When French companies hesitate to go beyond good intentions and charters concerning diversity management...

"During the week, Khalid, a consultant, is 'spotless': 'I've got my son's photo on the desk, I wear Italian ties and drive an Audi. I do like all the managers around me (...)' At work, he rarely talks about his private life, except to a small circle of colleagues, and never mentions the association he's involved in, which promotes the advancement of the young disaffected from the suburbs. He avoids speaking Arabic in the office. When his mother calls him, he disappears." (S. ERBA, <u>Une France pluriculturelle</u>). (1)

Evalde MUTABAZI (2) Philippe PIERRE (3)

Today's global capitalism differs from its historical precedents in the existence of enormous multinational businesses implanted in hundreds of countries, all making effective use of information technology and high-speed transportation. This form of capitalism is a completely new development (4) and seeks increasingly to integrate social and ethical aspects in the operational rules of its players, reinforcing the image of ever greater openness to the world beyond (5). In the United States, the Dow Jones Sustainability Stoxx index ranks the most efficient businesses according to their respect for the environment, safety – and diversity (6).

In France the tendency is so marked that we can now see a transfer of a certain number of social problems from the State to the domain of business. Fighting discrimination was traditionally the prerogative of the former, along with various militant individual or associative initiatives, but this is no longer the case. Beyond the establishment of a "contract of and integration" and welcome its engagement against discrimination, the State is increasingly leaving the way open for business to self-regulate and experiment. In the opinion of the authors, February 2005's Governmental Conference on Equal Opportunity supported trades union and business initiatives against discrimination while at the same time minimising the State's own direct mobilisation as employer (over and above its communication campaigns on the issue of diversity) (7).

On both sides of the Atlantic, the issue of diversity, the struggle against discrimination and the social responsibility of business is hot news; 11 million French people admit they have refused to purchase a product for "moral reasons"; employers say they are paying ever more attention to reconciling personal and professional life, so as not to penalise women (and an increasing number of men) on account of their role in the family; flexible working hours, job sharing, working from home, special leaves of absence and "timely" retirement are all tools used to favour diversity and its management.

Motivations behind the Diversity Management Policy

As outlined by 2004's Diversity Charter, Diversity Management is defined as concerning professional equality between men and women, diversity of origins and age and the integration of the disabled. Diversity Management actions, which have crossed the Atlantic, seek to enhance performance, supposedly allowing business to optimise its skills management, feed its capacity for innovation and adaptation to the environment, and consolidate its image, both within the business itself and beyond.

2007 is the year of equal opportunity for all; 3000 French companies are expected to sign up to the Diversity Charter launched in 2004, as well as to a national interprofessional agreement relating to diversity in business. This was signed in mid-February 2007 by management and unions and encourages rather than constrains businesses to fight against 17 types of discrimination recognised in France.

Linked to the history of "globalised" company development, Diversity Management Policy in France has, in terms of concrete action, been characterised by its varied and often inflated inventory of the parameters of the problem and the criteria according to which progress in the matter is to be assessed (9). Some of the motivations behind Diversity Management Policy stem from an increasing diversity at both the client and supplier level, and a need on the part of the company to adapt to it without hesitation(10). Others focus on labour sources that need to grow in number (age, and particularly "seniors", the presence of women in management positions (11), social origins, qualifications attained). Other motivations are more logical in terms of evident anti-discrimination (people coming from "visible minorities", or victims of exclusion on the grounds of religion, sexual orientation, weight or disability...). Others still are linked to the performance of diversified teams - seeking to accumulate know-how, capitalise on the experience of employees of all origins, enliven or extend professional career paths and encourage certain forms of mixity - teams which at times are developed from a distance and within which it is appropriate to promote unexploited skills and favour the exchange of knowledge and expertise in organisations that seek to develop as a network.

