

LGBTIQ EMPLOYMENT EQUALITY INDEX

2018 ANNUAL REPORT OF FINDINGS

BOSNIA AND HERZEGOVINA

NOVEMBER 2018

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EXECUTIVE SUMMARY

The Headhunter Group is pleased to announce and publish the findings of its first annual LGBTIQ Employment Equality Index in Bosnia and Herzegovina.

When first initiating this idea, there were many naysayers. They claimed that the Bosnian and Herzegovinian private sector would not bother to participate. They claimed that the Bosnian public would not care. Thanks to our own convictions on the right to employment for all citizens as well as our partners at UN Women and a number of other international actors in the country, we persevered. We are firm in our conviction that all Bosnian and Herzegovinian citizens—regardless of any quality or status—have something to contribute to the country and that they have the right to employment.

A total of **61** companies participated in the second annual process, up from **38** companies in the first year of Index in Bosnia and Herzegovina, which represents over **60% increase** in participation within a year's time. However, only a few participants actually demonstrated concrete policies and measures in place to protect the rights and uphold the dignity of LGBTIQ job-seekers and employees. This first year's awardees will be announced at the awards ceremony on November 21, 2018.

These awardees have already taken concrete measures to ensure there is no discrimination against LGBTIQ Bosnians and Herzegovinians. They set an admirable example for other employers in the country to follow. They also recognize that upholding the rights of any group benefits all of society. We are humbled that they agreed to participate in our Index and we are inspired by their commitment.

Key Findings and Recommendations

While The Headhunter Group was pleased with the increased response in the second year of Index to participate in the rating process, the results show that companies in Bosnia and Herzegovina have very little in the way of human resource policies and practices to protect and uphold the rights and dignity of minority job-seekers and employees. Unfortunately, this finding does not come as a surprise to most. Those which do include some policies and practices do not specifically extend them to LGBTIQ Bosnians and Herzegovinians.

But a significant number of these companies support community-based organizations and charities, and are willing to do more in terms of minority professional inclusion. Most of businesses interviewed for this rating process mention their willingness to upgrade and improve their recruitment and HR management procedures to be more inclusive, accessible and secure to LGBTIQ candidatures and employees.

The Headhunter Group sees both a tremendous need and demand for trainings on workplace diversity for companies in Bosnia and Herzegovina as well as standardized policies and practices which companies can adapt and adopt.

THE 2018 RATED COMPANIES

Following the in-depth process conducted in September and October, The Headhunter Group tabulated the results for each of the **61** companies which participated and a total of four companies achieved a rating.

Interpretation of the Ratings

Each answer receives a fixed number of points, and the points are totaled for a total score. The Ranking is divided into 4 categories: **gold**, **silver**, **bronze**, and **non-rated**. Gold is the highest ranking allocated to companies with outstanding performance, support and inclusion of LGBTIQ in the workforce specifically. Only companies which identify LGBTIQ persons in their human resources policies and practices can reach Gold level. Rankings are provided using 4 tiers:

- Gold: refers to companies which mention protection for the rights and dignity of LGBTIQ job seekers and employees in their human resource policies and practices. They will have a demonstrated track record of promoting equality and dignity for LGBTIQ job seekers and employees through their actions and employee relations. These companies also demonstrate compliance with the Bosnian and Herzegovinian Law on the Prohibition of Discrimination
- Silver: refers to companies which have policies and practices to protect the dignity of LGBTIQ job seekers and employees, but may not have a demonstrated track record of actions to do so. These companies demonstrate compliance with the Law on the Prohibition of Discrimination
- Bronze: refers to companies with general policies on protection of rights and dignity for employees, but

- without specific mention to LGBTIQ job seekers and employees. These companies demonstrate compliance with the Law on the Prohibition of Discrimination.
- **Non-rated:** All other companies and employers will be considered as non-rated. These companies lack policies and practices to protect the rights and dignity of LGBTIQ job seekers and employees. These companies do not show compliance with the Law on the Prohibition of Discrimination. This Ranking is intended to provide encouragements and provide the opportunity to the Headhunter Group to offer its services in terms of technical assistance, advice and training.

