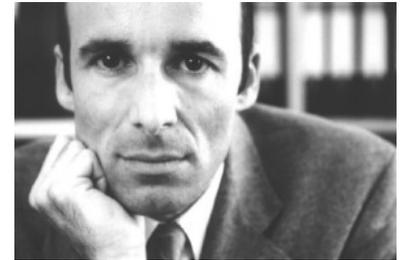


EMEA DIVERSITY NEWS 42 EDITORIAL

by Michael Stuber, Owner Manager



CONFUSION: WHICH DIRECTION FOR D&I?

After 15 years of European Diversity models, many wonder what organisations have achieved in D&I and where they are heading. With the significant expansion of the number of diversity programmes, the immense renewed public attention and also with many new stakeholders involved, the dynamics in the field have changed significantly. The multitude of influences and backgrounds has also created a landscape of competing approaches, and a noticeable disagreement on anything from evaluating the status quo to describing the vision where we need to be. The most disputed topics include ...

- Should there be a broad Diversity concept, not only encompassing multiple dimensions but also dealing with the many overlaps, inter-dependencies or commonalities, or do we need a renewed focus on the ‘preferred’ topics of gender, race, ethnicity and culture? While the question was predominant in the early years of Diversity, it was less rampant in recent years but brought back with the discussion of quotas for women. From a business perspective it is clear that a both-and-approach is needed – and it is possible even if people deny it.
- Do we need further and ongoing work on the business case or has this been proved so excessively that it should be taken for granted? Is there instead a need for more elaborate KPIs to monitor progress and steer D&I processes? Most people who are newly introduced to Diversity will naturally pose questions about the strategic fit, the business benefits and the immediate urgency of the concept.. Hence, we have to be prepared to patiently answer these questions while at the same time developing new tools to measure progress of larger and longer-term programmes that are supposed to have much more impact than those ten years ago.
- Are Diversity trainings or other D&I specific intervention programmes still adequate, effective or required? Many argue that Diversity should instead be integrated in general education curricula and corporate events. Clearly, change management models show that an initial focus on the topic is needed in order to build baseline understanding on which further programmes could be built upon. If the initial phase is skipped, one may not overcome the never-ending questions about the what, why and how.
- Should D&I be driven and owned by the business and what role would HR then have? While the vast majority agrees that Diversity should be treated as a business issue, we should also accept the reality that most D&I tools and initiatives continue to be developed and implemented by HR – probably for another ten years. The partnership of the business and HR must hence be slightly different from the general way of collaboration.

All these and other trends tell us that we need to be able and willing to deal with even more ambiguity than before. And we need to practice a both-and-approach in the above and other areas. Hence, we can be sure that our jobs will continue to be rich and challenging in many ways.

In this spirit: Enjoy our winter holiday issue


Michael Stuber

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 Content

DIVERSITY DIMENSIONS	ORGANISATIONAL STRATEGIES
<ul style="list-style-type: none"> ■ Poll: Majority of Finns See Finland as Racist Country ■ Promoting Opportunity for People with Intellectual Disability 	<ul style="list-style-type: none"> ■ Ranstad Italia – Programmes for People with Disabilities and Older Workers ■ New Female CEO at Swiss Post: Susanne Ruoff to take over
POLICY DEVELOPMENT	BUSINESS CASE
<ul style="list-style-type: none"> ■ Government Split Over Quota while German Top 30 Unite in Gender Commitment ■ Best Progress on Women Directors in France and Spain – Due to Quota Laws? 	<ul style="list-style-type: none"> ■ Positive Impact of Mobility of Bulgarian and Romanian Workers on EU Economy ■ Research: Improvement of Working Conditions Can Boost Overall Productivity
MEDIA & BITS	NEWS ABOUT US
<ul style="list-style-type: none"> ■ Fight over Bi-lingual City Signs Finally Ends in Southern Austria – After Decades ■ ‘End of Virginity’ if Women Drive, Saudi Cleric Warns 	<ul style="list-style-type: none"> ■ Our Mission of 15 Years: Innovative – International – Inclusive ■ Substituting Holiday Cards & Gifts for D&I Engagement
IMPRINT	

DIVERSITY DIMENSIONS

Poll: Majority of Finns See Finland as Racist Country

An overwhelming majority of Finns say that Finland is at the very least a fairly racist country. Two thirds of the nation feel that there is a large or at least a moderate amount of racism in Finland. In spite of this, only 2% recognise or admit to being very racist, and 12% say that they recognise a moderate amount of racism. The information emerges from a poll commissioned by Helsingin Sanomat and conducted by TNS Gallup.

