

Equal opportunities – a good or bad investment?

In talking about equal opportunities in company practice, we often come across the opinion that systems and tools for their support are too expensive. Many managers are also afraid of the related paperwork or demands on work organisation. Are these worries based on facts? Do equal opportunities cost a lot of time and money? It might seem that way at first sight. If so, why are companies - especially those which are noted for putting pressure on decreasing costs and increasing high labour productivity as well as process efficiency - engaged in them? Can they be, after all, investments which reward a company financially?

Equal opportunities as advertisement

You might say that a company owner who earns a lot of money can afford to spend more on advertising or on improving the company image. But is it not the opposite way around? Does advertising not bring an increase in profit, and is the return on the investment not based on the company's image? From the wide range of services and products of comparable quality available, customers often choose their favourite items depending on the attractiveness of a brand, and historically we know many examples in which a well-aimed advertising campaign has helped push an unknown company to the world's elite.

Nevertheless, there is a question as to whether the implementation of equal opportunity policies is enough to increase the popularity of a company among customers. Many companies are convinced that this is the case, given that emancipation and diversity play significant roles in the present workplace environment, and young people, in particular, accept them. Many years ago, the Benetton brand successfully speculated on this fact by filling its billboards with photographs of people with different skin colours hugging each other.

Some time ago, the Dove brand disturbed the still waters of cosmetic advertising by casting in its campaign nice well-proportioned women or elderly ladies instead of the usual anorexic beauties. In fact, the traditionally presented, unreachable ideal most likely irritates many customers. Most women want to feel attractive regardless of some wrinkles or being overweight.

Tailor-made product

There are also some examples of companies which have based not only their advertising campaign on the idea of equal opportunities but also the development of a product itself. One of the most interesting examples is a project called “Your Concept Car” – abbreviated YCC – from the Volvo company. In the beginning, there was an idea to create a car primarily focused on the fastest growing group of customers: modern and successful women. To make it really “tailor-made”, its development was prepared exclusively by a team consisting of women who, in addition, collected opinions, experience and comments from another 400 female employees of Volvo. The effort was worthwhile as they managed to design a car which due to an array of well-considered details is significantly more comfortable to use - not only for women. *“After its premiere in Geneva, we gave 200 interviews a day,”* notes Camilla Palmertz, the project manager, describing the enormous interest raised by the new car.

Do you think of YCC as a small and cute car? Wrong! That is how a typical “second” family car, mainly for housewives to do their shopping or take their children to a nearby school, would have looked like before. But the role of women is changing. When the car was revealed at the trade fair in Geneva last year, many people were surprised that it was obviously a sports car. Camilla Palmertz explains: *“Today's women are different than 20 – 30 years ago. They have children later and combine family with their career. They also stay active longer. Moreover, the time when children are small represents quite a short period of life. YCC must reflect the active lifestyle of today's women. It must match the customers' requirements in a long-term perspective.”*

Diverse teams are more efficient

The YCC project would never have been realized if the Volvo Car company had not been able to set up a purely female team of top specialists and to trust them when working on the development of the new product. As you can see from this example, women are starting to gain important positions in a previously traditional man’s world such as car manufacturing. Many organisations try to actively support talented women in their career growth so that their share in the management grows on a long-term basis. On the other hand, in a typically female sector, e.g. education, we are noticing an effort to attract as many men as possible.

This development is only logical. Most people agree that it is better to work in a mixed team than in a group consisting only of women or men. The diversity of a working group not only

contributes to making the individual feel better, it also has an important positive influence on the entire work performance. This was convincingly proven by Meredith Belbin, one of the main authorities on team management of the last century, when he defined eight basic roles necessary for an ideal work performance within a team. He supported his opinion with results from a long-term evaluation of hundreds of working groups, from which it clearly resulted that diverse teams were significantly more successful than teams consisting of similar individuals (e.g. of leading figures or of analysts) when solving an identical task.

The right choice is important

Every project means an array of different steps for which individuals with different talents and temperaments are needed. Gabriela Kotoučová, the HR manager of the Conco Phillips company, says: *"In addition to qualifications, managers should also consider personal skills and qualities of the candidates at recruitment. They should consider which people are missing in their department and should not create "monochromatic" teams where subordinates are little carbon copies of their boss. This might seem like the easier option because it is easier for them to communicate with similar individuals, but later they will be missing some important skills in their team. In these situations, it happens that a poor performance of a department retards the whole company."*

But how to recognize which candidates have the required skills? A normal interview based on a CV is considered quite unreliable by experienced HR professionals. It provides ample room to job applicants for contortion and camouflage of facts and, on the other hand, for managers to perform a shallow assessment of people through their own prejudices and stereotypes. In organisations with sophisticated HR processes, practical and psychological tests and assessment centres or special accomplished interviews are primarily preferred. Does it pay to invest in these methods? *"Certainly. These processes are not more demanding in regard to time, and if the people who manage the recruitment are well-trained, many things can be carried out internally. Nevertheless, a wrong choice costs a lot more time and money, and, moreover, there is a threat of a motivation loss for the current employees. For managerial positions especially, it is recommended not to take this kind of a risk,"* Gabriela Kotoučová advises.

