Received: 16 January 2020 | Revised: 15 March 2021 | Accepted: 18 March 2021

DOI: 10.1111/1748-8583.12347

ORIGINAL ARTICLE

Human Resource Management Journal WILEY

The interaction between gender and informal social networks: An East Asian perspective

Gender diversity management in East Asia

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Abstract

Despite the increasing attention to gender diversity management in recent decades, there is a dearth of studies that provide an East Asian perspective on this topic. We argue that informal social networks have a crucial role in macrosocial and organisational approaches to diversity, such as social attitudes and laws, which in turn may affect organisational routines and practices of diversity management. In this article, we develop a research framework that connects gender diversity approach across macrosocial and organisational levels of analysis. Responding to the call for contextual research, our focus in this article is on how gender diversity management in East Asia is affected by informal social networks at the macrosocial level, namely *guanxi* in China, *yongo* in South Korea, and *jinmyaku* in Japan. Our review posits informal social networks as salient in mediating the shape and effect of institutional mechanisms at the macrosocial level on diversity practices at the organisational level.

KEYWORDS
East Asia, gender diversity management, informal social networks, organisational social capital

Abbreviations: MNC, multi-national corporations; OECD, Organisation for Economic Co-operation and Development.

Practitioner notes

What is currently known?

- The impact of informal social networks on gender diversity management is unclear.
- Managers in multi-national corporations are not systematically considering the relevant institutional environment.
- Current gender diversity management theorising is mainly anglocentric, thus ignoring the Eastern Asian context.

What this paper adds?

- A new theoretical framework integrating the role of informal social networks in managing gender diversity.
- Highlights that under an East Asian informal networking regime, gender diversity management is an interactive process.
- An eastern perspective on gender diversity management theorising.

The implications for practitioners

- The informal social networking knowledge offers justification of current practices and ways to improve gender diversity management.
- Gender diversity management needs to be evaluated in contexts with weak normative pressures to recognise its value.
- Gender diversity interventions need to fit with the cultural and institutional context.

1 | INTRODUCTION

Research on the conceptualisation of informal social networks in organisations has advocated the significance of visible characteristics such as gender as the foundation for the establishment and identification of such networks (Mehra et al., 1998). For example, the way individuals interact within the workplace is affected by the extent to which women are considered to be a token presence in that environment rather than a significant representation of the employees' population (Kanter, 1977). Access to those informal social networks is critical since, for anything to be achieved within the organisation, employees must rely on the instrumental resources (e.g., support and guidance) as well as the emotional resources (e.g., collegiality and rapport) that members of those networks (in-groups) can actually offer (Mehra et al., 1998). In this context, inadequate access to those informal social networks could be potentially one of the main reasons that women (as outgroups) are still under-represented, particularly at higher echelons.

Gender diversity management tackles issues and concerns of women and equality in the workplace (Kamenou, 2020) and has been linked to the principles of the social structure in which it occurs (Damianidou & Georgiadou, 2021; Syed & Özbilgin, 2009), thus implying that institutional (e.g., policies, laws and regulations, around family and work life) and social (e.g., education, employment) factors can affect organisational approaches (e.g., diversity staff committees, inclusive leadership) to gender diversity (Georgiadou, 2016; Georgiadou, Gonzalez-Perez, & Olivas-Lujan, 2019a, 2019b). However, while gender diversity and the inclusiveness of organisational approaches towards both female and male employees has been amply studied in the Western (dominantly individualistic) contexts, there is a dearth of non-Western theorising of gender diversity management, barring a few notable exceptions (e.g., Kamenou, 2020; Özbilgin, 2005).

In particular, much less attention has been paid to how gender diversity is approached in collectivistic contexts where there is a visible and influential role of informal social networks, such as in East Asia. It is, therefore, important to understand that the way gender diversity is approached and managed in organisations in East Asian countries may not only be influenced by organisational policies but may also be affected by macrosocial factors including access to informal social networks. Considering the scarcity of research that examines female informal social networks at work (Mehra et al., 1998), the pressures and barriers that they face entering them and being accepted by the rest of the network remain undetermined. Research indicates individuals' inclination to socialise and work together with similar others (Mehra et al., 1998), so along with any potential noninclusive practices and behaviours from the network, this favouritism for similar others could create barriers to access those informal networks and potentially hinder career progression opportunities for outgroup members (Horak et al., 2018).

