

From diversity to pluralism **Diversity management in Europe**



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Introduction

Global terrorism, extremist rhetoric and companies suffering of "diversity fatigue" seem, together with economic "hard facts" considered more important, to transform diversity into an empty catchphrase at its best and into an overhauled concept at its worst. Despite or because of that, we at CEC European Managers are convinced that discussing diversity has never been more relevant than today. Nothing less than our society as a whole and international peace are at stake. Our approach is that changes must happen where they are most effective: most often, in the workplace. Responsible leadership will be essential to transform the vision of a pluralist society into reality.

What's diversity?

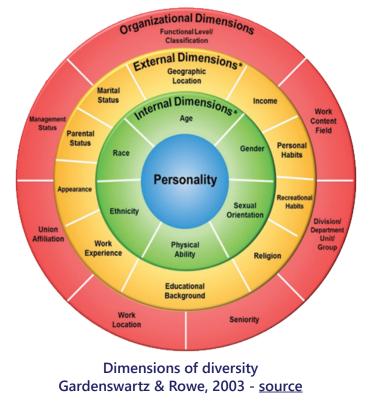
Diversity is a universal phenomenon existing in the person and among persons as personal and social traits. As a fact, it concerns similarities and differences regarding age, political affiliation, beliefs, socio-economic status, lifestyle, sexual orientation and background to name a few. The transformation of diversity as a fact into opportunities through adapted policies is what we call a pluralistic approach.

In the discussion about diversity there has been a shift from trying to assimilate minorities towards an idealised majority culture to an approach emphasising the need for structures integrating that diversity. Instead of creating departments to integrate each minority, organisational structures able to absorb this diversity are created. This approach bears the advantage of creating a unique framework in which different dimensions of diversity can be expressed. For example, a black woman can have specific problems that are not taken into account by initiatives solely dealing with discrimination towards gender or colour identity.

Why engage?

Studies have shown that the increase in the sense of belonging through an inclusive (working) environment reduces stress, improves mental well-being, physical health as well as performance[1]. Furthermore, globalisation and digitalisation require thinking more diversely. By representing society's diversity in one's own organization, new target audiences can be reached out to, problem solving capacities can be increased and spaces of creativity as the basis for new ideas built. In that sense, diversity management contributes to increase competitive advantages by getting more talented staff and being able to more flexibly adapting to changes.





Challenges

The challenges relating to diversity can stem from personal, social and cultural factors.

Individually, different roles might be incompatible with one another, for instance certain professions incompatible with religious beliefs. Socially, a majority can resist changes of social dynamics in the organisation or within the society as a whole. Culturally, barriers with regards to belief systems, language or behavioural norms can threaten the efforts to make use of diversity.

These issues can be addressed through establishing a diversity assessment and evaluation. Both form the basis for a diversity policy plan and its succeeding implementation. At all stages, a strong commitment of the management has been shown to be effective for the success.

Towards pluralism

Generally, it is important that top-down strategies, such as policies against discrimination or providing education, are complemented through a bottom-up approach. The latter leaves spaces to adapt the implementation to the specific context, as for instance through participation of employees in an organisation. The asserted "diversity fatigue" (The Economist) stems from lacking success of certain diversity policies in companies. Research, however, has identified practices that help building a pluralistic working environment. Namely, voluntary diversity trainings, hiring diversity managers, mentoring programmes and internal diversity task forces [1].

Policy approach

Three main approaches to think about and act upon diversity issues can be differentiated:

1) Equal opportunities: policies that remove barriers to the equal treatment (primarily based on legal and moral arguments)

2) Affirmative action: policies focussing on achieving the same results for diverse groups in the labour market (primarily based on legal and moral arguments)

3) Diversity management: policies aiming at improving relations between members of a team, eventually transforming the working culture and structure (primarily based on internal dynamics and economic arguments)

Talking about the political dimension of diversity, the idea of treating everyone the same has proved problematic. Treating everyone the same, although everyone being different, means to establish a hypothetic standard or idea of what is normal, thus opposing reality. In other words: it is about working on inclusiveness by creating conditions based on humans and their capacities instead of adapting humans to an idealised norm. In that sense, legal and political frameworks labelled equal opportunity and affirmative action, can contribute to fight against the most apparent discriminations by providing a legal framework (as the last resort) or empower a certain minority, bearing the risk of being labelled as positive discrimination. Deeper changes however, can only emanate from the social context, such as the company culture. Of course, the value of equality among humans as humans is not questionned in legal terms.

