# **EQUAL OPPORTUNITIES – VALUE OR ILLUSION?**

### Renáta Machová - Andrea Bencsik – Zsuzsanna Tóth

#### **Abstract**

The aim of the research was to analyse discrimination, namely discrimination in a workplace. Labour market, respectively working sphere of human life is one of the areas, where equality issues, particularly gender equality is still intensively resonates in the current period, especially in a European dimension. Directly related to the support of the principle of gender equality, non-discrimination and equal opportunities. The area of harmonization of work and family is part of business support training, professional and career development of employees. After a short introduction of the related theoretical background, a corporate case study is used to analyse concrete discrimination cases. This is followed by the description of negative impacts of discrimination on staff behaviour, staff efficiency and corporate performance. The field research is based on qualitative and quantitative surveys which were conducted among all employees and the HR manager of a selected business. The questions aimed to find out how employees perceive cases of discrimination at their workplace and what they do against it if they do so at all. The results of the research are presented in the study below.

**Key words:** employees, discrimination, equality of opportunity

**JEL Code:** M12, M14, O15, M51, M54

#### Introduction

The term discrimination means injustice that occurs in different communities of the society which affects a particular individual or a group, and the judgement is made up of discriminatory features. Although discrimination can manifest itself in a positive way, explicitly or implicitly as well, in terms of our study the former gets an emphatic role.

Discrimination in different human groups has been observed since the beginning of the development of mankind. Each age tried to eliminate this bad behaviour with its religious, political and legal strives, but until now unfortunately with no success. The European Union – by number of measures, decisions and rules, is trying to terminate the manifestations of negative and reprehensible human behaviour. That is why it is important to examine how the

phenomenon of discrimination occurs in the practice of organizations, and whether the competent leaders try to eliminate this phenomenon. We think that in the 21st century behaviour, mind and attitude have to be changed so that this phenomenon, which started to develop in the initial period of the history of the society, could be terminated and eliminated. This change is possible only with mutual cooperation between people, unconditional acceptance and effort. The pillars of democracy are to achieve the full equality in society. In the world of constant challenges globalization, technical development and the growing level of demands in all sectors of the economy formulate new and more difficult expectations for employees. Because of this more and more often the candidates for employment are less successful in the labour market because of their age, sex, race, educational level etc. We can rarely find people who have not been victims of some unworthy discrimination, and have not been given the opportunity to prove because of their age, gender or other qualities. We believe that companies should take a series of measures to suppress the phenomenon of discrimination. Transformation of the organizational culture is essential to succeed, particularly to manage this phenomenon's immediate recognition and the possibility of its solution as a central problem.

# 1 The theoretical background of discrimination and historical overview of equality

"Discrimination is an approach that leads to unreasonable distinction, in the context of the enjoyment of fundamental rights. This definition has three elements. These are: the negative impact of discrimination on the person, this effect is due to the distinction, and the distinction is unreasonable and not justifiable ". (Kende, 2005, p. 275) In daily life, it can manifest as a prejudiced speech, text, sarcastic jokes, gestures, wrong approach, or lack of approach, unreasonable aloofness, mockery and even humiliation. (Gyulavári, Könczei, 2000) The primary meaning of workplace discrimination is differential treatment that is someone is treated differently in the application or in the determination of working conditions with less favourable conditions and higher expectations compared with an employee with the same qualification, professional knowledge and experience. This discrimination may be open, but in most cases it is hidden and that is why it is difficult to identify.

According to Gábor Kertesi, employers' behaviour is discriminatory in the labour market if the employee with the same productivity and ''quality'' is treated in different ways by employers.

The Bible says that people are equal in birth, death and sin. In the primitive communal society all people were equal. Everyone had the same role in gaining food and it's sharing between each other. In the subsequent development a new type of discrimination emerged, which missed any rational basis, and which discriminated individuals on the basis of their personal aptitude and qualities. According to Aristotle, rightful is something that is legal and rightful, which is fair and equitable. Similar situations should be treated similarly and different situations should be treated differently in accordance with the difference. (Aristotle, 1997). Slow changes with the motto 'liberty, equality, fraternity' did not eliminate the social differences based on material differences, and the state was forced to provide various benefits to certain underprivileged groups. From the last third of the 19th century, the concept of equality has been expanded with social content. In the 20th century mainly two conflicting ideologies debated. The civil constitution intended to solve the inequalities arising from material inequalities with correction mechanisms, while representatives of the socialist ideology supported the abolition of differences in wealth, the expropriation of private property, and socialization. The most well-known historical examples of discrimination are the racial discrimination against blacks that took place in the nineteenth and the twentieth centuries, or the persecution of Jews. Both of these examples represent the peak of intolerance, but throughout history many other examples can be lined up. The Universal Declaration of Human Rights, adopted by the UN in 1948, states: "Everyone is entitled to all the rights and freedoms set forth in this Declaration, without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status." The third statutes, signed by the Council of Europe in 1949, obliged the member states to respect the human rights and fundamental freedom. In 1950 the European Convention on Human Rights was created, which misses any criterions by which discrimination could be assessed. Therefore, to determine whether there has been an infringement, it relies on the Strasbourg European Court of Human Rights. In 1966 International Covenant on Civil and Political Rights published a general rule of equality which prohibits discrimination of any kind, and it also requires legal protection by the signatory states of the Health Act.