Addressing this gap, the present article makes a number of contributions to current discourse. First, we offer an East Asian perspective on gender diversity management, taking into account the crucial role of informal social networks which shape and mediate the effect of institutional mechanisms on organisational approaches to managing gender diversity. We use the term 'informal social networks' to refer to the networks of relationships that individuals form across diverse functions and domains to accomplish personal or/and organisational goals, as opposed to formal networks which are traditionally self-evident religious and state institutions (Apaydin et al., 2020). We recognise that informal networks are important for the success of women in every cultural context, not just the East Asian context, considering how gender inequality is a global issue rather than a culture-specific issue. However, the focus of this paper is in the East Asian context because the establishment of informal social networks for East Asian women may evolve differently from those of Western women, Western men and East Asian men due to differential contextual experiences (Combs, 2003). Furthermore, considering how formality has a relatively less prominent role in East Asia, along with the hierarchical nature of Confucianism, we expand theory on informal social networks by highlight how and why they play a much higher pronounced and distinct role in assessing and promulgating gender diversity management in East Asia compared to the West.

Second, we explore the role of informal social networks in macrosocial and organisational approaches to diversity, such as social attitudes and laws, which in turn may affect organisational routines and practices of diversity management. Our premise is that informal social networks are salient in mediating the shape and effect of institutional mechanisms at the macrosocial level on diversity practices at the organisational level. And that argument of ours draws on both institutional and network theory, since even though institutions have an effect on structures and form their impacts, it is networks that define the types and orders that facilitate establishing institutions and contribute to their effectiveness (Owen-Smith & Powell, 2008). Therefore, any attempt to comprehend organisational approaches to gender diversity management must take networks into account and vice versa. Third, within this context, we argue that individuals' tendency towards socially connecting with similar others, leads token males to self-identify and form informal social relationships with each other, thus excluding and marginalising women. Finally, through the lens of organisational social context, we explore how gender diversity management in East Asia is affected by informal social networks at the macrosocial level, namely *guanxi* in China, *yongo* in South Korea and *jinmyaku* in Japan. Figure 1 presents our theoretical model.

This study is structured as follows. First, we present the theoretical access point which is social capital literature (Bourdieu, 1986; Sanchez-Hucles & Davis, 2010), providing the theoretical base in connection with a macrosocial level of analysis (Syed & Özbilgin, 2009). In the next step, we derive from the organisational social capital theory to discuss the relationship between informal social networks and gender diversity in organisations; a frame which we then apply to informal social networks in East Asia, that is, China, South Korea and Japan. Finally, the implications for theory development, the practice of management and future research directions are discussed.

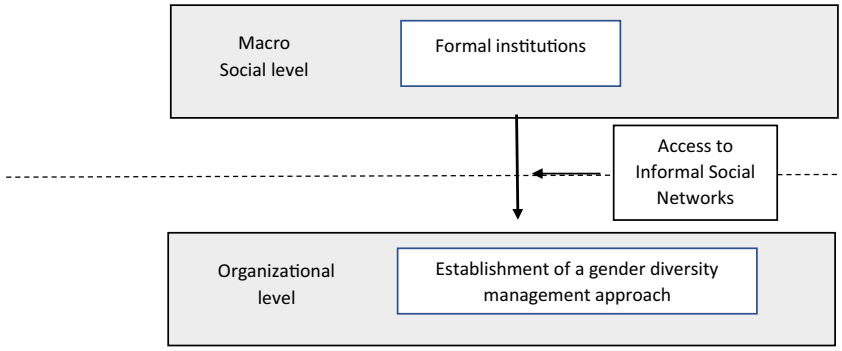

FIGURE 1 The mediator role of informal social networks on gender diversity management

2 | THEORETICAL BACKGROUND

2.1 | Social capital and the macrosocial level

Bourdieu (1986) defined social capital as the aggregate of the active or potential resources associated to the possession of a network of permanent relationships of mutual acquaintance and mutual recognition, which are often institutionalised to some extent, as they refer and rely on recognition obtained by an institution. In other words, social capital is created by a network of group of actors, who are not only endowed with common qualities easy-to-be-observed by others or by themselves, but they are also united by permanent and interconnected elements (e.g., same certification or educational degree). Bourdieu emphasises how social capital can contribute to the transfer of resources and power within social groups or from one social group to another (DeFilippis, 2001; Knack & Keefer, 1997). Access to 'social capital', which is the aggregate of the resources linked to membership in a group (Bourdieu, 1986), is frequently the privilege of the dominant group (Sanchez-Hucles & Davis, 2010) at the societal level.

