

International Conference on Research Paradigms Transformation in Social Sciences 2014

Discrimination issues in the process of personnel selection

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Abstract

The paper discusses the concept of employment discrimination and its types, depending on the causes. The analysis of problems of social (gender and age) and psychological (racial and religious affiliation, disability) discrimination is given. The consequences of discrimination from the perspective of the employee and the employer are considered. The unfavorable situation in Russia in terms of high levels of discrimination is shown. The main objective trend, which will lead inevitably to the reduction of discrimination in the labor market, is revealed.

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Peer-review under responsibility of Tomsk Polytechnic University.

Keywords: labor market, national origin, religious beliefs, warranty rights, harassment, persons with disabilities, the organizational culture, work environment, values, personality, employer, employment, job applicant.

1. Introduction

Discrimination as unequal opportunities of workers with equal performance in the labor market is a common phenomenon. By definition of the ILO Convention C111 «Discrimination (Employment and Occupation)» the term «discrimination» includes «any distinction, exclusion or preference made on the basis of race, color, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation». Any distinction, exclusion or preference in respect of a particular job based on its specific requirements, is not considered as discrimination. In Russia this problem is studied only recently, while abroad discrimination in the labor market has long been a very close object of research. Discrimination manifests itself particularly acute in the selection process of candidates by employers.

2. Types of discrimination on the labor market

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Studying the causes of employment discrimination, we can distinguish its four types: taste discrimination model; statistical discrimination; discrimination on the basis of a monopsony power, discrimination on the basis of occupational segregation.

- Taste discrimination model (Becker's 'employer taste' model) is based on the work of Gary Becker and develops the idea that some workers, employers or customers do not want to work with or come into contact with members of other racial groups or with women. No explanation is given as to why this prejudice exists, rather it is simply assumed that there is a 'taste' or preference against people from disadvantaged groups and that this taste can be treated in exactly the same way that economists would analyze individual preferences between goods and services.
- Statistical discrimination is the orientation of the employer on summary data about the possible performance of a particular group, for example, men and women. The applicant in the selection of a job will set the wage that corresponds to the value of the average productivity, although the individual performance of the applicant will be different from its value in this group.
- Discrimination on the basis of a monopsony power of the employer is based on the idea of a single buyer, a monopsonist, who sets wages below marginal revenue product. The more inelastic the labor supply, the lower are wages relative to productivity. By differentiating wages between groups with different elasticities of labor supply, the monopsonist may obtain higher profits. Gender is one of the dimensions along which the employer may discriminate. If female labor supply is more inelastic than male labor supply, women will earn less than men relative to their productivity, and thus face a higher level of exploitation in the labor market.
- Occupational segregation is a very dangerous form of discrimination in society, as representatives of different groups of workers have unequal access to the different kinds of labor activity: occupations are locked between men and women, between the newcomers and locals. The danger is that occupational segregation is sustainable and has a long-term character and will resume in the new generations. In the modern Russian economy, according to Rosstat data, women constitute slightly more than half of all employed. However, in traditional «female» fields their representation is much higher: education - 81.2%, healthcare - 79.7%, hotel and restaurant business - 77.6%, trading - 62.6%.

3. Social and psychological discrimination

Many researchers propose a typology of employment discrimination based on the factors that influence its emergence: social and psychological discrimination.

3.1. Social discrimination

Social discrimination is associated with gender and age differences of the groups of workers. Gender discrimination refers to the practice of granting or denying rights or privileges to a person based on their gender. In some societies, this practice is longstanding and acceptable to both genders. Certain religious groups embrace gender discrimination as part of their dogma. However, in most industrialized nations, it is either illegal or generally considered inappropriate. Modern Russia is still characterized by some patriarchal traditions that accept and declare the subordinate position of women. These views are passed on by tradition, culture and values. Gender discrimination in the labor market violates the Pareto efficiency allocation of labor resources in the economy and leads to losses in the amount of 5-10% of GDP (Mazin A.L., 2003). It happens that not only a specific group of employees loses because of discrimination on the labor market, but the organization that discriminates also bears the losses.

The nature of the manifestations of gender discrimination in the labor market can be objective and subjective. The objective nature of discrimination against women on the labor market is connected with their family and reproductive roles. Women have less time and opportunity to make a career, to work without interruption, to work on tight schedules and to perform overtime work. The subjective nature of discrimination against women is associated with prejudice of employers based on the assumption that «woman is the worst worker», and this assessment has nothing to do with professional characteristics specific to women. Therefore, preference in hiring is given to the man, women are often dismissed first, career advancement for women is also limited.

