Making Employment Equity Programs Work for Women

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Les femmes continuent à être sous-évaluées au travail, eu égard autant aux postes qu'elles occupent qu'aux salaires qu'elles reçoivent. Des Programmes d'Equité en matière d'Emploi (PEE) ont été conçus afin d'éradiquer la discrimination dans le domaine du travail, et des organisations assujetties à la *Loi sur l'Equité en matière d'Emploi* ont été mandatées pour assurer l'application de ces programmes. Cependant, les résultats ont été variables. Bien que les programmes aient apporté quelque amélioration en ce qui concerne la situation des femmes, leur réussite a été éclipsée par des plaintes invoquant l'injustice et par les réactions négatives des employés. Nous examinons ici des mesures essentielles pour éliminer ces perceptions négatives et rendre les programmes plus efficaces.

Women continue to be undervalued in employment, both in terms of the positions they occupy and the wages they receive. Employment Equity Programs (EEPs) were conceived to eradicate employment discrimination and organizations subject to the *Employment Equity Act* are mandated to adopt them. Their success, however, has been mixed. Although EEPs have resulted in some improvement in the status of women, their success has been overshadowed by complaints of unfairness and employee backlash. Essential measures to eliminate these negative perceptions and improve the effectiveness of EEPs are discussed.

INTRODUCTION

Despite the growing numbers of women in the labour force and strong market forces pushing organizations to hire women, they are still generally paid less than men and still occupy lower status positions (Canada: HRDC 1996; Edwards and Robinson 1999; Canada. Labour Canada 1990; Simerly and Hunt 1998). Women continue to be denied access to positions of power (e.g., line positions) that are necessary for promotion to upper management positions; instead women in management usually occupy professional or staff (middle management) positions (Morrison and Von Glinow

1990). Women encounter the glass ceiling when they try to make their way up the hierarchy and they often feel excluded from power, sidetracked, and socially isolated (Hale 1999). The literature suggests that men are reluctant to give up power; they are uncomfortable dealing with women whom they believe are different from themselves, and therefore, unreliable and unpredictable (ibid.).

In an effort to eradicate discrimination against women, many organizations are now legally obligated to adopt Employment Equity Programs (EEPs) to ensure that the profile of their workforce adequately reflects that of the labour force. Although

EEPs have resulted in statistically significant improvements in the status of women, EEPs have been met with much criticism. The first objective of this paper is to provide an overview and discussion of the positive and negative consequences of EEPs and employment equity legislation. Positive consequences to be discussed are: (i) improved human resources management (HRM) policies; (ii) increased presence and improved status of women; and (iii) narrowing the wage gap between men and women. Negative consequences to be discussed are: (i) male backlash; (ii) increased implementation and administrative costs; and (iii) perceived productivity decline.

The second objective is to provide an overview and discussion of how EEP effectiveness can be improved. The need to increase understanding and perception of EEPs is discussed and specific communication strategies are highlighted. Other recommendations, such as modifying and implementing various HRM practices that support EEP efforts as well as the need to clarify and strengthen existing legislation will also be discussed.

It should be noted that this paper addresses specifically EEPs and the legislation behind them; the issue of why diversity is beneficial to organizations, and how diversity is best managed, is beyond the scope of this paper.

THE BIRTH OF EEPS

Before examining the positive and negative consequences of EEPs, a brief history of how EEPs and employment equity legislation came into existence will first be provided.

Historically, there have been two prevailing philosophies on how to eradicate discrimination (Lee 1999). On the one hand, some believe that the only way to combat discrimination is by rules and objective standards; in other words, hiring should be based on merit, irrespective of any other factor such as sex or race. On the other hand, some argue that the concept of "merit" is not particularly objective or bias-free (and that the hiring process itself is not particularly objective), and that employment decisions should include factors such as sex and race, to ensure equal representation.

In 1984, Judge Rosalie Silberman Abella was commissioned to resolve this dilemma and find the most efficient, effective, and equitable means of promoting employment opportunities for, and eliminating systematic discrimination against, four designated groups: women, visible minorities, Aboriginal peoples, and disabled persons. As a result, the commission concluded that the voluntary measures adopted by some organizations, as well as the other existing forms of legislation, were insufficient to overcome the pervasiveness of discrimination in the Canadian workplace. Stronger and more specific legislation was deemed necessary and the commission recommended that the federal government introduce new legislation to make employment equity mandatory throughout the federal jurisdiction (Abella 1984). Achieving representation is now a legal obligation (supporting the representation argument in lieu of the merit argument), replacing economic, societal, and demographic forces.

In response to the recommendations of the Abella Commission, the Canadian government passed the *Employment Equity Act* in 1986. Organizations subject to the Act included federal Crown corporations and federally regulated agencies with more than 100 employees. Under the Act, organizations are required to commit to implementing employment equity. This commitment includes analyzing their workforce using 12 job categories (six management and six non-management categories), identifying employment barriers, implementing an EEP, and monitoring and evaluating progress toward achieving equity in their workforce. In addition, organizations are required to submit to the federal government annual reports detailing employment activities such as hiring, promotion, and termination of designated group members. A compliance review may or may not be initiated by the

government to review the agency's progress in achieving employment equity.

