# DISCRIMINATION AND GENDER BALANCE IN PUBLIC ORGANIZATIONS

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**Abstract:** The paper explores different aspects of discrimination at work, with a focus on gender balance and anti-discrimination policies targeting women and other disfavoured categories of personnel. The large public organizations are studied with predilection, as they present characteristics that make the implementation of anti-discrimination policies easier to study in terms of results, costs and side effects. The conclusions partially diverge from expectations, as disputes around this topic, as well as doubtful implementation, alter the outcome and may even compromise the initial intention of the ruler.

**Key words:** HR policy, discrimination, gender balance, gender gap.

## 1. Introduction

The discussion of women's discrimination at work has occurred in the last two decades and the first aspect that retains our attention is its extent and vigour. More and more European countries assume increased culpability regarding this issue and try to react in a constructive manner. Large international organizations amplify this approach, both by modifying their own management approach and through the standards that they de facto and de jure impose on the national organizations they interact with.

From a managerial point of view, there are several problems associated with this approach. The issues arise from a wide range of areas, starting with problems of principle and going forward with technical problems associated with the evaluation of the corrective actions of certain aspects of the "old approach". Moving ahead from the enthusiasm generated by a genuine positive demarche and the desire to undo the wrong doing, it is to be noted that there are costs involved. These seem to be proportionate to the intensity of "politically correctness" pressures and are even more obvious as these pressures are flashier and are claimed to be more moral.

The transposition of a corrective approach into the practice of organizations becomes particularly thorny as a principle, vis-a-vis the fear that the theme is part of a "fashionable" package of corrections imposed on contemporary organizations. The topic of discrimination is strangely accompanied by issues such as global warming, minority

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and other types of discrimination or similar topics. The fear is immediately amplified by the observation that organizations are valued differently in reference to the same standards of the topic as described, depending on geographic positioning and State ownership. Authors (Madar and Neacşu, 2010) consider that standardization levels depend on the distinctive element of a sector of the economy.

The technical difficulties of the core-related corrections are generated not only by the associated costs or by the outputs of a cost-benefit analysis, but also by the characteristics of the organizations' activities as well as those related to the current logic of their management.

It is easy to see that the antidiscrimination approach is easier to manage in organizations where the conditions associated with current economic principles that revolve around the concept of profit can be avoided. In other words, imposing rules that induce certain organizational costs without being offset by tangible material benefits over a reasonable period of time would be easier to apply and track down in non-profit organizations. In the same "acceptability" zone we can also find organizations that transfer their own costs to other (organizations) or those whose economic results are difficult to assess. As such, public bureau-based organizations (namely those operating based on budget allocations from the State) make an ideal candidate for experimentation, and among them large international organizations.

Given that addressing this topic marks a prevalence of politics vis-a-vis of the economic aspects, international organizations setting general standards in international relations can and will be the strongest promoters of current "righteous" trends; and that is regardless of costs and collateral management damages!

#### 2. Literature Review

Out of the diversity of papers related somehow to the topic of gender discrimination, the majority marks a special interest in discussing the negative impact of the gender of the employee on how the organization determines the technical and economic characteristics of the job. The underlined relationship means concretely that a female person is in a lower position in terms of reward for her activity in the organization. The concept of reward (Bărbulescu, 2011) can also include the authority, the rank and ultimately the power that is conferred to that person in the organization.

The generic mentioned type of correlation is easy to declare in principle, but particularly difficult to operationalize. If the reward is associated with a context of an organization, then comparisons on which a relative inferiority position can be assessed are affected by numerous factors, and the calculations and significance of their results are questionable. The comparison is simplified if only the financial amount of the reward to employees is taken into consideration, but the comparison becomes questionable if the same reward is as well associated to the outcome perceived by the organization as a beneficiary of the workforce's inputs.

As comparisons based on particular cases are considered irrelevant to the topic of discrimination against women, literature refers to statistical-based comparisons. The statistics produce then rankings by domains, geographic areas and many other criteria.

One of these criteria is membership to a State, as a meta-organization capable of achieving a uniform set of benchmarks. The State is also the entity that provides the ultimate legal framework to generate the desired climate associated with the theme, in fact, the trend of improvement in the direction considered acceptable by most entities.

In relation to this topic, the largest international organization in the world - the United Nations (UN) - has generated a convention that entered into force in September 1981, CEDAW<sup>2</sup> on the elimination of all forms of discrimination (under the understanding that it refers to the "negative" discrimination) of women. It is a formal basis to standardize a unified approach to the concept.