ABOUT THE LGBTIQ EMPLOYMENT FQUALITY INDEX

The LGBTIQ Employment Equality Index is the first of its kind in Bosnia and Herzegovina, and only second to Albania in the non-EU states of the Balkans. The LGBTIQ Employment Equality Index is a ranking system to determine how well companies respect the rights and dignity of LGBTIQ persons in their hiring, training, development, and general employment practices. In addition, it rates their compliance with local labor laws on the topic.

The Headhunter Group, the largest human resource company in the Balkans has decided to launch such an Index as part of its commitment to Corporate Social Responsibility and Workplace Diversity. The Group has an intrinsic commitment to see equal employment opportunities extended to all citizens. The Group is also well-placed to create and launch such an Index, as it has the credibility within the private sector to act as a judge of human resource policies.

The Headhunter Group's LGBTIQ Employment Index measures the policies and practices of companies operating in Bosnia and Herzegovina towards LGBTIQ job-seekers and employees. The Headhunter Group staff interview directors and verify policies and practices of both international and Bosnian and Herzegovinian companies each year.

The LGBTIQ Employment Equality Index is an important expression of The Headhunter Group's corporate social responsibility efforts. The Headhunter Group is active in supporting a number of issues related to employment for youth, women and girls, and minorities. In 2015, it founded RINI Albania to carry out charitable activities in favor of youth employment and workplace diversity.

The LGBTIQ Employment Equality Index was created by a team of experts from SFV Consulting Group (www.sfv-consulting.com). In addition to its core consulting services, the Group has conducted a number of activities for LGBTIQ-focused projects and organizations, including a worldwide donor compendium, multiple trainings to LGBTIQ-focused organizations, and one of the world's first ever research studies on LGBTIQ refugees from Syria.

METHODOLOGY

The Headhunter Group has designed a methodical and verifiable process of rating the companies according to the Index.

Company Self-Selection

Participation in the LGBTIQ Employment Equality Index is entirely voluntary. The Headhunter Group offers participation to companies and also responds to companies which wish to participate in the Index. It should be noted that all statements in this report should recognize that they are based on a voluntary participation and are not representative of the Bosnian and Herzegovinian private sector as a whole.

Rating Process

Expert staff from The Headhunter Group use a standardized questionnaire for each company to be rated, and communicate with the Human Resources Department, Directors, or other qualified staff person. The Headhunter Group staff try to verify all company policies and procedures.

Rating Issuance

The Headhunter staff tabulate the scores for each answer and issue a rating based upon a pre-determined scale. The results for each company are verifiable, and auditable.

The Headhunter Group will undertake the rating process in the autumn of each year. It is envisioned that more and more companies will agree to participate. Companies which have already been rated will have the opportunity to be re-rated in subsequent years and achieve higher ratings.

KEY FINDINGS AND ANALYSIS

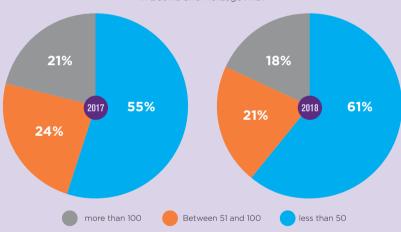
This section contains some key findings from the 61 company ratings. They are presented here to show important trends and gain insights into the status of Bosnia and Herzegovina's private sector in upholding the rights and dignity of LGBTIQ job-seekers and employees.

SECTION I BASIC INFORMATION FOR COMPANIES

The staff of The Headhunter Group conducted ratings on a total of **61** companies in 2018, compared to **38** companies interviewed in 2017, which represents a **60%** increase.

Chart 1: Number of Employees

Question 1.4.: approximately how many employees does the company employ in Bosnia and Herzegovina?



As shown in *Chart 1* above, the majority of companies which participated in this year's rating were mid-sized and lower-sized but well-established companies. **18%** of those companies had more than 100 employees and **21%** had between 51 and 100 employees. Companies participating in the rating came from a wide range of industries.

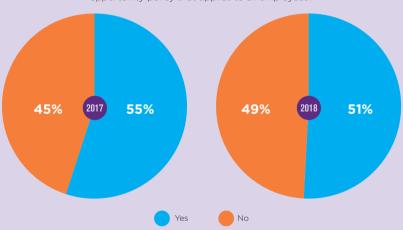
Most common sectors from which the companies interviewed come from the retail sector, a total of **15%.** Common were also companies from the Marketing and Advertising sector and Food&Beverage, both with a total of just under **11%.**

SECTION II POLICIES AND PROCEDURES

Questions in the second section asked companies about the policies they have in place.

