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Sosyal Sorumluluk ve İtibar Yönetimi (II) Oturumu
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Middlesex
University

Workforce *div*er*si*TY

***Management: An Examination
of CSR Reports of Multinational
Companies***

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Outline of the Presentation



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- 1) Introduction**
- 2) Literature review**
- 3) Methodology**
- 4) Findings**
- 5) Discussion**
- 6) Conclusion**



1) Introduction

➤ **What is diversity?**

➤ **Why is diversity important for CSR?**

...any ideas?



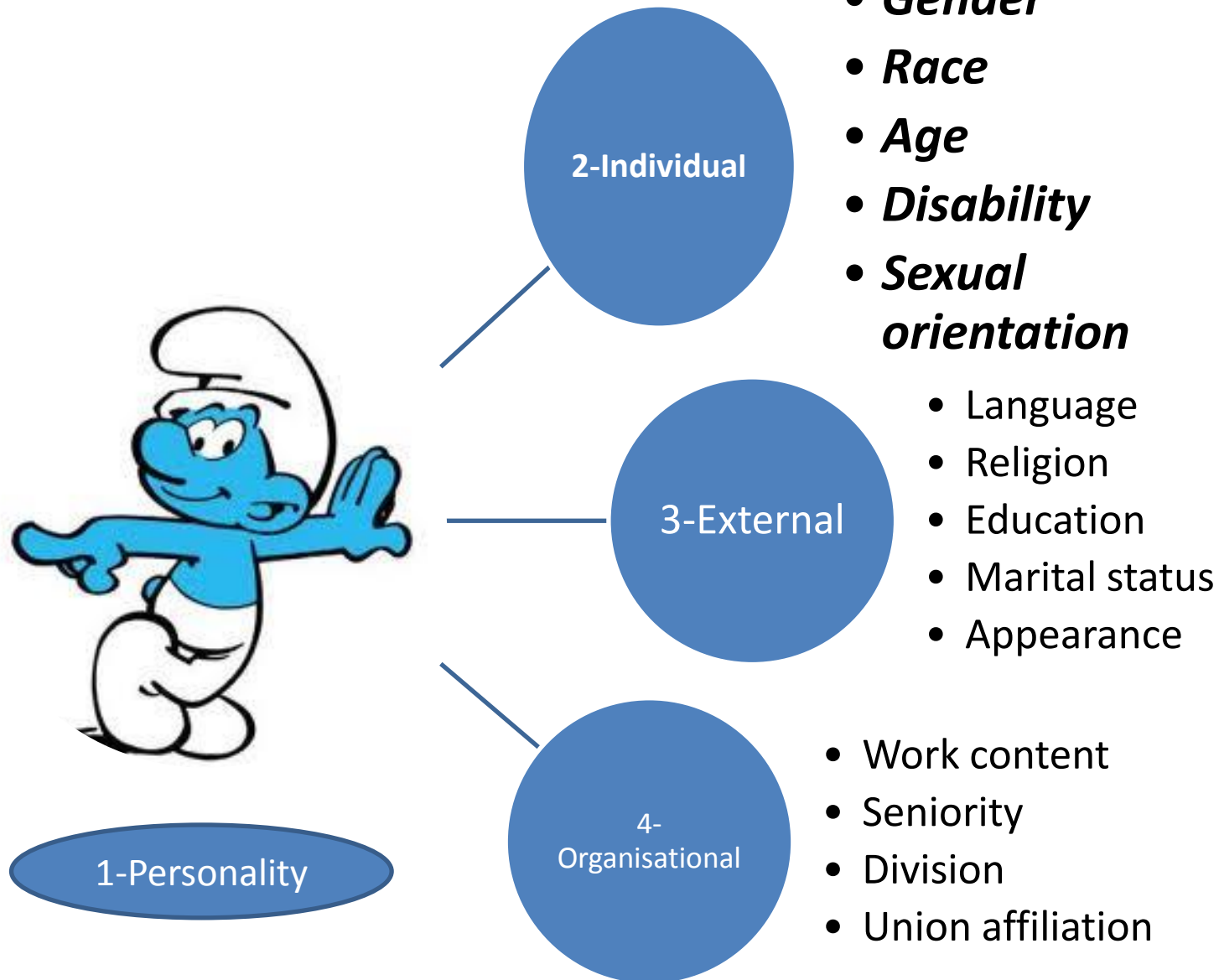
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2) Literature Review



