

EQUITY AND DIVERSITY IN HUMAN RESOURCES MANAGEMENT

Shirley Nguyen ADM2337

SUMMARY

OUTCOME 1 Employment equity refers to the employment of individuals in a fair and nonbiased manner. Four groups in Canada—women, visible minorities, Aboriginal people, and persons with disabilities—tend to be concentrated in a few occupations that are accorded lower status and pay.

OUTCOME 2 *The Canadian Human Rights Act* applies to all federally governed departments and agencies and all organizations incorporated under federal jurisdiction. The act prohibits discrimination on the basis of grounds such as race, religion, sex, age, national or ethnic origin, physical handicap, and marital status. *The Charter of Rights and Freedoms* guarantees some fundamental rights to every Canadian, including freedom from discrimination. The Canadian Human Rights Commission (CHRC) enforces the act through a formal complaint procedure.

OUTCOME 3 Pay equity is an amendment to the *Canadian Human Rights Act* that makes it illegal for employers to discriminate against individuals on the basis of job content. By definition, pay equity means equal pay for work of equal value.

OUTCOME 4 The *Employment Equity Act* requires all federally regulated employers to prepare an employment equity plan that identifies areas in which members of the designated groups are over- or underrepresented and establishes plans to promote an equitable workplace.

OUTCOME 5 The implementation of employment equity involves six steps: senior management support, data collection and analysis, an employment systems review, establishment of a workplan, implementation, and a follow-up process that includes monitoring, reviewing, and revision.

OUTCOME 6 Sexual harassment is an employment equity issue undergoing continued debate.

OUTCOME 7 Managing diversity does more than incorporate employment equity. The goal of diversity management is to optimize the utilization of an organization's multicultural workforce with the goal of realizing strategic advantage.

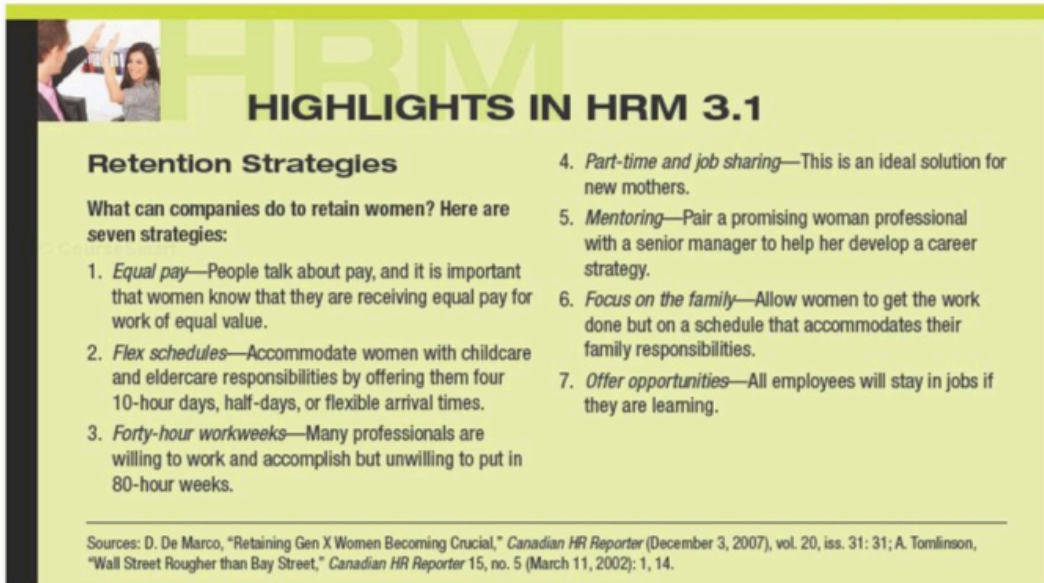
OUTCOME ONE: EMPLOYMENT EQUITY

- **Employment Equity:** The treatment of employed individuals in a fair and nonbiased manner.
 - The absence of discrimination.
 - Having proactive programs to ensure that the organization's workforce is representative of the population.
 - Today, compliance with employment equity involves managing diversity with the goal of utilizing fully the organization's human capital.
 - The implementation of employment equity has involved establishing policies and practices designed to ensure equitable representation in the workforce and to redress past discriminations.
 - In a legal sense, equity means justice based on the concepts of ethics and fairness and a system of jurisprudence administered by administrative tribunals.
- **Designated Groups:** There are 3 designated groups in Canada that have not received equitable treatment in employment, even though they make up over 60% of Canada's

labour force. Some of these disadvantages include high unemployment, occupational segregation, pay inequalities, and limited opportunities for career progress.

