

Discrimination in the Workplace: Phenomenon, Reasons and Solutions

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Abstract: As the workplace continues to progress and expand throughout the length of time, various types of discrimination increase in the workplace: prejudice against maternal mothers, discrimination caused by nepotism, and beauty pay gaps due to the cause of different appearances. The dominant cause for the growing rate of prejudice is due to lack of education, and lack of laws implemented to prevent these forms of discrimination from escalating and impacting many people. Various phenomenon and specific news stories are portrayed in this essay to vividly stress on the severeness of the discrimination that prevails in the workplace today. These findings are objective observations that are backed up with scientific data and personal anecdotes to evoke the audience to feel a sense of urge to address this issue. Possible solutions such as initiating an anonymous method of employing workers and implementing laws to reduce favouritism due to relatives' relationships are introduced.

Keywords: discrimination, labour, workplace, gender

1. Introduction

The term "labour market discrimination" refers to a situation in which workers or groups of people are treated differently from other individuals or groups in terms of hiring, compensation, recruitments, and promotions due to their non-economic qualities, such as gender, color, religion, or age [1]. In society today, the number of job opportunities is increasing at a rapid rate. However, this comes with a cost: rising discrimination and injustice. Employers are inclined to hire workers due to their impartial preferences, and so people searching for jobs are treated with prejudice due to a variety of aspects.

This research paper will address three types of prejudice that exist in the labour market: discrimination against maternal women, discrimination due to nepotism, and discrimination against beauty looks during employments. Various solutions that are feasible are depicted in this essay to solve the problems that are described.

The following sections of this paper are organized as follows: Section 2 analyses the discrimination against women with pregnancy; Section 3 analyses nepotism in the workplace; Section 4 analyses discrimination against people with different appearances.

2. Discrimination Against Women's Maternity Abilities

2.1. Phenomenon

Stories of three women that have been discriminated due to their pregnancies are portrayed in a New York Times article [2].

Otisha Woolbright was a female worker whose job was to lift heavy trays at Walmart. However, when she became pregnant, her boss rejected her request for a job that required less physical activity because her boss "Had seen Demi Moore do a flip on TV when she was nearly full-term — so being pregnant was "no excuse." [2]. Woolbright had no choice but to continue lifting trays... until she got hurt.

Rachel Mountis was a top saleswoman at Merck. Before her pregnancy, she was known for winning awards due to her excellent achievements in her career. However, she was dismissed three weeks prior to her giving birth. Her boss held the perception that her skill levels diminished after her pregnancy. In addition, he also thought that Mountis would devote her full attention to her child, instead of the company.

Erin Murphy was a senior employee at Glencore, a Swiss multinational commodity trading and mining company. But when Murphy returned from her maternity leave, she was instead instructed to pump milk in a supply room full of recycle containers and rubbish bins.



Figure 1: Images of women with pregnancy experiencing social prejudice enacted on them.

Photo credit: <https://www.nytimes.com/interactive/2018/06/15/business/pregnancy-discrimination.html> [2]

Above are three real-life examples (Figure 1) of discrimination against maternal mothers that they have experienced presented by the NYTimes. Their stories illustrate the severeness of the impartial treatments that maternal women receive, as it further suggests how they are judged to be less worthy due to them bringing new living beings onto this world.

These three women represent millions of female workers that are negatively treated based solely on their ability to give births. Women are experiencing social prejudice during their duration of pregnancy because there is this stereotype that their work skills are depleted, and they would not have the ability to work as relentlessly as they were able to before maternity.

2.2. Reasoning

Maternity discrimination has been an underlying issue that persists in the workplace. Pregnancy discrimination still prevails in many workplaces around the world. It can begin as soon as a woman begins to show signs of pregnancy, and it frequently persists during the first several years of motherhood.

In a 2014 analysis conducted by sociologist Amherst at the University of Massachusetts, results have shown that "Each child chops 4 percent off a woman's hourly wages." [3]. In comparison,

“Men’s earnings increase by 6 percent when they become fathers after controlling for experience, education, marital status and hours worked.” [3]. This substantial difference in the wage pay gap between men and women unveils the devastating problem that women face when they become maternal parents.

The economic reason behind the cause of maternity discrimination is due to the increased opportunity costs. Opportunity cost is the value of the next best alternative when a choice is made. Companies and people have to take this cost into consideration because it is subtracted from the economic profit of a business. Because women have the potential to give birth to their offspring, they would have to stay home for months during their pregnancies. However, businesses still have to pay their wages during the period of their absences. At the same time, the maternal female workers do not have the ability to ensure their profits for the companies. Since the goal of all firms is to maximise profit, the increased cost of labour with no revenue products generated from these workers has caused businesses to be reluctant in hiring female workers.

