

When the Cat's Away: A Content Analysis of MNC Overseas Recruitment Print Ads

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ABSTRACT. This study examines discrimination in the overseas recruitment print ads of Multinational National Corporations (MNCs) in a lax regulatory environment, Singapore. Institutionalization theory suggests that in a weakly regulated environment, MNC affiliates would tend to adopt the less stringent requirements. With the lack of a strong legal framework in the host country, the home country's legal and cultural imperatives would be more salient, suggesting differences in discrimination as a function of home country imperatives. Some 1122 recruitment print ads of U.S., U.K., and Japanese affiliates of MNCs were examined. While discrimination was found in the print ads of all organizations, U.S. affiliates were least discriminatory, followed by Japan and U.K. affiliates. When Singapore firms were included, they were found to be least discriminatory. However, Singapore firms became more discriminatory when the request for a recent photograph was considered in the discrimination index. Implications of the findings are discussed and suggestions for future research advanced.

KEY WORDS: discrimination, international, recruitment advertising

Globalization is a byword of businesses today. Enterprises large and small are venturing overseas to seek growth in new and more attractive markets. In a similar vein, scholarly research on the management and organizational structure and practices of MNCs has become a primary focus in international business (cf. Adler and Graham, 1989; Bartlett and Ghoshal, 1989; Leong and Tan, 1993; Nohria and Ghoshal, 1997; Pearson and Entekin, 1998). Recently, the *Academy of Management Executive* (1998) devoted an entire issue to the discussion of globalization and its impact on competitiveness in the 21st century. This article examines one aspect of the resource practices of MNCs – discrimination in overseas recruitment advertising.

Two issues are investigated in this connection. The first relates to whether, if given the opportunity in a lax regulatory environment overseas, MNC affiliates practice recruitment discrimination in their ads. More important, we study whether MNC affiliates of different national origins vary in their level of discrimination with each other as well as with local businesses in their advertising. In so doing, our work extends the literature on discriminatory advertising which has thus far been confined to ads of U.S. companies in the U.S., where strict legal regulations exist governing discrimination in advertising (Kohl et al., 1985; Kohl et al., 1986; Kohl and Stephens, 1989; Kohl et al., 1990). Recruitment ads may reveal the organization's true stand on discrimination issues. Perry (1993) asserts that key words, if present in job advertising, are considered evidence of hiring bias. Whatever organizations might claim in public relations efforts, or how they portray politically correct roles in their image advertisements, their job ads may better

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reflect their commitment to and adoption of fair hiring practices.

In particular, we examine the extent of discrimination in the recruitment print ads of U.S., U.K., and Japanese MNC affiliates in Singapore. Singapore's lax regulations regarding recruitment discrimination in advertising provides an ideal environment for businesses to specify explicitly characteristics that may optimize job performance in the local market in their ads. Hence, we expect that there will be discrimination in the recruitment ads of MNC affiliates regardless of their national origin based on efficiency grounds. This is especially so to the extent that Kohl and his colleagues have found evidence for gender-based discrimination, particularly in the trades and hospitality industry, even in the tightly regulated U.S. employment market.

However, more instructive is a cross-national comparison of whether and how MNCs of various origins discriminate in their recruitment advertising in a benign legal environment. In the absence of strong host country legal imperatives, it is likely that legal and cultural constraints of the home country environment would exert the greater pull in shaping the behavior of MNC affiliates. Hence, the paper argues that U.S., U.K., and Japanese MNC affiliates may well differ in their levels of discrimination as a function of home country constraints.

