Diversity Management in the ICT Industry

Challenges and Issues for Social Dialogue

Report prepared for Union Network International

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1. Introduction

The ICT sector is one of the most dynamic areas of the European economy, a key source of growth and employment. 5.3 million people were employed in the sector in 2006, in 520,000 enterprises (EU ICT Task Force 2006). This amounts to between 2% and 4% of the total employment in member states (e-skills UK 2007).

But ICT skills and labour are in short supply, and this problem is becoming progressively more serious, with an increasing deficit between labour supply and demand. It has been predicted that there will be a gap of nearly 16% between supply of and demand for ICT skills in the EU by 2008, with a gap of 20% in some EU member states, particularly the eastern ones (IDC 2005, quoted in Healy and Schwarz-Woelzl 2007). Employing organisations report considerable difficulties in recruiting IT staff, particularly SMEs in structurally weak regions and organisations without a strong ‘employer brand’ (Barrow and Mosley 2005; Healy and Schwarz-Woelzl 2007).

There is also a growing demand for ‘soft’ skills in ICT work; these are increasingly emphasised in recruitment and selection processes. ‘Soft skills’ generally refer to: business skills, communications skills, team-working skills, competencies, personal attributes, individual qualities, transferable skills, social skills, interpersonal skills - all important for client-facing work and for managing outsourcing relationships, on which the ICT sector is strongly dependent.

The problem of skills shortages is one of several compelling reasons for practising diversity management in ICT. There is a need to widen the pool of labour by drawing upon the full labour force, including women, older workers and other groups who are conventionally bypassed in ICT employment. Diversity management can also deliver:

- Fuller utilisation of the skills of the workforce
- Better customer relationship management and ability to access new custom by better reflecting the diversity of the market
- Improvement of organisational cultures and fuller engagement of employees
- Protection against discrimination claims and contract compliance
- Commitment to social justice or to the principles of corporate social responsibility.

This report examines the challenges for diversity in the ICT sector, with a particular focus on women, older workers and migrant workers. Gender and age diversity issues are well-documented and closely inter-related; similar stereotypes and discriminatory practices are often used in relation to women and older workers, and some of the remedies are similar. The challenge of migrant labour is somewhat different: it is a relatively recent development in ICT work, and one which it is sometimes feared will undercut the employment, terms and conditions of indigenous workers. There is a danger, therefore, of treating migrant workers as threatening established workforces - being used, in fact, to substitute for proper diversity management by offering a ready skills supply at low cost. This is a difficult issue for diversity professionals and trade unions alike to manage and respond to.
Nevertheless, diversity management should not be based on protectionism of one workforce group at the expense of another; rather it is concerned with the inclusion and protection of all members of the workforce. This principle must be at the forefront of all diversity thinking.

In discussing the improvement of diversity management in ICT work, it is also worth noting that the quest for diversity is not the same as the pursuit of equality. Though the terms ‘equality’ and ‘diversity’ are often linked together (and often used interchangeably), they are not the same. Equality programmes have their origins in social movements and in struggles for positive discrimination to redress past inequalities, even if nowadays they are sometimes pursued through bureaucratic and legalist avenues. Diversity programmes do not have such strong ambitions as equality programmes, being more concerned with fostering cultural change in organisations in order to value, respect and dignify all workers, regardless of whether they are from a disadvantaged or advantaged group.

This report, then, is concerned with an assessment of the diversity challenges in ICT, with the pursuit of good diversity practice, and with the contribution that social dialogue can make to the diversity management project.

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2. The Challenges

There are two key groups in the labour market who are substantially under-represented in ICT jobs, the improved recruitment and retention of whom is now treated as one of the main solutions to the ICT skills deficit: women and older workers. Why are these workers not present in ICT work in similar proportions to their presence in the wider labour force?

2.1 Low levels of recruitment and retention of women

Ever since ICTs first became a feature of economic and working life, women have been noticeably under-represented in ICT work, particularly at senior levels (Cockburn 1985; Gaio 1995; Webster 1997). Women enter in ICT work in small proportions.

In all countries, women’s representation in ICT work lags well behind their representation in the labour market as a whole. In Australia and the US, they make up around 20% of ICT employees. In the EU27, women made up 19% of ICT staff in 2004 (Eurostat 2007). In some countries they account for as little as 6% of ICT workers (E-Skills UK 2007). Furthermore, the numbers of women entering ICT work have not increased over time (in some countries they have decreased), and there are concerns that policy efforts and initiatives to attract more women into ICT over the past twenty years have been largely unsuccessful. As Figure 1 shows, while the numbers of men employed in ICT work have increased in recent years, female employment has remained static, with periods of decline. In the UK, the number of women employed as computing professionals halved in the four years between 1999 and 2003, so the small peak in women’s employment was very short-lived (Platman and Taylor 2004).