At the macrosocial level of analysis, it is important to consider the structural and societal conditions (culture, regulations and institutions) that could potentially impact a plethora of types of discrimination and exclusion (Syed & Özbilgin, 2009). This macrosocial level consists of the fundamental circumstances including values and social stratification, as well as the social interpretation of education, law, family and work that either hinders or augments equality of opportunity for individuals (Syed & Özbilgin, 2009, p. 2440). It is deep-rooted that individuals do not merely interact but rather enact environments, as for example they provide opportunities for career progression and consequently affect policy making (Syed & Özbilgin, 2009). There is evidence to suggest how opportunities and barriers within the working place stem out of context with potentially significant implications for gender diversity management (Johns, 2006). And that because, especially in the case of organisations operating in a gendered or otherwise diverse society, the aforementioned legal institutions and mechanisms along with various sociocultural factors are fundamental in shaping the organisational approaches to gender diversity management. In fact, Kalev et al. (2006) argue that structures (e.g., diversity committees, affirmative action plans) play key role in enhancing women's representation in upper-management ranks.

A perusal of the literature reveals that social capital is immersed and reflected in people's social relationships, while at the same time social capital is implemented by individuals. According to Putnam (1993), social capital refers to the characteristics of social organisations, such as trust, norms and networks, which can improve the effectiveness of society by facilitating the coordinated actions of its members with a view to mutual benefit. In addition, it has been argued that social capital is a resource that individuals or groups of people possess or fail to possess (Baum, 1999). Arguably, working together is easier in a community endowed with a significant reserve of

social capital. Social capital is shaped by the characteristics of the collective action of the individual members of a community, including the establishment of formal and informal networks, the observance of common rules of operation and modes of conduct within these networks, and the ways of collaboration in order to achieve common objectives. Therefore, social capital consists of all resources attributed to individuals, groups or a network of social relations that are characterised by trust, reciprocity and commonly accepted rules of conduct. In addition, they facilitate cooperation and collective action, with a view to the general interest.

From this perspective, social capital can be seen as a resource of collective action with impact on both the macrosocial and organisational environment. It is a coherent adhesive substance that binds communities and societies. Based on the above discussion, in this paper, we consider social capital as the accumulation of informal social capital that could hinder or promote effective gender diversity management within the aforementioned context.

2.2 | Informal social networks and gender diversity in organisations

An organisation's actions towards gender diversity management represent its socialised predispositions, and, as such, reflect the social attitudes directed towards diverse groups or individuals (Syed & Özbilgin, 2009). According to Leana and van Buren (1999), the organisational social capital can be defined as a resource that reflects the nature of social relations within an organisation. Such capital can then be realised through individuals' levels of shared trust, collaboration and collective goal orientation, which create value by encouraging strong and effective collective action.

In that vein, a key component of social capital is the sense of belongingness between members of social networks. Through this sense of participation, it is argued that the problems that arise in the organisational social groups could be solved if their members effectively cooperate with each other. These concepts, cooperation, belongingness and participation, are therefore key to developing solidarity between in-group members (Georgiadou & Antonacopoulou, 2020). Reciprocity, which develops through these relationships and cooperation between individuals in a climate of trust, are the cornerstone for value creation in organisations.

In fact, Fukuyama (2000) argues that social capital is created when trust dominates organisations and social networks within them. Hence, social capital is the amalgamation of relationships, networks and groups that operate on the basis of shared rules that aim to motivate individuals and push them to act collectively to achieve the commonly agreed goals.

We extend the concept of social capital by positing that it is the approach towards that notion of enhancing (or hindering) that sense of belongingness that informs organisational decisions about whether and how to approach gender diversity management (Georgiadou & Antonacopoulou, 2020; Randel et al., 2018). Drawing upon the notion of organisational social capital (Leana & van Buren, 1999), we recognise that there are informal forces working towards or against the effectiveness of institutional approaches on promoting the value of gender diversity in specific contexts.

On these grounds, much ink has been spiled over the important role that social networks play in legislative politics (Ringe et al., 2018), highlighting the effect that interpersonal relations have on legislative processes and outcomes, for example, the relationship between legislation and social interaction and the impact arising from social ties on behavioural patterns (Peoples, 2008). Likewise, alumni networks among legislators seem to affect their legislative behaviour (Cohen & Malloy, 2014).

Social network is a widely used term or metaphor for various aspects of personal interactions, patterns of behaviour and resource exchange in organisations (Combs, 2003). Organisational culture is socially constructed and comprises a plethora of social ties that bind individuals and affect behaviours towards realising work-related objectives (Ibarra & Barbulescu, 2010). Scholars have been investigating the impact of social networks on communication (Gargiulo & Benassi, 2000), proximity (Rivera et al., 2010), resources (Podolny & Baron, 1997), cognition

(Labianca & Brass, 2006) and trust (Nelson, 1989). Organisational practices and culture are influenced to a great extent by the operationalisation of social networks (Tichy, 1981).

Informal social networks are established to encourage the accomplishment of work-related tasks and individual aspirations of members. Participation in such networks can be argued to result in instrumental and psychosocial support (Combs, 2003). Furthermore, informal networks grow out of deliberate self-interest of individuals (Ibarra et al., 2005) are a response to favourable and problematic workplace circumstances (Conway, 2001) and hence could hinder or promote a sense of belongingness and shared identity within the organisation.