Institutionalization theory

The extent to which MNCs adopt the behavior and practices of the local firms has been analyzed using the concept of isomorphism, a central tenet in institutionalization theory (DiMaggio and Powell, 1983; Rosenzweig and Singh, 1991). Isomorphism "captures the extent to which the organizational designs adopted within organizational fields tend towards increasing homogeneity over time" (Rosenzweig and Singh, 1991, p. 354). Organizational fields are defined as the aggregate of key suppliers, resource and product consumers, regulatory agencies, and other organizations that produce similar services or products. The process of isomorphism can come through coercive, mimetic, or normative pres-

ures (DiMaggio and Powell, 1983). Coercive isomorphism results from formal and informal pressures of agencies and arises from political influence and the need for legitimacy. In contrast, mimetic isomorphism is the influence that arises from modeling oneself after other organizations due to uncertainty within the organization or in the environment. Normative isomorphism stems from professionalization. It is influence exerted by "the collective struggle of members of an occupation to define the conditions and methods of their work" (DiMaggio and Powell, 1983). In the context of the present study, the processes of coercive and mimetic isomorphism provide the theoretical foundations for our speculation on the conflict experienced by MNCs affiliates in their attempt to achieve global integration and local responsiveness – the need to toe the corporate line and yet maintain consistency in their own ideals – in the area of recruitment advertising.

Empirical research has found that management practices in U.S. affiliates of foreign-owned firms closely resembled that of local firms in marketing, human resource management, and management (Rosenzweig, 1994). Such similarity would be particularly evident in recruitment where there exists little choice but to hire from the local labor market for a variety of jobs. To compete effectively, there is not much room to deviate from local practices. Institutionalization theory speaks to an instance where strong legislative framework shapes behavior. In their theoretical explication of institutional theory, Rosenzweig and Singh (1991) concluded that "to the extent that the state imposes specific regulations regarding pricing policy, labor practices, or other aspects of management, the subsidiary may have little choice but to conform" (p. 348). In an environment where there is a lack of strong legislative framework, institutional theory is relatively silent. Mimetic isomorphism asserts that homogeneity arises from the need to model oneself due to uncertainty in the organization and the environment. We infer that the lack of such legislative pressures would create an environment that is relatively uncertain and that which provides less incentive to not discriminate and more to do so. Thus, in the absence of legal imperatives, MNC

affiliates would gravitate towards the less stringent requirements. This is supported by evidence of discrimination found in recruitment advertising in the U.S. despite its strong legislative framework (e.g., Kohl et al., 1990). If such behaviors are found in an environment of tight regulation, how much less can we expect in an environment that is essentially unregulated! We therefore hypothesize that:

- H1: In the absence of a strong legislative framework, MNC affiliates would practice discrimination in recruitment advertising.

Recruitment behavior or MNC affiliates

Whereas previous work has been conducted on U.S. affiliates of foreign-owned firms, this study takes a different approach by examining the practices of U.S., U.K., and Japanese MNC affiliates in a non-North American environment that is legally less regulated – Singapore. As argued earlier, the local legal environment is one of the few major determinants of the processes and behaviors of MNC affiliates. In this instance, coercive isomorphism would be the main process mechanism. Institutionalization theory predicts that organizations tend towards homogeneity as a result of pressures from political influence. Other than this pull towards local isomorphism, MNC subsidiaries are also subjected to home country legal and cultural imperatives. Since the local context, Singapore, does not exert strong legal imperatives, the force from the home country legal and cultural pressures on the affiliates' discrimination levels would therefore take prominence.

In the area of legal imperatives, U.S. has four major federal laws which regulate equal rights in employment – Title VII of Civil Rights Act of 1964, Equal Pay Act of 1963, Age Discrimination in Employment Act (ADEA) of 1967, and the Rehabilitation Act of 1973. In particular, Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunities Act of 1972, forbids employer and union discrimination based on race, color,

religion, sex, or national origin. Compliance with Title VII is achieved through the enforcement activities of the Equal Employment Opportunity Commission, which is vested with the authority to investigate and litigate any alleged discrimination on the above grounds.

In comparison, the U.K. is relatively less regulated. It currently does not have laws sanctioning discrimination by age. Worsley (1996) reported that in November 1995 alone, 11% of the job advertisements in three quality newspapers specified age. In addition, U.K. legislation did not provide for firms to set goals and timetables for increasing the employment of all minority workers in the various levels of the organization, unlike the provisions in the Executive Orders 11246 (1965) and 11375 (1967) of the U.S. On par with the U.S. are U.K.'s legislation on sex and racial discrimination. The Sex Discrimination Act of 1975 and the Race Relations Act of 1976 cover all aspects of the British recruitment process enforced by the Equal Opportunities Commission and the Commission for Racial Equality respectively. There is also an explicit enforceable law on discriminatory employment advertising in that Section 72 of the Sex Discrimination Act 1975 gives the Equal Opportunities Commission the exclusive right to bring proceedings in respect of discriminatory advertisements. In sum, although U.K. has a regulated legal system, compared to the U.S., it is relatively less stringent. Hence, one would expect U.K. MNC affiliates to adopt more discriminatory recruitment advertising practices than their U.S. counterparts.

