

Equal Opportunities and Private Sector Employment in Scotland

A summary of research into equal opportunities policies and practices

SEPTEMBER 2000



82% of
Scottish private
sector employers
have an equal
opportunities
policy in place

THE RESEARCH

In 1999, the CRE Scotland commissioned a piece of research into the state of equal opportunities policy and practice in the private sector labour market in Scotland. The research focuses on the perspectives of private sector employers and white and ethnic minority employees.

Previous research by the CRE has shown that ethnic minority job seekers in Scotland face significant barriers to the labour market in the form of direct and indirect discrimination. The increasing caseload of the CRE in Scotland demonstrates that the problem of discrimination against ethnic minority Scots is widespread and pervasive.

THE METHODOLOGY

In total, 500 private sector employers (250 white employees and 250 ethnic minority employees) were interviewed. Interviews took place across the whole of Scotland with 22% of employers based in the north, 33% in the east, 38% in the west and 6% in the south. Employers represented various sectors, with 20% in the retail and consumer industry, 47% in services, 3% in agriculture and materials, 7% in transport and construction and 22% in manufacturing. The majority of employers interviewed represented companies with between 25 and 50 employees, with 23% having between 51 and 100 employees and 29% more than 100 employees.

The results for the employees' and job seekers' research were disaggregated by gender with 54% of respondents being female. Most respondents were under 35 years of age. Just under half of respondents were interviewed in the Greater Glasgow area, with 11% in Edinburgh and Lothians and smaller percentages across the rest of the country.

THE FINDINGS - A GENERAL OVERVIEW

When asked whether their company had an equal opportunities policy in place, encouragingly, the vast majority of respondents (82%) stated that they did.

Of the 412 companies with policies in place, however, the extent and practical implications of this policy varied widely. It is interesting to note that 86% of employers with policies in place cover all the grounds for non-discrimination which are regulated by legislation. However, 89% of policies appear to extend to discrimination on grounds which are currently unregulated by law such as sexual orientation and age.

Over 90% of employers claimed that their policies dealt with racial harassment at the workplace. The majority of employers with policies in place had developed them more than five years ago, and only 10% of employers had developed their policies in the past two years.

- 99% of employers claim that their equal opportunities policy covers race.
- 96% of employers stated that their policy covers sex and 93% of policies cover disability
- 86% of employers claim that their policies cover sexual orientation and 88% cover age discrimination

FIGURE 1. WHY WAS THE PROGRAMME INITIATED?

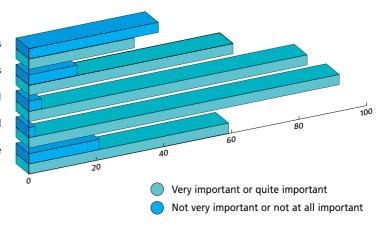
Pressure from trade unions / community organisations

Successful competitors with equality programmes

Prospect of being involved in an industrial tribunal

Desire to be seen as looking forward

Desire to set an example of good practice





When asked,
'Would you initiate
a racial equality
programme if you
were convinced it
would reap
commercial
benefits?', the
majority of
respondents
said, 'No'.

THE FINDINGS - A GENERAL OVERVIEW (continued)

Despite it being commonplace for employers' across Scotland to make statements relating to racial equality at work, when questioned as to the impact the policy had upon workplace practices, responses were less encouraging: 61% of "equal opportunities employers" reported that their policy consisted of no more than a written statement or even, in some cases, an unwritten statement about equality.

Over a third of employers with a policy in place, however, reported that they had established a programme of action to counter racial discrimination, and a further 3% were in the process of developing such a programme. Most commonly, racial equality programmes included the development of written procedures to deal with racial harassment.

Ethnic monitoring, racial equality training for line managers, and positive action to encourage ethnic minority employees or applicants to take advantage of opportunities were mentioned by roughly two thirds of employers with programmes in place or being developed.

In 40% of equality programmes, it was stated that racial equality measures were included in managers' performance audits. Employers with equality programmes in place clearly appreciated the benefits of their initiatives, contrasting starkly with the views of those who are yet to translate their policies into action.

When asked, almost every employer without a racial equality programme in place believed that discrimination was not a problem within their organisation. The comparison with employers with a programme in place, who claimed to have reaped the benefits of a fairer and less biased recruitment system, is plain.

Employers with no equality programmes in place tended to comment that the lack of ethnic minority applicants for vacant posts was a direct result of the small numbers of ethnic minority people living in their catchment area.

It was concerning to note that a quarter of employers with no equality programme in place believe that formal equality policies are "divisive". Another quarter also agreed that equal opportunities policies are not cost-efficient or are entirely unnecessary.