The Four Layers of Diversity

(Gardenswartz and Rowe, 1998)





State of the World

- **1945, The situation after World War II**
- **1957, Creation of European Community**
- **1992, Breaking up former Yugoslavia**
- **1994, NAFTA (North America Free Trade Area)**
- **Labour & Capital Mobility, Competition**



State of the USA

- 1960s, 'Civil Right Protest'- against voting and education system
- 1963, Martin Luther King and Birmingham demonstrations
- 1964, **(EEOC)** Equal Employment Opportunities Commission- law for elimination of illegal discrimination from the work place
- 1965, **(AA)** Affirmative Action- for government contractors equality in business, employment and education.

State of Europe

- **1997, Employment discrimination law in the EU**
- **The EU single market and corporate governance**
- **Individual constitutions (Germany, UK etc.)**

...as a result

- **Liberalisation & Globalisation**
- **Business become more International & Interdependent**
- **A number of incidents created the notion *diversity* but whenever differences make an impact in the workplace then it became an issue of concern for organisations (Gardenwartz and Rowe, 1998)**

Diversity as a Business Case

- **Attracting skilled workers from the widest pool in the case of talent shortage**
- **Targeting and serving diverse market (Sweden Ex. ?)**
- **Improving organisational creativity and having better results as a team (??) (Ferner *et al.*, 2005)**

3) METHODOLOGY



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- I. Forbes **250** the worlds' largest MNCs published in 2010
- II. The final sample includes **75** American (25) & European (50) MNCs' **GRI** adopted CSR reports (2008&09)
- III. Content analysis for GRI items (**LA13, LA14, HR4**)
- IV. Text analysis for **diversity dimensions**
- V. Analysed the disclosure volume of the GRI items and diversity dimensions based on country origin and sector.