[1] HBR, 2016: https://hbr.org/2016/07/why-diversity-programs-fail



Diversity in practice Experiences with diversity management in Europe

In this part, we are presenting different public policies on the one hand and practices of our member organisations and of some companies on the other hand. Far from being exhaustive or representative of the complexity of the issue, the examples used outline general tendencies and types of measures in diversity policies and management.

Managers play a key role when it comes to establishing links between staff and employers with their culture and background on the one hand and the society, in which they operate, on the other. Leadership means to see the potentials existing in diversity in order to transform them into an usable resource. This also includes to openly discussing problems at all stages of diversity management.

Public policies encouraging diversity and combatting discriminations can take various forms: from the establishment of legal tools protecting minorities from discriminations at work to the active promotion of a pluralist society in school and the support of innovative diversity projects.

Europe

At European level, diversity policies have converged in some regards and remain subject to different, but often complementary, approaches in other regards. There has been a relative increase of the degree of convergence with regards to EU anti-discrimination directives transposed into national laws. However, European quality data on equality, diversity and anti-discrimination policy impact remains scarce[2]. The examples presented in this article consist in a selection of exemplary laws, institutions and policy instruments in a non-exhaustive and non-comparitive manner.

European Diversity Charters: Numerous companies in several EU Member States have signed a written commitment to diversity. The charter can be signed by any kind of company and aims at combatting discrimination in the workplace, as well as establishing company cultures valuing diversity.

For more information, visit: <u>ec.europa.eu/justice/discrimination/diversity/charters/index_en.htm</u>

Sweden

With the constitutional change in 1974, some principles of multiculturalism were incorporated, preserving cultural and social practices of minorities. In 2008, a new Anti-Discrimination Act was passed. It replaced the Equal Opportunities Act and six other anti-discrimination laws. Besides combatting discrimination, the law guarantees the provision of social services, education, housing, basic goods and healthcare. Regarding education, the Swedish schools integrated cultural diversity to the curriculum in 1994 at high school level and in 1998 at primary school level. The Swedish government supports civil society organisations, such as financing women's organisations, ethnic or youth activities amongst others since 2001. With regards to gender equality, the Government has declared itself a feminist government, also devoted to a feminist foreign policy.

[2] European Commission Report on the transposition of EU anti-discrimination directives: <u>http://eur-lex.europa.eu/legal-con-tent/EN/TXT/PDF/?uri=CELEX:52014DC0002&from=EN</u>



Ledarna | CEC Member

Ledarna approaches diversity through a biannual update of its diversity plan, as well as antidiscrimination policies. Ledarna's diversity plan aims to secure that all work that all employees are being evaluated on should be based on their competence and individual accomplishment and not on their gender or other traits. Diversity should be a natural part of leadership at Ledarna. Its antivictimisation policy states that Ledarna does not tolerate any form of victimisation and that the manager is responsible of actively preventing any kind of victimisation, providing support to the victim.

- **Managers' Express** was a programme specially designed for immigrants with managerial experience, to give them the knowledge and tools necessary to move closer to jobs within their fields of competence. The four days program of intensive education, workshops and professional networking provides participants with the vital Swedish specifics for managers, entrepreneurial knowledge, hands-on career coaching, useful contacts with companies and recruitment firms. For more information, visit: <u>ledarna.se/managersexpress</u>.
- Ledarna also launched a **crash course** to rapidly improve knowledge about new competences, to broaden their perspectives and to inspire them to take relevant action.
- The Battle of the numbers project was a unique experience of major corporations who wanted to get more women into operative management positions. Instead of the management analysing how the company should work to attract, recruit, develop and retain more female talent and get them to operating and decision making roles, the participating companies made use of the best management consultants within this area – the women themselves.