Furthermore, informal social networks are vital in the investigation of the impact of the wider social environment and informal networks on gender diversity management (Ibarra & Barbulescu, 2010). Such networks may highlight similitudes and variations across the degree of diversity among the members of the network; the degree of a person's connectedness across all participants; sense of member's identity based on their group membership; and the degree of emotional intensity and intimacy of relationships (Conway, 2001; Gargiulo & Benassi, 2000). Jamali (2008) reports that, from the stakeholders perspective, organisations are expected to protect and manage their employees' interests and need of belongingness and acknowledge a duty of care towards the internal and external to the organisation human environment. It is, therefore, argued that the influence of the macrosocial environment on organisational practices that promote gender diversity management can be explained through examining their effect on access to and instrumentality of organisational informal social networks. The preceding discussion suggests that the effect of formal institutional mechanisms on organisational gender diversity management approaches is mediated by informal social networks. In that context, organisations are more likely to adopt a gender diversity friendly approach when values and norms of their informal social network are conducive to gender diversity.

2.3 | An East Asian perspective on informal social networks

Considering how often scholars emphasise that comparative analyses of social capital and social networking theorisations are introduced mostly by Western scholars and centred around notions of contexts and social structures that are to be found in Western societies (Horak et al., 2020, 2019), in this section, we shed light on informal social networks established in other parts of the world, namely East Asia, that accounts for their unique macrosocial characteristics. The literature points towards the following key informal social networks in China, Korea and Japan.

2.3.1 | Guanxi and women's networks in China

In China, *Guanxi* is a strongly personalised dyadic social and emotional tie which may or may not be kinship based (Li, 2012; Luo, 2000). Generally, *guanxi* refers to relationships between individuals or social connections based on mutual benefit and interest (Ledeneva, 2018). It is assumed, that in Chinese culture, in order to achieve a successful career and business survival and prosperity, the right *guanxi* must be ascertained and hence the individual must be included in the in-group. Hence, the dark side of *guanxi* can be that it naturally distinguishes in-groups and outgroups, which may result in a lack of opportunities for outgroup members (Horak et al., 2018), for example women. In fact, previous research suggests that informal socialisation systems are salient in shaping women's organisational and career experiences (Combs, 2003). Podolny and Baron (1997) disaggregated types of informal social relationships to investigate the impact of network types (e.g., advice, strategic information, mentorship, social support and buy-in) on women's career advancement. Their findings disclose that the 'pattern of social relationships is a meaningful determinant of an individual's fate, including intra-organisational advancement' (p. 689). Furthermore, the amalgam of organisational and informal social network theories with research centred around minorities and women is outlined by Mehra et al. (1998) who suggest that the 'lack of

access to informal networks may be one reason that women and minorities (e.g., African American women), who are entering organisations in unprecedented numbers, are still under-represented, especially in upper-management ranks' (p. 441).

Traditionally, successful careers and close informal social networks are seen as related both in Western literature (Fukuyama, 2000) and in China (Luo et al., 2012). It is, however, not explicit what is implied by effective networks (Luo et al., 2012) or good performance (Gunz & Heslin, 2005). Women may both gain and suffer defeat from the impact of informal social networks in their careers' progression and development (Huang & Aaltio, 2014). In fact, Aaltio and Huang (2007) suggest that powerful social networks for Chinese career-orientated women may in fact harm their informal social networks and trigger a twofold-effect, both positive and negative.

Cooke and Saini (2012) investigate gender diversity management practices in China and explore the pertinence of the western approach in the Chinese cultural context, by enquiring into the way managers conceptualise gender diversity. The majority of Chinese managers in their study claimed not to have been exposed to the notion of diversity management. Following authors' clarification, they stated gender as one of the main sources of diversity within their organisations. Interestingly enough, none of the firms surveyed in their study had established any form of policy or equal opportunities plan to effectively manage and promote the value of diversity and inclusion. Chinese managers conveyed that (p. 24):

> diversity was "not an issue" in their organizations and therefore there was little need to manage diversity. Some of them are insensitive to diversity issues and hold biased perceptions of women (e.g. women are seen as less productive and family oriented). Not surprisingly, hardly any activities on DM in their organizations were reported

In this regard, several Chinese organisations do not consider gender diversity management as worthy of much attention, and issues of equality and diversity remain largely unchallenged in public discourse. Diversity management mechanisms, where available, emphasise ensuring conflict avoidance rather than a value-added fundamental aspect of the organisational culture and strategy.