Regarding Diversity Management policy on an international scale, A. CORNET and C. DELHAYE make a distinction between transformations seeking gains in efficiency (notably in team dynamics and personnel involvement) as opposed to effectiveness (particularly in enlarging the client / user base and the improvement of the services offered). (12)

The "drawer" definition of the concept of "diversity" and the risk of "confusionism"

Such policies, in France as in many other countries, seek to integrate a key element: to succeed greater, they must be a reflection of the company, its clients and suppliers. Is this reflection to be understood as a strict statistical breakdown with regard to a pool of specific jobs, or more simply as an "approximate" reality, making diversity a "borderline concept"? What are we to make of the ambitious scope of Diversity Management Policies aimed at selecting, recruiting and securing the loyalty of individuals from a wider talent pool, reducing personnel rotation costs and absenteeism, increasing flexibility, reactivity and involvement of personnel, enhancing their capacities of creativity and innovation, better understanding different cultures, client needs and expectations, facilitating the development of marketing strategies, products and services, improving brand image in the eyes of external players, and creating of new opportunities for under-represented groups, thereby contributing to greater social cohesion?

It is appropriate to underline the ambiguity of the notion of diversity in French business today. The title "Diversity Manager" itself is open to numerous interpretations, due to the vague nature of the concept of diversity itself, not to mention the various different integration procedures in effect in the domain of social responsibility of each company (13). There is however a certain unity of discourse based on the fact that business has to be "in phase" with the society it is evolving in, which means reflecting its statistical breakdown in terms of gender, age, ethnic origin and religion (14). An increasing number of recruiting and training organisations are directly concerned with Diversity Promotion and, more or less specialising in the subject, relay to a large extent the unity of the discourse. It should also be added that France is supposed to have devised its own model - one hears more and more of a specifically French "positive discrimination", while Anglo-Saxon solutions seem to have been rejected, as exemplified by 2004's PSA "Diversity Agreement" which speaks of "not leading to an individuation of social relations, nor to communitarianism."

4 Policies of Diversity Management:

In the current practice of large French companies, particularly the attitudes of their top managers, one can identify a first, small – and getting smaller – group of directors and HR managers who are manifestly not interested in diversity policies, preferring instead to wait and see what will develop with their fellow players before "acting" themselves in favour of diversity.

In the second group, but on the first level, we observe practices whose goal is compliance with existing norms and conformity with the law. The essential is not to discriminate and respect legal constraints (15). In such companies, HR managers are well aware of the risks of what sociologists "faceism" (entrusting a position to someone of attractive appearance) or "youthism" (putting forward younger candidates without taking into consideration the potential of older employees, thereby contributing to the decline in employment of men between the age of 55 and 64 – down from 73% in 1971 to just 41.4% in 2001), and make every effort to ensure that skill counts for more than age or mere physical appearance. The literature of such companies, for example, disapproves of not offering training to the over-50s on the grounds that it is a "useless" investment. But actually doing so is another matter. Such companies invest in training that seeks to explain the legal position to as many of their employees as possible, primarily those in direct contact with the public. In this respect, the complaints received over the years by the HALDE and the decisions they have given rise to have led to the setting up of a doctrine - still too narrow in scope and little known, but useful nonetheless - whose mission is to inspire not only the legal but also the social and economic key players.

On this second level, we find "communicating" businesses who clearly state their "social engagement", revealing what one might call their "paper identities" by, for example, putting photographs of their directors into their Annual Reports and on their websites, taking care to "overexpose" those they consider as both "minority" and "director". As if having previously turned a blind eye to reality, we are now supposed to turn a blind eye to the overexposure of such alleged differences! It is less a question of naming the problem one is dealing with, and more one of simply showing it, as an image; it is not infrequent to see women in management positions used as a kind of alibi, photographed alone in the midst of a male environment to emphasise their exceptional status.

How, at the almost planetary level capitalism has reached today, are we to account for the success of diversity as a media phenomenon? One explanation, paradoxical though it may seem, is that the issue of race, which had long been used by reactionary political parties as a means of dividing populations, is now becoming a unifying factor. Fighting discrimination, entirely justified cause that it is, has become an excellent selling point. Is is that, in the consumer product marketplace, diversity evokes symbols that are more universal, that transcend national frameworks? In France, the interest in diversity also relates to the alteration of traditional parameters of sovereignty — territory and boundaries are now defined at a European level, the Franc has disappeared in favour of the Euro, military service has been abolished — all of which call national unity into question. The tryptic "Nation, Reason,

Civilisation" has given way instead to "Democracy, Identity, Integration" (16). Marking the end of the colonial period and the projection of France beyond her own borders, the peace signed at the end of the Algerian War was also the opportunity for France to confront herself and her children.