Among the minorities attracting the most negative attitudes are Somalis as well as Muslims in general, but Roma are disliked even more, with 37% saying that they hold a fairly negative or very negative attitude toward them. Minority groups getting the most positive attitudes include Sami, Swedes, British, Estonians, and Chinese. The respondents were given a list of 17 nationalities or minorities, 13 of which brought positive responses from a majority. Some results include

- 35% agreed partly or completely with the statement “Islam is a threat to Western values and democracy”
- 29% with “people belonging to certain races simply are not suited to live in a modern society”
- 20% that “it needs to be recognised as a fact that some nations are more intelligent than others”
- 11% with “people whose appearance and culture differ much from those of the Finns are unpredictable and frightening”.

Significant differences in attitudes were found between supporters of Finland’s various political parties. Supporters of the True Finns were shown to have the most negative attitudes toward foreigners and the supporters of the Green League and the Left Alliance had the least amount of racist characteristics, and they also subscribe to the least amount of racist attitudes.

In a direct connection to this research is a current analysis of the tragic shootings this summer in Norway which offers interesting reflections on the dynamics of racism. In his paper “Anti-racism after Oslo/Utoya: some challenges and considerations” Marcin Starnawski summarises the logic of discourses targeting multiculturalism covering the following threads: *A racist man kills, but it is the “foreigners” together with the supporters of multiethnic and interfaith integration who are to blame. It is “they” who “provoke” with their otherness and who do not want to integrate into “our society”. The assassin, Anders Behring Breivik, - although it is acknowledged that his actions were “too extreme” - stood up to defend “us”.* The intriguing analysis also points out that today’s Western societies are dealing with the reactivation of an older orientalist thinking in the context of political events and processes of the previous decade.

These and many other studies about xenophobia in general underpin the need to be attentive of all forms of racism and to apply a no-tolerance policy to all incidences that there might be.

Promoting Opportunity for People with Intellectual Disability

One out of every six people in the world — or some 1 billion people — has a disability. Between 785 and 975 million of them are estimated to be of working age, but according to expert analysis most do not work. People with intellectual disability are reported to make up one per cent of the population globally. In EU member states, however, the unemployment rate of people with intellectual disabilities was found to approach almost 100 per cent. The vast majority of those few who do work are found in sheltered workshops and those with high support needs are generally directed to day activity centres. Social firms are a type of enterprise initially developed in the European context for people with psychosocial disabilities following the closure of large ‘mental asylums’. The specific purpose of social firms is to create jobs for people who find it hardest to get them.

A current report shows that globally little has been done to include people with intellectual disabilities into the workforce. For example, in the Netherlands, employers’ attitudes towards hiring people with disabilities in general have not changed. It is pointed out that barriers that prevent people with disabilities entering the labour market, such as bureaucracy and effective support for people with intellectual disabilities, have not been dealt with. The tradition in the Netherlands has been to support large congregate-care residential centres for people with intellectual disabilities but not move beyond that to seek for active integration.

ORGANISATIONAL STRATEGIES

Ranstad Italia – Programmes for People with Disabilities and Older Workers

Ranstad Italia is running the first (by their own account) and hence unique Italian programme dedicated to the placement of employees with a disability, called ‘Hopportunities’. In Italy, similar to many other European countries, there is a legal requirement to employ people with a disability following a scaled quota system. According to the regulatory framework one person with a disability must be employed in companies from 15 to 35 employees; two persons for companies from 36 to 50 employees; and 7% of employees with disabilities for companies with more than 50 staff. The total number of companies in Italy is 77,244 and the total number of employees with a disability required according to the regulatory framework is reported to be 322,021. The (theoretical) national workforce with a disability is estimated to be 426,000 people. Ranstad’s Hopportunities service includes search & selection of candidates with disabilities and temporary placements. The company also networks with local and national stakeholders on this topic.