3. Nepotism in the Workplace

3.1. Phenomenon

The “Sons & Daughters” program was the secret to JPMorgan, an American multinational financial services company, that allowed it to develop into one of the largest banks in the United States, earning a daunting revenue of \$100 million [4]. Instead of conducting a traditional way of hiring and selecting candidates, JPMorgan adopted this program that gave top-tier jobs at JPMorgan “To candidates referred by client executives or influential government officials.” [4]. This program allowed JPMorgan to win business mandates and opportunities in Asian countries for over seven years.

One specific incident was back in February 2021. Former managing director of JPMorgan Chase (Asia Pacific) Liang Jiazhang was involved in using the investment bank's "Children Employment Plan" to recommend JPMorgan to hire Hong Renyi, the son of Hong Jingnan, the then chairman of Kerry Logistics, when Kerry Logistics was preparing for listing.

3.2. Reasoning

News such as the astonishing JP Morgan incident display nepotism. The Italian word "nipote," which means nephew, is where the word "nepotism" originates. Nepotism is a type of unfair hiring practice in which co-workers who are related to the management or supervisor are hired for positions that are not solely based on their qualifications in terms of education, training, or experience. Nepotism is more prevalent in smaller businesses, non-profits, and family-run businesses. Frequently, the working relative is unable to fulfill the duties.

The prioritized goal of every business is to earn a profit and predict future business success. In order to achieve this, hiring employees is a crucial process in the way. Every company hopes their employees bring future value to their business. The most partial method in hiring workers is by measuring the individuals’ abilities. However, while this traditional way is deemed the fairest, there is hidden social value that is based upon social relations, which consist of unspeakable secrets in the process of employing workers. Admission is not necessarily based on real ability, which is depicted in the JP Morgan news.

Because businesses hope to maximise their profit, they would have to reduce their costs in order to do so. Some companies might take the approach of nepotism, in order to seek an impartial short-cut to making lucrative revenue.

The danger behind this phenomenon that exists in society today is commercial bribery and unfair competition. Nepotism grants businesses to collaborate with other businesses through impartial advantages, such as hiring the opponents’ children or relatives for partnerships.

4. Beauty Discrimination in the Workplace

4.1. Phenomenon

Dellwyn Stuart, spokesperson for Gender at Work said pretty privilege was part of a long list of many biases women faced in the workplace – which included wearing makeup. “It plays into gendered biases, such as societal expectations of what is considered attractive. While research suggests ‘pretty privilege’ offers advantages in the workplace to some women over others, it feeds into negative gendered stereotypes such as capability based on appearance,” she said [5].

An example of this incident is Abercrombie & Fitch’s fine for hiring employees unequally. It was forced into a \$50 million settlement for using retail clerks who had a WASPY appearance. However, it was permitted to impose attractiveness requirements in its hiring practices as long as it hired a varied group of beautiful applicants [6].

4.2. Reasoning

Countless examples such as the ones mentioned above are depictions of beauty discrimination. A hiring manager who exhibits beauty bias is more likely to choose to work with attractive prospects. Rather than looking at someone's physical appearance, hiring selections should be made based on their skills, experience, and cultural fit.

When women fail to live up to American feminine beauty standards, there are measurable consequences for their careers. A Cornell University found, for example, that when the average white woman gains 64 pounds, her wages drop by 9% [7]. This further exemplifies the phenomenon that employees are evaluated based on their physical appearances as well, in addition to their skills. Sometimes, physical appearances generate bias toward them, which increases prejudice among the work field. As a result, a negative externality of employers showing a preference over beautiful workers, which is highly not beneficial to the economy. In this case, the social cost of employing workers due to their looks is higher than the private costs of the companies. Therefore, this act of discrimination should be strongly prohibited.

5. Solutions

5.1. Anonymous Recruitment

Recruiting employees anonymously allows companies to eliminate all identifying information from candidate applications and resumes. This procedure enables the human resource department to assess prospective employees entirely on the basis of their qualifications and experience.

Blind recruitment is an attainable solution that is taking place in many parts of the industry. By implementing this strategy, all three types of discrimination depicted in this essay could be eased.

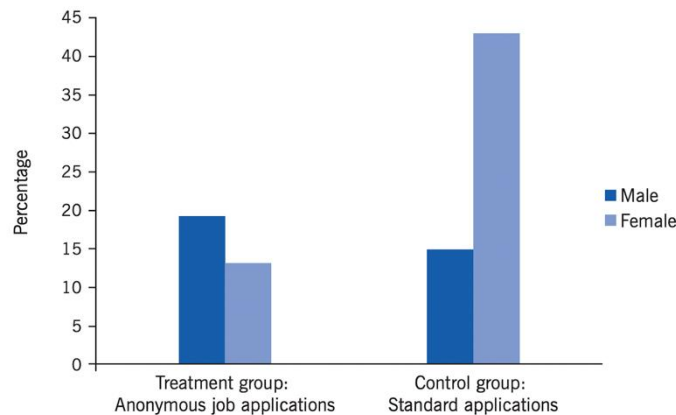


Figure 2: Anonymous applications lowered call-back rates for women, preventing the use of affirmative action to increase diversity.