On a third level, some companies are seeking to integrate into their HR policy actions related to diversity which are evaluated and used as the basis of medium term partnerships with associations, consultants and recruiters. Often valued in communication, diversity is now a means to observe concrete facts relating to "process": establishing Diversity Training, appointing of Diversity Managers or Committees, signing agreements with unions pertaining to some or all of the selected criteria (age, access to employment, balance between professional and personal life...), the practice of "job sharing", i.e. sharing a position between two employees, often women each working three days a week.

The banner of diversity is wide indeed. Companies seek to open their doors to young graduates from deprived backgrounds and of immigrant origin as a means of countering accusations of racism by following guidelines supposedly guaranteed to be non-discriminatory. For such young people, these enterprises may indeed provide hope of a way out of their current social and professional predicament, though tacit exclusion linked to the colour of their skin or ethnic origin is not always ruled out once a few months have gone by. For various reasons, equality with their French counterparts in terms of skill and performance is in effect not always guaranteed, and one can speak of "apparent integration" that these companies will seek to combat, or not, as the case may be.

Both management and union representatives are also well aware that another factor militating in favour of diversity is demographic, given that French business is already facing the problem of early retirement and a labour shortage at managerial level. Diversity is not merely a question of compassion but of economic and social interest to the company! One can cite the example of "PSA, where 50,000 tracts have been distributed describing the rights of recourse of workers subject to discrimination. An email address has been set up so that workers can signal examples to the company's Discrimination Tsar." (17)

Business, as both a player in and a reflection of global society, has to deal with some unencouraging statistics: in 2006, only 163 disabled students out of a total of 39,000 were admitted to the preparatory classes of the "Grandes Écoles"; the State employs just under 4% of disabled workers instead of the 6% imposed by law (in the Primer Minister's own personal staff the figure stands at just 1.43%!). Moreover, being of minority origin is considered as being a disadvantage by three quarters of the French, as opposed to the European average of 62%.

On the fourth level of practices observed over a period of ten years in French-based companies, diversity is perceived as an issue of company strategy, and is said to be "integrated" into the objectives regularly assessed by the management, implying that a charter is to be displayed, and an agreement applied. Among various measures of "inclusion", one finds, for example, pro-parental support for company employees, the development of facilities such as company crèches, along with the adaptation of the rules to favour the hiring of the wheelchair-bound or hard of hearing. Areva, for instance, has set up a programmed entitled "Forma Diff - Different Training From Different People", which seeks to improve relations and create dialogue between disabled and nondisabled employees; in the course of a daylong training session from handicapped instructors, workers themselves encounter the world of disability, are informed on the subject of deficiency and disability, analyse the perceptions linked to disability and the disabled, and participate in role plays, such as following an obstacle course in a wheelchair or blindfold with a white stick accompanied by a blind guide. Companies such as Accor, Casino and PSA have also committed themselves to providing statistics on recruitment of candidates from deprived backgrounds, since existing social surveys do not reveal the real or supposed origin of the workforce other than their nationality, gender, and occupation. The objective is to enhance the performative role of statistics. For HR managers it is often hard to pinpoint the notion of indirect discrimination as transposed into French law via European directives, a notion that concerns itself not with the intention of the perpetrator but rather its harmful consequences (such as systematic family hiring preferences, "geographical" recruitment, imposing the knowledge of a particular language or dialect, cultural tests favouring particular places...) (18)

Take for example Casino, which, with the CNIL, has realised a study of the real or supposed origins of its employees. 800 interviews have been carried out and 4000 work contracts studied, and the group has undertaken to recruit 500 trainees from targeted development areas each year. Each new outlet sets aside from 20 to 30% of non-management positions to priority groups. Each worker may, through the offices of a personnel representative, take his/her case to a Joint Commission set up by the agreement, and interviews are held to clarify the nature and results of the complaint. The commission has sat five times in one year.