On that basis, world classifications on discrimination are being performed periodically in view of measuring this gender indicator and its impact on the organizations' functioning. As a result, in 2015 Romania is the last in the European Union and 77th in the world out of 145 countries, according to statistics from the World Economic Forum on Gender Gap. The evolution is negative in the 2006-2015 interval, while score is steadily less performant in the women political empowerment area. As a note, in establishing these rankings, the Gender Gap analysis considers four sub-indexes (Economic Participation and Opportunity, Educational Attainment, Political Empowerment and Health and Survival Sub-index), as shown in Table 1.

Romania's ranking in the WEF Gender Gap Report (2016-2015) Table 1

| SAMPLE           |                  | INDEX |         | ECONOMY |         | EDUCATION |         | HEALTH |         | POLITICS |         |
|------------------|------------------|-------|---------|---------|---------|-----------|---------|--------|---------|----------|---------|
| Year             | No. of countries | Rank  | Score   | Rank    | Score   | Rank      | Score   | Rank   | Score   | Rank     | Score   |
| 2015             | 145              | 77    | 0.693   | 50      | 0.708   | 64        | 0.994   | 42     | 0.979   | 113      | 0.090   |
| 2014             | 142              | 72    | 0.694   | 60      | 0.683   | 63        | 0.994   | 37     | 0.979   | 91       | 0.119   |
| 2013             | 136              | 70    | 0.691   | 55      | 0.693   | 50        | 0.994   | 34     | 0.979   | 91       | 0.097   |
| 2012             | 135              | 67    | 0.686   | 54      | 0.681   | 52        | 0.994   | 34     | 0.979   | 97       | 0.089   |
| 2011             | 135              | 68    | 0.681   | 46      | 0.694   | 45        | 0.995   | 41     | 0.979   | 112      | 0.056   |
| 2010             | 134              | 67    | 0.683   | 41      | 0.708   | 73        | 0.989   | 50     | 0.977   | 109      | 0.056   |
| 2009             | 134              | 70    | 0.681   | 34      | 0.712   | 70        | 0.991   | 41     | 0.979   | 126      | 0.040   |
| 2008             | 130              | 70    | 0.676   | 34      | 0.700   | 60        | 0.994   | 38     | 0.979   | 120      | 0.032   |
| 2007             | 128              | 47    | 0.686   | 31      | 0.697   | 47        | 0.993   | 37     | 0.979   | 89       | 0.074   |
| 2006             | 115              | 46    | 0.680   | 30      | 0.673   | 44        | 0.993   | 36     | 0.979   | 79       | 0.074   |
| 2006-2015 CHANGE |                  |       | ▲ 0.013 |         | ▲ 0.036 |           | ▲ 0.002 |        | ▲ 0.000 |          | ▲ 0.016 |

Source: WEF, The Global Gender Gap Report, 2015

The situation evolves positively in 2016 and 2017, placing Romania on the 58th position in 2017 as compared to 77th in 2015 despite the fact that "Romanian law recognizes the equality of chances between men and women, the tradition still places the woman on a lower position than the man". On the Gender gap analysis, Romania (58/144) makes noteworthy progress on closing its gender gap in Political Empowerment (the lower segment as per previous analysis), despite a small decrease in the wage equality for similar work<sup>3</sup>.

<sup>&</sup>lt;sup>2</sup> http://www.un.org/womenwatch/daw/cedaw/\_ accessed on 20 September 2018

<sup>&</sup>lt;sup>3</sup> http://www3.weforum.org/docs/WEF\_GGGR\_2017.pdf accessed on 20 September 2018

Table 2
Romania's Global Gender Gap Score evolution between 2006 and 2017

|  |      | 2006  |      | 2017  |  |
|--|------|-------|------|-------|--|
|  | rank | score | rank | score |  |
| Global Gender Gap score                | 46   | 0.680 | 58   | 0.708 |  |
| Economic participation and opportunity | 30   | 0.673 | 57   | 0.698 |  |
| Educational attainment                 | 44   | 0.993 | 56   | 0.995 |  |
| Health and survival                    | 36   | 0.979 | 1    | 0.980 |  |
| Political empowerment                  | 79   | 0.074 | 78   | 0.159 |  |
| rank out of                            | 115  |       | 144  |       |  |

Source: WEF, The Global Gender Gap Report, 2017

These rankings immediately raise a series of questions of a technical nature. On the one hand, it is the fact that the position in the ranking is a weighted dilemma based on other averages for separate criteria, and there are questions about the veracity of the primary data used for these statistics. What is the credibility of the official data on wages in Romania when it has been proven that (even) large Western companies operating in our country are using grey or black systems in wage payments on a large scale.

