Faculty of International Relations
Working Papers

13/2011

The Perspectives of Diversity Management in Slovakia

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Volume V

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Summary:
Diversity is the agenda of European Union policy for the last 10–15 years. Undisputedly there are some successes (at least on the official level). The new reality of EU legislation banning discrimination on grounds of racial or ethnic origin, gender, religion, disability, age and sexual orientation has had a major impact on businesses across the EU. The article refers to the theme of managing of diversity (e.g. differences in age, gender, sex orientation, professional status, values, remuneration etc.) in Slovak Republic in comparison with the average of European Union. The increasing complexity in the company's environment requires conscious steps to actively manage this diversity. The article explores tensions in fields of gender, age and religion as well as pros and cons of the diversity. The conclusion shows the importance of diversity in management especially in times of financial crisis which is applicable all over the Europe.

Perspektivy v řízení diverzity na Slovensku a v EU

Juraj Chebeň, Drahoslav Lančarič, Radovan Savov, Paula Lopes and Maria Barbosa

Abstrakt:
Předmět diverzity je za posledních 10–15 let součástí agendy EU. Na oficiální úrovni jsou zřejmé jisté pokroky. Nová realita evropské legislativy zakazující diskriminaci z rasového a etnického hlediska, z hlediska pohlaví, věku, náboženství a sexuální orientace má výrazný vliv na podnikání v celé EU. Článek pojednává o problematice řízení diverzity (rozdílnost ve věku, pohlaví, sexuální orientaci, profesionálním statusu, hodnotách, odměňování ad.) ve Slovenské republice v porovnání s průměrem EU. Zvyšující se komplexita podnikového prostředí vyžaduje vědomé kroky v aktivním řízení diverzity. Příspěvek analyzuje faktory rozdílností, stejně jako výhody a nevýhody diverzity. Závěr příspěvku zdůrazňuje důležitost diverzity především v dobách finanční krize. Řízení diverzity se jeví jako prospěšné v celé Evropě.

Content

Introduction[1]

The diversity of our population is an increasingly striking feature of today's Europe. Far from rejecting diversity or placing restrictions on it, we must continue to accept it as an opportunity that enriches our outlook and widens our horizons (EC 2008).

Accepting diversity and managing it well is a necessary precondition for guaranteeing equal opportunities of the people concerned. For them, it is quite simply a matter of full access to their human rights and human dignity. However, well-managed diversity is also a key to success in the global economy. It may require adaptations such as the development of inter-cultural skills, removal of barriers and increased flexibility on the part of employers; but it is worthwhile both in ethical and in practical terms (EC 2005b).

Speaking of diversity, there is another theme that has to be mentioned – discrimination. Discrimination is a term used often in human rights law to distinguish the differential treatment of an individual because of a prohibited ground. To discriminate someone means to treat one particular group of people less favourably than others because of their race, colour, nationality, or ethnic or national origin. Diversity and discrimination (with focus on gender equality) are two main themes the following text will focus on.

1.   Theoretical Background

Antidiscrimination agenda is very strong in EU. The European anti-discrimination legislation is one of the most extensive in the world. In 2000, the European Union adopted two very far-reaching laws to prohibit discrimination in the workplace based on racial or ethnic origin, religion or belief, disability, age or sexual orientation (Directive 2000/78 of 27 November 2000, which establishes a general framework for equal treatment in employment and occupation, provides further elaboration of the concept. Equivalent definitions are provided with respect to discrimination on the basis of racial or ethnic origin in Articles 2 of Council Directive 2000/43 of 29 June 2000 (Eurofound 2011, ERA 2011)). As far as racial and ethnic origin is concerned, this legislation extends to other aspects of daily life, such as education and social services.

In response to the need to implement the EU Employment and Racial Equality Directives, Slovakia adopted the Anti-Discrimination Act on 20 May 2004, the

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first in its history. A significant amendment to the Act was adopted in June 2007. The second important amendment was passed in February 2008 and entered into force in April 2008. The Anti-discrimination Act meets the minimum standards required by both Directives. Apart from the Anti-discrimination Act, several special laws were amended in the area of education, health care and employment (Non-discrimination.net 2011). The enforcement of the new rules established by the Anti-discrimination Act has not yet been fully effective in practice. Although there are already some court decisions (mainly in relation to racial discrimination in access to services and in relation to sex/gender discrimination in employment) and some more are pending, people in general do not recourse to courts to litigate for their right not to be discriminated against (SNSĽP 2009).

According to Hubbard (2004) diversity can be defined as a collective mixture characterized by differences and similarities that get applied in pursuit of organizational objectives. Diversity means several things but the term is generally used to describe entities with members who have identifiable differences. In the European context, diversity can be defined from a policy and legal perspective across at least six clear 'strands': gender, age, race and ethnic origin, sexual orientation, religion and belief, disability. The understanding of diversity has been evolving since the 1970s when the term was mainly used to refer to minorities and women in the workforce. For a long time it was common for managers to assume that workplace diversity is about increasing gender, national or ethnical representation, that it is concerned with recruiting and retaining more people from so-called underrepresented "identity groups" (Keil 2007).

It is very important to be able the diversity not just to acknowledge but to manage it as well. Diversity Management is clearly something more than Diversity as such. It is a strategy to promote the perception, acknowledgement and implementation of diversity in organisations and institutions (Universität Wien 2011). Keil (2007) defines diversity management as follows: it is the active and conscious development of a future oriented, value driven strategic, communicative and managerial process of accepting and using certain differences and similarities as a potential in an organisation, a process which creates added value to the company.

2. Objectives and Methodology

The topic of diversity management is a relatively new one for the vast majority of Slovak entrepreneurs (the results of the linked research (as a part of complex research supported by Visegrad Fund) are yet to be published). This said the main aim of this paper is to explain the current situation in the field of diversity and diversity management in the Slovak Republic. Another objective is to offer

some solutions how to deal with the diversity in the workplace and what are its identified benefits.