The EEP was defined broadly by the commission as a strategy for organizational change that identifies and removes barriers to equal participation in the workplace, and that increases the presence of designated group members in job categories that have been historically underrepresented (such as decision-making roles). Note that an EEP is fundamentally the same as an affirmation action program (AAP) adopted by companies in the United States; both are aimed at rectifying past injustices. The Abella Commission chose to use the term EEP instead of AAP for two major reasons. First, it was sensitive to the bad publicity that AAPs were receiving in the United States and felt that a different label would help alleviate and deflect negative attitudes, especially those associated with quotas. (The recent trend in the United States is to replace AAPs with "diversity programs," that is, voluntary programs designed to create greater inclusion of all individuals into informal social networks and formal company programs; see Gilbert, Stead and Ivancevich 1999.) Second, the intent of the legislation was not to impose quotas, as perceived to be inherent in AAPs, but instead to encourage organizations to creatively increase the representation of designated group members and instead to set numerical targets. Numerical targets provide agencies with a base for comparison and evaluation, whereas quotas enforce hiring based on minority status rather than job qualification. The Act was not intended to force organizations to make unwise hiring decisions; instead it was hoped that they would concentrate their efforts on finding and training qualified, designated group members. EEPs have been referred to as "more focused" AAPs in that they encourage actively recruiting and promoting designated group members in every occupational group and at every organizational level (Kumar and Acri 1992).

The specific form of the EEP was left to the discretion of the employer. The commission felt that because employment equity is an integral component of the organization's human resource and strategic planning process, the agency itself would be in the best position to determine what type of EEP was required. Therefore, although the Act made the adoption of an EEP a legal requirement, agencies maintained much freedom in terms of the form of EEP they decided to implement. As a result, the contents of EEPs vary widely across organizations (Leck and Saunders 1992). The wide variance in the type of EEP adopted begs the question of whether or not all EEPs are equally effective and to what extent employers are serious in affecting change. A poorly designed and implemented EEP can hardly be considered to be a serious attempt in eradicating discrimination from the workplace.

The freedom in the type of EEP organizations adopted was significantly curtailed on 15 December 1995, when the *New Employment Equity Act* was passed by the federal government. The most significant changes to the Act included extending its coverage to the public service (thereby greatly increasing the percentage of the Canadian workforce affected by the legislation), giving the Canadian Human Rights Commission the authority to conduct on-site audits to verify and gain compliance (this means that more than 400 companies can expect a lengthy audit), and clarifying the employer's obligations (especially with respect to the EEP). Employers are now required to conduct workforce analyses to identify areas of underrepresentation, to review employment policies and practices to identify potential employment barriers, to prepare short-term plans, to enact positive policies, to make reasonable accommodation wherever possible and finally to set numerical goals. In short, employers now receive much more direction with respect to the "type" of EEP required.

THE POSITIVE AND NEGATIVE CONSEQUENCES OF EEPs

Employment equity legislation has had mixed results. On the one hand, studies have demonstrated

that organizations with more comprehensive EEPS (i.e., EEPs that address many facets of the employment relationship) make more significant progress in increasing the representation and status of women in the workplace. On the other, many have argued that these changes would have occurred in any case due to economic, societal, and demographic pressures, and that mandating equity has only resulted in increased business costs and resentful employees. This section provides an overview of the positive and negative consequences of EEPs and employment equity legislation.

Positive Consequences

There are three major benefits argued to result from the changes brought upon by EEPs: first, improved human resources (HR) practices (i.e., policy changes that support employment equity); second, increased presence and improved status of women (i.e., changes in the representation of women in the workplace, especially in positions of power); and third, narrowing wage gaps between men and women (i.e., a decrease in the difference between the average wages earned by men and women).

Improved HR Practices. At least two major studies have been conducted to examine the effect of the original Act on the way organizations manage their human resources. A third study, conducted in the United States, provides similar findings with respect to the adoption of AAPs.

The first study was conducted by Leck and Saunders in 1989. In this study, attempts were made to contact the person responsible for the human resources management function (the majority were directors and managers of the human resources department) of all 365 organizations then subject to the *Employment Equity Act*. Telephone interviews were conducted with representatives of 242 groups, or about 82 percent of the total population. Among them, 87 percent had indicated that they had developed some sort of EEP. Most EEPs had been designed to improve recruitment (89 percent of organizations), selection (84 percent) and promotion

(80 percent) of designated group members. About 49 percent of these groups had also developed public awareness programs aimed at informing the public of their employment equity initiatives. Sixty percent of the EEPs adopted established formal goals (paralleling the idea of quotas associated with AAPs), formal timetables to reach these goals (45 percent) and formal plans explaining how these goals would be achieved (43 percent). Activities such as regular audits (73 percent) and supervisory training (77 percent) were also relatively common. About two-thirds of all organizations assigned an employee to the position of EEP administrator to manage the program and, as employment equity is usually an integral part of the human resources function, this EEP administrator was most often assigned to the human resources department.