Recruitment Methods

The majority of employers continue to use "formal" recruitment methods such as mass media, advertising, recruitment agencies and job centres. A significant number, however, also cited "more informal" means of recruitment, such as "headhunting" (25%) and internal advertising (66%) as a means of filling vacancies.

Employers were asked a specific question regarding the use of psychometric tests, which have been shown by the CRE to be potentially discriminatory. The results showed that 16% of employers currently use psychometric testing but only half of these believe it has contributed to fairer recruitment.

Regional Differences

Three quarters of employers in the north had only a written or informal equal opportunities policy in place, compared to just over a quarter of those in the east of the country. Employers in the east were also the most likely to highlight specific examples of initiatives which they had taken, from ethnic monitoring to anti-racism training. Employers in the south were the most likely to consider using positive action as a means of redressing the ethnic balance in their workforce.

Employers in the north were most likely to have initiated an equal opportunities policy to avoid an industrial tribunal, compared to less than half of those in the south, showing a higher awareness of what an industrial tribunal can potentially cost an organisation which if found guilty of conducting discriminatory practices.

93% of employers without a racial equality programme believe that workplace discrimination is not a problem in their company

THE FINDINGS - A GENERAL OVERVIEW (continued)

Company Size

Unsurprisingly, companies with fewer employees were less likely to have formal policies and programmes in place. Over 90% of employers with more than 100 workers had an equal opportunities policy. Regardless of company size, the most common reason for initiating a policy was the desire to be seen to be setting an example of good practice. Smaller companies, however, were more likely to put equal opportunities policies in place in order to emulate successful competitors, while larger companies appeared to be more aware of the threat and potential costs of an industrial tribunal.

Sectoral Differences

The most significant differences emerged when the results were disaggregated by sector. Employers in the recruitment and consumer industry were the most likely to have an equal opportunities policy in place, with 94% of them laying claim to one. In contrast, only 72% of employers in the manufacturing industry could say the same. Retail employers were also the most likely to have policies which covered multiple grounds of discrimination, both statutory and non-statutory.

Retail employers were the most likely to use psychometric tests, with half of them doing so. This compares to only 10% in the service industry, a quarter in the agriculture industry and none in the transport and construction industry.

Agricultural employers were the least likely to have moved beyond the publication of a policy with not a single employer in this sector having developed a racial equality programme, although these employers were also the most likely to consider that information on developing a racial equality programme would be useful.

What Employees and Jobseekers Think

In this phase of the research, employees and jobseekers were asked when they had last applied for a job or for promotion. Interestingly, ethnic minority respondents were considerably more likely than white respondents never to have applied for a different job (13% compared to 3%) and never to have applied for promotion (84% compared to 76%).

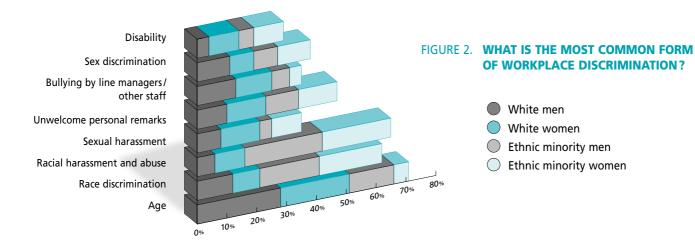
Approximately one third of respondents, regardless of ethnic origin, were sure that they had not received any information in relation to equal opportunities when they last inquired about a new job. A similar proportion could not recall receiving any information. Only one in ten respondents recalled receiving information relating specifically to the employer's policy on race or sex discrimination, a proportion which was higher among both white and ethnic minority female respondents.

Almost two-thirds of white respondents stated that they had got the job or promotion which they had last applied for; only half of ethnic minority respondents stated the same. The majority of employees agreed with the statement that "employers can say what they like about equal opportunities but the truth is that if you look or appear different to what is expected then you won't get offered the job".

• Ethnic minority men and women were almost twice as likely to consider that they may have been discriminated against during the recruitment process.

A strong perception emerged that, whilst many employers claim to operate equal opportunities, such policies provide few practical benefits for employees. Respondents were asked for their opinions as to the severity of various kinds of workplace discrimination. The results are shown in Figure 2 on page 5. With the exception of discrimination on the grounds of age, employees and jobseekers believe that racial harassment, discrimination and abuse are the most common kinds of discrimination occurring at work.

Unsurprisingly, both ethnic minority and white women had a higher perception of the incidence of sexual harassment than their male counterparts. Significant differences emerged between white and ethnic minority employees when asked whether they believed their employers had an equal opportunities policy in place. While 82% of white employees thought that their employer had a policy, only 56% of ethnic minority respondents thought the same.



THE FINDINGS - A GENERAL OVERVIEW (continued)

A quarter of
Scottish employers
believe that equal
opportunities
policies are not
cost-effective

Redress Mechanisms

More than half of ethnic minority respondents stated that they knew of no-one to whom they could turn if they were faced with discrimination or if they witnessed discrimination at work. This may imply that discrimination cases at work are being underreported by as much as 100%.

