

Diversity, inclusion and gender equality: here comes the certification

Diversity in the workplace is not just a word or a marketing tool. Valuing diversity means fostering a **heterogeneous workforce** within the organization, made up of people with different individual, cultural, ethnic characteristics and approach, with the aim of applying non-discriminatory practices and ensuring equal opportunities, regardless of each person's characteristics.

The lack of a concrete approach and the absence of effectiveness in business practice on **gender equality** has put the legislator (not only national) with its back to the wall, affirming the urgency - now inevitable - to fill the regulatory gap that has emerged in recent years.

At the international level, the **International Standard Organisation (ISO)** published on May 2021 the first ISO 30415:2021 on "Human Resource Management - Diversity and Inclusion", offering concrete tools for all types of organizations, both public and private, regardless of size, type and activity, industry or sector, to achieve **Diversity & Inclusion** objectives.

At the national level, equality certification was one of the measures that the government included in the National Recovery and Resilience Plan (PNRR) approved on 13 July,



by allocating to Mission 5, on inclusion and cohesion in labour policies, about 10 million euros aimed at the introduction of incentives for companies that adopt adequate inclusion policies and the creation of a uniform evaluation and certification system.

This is the line taken by Law no. 162 of 5 November 2021, in force since 3 December 2021, which amends articles 46 and 47 of the Equal Opportunities Code (Legislative Decree no. 198/2006) to introduce regulatory tools aimed at encouraging female participation in the labour market in Italy and reducing differences in pay and professional growth between the two genders.

The law introduces in the Equal Opportunities Code a new notion of discrimination: <u>discrimination is any treatment or practice</u>, including organisational, concerning working conditions and time, which puts or may put the worker, because of his/her gender, age, personal or family care needs, at a disadvantage, limits his/her opportunities to participate in the life or choices of the company, limits his/her access to career progression mechanisms compared to the rest of the company's staff.

Among the concrete actions introduced by Law 261/2021: the drafting of the **biennial report** on the staff situation and the certification of **gender equality** in the company.

Biennial report-Companies with more than 50 employees will have to draw up, every two years, and forward to the trade union representatives a report on the staff situation

with the number of workers employed and/or recruited, broken down by gender (without further identification data), the contractual classification, the functions performed, the amount of total remuneration and bonuses paid and any differences between the initial remuneration of workers of each sex. Companies with fewer than 50 employees can compile the report on a voluntary basis.

Gender Equality Certification-The certification came into force on 1 January this year but, according to the timetable set out in the PNRR, will be active in the second quarter of the year pending the issuance of the relevant implementing decrees.

The two measures are closely linked. All reporting organizations, whether mandatory or voluntary, will have access to the gender equality certification system and certified organizations, will consequently have access to a **contribution relief of up to 1%**, up to a limit of 50,000 euros per organization. Organizations that will get the certification by 31 December 2022 will have access to the to benefit from the bonus system the following year.

It is also worth mentioning another important regulatory intervention that clearly goes in the direction of equal employment opportunities and inclusion. The **Decreto semplificazioni-bis** (Decree Law 77/2021 converted into Law 108/2021) provides in art. 47, dedicated to public contracts, for a series of measures to encourage gender and generational equality, as well as **the hiring of young people under 35, women and disabled people**; all conditions that will provide additional scores when awarding the tender. Furthermore, **article 47 quater** of the same Decree introduces the possibility for contracting authorities to provide **award criteria in favour of small and medium-sized enterprises** in the evaluation of the offer.

For organizations capable of adopting concrete policies and measures to reduce the gaps in growth opportunities, equal pay for equal work, gender equality management and maternity protection, recent regulatory interventions include the possibility of obtaining incentives and reductions in social security contributions and an effective certification of the policies implemented in the fields of inclusion and equality. Instruments, that in addition to the known benefits of fostering a fair, equal and nondiscriminatory working environment: improve the quality of work and professional performance, make the organization more attractive and increase its capacity for innovation and growth, and enhance its reputation with the public.

Certification, although a voluntary instrument, is certainly a decisive step towards standardising the criteria for assessing the inclusive and diversity-enhancing capacities of an organization, whether private or public. The ISO 30415:2021 diversity standard will not be the only choice available to market players (other standards, such as ISO 26000:2010 on Social Responsibility, also aim to promote gender equality and empower women), but it will certainly be the most effective tool for verifying and certifying D&I best practices.

For this reason, it is necessary to be well prepared, to have developed **Diversity Management** projects adapted to one's own organisational reality and to have put "under control" fundamental HR processes such as personnel planning, recruitment and selection, growth and career development processes, training, evaluation of workers' performance and remuneration policies.

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