Gender equality normative and applied ethics in global automotive suppliers companies

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Abstract: The article investigates how gender equality normative ethics is applied in global automotive suppliers companies across the globe for women in management positions. Although women represent almost half of the global workforce, women have still not reached equality in terms of management positions in global automotive suppliers companies. There is a gap between the gender equality normative ethics present in almost all codes of conduct or codes of ethics of these companies and the gender equality applied ethics in terms of women in management positions. The paper argues that gender equality normative ethics is not detailed expressly and the applied ethics for women in management positions is lacking. The article identifies the gender equality representation of women in management positions in the global automotive suppliers companies based on the public codes of conduct or codes of ethics of these companies of the companies. In this paper, I try to identify what could be the next steps on a normative ethics so that gender equality for women in management positions can be achieved.

Key-words: gender equality, code of conduct, code of ethics, women in management positions, global automotive suppliers;

Introduction

Gender Equality is a basic human right, but gender equality raises issues in terms of political philosophy and ethics. Gender equality means to treat all humans in the same way, regardless of their gender.

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Gender equality raises issues also in the private global organizations in terms of promotion, access to trainings or leadership programs, equal pay between men and women for the same job performed, performance appraisal and others aspects in the employment.

The Universal Declaration of Human Rights was adopted in 1948 by the United Nations, General Assembly on 10 December 1948 at the Palais de Chaillot in Paris, France. It is somehow the first international document drafted with respect to women rights. Its first article states clear that all human beings are born free and equal in dignity and rights (United Nations, Universal Declaration of Human Rights, 1948, article 1). The human values stated in this declaration as a pillar for governments, but as well for private organizations in terms of human rights.

Ten years after the Universal Declaration of Human Rights has been adopted, the International Labor Organizations (ILO) adopts in 1958 Convention 111 - Discrimination (Employment and Occupation) Convention. The Convention argues that equality of opportunity or treatment in employment ot occupation shall be in place (International Labour Organization, 1958). ILO Convention 111 is one of the Fundamental Conventions of ILO, which global private organizations stand by on a declarative level. Women represent today almost half of the workforce worldwide, but, in terms of women remained underrepresented in management position. In Q3 2020, more than 9.5 million people held a managerial position in the EU: 6.2 million men and 3.3 million women. Although women represent almost half of all employed persons in the EU (46%), they are under-represented amongst managers (34%) (Eurostat, 2021). This paper will argue that gender equality is not reached for women in management positions in the automotive suppliers industry. If the percentage of women in management position is underrepresented at 34% in European Union, the percentage of women in management positions in the global automotive suppliers companies is even lower.

Research Methodology

This present research consists in analyzing the normative ethics as stated in the codes of conduct or codes of ethics of ten global automotive suppliers companies from all over the world.

These 10 automotive suppliers companies were selected from the first fifty biggest automotive suppliers' lists by Berylls for the year 2021. (Berylls, 2021). The selections are covering more continents: Europe, Asia and North America. Firstly, the normative ethics of gender equality is analyzed via the public documents lists on the public website of these companies, such as codes of conduct and codes of ethics as these documents remain the most circulated documents of a company as they reach almost their own entire workforce and their suppliers, customers and investors. Secondly, the applied ethics of the gender equality in management positions is analyzed in order to assess how the gender equality is put in practice. Sustainability reports and diversity and inclusion website sections of these companies have been analyzed.

Current State of Research

There are numerous studies done by international public organizations or international private organizations in terms of statistic data about women in management positions like Eurostat, World Bank Data or International Labor Organization. For this paper, two reports have been taken into consideration to track, namely: International Labor Organization's the business case for change (International Labor Organization, 2019) and the International Labor Office's Women in managerial and leadership positions in the G20 (Data availability and preliminary findings) (International Labor Office, 2020)

In the first document the largest share of enterprises (27 per cent) said they have 11 to 29 per cent women, while the second largest share of enterprises (24 per cent) reported having 30 to 39 per cent women. The second document mentions the average of G20 countries and guest countries for which data is available stands below 30 per cent and none of the countries with available data reaches the United Nations 17 Sustainable Development Goals target of 50 percent of women in senior and middle management positions. The above mentioned two studies are dealing strictly with percentages of women in managerial position, but they are no dealing with the normative ethics of gender equality in these companies. This paper analyses also the normative ethics for gender equality for women in management position.