The second study was conducted by the Conference Board of Canada in 1990 (Benimadhu and Wright 1991). A questionnaire was sent to the person responsible for employment equity of all 365 organizations then subject to the *Employment Equity Act*; over 100 responded to the survey. One of the most important findings of this study was that the agencies surveyed indicated that they had implemented an EEP in response to the legislation. While only 15 percent had an EEP before the Act, more than 84 percent had developed an EEP by 1990. Respondents also noted making many adjustments to their human resource policies and practices, including advertising and outreach programs, interviewer/awareness training, and family leave policies. Most were designed to respond to the needs of women, although the Act was intended to promote the presence of visible minorities, Aboriginal people and disabled persons as well.

A third study examined the effects of AAPs in recruiting and hiring practices. In a sample of over 3,200 employers, Holzer and Neumark (2000) found that affirmative action had four major effects on human resource practices. First, AAPs increased the number of recruitment and screening objectives; this resulted in better, more valid, hiring decisions.

Second, AAPs affected employment practices by raising the willingness of employers to hire traditionally disadvantaged employees. Third, changes to the recruitment and hiring practices resulted in more female candidates and hires (without compromising on the quality of the candidates). Fourth, employers with AAPs were more likely to provide training and formally evaluate their employees. Although this study was conducted in the United States, the results reflect the findings of the first two Canadian studies.

Results of these studies indicate that many changes to organizational human resources policies and practices have been made since the introduction of the *Employment Equity Act* in 1986. Further, the results suggest that initiatives to eliminate discrimination from the workplace are rarely self-imposed; rather, they are the result of legal requirements. In other words, changes in human resources policies and practices that support employment equity have so far largely resulted from legislation, not from societal, economic or demographic pressures. The 1990 Conference Board of Canada study concluded that most participants felt that the legislative requirements regarding data collection and reporting were justified, and that reviewing an organization's employment practices and eliminating discrimination is generally believed to result in better employment decisions and a more satisfied and productive workforce.

Increased Presence and Improved Status of Women. There have been many significant changes in the representation of women in organizations that adopted EEPs as a result of the *Employment Equity Act.* Many argue, however, that these changes have been too small and progress toward eradicating discrimination has been too slow. The Act's failure to clearly identify the type and extent of changes expected of employers, the lack of incentives for organizations to achieve employment equity and the minimal penalties imposed for non-compliance, have been blamed for the lack of major changes in the representation of women during the first five years of the Act (Special Committee on the Review of the *Employment Equity Act* 1992). The *New Employment Equity Act* (1995) attempts to correct these weaknesses; unfortunately, no independent study or report was found that examines whether or not the rate at which women enter the workforce subject to the Act has changed dramatically since 1995.

Others argue that these changes would have occurred with or without EEPs. Although this may be true, Leck and Saunders demonstrated that organizations with more comprehensive EEPs (i.e., EEPs that focused on many different employment-related activities such as public awareness, training, etc.) were better able to increase the representation of women in their workforce. This implies that although increases in the presence of women in the workplace may have occurred naturally, they are boosted by the presence of well-designed and comprehensive EEPs.

During the ten-year period between 1987 and 1996, more women entered non-traditional jobs such as upper management and manual work, and their overrepresentation in clerical occupations decreased by a few percentage points (Canada. HRDC 1996).

While the representation of women in upper management has more than doubled since the inception of the Act (4.8 percent in 1987), the representation of women is still far below the availability, estimated at over 25 percent and growing (Leck and Saunders 1995; *The Worklife Report* 1994, p. 3). The percentage of women in middle-management occupations is also increasing steadily (by about 2 percent per year), largely due to the change in attitude toward women occupying staff roles (it should be noted that staff positions are considered to be less "powerful" and therefore less potentially "dangerous or risky" than line positions). However, here too, the representation of women is growing less rapidly than their availability.

In non-management occupations (Leck and Saunders 1995; *The Worklife Report* 1994), changes

were less spectacular, but nonetheless encouraging. The percentage of women occupying clerical jobs (typically low power and low status occupations) dropped by around 5 percent from a high of over 70 percent. Slight gains were recorded for women in blue-collar jobs (at approximately the 6 percent level), indicating that women are moving away from female-dominated clerical and to the higher paying male-dominated occupations.

In addition to changes in representation, there is some evidence to suggest that it takes less time for women to become re-employed than men when an EEP is present (Antecol and Kuhn 1999). Therefore, one can also conclude that EEPs also help in increasing the employability of women.

Narrowing Wage Gaps between Men and Women. Many studies in the United States and Canada have demonstrated that white women working full-time receive, on average, about 60–75 percent of the hourly wages earned by white men (Christofides and Swidinsky 1994; Gunderson 1989). In 1989, Canadian white women earned approximately 69 percent of the wages earned by white men. This percentage has increased at about 1 percent per year, reaching 76 percent in 1996 (Canada. HRDC 1996; Leck and Saunders 1992; *The Worklife Report* 1994). For female members of visible minorities, disabled women, and Aboriginal women, these percentages have also climbed over the ten-year period (although more slowly) reaching a little over 70 percent in 1996. The average salary earned by white women increased at approximately the same dollar amount as the average salary earned by white men, indicating that perhaps women enjoyed higher annual percent increases. It should be noted that these figures differed widely by sector; for example, women earned over 80 percent of wages earned by men in the communications sector and less than 60 percent in the banking sector (*The Worklife Report* 1994).