Casino has also set up a system of CV self-evaluation. It's one of numerous systems have been put in place to favour diversity integration in management in these companies, including mentoring, networking and advanced training programmes destined for a wide range of employees. Though none have the power of similar networks in the Anglo-Saxon

business world, such as American Express's Black Employee Network or 3M's Women's Advisory Group, the creation of such affinity-based groups can be seen as a step in the direction of valuing cultural difference. The mission of such networks is to bring together employees from each minority group to form a small committee whose responsibility is to work to improve their representation and treatment within the company. If they are approved as professional groups - parents, transsexuals, disabled, women, African-American, homosexuals, Christians, Muslims – they are allocated a budget and invited to outline their "business plan". The intended "unlocking" of the mind-set is supposed to be the result of the association of two mechanisms; positive identification for the members of those groups that succeed, and a necessary critical mass (of women or any other group discriminated against) to exist, resist and create. The objective is also to accustom the "majorities" to the ideas of minority presence and cooperation, which will make recruitment from a wide pool of potential candidates both more natural and more frequent. On this fourth level, diversity-related working groups and advisory bodies will be organised, with "champions" entrusted to promote diversity in working teams throughout the entire company. As legitimate and recognised representatives, they will be informed of all initiatives undertaken pertaining to the workforce and will help broaden its networks of knowledge.

What is the impact on the company itself of such actions undertaken in favour of diversity? Skin colour, disability, cultural belonging in and of themselves confer no specific rights other than, ultimately, added collective value, something to be taken into consideration during career development and recruitment interviews. We know also that seemingly neutral procedures only reveal their discriminatory nature in the effects they produce on groups presenting certain characteristics. For example, the study of certain mergers shows that belonging to such or such merged entity can, in certain cases, lead to discriminatory behaviour in the dominant group after the merger has taken place. In these companies, we know also that managerial habits, existing rules and procedures favour a standardisation of practices, profiles, values and expressions, and that one of the most important issues is knowing how to create room for "constructive conflict". Do managers question themselves on what the correct tools to manage change might be when we are afraid to express difference, afraid of conflict?

Such companies seek to evaluate systematically the potentially discriminatory effects of a programme. Mainstreaming treats equality in an integrated and permanent manner; there is no longer, on the one hand, economic policy, negotiation and action and on the other the question of professional equality conceived in a way to correct inequalities originating elsewhere. Instead it is a question of conceiving

equality permanently and upstream, at the very moment the policy is drawn up. It's also a question of involving all the players with the power to make decisions – companies, unions, local elected representatives.

Such companies frequently state that they wish to make a link between the fight against discrimination, diversity policy (through statistical tools (19) and diverse "testing" procedures) and the company's own sense of social responsibility. In doing so, this form of Diversity Management redefines the traditional contours of the HR function; in signing partnerships with schools and associations in favour of discriminated minorities, managers can be called upon to take part in classes, to chair career discussions, conduct simulated job interviews and facilitate discovery training programmes. At the end of 2002, AXA signed an agreement with SOS Racisme in which the company agreed to accord preliminary interviews to young graduates from the "second generation" of immigration. Such Diversity Management policy leads to the objectification of HR practices - in recruitment (20), training and retirement – and a reliance on a kind of index of good practice which includes the publication of a qualitative report by companies and the evolution of their practices in terms of difference, measurement and progress. It is a question of binding statistical data to clear programmes and organising follow-up by monitoring both internally and externally (through testing, for example).

While affirming the principle of contractual freedom on the part of the employer, the objective of any policy of realistic struggle against establish discrimination not to а permanent photographic measurement of diversity, in the same way as one might measure a share price, nor to divide a population along the lines of race and religious or even sexual orientation, but instead to measure the neutrality and effectiveness of the non-discriminatory equal opportunity processes (21). Variables leading to recurring inequalities, which have been gradually absorbed, rendered legitimate and even almost normal by their nagging presence, should be measurable in their effects (phenotype. skin colour, nationality, physical appearance, social origin...) and rooted out. Elected representatives from within the company and unions should be involved not only in treating the problem but also in diagnosing it, which is all too often not the case. Maximum use should be made of existing authorities like the Equal Opportunity Commissions.

