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## **DIVERSITY AND WORKPLACE DISCRIMINATION IN MACEDONIA**

### Abstract

Workforce diversity is praised as a source of competitive advantage and important organizational aspect in the contemporary business setting. However, its implementation has never been more challenging than today. The prolonged economic crisis creates fertile soil for various extreme movements that try to expel all who do not fit their common patterns. The managers and their companies are not isolated from society. This paper tries to put more light on the discrimination in organizations in Republic of Macedonia based on ethnicity, culture and religion diversity. Results indicate that despite the declared low discrimination, there are still some open questions and possible whitewashing motivated by the concern of the interviewed for their jobs.

**Key words:** Work Force, Diversity, Culture

## 1. INTRODUCTION

Concept of discrimination at the workplace is not new and has been issue for over 40 years. Even though and since then we have witnessed a positive change in terms of its recognition and marginalization within an organization, its presence is still regarded as overpowering (Green, 2003). Building upon the importance of the issue of discrimination in workplaces it is now one of the most globally debated issues. Moreover, in spite of the number of findings and case study reports for discrimination against, the issue remains to be beyond control (Bilkis at al., 2010). The traditional conservative social norms, exist even in modern societies (Green, 2003). They silently or openly oppose the diversity at the workplace defined as “variations in social and cultural identities among people existing together in a defined employment or marketing setting” (Cox, 2011). Williams and O’Reilly (1987) defined diversity as “degree of heterogeneity among team members on specified demographic dimensions” and surveyed how “such heterogeneity affects team processes and performance”. Main purpose of this study is to explore the anti-discrimination policies and the actual situation with the discrimination at the workplace.

## 2. METHODOLOGY

A narrative review approach is used to help refreshing of the topic in the academic literature (Baumeister et al., 1987). A quantitative research was developed to help understanding of actual practice in the domain of job related discrimination and the standings of the employees in several companies in the Republic of Macedonia. Having in mind the population in focus is according to the State Statistical Office is 720.000 the sample size of 85 is not sufficiently big the conclusions to be statistically supported, except when the answers show clear tendency. For these questions, the margin of error is 8.5% at confidence level of 95%. However, the sample has some other flows (limited number of companies, limited number of communities) that a prudent reader should not neglect before drawing firm conclusions.

## 3. LITERATURE REVIEW

In a broader sense, the term discrimination refers to any action that prevents equal treatment of any individual because he/she belongs to some specific social group. The prohibition of discrimination is considered one of the fundamental

human rights (Bilkis at al. 2010). The international perspective of discrimination further outlines that any woman or man has the equal right against discrimination based on gender, race, ethnicity, sexual orientation in relation to the workplace environment (Green, 2003). The Human Rights Movements in the mid of the 20<sup>th</sup> Century made significant impact upon the public attitude towards members of racial minorities, as well as, women, and led to the creation of legislation that required equal opportunities for employment. Since then, the call for equal opportunities continued onwards and expanded towards nondiscrimination against age, sexual orientation, pregnancy and disabilities. However, the discrimination remains to be an important cause of economic inequality (Bilkis at al., 2010). The discriminatory treatment within the labor market is the major cause of this inequality. However, it may be difficult to detect it and there is some confusion regarding the specific grounds upon which the discrimination may be based on (Wright at al., 2011). In general, the discrimination at the workplace can be regarded from the viewpoint of the inter-relationships between the race, the gender, the disability, the age, the sexual orientation and the ethnicity of the people in an organization. The labor discrimination is any the valuation of the personal characteristics of the workers unrelated to their productivity (Arrow, 1973). If the employers have prejudiced about the relative productivity of a given group, it will affect their perceived marginal productivity of that group and thus they will offer lower wages to its members, argued Arrow. This labor discrimination is harmful since it affects the economic outcomes of otherwise equally productive workers directly and indirectly through feedback effects (Blau and Lawrence, 2007). For Darity and Patrick (2004), the difference in earnings or job placement that cannot be attributed to the education or experience of the workers are result of their discriminatory treatment. For Figart (1997), the labor market discrimination is a multi-dimensional interaction of economic, social, political and cultural forces in both, the workplace and the family, resulting in different outcomes involving pay, employment, and status. In other words, the discrimination is not only about the measurable but also about many unquantifiable consequences. For example, the gender norms so embedded in the labor market that it is not easy to separate the discrimination from the regular productivity-related inequalities (Elson, 2006). Moreover, although the racial labor market inequalities have declined, in terms of the gender it persists argues Sundstrom (1994). Black are three times more likely to be refused for a job compared to white and Hispanics are three times more likely to be discriminated in comparison with Caucasians (Fix at al., 1993). Bendick and his colleagues (1994) noticed that white female testers have higher chances of be called for interview compared to black female testers. Moreover, black women were “steered” toward lower level jobs, while the white women were even given some higher-level positions than the unadvertised. The

importance of gender-based discrimination at the workplace can be viewed in the argument that the empowerment of women in the economic sector constitutes one of the fundamental objectives of the development efforts of a country (Bilkis, 2010). Gender-based discrimination at workplace includes discrimination of women based on marital status or maternity of the applicants (Grozdanova et al., 2010).