At the macrosocial level, in China, gender equality has been a priority for the Chinese Communist Party since 1949 (Edwards, 2007; Nolan, 2010). In doing so, it has introduced an equal opportunities legislation based on the principle that 'women and men have an equal right to paid work and that "women's liberation from feudalism and patriarchy" is an important ideological goal' (Nolan, 2010, p. 1). The Labour Law that was enacted in 1994 proclaims that 'women and men shall enjoy equal rights with respect to employment; women may not be refused employment because of their sex' and furthermore, "equal pay shall be given for equal work", (Nolan, 2010, p. 1). However, after China embarked on economic reforms in the 1980s, gender inequality in organisations in China has amplified. The intensification of rural-to-urban migration along with the collapse of the work-based welfare system led women to often face redundancy, where a plethora of female workers are bound to risk their well-being by being pushed into precarious labour trajectories (Nolan, 2010).

The legislative bodies in China enacted a plethora of laws in order to safeguard the human and social rights of individuals, and especially minority and under-represented groups, thus promoting their well-being. However, as suggested by MacGillivray et al. (2008, pp. 66), more than 85% of the respondents participating a survey of job discrimination in 10 major Chinese cities claimed the experience of job discrimination. More than half of the participants said the discrimination is 'very serious' or 'considerably serious':

> About 22 percent of the disabled interviewees said their job applications had been turned down. It has also been found that in some cases of civil-service recruitment there were discriminatory requirements regarding the applicants' sex, height, and appearance

How do networking strategies impact women's careers in such an environment? In the Chinese context, the largest three guanxi bases are family, coworkers and classmates (Huang & Aaltio, 2014). Within such a hierarchical culture, supervisors (often male) are the most important *guanxi* base within the organisational environment, as they are the ones in charge, the gate-keepers, the decision-makers, the ultimate holders of power and resources. As China is transforming to a market economy, the impact of the traditional cultural values, especially its hierarchy and respect towards senior members is evident. These gate-keepers are key associates in women's—as outgroups—access to networking and hence their career prospects. The outgroup status of women results in their exclusion from these informal social networks and thereby their elimination from the corresponding information and knowledge exchange process.

2.3.2 | Yongo: How inclusive is Korea for women in organisations?

In Korea, *Yongo*-based ties, partly predefined by birth, are of utmost importance in business and are emotional in nature (Horak, 2014; Yang & Horak, 2019). *Yongo* ties are often used to describe education-based ties, namely the relationships made while attending the same high school or university. They can also refer to sentimental ties to individuals of the same district or regional origin (Horak, 2016). *Yongo* ties are used as commodity within various contexts, namely to get access to specific type of information, get a job or a promotion or in general to enjoy preferential treatment (Horak & Klein, 2016). On the negative side, *Yongo* ties have been associated with bribery and cronyism. Aligned with Confucian ethics, *Yongo* ties are strictly hierarchical, that is, if an individual's senior demands a favour then the junior member is expected to grant the favour (Horak & Yang, 2016).

The 1948 Constitution consists of articles promulgating the equality of sexes in education, employment and all aspects of social life. In 1985, the Equal Employment Act was enacted aiming to enhance gender equality in the workplace. In 1995, the Korean Assembly voted for the Women's Development Act, following the 1995 Beijing Platform of Action, pointing towards eliminating prejudice against women. The Act stipulated specific obligations of organisations to promote gender equality and the progression of women, to eliminate any form of discrimination and to enhance their well-being. In 2001, the Ministry of Gender Equality was established, which was then expanded in 2005 and renamed the Ministry of Gender Equality and Family.

However, Korean companies have appeared to be in general hesitant, insofar, to implement any plethora of policies and systems to achieve work-life balance for both men and women (Patterson & Walcutt, 2014). In Korea, typical weekly working hours lean towards being very long with almost 90% of the male workforce spending over 40 h a week at work as opposed to the 76% Organisation for Economic Co-operation and Development (OECD) average. Despite the fact that a lower ratio of Korean female employees works over 40 h a week (77%), still the percentage is considerably greater than the OECD average of 49%. Notwithstanding the legislation prohibiting discrimination, its enforcement has been noticeably weak. A profound lack of support measures for working women, along with inadequate childcare support measures constitute a significant barrier to promotion and further advancement (Patterson & Bae, 2013; Patterson et al., 2013; Patterson & Walcutt, 2013).