At the origin of Diversity Policy, there is a need to respect a law that has become somewhat stricter and to anticipate any eventual risk to image that might result from it. The unity of discourse on diversity, the unity of neo-liberal inspiration, as we have stated, originates in the desire to "be in phase with the environment" (22). The company may, in such a way, better understand it and be better understood by it, "embracing client sociology in order to make sure nobody is forgotten at the commercial

level" (23). It can also anticipate the skills that will be needed in the face of the demographic shocks that await further down the road. Now is the time, before such problems really present themselves, for companies to "learn" diversity (24). The unity of the discourse is also in keeping with the greater supposed creativity that will emerge from diversified teams, and is manifest in the Diversity Charter that has already been signed by over 1500 companies and which, in many respects, represents a kind of "entrepreneurial activism" in the sense that "signing it allows companies to arm themselves in advance against any accusation of discriminatory practice, and demonstrates their public engagement." (25) At the same time, "it's about bringing pressure to bear from those players who constitute a lobby group, to anticipate or make legislation evolve in this domain" (26). The authors speak of "incentive" rather than "normative" regulation about such charters which intend to fulfil those duties (not always explicit) that lie beyond legal authority.

But over and above declarations of intent, charters and the concrete actions undertaken by a handful of sincere players, will the years to come see, for business, an increase certification processes concerning Diversity Management or a strengthening of the role of the State? (27) To what extent will we go beyond – and significantly beyond – mere promises made by businesses to interested parties, specifically public authorities and the network of associations?

- 1 S. ERBA, <u>Une France pluriculturelle</u>, EJL. 2007, p. 38.
- 2 Professor at the EM Lyon.
- 3 Consultant and researcher at the Interdisciplinary Laboratory for Economic Sociology (LISE-CNRS).

Go to: http://philippepierre.com

- 4 W. E. SCHEUERMAN, <u>Liberal Democracy and the Social Acceleration of Time</u>, The Johns Hopkins University Press, 2004, p. 145.
- 5 A. D. THOMAS, "Diversity as Strategy", <u>Harvard Business Review</u>, Sep. 2004, p. 98.
- 6 Since 1958 the BIT has promulgated Convention n^{ol} 11, concerning discrimination with regard to employment and profession, which is described as: "all distinction, exclusion or preference founded on race, colour, sex, religion and political orientation, rising nationalist or class tendencies, which may destroy or jeopardise the equality of opportunity or treatment regarding employment or profession." In 1972, K. ARROW, Nobel Prize for Economics, demonstrated that managers who engaged in racial discrimination were not optimising their use of available ressources and were thereby acting against the interests of their businesses. (K. AMELLAL, <u>Discriminez-moi! Enquête sur nos inégalités</u>, Flammarion, 2005, p. 137).
- 7 R. HUET et M. CANTRELLE, "Gouvernance et acteurs privés : le cas de la lutte contre les discriminations au travail", <u>Développement durable et territoires</u>, 2006, p. 9.
- 8 R. BIGOT, "La consommation 'engagée'. Mode passagère ou nouvelle tendance de la consommation?", <u>Les 4 pages des statistiques</u> industrielles, n°17, Credoc, December 2002.
- 9 A. CORNET et C. DELHAYE, "Gestion de la diversité: un enjeu stratégique", <u>Actes de la XVIème Conférence internationale de management stratégique</u>, Montreal, 6th-9th June 2007, p. 3.
- 10 "In 2004, the Dubai-based company Ilkome launched, in Lebanon, the first mobile telephone specifically designed for practising Muslims. The prospective owner could 'connect to his faith wherever he may be'. At one and the same time an e-muezzin, pocket Koran, Hegirian calendar and portable guibla, it comes with the approval of the Al-Azhar mosque.