The used methods were chosen according to laid-down objectives. The most frequently used method was documentary analysis (of documents both in printed and digital form) relevant to the topic of diversity and diversity management. Another source of information was the database of Slovstat which was used to filter and mine the data necessary for the calculation of trends. The secondary data were recalculated and processed with usage of table editor and statistical software.

A few words to time series analysis: a basic assumption in any time series analysis/modelling is that some aspects of the past pattern will continue to remain in the future (IASRI 2007). Four types of time series components can be distinguished. They are:

- *horizontal* – when data values fluctuate around a constant value,
- *trend* – when there is long term increase or decrease in the data,
- *seasonal* – when a series is influenced by seasonal factor and recurs on a regular periodic basis,
- *cyclical* – when the data exhibit rises and falls that are not of a fixed period.

Using secondary data obtained from Slovstat database we calculated the basic forecasts of the future development of chosen demographic categories.

3. Results and Discussion

The theme of diversity in itself and diversity management is becoming a serious issue in Slovakia. Since 1998–1999 there is a significant increase of number of international enterprises. One of the results (in the social sphere) is the higher share of foreign workers with another social background, possibly another religion and opinions etc. The risk of potential conflicts is bigger but in the current context of demographic change and economic downturn, our societies cannot afford to waste the potential of foreign as well as older workers, persons with disabilities, people of ethnic minority background or any other disadvantaged group.

In the following part of the paper we will refer to the sources of diversity and perception of discrimination.

3.1 Sources of Diversity (and Potential Discrimination) and the Situation in Slovak Republic

Tab. 1:   **Share of men and women in Slovak population (in %)**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Women	51.4	51.4	51.5	51.5	51.5	51.5	51.4	51.4	51.4	51.4
Men	48.6	48.6	48.5	48.5	48.5	48.5	48.6	48.6	48.6	48.6

Source: Slovstat (2011), own processing.

The ratio "men/women" is a stabile one. There are no sudden changes. One of the reasons why there are more women than men is their relative longevity.

Tab. 2:   **Life expectancy of men and women in Slovak Republic**

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Men	69.5	69.7	69.7	70.2	70.1	70.4	70.5	70.8	71.3	71.9
Life	77.5	77.5	77.6	77.8	77.9	78.2	78.0	78.7	78.7	79.9

Source: Slovstat (2011), own processing.

The life expectancy of men and women in Slovak Republic in general is steadily increasing but still it is somewhat smaller than in EU. The EU average life expectancy of men is 75.87 years and that of women it is 82.13.

Figure 1:   **Life expectancy of men and women in Slovak Republic prognosis**
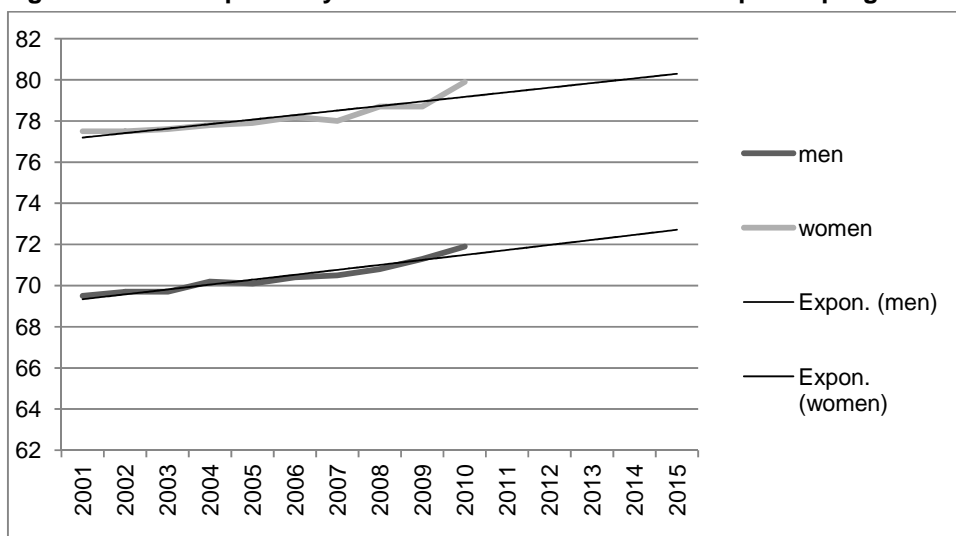
Source: own processing.

As can be seen above (picture 1) the life expectancy of men will reach 72.8 and the life expectancy of women will reach 80.4 in 2015.

Tab. 3:   Average age in Slovak Republic

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Average age men	34.57	34.89	35.20	35.49	35.78	36.06	36.34	36.61	36.84	37.09
Average age women	37.68	38.02	38.35	38.66	38.96	39.25	39.54	39.81	40.05	40.28

Source: Slovstat (2011), own processing.

The average age of men and women is rising. The population of EU is aging. The population of Slovak Republic is aging as well.