Global Reporting Initiative (GRI) Items and Other Dimensions

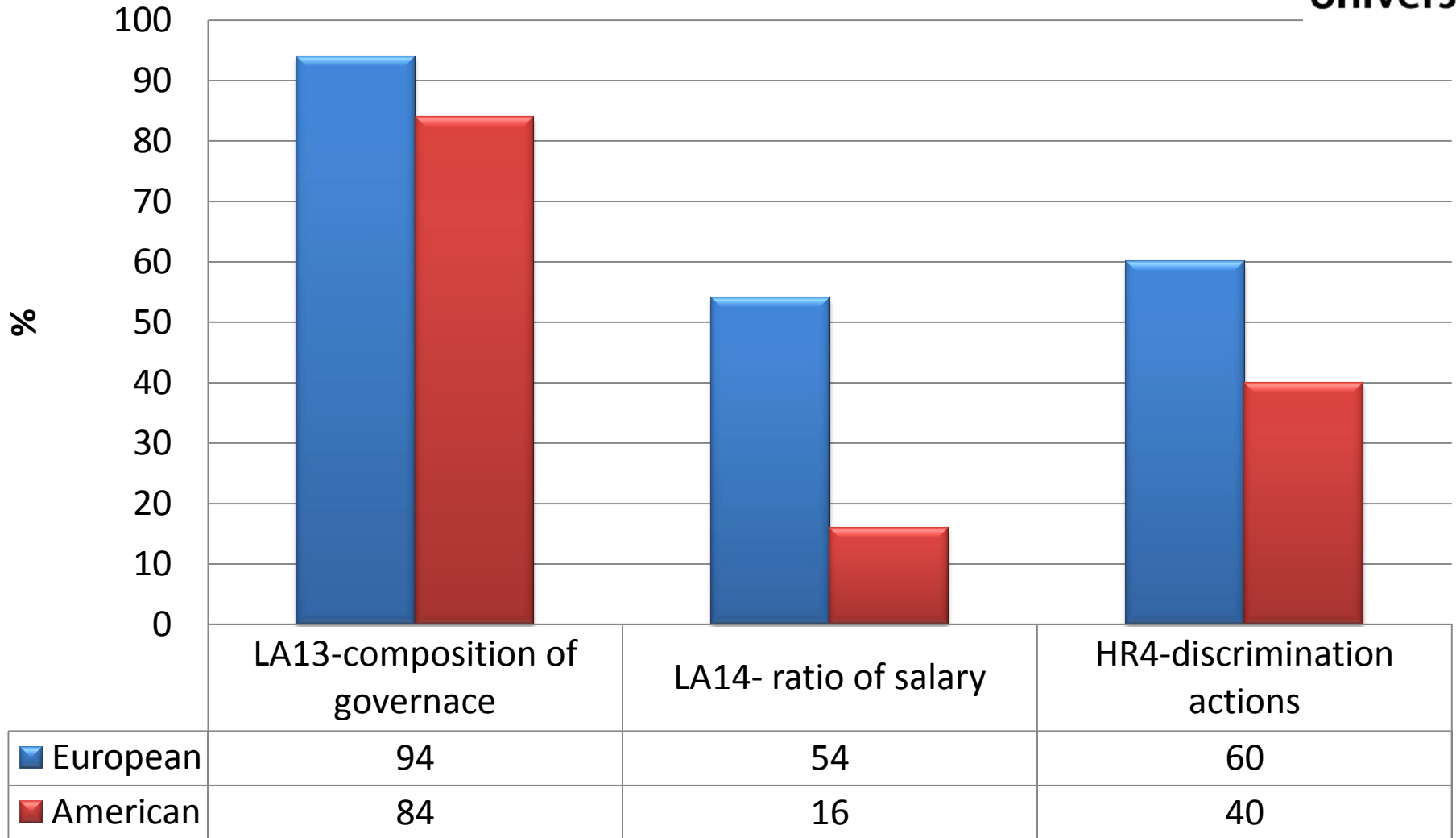
- **LA13**- Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.
- **LA14**- Ratio of salary of men to women
- **HR4**- Total number of incidents of discrimination and actions taken
- **Diversity Dimensions**- Gender, race, age, psychical ability, sexual orientation (LGBT)



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4) FINDINGS...