## 3. Principles of non-Discrimination in National Public Organizations

The issue of workplace discrimination in the public organizations presents interesting aspects through their impact on any kind of statistical averages that is envisaged to track the phenomenon. These aspects are generated by the nature of the rules and regulations associated with these organizations, as well as by the nature of their specific product, given that an important segment of organizations offers public goods. Regarding regulatory standards, public organizations are the ones that promote the most updated "positive" standards. Therefore, it is difficult to identify a discrimination associated with financial rewards, especially since, in most cases, there is a pay system, based on a salary scale that is, in principle, independent on the staff's performance.

Many things have been said and not much has been done as individual staff performance is difficult to assess, control and scale (Drumea, 2017) especially in the (large) public organizations, but efforts are still being made to build up a motivating system to trigger performance in such work environments (Anton, 2009 and Băcanu, 2014). Back to the PayScale, the system is referred to as "overhead", meaning that it is proportionate to the time consumed to produce any kind of input. It goes without saying that it is relatively rigid. In view of the above, it is easy to see that the pay system in public organizations, that is: in education, health, justice, social services, etc. does not theoretically allow for any kind of discrimination.

As far as the gender structure of these organizations is concerned, it should be noted that relative disproportions are associated with objective causes that are generated by the specifics of work, and it is difficult to account for gender discrimination. For

example, public education in lower cycles is predominantly supported by women, while defence organizations, especially militarized, are predominantly male. The same logic goes for any other sectors in which work requirements are better supported by natural features of one gender or another.

In the case of management positions as well, gender weight is determined by contextual considerations associated with the operational specificity, but also by the particularities of the individuals involved. In some female-dominated organizations, a male manager is preferred in the hope that certain divergences in rivalry within the same genre will be mitigated, or that greater temporal availability will be ensured. This preference is even more difficult to explain when associated with an option expressed by an ad-hoc majority of women.

For top positions, in some institutions a strong political component related to the gender decision appears. For example, it is interesting that a significant part of the defence ministers of the Western Europe are women, as heads of the army where 80-90% of the members are men (i.e. Germany, Netherlands).

Discussion on discrimination is additionally complex for public organizations where part of the management personnel or the top manager only are appointed following an electoral process, either internal (as in universities) or external as for example in City Halls. In these cases, significant statistical imbalances may occur to the detriment of women. They are most likely to be explained by contexts rather than as a result of discrimination. The more the organization has a more politics-related activity and its members are appointed following an electoral process, the more difficult it is to create a system that eliminates results that seem to be discriminatory. For example, in the US out of 100 senators, only 21 are women, while it is relatively difficult to associate the outcome with a gender biased preliminary or final process.

Under these circumstances, fair gender representation in politics-related organizations is risky to be associated with discrimination for all the reasons described. On the contrary, an enforcement of arbitrary thresholds, with the removal of performance criteria and denying the choice of the electors, seem to have more disagreeable effects for the community involved than those generated by non-compliance with several international criteria. In this context, the UN/CEDAW recommendations for deforming electoral processes in different countries by introducing gender criteria for candidates for public positions raises serious questions.

Equally bizarre appear to be the recommendations designed to fade discrimination in a group, but at the expense of disregard for secular cultural roots. Such references that serve as benchmarks may be enforced by international rules that lack cultural knowledge specific to an area of operations, frequently generating deeper and more expensive imbalances than those reflected in statistical figure that tend to be considered negative in the Western political environment.

#### 4. The Gender Trap

In order to eliminate gender discrimination, several practical, relatively trivial conditions must be met. In other words, for women to be able to work in a certain

organization it is necessary to adapt the equipment to their physical characteristics and primary physiological needs. These adjustments induce costs. In many cases costs either become prohibitive or the technical solutions to be put in place are really discriminatory in nature. Examples are particularly interesting through their banality. For example, although women's senators in the US Senate have been around for 100 years already, women's toilets only appeared in 1992.

The prospective magnitude of these specific costs incurred to eliminate gender discrimination has gained a new dimension in recent years. It is easy to ascertain that a public organization that has spent extra funds to eliminate any reason to invoke discrimination against women will still have to do the same in order to respond *ad literam* to gender related issues. That is, it will have to put in the same if not more effort for the third sex (the "different" sex legally accepted in Germany), or several sexual categories according to legislation more suitable for the LGBT movement. The scheme will be similar to the one in France, where a company has to provide conditions for each existing trade union and affiliated to the major trade unions, i.e. three separate rooms, three communication systems, etc. Not a gender issue obviously, but a similarity in costs and logistics none the less.