One factor that explains wage gap differences is employment discrimination (for a discussion of other factors, please see Leck, St-Onge and

Lalancette 1995). That is, when hiring and promotion practices favour white men over women, especially in positions of power (Kanter 1977; Morrison and Von Glinow 1990), white men have better access to better paying jobs. With better access to these jobs, white men enjoy higher average salaries. Therefore, even if pay scales are adjusted to provide equal pay for "equal work" or "work of equal value," women will earn, on average, less money because they are barred from the highest paid occupations.

If the Act is succeeding in eliminating employment barriers, women should be gaining access to higher paying jobs and enjoying the same "pay potential" as their male counterparts. Therefore, achievements in employment equity should have an important impact on closing the wage gap in that more women will be employed in higher paid positions and fewer in lower paid ones.

Based on the study of the organizations subject to the Act from 1989 to 1993, it was concluded that some advances in closing the wage gap have been made as a result of the *Employment Equity Act* (Leck and Saunders 1995). Three major conclusions were drawn.

First, organizations subject to the Act decreased the wage gap between white men and women in the mid- and lower salary ranges ($20,000 to $35,000). This result suggests that some advances have been made in providing equal pay for work of equal value as most pay inequities resulting from occupational segregation occur in this salary range.

Second, it appears as if the wage gap is *increasing* in the higher salary ranges, specifically for salaries over $40,000. From 1989 to 1993, the rate of increase in the percentage of men in the top salary ranges was four times that of women (increases of 0.8 and 0.2 percent annually respectively). In 1996, 30 percent of all women subject to the Act earned over $40,000 while over 60 percent of men earned similar pay (Canada. HRDC 1996). Previous research has shown that organizations subject to the

Employment Equity Act have increased the representation of white women in upper management ranks (Leck and Saunders 1995). Therefore, the percentage of white women earning top wages should be at least increasing as rapidly as the percentage of men in similar pay categories. This is not the case, however, indicating that although women are gaining access to high-level jobs, they are not being paid accordingly. Promotions that are in "name only" and not accompanied by pay increases are certainly not in accordance with the spirit or the letter of the Act, and further justify the need to strengthen the Act and clarify employer obligations.

Third, among organizations subject to the Act, the study found that the wage gap is decreasing most rapidly for white women. This pattern reflects previous research that argues that white women are the most successful group in gaining access to middle and upper level management positions (Morrison and Von Glinow 1990). However, since the *Employment Equity Act* is supposed to remedy past discrimination against four groups (women, visible minorities, Aboriginal peoples, disabled persons), it is apparent that the Act has had limited effectiveness with respect to pay equity.

While it is not known if these reductions in the wage gap would have occurred in the absence of the legislation, it is reasonable to assume that employment equity policies promote fairer business practices, including compensation practices. Also, since organizations with more comprehensive EEPs also reported greater changes in women's average pay, it can be concluded that EEPs not only increase employment opportunities, they also appear to increase pay opportunities. In other words, organizations with better EEPs made more significant progress in reducing the wage gap than did those with poorer designed EEPs. Further, EEPs were also found to predict improvements in the average pay of most men. Again, if EEPs bring about improved HRM practices, such as job evaluations, pay scales, and performance appraisals, these practices should benefit all employees, including men.

Negative Effects

The negative effects of employment equity policy can be divided into three major categories: (i) male backlash (i.e., the reactions to reverse discrimination and hiring/promotion decisions that are based on protected group membership and not on individual merit); (ii) increased implementation and administrative costs (i.e., the costs related to fulfilling the obligations set by the law); and (iii) perceived productivity decline.

Male Backlash. Male backlash arises when white men blame another group (e.g., women) for their problems (e.g., fewer promotion opportunities); this results in resentment among the men and bitterness among the women. Male backlash is exacerbated when the need for diversity is not clearly communicated by upper management, when white men are not included in the development of diversity programs, when white men as a group are treated as the culprit in diversity training and when white men are not rewarded for being part of the solution instead of being blamed for being part of the problem (Mobley 1992).

Male backlash is divisive and contributes to low morale and a negative diversity climate (Gilbert and Ivancevich 1999). Gilbert and Ivancevich also note that backlash is often at its worst in organizations that are most successful in recruiting non-traditional employees. For instance, critics have been reported to claim that female underrepresentation in Canadian combat units (a very non-traditional area for women), is a result of male conspiracy, and that instructors are making "unfair or even biased" assessments of women to keep them out of the infantry (White 2001).