<u>ledarna.se</u>

Italy

In Italy, the first laws against discriminations were introduced in 1970 and subsequently enlarged. Among others, namely : the law against racial, ethnic, religious, national or political discrimination (law 67/2006); the law (67/2006) for the protection of handicaped people ; dozens of laws for gender equality and the obligatory women quota of 20% for company boards (120/2011). The Renzi government has introduced civil unions for same sex couples and an obligatory information programme on diversity for companies. Italy currently spends about 3 billion euros on migrant welcoming policies. Around 8% of the population, 5 million people with a migration background, live in the country.

CIDA | CEC Member

CIDA understands diversity as a value constitutive basis for a constructive and inclusive society. CIDA actively promotes diversity internally and externally through its diversity advocacy.

• **Policy recommendations:** CIDA has been very active on various diversity policies, including the Mosca Law 120/2011 in which a lot of CIDA's recommendations have been integrated. The latter includes measures to support active ageing and women representation in Italian boards of companies. Furthermore, CIDA regularly organizes debates and promotes studies focusing on welfare. The personal development, is understood as a personal and community resource that has to be supported by respective empowering measures in education, health and social policies among others.

<u>cida.it</u>



Germany

Germany has got several laws concerning discrimination (at work) or for example introduced the quota for women in DAX 30 companies. The government is not planning any new laws concerning diversity at the moment, although equal pay and equal opportunities in the workplace are discussed. Besides the anti-discrimination laws overseen by the ombudsman (Antidiskriminierungsstelle), the German government promotes diversity through diversity management programmes. The Xenos programme, part of the national action plan of integration, supports measures fighting against discriminations and exclusion in the workplace, at school or in trainings. For public administrations, guidelines have been developed to increase diversity awareness and practice.

ULA | CEC Member

ULA promotes the values underlying diversity through its communication, the organisation of thematic debates and advocacy activities.

- **Diversity Awards:** The president of ULA, Dr. Roland Leroux, is member of the jury of the "Max-Spohr-Preis", an award for exemplary diversity programmes. The LGBT award is organised by ULA-member "Völklinger Kreis", the German gay managers network. For more information, visit (German): <u>vk-online.de</u>
- **EAF Berlin's diversity network:** Ludger Ramme, CEC president and ULA's executive director, is a member the advisory committee of EAF Berlin, another ULA-member association. EAF Berlin is an expert network that supports organisations in changing processes for more diversity in leadership. With innovative programs for personnel and organisational development, it supports managers and junior managers. In the past "women in leadership roles" has been the main focus of EAF Berlin. For more information, visit: <u>eaf-berlin.de</u>
- **Policy recommendations:** ULA has also included various diversity-related positions in its (forthcoming) recommendations to the political parties for their programs for the upcoming parliamentary elections in September 2017. ULA supports the idea of same-sex marriage. The existing civil partnership has in the past proven to be difficult also in the professional live of gay or lesbian managers from Germany, for example during foreign assignments in countries where samesex marriages already exist, and civil partnerships are not fully recognised. ULA also recommends specifying the principle of equal treatment in the German constitution (Article 3). The existing text does not include various relevant dimensions of diversity such as age or sexual orientation. ULA's recommendation is to adopt the broader catalogue of the EU charter of fundamental rights.

<u>ula.de</u>

BASF

Senior project Diversity + Inclusion: The chemical company BASF has initiated a project called "Senior Project Diversity + Inclusion (D+I)" since 2008. For BASF, D+I is one of the essential keys to business success and the well-being of their staff. For example, D+I training programs have been developed and introduced for senior managers in every region. All the business units are working together with the D+I team. Conferences and workshops are offered giving impulses.