**Figure 1: Number of people employed in ICT occupations in EU-27, 2004**

![Graph showing employment trends](Source: Eurostat, 2007.)
Why are women so poorly represented in ICT work? And what are the challenges that need to be addressed in order to improve this state of affairs?

Images of ICT Work
Despite achieving well in maths, science, and technology subjects at school, women do not go on to enter ICT work in large numbers (George 2003). On the supply side, women’s image of ICT work is poor. The image of ICT work still held by many women is that it is confined to sedentary activity in front of a computer screen, involves little or no social interaction, and is typically performed by ‘nerdy’ young men with few social skills. Research suggests that women and girls have little awareness of the potential variety of ICT work, particularly its applied aspects (Valenduc et al 2004; Webster 2006). Considerable policy effort has been devoted to changing this image through ‘pipeline initiatives’ - offering girls and women opportunities to experience ICT work and workplaces at first hand.

Employment Practices in ICT Work
On the demand side, employment arrangements persist which effectively discriminate against and certainly disadvantage women, deterring them from entering this employment and prompting their early leaving of it. Despite being at the cutting edge of European economic growth and innovation, parts of the ICT industry are surprisingly out-dated in their employment practices.

- **Recruitment** – ICT employers recognise that they have enormous difficulties recruiting female staff, indeed staff of either sex, yet they still turn to traditional talent pools as their primary means of recruitment. There are still few examples of organisations recruiting from non-traditional parts of the labour market, such as women returning to work after a maternity, career or caring break. The challenge is to develop recruitment strategies and practices targeting diverse groups which are conventionally bypassed.

- **Retention** – the employment conditions in ICT work are often unfriendly to women, particularly to women with children or other caring responsibilities. The lack of flexible working arrangements and particularly the long working hours in ICT have been widely criticised as effectively excluding other employees who cannot or do not wish to work in this way. Travel to clients and on-site working can also be difficult. Women consequently drop out of ICT employment in particularly large numbers after maternity. They also leave in significant numbers in their 40s and 50s, apparently in order to regain control over their working hours and to work more flexibly (George 2003; DTI 2005). The challenge, then, is to offer working time arrangements, as well as training and development opportunities, which support, value and sustain ICT workers at all points in their lives and careers, and not only the young and unattached. Diversity policies in this area need to intersect around gender and age, where problems are strongly interconnected.

- **The gender pay gap** – comparisons of women’s and men’s pay shows a gender pay gap of 20% in the UK ICT industry (Glover 2007). Moreover, there is pay secrecy in ICT employment, partly related to the absence of collective bargaining and to the individualisation of employment relations, including pay bargaining (Valenduc et al 2004). However, pay equality and pay transparency are decisive
factors encouraging women to work for certain companies; in a survey of employees’ perceptions of equal pay, pay transparency emerged as a key influence on women’s opinions of companies (Intellect 2006). The challenge is to advance pay transparency and pay equality. 80% of women surveyed believed pay audits should be compulsory.

- Work cultures – work cultures as well as work structures can serve to exclude women from ICT work. Work cultures encompass aspects of everyday life in the workplace and social relations between workers. They include dominant values and behaviour, use of language, social circles and networks. In technical work cultures, women are in a minority, and so are particularly visible for being women, though invisible as technical workers – the norm is a male. “Gender differences don’t exist; everybody is white, male and available to work 24 hours a day. Private life is ignored, and those who don’t keep up the pace will be passed over.” (IBM 2005). This can make ICT work at best an uncomfortable and at worst a discriminatory milieu for women. Culture change is needed in the ICT sector in relation to:

  - the dominance of stereotyped assumptions, attitudes and language which undervalue or fail to respect particular groups,
  - working time cultures (such as long hours cultures, cultures of ‘presenteeism’) which value associated behaviours (showing commitment, thriving under pressure, sacrificing personal and private commitments), and devalue those who do not or cannot work in these ways,
  - lack of transparency in recruitment or promotion criteria, or in pay
  - lack of transparency in work allocation systems which informally favour elites and make it hard for non-élite workers to break into high status projects
  - social relationships which exclude particular employee groups,
  - networks and ‘clubs’ (such as drinking clubs or sports activities) which are organised after hours or for certain groups only
  - work cultures that are uncomfortable for members of minority groups, because their minority or outsider status is emphasised.

