



Introduction to the CEC Conference on Diversity and Equal Opportunities in Stockholm on June 7th and 8th, 2007

Report on the second workshop

Rapporteur: Andreas Zimmermann, ULA Director of social policies

The five presentations of the workshop illustrated very different points of view from two companies, from a government institution and from two interest groups, one at national level and the other at European level.

1. Company case study: IBM

Ms Caroline Houdent, responsible for diversity for IBM Europe and Middle East, started with a statement on equal opportunities which was read word by word by company employees of different ethnic background, different ages, different sexual orientation, just as an example of the variety of employees in a company as big as IBM is.

This **statement on equal opportunities** was initiated in the US and is now implemented in all countries where IBM is active. It is enhanced on a regular basis and **not static**: As an example of an unlawful ground of discrimination, just a year ago, the word 'genetics' has been added since people realised that there is need for action in this field as well. The ultimate aim of course is to create a work environment free of discrimination and harassment.

I think it has become clear that discrimination and harassment are not completely identical. The **business rationale**, i.e. the business reasons for diversity are also clear. A global company such as IBM has diverse clients. The worldwide advancement of women in society and in professional life has to be reflected in the processes and structures of the company. One assumption is also that the quality of decision-making is better in a diverse leadership team.

What structures are in place at IBM?

IBM has a huge variety of structures, eight task forces, 75 diversity councils, and more than two hundred employee networks. Those networks are organised around different grounds of discrimination such as disability, sexual orientations. However, they do not handle all potential grounds of discrimination; some that might be counterproductive such as religion are excluded.

How do the processes work?

Diversity management works as a **bottom up approach** and it is mainly **employee driven**. How is it implemented in practice? There are of course regular meetings of the employee networks and groups, as well as workshops, awareness raising seminars and toolkits for managers with practical advice.

The discussion after this presentation focused around the question, among others, on how to implement diversity on a global level, how to deal with **cultural differences**, for instance, between Middle Europe and the Middle East. Mrs Houdent made it clear that diversity is implemented in three steps: first of all, all managing diversity programmes must comply with the legal requirements in the country where IBM is active. The second step, of course, cultural differences are taken into account. This is perfectly in accordance with the bottom up approach that Mrs Houdent stressed in the very beginning. However and finally, it is also clear that **a certain set of core values are non-negotiable** regardless of where IBM is active.

2. Company case study: L'Oréal

The second case study was presented by **Mrs Sylviane Balustre-d'Erneville** who is responsible for diversity management at L'Oréal. She also mentioned the business rationale for diversity programmes which is very much alike at IBM and probably in every company that is active on a global level. However it is interesting to see that the products of L'Oréal deal with a very basic diversity, with the physical aspects of diversity such as skin or hair colours which vary geographically.

Diversity programmes are based on five axes at L'Oréal: **recruitment, management, career management, communication and training**. All these areas of activity take into account the necessary aspects of managing diversity. The main focus at L'Oréal is a limited catalogue including **nationality, ethnic origin, disability, gender, social origin or age**. Criteria that are not included are not meant to be neglected or not treated because any form of harassment is unwanted and is dealt with by the company.

Examples of activities by L'Oréal:

L'Oréal organises on a regular basis training days for all management staff with the ultimate aim to **integrate managing diversity in the day-to-day activities**. A very important point- this was also raised in the discussion - what are the sanctions, what are the consequences of not complying with the regulations? Diversity management and success in managing diversity has become a **criterion in the assessment of managers' professional performance** and is therefore pay relevant.

L'Oréal – together with other companies – has also organised very **highly targeted recruiting workshops for underprivileged groups**, young people with disabilities, and also people from the so-called 'banlieues'. It was also stressed that the pre-selection of the applicants to this workshop was made on the basis of their qualification. Thus this has nothing to do with affirmative action programmes as we might know them from the US.

There are also **partnerships** with universities, with job posting sites on the internet, or with recruitment forums, and that the implementation of these programmes and the monitoring of results are made in close cooperation with the employee representative bodies at L'Oréal.

3. Institutional actor: The Swedish Office of the Ombudsman against Ethnic Discrimination

The third presentation was made by **Mrs. Katarina Janvid** from the Swedish Office of the Ombudsman against Ethnic Discrimination. The Ombudsman's Office acts on behalf of the Swedish Government. It was established more than 20 years ago, in 1986. It is until today one of the four Ombudsman Offices in Sweden. However, those four offices dealing with different types of discrimination are about to be merged into one integrated Ombudsman Office.

The Office's main activities include dealing with individual complaints, proactive measures, raising awareness, public relations, and of course information and training for employers and employees. The Ombudsman is not a clawless tiger – **guilty employers can be fined** or can be asked to change their discriminatory behaviour through orders of a board of discrimination. And, of course, this would not be possible without a legal basis which – and this was stressed by many conference's participants – is considered as **one of the most advanced throughout the European Union**.