Figure 2:   Average of men and women in Slovak Republic prognosis
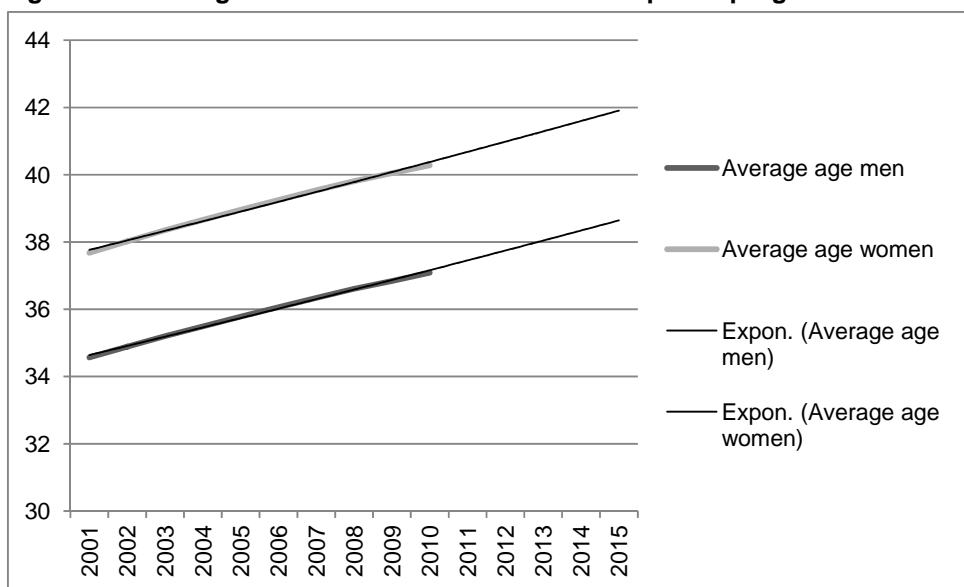
Source: own processing.

The average age of women will increase to 41.8 and the average age of men to 38.7 in 2015.

Tab. 4: Chosen age groups in Slovak Republic

Age	2001	2002	2003	2004	2005	2006	2007	2008	2009
0-14 index current year/1993	0.83	0.80	0.78	0.76	0.74	0.72	0.70	0.68	0.68
15-59 index current year/1993	1.08	1.09	1.10	1.11	1.11	1.12	1.12	1.12	1.12
60 and more index current year/1993	0.98	1.00	1.00	1.02	1.03	1.04	1.06	1.08	1.11

Source: Slovstat (2011), own processing.

There is more old people and fewer youngsters. The number of young people in age 0–14 is getting alertly low. In total it decreased by more than two hundred thousand in ten years (2000–2009) and it is getting lower still. At the other hand the number of seniors is increasing. This development seems to be irreversible. At least for now. And in the near future as well.

In 1990, the EU-27 population aged 65 and over corresponded to 20.6% of what is considered to be the working age population (15–64 years). In 2008, this old age dependency ratio rose to 25.3%. All Member States are expected to see an increase in this ratio, although the extent of the rise will vary considerably from one country to another. In the long run, the old age dependency ratio in the EU-27 is expected to rise to 53.5% in 2060 (Eurostat 2009).

Figure 3: Chosen age groups in EU
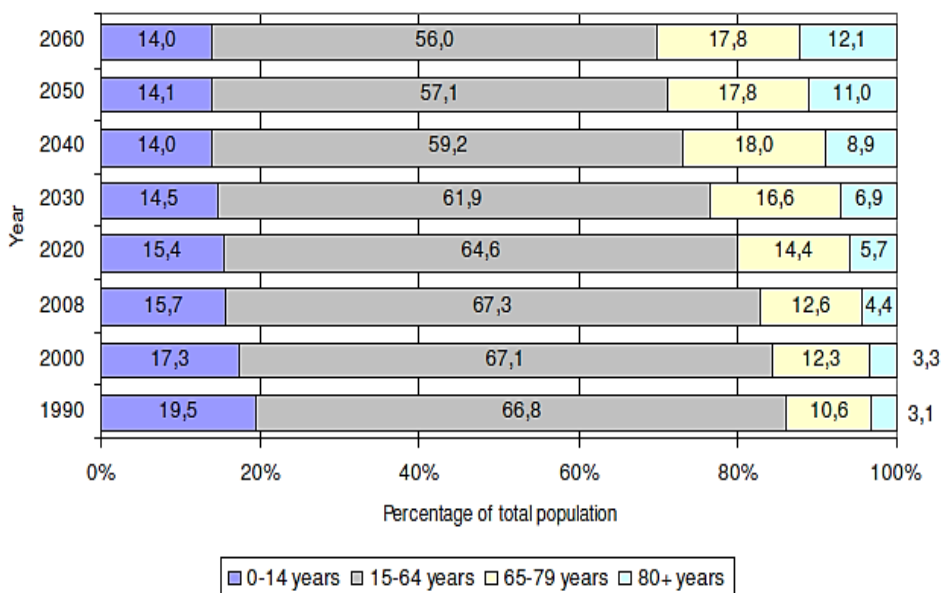
Source: Eurostat (2009).

Another source of diversity is ethnic. According to the Encyclopaedia of the Nations (2011) the population of Slovakia is 85.7 % Slovak. Hungarians are

heavily concentrated in southern border areas, total 10.6%. Romas (Gypsies) are reported to make up 1.6 % of the populace; Czechs form 1%; Ruthenians account for 0.3%; Ugrians for another 0.3%; Germans for 0.1%; Poles for an additional 0.1%; and various other groups account for the remaining 0.3%. The Gypsy population in eastern Slovakia is underreported but estimated to be sizeable. Czechs have the option of dual citizenship.

Ethnic development in EU is influenced by immigration. In a flexible labour market, a high degree of labour mobility is desirable to help employment adjust favourably to changing demand conditions. An inefficient allocation of labour resources may negatively affect the longer-term level and growth rate of potential output and, in the short run, limits the pace at which an economy can grow (Bisin 2011). Slovakia is one of the target countries for immigrants. The majority of immigrants were men (68%). Almost 90% of immigrants are from the states of European Union. It is necessary to point out, that not all of them are the legal ones (only 62%) (Divinský 2009). In 2007 Romania became the leading source immigration country. Together with the immigrants mostly from the states of former Yugoslavia the number of foreign employees was 4 times higher in 2008 in comparison with 2004 (the share of foreign employees on the total number of employees increased from 0.15% to 0.6%).