2.2 Discrimination against older workers

Recruitment
Just as women face difficulties in entering and progressing in ICT employment, so do older workers. Again, we see evidence of employment practices which are remarkably old-fashioned and do not sit easily in a sector concerned with new ideas, innovation and dynamism. There is widespread and long-standing age discrimination in recruitment to ICT work based on unproven assumptions about age: that older workers are less healthy than younger workers and are consequently likely to have high sickness absence rates, that their skills are obsolete, and that they have difficulties in learning new skills. Other (contradictory) stereotypes which ICT HR managers admit influence their employment decision-making are that older workers are likely to be over-qualified, and therefore too expensive to hire, or that they will be unable to fit in to a young work culture. As a consequence, workers are considered un-hireable for ICT work once they reach their early 40s. In 2000, the UK ICT
industry journal Computer Weekly called on employers to “sack all over 50s” (Healy and Schwartz-Woelzl 2007).

The result is that, just as the gender balance in ICT work does not match that in the labour market as a whole, neither does the age profile. ICT employees are significantly younger than the population as a whole; while the 45+ age group is growing as a proportion of the population, 80% of ICT professionals are under 45 (Platman and Taylor 2004). (There are differences at country level, however. It is striking that the Baltic states and eastern European countries have the oldest ICT workers and the greatest representation of women.) Indeed, it has been argued that age and gender stereotypes overlay one another and that therefore age and gender discrimination need to be considered as intersecting (Healy and Schwartz-Woelzl 2007). On both counts, the ICT sector is clearly out of step with wider demographic conditions, and on this basis alone, recruitment strategies which target, or simply favour, younger, male workers as will be increasingly difficult to sustain, particularly in the context of skills shortages.

Working Time
The lack of opportunities for flexible working in ICT occupations disadvantages and discourages older workers just as it does women. There is growing demand for working patterns which support a better work-life balance. These would attract older people in the growing ‘sandwich generation’ (those with responsibilities for both children and elderly parents). There is also a need for employment arrangements suitable for those older workers who may no longer want to work full-time, but equally do not want ‘cliff-edge’ retirement. Yet ICT work continues to be predominantly full-time (Valenduc et al 2004), even in countries like the Netherlands where the rate of part-time working is relatively high (Platman and Taylor 2004).

Professional Development
Assumptions that older workers have obsolete skills indicate a lack of concern with providing opportunities for lifelong learning. Yet extensions to working life highlight strongly the need for such policies and practices to be developed and implemented on a more widespread basis. Indeed, lifelong learning is an important issue for ICT professionals of all ages, given the exceptionally rapid pace of technological change.

2.3 The use of migrant labour
In the past decade, there has been a substantial increase in the employment of migrant ICT staff, particularly in Australia, the UK, and the US. The majority of these staff are transferred within the same company. In 2005, 30,000 ICT professionals came into the UK, 75% of whom were being transferred within their companies (Amicus, no date). In the US, the entry of IT professionals being transferred within companies rose tenfold between 1996 and 2003 (Bibby 2007). In the UK, the increase between 1995 and 2005 was over sixteen-fold (Amicus).

Bibby (2007) has coined the term ‘dry-foot offshoring’ to describe this business practice. It refers to the deployment of workers from oversees, but by bringing the professionals to the work rather than sending the work to them as in conventional offshoring. There are concerns that this strategy is being pursued to cut labour costs.
by undercutting the wages of indigenous workers. Amicus’s investigations show that 66% of migrant ICT workers in the UK are paid less than the industry average. The lack of transparency in the use of work permit systems for intra-company transfers has also been criticised. On the other hand, it is acknowledged that some companies are located in areas with very small pools of indigenous labour, and turn to migrant labour to fill skills shortages. In doing so, they certainly make savings in “on-costs” through the payment of non-European social insurance.

The practice of ‘dry foot offshoring’ appears to be most common in the UK and the US where employment protection is looser than elsewhere in continental Europe. However, it has also been used in Germany, Belgium, France and the Netherlands. It seems to carry particular risks to employees where the migrant workers are tied to a single employer through the employer’s mediation of the work permit, as in most countries. This opens the way for unscrupulous employers to play off migrant workers against resident workers, and to exploit migrant workers. In Ireland, migrant workers now hold their own work permits and can move between employers, so exploitative employers no longer control their terms on which migrants work. In Denmark, migrant workers have to be offered the same working conditions as their Danish counterparts, and IDA, the Danish engineering union, is consulted by the immigration authorities and is able to check that these conditions are being met. The high level of unionisation in Denmark has helped to ensure that ICT companies do not abuse immigration rules and under-pay migrant workers.

The challenges raised by this kind of strategy affect both employees and their employing organisations. In pursuing such employment practices, organisations may create harmful working conditions, while compromising their own performance in the long-term. Clearly, the short-term problems for ICT professionals, whether indigenous or migrant, centre on the general depression in employment terms and conditions which is associated with the use of one group of employees to undercut another.