1. **Women**

- In 2012, women made up 43% of the total workforce but were not equally represented in all occupation.
- Women are underrepresented as semi-professionals, technicians, supervisors in trades, in natural and applied sciences, management positions, and as members of boards.
- Retention strategies for women:



HRM HIGHLIGHTS IN HRM 3.1

Retention Strategies

What can companies do to retain women? Here are seven strategies:

1. *Equal pay*—People talk about pay, and it is important that women know that they are receiving equal pay for work of equal value.
2. *Flex schedules*—Accommodate women with childcare and eldercare responsibilities by offering them four 10-hour days, half-days, or flexible arrival times.
3. *Forty-hour workweeks*—Many professionals are willing to work and accomplish but unwilling to put in 80-hour weeks.
4. *Part-time and job sharing*—This is an ideal solution for new mothers.
5. *Mentoring*—Pair a promising woman professional with a senior manager to help her develop a career strategy.
6. *Focus on the family*—Allow women to get the work done but on a schedule that accommodates their family responsibilities.
7. *Offer opportunities*—All employees will stay in jobs if they are learning.

Sources: D. De Marco, "Retaining Gen X Women Becoming Crucial," *Canadian HR Reporter* (December 3, 2007), vol. 20, iss. 31: 31; A. Tomlinson, "Wall Street Rougher than Bay Street," *Canadian HR Reporter* 15, no. 5 (March 11, 2002): 1, 14.

2. **Visible Minorities**

- Visible minorities represent about 16.2% of Canadians and 15.4% of the labour force.
- Systemic barriers that negatively affect employment for visible minorities include culturally biased aptitude tests, a lack of recognition of foreign credentials, and excessively high language requirements.

3. **Aboriginal People**

- Their unemployment rate is higher than the national unemployment rate.
- Aboriginal people face major barriers to employment, which are often due to low educational achievement and lack of job experience, as well as by language and cultural barriers.
- Latin Americans and Southeast Asians experience lower-than-average incomes, higher rates of unemployment, and reduced access to job interviews, even when they have the same qualifications as other candidates.

4. People with Disabilities

- One in seven Canadians has a disability. This rate increases with age, with about 5% of those between 15 and 24 and 18% of those aged 45 to 64 having a disability.
- People with disabilities represent 14% of Canada's population, but their workforce representation is low at 1.6%.
- People with disabilities face attitudinal barriers, physical demands that are unrelated to actual job requirements, and inadequate access to the technical and human support systems that would make productive employment possible.

FIGURE 3.1

© CourseSmart

REPRESENTATION OF DESIGNATED GROUPS IN THE LABOUR FORCE

	Representation in the Canadian Population (%)	Representation in the Workforce (%)
<i>Women</i>	50.9	43.0
<i>Aboriginal people</i>	3.8	2.6
<i>People with disabilities</i>	14.3	1.6
<i>Members of visible minorities</i>	16.2	15.4

o 4 Benefits of Employment Equity:

1. Contributes to the bottom line by broadening the base of qualified individuals for employment, training, and promotions and by helping employers avoid costly human rights complaints.
2. Enhances an organization's ability to attract and keep the best-qualified employees, which results in greater access to a broader base of skills.
3. Enhances employee morale by offering special measures such as flexible work schedules and work sharing.
4. Improves the organization's image in the community.

OUTCOME TWO: CANADIAN HUMAN RIGHTS ACT

- o Canadian Charter of Rights and Freedoms, the federal Canadian Human Rights Act, and pay equity and employment equity acts are the governing pieces of legislation dealing with employment equity.
- o The Canadian Human Rights Commission (CHRC) deals with complaints concerning discriminatory practices covered by the Canadian Human Rights Act.

OUTCOME TWO: PAY EQUITY

- o An amendment to the Canadian Human Rights Act.

- Pay equity law makes it illegal for employers to discriminate against individuals on the basis of job content.
- The goal of pay equity is to eliminate the historical wage gap between men and women and it ensure that salary ranges reflect the value of the work performed
- In 2010, women making 85 cents while male counterparts made \$1, whereas in 1987, there was a 36% gap – 64 cents).
- **2 key points to understanding pay equity:**
 1. **Pay Equality:** The fair pay for individual women employees.
 - Required by law in every jurisdiction in Canada.
 - Ex. A female electrician must be paid the same as a male electrician.
 2. **Pay Equity:** Fair pay for entire occupations. Equal pay for work of equal value.
 - Required of all federally regulated employers, both private and public.
 - Provincially, it varies from Ontario and Quebec adopting pay equity legalisation to other provinces (Saskatchewan has no pay equity legalisation at all).