- (IMS, Entreprendre pour la Cité, <u>La société, une affaire d'entreprise?</u>, Eyrolles, 2007, p. 205).
- 11 According to the <u>Alliance for Board Diversity</u>, only 17% of Fortune 100-listed company directors are women, as opposed to 15% of ethnic minority origin. In France, women account for less than 10% of top managers.
- 12 A. CORNET et C. DELHAYE, "Gestion de la diversité: un enjeu stratégique", <u>Actes de la XVIème Conférence internationale de management stratégique</u>, Montreal, 6th-9th June 2007, p. 20.
- 13 G. A. BROUSSILLON, E. MUTABAZI, P. PIERRE et A. SEURRAT, "La figure du 'Responsable Diversité' dans les entreprises en France. Tentative de typologie et dimensions identitaires", <u>Actes de l'Université d'Automne de l'IAS, Colloque de Corte / 3^{ème} rencontres internationales de la diversité, 2007.</u>
- 14 Charte de la diversité, Institut Montaigne, 2004.
- 15 For example, a "Business Conduct Code" has been established by the Lafarge Group, which draws up rules of conduct that apply to all its employees as well as those acting in its name. The document makes notable mention of the question of discrimination and harrassment. To inform the Group of any infringement of the regulations, a toll-free number is made available to all its employees. When the situation calls for it, the identity of the employee who has signalled a breach of the rules is kept secret. Similarly, no sanctions may be taken against an employee who has signalled such a breach in good faith.
- 16 P. NORA, "Le nationalisme nous a caché la nation", <u>Le Monde</u>, 18th March 2007.
- 17 S. FAURE et S. PLATAT, "L'entreprise prend des couleurs", <u>Libération</u>, 26 septembre 2005.
- 18 H. GARNER-MOYER, <u>Apparence physique et GRH: entre choix et discrimination</u>, Observatoire des discriminations, CEGORS, 02/04, p. 5.
- 19 In drawing up of an action plan for its Diversity and Disability project, La Poste undertook very thorough diagnostic work; in addition to a statistical breakdown of disabled employees and a study of "professional equality assessments", an analysis of all recruiting between 1991 and 2006 was undertaken, which took into consideration the situation of

overseas workers, those born abroad, women, seniors and those resident in ZUS or coming within the competence of the COTOREP system. Several quantitative studies were carried out, notably "Opinion Way", which sought to draw up an opinion poll of La Poste employees on "the present situation of equal opportunity" in relation to "pluralism and the quest for diversity in recruitment and career management". This enquiry allowed La Poste to draw up an inventory of different perceptions of equal opportunity and issues relating to it from employees in every level of the business up to senior management. It took into account their experience, their expectations and suggestions for change, both at departmental and national level.

- 20 The ANPE's skill assessment method was invented in 1995 and came about as a result of an actual case, a recruitment requirement of a particular company. 1400 posts were offered, and only 300 candidates met the necessary requirements, leading to a re-evaluation of the qualifications and skills that were really necessary, which resulted in increased and more meaningful recruitment. A method of recruitment by simulation broadens the search for candidates, giving priority to seeking out the skills necessary for the position on offer.
- 21 J. F. AMADIEU, Journée "Responsabilité sociale, respect de la parité, respect de la diversité, Congrès HR Adhésion ESSEC L'Expansion", 30th September 2004.
- 22 It is remarkable to observe the infiltration of diversity-related terminology of Anglo-Saxon origin. In such a manner, a global corporation of French origin will talk about "partnerships with a public university welcoming Indonesian and other local populations." Elsewhere, the objective will be announced as the Malay subsidiary of a large French corporation seeking to diversify its employee profile to take into consideration age, gender and ethnic origin (noting that Malays represent 50% of the total population but only 9% of the workforce of the subsidiary).
- 23 Association Alliances, 'Prenons goût à la diversité!", 2005.
- 24 Association Alliances, "Prenons goût à la diversité!", 2005, p. 7.
- 25 "Of no recognised legal status, this negotiated norm serves as a commitment, its 'inobservation' not binding with regard to the law. The charter is a collection of desires formulated by a collective "subject to its own limitation" (R. HUET et M. CANTRELLE, "Gouvernance et acteurs

- privés : le cas de la lutte contre les discriminations au travail", Développement durable et territoires, 2006, p. 14)
- 26 R. HUET et M. CANTRELLE, "Gouvernance et acteurs privés : le cas de la lutte contre les discriminations au travail", <u>Développement durable et territoires</u>, 2006.
- 27 G. A. BROUSSILLON, P. PIERRE et A. SEURRAT, "Vers une certification de la diversité dans les entreprises en France?", Management et Avenir, n°14, 2007.