2.4 The costs of poor diversity

Aside from the immediate shortage of skills associated with low diversity in ICT employment, and the tendency to address the problem by importing migrant workers at lower rates of pay, there are many other consequences of low diversity in ICT employment which must be of concern to employers and unions alike because of the competitive and ethical costs to organisational performance and working conditions.

Segregation of the ICT labour force

The combined effect of an over-reliance on a young, male ICT workforce, and the use of migrant labour, is to create a highly segregated ICT workforce. Where women and older workers are under-represented, and migrant workers employed in non-inclusive ways, then organisations are unlikely to be able to achieve full performance and employees are unlikely to be able to reach their full potential. The marginalisation and isolation of different groups of workers from one another means that some, such as migrant workers, have little opportunity to, or are prevented from, integrating with their host communities, with poor consequences for their work experience and likely effectiveness.
All groups of employees are vulnerable to salary depression and, worse, redundancy in non-diverse workforces, where one group of workers is subsequently introduced to displace or undercut another. Segregated labour forces also expose workers to discrimination, sometimes on several fronts simultaneously. Employment rights of migrant workers are particularly threatened where they are treated as ‘indentured labour’, tied to employers through work permit systems and vulnerable to summary sackings, or financial penalties if they try to leave their jobs. Bibby (2007) cites cases of migrant workers in a US ICT company who had no maternity rights and so suffered sex discrimination as well as the discrimination attached to their migrant status.

Diversity management, on the other hand, rests on the enhancement of the skills, jobs and working conditions of all workers, domestic or migrant. Diversity thinking rejects ‘race-to-the-bottom’ strategies for managing employment by dividing, excluding or discriminating against particular groups of employees.

**Unsustainable working conditions**
A further consequence of low diversity in ICT work is the existence of poor working conditions. In particular, the sector has been dominated by a long hours working culture. Young, male ICT professionals, free from domestic commitments, may fit into such a culture, being available and often willing to work long hours, and indeed to carry their work into their leisure time (Valenduc et al 2004). In such an environment, working long hours and the ability to thrive under pressure indicates commitment to the job. The employment of migrant workers allows the long hours culture to be perpetuated, even if their ‘self-exploitation’ (Lehndorff and Mehmet 2001) happens for different reasons; they work long hours and do considerable amounts of unpaid overtime because of their social isolation in their host countries (Hirschfeld, quoted in Bibby 2007).

The reliance on very intensive working is not a sustainable employment strategy. Although it must be acknowledged that some ICT professionals do thrive in such conditions, there is also a strong risk of employee ‘burn-out’. Mental and physical well-being can be badly undermined as a result of poor employment conditions, particularly long hours working and large amounts of unpaid overtime. These kinds of arrangements also exclude potential employees who cannot work so intensively, and so effectively perpetuate discrimination. They may raise attrition rates as employees move in search of more balanced working arrangements elsewhere. Several large ICT employers are now starting to move away from such an approach, towards strategies which include flexible working arrangements in order to recruit from a wider pool, and to retain existing employees.

High levels of work intensification and labour turnover also create the risk of weakening unions’ ability to reach all members of the labour force, and imply poorer levels of employee representation and protection as a consequence of this weakening.

**Impoverished intellectual and creative potential**
Diminished talent pools create recruitment difficulties for employers and compromise the ability of organisations to attract high-calibre staff. In addition, over-reliance on younger workers means that organisations are vulnerable to higher labour turnover as younger workers move through their careers. Increased labour turnover resulting
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from this and from burnt-out staff further contributes to loss of accumulated in-house expertise.

Organisations which draw on limited talent pools also risk reducing their innovative capacity, vital for knowledge-based industries, and hence their competitive potential. In addition, there are the demotivating consequences of low diversity. Low diversity is associated with poor employee involvement (just as good diversity management entails strong employee involvement), and lack of consequential participation in organisational decision-taking can restrict the creativity of the workforce. It is possible that the lack of diversity in the sector is having serious consequences for employee involvement and also for the job satisfaction of ICT workers. Rose (2007) finds that poor management of employee involvement means that ICT professionals languish close to the bottom of a league table of employees’ job satisfaction.

Creativity is also partly driven by market pressure and market awareness, in particular an ability to assess customer requirements and respond to them. This, as we have already seen, is severely challenged in low diversity organisations whose ability to connect with their customer or community bases is restricted. Finally, there is the reputational risk of not managing diversity. Increasing prominence is being given to organisations which have positive and proactive diversity policies, in the mass media, in good practice guides, in reports, in policy documents. A noticeably poor diversity record compromises the reputation of an organisation – with potential employees, but also with suppliers and customers. Given the importance of customer relationship management in the ICT sector, this is a competitive threat.