Diversity requires good management

Creation of diverse teams, where people of different age, background, ideal and approach to work cooperate, puts high demands on the organisational skills of a manager - not only in terms

of communication and solution of conflicts but also in terms of ability to vindicate his/her leading role. If the manager wants to keep his/her control over subordinates who are significantly different or even surpass the manager in some ways, the subordinates must be motivated to earn appreciation and respect. This is also similar among colleagues in the same position.

Situations in which traditional schemes are affected are particularly demanding, e.g. when a young manager leads much older subordinates or when a woman leads men. *“Not every boss manages such a problem,”* points out Tomáš Hajzler, the managing partner of the PeopleComm company which offers manager training. *“Weak or juvenile managers are usually tougher in giving directive decisions or possibly dismiss the main “rebels” (who are usually the most assertive and, therefore, the most capable personalities of the team). Unfortunately, they sometimes cut the very branch on which they sit by doing so: their results also depend on their subordinates’ qualities.”*

In addition, flexible work forms (e.g. working from home, flexible working hours, part-time or alternative workload, etc.), which organisations focusing on diversity usually offer their employees, require higher managerial attention, mainly regarding organisation and activity planning. And, not only that, leading a team whose members often work outside the office demonstrates a manager’s abilities with respect to motivation, supervision and transmission of information. We can conclude that companies which deliberately focus on diversity and equal opportunities must hire and train better managers. And this again has a positive impact on the entire organisational performance.

Diversity as a competitive advantage at recruitment

Let’s go back for a while to equal opportunities as good advertisement, namely in connection with recruitment. You might have noticed that some companies like to highlight in their advertisements, as well as on other occasions, that they are employers who welcome diversity and equality. These organisations are usually focused on the coordination of personal and professional life and, in addition to a flexible and part-time workload or working from home, they also offer different family-focused benefits, e.g. a nursery or kindergarten in the workplace, benefits for babysitting, or care of disabled people, etc.

Can they attract more top candidates? Of course, they can! There is an array of excellent professionals who need certain accommodation from their employer because of their temporary

family or other personal situation. If they cannot find this in their current organisation, they go somewhere else. And, most likely, they stay there, even when their situation changes and they are able to work standard working hours again. So, keep in mind that not only the employer, but also the job applicants make a choice as the environment and the people they will work with are important to them.

Paki Holvander, the diversity manager of Norrtälje, the Swedish local authority, says: *“Focusing on diversity is for us, among other things, a way to make work in our town district more attractive for young people. The average age of our employees is too high. We need more young people with fresh, new ideas. But nowadays these people do not look for security and calm, the aspects on which the public sector builds its attractiveness. On the contrary, they are interested in dynamic and varied companies where many things happen and where they can learn new things quickly. If we want to succeed among competitors in the labour market, we must have something to offer.”*

Practical example

However, can the contribution of implementation of equal opportunities be concretely expressed in numbers? Of course it can, if we set concrete input and output data, as in the following example from a company which let us to have a look at its processes but did not want to disclose its name. It was an organisation which in practice managed to remove the so-called “glass ceiling”, i.e. a barrier for the career growth of talented women. The problem concerned the lowest organisational level with approximately 500 employees, mainly young women with secondary education and short experience. They were doing quite stereotypical and financially poorly rewarded work and therefore were interested in better positions. Nevertheless, whenever the company was seeking a candidate for a senior position throughout the year, an external one was always chosen.

The human resources department decided to intervene in the problem. *“It seemed impossible to us not to find at least one suitable applicant – a woman – among almost five hundred administrators for a junior manager position,”* the personnel manager of the company said, describing the situation. *“Therefore, we initiated a project which aimed at increasing their chances of advancement. With the help of an assessment centre, ten talented women who passed a complete yearlong training programme were chosen. The result exceeded our expectations: all the chosen employees got interesting positions at higher levels on the company ladder!”*

And a concrete financial benefit? The total saving of costs for the recruitment was expressed in numbers as 650 000 crowns per year. In part, this was taken from the need for external advertising for higher managerial positions, and also from the costs for recruitment of administrators, thanks to a significant reduction of fluctuation, because people at the lowest managerial level realised that there is room for career growth within the company. The new costs of the project amounted to only 150 000 crowns for an external assessment centre; otherwise, the entire educational programme was carried out internally through participation of line managers and personnel professionals. *"We do not express their time in numbers here because it was also saved thanks to the recruitment volume. In total, we saved half a million crowns per year and, moreover, we managed to increase the motivation of employees at the ground level,"* the personnel manager concludes.

Return of investments in equal opportunities

As we can see from the examples given above, big financial investments or enhanced paperwork are not so important for improving company processes in the support of diversity and equality, but rather personal energy and an effort to change things for better. It is necessary to take into account the fact that people's thinking does not change from day to day and, therefore, it takes a lot of time to explain the contribution of the changes implemented (e.g. more difficult methods of recruitment and selection) or to implement the practical training of managers in how to handle the new processes.

The invested time is returned in the form of smoother and better functioning of processes. As Patricia Hewitt, the British Minister of Finance, says, *"Equal opportunities are not only a matter of political tact but a matter of common business sense."* Organisations which want to achieve quality results on a long-term basis should definitely pay attention to them.