Tab. 5:   Migration in Slovak Republic

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Immigrants	2 274	2 023	2 312	2 603	4 460	5 276	5 589	8 624	8 765	6 346
Emigrants	811	1 011	1 411	1 194	1 586	1 873	1 735	1 831	1 705	1 979
Balance (I – E)	1 463	1 012	901	1 409	2 874	3 403	3 854	6 793	7060	4 367

Source: Slovstat, own calculation.

The majority of EU countries can be divided into three groups: traditionally Catholic countries, traditionally Protestant countries and mixed religion countries. They can also be classified from most to least religious; for the Catholic countries: Ireland, Portugal, Italy, Spain, Austria, Belgium, France; for the mixed religion countries: Germany, the United Kingdom, the Netherlands; for the Protestant countries: Finland, Denmark, Sweden (Carrera and Parkin 2010).

Out of about 5.4 million inhabitants of Slovakia, more than two thirds declared their affiliation to the Roman-Catholic Church. 13% are churchless, but this number is much smaller than the 59% in the neighbouring Czech Republic.

Tab. 6:   Religion structure in Slovak Republic (in %)

Roman-Catholic Church	68.9
Evangelic Church of Augsburg Affiliation	6.9
Greek-Catholic Church	4.1
Reformed Christian Church	2.0
Orthodox Church	0.9
Other (Jewish, Islam etc.)	1.1
Unknown	3.0
Without religious affiliation	13.0

Source: Slovstat.

About 80 million people living in the EU have a mild to severe disability. The physical obstacles they face, like gaining access to a school or work place, leave them vulnerable to social exclusion. Lower employment and education levels mean the poverty rate for those with disabilities is 70% higher than the average. Employment shares among people with disabilities are the highest in Austria (54%) and Slovakia (42%). Inactivity status ranges from 21% in Austria to 78% in the United Kingdom, the Czech Republic, France, Ireland and Sweden. In addition, in these countries, the unemployment share is 5% or below (Shima, Zólyomi and Zaida 2008, AER 2011).

Every source of diversity is a potential source of discrimination. The following part of the article deals with the perception of discrimination in Slovakia in comparison with EU.

3.2 Perception of Discrimination in Slovakia and in EU

According to Debrecéniová (2008) there are seven forms of discrimination, from which three are the most general.

- Direct discrimination is where one person is treated less favourably than another due solely (or predominantly) to his or her identification with a certain disadvantaged group (racial, ethnic, etc.). For example, a woman who is not allowed to vote since only men may vote; or a Roma person who is not hired (even though he may be qualified) solely (or predominantly) because he is Roma.

- Indirect discrimination occurs when an apparently neutral provision would put persons belonging to certain group(s) at a particular disadvantage. This can also be understood as the occurrence of a disparate impact or effect upon a certain group due to otherwise neutral rules. One example may be a shopkeeper who does not allow women wearing long skirts to enter the shop. As no particular racial or ethnic group is named, the rule is facially neutral, but it may indirectly discriminate against certain minority group members who tend to wear

head scarves. Indirect discrimination encompasses institutional racism that is built into the very structures, practices and procedures of governments or businesses. Discrimination may also take the form of harassment (unwanted conduct related to identity with a certain group, having the "purpose or effect of violating the dignity of a person and of creating an intimidating, hostile, degrading, humiliating or offensive environment." – language from EU Race Directive).

- Harassment need not necessarily be directed at the victim, but may exist within an intimidating environment. Instruction of another to discriminate also comprises discrimination, as does victimization, where complainants of discrimination are made to suffer adverse subsequent treatment in retribution for their complaint.

But it is not only the new legislation that is driving organisations to think about managing diversity. Other social and economic changes also play their part. All European countries have undergone (and are still undergoing) dramatic change in their populations.

In this part of the article we will deal with discrimination and the result of survey realized by Eurobarometer (2005). The survey was conducted between 29 May and 15 June 2009. The findings from this survey provide insight into the perceptions, attitudes, knowledge and awareness of discrimination and inequality in the European Union and the Candidate Countries in 2009. However we will include only the results regarding Slovak Republic (in comparison with EU). There were 1037 interviews in Slovakia (26,756 in EU).

The opinion of Slovak respondents about the most widespread types of discrimination is visualized by picture 1.

Tab. 7: Most widespread type of discrimination in EU and Slovakia (%)

	EU 27	SK
Ethnic origin	61	49
Age	58	64
Disability	53	44
Sexual orientation	47	27
Gender	40	36
Religion or belief	39	12

Source: Eurobarometer (2005), own processing.

The Slovaks as a whole think that discrimination based on is the most common form of discrimination in the Slovak Republic (so it is not the gender which is commonly perceived as the main source of discrimination). As second follows

the discrimination based on ethnic origin, the third most widespread on is the discrimination based on disability.

Another part of the survey was focused on the sources of disadvantage when a company wants to hire someone and has the choice between two candidates with equal skills and qualifications.

Tab. 8:   Potential sources of disadvantages in EU and Slovakia (%)

	EU 27	SK
Age	48	69
Look, dress-sense or presentation	48	35
Skin colour or ethnic origin	38	41
A disability	37	36
General physical appearance	36	25
Way of speaking, his or her accent	30	21
Expression of a religious belief	22	5
Gender	19	35
Sexual orientation	18	15
Smoker or not	16	14
Name	13	10
Address	6	4

Source: Eurobarometer (2005), own processing.

The hierarchy of potentially discriminating criteria when recruiting in Slovakia is overall fairly close to that observed in the European Union. Three major differences still appear: the first criteria, the applicant's age is quoted by 69% of Slovaks (21 points more than the European level), gender by 35% of Slovaks (16 points more) but particularly the expression of a religious belief is mentioned by only 5% of Slovaks (compared to 22% in the Union).