It is concerning to note that only 2% of white men and women would turn in the first instance to their trade union, compared to only 1% of ethnic minority men and 3% of ethnic minority women. Overall, respondents are more likely to turn to the police or to seek Legal Aid than to turn to their trade union in a case of discrimination.

If respondents felt there was no-one to whom they or a colleague could turn, a fifth of people said they would look for a new job. Ethnic minority women who felt they had no-one to turn to were most likely (76%) to consider leaving their current employer when faced with discrimination, compared to 65% of white women.

CONCLUSIONS

- While the vast majority of private sector employers in Scotland have a written equal opportunities policy in place, covering the three statutory grounds for non-discrimination of race, sex and disability, fewer than half of employers are able to demonstrate that they have taken practical steps in order to put these policies into practice.
- Employers who have developed racial equality programmes are generally very aware of the benefits which they have reaped from their initiatives. However, those who have not progressed beyond the policy drafting stage remain largely unconvinced of the need of such a programme.
- Employees tend to be aware of the existence of equal opportunities policies, but are, for the large part, unconvinced of employers' commitment to equality in the workplace. Most employees do not know where to turn when confronted with discrimination.
- Ethnic minority employees, and ethnic minority women in particular, are more likely than their white counterparts to consider discrimination to have played a role in determining their labour market position. The vast majority of ethnic minority women would consider leaving their current job if confronted with discrimination.

The CRE in Scotland will continue to work with private sector employers, with trade unions and associations and with Government to improve workplace practices and to ensure that racial equality is mainstreamed into the labour market in terms of access, practice and opportunities.

Call .

PRACTICAL STEPS TO TACKLE RACIAL DISCRIMINATION AT WORK

The results of this research clearly show that it is not enough to have a policy on racial equality at work if your employees are unaware of it, or if no steps have been taken to ensure that the principles embedded in the policy are put into practice. You can take a number of steps to address this situation:

- Impact Assessment: As with any other company policy, the first step to ensuring that an equal opportunities policy is being practised is to monitor its impact. In the case of racial equality, this means ethnically monitoring the workforce to ensure that no ethnic groups are being treated unfairly. Ethnic monitoring will also enable employers to make the best use of their resources.
- **Performance Indicators:** Senior level commitment to the principles embodied in the equal opportunities policy is essential if employees are to feel confident that equality of opportunity is taken seriously in the workplace. Incorporating equality measures into managers' performance targets is one method of ensuring that equality is seen as a core workplace issue.
- Communication Strategy: Communication of the equal opportunities policy to all staff is essential so that all employees know to whom they can turn should they encounter or witness discrimination or harassment at work.
- Training and Development: Equal opportunities training for key members of staff including line managers, personnel staff and senior staff will be required if the policy is to be translated into practice at all levels.

USEFUL CONTACTS The following agencies provide advice and assistance to employers and employees on workplace discrimination:

Commission for Racial Equality in Scotland

(deals with issues relating to racial discrimination)

45 Hanover Street, Edinburgh EH2 2PJ tel: 0131.226.5186 fax: 0131.226.5243 email: cre_edin@freenet.co.uk www.cre.gov.uk

Equal Opportunities Commission Scotland

(deals with issues relating to sex discrimination and equal pay between men and women)

St. Stephens House, 279 Bath Street, Glasgow G2 tel: 0141.248.5833 fax: 0141.248.5834 email: scotland@eoc.org.uk www.eoc.org.uk

Disability Rights Commission

(deals with issues relating to disability discrimination)

Riverside House, Gorgie Road, Edinburgh EH11 3AF tel: 0845.762.2633 fax: 0845.762.2611 textphone: 0845.762.2644 email: enquiry@drc-qb.org

USEFUL CRE PUBLICATIONS

CRE, Race Relations Code of Practice: For the elimination of racial discrimination and the promotion of equality of opportunity in employment. ISBN 0 907920 29 2 £3.00

CRE, Racial Equality Means Business: a standard for racial equality for employers. ISBN1 85442 159X £10.00

CRE, Why Keep Ethnic Records?: A guide for employers and employees. ${\tt ISBN~1~85442~059~3~£3.00}$

CRE, Positive Action and Equal Opportunity in employment. ISBN1 85442 065 1 £5.00

CRE, Racial Harassment at Work: what employers can do about it. ISBN 1 85442 169 7 £5.00

CRE, Training: Implementing racial equality at work. A curriculum guide. ISBN 1 85442 057 7 £3.50

CRE, A Measure of Equality: Monitoring and achieving racial equality in employment. ISBN 1 85442 058 5 £4.00