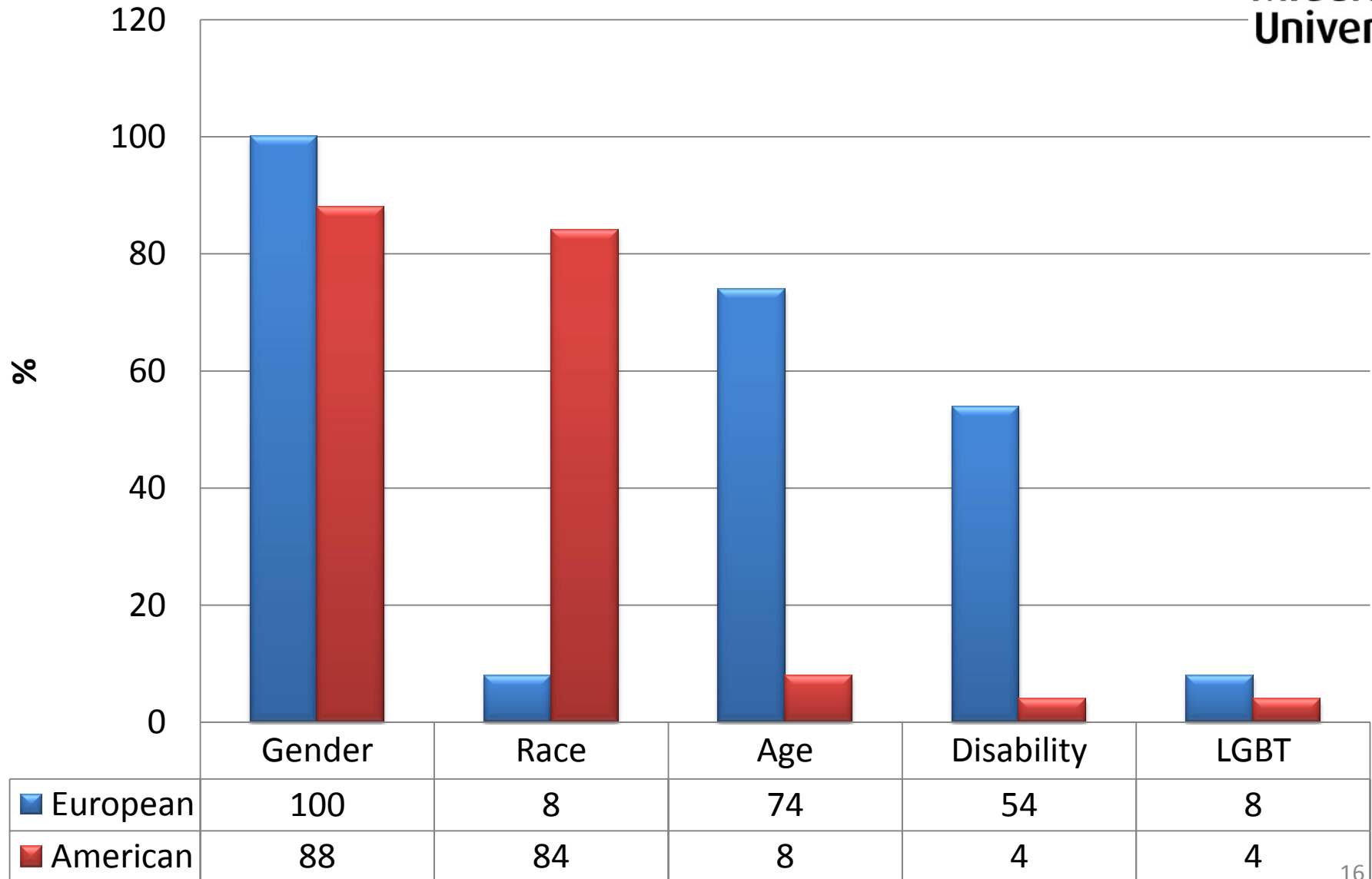
The volume of disclosure of the GRI items **LA13**, **LA14** and **HR4** based on **country variables (n=75)**



The disclosure volume of **diversity dimensions** based on **country variables (n=75)**