Considering the current economic crisis, this perception around age found an ominously strong expression in views about discrimination in the labour market. The majority (around 40%) of the total number of unemployed are young people in age 29 and less. Another relevant group are people in age of 55 and older. Together they create more than 60% of unemployed in Slovak Republic. Age is really an important factor which can really be considered a potential source of disadvantage.

Tab. 9:   Unemployment of chosen age categories in Slovak Republic

	2001	2002	2003	2004	2005	2006	2007	2008	2009
15–29 (thousands)	230.8	210.4	185.9	182.3	157.6	127.9	101.6	92.2	121.4
in %	45.4	43.2	40.5	37.9	36.9	36.2	34.8	35.8	37.5
55 and more (thousands)	15.5	20.2	18.6	25.6	25.3	20.1	18.2	16.5	21.1
in %	3.1	4.2	4.1	5.3	5.9	5.7	6.2	6.4	6.5

Source: Slovstat, own calculation.

The question "how you would feel about having someone from each of the following categories in the highest elected political position" using scale from 1 (totally uncomfortable) to 10 (totally comfortable) they answered as follows. The Slovaks as a whole would seem to accept willingly the idea that a major political leader of their country could belong to one of the categories in the survey. This is particularly true if this person was a woman or a person of a religion different from the majority. A little less for a disabled person, a person aged fewer than 30 and a person of an ethnic origin different from the majority. They would be much more reserved if it were a homosexual person and still more if it were a person aged over 75 (Eurobarometer 2005).

Tab. 10:   Feelings towards person in elected position

	EU 27	SK
a woman	8.5	7.9
a disabled person	7.4	6.6
a homosexual	6.5	4.6
a person from a different religion than the majority of the population	6.5	7.1
a person from a different ethnic origin than the majority of the population	6.2	5.5
a person aged under 30	5.9	6.1
a person aged over 75	4.8	3.8

Source: Eurobarometer (2005), own processing.

The Slovaks consider, in the majority (and more than the European average) that enough effort is being done in their country to combat all forms of discrimination. The majority of Slovaks think that diversity on the basis of the six criteria suggested is sufficiently reflected in the media. They are on average a little more numerous than the Europeans in thinking this for age, ethnic origin, religion and disability.

Even if a relative majority of Slovaks consider they do not know their rights in matters of discrimination or harassment, a level of knowledge of higher than the European average was noted. Contrary to the results obtained at a European level, it is the youngest who show a better knowledge than their elders. The

positive correlation observed in the Union between the level of study and the level of knowledge was also confirmed in Slovakia. As was observed in the European Union but in greater proportions, the Slovaks, if they were victim of discrimination or harassment would turn in the first place to the police. Their second choice would be to call on a lawyer, then to the tribunals and to an organization promoting equal opportunities (Eurobarometer 2005).

As stated above the results in Slovak Republic were not that different in comparison with the average results in EU. In Slovak Republic as well as in EU five following findings stand out clearly from the data of which the first two may well be of a short term nature:

- There was an increase in the perception that discrimination occurred with respect to age and disability compared to older researches.
- The advent of the financial crisis has lowered confidence that European governments will continue to address issues of discrimination with the same level of funding and sense of priority
- The most important determinant of sensitivity to discrimination, as well as comfort with minorities, continues to be the degree of diversity to be found in one's social circle.
- Diversity is not sufficiently reflected in the media.
- Europeans are not sufficiently aware of their rights. Only a third of Europeans say they know their rights should they be a victim of discrimination or harassment

Another part of the article deals with an aspect of discrimination based on gender. It is gender equality.

3.3 Gender Equality

According to Europa (2011) gender equality is a fundamental right, a common value of the EU, and a necessary condition for the achievement of the EU objectives of growth, employment and social cohesion. The EU has made significant progress in achieving gender equality, thanks to equal treatment legislation, gender mainstreaming, specific measures for the advancement of women, action programs, social dialogue and dialogue with civil society.

As stated in ILO (2007), gender statistics are under the interest of both expert and laic public including international organizations. This domain of statistics covers traditional fields to identify, produce and disseminate statistics that reflect the realities of the lives of women and men and political issues relating to gender equality. The point of gender statistics is not to monitor the spectrum of social phenomena through the "sex" indicator. While "sex" relates to relatively constant biological differences between men and women, "gender" relates to socially constructed, relatively varying differences between men and women.

Except of moral and social dimensions, gender equality has also important economic aspects. It is an inevitable economic investment to future, which contributes to the economic growth of the society in many ways.

The European Parliament has been an important partner for progress. Many women have attained the highest levels of education, entered the labour market and become important players in public life. Nevertheless, inequalities remain and may widen, as increased global economic competition requires a more flexible and mobile labour force. This can impact more on women, who are often obliged to choose between having children or a career, due to the lack of flexible working arrangements and care services, the persistence of gender stereotypes, and an unequal share of family responsibilities with men (GROS 2010).

Progress made by women, including in key areas for the Lisbon Strategy such as education and research, are not fully reflected in women's position on the labour market (ES 2008).

Tab. 11: Men and women in managerial position in Slovak Republic

	2001	2002	2003	2004	2005	2006	2007	2008	2009
Men (thousands)	82.0	73.6	83.0	93.2	95.7	95.0	88.7	94.2	92.9
Women (thousands)	36.1	33.6	44.0	44.6	42.5	36.8	39.7	39.8	44.2
Difference (%)	55.98	54.35	46.99	52.15	55.59	61.26	55.24	57.75	52.42

Source: Slovstat, own processing.

As can be seen from the table 8 there is only one woman on every two men working as manager of some kind. This fact is very interesting. Another symptom is the difference in average wages. In average women earn 25% less than men.