A number of legal aid institutions, measures, laws - United Nations Commission on Human Rights, the International Covenant on Civil and Political Rights, the European Court of Justice, the EU's Treaty of Amsterdam, etc. – are trying to keep watch over trustworthiness.(Sickle, Gyulavári, 2000) (Gyulavári, Könczei, 2000) (Mura, Rózsa, 2013)

## 2 The appearance of discrimination in corporate practice

The aim of the research is to present the duality of corporate interests, namely the confrontation of the desire to achieve thrift, profitability, and legal standards for human resources. With the results of the tests, making it available for the leadership, we would like to draw attention to the need for measures which may represent a positive shift.

#### 2.1 Methodology of the research

The survey is based on a quantitative method, namely it is based on a questionnaire based survey. This provides us a comprehensive overview of a company's practices, problems and reactions to them given by leadership. The questionnaire consisted of 16 questions, which were typically closed-type questions, but in some cases options were given to express their own opinions freely.

The sampling unit exclusively consisted of the examined company's employees. With the consent of the company's management all employees received the questionnaires. We could evaluate 318 questionnaires. This research could be considered as a 'waiting room' for further investigation, which enables the formulation of general conclusions.

#### 2.2. Presentation of the audited organization and results of the research

The subject of the study is the subsidiary of a leather company, which was established with foreign ownership in the form of Limited Liability Company. Among their clients both individuals and companies can be found from all ages and social classes. Its location is logistically very favourable. It can be found in the junction of several main roads and highway access is provided as well. Foreign investors' decision was heavily influenced by the closeness of the airport. The company has more than 500 employees, which in recent years has increased by more than 30% compared to the year of the start.

The organizational structure of the subsidiary has a simple functional design that serves the successful operation of existing processes. Local management is responsible for the operation of the area controlled by them, but the company's strategy is determined by the foreign parent company. In the beginning the company's top management were only foreign owners. Today only national managers and employees participate in the activities of the organization. The company's domestic market perception is not the best, but in the home country and abroad its popularity is undiminished, which is due to the decades of experience

that follows the latest trends. To create the correct corporate image, a short description of the company's HR activities is needed which foreshadows the value judgement regarding the management of the staff. Company's executives admit that knowledge and human resources have become the key factors of business success. Human resource is revalued, and its expression can be observed in the corporate culture. We examined the possibility of discrimination based on the assessment of the most typical factors. These have been revealed during the activities of human resource management, namely to ensure human resources, waging and promotion, evaluation, development, career planning. In order to handle shortages of labour force, recruitment and selection procedures of new employees are not regulated, and rules of the application are in accordance with the Labour Code.

The company provides the necessary labour force based on real needs. The number of employees is approved by the executive officer with the strategic goals in mind. In case of a job vacancy or creating a new job they consider the options which can solve the emerging needs: job redesign, relocation, job enrichment and job enlargement. The documentation proves that sometimes the needs are often responded with overtime. They try to solve the majority of job vacancies from corporate sources. They analyse the areas where there is surplus of labour, or where the outplacement will not cause any problems. They often use the option of 'rotation' when the employees are obliged to fill a position within a department or in other departments. In this way the flexible workforce may substitute a colleague at any time. Employees gain more insight into the processes, gain more knowledge and advantages which strengthen their position in the business. The fixed-term employment contract and labour hire have been the most common forms of employment recently. Manning-requirement is solved with the employment of wage-workers as part of the current strategy. To manage seasonal fluctuations student workers are being employed during school holidays. If the company relies on external sources, in the first round it selects on the basis of the applications received.