Discrimination has financial costs

The costs of discriminating against particular employee groups are difficult to quantify, but attempts have been made in relation to age discrimination. The UK Department of Trade and Industry has estimated that age discrimination costs all British employers £750m per year, and the Chartered Institute for Personnel Development estimates the labour turnover cost of a single manager at £12,500. On the other hand, HR Benchmarking in Australia found that the net recruitment benefit of hiring workers aged 45+ was of $1424 in 1999 (quoted in Healy and Schwartz-Woelzl 2007).

Organisations which discriminate on the basis of age or sex risk incurring the cost of employment tribunals. There are also contract compliance obligations on organisations which oblige them to demonstrate their equality policies and practices to be eligible as suppliers. Those which cannot do so risk losing business. In all, therefore, there are compelling reasons for improving diversity:

- Recruiting from a diverse base helps to address skills shortages.
- There is an increased chance of hiring high quality staff when targeting wider and more diverse groups.
- This helps organisations to support and extent the innovative potential of their employees, which is critical in knowledge-based work
- This in turn is likely to raise the skills levels within an organisation’s workforce overall. There are virtuous circle advantages associated with diverse teams; for
example, older workers tend to pass on their experience to others and act as informal coaches and mentors

- Diversity management improves an organisation’s ability to respond to its existing (diverse) customer or user base, and to reach potential new markets
- Diversity management means engaging and involving all employees, and there is substantial evidence to show that employee involvement plays a crucial role in improving organisational innovation and performance as well as employee satisfaction (Rose 2007).

We now look at good practice in diversity management and the contribution that social dialogue can make to the process.
3. Good Practice in Diversity Management and the Role of Social Dialogue

Diversity management is concerned with attracting the widest possible range of employees, treating all members of the workforce as an asset, and making best use of their potential in order to maximise the capacity of the organisation and, simultaneously, the job satisfaction of the employee. In seeking to fully engage and reward all employees, it is fundamentally concerned with the same project as social dialogue – involving employees, giving them a voice, and ensuring that they are valued and rewarded. What, then, constitutes good practice in diversity management and how can social dialogue, or indeed the involvement of trade union and employee representatives, contribute to it?

According to the Diversity@Work project (www.diversityatwork.net), it is vital to tackle diversity management proactively and positively, as an opportunity to improve organisational learning and practice, rather than simply as a legal or other imperative. Such a proactive approach requires social dialogue and makes trade unions and employee representatives key players in the process of establishing and conducting diversity initiatives.

Proactive diversity management also means treating diversity as a set of intersecting issues. Discrimination often occurs across several dimensions simultaneously (discrimination by gender and age for example), and so too legislation and good practice should address diversity on multiple fronts. Integrated diversity initiatives ensure that diversity is managed efficiently and, above all, consistently across workforce groups.

3.1 Recruitment and selection

Recruiting for a diverse workforce requires thinking beyond conventional recruitment methods and labour markets, and organising recruitment processes to attract groups who are normally missed. A first step in this process involves reviewing existing recruitment and selection processes, tools and instruments, which can be done through social dialogue.

**Looking upstream in the ‘talent pipeline’ to attract girls into ICT employment**

Some companies do outreach activities with girls at primary and secondary school, such as offering work taster days. The European Commission has this year launched a shadowing exercise, in which young women accompanied for one day a female role model in a leading technology company. In the UK, the IT Sector Skills Council, e-skills UK, operates an initiative entitled Computer Clubs for Girls, which is designed for 11-14 year olds to learn more about the reality of computing work through web-based activities.

**Attracting ‘occupational returners’, including women and older workers, back into ICT work after a break**

Diversity management includes working with organisations which can access returners. The EQUAL project ‘JIVE’ runs a “Return” which aims to increase the
numbers of women returning to ICT careers. It works closely with a job placement service, to find employment for women returners.

**Advertising to reach the broadest audience**
Jobs should be advertised in media likely to be accessed by minority groups as well as in those accessed by predominant workforce groups. Some companies advertise in women’s magazines or in the specialist ethnic minority press, to reach these target groups. Although online selection is being increasingly widely used, there are concerns that it may not help recruitment diversity, as the internet is mainly used by certain types of job seekers already well represented in ICT work - younger, male, already in employment, as well as being frequent job changers.

**Signalling that applications from people of all ages and both sexes are welcome**
Explicitly stating an organisation’s commitment to recruit people from under-represented is an important way of signalling to potential applicants that the employer is committed to diverse employment and diversity management. Employing organisations which can demonstrate that they practise diversity management have been shown be more attractive to potential employees, particularly highly educated women and ethnic minority applicants (Ng and Burke 2005).

**Creating open and transparent recruitment processes**
There is substantial evidence and experience to show that transparent recruitment and promotion processes are among the most important contributing factors promoting equality in organisations. Specifically, these include the publication of clear job descriptions and person specifications, and open selection processes with clear criteria for decision-making. Often there is little or no transparency about how or why recruitment decisions are taken.