Tab. 12: Average wage of men and women in Slovak Republic (in EUR)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Men	440.4	475.7	560.9	587.7	653.9	713.8	753.1	820.8	873.6	913.08
Women	330.4	352.6	402.5	428.2	473.2	511	550.2	608.8	664.2	681.86
Difference	110	123.1	158.4	159.6	180.7	202.8	202.9	212	209.4	231.22
In %	25.0	25.9	28.2	27.1	27.6	28.4	26.9	25.8	24.0	25.3

Source: Slovstat, own processing.

In some age categories (35–44), this disproportion is even bigger (more than 34%). There remain a number of significant inequalities between men and women in Slovakia's labour market. Pay inequality between men and women is

increasing in Slovakia. According to ILO (2009) while in 1996 women's gross average monthly pay was 74.5% of that of men, by 2002 this had fallen below 72%. Wage differentials are greater at higher income levels. A larger proportion of women than men are clustered in the lower wage brackets. In 2001, 69.1% of total part-time employed were women. In 2003, women made up 27.7% of total employment in the agricultural sector, 30.7% in the industrial sector and 57.8% in the service sector. In 2000, women made up 57% of total employment in the public sector and 35% in the private sector.

The situation in EU is a little bit better. Women earn 15% less than men and this gap is decreasing at a much slower pace than the gender employment gap. However, as stated in EOC (2007) empirical studies undertaken in the US, UK and other industrialised countries have confirmed that despite a plethora of equal opportunity laws and organisational initiatives, ethnic minorities, women and other historically discriminated-against groups continue to remain disadvantaged and disempowered in organisations relative to their white male counterparts.

As stated in Europa (2001, adapted) priority areas of action for gender equality are these:

- Reaching the Lisbon employment targets. The Lisbon employment targets call for a 60% employment rate for women by 2010. At present, it is at 55.7% and is much lower (31.7%) for older women (55–64 years old). Women also have a higher unemployment rate than men (9.7% against 7.8%). The gender dimension of the Lisbon strategy for jobs and growth must be strengthened.

- Eliminating the gender pay gap. Its persistence results from direct discrimination against women and structural inequalities, such as segregation in sectors, occupations and work patterns, access to education and training, biased evaluation and pay systems, and stereotypes.

- Women entrepreneurs. Women constitute, on average, 30% of entrepreneurs in the EU (in Slovakia it is even less, see table 13). They often face greater difficulties than men in starting up businesses and in accessing finance and training. The recommendations of the EU Entrepreneurship Action Plan makes on increasing women's start-ups through better access to finance and the development of entrepreneurial networks need to be further implemented.

Tab. 13:   The share of women entrepreneurs in Slovakia

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Entrepreneurs total	175.2	181.2	208.0	256.8	277.8	288.0	301.4	332.1	367.5	367.0
Share of women in %	26.26	24.45	26.88	25.86	24.15	25.45	24.68	24.66	27.02	25.83

Source: Slovstat, own processing

- Gender equality in social protection and the fight against poverty. Social protection systems should remove disincentives for women and men to enter and remain on the labour market, allowing them to accumulate individual pension entitlements.

- Recognising the gender dimension in health. Women and men are confronted with specific health risks, diseases, issues and practices impacting their health. This includes environmental issues such as chemicals and pesticide use, as they are often transmitted during the pregnancy and through breast feeding. Medical research and many safety and health standards relate more to man and male-dominated work areas.

- Combating multiple discriminations, in particular against immigrant and ethnic minority women. The EU is committed to the elimination of all discrimination and the creation of an inclusive society for all. Women members of disadvantaged groups are often worse off than their male counterparts. The situation of ethnic minority and immigrant women is emblematic. They often suffer from double discrimination. This requires the promotion of gender equality in migration and integration policies in order to ensure women's rights and civic participation, to fully use their employment potential and to improve their access to education and lifelong learning.

3.4 Dealing with Diversity (in Business)

In order to understand the significance of diversity for business, however, it is also important to go "under the surface" of the strand-specific approach and to consider the "learnt" aspects of difference such as the attributes of individuals and even communities' different types of knowledge acquisition, communication styles, personal skills, professional abilities and leadership expertise (EC 2005a).

Through the twin processes of globalisation and localisation, the business horizons of European companies continue to shift and expand beyond national boundaries. Although the vast majority of European small and medium-sized enterprises (SMEs) operate at the local level, the opportunities and challenges they face are inextricably linked to processes taking place across regions, countries and continents. Regardless of whether a company operates at global or

local level, a more diversified society, customer base, market structure and workforce is becoming an increasingly central aspect of doing business.

Once the focus of a company is on recognizing relevant differences and similarities within the company and in its environment, the next question is how to manage all of this. "Sensitivity" to differences is necessary but by itself not sufficient to make positive things happen. Consequently, Diversity Management is all about integrating the ideas and practice of diversity into the day-to-day managerial and learning processes of a company and its environment. In an atmosphere of trust, acceptance and appreciation, business decisions need to be taken. Managers need to get results. They are normally not interested in aesthetically pleasing grand theory. In order to achieve their objectives and gain advantage over their competitors, managers need to understand their external environments, including the market, and the company's mission, vision, strategy and culture (Roberson and Park 2007).

During recruitment of minority employees, organizations face two major challenges. The first one is to reach the minority group members who meet the position's selection criteria. Often, these minority groups don't use the same networks as the majority groups. The second challenge is to get those potential candidates to submit their applications (Shen 2009).

In 2008 a research with European Business Test Panel took place (EC 2007, 2008). Some interesting results follow. By far the most prevalent argument for adopting a diversity agenda continues to be that it significantly broadens the pool of talent from which to employ staff, or helps to retain the best staff.