The 1990 Conference Board of Canada study reported that over 40 percent of organizations surveyed had experienced some form of male backlash (Benimadhu and Wright 1991). Studies suggest that less than 25 percent of men support the women's movement and demands for equality; instead most men favour traditional roles for women (*American Male Opinion Index* 1988; Astrachan 1986). Goode (1982) suggests that this backlash is a result of two

distinct types of resistance to change. First, resistance from men who approved of the concept of equality, but disapprove of it now that it is being applied and may have personal consequences (e.g., fewer employment opportunities, greater competition for promotions, increased resources and programs directed solely to women). It may be easier to direct anger toward women than at an organization and environment that is beyond their control. The second type is resistance from men who have always opposed equality and oppose it even more openly now that it is no longer a distant threat. It should be noted that these findings are based on American samples and therefore cannot be generalized across cultures since different cultures have different attitudes toward the role of women. However, since American and Canadian cultures are more similar than different (with respect to the role of women), it can be argued that these findings can be used to explain male backlash in Canadian workplaces as well.

EEPs can be argued to increase employee backlash. First, EEPs are intended to promote the presence of women in non-traditional roles; the belief that this is a valid objective has been demonstrated to be unpopular among most men (Goode 1982). Second, EEPs do have personal consequences to men, especially in times of rampant downsizing. Organizations making hiring and promotion decisions are likely to favour women over equally qualified men in order to comply with the EEPs objectives; when hiring and promotion decisions occur infrequently, men may find themselves passed over altogether. Finally, employment equity is no longer a distant threat. Penalties for non-compliance have become serious concerns (e.g., the estimated $4 billion price tag for remedying past pay inequities among federal civil servants) and there is still a move toward strengthening existing legislation. One study demonstrates that while EEPs help reduce the gender gap in the extent to which workers feel harmed by gender discrimination, this effect occurs due to an increase in men's perception of being harmed, as opposed to a decrease in women's perception of being helped (Antecol and Kuhn 1999).

Male backlash has many negative consequences to women, men, and the organization (Burke and Black, 1997). First, employee backlash increases tensions between men and women; women's perceptions of sexist male attitudes are reinforced and men rally together to protect themselves from the battle. Second, employee backlash divides women; women who have made it in the male system separate themselves from women who have not (Heilman, Block and Lucas 1992; Heilman 1994). Finally, employee backlash sabotages organizational attempts to introduce diversity programs and measures to advance women in their careers. Time and energy that should be spent administering the programs are instead spent dissipating anger and frustration.

Increased Implementation and Administrative Costs. The most ardent critics of employment equity legislation argue that EEPs reduce Canada's ability to compete in a global market due to the increased cost of doing business (Baron 1994). Some organizations claim that over 70 percent of their employment equity budgets are allocated solely to the administrative and reporting requirements of the Act (Benimadhu and Wright 1992). The costs of data collection and reporting can be considerable, depending on the sophistication of the organization's past and current human resource programs and practices. For instance, an organization that has never conducted detailed job analyses would have to do so before being able to categorize its employees into the 12 occupational categories specified in the *Employment Equity Act*; depending on the size of the organization, this activity could take several months.

The 1990 Conference Board of Canada study found that many organizations were concerned about the administrative burden resulting from the proliferation of employment equity legislation. For instance, an organization could be subject to federal- and provincial-level employment equity legislation as well as to the employment equity requirements of various contractors' programs. If each required different reports and measures, the administration of the EEP would become unnecessarily burdensome.

Another potential cost to the organization is the cost associated with the misinterpretation of flawed statistics. Benimadhu and Wright (1991) report two organizational concerns. First, the number of designated group members currently employed is usually underestimated because it relies on self-identification. Since many employees are reluctant to provide special status information in the fear that employers will use this information to discriminate against them, the true number of minority members may remain unknown. In other words, many Canadians of ethnic origin dislike identifying themselves as members of a minority group rather than simply as Canadian (McFeely 2000). Second, the number of designated group members employed does not always reflect the quality of the assignments. For instance, promoting women who have not received adequate training just to make the numbers look good is likely to result in dissatisfaction, turnover, and decreased productivity (Heilman, Block and Lucas 1992). An organization may seem to be performing poorly (i.e., promoting few women) when in fact it is providing training opportunities for women and taking a longer term staffing perspective.

Self-regulation is argued to be more efficient as it decreases government expenditure and allows organizations to direct their efforts toward managing diversity instead of fulfilling legal reporting requirements (Falkenberg and Boland 1997). It can also be argued that given the rather small advances achieved so far through legislated means, self-regulation may be the more viable option. Recent surveys indicate that the labour supply behaviour of women has increased such that it now more closely mirrors that of their male counterparts, despite the absence of EEPs in most organizations (Chaykowski and Powell 1999). The American experience with affirmative action programs has demonstrated that government interference can create greater resentment and resistance to change (Heilman 1994; Monroe 1991). For instance, quotas, frequently associated with AAPs (Abella 1984), were originally intended to be mechanisms to promote the presence of women and minorities in the workplace. Unfortunately, they

have become associated with bad business practices, government interference, unqualified promotion decisions and reverse discrimination; sentiments that work toward increasing resistance to diversity, not alleviating it.