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5) DISCUSSION

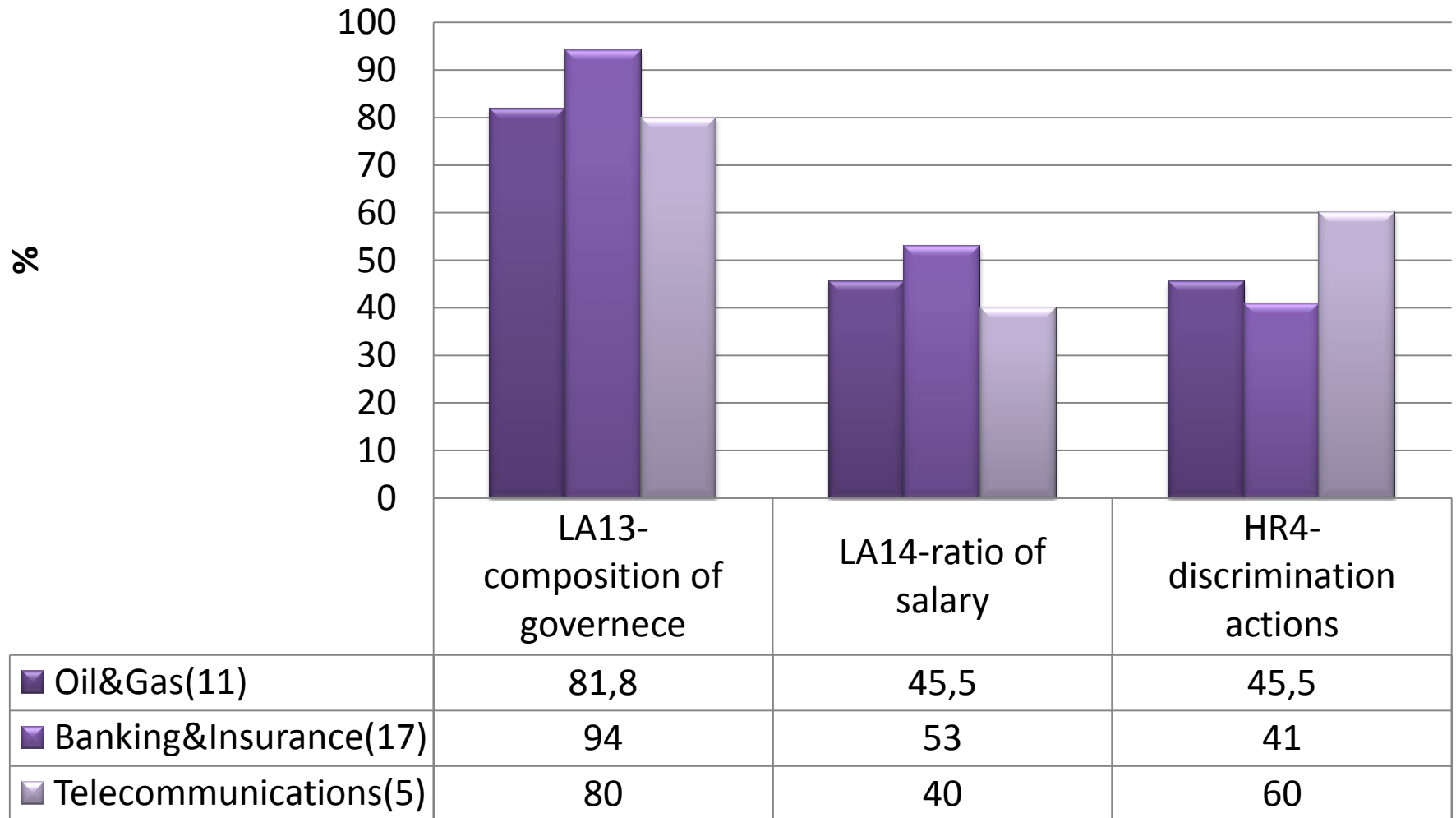


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BY COUNTRY

- LA14- is expected more disclosure by Americans
- HR4- union presence in Europe vs direct communication
- Race, **30%** workforce is ethnic minority in the USA whereas Europe is much more homogeneous.
- Age, **27.6%** of European population will be **65+** by 2050
- Disability proportion is **16.6%** of the overall EU working age population
- LGBT is the least attractive subject for both groups.