Figure 4:   Characteristics that SMEs look for in employees
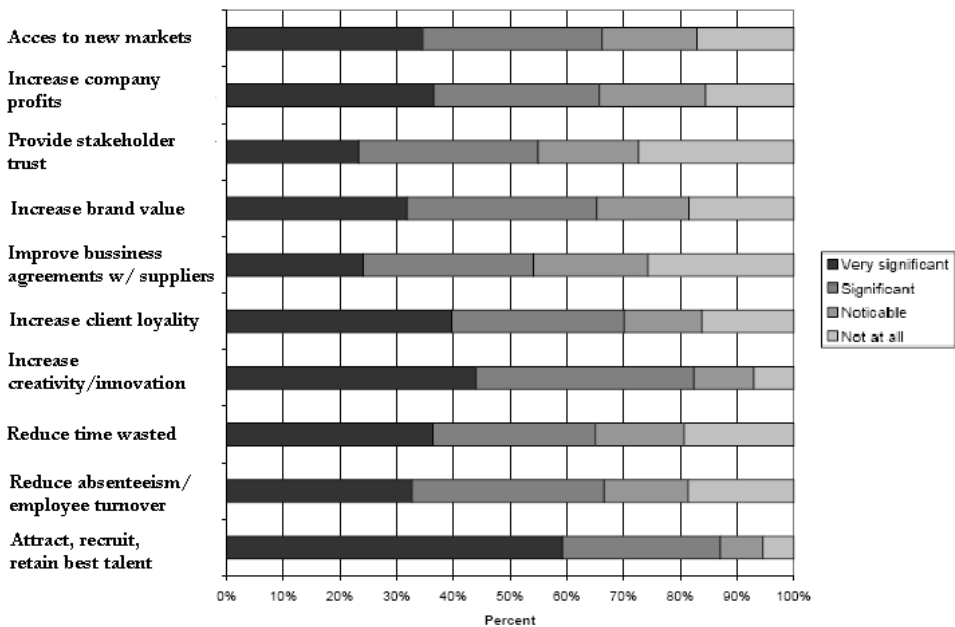
Source: EC (2008).

As Page (2007) notes, in the US alone, firms spend billions on diversity programs such as recruiting and training. Many such programs appear designed simply to tolerate differences to comply with regulatory or legal requirements, to signal to potential applicants that their differences are no barrier to entrance, or to minimize conflict between employees from separate demographic groups. Page pushes further on this challenge, urging an approach that capitalizes on diversity. Firms pursuing such an approach will be motivated not just to minimize the negative consequences of differences, but to exploit and sustain the positives. Applying the principles of mathematics, computer science, and economics to group and organizational performance, Page argues persuasively about those positives. Logically, groups composed of diverse individuals ought to be more effective in solving problems and making predictions than groups composed of homogeneous individuals.

In this context it is important to mention that inconsistent empirical evidence on the impacts of diversity on organizations suggests complex relationships between diversity and its consequences. Jackson, Joshi, and Erhardt reviewed 63 studies published between 1997 and 2002 and found that contextual factors, such as task characteristics, organizational culture, team processes, and strategic context, significantly affected the relationship between diversity and organizational performance or behaviour (Jackson, Joshi and Erhardt 2003).

Diversity Management is clearly something more than diversity as such. The main question is how a company can actively and strategically deal with Diversity (Keil 2007, adapted). Diversity management strategies can help to create a link between the internal and external aspects of the work of an organisation. Whilst each organisation needs to work out its own priorities, these benefits can include:

- Attracting, recruiting and retaining people from a wide "talent" base.
- Reducing the costs of labour turnover and absenteeism.
- Contributing to employee flexibility and responsiveness.
- Building employee commitment, morale and "discretionary effort".
- Enhancing creativity and innovation.
- Improving knowledge of how to operate in different cultures.
- Improving the understanding of the needs of current customers or clients.
- Assisting in the development of new products, services and marketing strategies.
- Creating opportunities for disadvantaged groups and building social cohesion.

Some proponents of diversity have maintained that workforce diversity enhances organizational effectiveness and productivity. Some studies have found that work teams composed of people with different backgrounds tended to share more information, leading to better performance than homogeneous teams (Bunderson and Sutcliffe 2003). Greater heterogeneity may lead to low consensus in decision making.

According to SME diversity survey the most important benefit associated with diversity is the possibility to attract and recruit best talents. Nevertheless, the effects of other variables, such as diversity management practices and leadership, need much more attention from researchers. Previous research has used a limited range of samples, such as private firms in some fields of business or laboratory studies, thereby raising questions about external validity. Although some recent studies examined diversity's impacts on the organizational effectiveness of public organizations, they also used samples drawn from limited areas of government.

Conclusion

The themes of demographic and social development and factors by which it is determined are very often discussed and commonly well known. In the article we laid down some of them. Our line of thought can be visualized as follows:

Figure 5:   Diversity layout
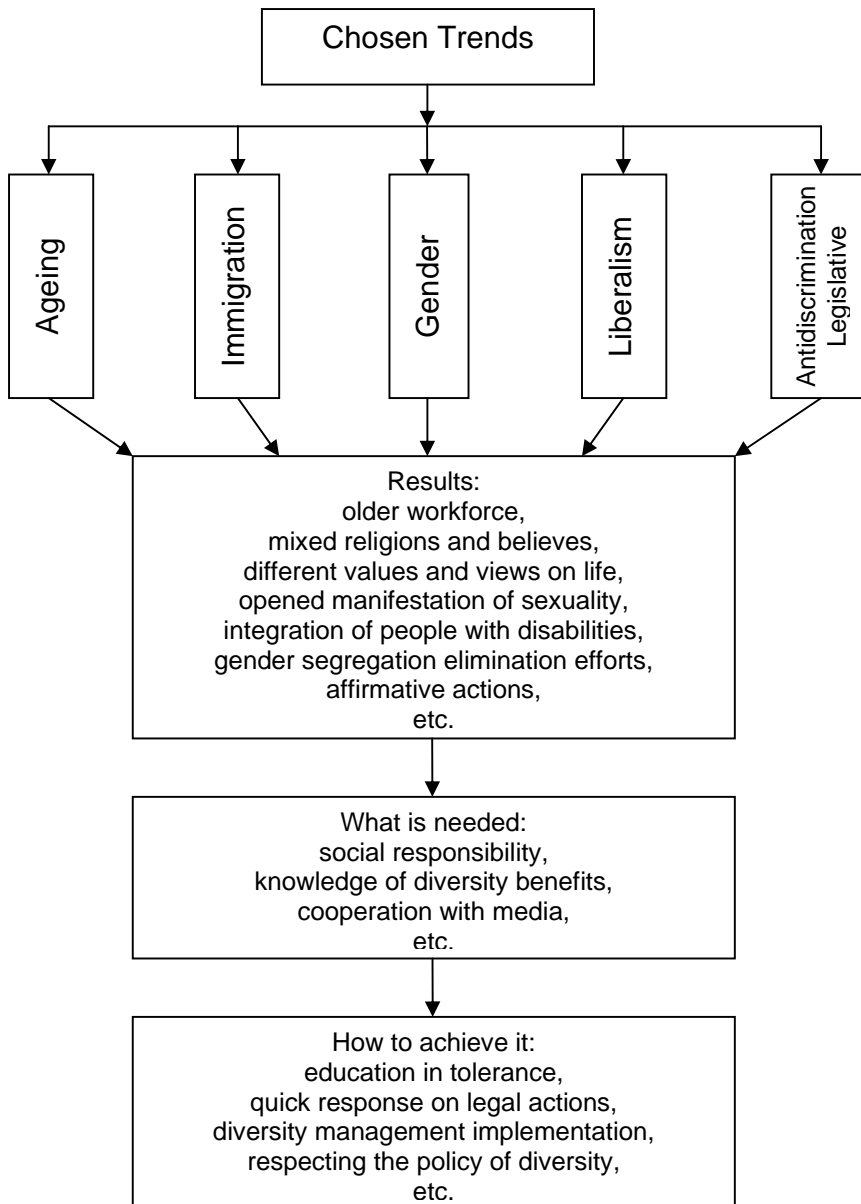
The main social and demographic trends influencing the development of our society (as we perceive them) are:

- ageing,
- immigration,
- gender equality,
- liberalism,
- antidiscrimination legislative and agenda.

These trends did not appear from nowhere. Some of them are recent but some of them we are aware of for some (considerable) time.

There is no doubt that Europe as whole is relatively quickly ageing. In this context it is alarming that despite this knowledge the age is commonly perceived as one of the main sources of disadvantage when the company wants to hire someone or when an elder is in elected position. From the side of governments there is a tendency of changing retirement age (increase it) what leads to the logical result that increasing number of the older people in age of 60+ remain a part of active workforce. This number will probably become more significant in the near future. Yet the shift towards acceptance of older workforce is very slow (at least) in the Slovak Republic.

An intense political and intellectual debate is taking place in Europe around migration issues. This debate has been particularly intense after the series of violent disturbances in various cities and towns in England (e.g. Oldham, Leeds, Burnley, Bradford) in the spring and early summer of 2001, involving young British Asian men, and the riots in Paris' suburbs in November 2005 where most of the rioters were the French-born children of immigrants from African countries. Though a range of potential explanations were proposed, two received considerable attention in political circles and also in the media. The first explanation put forward the lack of a shared civic identity that could bring together diverse communities. The second one was the adverse labour market outcomes of the ethnic groups, which experienced very high levels of unemployment (Bisin 2011).

Together with gender are age and ethnic origin the most obvious sources of diversity in the workplace. At the one hand there is a notion to embrace the diversity as a important source of business benefits at the other hand there is a fact that previous empirical research on the effects of diversity on organizational performance has found mixed results. Recently, researchers have reported that the actual effects of diversity under complex organizational conditions are much more complicated than they had predicted, suggesting the need for a more nuanced interpretation of diversity and for research that analyses the impacts of diversity taking into account the complex reality of organizations (Roberson and Park 2007). The increasing complexity in the

company's environment in terms of diversity of the stakeholders, customers, suppliers, colleagues, and shareholders and the changing political and economic context requires conscious steps to actively manage this diversity.

The social impact of globalisation and crisis stresses the importance of better analysis of working groups composed of different homogeneous individuals. The globalisation, competition pressure on lowering production costs require specification of task characteristics, organizational culture and strategic team processes. Sometimes differences can be cooperative. Older very well qualified and experienced people still remain very helpful for each organisation that likes to maximize working effectiveness. They values can positively influence younger co-workers, their social network is of the different size and their salary expectations can be also used as an argument when dealing with younger male workers. There still remains the possibility of continual learning. We can tell that well balanced gender stratification in company can be also helpful. For conclusion we can say, that diversity is becoming more and more the part of strategic management targeted on sustainable development.

But the diversity has got more dimensions, not just the business one. Demographical development and the ageing of population leave a lot of space for future immigration. Our children will face a reality of different European Union. For sure there will be more Muslims. For sure there will be a lot of elders. Are we able to manage this? We think we are not. At least not yet. The education in tolerance should start at primary school and continue from that point on. The media can be very helpful in this case. Are they? Not all of them. A lot of papers, journals and even TV stations are pursuing "cheap sensation" and informing very negatively. According to (EC 2009) battles are still being fought within every community to win respect for principles of equality and diversity. In times of trouble, tolerance can be at a premium, which is why diversity in media content and practice is a crucial factor in fostering social cohesion and preventing conflict. The past teaches us there is a strong tendency to radicalism in many states of Europe when the things are getting worse. And currently they are indeed worsening. The debt crisis, questions related with so called "Eurowall", economic problems in Greece, Portugal, Ireland, Spain and Italy [...] the tolerance, patience and acceptance are ones of the biggest challenges we face today. Let us hope we will succeed.

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