Another Ranstad Italia initiative, Rentrée, focuses on older employees, especially on those who were laid off as part of redundancy programmes. The Italian government provides aids to companies who employ such staff. In addition to their core business of search & selection and temporary placement

Ranstad has also established partnerships with public job centres, regional (provincial) administration and with associations for people over 40 (!) to facilitate the re-entering of older candidates in employment. The Rentrée programme also offers training courses to improve professional skills and hence facilitating the match of candidates and companies seeking talent.

New Female CEO at Swiss Post: Susanne Ruoff to take over

In the past years, a significant move has been made towards having more women in management and on executive boards. Female CEOs or company presidents, however, are still a very rare exception. One of the few examples is the current president of SEB Group (Sweden), Annika Falkengren; she has been in this position since 2005. Others have moved out recently, like Areva's CEO Anne Lauvergeon, who held the position from 2001 till 2011, Marianne Nivert, former CEO of Telia, and Clara Furse who was the CEO of London Stock Exchange from 2001 till 2009.

The most recent appointment of a female CEO has now been announced in Switzerland. The Board of Directors of Swiss Post has appointed Mrs. Susanne Ruoff as new CEO of the Bern-based logistics corporation. The company has more than 45,000 employees (FTEs), 7.3% of whom work abroad. Swiss Post has just reported a new record profit of CHF 910 M, combined with high levels of employee engagement, customer satisfaction and reduced impact on climate and environment.

The new CEO, Susanne Ruoff is said to be the first ever women heading a blue chip Swiss corporation. The 53-year-old economist will replace Jürg Bucher as of 1 September 2012. With Susanne Ruoff a manager owning extensive leadership experience in large international corporations will assume the management of Swiss Post. The 53-year-old economist has been working in her current function as Country Manager and CEO of BT Switzerland Ltd. since 1 April 2009. At BT (British Telecom), she has been focusing on expanding the key account business and on the acquisition of new clients. Before she joined BT (British Telecom), Susanne Ruoff had been active in various functions at IBM Switzerland in the areas of marketing, sales and services. As head of the business domain public administrations, she has developed close relationships with the Swiss Confederation and the Federal Authorities. At the end of the twenty years she had worked for IBM Switzerland she had been a member of the Executive Management and responsible for Global Technology Services. IBM Switzerland is one of the few major companies lead by women.

Susanne Ruoff has a diploma in economy and an Executive Master of Business Administration (MBA) in Telecommunications from Fribourg University. She has graduated from INSEAD (France) with a Client Executive degree and at the University of St. Gallen attended courses of further education on "Corporate Governance" in Executive Boards. She is already being discussed as an important role-model for Switzerland, a country that has had positive experiences with different kinds of diversities, but relatively slow in developing gender diversity. However, the country has had three women in the three highest positions of government and State for more than a year now. A fact, that has been surprisingly little advertised nor leveraged.

POLICY DEVELOPMENT

Government Split Over Quota while German Top 30 Unite in Gender Commitment

Germany's blue chips presented their self-committed objectives for increasing the share of women in management at a summit meeting of the DAX 30 with the federal ministers Kristina Schröder, Ursula von der Leyen, Sabine Leutheusser-Schnarrenberger and Philipp Rösler. As expected, the individual ambitions vary greatly. However, the Media were barely interested in the public commitments.

Back in March, the companies had jointly declared that they wanted to increase the percentage of women in leadership positions. Now, they have provided specific figures based on each of their individual situations while covering different time frames. Five of the companies only declared their 'commitment' by setting a recruiting quota for themselves. An analysis of European Diversity Research & Consulting shows that one half of the companies have defined short-term goals (2-6 years) while the other half has set medium term targets (7-9 years). The different horizons, however, do not say anything about the level of ambition; in both groups modest and ambitious goals can be found. "Unfortunately, some of those overstretched goals can't be obtained", comments Diversity expert Michael Stuber. Companies with the highest per annum growth targets (relative to the current situation) will have "enormous difficulties" in achieving those, since experience shows that even the best strategies won't allow for more than 2 percentage points of increase per year – especially if an organisation starts from a low base level. On the other hand, some of the growth targets appear to be little ambitious, especially for those companies that already have 20% leadership positions filled with women. Only one company in the low ambition group currently has less than 10% female managers. In the upper-middle group (rated by ambition) there are two companies that already report more than 20% of women in leadership positions, namely Deutsche Telekom (worldwide figure) and Commerzbank (Germany figure).