Employment equity legislation and other initiatives are also argued to unjustifiably impinge on employer and individual rights (Falkenberg and Boland 1997; Gullett 2000). A case in point is the recent Canadian Human Rights Tribunal pay equity ruling that the federal government owes nearly 200,000 of its current and former employees up to 13 years' worth of back pay to wipe out the wage gap between men and women, and to provide equal pay for work of equal value (May 1998). While some see this decision as a significant move toward eradicating discrimination in the workplace, others argue that the estimated $2 billion to $4 billion in back pay and interest required to compensate federal public servants unduly burdens the Canadian taxpayer as well as sets a dangerous legal precedent. If all organizations in the federal sector are subject to similar rulings, the cost to employers (in terms of labour costs) and employees (in terms of potential layoffs and downsizing needed to offset these labour costs) could be very significant.

Perceived Productivity Decline. Critics of employment equity argue that EEPs lead employers to hire less-qualified workers to meet their planning objectives or quotas; as a consequence, the workforce is less productive. While there is anecdotal research to support this contention, empirical research has demonstrated that while EEPs do lower the educational level of entrants, they have little if any effect on worker productivity (Holzer and Neumark 1999; Koretz 1998). More research is needed to examine why qualitative and quantitative studies provide different conclusions.

Other studies have found that those hired under the auspices of employment equity efforts are perceived to be less competent than white males (Heilman, Block and Lucas 1992). Further, the

perception that the female worker "may" be less productive is argued to become a self-fulfilling prophecy (Gilbert and Ivancevich 1999). For instance, those judged unworthy of special attention are provided with fewer opportunities (such as mentoring) and eventually their performance declines with respect to the majority group. Further, because male managers may feel discomfort reporting negative information to their female subordinates, areas of weak performance remain unidentified and therefore uncorrected. Women may not be provided with promotion opportunities requiring relocation due to the belief that their spouse has the more important job and would be opposed to the relocation. The notion that women are less productive or valuable therefore becomes reinforced.

Similar studies conclude that hiring on the basis of sex also lowers productivity among women due to the way women perceive the employment decision. Women who perceive that they were hired as a result of employment equity initiatives suffer greater stress, less job satisfaction, and lower motivation than women who felt that their sex was not responsible for their hire (Heilman, Block and Lucas 1992; Heilman 1994). In other words, women who believe that they were hired to fill a quota or as a result of an EEP are less productive than those who believe they were hired based on merit.

In summary, EEPs are argued to decrease productivity because they are perceived to lower hiring standards, decrease the utility of female workers, create conditions that work toward preventing women from contributing to their fullest and decrease women's perception of their self-worth.

Improving EEP Effectiveness

Lee (1999), in an article describing the evolution of affirmative action in the United States, concluded that even the lay observer (irrespective of his or her attitude toward affirmative action) has a vague feeling that something has gone amiss in the achievement of employment equity in the past three decades. Similarly, Gilbert and Ivancevich (1999) concluded that despite lawsuits and bad press, organizations appear to be apathetic about embracing diversity, are only superficially committed to achieving equity and that they too feel that equity is a difficult and elusive concept to sell.

The most common reason offered to explain these negative perceptions and attitudes toward both employment equity and affirmative action has been that people generally have a very poor understanding of what these programs are and how they work. For instance, negative perceptions stem partly from the confusion between "quotas" (a much disliked concept suggesting hiring unqualified applicants which has received much negative publicity) and "goals" (Gilbert, Stead and Ivancevich 1999) and the erroneous belief that employment equity efforts provide advantages for women who have never been disadvantaged (ibid.).

A study based on 133 students enrolled in a university level human resource management class further illustrates the extent to which EEPs are poorly understood (Leck 2001). Over 60 percent of the sample believed that the objective of EEPs is to impose hiring quotas (and 39 percent believed that these quotas were set by the government) leading to poorer hiring decisions instead of goals. Further, 58 percent of the sample believed that EEPs were unnecessary because discrimination against women is a thing of the past (supporting the Gilbert, Stead and Ivancevich [1999] finding that many believe that women are not disadvantaged). The most disturbing result was that 91 percent felt that reverse discrimination is an inevitable by-product of EEPs — in other words, an EEP is a direct invitation for male backlash. Since the students of this sample were required to learn about EEPs and discrimination as part of their curriculum, it is argued that this sample should have a better understanding of the key notions relating to EEPs than those who had not attended the course. If so, we can assume that the general population has an even poorer understanding of what employment equity is all about.

If EEPs are to be more effective, it is imperative that efforts to improve understanding of their purpose be undertaken before anything else. Placing greater emphasis on employee awareness is critical if any initiatives are to succeed and negative consequences, such as male backlash, are to be eliminated. Evidence of this is provided by Bell, Harrison and McLaughlin (2000) in their study examining the effect of attitudes toward AAPs on actual behaviour. They found that AAP information was successful in changing AAP attitudes, resulting in an increased incidence of proactive (i.e., positive) AAP behaviours (e.g., including women in conversations). Clearly, information about EEPs and their objectives is needed to counteract negative stereotypes and allow these programs a chance to succeed.

Following is a discussion of three practices that are frequently recommended in the literature and are argued to be indispensable in improving the understanding and acceptance of employment equity initiatives.