**Establishing diverse interview panels so that no single group is over- or under-represented on panels**
Again, this strongly signals to applicants and existing employees that the organisation operates open recruitment processes and sets out to make all applicants feel comfortable about applying for employment.

**Changing selection criteria by removing age and sex from applications process, and using a competency-based approach to job requirements**
Employers are sometimes reluctant to employ staff without current ICT skills. Whilst up-to-date skills are clearly important, there is a risk of employers overlooking a potentially large talent pool and deterring potentially strong applicants. Using a competency-based approach to recruitment allows applicants to demonstrate transferable skills rather than length of service or even current qualifications. It is recognised as being helpful to returners who often lack confidence in their skills and tend to exclude themselves from applying for positions (Glover 2007). Changing selection criteria to promote diversity also means explicitly valuing, in the selection process, the qualities which diverse groups bring to the workplace. In the case of older workers, these may include stability, experience, and customer orientation. In the case of women, they may include interpersonal skills, application orientation, and ability to mix skills and tasks.
Employees and their representatives could fruitfully be involved in the process of revising job descriptions and person specifications, as they are likely to have grounded experience of the actual competencies, including 'soft' skills, needed for certain ICT roles.

**Using the ethical reputation of the organisation as a recruitment tool**

Many organisations recognise the importance of reputation for attracting high-quality applicants, and are keen to promote their 'employer brand' as diverse organisations or good employers. League tables and award schemes such as 'Where Women Want to Work' and '100 Best Places to Work' help to raise the profile of organisations who pursue good practice, for example, in flexible working or diversity management. There is evidence that demonstrable diversity management practices are an important factor in the decision-making criteria applied by highly educated female applicants (Ng and Burke 2005). Reputation is a particularly valuable recruitment tool for employing organisations which are not able to offer the same high rates of pay as those offered by large, private sector employers. The public sector in particular has a strong reputation for a commitment, and indeed an obligation to, manage diversity, and this is particularly attractive to applicants with children, such as women returners.

**Conducting recruitment and employment audits**

A key element of managing diversity is collecting data on employment patterns in an organisation. Having simple, quantitative data on recruitment and progression is extremely important, because it gives a clear picture of where inequalities are to be found. The project Demografie-Initiative provides a method for organisations to assess their employment profile, and offers recommendations for remedial actions (quoted in Healy and Schwarz-Woelzl 2007)). Given the gender pay gap that exists in the sector, conducting a pay audit at the same time is likely to contribute significantly to the perceived transparency of an organisation and its willingness to tackle areas of inequality. This has been shown to motivate and encourage women to work for companies that do so (Intellect 2006).

Trade unions representatives can play a vital role in the data collection and analysis process, with their management counterparts. It is important to include not only employing but also contracting organisations in any assessment of employment patterns. (Organisations contracted to the public sector are in any case obliged to demonstrate their equality plans, so the audit process can be used to support them in doing so.) Social dialogue offers a useful arena in which data can be reviewed and possible actions discussed.

### 3.2 Development and Retention

**Ensuring that lifelong learning is available to all employees**

The development and maintenance of professional skills is a vital element in the continuing contribution of ICT workers to their organisation’s performance. Yet there are groups of workers who are often excluded from or unable to participate in initiatives which keep their skills current and these include women on maternity leave, part-time workers, older workers, and other types of organisational returners. Good practice in diversity management includes ensuring that all workers are able to participate in skills development and maintenance. There are both targeted and
universal initiatives that are useful in this respect. Targeted schemes are useful for reaching members of the labour force who have particular development needs and requirements. They are also helpful for women on maternity leave and others on career breaks who are away from the workplace, and who can be included in company communications and invited to skills development sessions to keep their skills current while they are away from work.

Formalised, universal schemes are important for ensuring that discrimination in staff development is eliminated, and that all employees are included in professional development. Part-time staff and older workers (who are often excluded because of misplaced assumptions about their professional aspirations) continue to need and benefit from development opportunities – these send the signal that their employers value and want to get the best out of them. Better still, schemes which are open to all employees can be used to draw in non-ICT staff and develop them for ICT roles, and so improve the representation of under-represented groups.

West Dunbartonshire Council in Scotland has put in place a ‘Career Developer’ programme as an integral part of its staff development and salary structures. Its purpose is to open development opportunities in ICT to all employees, including those not currently in ICT roles, as a way of widening the talent pipeline as much as possible and creating opportunities for women clustered in low-grade clerical positions. This programme covers ICT, administrative and telephony staff, and it provides opportunities for administrators and telephonists to move into ICT roles. As a result, more than 50% of the council’s ICT staff, and more than 66% of its ICT staff, are female, proportions which far outstrip the national or international average.