Chart 2: Non-Discrimination and Equal Employment Opportunity Policy

Question 2.1: does the company have a non-discrimination and equal employment opportunity policy that applies to all employees?



Only **51%** of companies interviewed in 2018 currently have a policy for non-discrimination and equal opportunity for all employees, a fall from 2017, when **55%** of companies answered positively. One of the reasons for this is likely the larger participation of smaller and mid-sized companies in 2018. As this question is not specifically for LGBTIQ persons but for all persons, it shows that there is still tremendous room for improvement in building a culture of non-discrimination. The results of this question also showed why so many companies of the 61 which participated did not achieve a rating.

In *Chart 3*, companies were asked if the policy is specific to LGBTIQ and related status. Only **12%** of companies, a fall from **16%** in 2017, had policies which contained language related to LGBTIQ and related status, again highlighting the fact that employment policies as yet do not sufficiently protect LGBTIQ job-seekers and employees.

Chart 3: LGBTIQ Specific Mentions in Non-Discrimination Policies

Question 2.2.: does the non-discrimination and equal employment opportunity policy contain the terms 'sexual orientation', 'gender identity' and/or 'gender conformity'?

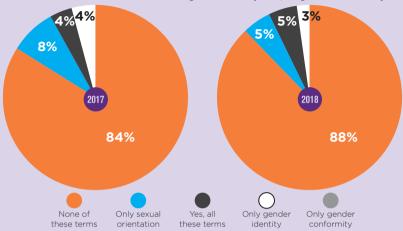
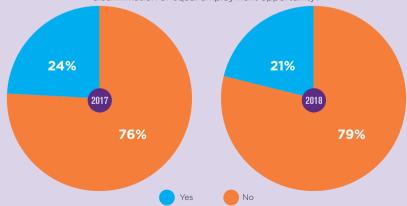


Chart 4: Specific Mandate for Non-Discrimination and Equality Opportunity

Question 2.3.: does the company have a Human Resources Manager or a Senior Manager, with a mission mandate or a specific responsibility that includes non discrimination or equal employment opportunity?



14

As noted in *Chart 4*, only **21%** of companies rated have a specific manager (usually a human resources manager or director) who has a specific mandate to ensure non-discrimination and equal opportunity for staff. This percentage is slightly lower than in 2017, when **24%** of the rated companies answered positively. This again highlights the fact that—not only do the companies not have policies in place—they also lack the human resource skills and mandates to put those policies into place. Furthermore, without having staff specifically charged with this issue, it is assumed that many of these companies lack a champion for these rights within the management structure.

Chart 5 reinforces this point, showing that only **3%** of companies that participated in the 2018 Index had a staff member with specific mandates to include LGBTIQ persons in the company's human resource structure and policies. This percentage is also lower compared to 2017, mostly due to the increase in interviewed companies.

Chart 5: Specific LGBTIQ Mention in the Mandate

Question 2.4.: does the mission mandate of this Human Resource Manager or Senior Executive specifically include LGBTIQ diversity?

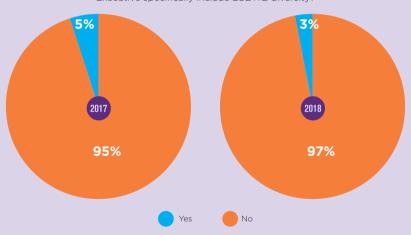
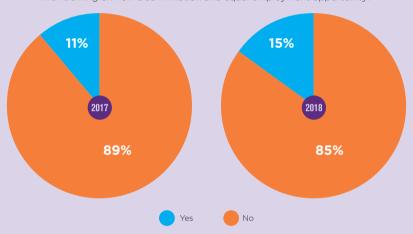


Chart 6 describes the extent to which companies actually train their human resource managers or other directors on non-discrimination and equal opportunity. Unsurprisingly, only **15%** reported that they do. The Headhunter Group finds this statistic troubling because **51%** of companies reported having such policies (see **Chart 2** above) but only **15%** actually train their management on implementing such policies. This leads one to believe that those policies in companies without trained management are likely unenforced or weakly enforced at best.