A woman is more undesirable employee than a man. It is proved that most employers (and they, as a rule, are represented by men) prefer to hire men and show prejudice against women workers (Jerenberg R. and Smith R., 2014). Moreover, woman often is employed at the lower paid positions, and if the position is the same as men has, the salary will be lower. Industry which has concentrated female labor can be characterized by much lower salaries than the same «man» industries, and the gap is huge. For example, the oil and gas industry has predominant male employment. The average wage in this area is 360 times more than the average salary in the country (Sillatse G.G., 2009).

The world economic forum has developed a new rating of gender discrimination in the countries: Global Gender Gap Report for 2013. Russia was on the 61st place - two positions lower than in 2012. The participants were scored on a scale from 1 to 0. One means absolute equality, but it is not reached yet by anyone, though. With the index of 0.87 at the first place for the fifth time was Iceland. Russian level was estimated to 0.7. The level of discrimination was assessed according to the presence of women in the labor market, access to education and health services, women's participation in politics.

If education barriers for women are almost overcome throughout the world, the equality in politics and business is still not reached. In addition to this we still face problems with equality on the labor market. By the index of women's presence in the market Russian Federation is at 36th place, and the share of women in supervisory positions is even on the 21st place, but the wage gap is still on the 83th place in ratings. However, positive changes are occurring. This summer, the State Duma adopted a law prohibiting discrimination based on sex and age in the ads for jobs. Because of this law all the recruiting companies had to remove corresponding fields from vacancies. Still, employers' opinion about the fact that, for example, a woman with children will bring company less good than man, the law has not yet been able to change.

Age discrimination is also common in Russia. Saratov sociologist T.V. Smirnova investigated the situation on the labor market for older people at 19 enterprises of the city. Key findings: the majority of enterprises in the region are practicing discrimination against employees of the retirement and pre-retirement age; up to 70% of the investigated companies practice the displacement of older employees; the largest share of pensioners is identified at enterprises with heavy physical work and low wages.

In 1982, the famous scientist Laurig (E.A.Mosakova, 2012) found that with age, the person accumulates experience, professionalism, independence and the ability to have forward-thinking, the ability to constructively communicate and cooperate with people, and there is growing confidence in the tasks, the accuracy of their performance, reliability and responsibility, consistency and balance. However, some skills are getting worse such as muscle strength, speed of perception and information processing, the ability to see, hear, and touch, the ability to react and hold something in short-term memory, the ability to perform abstract concepts and abstract thinking in general. At the same time the elderly people have improved certain abilities in the mental area.

One also needs to consider the demographic trend: the decline in the working age population, increasing life expectancy, the aging of the population. This will lead to a shortage of young labor force and the increase of the working age. This means that the average age of not only working, but also of the potential employees will steadily increase. It has long been understood in Europe, where workers of the age 50-60 are treated with great respect. Russia is waiting for the same thing. So those companies that will refuse to practice age discrimination while hiring will inevitably win on the labor market.

There are, of course, no restrictions on the hiring associated with age of the applicant in the law. And the refusal of the man who has reached middle age, on this basis, is completely illegal. However, such failures are fairly common. About 20% of Russians were denied employment because of age, and more than a third of the

population had heard of such cases from their relatives and friends. This is evidenced by the results of the latest poll by the «Public opinion» foundation (POF). Most often, the age discrimination in employment is happening for citizens from 46 to 60 years old, however, young people sometimes experience it too. Experts of the labor market believe that the most discriminated group of workers are women over 40 years old, living in the province.

3.2. *Psychological discrimination*

Discrimination is dangerous for society as a whole and for each enterprise separately. Inequality in the labor market in the process of personnel selection leads to unfair advantages. This situation undermines the motivation of workers to work, creates stress, and reduces feelings of the employee's self-esteem, which in turn leads to lower productivity and competitiveness of the enterprise.

The psychological factors of discrimination include the following:

- nationality (race);
- religious beliefs;
- sexual orientation;
- disability (health).

Discrimination in the workplace based on these factors can occur in the process of recruitment and selection of the staff; the terms, conditions and benefits offered as part of employment; the ability to choose training programs of staff; staff rotation, promotion or dismissal.

Discrimination on the basis of nationality includes a refusal of hiring or promoting the person because of his belonging to a particular ethnic group, national origin, his accent, or because this person is married with a person of a particular national origin. This type of discrimination is manifested in the pursuit of an employee due to cultural features, style and clothing or skin color. According to studies, national (racial) discredit is experienced by 3% of applicants for the position (Kelly Services, 2006). This type of discrimination is most common for the people of the Middle East, Central and South Asia origin (Interregional Trade Union Working Association, 2013) (Centre for Social and Labor Rights) who, more often than others, are denied a job and subjected to harassment at the workplace, which may include ridicule, jokes about their racial group, derogatory comments about their culture, etc. Harassment can be caused both by the management and by employees, clients, customers of the company. It often happens that racially hostile work environment is characterized with the various innuendo and harassment on the grounds of nationality and it is a part of the accepted culture of the organization. The employer must be aware of this, and people should have a right to file a complaint, even if these acts were not specifically focused on them. Racial hostile culture of the organization undermines the standards of conduct within the working area, which could undermine the well-being of the individual or group and degrade the overall performance of the staff.