However, the launch of the first 5-year Comprehensive Plan for the Development of Women Resources and the Female Employment Expansion Measure in 2006 aimed raising the level of participation of women in the labour market. Having introduced the institution of 'Best Family Friendly Management' certifications the Government endeavours to provide incentives to organisations to establish and promote family-friendly policies for employees. By launching schemes for both paternity and maternity leave, as well as by initiating the formation of a 'Support Center for Working Moms and Dads', the Korean Government is aspiring to achieve gender parity. In a related vein in Japan, the Government has made an attempt to encourage organisations to engage with family-friendly policies. According to Magoshi and Chang (2009, p. 33), a plethora of Japanese companies are keen to put into practice pertinent measures. The authors refer to a family-friendly plan at Hitachi which was introduced in April 2000:

> Regarding the family friendly plan, in addition to granting maternity leaves of 8 weeks before and after birth, respectively, Hitachi provides a childcare leave up to when a child is 1-year-old. This period is extended further to the last day of the company's current business year. Hitachi also allows its employees to take half days off as often as is necessary during the period from pregnancy through when a child enters the third grade of elementary school. During the same period employees can also work under a flextime system or at home. Toyota also implemented a similar program. It provides childcare leave of 2 years until the child becomes 2 years old. Employees can also take 5 days off per year to attend to a child when he or she is sick (up to the age of eight)

How does this macrosocial gender hesitation impact women careers' progression? Korean women seem to engage in job-specific training for their current job roles, but as outgroups are invited less frequently to participate in training for global competencies or strategic planning, namely training opportunities that are more relevant to supervisory, more senior roles and promotions over the long term; opportunities that are granted on a *yongo* foundation. In light of this, Korean women are struggling engaging with informal mentors compared with men, despite the fact that career development is at the core of mentoring; being outgroups deprives them from the right and access to sponsorship and work-related advice thus imposing a hierarchical constraint on them.

Within the existing *Yongo* culture, Korean women also face challenges in establishing social ties with other women professionals and joining existing male-dominated *Yongo* networks.

Another example of network-relevant gender discrimination is the Korean practice of 'hoesik'. Hoesik is a social practice 'in which employees dine and drink after work, [that] often involves coercing female workers into attending parties or events, where harassment and assault are less noticeable'. (Rich et al., 2020, para 6). In fact, research indicates how women feel more obligated to drink than male employees do when encouraged by their supervisors or other colleagues as a means to be accepted by the in-groups, with detrimental effects on their health and well-being (Çakar & Kim, 2015). These limited opportunities to social network deprive Korean women from career advancement, progression and development opportunities, such as advanced work experience, promotions and mentoring (Patterson & Bae, 2013). This 'lost opportunity effect' of outgroup status decreases women's opportunities for career advancement, as it ultimately diminishes their skill development (Combs, 2003, p. 394).

2.3.3 | Jinmyaku—Are women disconnected in Japan?

In Japan, *Jinmyaku* (loosely translated as 'personal connections') is vital in politics and business and is significant in various aspects of social life (Horak & Yang, 2016).

McDonald's (2008) research focused on the way diversity managers conceptualise gender diversity management in Japan. The author suggests that future work on gender diversity management in the Japanese cultural context should first focus on the conceptual notion of diversity in Japan taking on board actual experiences of the Japanese workforce. The author also explains some fundamentals related to diversity in Japan. First, if we were to translate the concept of diversity in Japanese, we would end up using either 多様性 (tayōsei) or 異質性 (ishitsusei). Tayōsei is interpreted as 'plethora' or better yet 'variety', whereas Ishitsusei is translated to heterogeneity. In the Japanese business language, the most common term used when referring to diversity is ダイバーシティ (daibāshiti), which is non-Japanese in origin and hence not yet a recognised part of the Japanese lingua franca.

The absence of a Japanese language equivalent of the notion of diversity, the exclusion of daibāshiti from the official vernacular and the emergence of the need for daibāshiti to exist so as to refer to a Western context that the Japanese culture adopted, suggest that diversity in Japan is a Western concept that was simply imported and adopted without much attention to contextualisation.

Explaining gender diversity management in the Japanese context, Arimura (2007, p. 39) suggests that: 'although the language used by each author differs, there are elements that all have in common. That is to say that

diversity management is the long-term process of organisation change to increase the competitive position of the company through various differences found amongst people (or what is called) diversity'. Arimura highlights a major variance between the United States and Japanese companies that were included in the survey he conducted. Basically, the Japanese companies compared to the US companies, lagged in the equal representation and inclusion of under-represented women, as well as in the effective establishment of diversity practices and training. The findings indicated that the Japanese companies that were based in the United States were not as open and flexible to diversity-related changes as their US counterparts were.

Pertinent to the notion of global diversity, Özbilgin (2005, p. 37) comments: 'Japanese companies need to reconsider justification of localisation and diversification of their workforces, in order to respond to rapid social changes in the US labour market: It is also necessary that localisation and diversification efforts also target to top officer levels. Although localisation is evident, it should also be noted that majority of the 'local' employees are actually White workers, and women are relatively few in the workforce. In order to facilitate change, awareness raising activities should be provided: It is also important to note that these changes are necessary as localisation and diversification strategies outlined in Arimura's work is essential for compliance to the Equal Employment Opportunity Act in the USA'.