Gender Equality in the Code of Conducts and/or Code of Ethics

Normative ethics is that branch of moral philosophy, or ethics, concerned with criteria of what is morally right and wrong. It includes the formulation of moral rules that have direct implications for what human actions, institutions, and ways of life should be like. It is typically contrasted with theoretical ethics or meta-ethics, which is concerned with the nature rather than the content of ethical theories and moral judgments, and applied ethics, or the application of normative ethics to practical problems. (Duignan, n.d.)

In terms of normative ethics, in big organizations, the gender equality is mentioned in the codes of conduct or codes of ethics. This paper will analyze big automotive suppliers' codes of conduct or codes of ethics from three continents. This paper has not analyzed these companies' codes of ethics or codes of conduct for the suppliers of these companies, only the ones applicable in their own companies. Although, sometimes one code of conduct or one code of ethics is used also for companies own employees as well as for its suppliers.

Europe

For Europe, five automotive suppliers have been selected: Bosch (Germany), Continental AG (Germany), Michelin (France), Valeo (France) and Marelli (Italy). Bosch is a German multinational engineering and technology company founded in 1886 in Stuttgart. Gender diversity is not addressed directly, only indirectly: we do not tolerate any discrimination or harassment of fellow associates, and we encourage diversity (Bosch, 2022). Women's Rights are not addressed per se in this code of conduct. In terms of normative ethics, gender equality is treated superficially. The gender diversity is addressed also separately in its "Diversity is our advantage" webpage and Bosch highlights equal pay, mentoring programs and associate networking (Bosch, n.d.).

Continental AG is a German multinational automotive parts company founded in 1871. Its principal ethical document is called Continental Code of Conduct. A work environment free of discrimination based on gender. Continental address specifically a diversity based by gender (Continental AG, 2019). Continental refers to women's rights by endorsing the principles of the United Nations called Women's

Empowerment Principles which define women's empowerment such as: 1. high level corporate leadership, 2. treat all women and men fairly at work without discrimination, 3. employee health, well-being and safety, 4. education and training for career advancement, 5. Enterprise development, supply chain and marketing practices, 6. community initiatives and advocacy and 7. Measurement and reporting (United Nations, 2010). This code of conduct also offers an example of a desired action when selecting candidates of different genders. Continental has a dedicated page web page for the diversity where gender diversity is addressed (Continental, n.d.).

Michelin is a French multinational tire manufacturing company which was founded in 1889 in Clermont-Ferrand France. Michelin ethics document is called Michelin Code of Ethics and was issued in 2020. Gender diversity is addressed and explained with other diversity axes such age, religion, culture etc. in the Code of Ethics of Michelin (Michelin, 2020). Michelin goes further and details with comprehensible examples actual actions to be taken not to discriminate, such as: job advertisements aimed at all types of candidates, stereotypes in personnel processes, how to treat discrimination complaints. Nevertheless, women's rights are not addressed per se in this code of ethics. Valeo is a French global automotive supplier and was founded in 1923. The company mentions its support for diversity and a particular focus on women, senior citizens and disabled people. It also details the many discrimination criteria, but no direct reference to women in management position or women's rights.

Marelli is an Italian company which develops and manufactures components for the automotive industry. It has been founded in 1919. Marelli's Code of Conduct from 2020 mentions equal opportunity and respect and a diverse workforce. Discrimination criteria are mentioned, but there is no direct mentioning of women's rights or women in management positions. (Marelli, 2020)

North America

For Europe, two automotive suppliers have been selected: Lear (United States of America) and Cummins (United States of America). Lear Corporation is a company from the United States of America which manufactures automotive seating and electrical system. It was founded in 1917 in Detroit, Michigan, United States of America. It's Code of Business Conduct and Ethics has a dedicated chapter for Diversity, Equity and

Inclusion which enforces the principles of equal opportunity, enumerating all the discrimination criteria. Details on women's rights or gender equality for women in management position is not mentioned. (Lear Corporation) Cummins is a company from the United States of America founded in 1919 in Columbus, Indiana. As opposed to the other companies which have a dedicated document – code of conduct or code of ethics – Cummins has a slimmer version called Our 10 Ethical Principles. Cummins mentions the diversity perspective very briefly as: We will embrace diverse perspective and backgrounds and treat people with dignity and respect. (Cummins)

Asia

For Asia, three automotive suppliers have been selected: Denso (Japan), Joyson (China) and Hyundai Mobis (Korea).

Denso is Japanese company founded in 1949 which manufactures automotive components. The gender equality principle is mentioned in the human rights section, and it is enumerated along the other discriminatory criteria. Gender equality for women in management positions or women's rights are not mentioned (Denso, 2019). CATL is a Chinese company founded in 2011 which manufactures batteries and technology. It has two documents which are dealing with gender equality: Code of Conduct from 2020 (CATL, 2020) and a Labor Rights Protection Policy (CATL, 2022). In the first document gender equality is described briefly along with other discrimination criteria. In the latter document CATL states a zero tolerance for discrimination and adheres to equal employment.