Thus for the formation of an efficient production environment national identity should not interfere with the recruitment of professionally trained staff and, in our opinion, the employer may only require employees to be fluent in the language which is common in the organization and is necessary for efficient work. The head can not base the decision of hiring on the accent of the applicant, if the accent does not seriously interfere with the productivity of the employee.

Discrimination based on religious beliefs is often based on the nationality. Leaders fear that employees with strong religious beliefs can have a negative impact on other employees, engaging them in religious teachings and worldview, religious ceremonies, etc. that may distract employees from their primary work. Harassment can happen, for example, as offensive remarks about the religious beliefs and practices of a person, a ban on the wearing of signs of religious differences and religious clothing, or simply rejecting assignment of the employee to the position associated with dealing with customers or partners.

Freedom from discrimination based on religious beliefs in the modern organization must assume the respect of individual rights, the formation of a positive work environment through reasonable accommodation of religious beliefs of the individual. This means that the employer may require adjustments in the work schedule and environment that will allow the employee to practice his religion. If it does not cause excessive difficulties,

an environment must be formed at the organization that allows a person to adhere to their norms and values, which can be expressed by the means of wearing special headgear (for example, Jewish kippahs or Muslim headscarves), by the means of wearing religious clothing and by practicing the religious ban for certain types of clothing (for example, women's trousers or mini-skirts). But the employer may deny the manifestation of religious beliefs in the organization if this will cause excessive costs, jeopardize safety at the workplace, reduce the efficiency of the work or prejudice the rights of other employees.

Persecution on grounds of sexual orientation or gender identity is another factor of discrimination against the employment, position transfer or career advancement. Research center of the portal Superjob.ru conducted a study of the managers' attitude to «non-traditional sexual orientation» (2012). Employers and employees were interviewed in terms of their propensity to discriminate against people in employment and in the process of joint work. The first question was "do you refuse the applicant if you know that he was gay?" 25% of employers responded in the affirmative. If the management of the institution becomes aware of homosexual employee, measures are often taken to ensure that such employee will be rid of. Employers do not explain the reason for dismissal by the fact that the person is gay and find reasons to prove professional incompetence.

People of all sexual orientations deserve to be treated with respect. The vast majority of people who face this type of discrimination do not demand some special privileges or rights, but only contradict the personal beliefs of the leaders that are contrary to the values of the applicant.

Another common hiring phenomenon is discrimination based on disability or health condition. Compared with other social groups, described above, disabled people are experiencing the greatest difficulties in the implementation process of formally equal right to work. Multiple discrimination in employment are experiencing women with disabilities, persons with disabilities in older age groups (O. Pariagina, 2007). Many employers perceive disabled people as a burden for the company. This is often happens psychologically due to the lack of understanding people with disabilities, their needs and opportunities. Thus employment of persons with disabilities is always happening less favourably than the same process for a person without a disability in similar conditions. However, if people with disabilities can do basic activities or perform the inherent requirements of a particular job, they should have equal opportunities with other applicants to make this job.

To prevent discrimination on the basis of disability in the staff selection process, during the initial interview (before job invitation) there are certain questions that the employer may not ask. Of course the employer may ask the applicant about his professional experience, qualifications and education on the basis of work requirements. However, it's better to avoid the following questions:

- Do you have a disability?
- Why do you need a wheelchair?
- Did you ever have compensation benefits?
- Do you use any medication?
- Why did you take so much free time on your last job?

Any relevant question concerning disability can be asked only after a conditional job offer has been made. At this time, the employer can determine what additional conditions or facilities can be made for persons with disabilities. If the applicant puts up his disability for discussion during the interview, the employer may question how it relates to responsibilities at work.

The employment of people with disabilities is complicated by the fact that most of them need special conditions. In some cases, the employer may need to make some changes in the workplace so that the employee can do the job, for example providing increased computer screen or installing ramps. In addition, the employer can help a person with disabilities to create a work-friendly environment by giving him the conditions under which the employee can perform the basic work functions more effectively.

This may include:

- remote work;
- adaptation of equipment or facilities;
- the adjustment of the timetable or structure of the employee's position;

- employee reassignment to another position available.

If such measures are a heavy burden for the employer - for example if it's too expensive or time-consuming, the employer is not obliged to provide them.

Employers must ensure that they implement strategies that are designed to prevent discrimination in the recruitment and selection of personnel; determination of wages; training and development of the staff; the choice of position for promotion; anti-harassment and anti-oppression.

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