**Tab. 1: Employee Selection Methods** 

| Frequency of the application of selection methods |                            |    |
|---|----------------------------|----|
| Order   | Method                     | %  |
| 1.  | CV                         | 65 |
| 2.  | Personal interview         | 19 |
| 3.  | References given by others | 9  |
| 4.  | Telephone interview        | 4  |
| 5.  | Employee recommendation    | 3  |

Altogether 100

Source: Author's own research

Selection of necessary employees - for positions which do not require specific knowledge, skills or qualifications - is carried out by the staff of HR, after identifying the necessary skills for the job. Applicants seeking jobs with more demanding workload and higher expectations are chosen by professional directors on the basis of personal interviews. Candidates are assessed on the basis of both personality characteristics and professional competencies. There are no multi-stage selection procedures, psychological, personality and eligibility tests or other testing methods. Their database is large, and they rarely need advertising. In our investigation this was the phase of work where we experienced discrimination for the first time. During the last major recruitment only men were selected. In general, with few exceptions, there are no women at top management. What is the reason? The answer can be found in the parent company's corporate strategy which has an impact on the whole company.

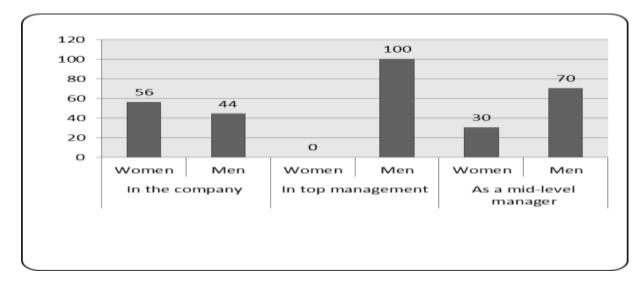


Fig. 1: Proportion of men and women at different levels of the company

Source: Author's own research based on company dates

Typical female positions on the level of middle management are payroll accountants and managers of dressmakers. If the company is monitored from the perspective of women and families, a series of failures can be found. The leadership of the company distanced itself from part-time and flexible employment of the workers with small children, and what is more, in case of overtime the dual role of mothers is not taken into account. The only positive point

is the family assistance program to support summer camps. This is provided every year for applicants.

51-62 41-50 31-40 21-30 17-20 0 20 40 60 80 100

Fig. 2: Age groups in the company

Source: Author's own research based on company dates

We examined the age division of employees in the organization. 70% of employees were under 40. This can also be regarded as a discriminatory step. From the perspective of discrimination it is important to see if the person is a man or a woman. It is important not only because of the physical and psychological diversity, but because from the two most well-known areas of discrimination, discrimination against women is the biggest and most painful area.

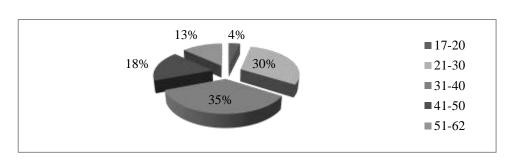


Fig. 3: Composition by age

Source: Author's own research

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known areas of discrimination, discrimination against women is the biggest and most painful area. The tendency is that employees between the ages of 21 and 40 are preferred by the company. This is the great majority of 65%, while it is a known fact that European societies are struggling with the problem of aging. Two age groups should be emphasized: the young and the older age groups. Only 4% of employees are entrants. Employment of older people -13% - is explained with several factors. (More common health problems, older people cannot always keep up with the rapidly developing technology, their working capacity is lower.) The question is whether these problems are real or just prejudices. It can be seen in the company, that employees being afraid of dismissal do not visit their doctors with health problems. They often work when they are ill, and they ask for medical help just when severe complications occur. This raises another problem, since the neglected or delayed assistance can have serious consequences. (For example, if we have a look at the company's health statistics, the number of miscarriages and cases of cancer is really high.) Due to the above presented age composition; the most productive age group took part in our research. On the one hand it is very gratifying because we could get information from employees who are de facto active; on the other hand, we could not get to know the opinion of the most discriminated people in the company.

2%
2%

age discrimination
age discrimination
racial and ethnic discrimination
religious discrimination
political discrimination
other

Fig. 4: Manifestations of discrimination faced by respondents

Source: Author's own research

Two particularly sensitive areas can be seen on the graph: one of them is discrimination against women (41%) and age discrimination (22%). Category of other is high (17%). Some of the reasons that were mentioned: rumour, education, family, rural

background, did his/her job too well what others do not appreciate etc... The greatest abuses (44%) have happened in the workplace, followed by offenses during enrolment (21%). Injustice that occurs in opportunities of training has been a problem for 15% of employees. 12% of the employees resent lack of promotion which originates in equal opportunities.

■ during enrolment

15%
■ in the workplace
■ when promoted
■ decision-making of professional trainings
■ other

Fig. 5: Manifestations of the form of discrimination

Source: Author's own research

The majority of respondents (57%) suffer discriminatory behaviour from their colleagues, followed by problems arising from superiors (39%). This fact proves that discrimination is a social problem.

