

Listen to a part of a radio interview with Alan Griffin, a business management expert, talking about the price that some companies have to pay when they fail to address diversity-related risks.

Optional exercise

Read through the statements below and decide whether they are TRUE or FALSE according to the listening.

1. Although diversity is being dealt with, it is still an important concern for employers.
2. A growing number of people are suing employers because they feel discriminated against because of their age.
3. Insurance to cover discrimination claims is an enormous cost for companies.
4. Security firms sometimes discriminate against people because of their age.
5. Employers cannot discriminate against job applicants who have been convicted of any crime.

(Answers below)

Interviewer: Tell me, Mr. Griffin, are diversity risks really still an issue? Aren't companies these days dealing with diversity?

AG: Oh yes, they are very much an issue. We have come a long way since those days when employers were allowed to discriminate against job candidates just because of their race or their sex. The trouble is, the boundaries of diversity and discrimination are widening. Companies have a lot more to consider than a person's skin colour or a person's gender.

Interviewer: So can you give listeners an example of what kind of things you are referring to here?

AG: Okay. let's see, well, one growing area of discrimination is ageism. In 1998, companies in the United States had to pay out more than fifty-five million dollars to employers who had filed age-related discrimination complaints against their companies. That's a lot of money.

Interviewer: Phew!! So how should companies protect themselves from this kind of thing?

AG: Well, first of all they should think carefully about their recruitment policies and then they should take out insurance to cover themselves.

Interviewer: Isn't that expensive? - for the companies, I mean.

AG: No, not as expensive as you might think. These days most small and medium sized organisations take out EPLI - that's Employment Liability Practices Insurance. The cost of the insurance has fallen over the years and if a company isn't covered and loses a discrimination case, well, let's just say this is the cheaper option!

Interviewer: You've mentioned ageism as a growing concern but what other kinds of diversity should managers be aware of?

AG: Well, you'd probably be surprised to hear about some - discrimination against single people, against married parents, against people who are too tall, too short, too heavy!

Interviewer: Really?

AG: Oh yes. Security firms are a good example here. They typically state that their employees need to be over or under a certain height or weight. They claim it's necessary for the job but there have been cases where people have claimed discrimination.

Interviewer: And won't?

AG: Sometimes yes. Then there are people with a criminal background. Employers used to feel justified in turning away job applicants just because they'd been in trouble with the law.

Interviewer: Isn't that still the case?

AG: No, not exactly. The law states that employers can only reject a job applicant with a criminal record if the crime bears a direct relation to the job in question. So somebody who has served a sentence for, let's say stealing cars, would be all right in a job as a kitchen porter.

Interviewer: And Mr. Griffin, tell me, how many people actually go through with their threats to sue a company for discrimination?

AG: Well, I haven't got the latest figures for the UK but in the United States the Equal Opportunities Commission receive around eighty five thousand complaints every year and that figure is rising. Race and sex account for most of the complaints that are filed but age discrimination is on the increase too.

Interviewer: So, any words of advice for risk managers?

AG: Well, first of all make sure that you have adequate insurance. Then address the issues of diversity from within the organisation. Get the employees involved. Celebrate the differences and try to build up a reputation as a fair employer. And remember - it is worth investing time and effort in addressing these issues because statistics have shown that you're much more likely to be sued by an employee than a third party.

Answers:

1. True, 2. True, 3. False, 4. False, 5. True