Even though the proportion of female employees found at lower managerial positions is aligned with the proportion of women in the total workforce, this percentage decreases radically when referring to top managerial positions, mainly because they are considered as outgroups from the token males. Women in middle management positions appear to be affected by a glass-ceiling phenomenon, particularly if the female employees fall in the age bracket of mid-30s, where work–family conflict is more likely to arise. Specifically, the labour market appears to be directly discriminating against female employees, a fact echoed on the high gender wage gap—twice the OECD average.

Although Japan enacted the equal opportunity law in 1988, its actual implementation is far from satisfactory (Magoshi & Chang, 2009). In 1999, the Basic Law for a gender-equal society was enacted aiming to set the stage for the formation of a gender-equal society by stipulating the liabilities of both the government and the citizens, followed by the appointment of the first Minister of State for Gender Equality and Social Affairs in 2005. However, evidence suggests that organisations remain greatly male dominated; as of 2015, the ratio of women in managerial positions at government offices and ministries in Japan was only 3.5%, while the corresponding figure for the private sector stood at 9.2% (World Economic Forum, 2015).

What are the implications of such a glass-ceiling in women's professional development and their identification as outgroups? Obviously, it has prevented many from reaching equivalence to men (Georgiadou et al., 2019). Consequently, women may experience more of a need for belongingness to a group for protection, guidance, mentoring and support (Stedham & Yamamura, 2004). On the other hand, or as well, women's robust relationship orientation endorses a greater predisposition toward collectivism. The growth in importance of female networking via *jinmyaku*, evidence an emergent group consciousness among Japanese businesswomen.

3 | DISCUSSION

Our research has shown that informal social networks play an important role in approaches to gender diversity management. Such networks serve as a bridge between cultural and institutional norms and laws at the macrosocial level and workplace policies and norms at the organisational level. Our research has extended the concept of social capital by explicitly relating it to informal networks and contextually highlighting the gendered nature and effect of such networks in East Asia.

While informal social networks are influential and potentially beneficial in East Asia, the negative side of informal social networks can be that they naturally distinguish in-groups and outgroups, which may result in a lack of opportunities for outgroup members (Horak et al., 2018), for example, token males versus under-represented

females in the highest managerial ranks. There may, thus, be a concern regarding what organisations and/or individuals perceive as different or disconnected, and what their attitude is towards such difference or disconnection. For example, what characterises someone as different, what people consider as advantages and disadvantages of homogeneous and heterogeneous groups, what their general perception of diversity is. Scholars may wish to take into account how people experience and sense their social identity, rather than arbitrarily classify them into predefined categories (Garcia-Prieto et al., 2003). The more localised the context, the more organisations feel pressure for imitating each other's structures and adopt common—potentially exclusive to outgroups—approaches within the informal social network (Nishii & Özbilgin, 2007). Some of these exclusion processes may be intentional (e.g., men take advantage of their superior position in their informal networks and purposely hinder women's success) and others are influenced by cultural norms and gender stereotypes prevalent at the macrosocial level. In this context, these exclusion processes can be largely driven by the unequal gender representation at the higher level (e.g., there is less female representation at the higher level in organisation so female employees have a greater difficulty finding a mentor and establishing informal social networks).

In addition to drawing on the concept of social capital when debating informal networks, our paper expands current theory on informal social network by conceptualising the relationship between gender diversity management and informal social networks. The relationship between networks and institutions is theoretically discussed by Owen-Smith and Powell (2008) who argue that networks and institutions mutually shape one another. The informal social network traditions and practices of *guanxi*, *yongo* and *jinmyaku* have a crucial role not only in terms of everyday life and institutional routines but also in international business, particularly gender diversity management. Such relevance is rather profound in the backdrop of the Belt and Road Initiative and the Chinese government's emphasis on developing social, cultural and economic connectivity across the region. Härtel et al. (2010) argue that under an East Asian informal networking regime, cross-cultural communication and negotiation are an interactive process where individuals only choose to 'do business with people they know, someone they can trust (xin) or who has established credibility and reputation (xinyong), or someone who they have *guanxi* with' (p. 236).

In forging international alliances with individuals from diverse backgrounds, it is essential for cross-cultural routines in social networks to be considered. Business executives and policy makers who seek effective international business activities cannot afford lacking intercultural and social networking competence, as this deficiency could bring the relationship to an end (Salacuse, 2003). For example, in China, traditionally influenced by Confucian values, they primarily prioritise collective rather than individual values, and hence the key point for anyone to do business with them is to show respect, by acknowledging guanxi and trying to establish some form of it. It is possible that the initial interactions have already formed a perception of the type and value of the guanxi, which may develop as the formal negotiation process goes along.