Photo credit: <https://wol.iza.org/uploads/articles/454/pdfs/anonymous-job-applications-and-hiring-discrimination.pdf> [8]

In a study conducted by IZA, results have shown that enforcing job applications has reduced the callback rates for women by around 30% (Please see Figure 2) [8]. This significantly lowered rate indicates that the discrimination against women that withhold maternal abilities has decreased. Therefore, this could be a potential method to solve this crisis.

Moreover, the most prominent effect that hiring people with specific information hidden such as appearances is to prevent beauty pays in the workplace. By keeping the pictures of the candidates that are competing for a job anonymous, employers are discarded the power of choosing the candidate based solely on looks.

5.2. Law Enforcement

An effective way to address these issues is by taking legal action against them. Laws could be enacted to ensure equality in the workplace.

This solution is particularly effective in solving the crisis of nepotism in the labor market. An example of law enforcement is the Independent Commission Against Corruption (ICAC), which is an anti-bribery and anti-corruption agency in Hong Kong. A specific law that it imposes is “Any person who, without lawful authority or reasonable excuse, offers an advantage to a public servant as an inducement to or reward for or otherwise on account of such public servant’s giving assistance or using influence in, or having given assistance or used influence in the payment of the price, consideration or other money stipulated or otherwise provided for in any such contract or subcontract as aforesaid, shall be guilty of an offense.” [9]. By reinforcing the consequences of committing bribery, or extreme forms of favoritism, ICAC reduces the amount of corruption that happens in the workplace.

Therefore, by taking legal actions such as imposing strict laws on anti-nepotism, governments, and institutions are able to prevent the discrimination of favoritism to continue to be an impactful factor in hiring employees. This is crucial as it ensures fair competition between candidates applying for jobs, so that skills and abilities are the only essential factors judged of them during the entire application process.

5.3. Government Regulations

Governments tend to be the most influential decision maker in every country, as it is able to utilize its regulations to guide the ways in which businesses function. Certain regulations could be implemented by governments in order to lessen the discrimination that are present in the workplace.

To begin with, businesses are reluctant to hire many female workers due to their potential to become mothers and take year-long maternal breaks. However, if governments provide subsidies for businesses that are able to hire both female and male workers equally, this resistance against hiring female employees could be diminished. After subsidies are given, businesses would be able to be compensated for the increased cost of paying female workers when they are on their motherhood breaks. As a result, companies would be more willing to hire female workers, and would not segregate their standards of employing workers due to the subsidies that are provided by governments.

Many countries' governments have already taken this approach of providing women in pregnancy with subsidies, which also benefits the companies from an increase in costs. In Sweden, female employees during pregnancy can enjoy full-paid leave, and the government will provide employers with certain subsidies to pay the salaries of female employees. In fact, "Parental benefit is paid out for 480 days (approximately 16 months) for one child" [10]. In Canada, the Canadian government has implemented the Employment Insurance Program, which provides pregnant female employees with 15 weeks of paid maternity leave, including up to 8 weeks of prenatal leave. As a result, various countries have adjusted their laws to encourage women to step into maternity without the concern of losing their occupations.

In addition, governments could reinforce the teaching of different roles of females and males in education systems. People would be educated from a young age that women have the choice to give birth to new lives, and they would learn that this process is not only for their own benefits, but for society as a whole. Therefore, less people would hold the belief that females are less valuable than men in terms of working in the labour force, because they are taking the time off to create new lives, which is a significant and remarkable gift.

6. Conclusion

Overall, the three types of discrimination that persists in the labour market are explicitly described and depicted. Women from over the world are discriminated due to the possibility of becoming pregnant, because businesses believe this would raise their costs of giving wages to their workers for gone profits, and society holds the stereotype that women are not able to work as efficiently as men. Another discrimination that takes place in the workplace is nepotism. This is when corporations secretly hiring close relatives or people that are financially beneficial to them and not employing workers based on their skills. This unfair process that persists in society today has caused intelligent workers to be rejected from positions that they deserve and have replaced them with people that do not withhold the expertise to conduct the positions successfully. In addition, workers are judged based on their appearances when being interviewed and contemplated by their employers. Prejudice occurs from this discrimination as again, similar to nepotism, whether people are hired or not is not based on their professional abilities, but their physical looks. Therefore, actions need to be taken into place to eliminate these types of discrimination in order to achieve a fair and safe working environment for everyone. Through anonymous recruitment, employers are able to not be impacted by additional factors that should not be taken into consideration during the hiring application process. Furthermore, laws could be implemented to ensure that nepotism and favouritism do not exist. Government regulations should also be used as a solution because they could provide subsidies for businesses that employ a substantial number of female workers to cover up the costs during their pregnancies, and children should be educated from a young age that women and men are equal.

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