In addition to specifying their targets, the companies announce to „continue the established working group for the next five years and to ensure results through mutual exchange of best practices” as well as publishing their activities and figures in their Annual or Sustainability Reports. Furthermore, the companies presented a series of measures to ensure the objectives will be reached. Besides mentioning traditional, and partly stereotypical, approaches such as „Work Life Balance“, „Recruitment“, „Transparency“ and „Personal Development“, the portfolio also includes the commitment to a corporate cultural change process. According to experts, this was the missing element in many programmes of the past ten years.

While Federal Minister of Family Affairs, Mrs. Schröder considers her approach to be approved by the clear statements and as a result of her plans to introduce a 'flexible quota', the Minister of Labour, Mrs. von der Leyen, insists on her harsh criticism. Even the opposition parties who

advocate for more women in management actually criticise the new achievements. Green Party leader Claudia Roth said the planned flexible quota was “embarrassing” and “pure self-deception”. No commitment in the past had led to any achievement, she claims. Former Deputy chair of the social party (SPD), Schwesig, also criticised the family minister: “Mrs. Schröder does not fight for women’s quota, but has been schooled by the Dax companies”. This kind of political skirmish isn’t well received in the Diversity scene. “The current contest between the Ministry for Family Affairs, the Ministry of Labour, the Ministry of Justice and the Ministry of Economic Affairs is reinforcing the misperception that the increase of women in management is a question of political power instead of economic reasoning and business imperative”, Michael Stuber wrote in a press statement claiming for “one clear, understandable and common message from the government and business leaders”. A clear-cut what-why-and-how would provide the base for a value-oriented change process.

Best Progress on Women Directors in France and Spain – Due to Quota Laws?

France and Spain rank best in the latest Corporate Women Directors International study of women directors in Fortune Global 200 companies, the biggest in the world, regarding the progress on female top managers. The new report, presented in November 2011 at the Worldbank, ranks France first for the fastest rate of increase, as it moved from 7.2% board directorships held by women in 2004 to 20.1% in 2011. Coming in second is Spain, where the representation of women on corporate boards increased from 1.9% in 2004 to 9.2% currently. Both countries are among those in Europe that passed quota laws as did Norway, Iceland, the Netherlands, Belgium and Italy. In Asia, Malaysia has recently adopted a similar bill in the form of an executive order from the Prime Minister. The leading country, however, remains the U.S. where no quota law exists; the US companies on the Fortune Global 200 post the highest percentage of women directors at 20.8% with P&G (45.6%) and Wellpoint (41.7%) outnumbering even Norwegian Statoil (40%). Despite these results, the report claims that quota laws have been instrumental for the progress.

More European blue chips included in the report’s Top10 are Deutsche Bank, France Telecom, BNP Paribas, Societe Generale and Deutsche Post. For the first time since 2004, an automobile company, General Motors, made it to the Top Ten listing with four women directors out of 11 (36.4%). The report also highlights that more and more companies are moving away from tokenism, with almost a third of companies in the 2011 Fortune listing having three or more female directors. This obviously increases the pressure on those corporation that have no or just one woman on their top team. This pressure should be felt mainly in the petroleum refining industry, where only five women are on the boards of the top six – Royal Dutch Shell, ExxonMobil, BP, Sinopec, China National Petroleum and Chevron – and only two companies reach higher scores (Norway’s Statoil, 40%, and France’s Total, 26.7%). The report also found, that there are more companies with no women directors among the Fortune Global 200 in 2011 (49) than in 2009. The reason cited is the

changing composition of the Fortune Global 200 listing with 31 new companies in 2011, primarily from Asia, the majority of which have zero or only one female director.