Chart 6: Training for Human Resources and Management

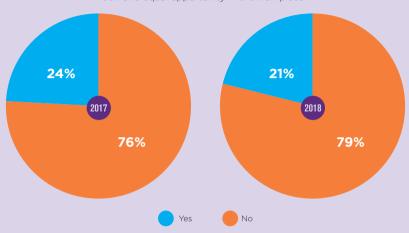
Question 2.6.: does the company provide other managers, supervisors and team leaders with training on non-discrimination and equal employment opportunity?



In *Chart 7*, the Index asked if the company provides training on non-discrimination and equal opportunity to all employees. This is important as it relates to the working culture and atmosphere in the company. Only **21%** of companies offer such training, compared to **24%** of companies that participated in 2017.

Chart 7: Trainings for all Employees

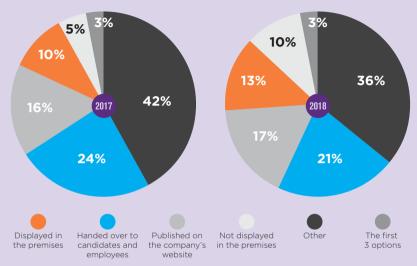
Question 2.7.: does the company provide training to all employees on non-discrimination and equal opportunity in the workplace?



For those companies which do have a non-discrimination and equal opportunity policy, the Index asks about the accessibility and dissemination of the policy to its job-seekers and employees. In *Chart 8*, companies largely displayed their policies publicly but further efforts could be made to increase awareness on them among the staff.

Chart 8: Methods of Displaying the policies

Question 2.8.: if the company has a non-discrimination and equal employment opportunity policy, how is it made available to your employees and candidates?

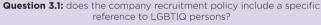


SECTION III POLICIES FOR RECRUITMENT AND EMPLOYEE RETENTION

In this section, the Index asked companies about the policies and procedures they have in place regarding recruitment and employee retention.

In *Chart 9*, only **5%** of companies reported that they have a specific mention for LGBTIQ job-seekers in their recruitment policies, with no change being detected compared to 2017 results regardless of the higher number of companies interviewed. This is important to note because non-discrimination at the stage of recruitment is critical (a) to make LGBTIQ job-seekers encouraged to apply at that company for a job; (b) let non-LGBTIQ job-seekers know from the beginning that they will be expected to work in an inclusive atmosphere; and, (c) set the tone for hiring managers that discrimination is not tolerated. It also provides some basis for recourse if an LGBTIQ job-seeker feels that they have been discriminated against during the recruitment process.

Chart 9: LGBTIQ Mention in the Recruitment Policy





Only 10% of companies, as shown in *Chart 10*, have application forms and interview questions which are LGBTIQ-friendly. Doing so is a much more nuanced form of respecting the rights and upholding the dignity of LGBTIQ job-seekers but many companies lack the skills to do so. This might include types of questions which do not force a gender-based answer or questions which are not invasive towards the lifestyle of the job-seeker. These also guarantee that the companies are not asking LGBTIQ job-seekers about their sexual orientation or gender identity through indirect means.

Chart 10: Application Forms

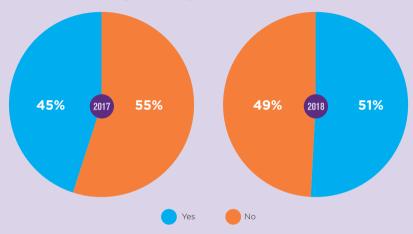
Question 3.2: are the company application forms and interview questionnaires designed to ask questions in a LGBTIQ-friendly manner?



In *Chart 11*, 51% of companies reported that they have a mechanism to report harassment on the job. This is a low number, which is not surprising given the low number of companies that have non-discrimination policies, however there was a detected change from the results of 2017, when only 45% of companies answered positively. Nevertheless, the absence of such mechanisms leave LGBTIQ employees vulnerable. In addition, it is important that all employees know that such mechanisms exist so that they know any type of harassment would have consequences.