4. Interest group: Völklinger Kreis, the German Federation of Gay Managers

The fourth presentation was made by **Mr. Albert Kehrer** from the Völklinger Kreis, the German Federation of Gay Managers. The first question he dealt with is: **why is there a representation of gay managers?**

First of all, the group they represent is a rather sizeable one, on the assumption that **5-10% of the population** is gay, lesbian, bisexual or trans-gender. It represents a population as big as the one of people with disabilities.

Secondly, especially among top managers, there is a **lack of acceptance of gay managers** that might already exist in other areas of societies, such as arts, where nobody objects to a gay pop star, nobody objects to a gay hairdresser. However, in Germany, until today, no openly gay board member

is known. However, it was also important to Mr. Kehrer that it is not the association's aim to out a cheerleader.

Nevertheless, it is a stifling factor to know that you cannot deal openly with your sexual orientation. This was the next point that already appeared. The idea is also that continuously hiding a very basic element of one's personality might ultimately **lead to performance and productivity losses**. And this also is relevant in very frequent situations, not being able to talk about the weekend plans, the holidays, etc.

Thus what are the main activities of the Völklinger Kreis?

There are internal and external activities.

The external activities include **drawing attention to the problem and to increase acceptance** of gay, lesbian, bisexual, trans-gender managers – this is the official name.

The **Max-Schwor-Preis** price is awarded to companies once a year. The addressees are companies who have best practices in accepting and not discriminating against gay managers.

The Völklinger Kreis also **lobbies** and participates in **political hearings**, on discrimination for example.

The internal activities include of course **networking**, establishing contacts among members, exchange of information and also **counselling**, advice called **personality development**. This is around questions such as how to deal with mobbing, what help to get in the process of 'coming out', etc.

5. European Network: the European Older People's Network

The fifth and last presentation was made by **Ms Anne-Sophie Parent** from AGE, the European Older People's Network.

Who is AGE?

AGE organises 150 senior organisations, some of them already target employees starting from the ages of 40, and in effect this is the age from whereon problems on the labour market generally start.

What are the tasks of the AGE?

The AGE **monitors all age-related policies and policy initiatives of the European Commission**. The AGE is well embedded in several consultative committees on the European level.

What problems lie ahead for age, for older people, and in the long run for all employees? - because also younger employees are very likely to become old in the future.

Age discrimination from Mrs Parent's point of view is still only partially regulated, i.e. age discrimination in employment is highly regulated, whereas there are regulatory deficits concerning age discrimination combined with other forms of discrimination or age discrimination outside of the labour market.

Of course, it becomes a necessity to work longer, not only in Germany but also in other Member States. Retirement ages are about to be raised. This necessity increases the **pressure on older employees**. Negative attitudes, wrong perceptions of the work performance of older employees are still very prevalent. Within Europe, **employment rates still vary considerably**: with regard to the employment rates among employees aged more than 55, Sweden is on the top. In other Members States such as Belgium or France the rate is below the average.

I am grateful that Mrs Parent also addressed the question **what can unions do? what can the CEC do?**

We were asked to **raise awareness** on the issue of diversity of age discrimination and keep this issue on our agenda on conferences, on workshops, but also beyond.

In this conference's conclusions and toolkit, we were also asked to increase the pressure on BusinessEurope to take more action in the field of active ageing.

And, ultimately, Mrs Parent also addressed the questions **what can individual managers do?**

Individual managers were asked to provide help **in reconciling family and work life**, for example, by making working arrangements possible for people who take care not only of children, also for elderly people.

A very interesting fact was that the responsibility or the burden of care for dependents is statistically almost more important for employees in the age group of 45-55 who often take care of parents or other relatives who are in long-term care and this might be easily overlooked.

Can **working time** be made more flexible? This is another question which is very closely associated to. How can **physical impairments** be taken into account in the design of the workplace? **Training requirements** of older employees should also be taken seriously and not neglected.

Last point, which was already mentioned, Mrs Parent also drew the attention to other factors such as **hidden psychological barriers** that older employees also often feel the fear of failure. This creates performance barriers that can be easily lifted if this issue is addressed in a discrete and tactful manner.

Conclusions of the workshop

The workshop presented very different viewpoints on the issue of diversity. As said, it included representatives from a government agency, from companies and from lobby associations with both an international perspective and national case studies. They stressed the business case for managing diversity as well as the political and moral arguments.

It was also very helpful to reiterate that managing diversity might be the standard and might be imposed in a top bottom approach **through the legislator or by the top management**.

However, in order to get to life, this has to also flow back in a **bottom up approach**, otherwise it just remains theory.

Managing diversity in some cases, this was also lively discussed, might also need a **change of mentality among people** who might feel victimised but who do not maybe do everything they can in order to get out of their difficult situation...

Managing diversity needs **constant monitoring, assessment and reshaping** and, ultimately managing diversity definitely needs an **integrative approach** but in some cases it **also needs sanctions** in order to work.