Hyundai Mobis is a South Korean company founded in 1977. It manufactures car parts. Hyundai Mobis is committed to maintaining a diverse work environment. Discrimination based on various criteria, including gender, is prohibited. Gender equality for women in management position is not mentioned (Hyundai Mobis, 2019).

Analyzing a sample of ten codes of conduct or codes of ethics from automotive suppliers, the conclusion is that gender equality for women in management positions per se is not enforced, detailed or even mentioned. Gender is enumerated with other discrimination criteria in a briefly manner. Women make almost half of the work force worldwide, but in management positions they are merely making only around 30 percent. Taking this into consideration, a more detailed normative ethics on this is I consider it is necessary.

Applied ethics: gender equality and women in management positions

For applied ethics, the definition given by Peter Singer in Britannica was considered: he application of normative ethical theories- i.e., philosophical theories regarding criteria for determining what is morally right or wrong, good or bad - to practical problems (Singer, 2023).

Achieving gender equality for women in management positions is a practical problem and a social reform and this should be the aim of philosophy in the end. Applied ethics is very often neglected and seems far away from the other branches of philosophy, but the aim of philosophy should be to put in practice philosophical concepts.

In this paper, the affirmative actions of these companies for achieving gender equality for women in management positions in general have not been analyzed; strictly the percentages of women in management positions have been analyzed in order to see if gender equality is achieved for this category of women. Although all these company in a broader or more often in a very slim way are mentioning that no discrimination based on gender shall be made, the gender equality of women in management positions is not defined, detailed or mentioned as normative ethics. It can be considered that gender equality of women in management positions is part of the more general principles of no discrimination based on gender. But as long as this principle is not defined, raised awareness on or affirmative actions to be put place, the gender equality for women in management positions will not happen.

The percentage of women in management positions was analyzed for all these global automotive suppliers companies. The companies are split in two: companies who track the percentage of women in management positions and companies who do not track at all these percentages. The definitions of what management means for all these companies has not been aligned due to lack of public data available, but it is mentioned in this paper with the exact words the companies have used in their public data. Firstly, the companies who track the percentage of women in management positions as of March 2023, are analyzed:

- Bosch in its Sustainability Report for 2021 reports 18,4 % female in all management levels with a target of 20% (Bosch, 2021);

- Continental AG in its Integrated Sustainability Report for 2021 mentions 17.8% of women in executive and senior executive positions. Continental aims at 25% women in management positions by 2025 (Continental AG, 2021);
- Michelin reports for 2021 a figure of 28.9% women in management and supervisory positions (Michelin, 2021);
- Valeo reports for 2020 a percentage of 23.1% women Managers and Professionals in its Universal Registration Document (Valeo, 2020).
 As a characteristic for Valeo, the professionals are added in the same category as management. So, the exact percentage of managers cannot be extracted;
- Lear Corporation reports in its Sustainability Report for 2022 a 24
 percent of female leaders, while leaders are defined as managerlevel and above. (Lear Corporation, 2022);
- Cummins reports in its 2022 Human Capital Management Report a percentage of 26.1 women in leadership (directors and executive directors, vice president and above officers) (Cummins, 2022);
- Denso reports on its website for the fiscal year 2022 the number of women in executive and management positions: Officers (Directors, Audit & Supervisory Board member, and senior executive officers) with a percentage of 8 percent women and women in management positions at 1.7 percent (Denso, 2022);
- CATL reports in its 2021 Environmental, Social and Governance (ESG) Report a percentage of 13.44 women in management (CATL, 2021).

Secondly, the following companies are not tracking the percentage of women in management positions as of March 2023: Marelli and Hyundai Mobis.

Summary and recommendations

In this paper it is possible to see how the gender equality of women in management positions is lacking normative ethics in the companies' ethical documents. In addition, I noticed that the percentages of women in management positions is lower in comparison with the public data regarding women in management positions and even lower in comparison with the fact that almost half of the working force is made up of women on

a global level. Being so far away from achieving gender equality for women in management positions so as the percentage to be at almost half, there is necessary to address this in the codes of conduct or codes of ethics in a more direct and upfront way.