The Women in Technology (WIT) Association in Australia runs mentoring and board-readiness schemes for women, to support their advance into senior management careers. Some of the large ICT employers like IBM run similar programmes.

Ensuring that staff development is a feature of leverage systems for staffing work project, and rewarding managers who do so, is a good way of breaking down elite internal markets which continually include and exclude the same, tried-and-tested employees.

**Offering flexible working opportunities at all organisational levels**

In order to progress within an organisation, it is often necessary to work full-time - and more. There is still a widespread stigma attached to flexible, particularly part-time, working which is commonly a feature of low-grade work - a problem for people with flexible working needs, women particularly. The scarcity of part-time opportunities at all levels in the sector indicates that employing organisations do not generally consider the flexibility requirements of their staff, or sufficiently value staff who have such requirements – though this seems to be changing.

Offering senior positions on a part-time, job share, term-time, homeworking, or other flexible basis, sends the signal that employers wish to attract diverse applicants and retain valued staff. There is considerable evidence to indicate that the provision of flexible working opportunities is an important factor attracting women and older
workers to particular ICT employers, and supporting their retention. The ICT sector is particularly well-placed to offer flexible working opportunities, given that the technology itself facilitates teleworking and time-flexible arrangements. ‘Presenteeism’ is no longer necessary to business performance. Indeed, it is usually more important for ICT employees to be near the customer rather than at the office.

Treating existing flexible workers equally in progression and promotion systems is also vital in challenging assumptions that flexible workers are less committed or keen to advance than full-time staff. This means changing organisational cultures so that work outputs rather than time inputs are emphasised, and as in almost all other areas of cultural change in organisations, the role of line managers is critical to its success or failure. They need to be rewarded for playing a positive role in this respect. Trade union representatives also have a vital contribution to make in endorsing this cultural shift and supporting line managers in doing so.

The UK Women and Work Commission has called for the development of “quality part-time jobs” (Women and Work Commission 2006). Some organisations already offer flexible working in senior posts: Accenture, BT, and Eircom are examples. Doing so not only widens the potential pool of labour which can be accessed, but makes such organisations attractive to well-qualified and highly-motivated female and older job applicants, and offers a way of retaining valued staff. At BT, it is thought to be key to the high return-to-work rate for mothers.

Retaining women throughout and after maternity
A key point at which women leave the ICT sector is at maternity (George 2003). Ensuring their retention therefore needs to be a particular focus of diversity management. In addition to supporting women through provision of work-life balance arrangements, there is much that can be done to ensure that they continue to have a connection with the organisation, and particularly to feel supported when they return to work. Good practices include communication, buddying and engagement schemes to keep women on maternity in touch with their employing organisations and still feeling involved in their teams. Networking and mentoring schemes to smooth the transition back into the workplace are also vital. IBM operates a Maternity Buddy scheme, pairing mothers returning to work with others who have recently done so to share experiences, and other organisations organise groups to provide information and support to new parents. Here, there is obvious potential for trade union representatives to taking a leading role in organising mentoring and group support for parental returners.

3.3 Flexible retirement
In the 1980s and 1990s, it was common for organisations to offer their staff early retirement in order to maintain a young workforce and manage redundancy. With the ageing of the European population, the strains upon pension funds, and a growing awareness of the need for age diversity, retirement policies are being reframed. Retirement arrangements in which workers are abruptly retired – ‘cliff edge retirement’ - are being reconsidered. Organisations can retain older and valued
employees through phased and flexible arrangements similar to those offered to parents.

The Danish communications company, TDC, recently had a comprehensive Diversity Management policy. Among other things, it operated a Senior Employee Programme, in which older employees were invited to discuss their situation and work requirements with their managers. The company found that these employees often want more flexible working in the form of shorter working hours and periodic time off. Retirement planning advice was also made available. However, with the move of ownership into private equity funds, these measures may be under threat. A number of employee benefits have been withdrawn, and there are concerns that private equity ownership will not maintain the interests of employees.

The UK Employers Forum on Age offers guidance to organisations on how manage flexible retirement so that older employees can continue contributing as they approach retirement. Information can be found at www.efa.org.uk.

3.4 Building inclusive organisational cultures
Managing diversity means addressing the cultural, as well as the structural, arrangements in organisations which exclude or disadvantage particular groups, and developing cultures that include, respect and value these groups. Positive diversity cultures support structural diversity management initiatives.

The EQUAL project, JIVE, offers a ‘Cultural Analysis Tool’ (CAT) which organisations can use to assess the gender-friendliness (or otherwise) of their policies, procedures and cultural arrangements. They can then use the results of this analysis to develop strategies for achieving cultural change. See www.jivepartners.org.uk for more information.