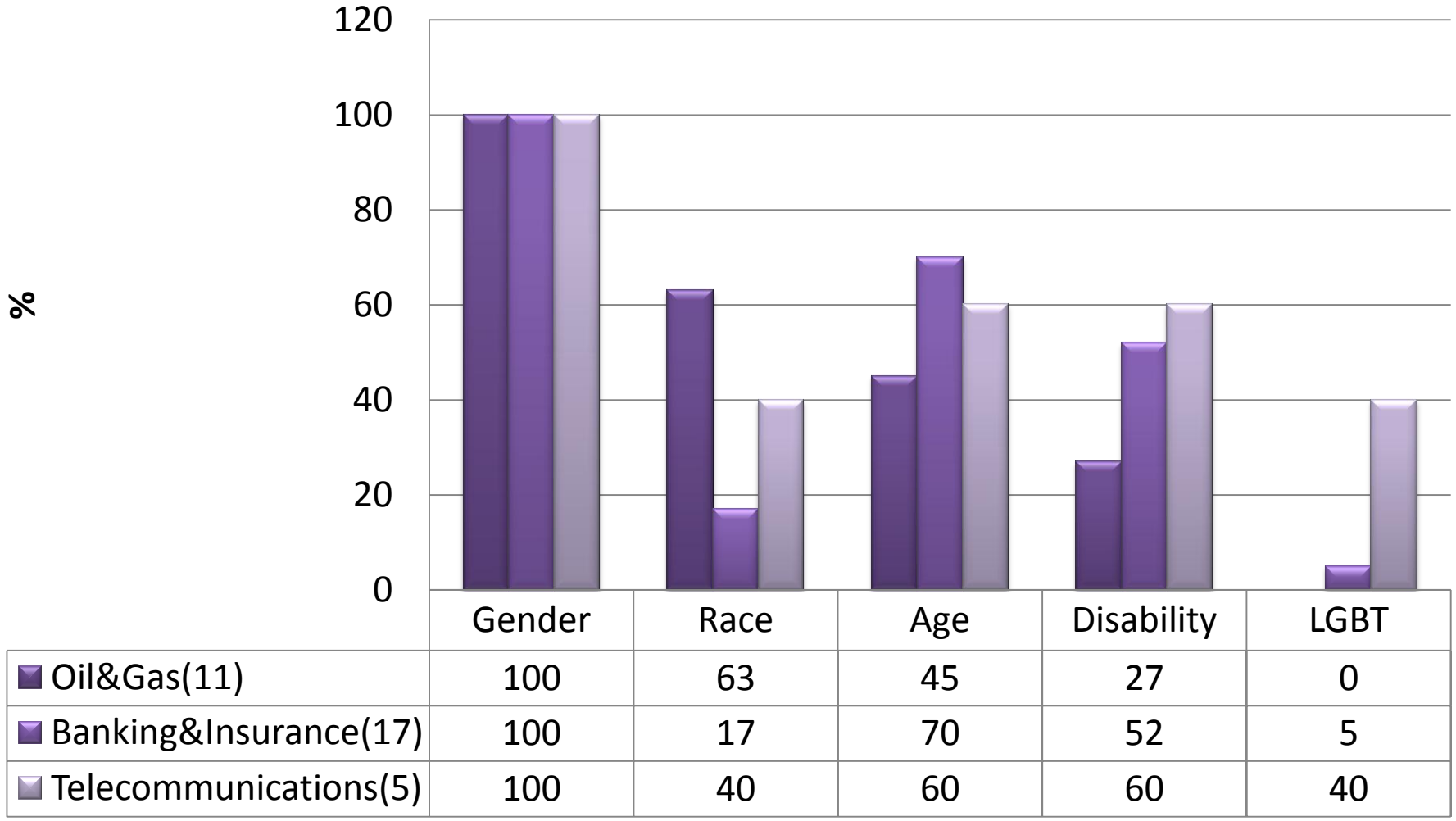
The volume of disclosure of the GRI items **LA13**, **LA14** and **HR4** based on **sector variables**(n=33)



The disclosure volume of diversity dimensions based on sector variables (n=33)



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...DISCUSSION



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BY SECTOR

- **Regarding to GRI items there is no significant differences on volume of disclosure between sectors whereas the similar results with country based measurement**
- **Diversity dimensions differs depending on country origin independent from industry specific.**

6) CONCLUSION



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- ✓ Diversity management is widely accepted as a business case, although its link with performance is not proven by research yet
- ✓ Management practices and approaches to diversity are affected by socio-cultural, constitutional and institutional context of a country
- ✓ American firms constantly disclose less than Europeans although they created the notion.
- ✓ In order to find the way for best practices, 'copy-paste' **OUT!** 'copy-modify-paste' **IN!**



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Thank you...

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