Chart 11: Mechanisms to Report Discrimination or Harassment

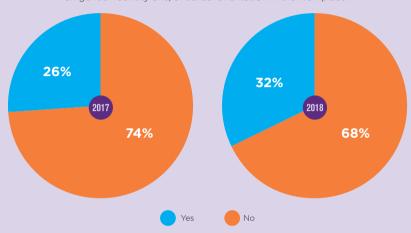
Question 3.6: does the company have a mechanism in place to report discrimination or harassment based on gender identity and/or sexual orientation in the workplace?



Similarly, in *Chart 12*, only **32%** of companies had management staff trained on responding to such complaints of discrimination or harassment. Again, this is troubling because of the **51%** of companies which have a mechanism (see *Chart 11* above), only about half of those have management trained on responding. It must be noted however that there is a positive increase from the results of 2017, when only **26%** of companies answered positively. Obviously, this highlights the vulnerability of LGBTIQ persons on the job and their limited options for recourse if they are discriminated or harassed.

Chart 12: Staff Training

Question 3.7: is someone in the company trained on how to deal with this if there is a complaint submitted on discrimination, bullying or harassment based on gender identity and/or sexual orientation in the workplace?



In *Chart 13*, only 18% of companies have a mechanism to evaluate and mitigate the safety and welfare concerns of LGBTIQ employees in the workplace. This is not surprising given the low levels of companies with policies and trained management. Nevertheless, it highlights the vulnerability of LGBTIQ persons on the job. There was a slight increase in the positive answers, with 2% more companies answering positively this year.

Chart 13: Mechanisms to Evaluate and Mitigate the Safety and Welfare Concerns of LGBTIQ Employees

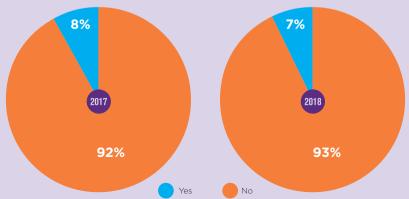
Question 3.8: does the company have any mechanism in place to evaluate and mitigate the safety and other welfare concerns of LGBTIQ employees in the workplace?



Chart 14 shows results of what happened when we asked companies if they had ever supported any initiatives to promote social and professional inclusion of minorities including LGBTIQ persons.

Chart 14: Company's Support to the Professional Inclusion of LGBTIQ Persons

Question 3.9: has the company supported any other initiatives to promote social and professional inclusion of minorities including LGBTIQ persons?



SECTION IV CORPORATE SOCIAL RESPONSIBILITY AND OUTREACH

This section asks about a company's corporate social responsibility and outreach to the community at large. As *Chart 15* shows, just 28% of the companies have a CSR strategy already developed. This is positive because it at least provides the framework for adding more protections for LGBTIQ job-seekers and employees if the company is willing. The number of companies that has a CSR strategy in 2017 was 32%, however the slight fall in numbers this year can be contributed to a larger number of smaller and mid-sized companies being interviewed. However, as *Chart 16* below shows, only 3% of those CSR strategies mention LGBTIQ communities. This result remains unchanged compared to last year's results.

Chart 15: Corporate Social Responsibility Strategy

Question 4.1: Has the company developed a Corporate Social Responsibility strategy?



Chart 16: Specific Mention of LGBTIQ in the CSR strategy.

Question 4.2: if YES to question 4.1., does the Corporate Social Responsibility strategy include specifically LGBTIQ diversity?



Chart 17 shows that two thirds **(66%)** of companies made charitable donations but in depth analysis shows that only **3%** did so to LGBTIQ-focused organizations or projects. However, it must be kept in mind that there are only a few such active organizations in Bosnia and Herzegovina and thus, even if a company was willing to make a donation, its options for such are highly limited.

Chart 17: Charitable Giving by Companies

Question 4.3: during the last two years, has the company made any donations or offered any sponsorships to charities or community-based organizations



Chart 18 shows that only **5%** of companies joined any initiatives to support LGBTIQ equality and inclusion. There is a **2%** increase compared to 2017, however it must be noted that in rea number this represents only one additional company that answered positively to this question. While companies are interested in CSR, the issue of LGBTIQ persons does not represent a priority for their actions.