These codes of conduct or codes of ethics should contain a section dedicated to gender equality and women's rights with specific provisions for the women in management positions, so the normative ethics of gender equality is defined in a detailed and comprehensively way. This section should detail explicitly the company's management commitment to gender equality for women in management positions and women's rights. I consider it is a strong message to express clearly the message related to gender equality. Ideally, this should happen "tone from the top". But sometimes the tone from the top does not set up gender equality for women in management position as a priority and then gender is mentioned along with other ten or more discrimination criteria. I consider that in all the ten companies' codes of conduct or codes of ethics analyzed, the gender equality for women in management positions is not addressed at all. It is not exactly known which is the extent of the influence of such documents. but these documents still remain the most spread instruments of one company as they reach almost all employees, but also other stakeholders like suppliers, customers, investors and competitors. These documents are also the main instruments in spreading the ethics of a company and its sustainable principles throughout a company's workforce.

Some recommendations for how some clauses which can be added in these documents so that gender equality for women in management positions, but also gender equality in general and women's rights are enforced:

- Instead of employees or workers, explicit references to gender should be made: women, men and the other genders shall not be discriminated;
- Questions about pregnancy or marital status are not allowed in our company;
- Women are protected against any threats of dismissal, lack of promotion, no training or leadership training access for women in order to prevent them to marry or have children;
- Equal pay for equal work is guaranteed for women, men and other genders;

- Women have equal access to promotion, performance evaluation, training, leadership training, acquirement of skills, professional development;
- Our company recognizes that unconscious bias can occur, and we take efforts to fight it through unconscious bias trainings offered to all of recruiting teams, managers and team leaders;
- Our company recognizes that in general women are the main caregiver in a family for children or a sick relative and they are protected (as well as men and the other genders) against discrimination based on their family responsibilities (ILO Convention no. 156);
- Our company strives to offer a flexible schedule wherever it is possible so the women who in general are the main caregiver in a family are supported;
- Women in our company are entitled to pregnancy and maternity protection and their employment will not be ended on pregnancy or maternity basis;
- Our company encourages women to take leadership positions, promotes women in a proactively way, offers women leadership training programs;
- Our company keeps track of the percentages of women in management position on a monthly basis, sets targets for and affirmative actions in place wherever necessary.

I consider that these kinds of normative ethics should exist in a company's code of conducts or codes of ethics so that the message of gender equality for women is enforced.

The question is what happens when these kinds of clauses are not to be found in the codes of conducts or codes of ethics of the company. And as is seen in the documents analyzed, the gender equality for women in management positions or women's rights are not addressed in particular, just as part of an enumeration of discriminatory criteria. These documents are setting in place the ethics and behaviors of a company and they emanate from the boards of directors, management boards or upper-level management. But a company is also formed by its employees and employees can have a voice in drafting these kinds of documents and at least debating the ethics in their organization.

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The assumption of Lisa Herzog in Reclaiming the System | Moral Responsibility, Divided Labor, and the Role of Organizations in Society is that employees can have transformational agency in their organizations (Herzog, 2018). Organizations are composed of human beings with different moral convictions. Transformational agency means the willingness to stand up for the basic moral norms and for one's convictions about how one's role should be fulfilled within the organization. Organizations should offer space for moral reflection and moral critical discussions, so human interaction can happen and where so not moral practices can be challenged. I consider that Lisa Herzog's transformational agency principle can be applied also to the gender equality for women in management positions in private organizations. Women tend to start to organize in women networks within their own organization or crossorganizations and these groups can act like a transformation agency for gender equality in general or gender equality for women in management positions or women's rights in an employment. Transformational agents are important because they carry moral principles into organizations that are morally shady, that treat their employees without respect, that exploits gaps in the legal framework, that use their specific expertise or technological skills in ways that create unjustifiable risk to society, or that refuse to join in the shift away from practices that contribute to dangerous climate change (Herzog, 2018).

Thus, as a first next step, I consider necessary that the codes of conduct or codes of ethics of big organizations should be amended and make clear and detailed reference to gender equality, gender equality for women in management positions and women's rights in employment, so that clear expectations can be identified.

As a second step if these codes of conduct or codes of ethics are not updated as mentioned above by the company itself as was seen in all of the examples analyzed, then the transformation agency of the employees have to come into action. Of course, not all employees have the drive to become transformational agents, but it is necessary to identify the employees who have this drive. Companies should identify potential employees interested in moral reflection and moral agency and use these employees to offer insights. Lately big companies have started to have a specific position called Chief Ethics Officer and that is a position in upper management.

The Chief Ethics Officer can start a safe space for moral reflection in a company, where philosophical principles can be debated.

Of course, gender equality for women in management positions will not happen overnight, most likely it will take tens of years to fill the gap, but it is crucial that moral discussion in the corporate world should happen as soon as possible.

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