The Japanese have been known to dislike the law, generally viewing it as an instrument of self-imposed constraint (Bergeson and Oba, 1994). Hence, although the Japanese Equal Employment Opportunity Act Law of 1985 prohibits gender discrimination with respect to recruitment, hiring, promotion, job assignment, vocational training, fringe benefits, retirement, and dismissal, there are no penalties for violation. Only administrative guidance via the Equal Opportunity Mediation Commission is given, but there is no legal obligation to comply.

The above stream of arguments revolves around the central thesis that MNC subsidiaries

bear the imprint of their national origin, in line with recent discussions on the global corporation (Doremus et al., 1998). We thus expect from the legal imperatives laid down in the three different home countries that U.S. MNC affiliates would be least discriminatory in their recruitment advertising followed by U.K. and Japanese MNC affiliates.

Another salient factor affecting MNC affiliates' discriminatory behavior is the culture of the home country (Yip et al., 1997). Hall's work on high and low context cultures provides theoretical support for our line of argument. Specifically, Hall theorized that low-context countries such as North America and much of Western Europe place greater reliance on verbal than nonverbal messages, while high-context countries such as those in Asia rely more on non-verbal codes than verbal messages. That is, in high-context countries, the content of the situation plays a more important role than the situation itself (Hall, 1976). Thus, we expect MNC affiliates of U.S. and U.K. to be less discriminating than MNC affiliates of Japan as the context of the communication in Japan is more embedded in the content of the situation – the relatively lax regulatory environment of Japanese MNC affiliates' home country situation and nuances are much more embedded in their approach to recruitment, especially in the use of their ads.

Using Hofstede's (1980) framework as a proxy, the U.K. and the U.S. are closer in their scores on the cultural dimensions of power distance (35 and 40), uncertainty avoidance (35 and 46), individualism-collectivism (89 and 91), and masculinity-femininity (66 and 62). In contrast, Japan scored 54, 92, 46, and 95 respectively on these dimensions. Rosenzweig and Singh (1991) postulated that organizations from countries with high uncertainty avoidance scores are more prone to insist on greater similarity within the organization and hence exert relatively stronger internal control. Recently, Yip et al. (1997) argued that Japanese MNC subsidiaries' autonomy is apparent rather than real, especially given that most of the subsidiary managers are Japanese nationals who had been socialized into the Japanese style of management. This has led to a largely centralized mode of operation in Japanese MNC

subsidiaries. Thus, it is logical to believe that Japanese affiliates would follow the practices of their parent organization in being more discriminatory than U.K. or U.S. affiliates.

Thus, H2 predicts:

H2: U.S. MNC affiliates will be least discriminatory in their recruitment advertising behavior, followed by U.K. and Japanese MNC affiliates.

A Singapore extension

The legislative framework of Singapore in the area of human resource practices is the least regulated of all the countries examined in this study. There is no law governing equal employment opportunity in Singapore. With reference to equality, Article 12 of the Constitution of Singapore lists religion, race, descent, and place of birth as characteristics that cannot form grounds of discrimination in employment. Sex and age are notably omitted. This is notwithstanding that this law has seldom been enforced. In the area of recruitment advertising, Section 16.2 of Part II of *The Singapore Code of Advertising Practice* (1976) explicitly states that "advertisements offering employment should not, by claim or implication, discriminate on racial, religious, or sexual grounds." However, this code is not enforceable by the court. Businesses in Singapore are therefore not legally bound to be non-discriminatory in their recruitment advertising. Thus, H3 states:

H3: Singapore firms will be more discriminatory in their recruitment advertising behavior than the affiliates of U.S., U.K., and Japanese MNCs.