Religion is one of the foundations of a democratic society and important element of the identity of the believers but also of atheists, agnostics, skeptics or uncertain (Grozdanova et al., 2010). Religion is becoming an increasingly polarizing issue in the workplace, forcing managers to balance the respective interests of employees, coworkers and patrons (Adams, 2012). According to Malos (2010), the **discrimination** or harassment against individuals who are perceived to be Muslim, Arab or Afghani has continued to increase raising the employers liability to better understand the legal issues when such cases are taken up on appeal', offering some guidance for managers to reduce that potential liability. The age discrimination can potentially affect any individual in any age group. Although, the older and younger cohorts are the most common victims, the middle age workers are most affected. The employers consider that persons above the age of 40 are unable to work and those individuals are subject to early retirement or simply ignored when it comes to career advance. According to Freiburger (2013), who studied the prevalence of age discrimination in workplaces, the youth can help in eliminating it. They should deal with the prevention while are young and that that the most common misconception that needs to be removed is that the older employees are resistant to change, something that can be true for many young people, also.

The principle of respect for human rights, equality and non-discrimination is one of the basic principles of the democracy and the social order, guaranteed by the Constitution of the Republic of Macedonia. The institutional framework is stipulated in the Law on Prevention and Protection Against Discrimination and in the Labor Law. Gender discrimination is addressed in the Law on Equal Opportunities for Women and Men (Official Gazette 66, 2006). It stipulates that the gender equality should be included in all policies, programs and projects conducted by the State. The age as a separate ground of discrimination is outlined in several laws, including the Labor Law (Official Gazette 62, 2005). Since 2011, it explicitly includes the age as separate discriminatory basis under its amended Article 3. Despite proclamations and legislation, non-governmental organizations and trade unions that monitor the situation report indicate that the frequency of incidents is still high in the area of employment. The major weakness of the law is that it lacks addressing the discrimination of applicants for employment on the grounds of their political affiliation, category considered by many as prevailing form of discrimination in case of state jobs. Other forms of discrimination present in the

practice in the case of Republic of Macedonia involve individuals from the lower social strata and minor ethnic or religion groups such as Roma. There is a conflict between the Constitution and the Law on Civil Servants resulting with employment based solely on ethnicity and not on professionalism or competence (Changova, 2007). Report Discrimination is web platform that aims to measure the extent of the problem. However, it faces lukewarm response with only 17 reports in three years (2012- 2015).

#### 4. RESEARCH RESULTS

The survey was done in twelve companies in Skopje, Bitola and Kumanovo, during the fall 2015. There were 69 structured interviews completed. The gender structure of the respondents was 65.22% men and 34.78% women. Most of the respondents were high school graduates (75.36%), with associate degree were 10.14%, university graduates were 8.7% and 1.4% had elementary school. The first set of main questions was dedicated to the perception of the discrimination. The main concern was possible discrimination based on ethnicity, culture and religion. Almost 80% of the participants answered that the diversity of the people is good for the overall prospects of the company they work, 17% answered somehow good and only 3% think that the diversity is not good for their company. High, 90% of the respondents feel that discrimination on any grounds has negative effect upon the relations between the employees. Most of the participants (78.26%) feel that fair antidiscrimination policy leads to open and honest communication and 84.06% have positive opinion regarding the application of anti-discriminatory policy. However, high 14.5% think that the people from different social and ethnic groups are differently motivated.

The second set of questions was dedicated to assessment of the possible discrimination in organizations. High 80% of the respondents think that they work in an organization that shows sufficient awareness of the needs of people from different cultures, somehow answered 14%, and 6% think that the awareness for the needs of the various cultures in their organization is not at sufficient level. On the question does the diversity create culture related problems in their company 39% answer yes, 27% somehow and 34% think that there are not such problems.

The answers on the question are the minorities equal with the prevailing ethnic community in hiring yes answered 92.75%. Somehow responded 5.8% and 1.45% think that minorities face discrimination when hiring. The participants who think that the members of the small ethnic groups have equal chances for promotion on the job is also high 88%, with 4.64% answering somehow and 4.36% who think

opposite. On the question are they feel being treated equally with other colleagues, 78.26% answered yes, 18.84% answered somehow and 2.9% think that they are not. In order to assess the job priorities of the respondents as factor that ultimately shapes their level of tolerance of discrimination we got that the earning related and job security factors are of highest priority (79%), followed by corporate culture and friendly management with 16%. This means that only 5% of the respondents link their priorities with the job attractiveness and the opportunity for personal growth.

## 5. CONCLUSION

A diverse workforce is a reflection of a changing world and marketplace. Diverse work teams bring high value to organizations. Respecting individual differences will benefit the workplace by creating a competitive edge and increasing work productivity. Discrimination in the workplace can be detrimental to any organization. The goal of any modern business should be to eliminate all forms of discrimination within their workplace and create an environment that embraces diversity. This study was focused on the existence of discrimination in the workplace and discrimination against specific groups in the companies of Macedonia. The research has confirmed the standing points of the non-governmental organizations that monitor the job related discrimination in the country. Respondents answer that they understand the threats of the discrimination and that in their organizations there is no discrimination on the basis of ethnicity, culture or religion. However, some of them think that members of various social groups and ethnicities are differently motivated, indicating prejudices and stereotyping, since there is no common ground between internal drive such as motivation and the cultural and ethnic background of the people. Finally, the job related priorities in which earning and job security are of the major importance indicate possible reluctance to talk and unconscious or conscious whitewashing of the reality. Based upon the conclusions of this study, it is recommended that management should commit to diversity programs and implement them in companies experiencing discrimination problems. Training should also be incorporated in educational institutions that will give future managers the necessary training needed to meet the future challenges of their employees.

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