Upward and Downward Communication Practices

EEP goals and objectives should be clearly communicated to all employees, not just to supervisors and managers responsible for making employment decisions. Unfortunately, non-managerial employees frequently receive little or no information about the value and goals of the EEP (Benimadhu and Wright 1991), even though providing information has been repeatedly demonstrated to be critical to employee understanding, acceptance, and compliance. Ensuring that everyone has a common and positive understanding is essential for EEPs to succeed.

In addition to communicating EEP objectives to all employees, the most successful companies have implemented a broad range of programs to ensure that all concerns, questions, and issues are heard and processed. Examples of these programs include employee forums to air differences, equality councils that meet regularly to discuss diversity issues

hindering performance, diversity booths at company events (such as Family Picnic Day), written articles in the internal company newsletters, anonymous suggestion boxes (in one case called "Dr. Equality"), yearly diversity surveys, and the promotion of diversity through calendars and coffee mugs (see Gilbert and Ivancevich 1999).

Employee Involvement

Including employees or their representatives in decision-making has also been repeatedly demonstrated to be critical to employee understanding, acceptance, and compliance (Benimadhu and Wright 1991). Employees who perceive that they have participated in the formulation of EEP policy are less likely to resist its implementation than employees who have been kept out of the process. Unfortunately, the 1990 Conference Board of Canada survey indicated that unions and other employee groups were rarely involved in the development of employment equity initiatives, even though employee participation could be used to decrease fears of reverse discrimination and increase acceptance of equity goals and objectives. Since labour unions and other employee groups have historically been instrumental in promoting pay equity, employment equity, and other issues of concern to women (e.g., child care, parental leave, job security, part-time worker rights) their involvement in formulating EEP policy and programs is argued to be extremely beneficial.

Training

Organizations can help shape attitudes with training. Some have offered special workshops to help men deal with issues such as entitlement, privilege, backlash, and exclusion. Men and women need to learn and share perceptions about each other to better understand what happens in work relationships (Hale 1999). Other training topics focus on making different groups feel welcome in the workplace and making sure that HR practices, such as performance appraisal, recruitment, and selection are bias-free. Training should be conducted so that it is enjoyable, informative, and non-confrontational. Gilbert and Ivancevich (1999) argue that it is the way the

training is conducted, and not simply the training itself, that is essential for employee acceptance. For instance, they reported the experience of one company where its training consisted of writing down lists of stereotypical descriptions of every minority group; this caused more divisiveness than understanding. More successful companies make training "fun"; for instance, cultural awareness days include tasty lunches and discussions of the meaning of the various dishes.

Once employee understanding of EEPs is improved, efforts can then be directed to other HR practices. It is important to note that improving understanding is essential before the implementation of the following practices be initiated; otherwise their presence may be resented. For instance, women-friendly policies such as flex-time will be more favourably received when its purpose is better understood.

Following is a discussion of five frequently cited HRM practices and polices argued to directly and indirectly support the EEP.

Family-Friendly Policies. Crampton and Mishra (1999) argue that discrimination and occupational segregation exist because of the complexities and time requirements involved in reconciling the dual role of working woman and mother. This is further complicated by the ability to acquire the key skills and additional training required to succeed. Companies that have been cited as being leaders in this area implement a variety of family-friendly programs to aid women with dependants, including on-site daycare for children, company subsidized summer camps, spousal relocation programs, extended maternity leave, flex-time, family leave, educational advancement leave, job-sharing, telecommuting, and permanent part-time work (Gilbert and Ivancevich 1999). Adopting family-friendly policies can benefit all employees (not just women) and consequently helps companies in their recruitment and hiring efforts. These programs also support the EEP in that they make it easier for women to manage both their career and families. In short, these policies are not just socially correct; they are now cited as sound business practices for any organization facing worker shortages.

Mentoring. Mentoring plays an important role in the advancement of women into management positions; however, mentoring opportunities are often limited, as a result, women lack access to important information (Crampton and Mishra 1999). Because women have an especially difficult time establishing relationships with their male superiors, HRM practices that promote these connections are especially important. Mentoring programs support the EEP by ensuring that women gain the skills and experience needed for future promotion considerations.

Accountability. In addition to policies that enable women to maintain and advance in their careers, DiPede (1993) argued that if organizations are to be successful in managing the challenges of the next century, it is essential that management be made accountable for their equity-related decisions. This means linking pay to employment equity goals (e.g., number of women recruited, retained, trained, mentored, promoted) and providing the necessary diversity training so that managers have the required attitudes, skills, and knowledge to achieve those goals. Rewarding decisionmakers for advances in employment equity directly supports the achievement of EEP objectives.

Self-Audits. Organizations should also engage in self-audits to examine how the corporation's programs and practices are achieving employment equity. These reviews include examining access to executive training, international assignments, promotions, special assignments, and desirable compensation packages (Crampton and Mishra 1999). Pay should also be analyzed yearly to ensure that no disparity exists among peers who are equal in all respects but sex (Gilbert and Ivancevich 1999). Auditing a wide variety of activities, not just progress made in the number of women employed

at various occupational levels, supports the EEP by ensuring that other organizational and HRM practices do not interfere with or impede the achievement of EEP objectives.