For more information, visit: <u>basf.com/diversity</u>



Internal interest networks: BASF also has a variety of global and regional Employee Groups, which give staff the opportunity to network with colleagues with similar interests, backgrounds or fields of activity, as well as to share and expand their knowledge and skills and learn more about important markets and customers. Examples include the "Women in Business" (WIB) network, which aims to boost the recruitment, career development and employment of women and foster a leadership culture that supports those aims, the LGBT (Lesbian, Gay, Bisexual and Transgender) group, the network "Men for part-time" or regional networks such as the Afro-American or Latino employee groups in North America. In 2007, BASF was a signatory to the Diversity Charter (Charta der Vielfalt).

For more information, visit: <u>basf.com</u>

Deutsche Post

Diversity Council: Two years ago the German company Deutsche Post (DHL Group) has established an internal committee called the Diversity Council. The council is chaired by the Board Member for Human Resources and includes senior executives from the central functions and the divisions. This platform drives exchange across the organization, giving important insights into areas such as regional labor market trends and diversity initiatives within the divisions. The Diversity Council convened twice in the reporting year; topics included women in management and the diversity – of nationalities, for example – within management teams. Diversity Council members also function as advocates for diversity within their respective divisions. In addition to the Diversity Council, the company also has diversity management experts in place at the regional and country levels, which form the Diversity Core Team headed by Corporate Headquarters.

For more information on their diversity management, visit: <u>dpdhl.com</u>

France

Since 2011, all discriminations are overseen by the office of ombudsman, the Defender of Rights. Natural or legal persons can refer a case directly and free of charge. Every year, the Defender of Rights publishes a barometer on the perceived discrimination in the workplace (find the latest of February 2016 here). According to its annual report 2015, 54,3% of complaints are raised with regards to the workplace (e.g. employment discrimination or professional inequalities). In 2008 (27 May), France transposed the European anti-discrimination directive. Non-discrimination is guaranteed In the French labour code on the basis of the discrimination criteria identified in the law 2008-496, defining direct and indirect discriminations.

CFE-CGC | CEC Member

For CFE-CGC, diversity has to be encouraged through effective anti-discrimination measures that create the space in which people can develop. CFE-CGC promotes anti-discrimination training programmes for managers and staff; standartised job offers (adapted to context); the improvement of working conditions (e.g. ergonomic work place) and the communication of the socio-economic value of non-discrimination. CFE-CGC is in favour of using labels for non-discriminatory companies. These labels could increase the attractiveness of the employer and thereby attract more motivated staff leading to competitive advantages for the company. With regards to "affirmative action" policies, that certain actors call positive discrimination, the French juridictional framework does not allow for different treatments based on ethnic origins for instance, the only possible exception is made for people with disabilities with the obligation for them to constitute 6% of the staff. However, certain measures to correct imbalances with regards to inequalities can be taken, if not permanent.



AFMD (French association of diversity managers)

The AFMD mainly works on the evolution of managerial practices to improve trainings. Therefore, the association makes use of academic findings to support its research. The various publications allow to practically approach diversity issues in companies.

The publications can be downloaded on the following page: afmd.fr

The diversity label

The effective engagement of companies in diversity issues is guaranteed by a system verifying a certain number of criteria : a diagnosis and risk assessment of the anti-discrimination policies based on anti-discrimination law; the implementation of policies preventing discriminations and promoting diversity; awareness-raising trainings for internal communication; an assessment of the company's internal and external (clients, service providers etc.) diversity; the verification of the procedure and its evaluation. The label is a state certification provided by the AFNOR office.

For more information, you can read the AFMD guide on the diversity label: <u>afmd.fr/IMG/pdf/Guide_Label.pdf</u>

Denmark

Lederne | CEC Member

Lederne perceives diversity as the organisational capability to include talents and competencies regardless of gender, class, ethnicity, sexuality, religious belief, educational background and social background. It is the aim to create an organisational ability to include and utilize the talent and experience the individual brings to the table. As an organisation Lederne has a specific focus on gender diversity because there is an apparent lack of women in leadership that is not grounded in lack of experience or education. Danish women are better educated than men but that hasn't paved the way for significantly more women in management positions – in particular executive management.

lederne.dk





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