BUSINESS CASE

Positive Impact of Mobility of Bulgarian and Romanian Workers on EU Economy

Seven years after the 2004 enlargement of the EU, a new European Commission study looks at the economic and labour market impact of east-west labour mobility flows in recent years. The study puts a main focus on mobility's impact on labour markets, the macro-economy and human capital issues such as brain drain and down-schilling of mobile workers. The study highlights the overall positive role that mobile workers from Bulgaria and Romania have played in receiving countries economies. These workers have contributed to the skill mix as well as filling vacancies in sectors and jobs with labour shortages such as in construction and the domestic and food services sectors. The report's calculations show a positive impact of the free movement of Romanian and Bulgarian workers on the EU's long-term GDP with an increase by about 0.3% for EU-27 (0.4% for eu-15).

This study also shows that there has been no significant impact on unemployment or wages of local workers in receiving countries: studies in the EU-15 show wages are on average only 0.28% lower they would have been without mobility of the EU-2. The report also highlights that there is no evidence of a disproportionate use of benefits by intra-EU mobile EU citizens and that the impact of recent flows on national public finances is negligible or positive. The Commission's report will serve as the basis on which the Council will carry out a review of how the transitional arrangements on free movement of Bulgarian and Romanian workers have worked in practice. 10 EU countries have still been applying restrictions on Bulgarian and Romanian workers. As of 1 January 2012, however, workers from the two countries will be allowed to work in Belgium after Flanders, the last Belgium region opposing the move, has lifted its veto just recently.

Research: Improvement of Working Conditions Can Boost Overall Productivity

Changes in workplace practise can positively impact and improve the overall performance of employees and productivity of a company, according to new research from Eurofound, the Dublin-based EU agency for the Improvement of Living and Working Conditions. Combining training, autonomous team work, flexible time arrangements, profit and ownership sharing schemes, and well functioning social dialogue, as part of a strategic approach will enhance the economic performance.

Eurofound has looked into the relationship between working conditions and both, employee and company performance, using a three-pronged research approach, reviewing academic literature of

the past two decades on workplace practices, an analysis of Eurofound's second European Company Survey of over 27,000 European workplaces, and in-depth studies of practices in six countries. It has been found that while many companies introduce bundles of measures aimed at improving working conditions and enhancing economic performance, many do not have appropriate mechanisms in place to benefit from such measures. The very same result was found by the pan-European Work-Life-Practice survey (WLPS) in 2006.

Eurofound's research on job quality also shows that workers are more satisfied and motivated when they have a say in their workplace, can organise work autonomously, work in a flexible manner, increase wages as a result of harder work, improve their skills, and have a secure job and a career perspective. Unfortunately, the reports also shows that the awareness among companies about these possible sources of improved performance is very limited; therefore determined joint efforts from all key stakeholders, including employers and employee representatives, is required.

MEDIA & BITS

Fight over Bi-lingual City Signs Finally Ends in Southern Austria – After Decades

Austria took a step to end a decades-long rift with the country's Slovenian minority this November, when parliament passed a law to double the number of communities allowed to use bilingual city signage, mainly in the region of Carinthia. In the future, Slovenes (Austrian citizens) of 164 cities will be able to read the name of their city in their own language (up from 75 cities in the past). The law came 56 years after Austria was obliged by Britain, France, Russia and the United States in a 1955 treaty to honour minority rights, including the use of bilingual signs. Despite that long history and the immense emotional disputes, chancellor Werner Faymann called the new development a 'sign of commonality'. Austria's ethnic Slovenes estimate that they number around 50,000, or nearly 10 per cent of Carinthia's population.

In another Austrian region, Croatian language rights apply only to the Austrian citizens living in six (of seven) districts in the province of Burgenland, but not to those living in Vienna or any other region of the country. Language rights are administered according to the territorial principles. By moving out of the officially bilingual area, a minority speaker loses all his or her language rights.

A similar case of bilingual city signage, but much more constructive and positive, can be found in the North province of Serbia, where one of the biggest minorities is Hungarian. The issue of bilingual signs was resolved back in the 1960's and since then most of the signs are both in Serbian and Hungarian language – with no disputes whatsoever.