A broadened measure of discrimination

Previous discrimination research has employed verbal measures of the construct. The extent to which advertisers mention such characteristics as race or color in their ads constituted grounds for discrimination in recruitment ads. However, prospective employers may rely on a more subtle

source of discrimination – the provision of a recent photograph by the applicant. This requirement may exploit a possible loophole as none of the legislation in the U.S. precludes its mention in job ads. Photographs are not illegal in the U.S. although most organizations do not request for it to avoid the appearance of discrimination. The photograph requirement may provide a screening tool by identifying such characteristics as the applicants' race and color. In addition, this requirement may furnish evidence of applicant attractiveness. Given that past research has found attractiveness biases in hiring decisions (e.g. Marlowe et al., 1996), it may be inferred that the photograph requirement could be used as a discrimination tool. It is likely that both local and foreign organizations will use this tool to camouflage their intent, without explicitly requesting information on sensitive characteristics. Hence, H4 posits:

H4: With the addition of a photograph requirement, there would be no differences between the different affiliates and the Singapore firms in their recruitment advertisements.

Method

Sample and procedures

Content analysis was used in our study of discrimination in the recruitment advertisements. Content analysis is defined as "a research technique for the objective, systematic, and quantitative description of the manifest content of communication" (Berelson, 1952). It is often used as an inference for latent content and phenomena which is not apparent or visible (Shoemaker and Reese, 1996). As discrimination is a sensitive subject, especially with organizations who profess in a different environment of their commitment to not discriminate, content analysis would be a useful method for uncovering any underlying intentions.

A total of 1,582 employment advertisements were collected from the Classified Jobs section of *The Straits Times*, the most-widely read English-

language newspaper in Singapore. *The Straits Times* has an audited circulation of 367,100 copies with an estimated readership of 1.17 million at the time the study was conducted. Four Saturdays, the 4th, 11th, 18th, and 25th of January 1997, were the selected timeline. The year 1997 was chosen as it predated the Asian economic crisis which started in July 1997 and whose effects are still felt today. Given the tighter labor market existing at that time, a more conservative test of the hypotheses would be effected. Saturdays were chosen as it was the day of the week when most recruitment ads were placed to facilitate job search over the weekend. January was selected for two reasons: it is usually the time when most firms held their recruitment drives and is also the time when the largest pool of potential job applicants was ready to move after collecting the year-end bonuses. A census was taken of all the employment advertisements that appeared in the Classified Jobs section of the four Saturdays to ensure that a systematic sample was collected. This eliminated analyses in which only materials supporting the hypotheses were admitted as evidence (Holsti, 1969). The employment advertisements were then coded to form the data of the sample.

A coding scheme was developed using a random 5% of the advertisements (see Table I). Categories developed were focused toward the hypotheses developed and were mutually exclusive and independent (Kerlinger, 1964). The following categories developed were based on the literature review: (1) the company country of origin, (2) sex specific (preference for males, females), (3) sex term used, (4) preferred age, (5) preferred language, (6) preferred race, (7) preferred nationality, and (8) photograph requirement.

An employment advertisement is defined to be one that is delineated from another by lines or boxes. However, several positions could be advertised within a single advertisement and hence the unit of analysis (also the sampling unit) is defined as a position with a job description or specification that was at least ten words long. In total, 1,582 advertisements with 2,481 positions were collected. Since this study is interested in examining differences between firms from U.S., U.K.,