Chart 18: Company Support for LGBTIQ Initiatives

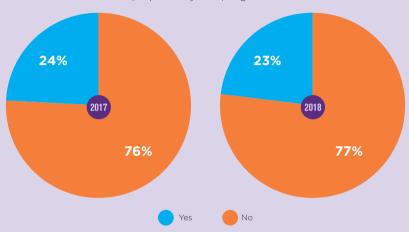
Question 4.5: during the last two years, has the company joined any campaigns or initiatives to support publicly LGBTIQ equality and inclusion?



In *Chart 19* below, **23%** of companies have a policy or guidelines that prohibit them from doing business with other companies that discriminate LGBTIQ persons or other religious or racial minorities.

Chart 19: Policies to Prohibit Business Transactions with Businesses/ Organizations which Discriminate

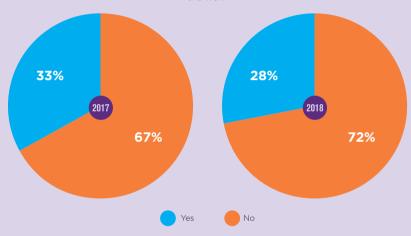
Question 4.6: does the company have guidelines that prohibit doing business with companies or organizations that openly and actively discriminate against LGBTIQ people or any racial/religious minorities?



In *Chart 20*, a total of **28%** of participating companies did mention that they would be willing to work more on LGBTIQ inclusion, which is a **5%** fall compared to year 2017. Despite the fact that many businesses lack policies or training on the topic, it is still encouraging that a significant percentage would like to engage further. This creates the space for further projects.

Chart 20: Willingness to Work on LGBTIQ Inclusion Issues

Question 4.7: would the company be interesting in becoming a member of a working group on business fairness in Bosnia and Herzegovina (to share best practices and lessons learnt, promote advocacy and awareness on LGBTIQ equality and inclusion in the work



In Section V, the Index asks companies for specific examples of work or support to LGBTIQ communities. As shown in *Chart 21*, only **3%** of companies reported to have initiatives which are innovative to LGBTIQ inclusion. The number remains the same compared to year 2017.

SECTION V LGBTIQ SPECIFIC INITIATIVES AND ACTIONS

Chart 21: Initiative Programs

Question 5.3: does the company have a program that it believes to be supportive or innovative in terms of LGBTIQ inclusion?

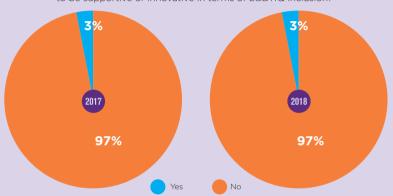
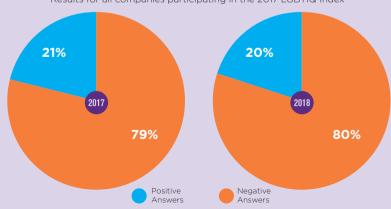


Chart 22: LGBTIQ Index General Results

Results for all companies participating in the 2017 LGBTIQ Index



RECOMMENDATIONS

For Organizations for LGBTIQ Equality and Tolerance

- Include employment related topics in their advocacy efforts.
- Spread information on the protections for LGBTIQ Bosnians and Herzegovinians in the Law on the Prohibition of Discrimination to the LGBTIQ community.
- Look for opportunities to make advocacy practical in producing tangible benefits for the lives of LGBTIQ Bosnians and Herzegovinians.

For the Bosnia's Private Sector:

- Recognize that workplace diversity is positive for productivity, revenue, and employee retention.
- Recognize the need for and seek out training opportunities to improve the policies and practices for workplace diversity, for both LGBTIQ Bosnians and Herzegovinians and other minorities.
- Raise the issue of workplace diversity in syndicates, trade unions, chambers of commerce, and other business membership organizations.

For the BiH Government

- Continue to enforce the Law on the Prohibition of Discrimination rigorously with an
 action plan containing concrete objectives and a timeline. This may include public
 awareness materials, standardized codes of conduct, standardized policies, and a
 website to access such information.
- Ensure a strong focus on employment inclusion for LGBTIQ Bosnians and Herzegovinians in the BiH Action Plan for LGBTIQ.

For International Donors

• Continue to identify and fund evidence-based programs which produce tangible impacts on the lives of LGBTIQ Bosnian and Herzegovinian citizens.

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