guiding the companies’ diversity activities (e.g. Cox and Blake, 1991; Richard *et al.*, 2003; Robertson and Park, 2007; Moryarty *et al.*, 2012; Ortlieb and Sieben, 2013). A fundamental reason for companies to recruit foreigners is evidently the need for workers. The findings of this study, especially concerning the Factory, lend support to the argument that companies tend to rely on a self-enhancing set of values (Schwartz, 1992) when recruiting foreign labour: they are seeking to guarantee the success and survival of the business with the help of the necessary human resources, as suggested in the theory of resource dependency (Pfeffer and Salancik, 1978; Ortlieb and Sieben, 2013).

However, the results of our study also show that other values than those of self-enhancement can play an important role in the recruitment. In previous research, it has sometimes been argued that moral values may also have an effect on diversity management activities (e.g. Syed and Kramar, 2009; van Dijk *et al.*, 2012; Ng and Sears, 2018). Our results confirm this claim. Moral values relating to self-transcendence (Schwartz, 1992) indeed seemed to play a role in the recruitment of foreigners in this study, especially in the case of the Pharmacy.

Our findings confirm our expectation that values in the company’s environment influence the recruitment of foreigners (cf. Pučėtaitė and Lāmsā, 2008; Van Laer and Janssens, 2011; Kujala *et al.*, 2017). This has not often been taken into consideration in the previous literature, although several authors (MacKenzie and Ford, 2009; Syed and Kramar, 2009; Zanoni *et al.*, 2010) have stressed the
centrality of environmental factors in the organization’s diversity management. In line with Syed and Kramar (2009), we suggest that diversity management, particularly the recruitment of foreign employees, is shaped not only by the organization’s values but also by various values in the organization’s environment: our study has shown that traditional socio-cultural and historical, industry-specific as well as religious values, Schwartz’s (1992) values of conservation, can be such values, especially in the sort of rural areas that were investigated here. For researchers in the field, this implies that multi-level analysis frameworks can be useful.

Our results also indicate that the way van Dijk and colleagues (2012) approach the managing of a diverse workforce in their conceptualization of moral values is not nuanced enough. These researchers highlighted the importance of virtue ethics and also considered deontology and utilitarianism as alternative ethical approaches to the topic. However, as has been shown here, care ethics (Gilligan, 1982), too, can play a role. We think that this perspective should be included in any discussion of ethical and moral issues with regard to employers’ recruitment of foreign employees and possibly with regard to managing diversity in general. A care ethics perspective could also help us to understand better the role of emotions and affects in diversity management which, according to Ng and Wyrick (2011), may influence its implementation in organizations.

We have shown here, then, not only that organizational values are connected with broader values in the company environment, but also that the preferred order of values (Gandal et al., 2005; Tuulik et al., 2016) is not a stable phenomenon but can be dynamic and context-bound. In this study, the case companies’ effect on the environment can be considered positive. The companies were participating actively in the ongoing social change brought about by the increasing migration and immigrant workforce (OECD, 2013; Almeida et al., 2015, 2016).

Seen from the practical viewpoint, our study indicates that companies have the power to affect foreigners’ employability in the local labour market. The findings also suggest that companies have the potential to affect local people’s attitudes towards immigrants as workers. We suggest that especially when it is a question of rural areas, as was the case in this study, and where companies typically stand out and what goes on there is known by locals (Lähdesmäki and Suutari, 2012), such an effect may be significant. When their goal is to promote the employment of foreigners, the managers of these companies need to be aware of the influence they have and choose strategies that will tackle local mindsets and prejudices. Managers in rural areas, especially if their companies are breaking new ground in recruiting foreign employees, also need to realize that their decision to
appoint foreigners rather than local workers may lead to the threat of a legitimation crisis in their immediate environment (see Gudmundson and Hartenian, 2000; Findlay et al., 2013). In this study we have focused on rural areas of Finland, where the number of foreigners in the population is very low; here, the threat of facing such a crisis may be higher than it is for organizations in big cities and other areas where there are proportionately more foreigners and the host population is more used to them. The publishing of success stories told by company managers and their staff may have a positive educational and reputational effect on people’s attitudes (cf. Davidov and Meuleman, 2012) and contribute to the ability to handle the threat of a legitimation crisis constructively.

Research limitations and further research
Although the values of the case companies studied here were positive about the recruitment of employees with a foreign background, it is possible that the value basis of other employers would reflect a different attitude. Therefore, in the future we need more studies on how employers handle the paradox that obviously occurs if there is a shortage of local employees but the employer’s orientation towards foreigners is negative. In general, it is important to broaden the sample and study more companies than has been possible in this study. Additionally, more research in the future should focus on different target groups of employees with a foreign background.

This study showed that recruitment, specifically the recruitment of employees with a foreign background, is not value free. Hardly any attention has been paid to this in research on personnel recruitment, so this angle needs more research in the future, also in relation to other groups, company types and societal contexts than those explored here. Our examination of these pioneering companies in rural areas has opened up new areas of enquiry and has provided encouraging examples of how to promote inclusion in our modern, diverse societies.

Conclusion
The dominant theories applied in the field of immigrant recruitment – human capital theory, resource dependence theory and the diversity management approach (see Becker, 1964; Cox and Blake, 1991; Ortlieb and Sieben, 2013; Pfeffer and Salancik, 1978) – are inadequate to explain employers’ behaviour. This is due to the theories’ underlying assumption of the overwhelming importance of economic values in decision-making. The findings of this study show that such an assumption is too narrow, providing only a limited view of the topic. A values framework, such as, for example, Schwartz’s (1992) theory used in this study, can offer a fruitful approach to the subject because it has the potential to reveal variation in employers’ reasons for recruiting employees with a foreign
background. Furthermore, as highlighted in some discussions in the field of diversity management (Syed and Kramar, 2009), the idea of responsible business may offer useful approaches to an investigation of the topic, although the idea of responsibility needs more nuanced frameworks and more empirical elaboration from the viewpoint of ethical values than it has had until now.

The European Commission has launched various projects to encourage employers to take diversity into consideration in their strategies. Syed and Özbilgin (2015) found, however, that despite various attempts to change the situation, organizations in the EU and elsewhere remain racialized, and prejudices and social stereotypes prevail in the workplace. But the results of this study also signal something positive: we have shown that business organizations can act as an enabling force in the integration of immigrants into the local labour market even in rural areas, especially when the company’s value basis is not limited to only economic values.

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