TABLE I
Variables used in the content analysis

Variables coded	Operational definition	Percentage of agreement	Perreault & Leigh's I_r
Company country of origin	Where is the parent company from – (1) Singapore, (2) U.S.A., (3) U.K., (4) Japan, (5) Others or (0) not stated?	100	1.00
Sex specific	Is there a preference for (1) males, (2) females, or (0) not stated?	100	1.00
Sex term	Is a sex term (1) stated, or (0) not stated?	100	1.00
Age	Is a preference for a particular age group (1) stated, or (2) not stated?	98	0.98
Language	Is a preference for particular languages (1) stated, or (2) not stated?	100	1.00
Race	Is there a preference for (1) Chinese, (2) Malays, (3) Indians, (4) Caucasians, (5) Others, or (0) not stated?	100	1.00
Nationality	Is there a preference for (1) Singaporeans/PRs, (2) Malaysians, (3) Others or (0) not stated?	98	0.99
Photograph requirement	Is a photograph requirement (1) stated, or (2) not stated?	100	1.00
<i>Control variables</i>			
Size of advertisement	Is the size of the advertisement (1) small, (2) medium, (3) large?	94	0.95
Job classification	What are the categories of jobs being advertised? (1) Office/Secretarial, (2) Professional, (3) Medical, (4) Managerial, (5) Sales, (6) Trades, or (7) Hospitality?	96	0.98
Disclosure of company name	Is the company name (1) stated or (0) not stated?	100	1.00

Japan, and Singapore, only advertisements placed by companies from these four countries are selected for the analyses resulting in a final sample size of 1,122 positions.

Two trained coders coded the advertisements independently. The coders were undergraduate students from the National University of Singapore and were blind to the research hypotheses. In the training session, 10 advertisements from each Saturday with a total of 49 positions were randomly selected and coded using the

coding scheme. Discrepancies between the two coders were resolved during the session. Two indexes were used to measure the inter-rater reliability. As reported in Table I, the simple percentage of agreement ranges from 94% (for size of advertisement) to 100% (for most variables, e.g. position numbers, race). Another index developed by Perreault and Leigh (1989) was also used as it does not depend on any assumption on the marginal distribution of judgments (such as Cohen's kappa) and accounts for differences

due to different numbers of categories for different variables. This index ranges from 0.0 to 1.0. The obtained estimates in this study ranged from 0.95 (for size of advertisement) to 1.0 (for most variables).

Measures

A discrimination index was created based on six variables identified to be discriminatory and illegal in the United States. These are sex specific, sex term, age, language, race, and nationality (Kohl and Stephens, 1989; Kohl et al., 1990). Within this index, any mention of the variable in the position advertised for was coded as 1 for that variable. Hence, an advertised position that stated all 6 variables was accorded a value of 6 whereas one that did not state any was accorded 0. Table II reports the descriptive statistics of the discrimination index for the four countries with and without the photograph requirement. For the latter, the upper bound for the discrimination index increased to 7.

Results

The overall mean of the discrimination index is 0.41 (Table III), implying about 2 out of 5 positions contained a discriminatory term. This was found to be significantly different from zero in a one-sample *t*-test ($t = 19.14$, $p < 0.001$). The mean discrimination index of each individual country was also significantly different from 0 in the one-sample *t*-tests (p 's < 0.001). Hence, H1

was supported. The results suggest that in the absence of explicit laws against discriminatory employment practices, MNC affiliates practice discrimination in recruitment advertising.

H2 posited that U.S. MNC affiliates would be least discriminatory followed by U.K. and Japanese MNC affiliates, while H3 stated that Singapore firms would be most discriminatory. A one-way ANOVA was conducted controlling for size of advertisement, job classification, and disclosure of company name (Table IV). The test was overall significant at $F = 22.48$ ($p < 0.01$). Consistent with H2, U.S. MNC affiliates were less discriminatory than their U.K. and Japanese counterparts (mean differences = -0.43 and -0.38 respectively, p 's < 0.001). However, there was no difference between U.K. and Japanese MNC affiliates ($p > 0.10$). Thus, H2 was partially supported.

Regarding H3, pairwise comparisons revealed that Singaporean firms were significantly less discriminatory than U.K. and Japanese MNC affiliates (mean differences = -0.44 and -0.39 respectively, p 's < 0.01 and 0.001). There was no significant difference in the discrimination levels of Singapore and U.S. firms ($p > 0.10$). Thus, contrary to H3, the discrimination levels of Singapore firms and MNC affiliates of U.S. were not significantly different from each other but were significantly lower from affiliates of U.K. and Japan.