Job Evaluation. Finally, job-evaluation methods should be carefully analyzed to ensure that systemic biases involved in devaluing "female" job characteristics (such as customer service responsibility) and overvaluing "male" job characteristics (such as budget responsibility) do not occur (see Figart 2000). By removing these biases women will not only be paid more fairly; they will be favourably evaluated for promotions and will therefore have better access to top-level positions. Since the way a job is evaluated influences many other facets of the employment relationship (e.g., selection, promotion, pay), it is essential that measures to ensure that this process is bias-free are adopted.

An EEP without the proper support of other human resource policies is just a hiring plan with numbers. First, women must be willing to join the organization; this means providing benefits and a quality of work-life that is attractive and competitive. Second, women must be willing to maintain their employment with the organization; this means managers must have the necessary training and incentives to manage a diverse workforce. Modern HRM practices should be bias-free, fair, and responsive to the needs of the employee and the organization: conditions essential to the achievement of employment equity.

Finally, EEPs can be made more effective by ensuring that the appropriate legislation (e.g., *Employment Equity Law*) clearly defines the minimum standards regulating employer behaviour, communicates a clear commitment to the social and economic importance of achieving employment equity and is backed with mechanisms that can be used to ensure compliance. Unfortunately, since legislation is the product of a political process, its existence is subject to the prevailing elected power. There are many examples of employment equity legislation in the United States and Canada that have been strengthened, weakened or discontinued altogether as a result of election promises. For instance, in 1995 the Ontario government repealed the province's *Employment Equity Act* (Bill 79) passed by the previous New Democratic Party provincial government and replaced it with a much weaker Equal Opportunity plan (Hayes 1999). Businesses were then expected to take the responsibility to eliminate barriers on their own, without the sanctions and cumbersome reporting requirements required by legislative measures (Scotland 1995). In the same year, the *Employment Equity Act* was strengthened; its coverage was extended and mechanisms to ensure compliance were introduced.

When legislation is used to encourage equity in the workplace, it should include incentives to reward employers who achieve equitable representation as well as penalties to deter non-compliance. By including rewards, the chances that equity laws (such as Bill 79) will be repealed may decrease. Also, rewards can be used to decrease resistance to change. In other words, while penalties for non-compliance are likely to be a more effective means of effecting change, penalties alone may jeopardize the long-term survival of the legislation. Law-makers should take care to create legislation that is not only required but accepted by the public to ensure that eradicating discrimination does not fall prey to political whim and manipulation.

CONCLUDING REMARKS

Organizations are faced with increasing evidence of the frustration among women regarding persistent obstacles to career progress, pay equity, and fair treatment (Gilbert and Ivancevich 1999). Yet, at the same time, there is an undeniable need to employ women for many good business reasons; for instance, white men are becoming increasingly in short supply, women comprise a significant consumer group, and women can bring in knowledge, skills, and experience that can help their companies gain a

larger market share (Gilbert, Stead and Ivancevich 1999; Siu 2001).

Why then, with these strong market forces pushing organizations to hire non-traditional employees or to risk failure, does discrimination and occupational segregation still exist? England (1994) argues that although powerful forces to eradicate discrimination exist, other forces exacerbate it. For instance, Falkenberg and Boland (1997) argue that there is a lack of objective information about women's performance, and, as a consequence, employment decisions are made on the basis of information supplied through informal means and networks. Since these networks are mostly comprised of white men, the information provided is by nature biased, and the resistance toward integrating women continues. Further, in the absence of accurate information, stereotypes are used to help assess situations and make decisions. Common stereotypes about women, such as "women will have babies and quit," "women are best in supportive roles" or "women don't have the right stuff" go unchallenged when decisions are made primarily by men, and therefore women continue to be cast in an unfavourable light (see Crampton and Mishra 1999).

Discrimination and negative stereotypes are also perpetuated by the policies intended to eradicate them. For instance, EEPs, a policy initiative designed to overcome obstacles to employment for traditionally disadvantaged group members, can act to further reinforce negative stereotypes about women. The success of women who have made it to the top ranks is frequently attributed to the EEP and not to their individual merits (Falkenberg and Boland 1997; Heilman, Block and Lucas 1992). In other words, women's promotions are often perceived to be due to the company's desire to blindly fulfill legal obligations and not due to sound business practices.

Leaders who wish to play a major role in improving the workplace for women must play a proactive role in implementing the HRM practices that sup-

port EEPs and work toward eliminating these negative stereotypes. Recipients of HRDC's Employment Equity Merit Award have demonstrated their commitment by implementing many of the communication and HRM practices discussed above, such as offering diversity training to all levels of management, making management accountable (through performance appraisal and pay), honouring equality champions and educating employees about different cultural groups.

The key to EEP success is increasing the understanding and acceptance that achieving employment equity is the right thing to do. Industry leaders, decisionmakers and legislators must place a much greater emphasis on improving employee understanding of EEPs, their objectives, and their consequences. With this understanding will come acceptance and a commitment to making employment equity work. Without understanding, the negative consequences of EEPs, such as resistance, resentment, and male backlash, will continue to grow and impede other efforts. Once understanding is improved, other measures intended to improve the presence and status of women, such as introducing supporting HRM practices and strengthening legislation, will have a much better chance to succeed.

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