An absence of guanxi or its understanding may lead the Chinese counterparts to look for intermediaries so as to have in place some form of guanxi. According to Härtel et al. (2010, p. 241): 'It is unlikely for the Chinese counterpart to take part in the formal phases of business negotiation without a certain level of guanxi established with the other party. Once good guanxi is established, however, with quality ganqing and xingyong, it is likely to last for a very long time. That is why the Chinese counterpart can be more willing to overlook or tolerate any potential mishaps during the business interactions if there is good guanxi'.

It is imperative for human resource management practitioners to be aware, first, that women managers have less fully established informal social networks compared to men, which could have an impact on potential lack of advancement to higher levels of organisational hierarchy (Mehra et al., 1998). Second, women managers need to penetrate male-dominated informal social networks to a greater extent in order to become sufficiently visible and hence be more likely to professionally progress. On top, networking for female managers is affected by the institutional mechanisms and macrosocial cultures given the gendered nature of organisational social capital. For effectively promoting inclusive networking, organisations could consider launching cross-gender networking programs, which will enable women to gain access to diverse resources and information, such as career progress and emotional support. In an attempt to thrive in upper echelons, East Asian women encounter various pressures and

obstacles to access the informal social networks that contribute to professional progression. From a wider macrosocial perspective, our study indicates the importance of informal social networks that are open and accessible to women to be set in (the work) place. These networks provide knowledge and sponsorship that are central to the professional progression and career achievements of East Asian women. Furthermore, having effective informal social networks, with adequate intimacy and efficiency, may play a key role in East Asian women's career advancement and success.

4 | CONCLUSION

The article has shown that the effectiveness of gender diversity management in East Asia depends on the notions and practices of *guanxi*, *yongo* and *jinmyaku*. In view of the *guanxi*, *yongo* and *jinmyaku*, managers, leaders and employees in East Asia may be more open to collaborate and develop the relationship further. As Härtel et al. (2010, p. 255) put it, 'the effective management of the differences (between East and West) will play a key role in the development of effective working relationships between East and the West'.

The cultural and social contexts for diversity management are quite different in Asia compared to the West. While there is a legal emphasis on promoting the value of equality and inclusion, most of the organisations do not have any a formal diversity or equal opportunities action plan to promote diversity, inclusion and gender equality (Cooke & Saini, 2012; McDonald, 2008; Patterson & Walcutt, 2014). Insights into informal socialisation experiences of East Asian women as a matter of context can enhance our understanding of the impact of gender on important precursors of career and professional progression.

The article argues that it is not only the formal institutions, such as laws, regulations or company code of conduct that may be missing from the Eastern context, but also the informal institutions, such as informal social networks and how they are established and who can access them, that may present a barrier to effective gender diversity management. It contributes to develop construct knowledge (guanxi, yongo and jinmyaku) and explain important informal forces working against the effectiveness of legislation in the named countries. It suggests that paying attention to these interconnected factors and levels is important when transferring the conventional practices of diversity management to a non-Western context. At the macrosocial level, such an approach may focus on establishing inclusive strategies towards the promotion of gender equality and inclusiveness. At the organisational level, it may focus on cultivating inclusive organisational cultures by eliminating potential impediments in the recruitment and development of gender or otherwise diverse individuals.

So far, we know relatively little about the role of informal social networks in the shaping or efficacy of organisational approaches to gender diversity management. Future scholars may seek to collect empirical data from the contexts mentioned here, as well as expand on the scope of such networks. For example, a worthwhile direction for future studies would be to investigate whether informal social networks are particularly beneficial for facilitating one institutional mechanism (i.e., mimicking, legislation and norms), but not the others. Future research may also explore, in addition to the macrosocial level factors, the effect of organisational culture or managerial practices, on the prevalence of informal social networks and their effects on organisational approaches and outcomes of diversity management. It may be valuable to study how organisational and industrial differences mitigate the effects of national culture and other macrosocial factors. Furthermore, it may be of value for future researchers to explore the extent and impact of gender differences in utilising informational networks, for example, male workers who are in a dominant position may make better use of informational networks to maintain their superior position in the workplace.

ACKNOWLEDGEMENTS

The authors would like to thank all the reviewers who delightfully gave their precious time and unconditionally revealed valuable insights. There was no funding for this research.

CONFLICT OF INTERESTS

The authors declared no potential conflict of interests with respect to the authorship and/or publication of this article.

DATA AVAILABILITY STATEMENT

No data has been collected.

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How to cite this article: Georgiadou A, Syed J. The interaction between gender and informal social networks: An East Asian perspective. *Hum Resour Manag J*. 2021;1–15. https://doi.org/10.1111/1748-8583.12347