The same set of analysis conducted for H1 to H3 was repeated for the new discrimination index with the photograph requirement. The overall mean increased to 0.71, that is, on the average, 7 out of 10 advertisements were dis-

TABLE II
Descriptive statistics

Country of origin	No. of advertisements	Mean	S.D.	Range
Singapore	675	0.29 (0.62)	0.58 (0.71)	0 3 (4)
U.S.	191	0.34 (0.56)	0.64 (0.74)	0 3 (3)
U.K.	55	0.82 (0.98)	1.16 (1.11)	0 3 (3)
Japan	201	0.73 (1.05)	0.97 (0.86)	0 3 (4)
Total	1122	0.41 (0.71)	0.71 (0.81)	0 3 (4)

The figures in parenthesis include the photograph requirement.

TABLE III
Test of H1: Overall test of discrimination index

	Means of discrimination index	<i>t</i> -value (mean = 0)
Overall	0.41	19.15***
Singapore	0.29	13.27***
U.S.	0.34	7.21***
U.K.	0.82	5.25***
Japan	0.73	11.99***

*** $p < 0.001$.

criminatory in nature with the addition of the photograph requirement (Table II). The indices of all four countries rose, albeit in different degrees. The 0.33 increase in the mean of Singapore firms was the sharpest of the four countries and represented a more than twofold increase in discrimination. That for U.S. MNC

affiliates rose by a smaller 0.22, which made them the least discriminatory on the broadened measure. That for Japanese firms rose by 0.32 to exceed the “1” mark, indicating that, on average, their ads contained at least one discriminatory variable. U.K. firms showed the smallest increase of 0.16.

With the photograph requirement included in the discrimination index, the overall ANOVA test remained significant ($F = 19.19, p < 0.001$), contrary to H4. However, the pairwise comparisons tell a different story. There was still no significant difference in the mean discrimination levels of Singapore firms and U.S. affiliates. However, that between Singapore firms and U.K. affiliates was now less significant than before (mean difference = $-0.35, p < 0.05$). The mean difference between Singapore and Japan increased (-0.43) and remained significant at the 0.001 level. Overall, the findings suggest that Singapore

TABLE IV
Tests of H2 and H3: Discrimination by nationality of firm

Comparison of	With	Mean difference	<i>p</i> -value
U.S.	U.K.	-0.43	0.001
	Japan	-0.38	0.001
	Singapore	n.s.	-
U.K.	Japan	n.s.	-
	Singapore	0.44	0.001
Japan	Singapore	0.39	0.001

Overall $F = 22.48, p < 0.001$.

TABLE V
Test of H4: Photo requirement

Comparison of	With	Mean difference	<i>p</i> -value
U.S.	U.K.	-0.44	0.01
	Japan	-0.51	0.001
	Singapore	n.s.	-
U.K.	Japan	n.s.	-
	Singapore	0.35	0.05
Japan	Singapore	0.43	0.001

Overall $F = 19.19, p < 0.001$.

firms are more likely to use the photograph requirement as a discriminatory tool instead of overtly stating a specific sex, sex term, age, race, nationality, or language.

The change in results from H2 and H3 to H4 indicates that the notion of discrimination may be different for firms of different national origin. Therefore, univariate ANOVA tests were conducted for each component of the discrimination index with the country of origin as independent variable (see Table VI). The set of results that emerged is revealing. Sex term and language did not discriminate among firms. The age component discriminated between U.S. and U.K. affiliates, in line with the fact that U.K. does not have a legislative framework against age discrimination. The pattern of discrimination for both the age and sex specific components is similar to that found in H3. That is, there were no significant differences in discrimination for U.S. affiliates and Singapore firms and between U.K. and Japanese affiliates, while the U.S./Singapore group discriminates significantly less than the U.K./Japan group.

The race component sets U.K. affiliates apart from the group consisting of U.S. and Japanese affiliates and Singapore firms. For the nationality component, the differences were less straightforward. Although the three countries bunched together again (U.S., Japan, and Singapore), there were still significant differences in discrimination between Japanese affiliates and Singapore firms.