'End of Virginity' if Women Drive, Saudi Cleric Warns

A report in Saudi Arabia has warned that if Saudi women were given the right to drive, it would spell the end of virginity in the country. The report contains graphic warnings that letting women drive would increase prostitution, pornography, homosexuality and divorce. The report was prepared for Saudi Arabia's legislative assembly, the Shura Council, by a well-known conservative academic. Though there is no formal ban on women driving in Saudi Arabia, if they get behind the wheel, they can be arrested. Saudi women have mounted several campaigns to try to overturn the ban. Aside from the practical difficulties it creates, they say it is also illogical as in trying to keep them under family control and away from men, it actually puts them in daily contact with a male driver.

Earlier this year, a court in Saudi Arabia has sentenced a woman to 10 lashes for breaking a country's ban on female drivers. This sentence came only a couple of days after the Saudi leader King Abdullah announced women would be allowed to vote for the first time in 2015.

NEWS ABOUT US

Our Mission of 15 Years: Innovative – International – Inclusive

As we are completing our 15th year of existence, European Diversity is proud to have been pioneering D&I in the EMEA region, which actually means breaking new ground through innovative models, approaches, practices and tools developed together with our clients. And even this past year has seen a number of new developments which we want to share briefly with you. In 2011, the majority of our client projects has been concentrated in the two areas of a) gender diversity and b) working with senior management.

On gender, and mainly with a focus on women in management, we have completed an international benchmarking exercise, have designed and implemented a large internal women's conference, and conducted a number of focus group interviews with women and men (separately) from various levels. We have also supported another client in developing Corporate D&I strategy with an HR and a gender focus.

With senior management, we have rolled out one of the largest workshop programmes ever, starting with sessions for the Executive Board and for the senior executives. Since then, we have also covered the next level of senior managers and, through training trainers, the management population at large. For three other clients, we have conducted stakeholder interviews with the most senior management and subsequently launched an EMEA Diversity Council, an executive D&I workshop and a comprehensive strategy development process respectively. We have also designed and moderated a 1.5 days annual management meeting which was completely themed 'Diversity'.

Just as every year, we have also continued to publish on D&I. One recent contribution has just appeared in the book "Le Réflexe Sapiens" by Kag Sanoussi, Secretary General of the French Diversity Charter. The chapter describes how differences can be systematically leveraged for

competitive advantage, using the Propelling Potential Principle, which mirrors the cognitive process or the SORA method as it is called in French. Another contribution to a yearbook for Equal Opportunities compares the concepts of equality, anti-discrimination, equal opportunity and Diversity & Inclusion. European Diversity's General Manager, Michael Stuber, gave a number of Interviews for various corporate magazines and newspapers on Diversity, gender, sexual orientation and other D&I related topics. He also wrote articles on the need for an open country culture to tap into the potential of societal diversity and 26 contributions for an equal opportunity newsletter and another 26 for a public administration newsletter. He also spoke at several Corporate events, at Universities and Public Sector events, including the kick-off of a Diversity Award.

Substituting Holiday Cards & Gifts for D&I Engagement

After many years of creating innovative holiday gifts and communication, European Diversity had decided for the first time in 2010 to make a donation for a good cause instead of investing in holiday cards and gifts. Last year, our donation went to the Slowfood Foundation for BioDiversity, linking food and agriculture with regional cultural development. This year, we are donating to a Student Association, which has been – for 25 years – promoting an integrated Europe beyond National thinking. AEGEE, Association des États Généraux des Étudiants de l'Europe, is actively bringing together European students to experience the value of differences by working or learning together. The trans-national, trans-disciplinary spirit is role-modelling what D&I is striving to achieve in the Corporate arena and hence more than worth to be supported. Here is a previous article that describes the alignment of AEGEE's values with D&I:

<http://www.european-diversity.com/downloads/Div-05-Apr-AEGEE-Key20.pdf>

IMPRINT

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EDITORIAL TEAM		Ivan Nislic, Barbara Reif, Insa Harms, Sandra Noch, Michael Stuber	
POSTAL ADDRESS		Richard-Wagner-Str. 25	D – 50674 Cologne
COMMUNICATION		Phone +49-221-222-1721	Fax +49-221-222-1251
EDITORS	newsdesk@european-diversity.com	INFORMATION	www.european-diversity.com
SUBSCRIPTIONS	newsletter@european-diversity.com	PORTFOLIO	www.diversity-consulting.eu