Another important question is whether the differential treatment has an impact on the work and performance of people. The answers were:

According to 29% of the respondents the discriminatory treatment did not influence their work and behaviour. 34% of the respondents said that although they were under the influence of happenings, they could not afford their performance to deteriorate. 15% of respondents indicated that their performance deteriorated significantly, while 22% of respondents said that their performance deteriorated just a little.

As anyone can become a victim of discrimination, it is worth to consider not only the direct impact on performance at work, but the long term psychological consequences that can cause problems. Anyone can have a strong personality, anyone can be able to defend himself/herself publicly as well, we cannot be sure that behind the hard personality there is no psychological

damage. Only 6% of the respondents answered that discrimination did not influence him/her significantly. Respondents marked the options in the following proportion: 30% anxiety, 24% nervousness, while 29% felt sadness. 11% of respondents had serious psychosomatic symptoms (apathy, depression, etc.). It can be seen that the appearance of discrimination in the workplace communities can later cause serious mental and physical problems, so we asked what is the reason that the majority did not ask for legal or other advice. The result is not surprising. 56% of them are afraid of losing their jobs, while 35% of them are afraid of other punishments (revenge of staff, losing benefits, etc). 9% of them were uninterested.

The last question of the questionnaire was left open, and we were curious to see what possibilities the respondents consider as the elimination of discrimination. The following answers were received, which are not fully shown:

- ✓ People of similar age, education and standard of living should be accepted for similar positions
- ✓ Certain authorities should pay more attention to discrimination
- ✓ Unfortunately, I see no concrete chance to eliminate discrimination.
- ✓ We should not pre-judge people just in case we are aware of other person's abilities.
- ✓ The boss should treat everyone in the same way.
- ✓ If my performance proves that although my qualification is not sufficient for my position, I am still a good employee, and it is possible that my experience worth more than the graduate colleagues'.
- ✓ It is a question of attitude. Unfortunately, people do not admit that everyone has flaws ... (they must tolerate the other)
- ✓ If a company certainly protected the employees. I have not seen the signals so far.

  Maybe if they do not let the workers to be intimidated.
- ✓ Greater self-esteem and knowledge regarding my rights.
- ✓ Unfortunately, this is genetically coded in humans. Great will power is necessary to change this.
- ✓ Positive communication between employees and between employees and supervisors.
- ✓ People's thinking should change, to eliminate corruption, positive changes in workplace.

The principle of equal treatment in the workplace is rooted in the idea that all members of the human community are entitled to equal respect and concern. However, the law alone cannot eliminate the centuries-old prejudices. Most of the violations against

employees do not turn out, cases of discrimination are not made public and people try to get over these kinds of problems. This does not mean that there are no such problems, or we do not have to deal with them.

#### Conclusion

As a condition for joining the European Union on the basis of the rules for the acceding countries, harmonization of the law had to be fulfilled. This was a difficult task for all of Eastern - Central - European country. One of the tasks was to ensure equal opportunities for individuals living in different social situations, living conditions, and for individuals and groups with different characteristics. In our study, we could not obtain a complete picture, but the results of the survey reflect the clinical picture, which classifies all that has been achieved and anticipates the tasks yet to be implemented. Besides economic growth, higher standard of living and the problem of satisfying the needs of labour, elimination of workplace discrimination seems to take a back seat. We think that equality in the workplace has not yet come. The Equality Act requires from companies and individuals the officially acceptable forms of behaviour, but the members of the society can be persuaded to recognize the values and observe the rules just with a long-term change of values, and to accept the moral and ethical standards. New challenges in the economy can be faced only with stable and wellestablished social norms. Laws have been formulated to eliminate discrimination, but our experience shows that in our everyday lives and corporate practice only formal equality can be found.

The test results confirmed the evidence of discriminatory acts associated with chances of women's employment, appreciation at work, career opportunities, workers' age and gender. The study also answered the question why there are no legal processes to solve these kinds of problems. People are scared and worry about their jobs and living, so they rather tolerate these problems. The question is whether it is right. Is it worth to work with under-motivated, depressed, cramped and introverted employees and trying to squeeze performance? Could this be otherwise? If so, how? In our further study we try to find the answer whether managements of companies perceive these problems and how they experience them, what is being done to prevent them, and if they expect success in this area. Do they want or can they form such a community and culture where trust, ethics, moral values and mutual appreciation are dominant, and business results are built on these principles. More test results will be presented in our subsequent paper.

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