The most interesting results related to the pho-

tograph requirement. The photograph requirement differentiated the level of discrimination practiced by Singapore firms and U.S. affiliates (mean difference = -0.10 , $p < 0.001$), the first instance of this distinction. In addition, U.S. and U.K. affiliates were not significantly different from each other, while Japan affiliates and Singapore firms were now not significantly different from each other. The photograph requirement changed the results to one more consistent with the earlier hypotheses. This holds implications for the commonly accepted notion of what constitutes discrimination.

Discussion and conclusion

When the cat's away, the mice may play. This study produced two principal findings. First, we found that in a lax regulatory environment, MNC affiliates practice recruitment discrimination in their print ads, that is, the mice did play when the cat's away. In addition, the discrimination levels of different MNC affiliates were not the same, consistent with expectation. U.S. affiliates were found to be the least discriminatory, followed by Japan and U.K. affiliates. It appears that the extent of discrimination is a function of home country legal imperatives and cultural distance relative to the host country. It therefore provided empirical evidence for understanding institutionalization theory on the flip side; when the environment does not exert strong legisla-

TABLE VI
Test of discrimination index components

	U.S.– Singapore	U.S.–U.K.	U.S.–Japan	U.K.– Singapore	U.K.–Japan	Japan– Singapore
Age	–	–0.16**	–0.11***	0.20***	–	0.16**
Sex specific	–	–0.11**	–0.20***	0.14**	–	0.23***
Sex term	–	–	–	–	–	–
Language	–	–	–	–	–	–
Race	–	–0.05**	–	0.04**	0.03*	–
Nationality	–	–0.14***	–	0.15***	0.10**	0.05*
Photo requirement	–0.10**	–	–0.09*	–0.16*	–0.16*	–

– indicates no significant pairwise differences; * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

tive pressures. Here, organizations do not tend toward isomorphism, appearing to rely on a combination of influences from home country laws and home country culture.

Also interesting are the results of the two peripheral issues that we explored: the level of discrimination practiced by the local firms compared to MNC affiliates and the use of a broadened measure of discrimination. Singapore firms were found to be less discriminatory than U.S. affiliates when the traditional measure of discrimination is used, the components of discrimination being age, sex type, sex term, race, nationality, and language. However, when we added a non-conventional component – the request for a recent photograph together with the application – that is potentially discriminating, we found that U.S. firms were less discriminatory compared to Singapore firms. Further exploratory analyses indicated that the photograph component revealed a different side to the discrimination issue.

Implications

Our study shows that in a less regulated environment, organizations exercise more flexibility in their behaviors. They tend to discriminate at different levels in their overseas recruitment print ads. Based on the traditional measure of discrimination, U.K. MNCs, along with their Japanese counterparts, were found to be most discriminatory in the study. This is surprising, given that U.K. has more stringent laws on discriminatory employment practices than Japan (or Singapore). In particular, U.K. law explicitly states that “employment advertisements indicating an intention to discriminate are also unlawful and illegal” (Section 38 of the Sex Discrimination Act 1975, Section 29 of the Race Relations Act 1976). In fact the laws are so stringent in the U.K. that “advertisements” are defined very widely to include “every form of advertisement, whether to the public or not. So notices on a company notice-board, internal memoranda, or cards in a shop window are all covered” (Clarke, 1994). Hence, the study

adds to our understanding of the process of isomorphism on the flip side. Rosenzweig and colleagues have theorized and found in environments where the legislative framework is strong, the structure and behavior of MNC affiliates tend towards that of the local environment. That is, the degree of local isomorphism is positively related to the legal imperatives of the local environment. Conversely, when the environment is not as well regulated, organizations are more flexible in the evolution of their structure and behaviors, as is seen in this study. The results imply that the relationship between local isomorphism and legal imperatives is therefore not a direct positive continuous relationship.