Leadership and the role of social dialogue
It is widely agreed that leadership is crucial to achieving cultural change in organisations. The behaviour of an organisation’s leaders has an enormous impact on the behaviour and attitudes of other employees. Leadership can be practised by many employees; it is not the sole province of senior managers or executives. In other areas of organisational life, such as health and safety management, it has been shown that employee and trade union involvement is vital to the achievement of ‘behavioural safety’ – employees’ embedded awareness of and responsibility for everyday good practice in health and safety (IPA 2007). The same is true of equality and diversity management – it is unlikely to succeed if it is only managed from the top down and not embedded in the everyday culture and practice of the organisation. Trade unions are well-placed to drive and embed diversity cultures in several ways:

- by brokering employee discussion forums,
• by highlighting the ways in which discrimination is pursued and raising awareness of problem areas in organisations,
• by assembling evidence and advancing local business cases for diversity with employers,
• by providing equalities training of employees and line managers,
• by taking responsibility for coaching and mentoring employees,
• by helping to embed and ‘mainstream’ good practices so that they are less dependent on the commitment and efforts of individual HR managers or line managers, and
• by generally supporting attitudinal, behavioural, and structural changes, for example, by taking the lead in establishing more comfortable cultures for minorities to enter and stay in (such as through the UNI Passport Initiative through which UNI seeks to reach migrant workers, or through local initiatives when hiring the first few women into a male-dominated environment).

The social dialogue process could identify areas where diversity cultures can be supported in specific organisations. However, there are two difficulties for trade unions and the social dialogue process in this area. First, the ICT sector is characterised by highly individualised employment relations, in which trade unions play a relatively weak role (Valenduc et al 2004). Unions may have to be flexible in their approach to employees’ involvement in diversity management, and consider supporting initiatives where they are not necessarily the main voice of employees. Ultimately, this may also help to build stronger trade unionism in the sector. Second, unions will need to develop their own commitment to diversity in order to be seen as credible players and leaders in this area.

IBM Nederland has introduced several diversity management initiatives aimed at achieving cultural change. An emphasis on ‘Inclusive Leadership’ includes diversity training for senior managers and executives. Local diversity networks of employee groups allow their members to organise, collect information, exchange experiences and advice, and support one another in order to strengthen themselves.

Belgacom is establishing Regional Employee Diversity Councils to stimulate dialogue and ensure employee support and commitment to diversity. This kind of initiative promotes widespread leadership and responsibility for cultural change.

### 3.5 Planning, monitoring and evaluation

The establishment of an equality and diversity action plan is central to diversity management. This provides the benchmark against which organisations can set goals and monitor their progress towards them, including monitoring employment patterns (recruitment statistics by gender, age and other measures, gender and age analysis of job grades, access to training and other development opportunities, and flexible working patterns. It is important to continually review and evaluate diversity initiatives in order to assess what is effective, and what further intervention strategies are needed. This is generally carried out within the HR function, but there is a clear case for including diversity planning and evaluation within the social dialogue.
process, so that ownership of the issue is widely shared rather than limited to HR professionals.

If diversity is to be treated seriously, contractors must also be included in the monitoring process, to ensure that they are improving their own equality and diversity arrangements. For contractors to the UK public sector, this is now a legal requirement. It could be a business requirement for all contractors. Where there is the prospect of “acquired rights” arrangements being put in place, proactive equality and diversity management could be a contractual requirement.

3.6 Concluding Comment

There is a strong case for the value of social dialogue in the management of diversity; there are numerous areas in which it can contribute to the continuing performance and sustainability of the ICT sector. Good diversity practice requires change not only in employers and their managers, but also in trade unions themselves, however. Historically, despite deep political commitment to equality, there has not always been a sufficient understanding of the needs of different workforce members. Women in particular have not always been well represented by their unions – neither numerically, nor in seniority, nor in terms of their requirements as workers (Silvera 2004). When women first entered the labour force, trade unions were not always quick enough to respond the challenge that these new members of the workforce offered. Something of this legacy remains; there is still a marked under-representation of women in trade union structures, discourse and general awareness. The entry of migrant workers into the ICT labour market offers a similar contemporary challenge to unions, to accept the contribution they make, reject xenophobic responses and focus on the common issues that confront all workers.

Unions are in a position to offer valuable leadership on diversity and are well-placed to act as key agents of good practice. Given that organisations are continually searching among new groups to meet their skills needs, the case for a creative and proactive response by unions to diversity is all the more urgent. It is vital that unions are not voiceless in relation to diversity and its management, if the employment conditions of all employees are to be upheld and improved.
4. References

Amicus (n.d.) *The Impact of the Work Permit Scheme on IT professionals in the UK*, London.