OUTCOME FOUR: THE EMPLOYMENT EQUITY ACT (1995)

- Employers and Crown corporations that have 100 employees or more and that are regulated under the Canada Labour Code must implement employment equity and report on their results.
- Involves identifying and removing systemic barriers to employment opportunities that adversely affect women, visible minorities, Aboriginal people, and people with disabilities.
- Also involves implementing special measures and making reasonable accommodation.
- Under the act, the employer is required to:
 - Provide its employees with a questionnaire that allows them to indicate whether they belong to one of the four designated groups.
 - Identify jobs in which the percentage of members of designated groups falls below their availability in the labour market.
 - Communicate information on employment equity to its employees and consult and collaborate with employee representatives.
 - Identify possible barriers in existing employment systems that may be limiting the employment opportunities of members of designated groups.
 - Develop an employment equity plan aimed at promoting an equitable workplace.
 - Make all reasonable efforts to implement its plan.
 - Monitor, review, and revise its plan from time to time.
 - Prepare an annual report on its employment equity data and activities.

OUTCOME FIVE:

THE IMPLEMENTATION OF EMPLOYMENT EQUITY IN ORGANIZATIONS

- **6 steps to implementing employment equity in organizations:**
 1. **Senior management commitment**
 2. **Data collection and analysis**
 - The development of an internal workforce profile is an important tool in employment equity planning. Without this information, an organization would not be able to determine where it stands relative to the internal and external workforce.
 - **Stock Data:** Data showing the status of designated groups in occupational categories and compensation levels.
 - **Flow Data:** Data that provide a profile of the employment divisions affecting designated groups.
 3. **Employment systems review**
 4. **Establishment of a workplan**
 5. **Implementation**
 6. **Evaluation, monitoring, and revision**

OUTCOME SIX: SEXUAL HARASSMENT

- **Harassment:** Unwelcome behaviour that demeans, humiliates, or embarrasses a person and that a reasonable person should have known would be unwelcome.
- **Sexual Harassment:** Unwelcome advances, requests for sexual favours, and other verbal or physical conduct of a sexual nature in the working environment.
- For sexual harassment policies to succeed, confidentiality and zero tolerance with respect to harassment is necessary.
- Employers are required to create policies to prevent this type of harassment.
- Ontario introduced a law requiring employers to develop and post a harassment policy and post a harassment policy in the workplace and to develop a system through which employees can report incidents of harassment.



HIGHLIGHTS IN HRM 3.9

Basic Components of an Effective Sexual Harassment Policy

1. Develop a comprehensive organization-wide policy on sexual harassment and present it to all current and new employees. Stress that sexual harassment will not be tolerated under any circumstances. Emphasis is best achieved when the policy is publicized and supported by top management.
2. Hold training sessions with supervisors to explain their role in providing an environment free of sexual harassment and institute proper investigative procedures when charges occur.
3. Establish a formal complaint procedure whereby employees can discuss problems without fear of retaliation. The complaint procedure should spell out how charges will be investigated and resolved.
4. Act immediately when employees complain of sexual harassment. Communicate widely that investigations will be conducted objectively and with appreciation for the sensitivity of the issue.
5. When an investigation supports employee charges, discipline the offender at once. For extremely serious offences, discipline should include penalties up to and including discharge. Discipline should be applied consistently across similar cases and among managers and hourly employees alike.
6. Follow up on all cases to ensure a satisfactory resolution of the problem.

OUTCOME SEVEN: MANAGING DIVERSITY

- **Diversity Management:** The optimization of an organization's multicultural workforce to reach business objectives (voluntary).
- Managing diversity is a broader, more inclusive concept than employment equity as it compasses factors such as religion, personality, lifestyle, and education.
- The goal of diversity management is to have the workforce at all levels resemble the population.
- Not only a legal obligation but also a necessity imposed by market laws, competition, and the need to be the best to survive (economic necessity).
- CEOs in Canada recognize that ethnic groups possess expertise such as language skills, knowledge of foreign culture and business practices, and natural trade links with overseas markets that can be used to capture market share in emerging economies and new Canadian markets.
- **6 reasons for businesses to care about diversity management:**
 1. Better utilization of talent
 2. Increased marketplace understanding
 3. Enhanced creativity
 4. Increased quality of team problem solving
 5. Greater understanding in leadership positions
 6. Better reputation and corporate image