The other interesting finding is that Singapore firms, along with U.S. MNC affiliates, were less discriminatory in their recruitment print ads compared to Japanese and U.K. MNC affiliates based on a conventional measure of discrimination. One can resolve this dissonance by understanding Singapore’s economic structure. Singapore is highly reliant on MNC investment. From the statistics published by the Singapore government (<http://www.singstat.gov.sg>), out of the \$8,488 million invested in Singapore in 1997, almost 70% were from foreign investors, of which U.S. investment tops the list at \$2,365.9 million. U.S. investors command an influential presence in this city state. Hence, it may be possible that their corporate governance practices may have been assimilated by their Singaporean hosts. This points to an extension of institutionalization theory, that of reverse isomorphism. In the absence of strong regulatory pressure, local firms could have looked to influential sources in the environment (e.g., U.S. MNCs) for an indication of appropriate behavior! Indeed, in the period preceding the Enron debacle, the U.S. corporate governance model was upheld to be an exemplar for Asian countries, following the collapse of many indigenous enterprises during the economic crisis.

However, when a more subtle requirement commonly found in the local environment was added to the discrimination index, Singapore firms were found to be more discriminatory than U.S. affiliates. This seemed to indicate that

discrimination as measured in the context of Singapore may not be based solely on conventional Western definitions. Singapore local firms (mainly of small and medium size in the number of employees) are predominantly Chinese and family run. One of the four key principles of Confucian teaching is “the family as the foundation of all social organizations” (Pearson and Entekin, 1998). Hence, ties to ancestral homes and villages are important, even in the context of a different environment, Singapore. Connections are often used as substitutes for formal institutional support (Xin and Pearce, 1996). Thus, it is likely for such firms to recruit new employees from a variety of sources: family, clan associations, and personal networks. Job advertisements may represent a last resort in recruiting the required employees so the level of discrimination may be relatively low. This finding has far reaching implications for research on discrimination. It points to the fact that different cultures use different means to discriminate. Employing individuals connected to the appropriate clan association or network may be a more practiced form of discrimination than that of print ads for local Singapore firms, hence accounting for the low level of discrimination found in print ads. Thus, from a cross-cultural perspective, researchers and practitioners should be careful not to just adopt Western frameworks but to modify and extend them as well.

Future research

To conclude, this study has increased our knowledge of discriminatory practices of MNC affiliates of various country origins. Despite the relaxed regulatory environment, affiliates of U.S. MNCs are consistently less discriminatory than affiliates of U.K. and Japan. Thus, one can conclude that although discrimination is practiced in the U.S. to some extent, its MNC affiliates are, by and large, less discriminatory in other host environments compared to affiliates of other countries. To further validate this assertion, future studies should compare the ads of the MNC affiliates with the ads in the home country.

This would provide another platform to compare and contrast the extent of the discrimination.

A further area for future research is to explore the mechanisms by which the discrimination occurs. In particular, the dimensions of culture (such as that of high- and low-context cultures advocated by Hall (1976)) could be measured from the language such that the proposed impact of culture on the extent of discrimination can be tested. Future research should also examine if the additional measure of a photograph requirement is a result of the contextuality of a particular culture.

One limitation of this study is the lack of understanding of the isomorphism process. Content analysis is an unobtrusive methodology which is suited to research of this sensitive nature. However, it does not allow us to understand the isomorphism process resulting in differential levels of discrimination practiced. This cross-sectional study has afforded us an opportunity to understand the differences between countries at the same point in time, providing a useful perspective to the differences that might exist in MNCs of different country origins. Further research may thus involve a longitudinal study to understand differences in the underlying processes over time.

However, the weakness of content analysis is also the strength of this study. An unobtrusive methodology such as content analysis can identify the intentions and other characteristics of the communicator in an unobtrusive manner and there is little danger that the act of measurement will act as a force for change that confounds the data (Webb et al., 1981). This is especially effective in a study like this where firms have great motivation to conceal their intent, and project a socially desirable response. In addition, there is no fear of common method variance, a problem in most questionnaire survey studies. Content analyzing the recruitment ads placed by MNCs and their local counterparts across a spectrum of host countries varying in regulatory environmental characteristics would also be instructive. Also needed may be added indicators of recruitment discrimination which are sensitive to local market practices.

In sum, while this study adds to the body of knowledge on discrimination in recruitment advertisements, it has also raised the need to be more context specific in understanding the behaviors of MNC affiliates in host countries.

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