The costs of alignment with all the structures of a global anti-discrimination policy will increase significantly. Not only will these costs question the economic functioning of the organization, but even the technical operationality may be endangered.

In the case of the public organizations, it is noteworthy that the time passing has boosted their product portfolio, even if some public products are nowadays provided by private companies. This expansion is counterbalanced by a cost-oriented approach specific to the new public management (Băcanu, 2008). Thus, a dilemma presents itself: how to choose between the organization's propensity to fulfil additional conditions that insure anti-discrimination policy being put in place and the need for increased efficiency, i.e. the need to reduce costs. It should be pointed out that anti-discrimination also materializes in accepting lower individual performance standards, which ends up in raising additional costs.

The approach of the previous dilemma for public institutions is marked by the political requirements of the moment. This means that in a particular State at some point it is considered necessary to improve the anti-discrimination policies for women in the police, for example. That institution will be given new regulations to facilitate female employment and their work conditions. They will induce some costs that need to be covered by additional budget allocations to offset any potential loss of performance due to occurrences such as: maternity leave, medical and extended medical leave due to difficulties at work, increased insurance costs etc. Without these allowances, organizational changes are unlikely to occur, even if general regulations, such as constitutional provisions on equality of rights, exist on paper.

As the public organizations, especially those with budget-based activity, have a principle issue related to organizational performance assessment, the variation in operating costs can be consistent if there is a political need to comply with a certain level of anti-discrimination requirements. For example, in order to prevent sexual assaults against women in the premises of a public institution, it is envisaged to upright

a surveillance system. This will induce a certain cost but will not improve the results of the activity. Its impact on the phenomenon to be avoided remains to be evaluated later, but the political outcome is the desired one, i.e. it is possible to check out the completion of an additional condition.

The managerial options are restricted, especially because in a growing number of public organizations the manager is appointed politically, either following an electoral process or a hierarchical political decision. As part of the manager's responsibilities is given by the degree of compliance with political signals, he/she will keep his/her job regardless of the costs. In the extreme, the respective public organization can privilege a new trend of political correctness, which may override the organization's initial mission.

For large public organizations, including international ones, an additional cost associated with the implementation of anti-discrimination measures targeting women will be associated with the internal assessment of the discrimination status. In concrete terms, a series of indicators related to women's activity are assessed. These indicators are built on counting women's presence and input into every activity that takes place. Obviously, this counting and the explanations associated with the significance of the figures are made by specialized and properly remunerated staff or consultants. Hence, a new type of costs incurred and not a trifle one.

Unfortunately, as needful they may be, a large number of public organizations in many States do not have the material means to support these conditions in their activity. All the more so for the remuneration of a specialized staff to evaluate, pursue and correct the level of domestic discrimination of women. In addition, forcing external evaluations or altering operating schemes or organizational culture beyond a reasonable threshold leads to job blocking. The situation of principle is even stranger in the case of the public organizations, given that its initial creation was based on stability and continuity of the activity.

#### 5. Conclusions

By its very nature associated with providing public goods and the performance of its work based on budget allocations, the public organization aligns itself with the newest public signals related to political correctness, including in regard to gender discrimination. The public organization becomes the promoter of the new standards in the field. Alignment is considered more important than the additional costs incurred, which is contrary to the principles of the new public management.

In whatever way we discuss the issue from an economic point of view, and no matter how creatively we calculate the benefits associated with a "politically correct" state of affairs, the costs are clear and immediate, as are the technical issues induced by the modification of processes in order to comply with anti-discrimination regulations and rules. For a normal election time horizon of 4 years, the public organization's manager will violate the standards of direct results that make sense for his work and will prefer some illusory benefits. The advantage of these "benefits" is that they will rather secure its position, rather than complying with management manual rules.

Under these circumstances, it is obvious that the situation justifies the general appreciation of "the state is a weak administrator", without explaining the priority given to politics vis-a-vis the economy.

In the long run, the question of economic sustainability arises, accompanied by the prospect that the issue of discrimination against women is just the iceberg's tip in the matter of supporting equal rights for any gender category at any point in time.

The prospect of a chaos generated by a fine division of society and of the employees of organizations based on their declared sexual orientation is to be taken into consideration. Consequences for management are to be studied, although it is obvious that the dispersion of approaches will be even more pronounced than the current one covered by the slogan of the lack of a "one best way".

Also, the concept of positive gender discrimination is to be taken into consideration. Avoiding turning a truly positive and purely human concept such as the anti-discrimination principles into a negative "weapon" capable of creating disruptive mechanisms in the organization is a challenge that is worth taking.

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