

Between Rhetoric and Reality: An Intertextual Analysis of EU Diversity Charters

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ABSTRACT

This research article will present findings from an intertextual study of EU member states' Diversity Charter (DC) initiatives. With the aid of thematic analysis, we undertook this intertextual analysis of DCs to study and compare their content. We also consider the political and social context in which the DCs operate. In this regard, the research also evaluates how principles set by the EU Charter of Fundamental Rights are enacted in law by member states and why there is a need for expanding human rights guarantees with initiatives like the DC. Our findings conclude with five points about the current state of DC initiatives in EU member states. Furthermore, based on the findings and our professional experience, we note the critical areas of improvement that can be made to the existing DC. The article concludes with our proposal for developing the Reflective Realignment Approach to help companies create a more inclusive work environment.

1. Introduction

This research endeavour aims to evaluate EU member states' Diversity Charter (DC) initiatives. The project came to life through the professional collaboration of advisors and researchers in diversity and inclusion (D&I). Combining research and professional experience, we undertook this intertextual analysis of DCs to study and compare their content. We also consider the political and social context in which the DCs operate. In this regard, the research also considers how principles set by the EU Charter of Fundamental Rights (EUCFR) are enacted in law by member states and why there is a need for expanding human rights guarantees with initiatives like the DC.

Even though the EU member states enshrine the protection of fundamental human rights in law, our professional experience as researchers and the current literature on the topic show that discrimination still affects human lives. EU representatives, governments, and companies often state good intentions. However, without proper action, intentions alone cannot lead to a society free from discrimination and bias. Our research aims to show that signing charters like the DC is not enough to resolve the underlying social and political tensions that prevent further inclusion from developing across the EU.

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2. Literature Review

As a result of the Civil Rights movement, D&I began developing in the US during the 1960s as diversity management (Russen & Dawson, 2023). A more significant push toward developing effective diversity initiatives began in the 1980s when researchers started helping companies understand and manage diversity in the workplace (Portocarrero, 2022). The Civil Rights movement initiated the need for Affirmative Action, and with it, a process began that eventually created a more diverse workforce; this change led to a need to discover how to best assimilate (welcoming people into the workforce and expecting them to conform to dominant social norms) previously segregated people to the work environment (Russen & Dawson, 2023). In the 1990s, research shifted from assimilation to integration. With this, the need for equity, equality, and inclusion became the focus of research. Simultaneously, diversity management, or the optimization of the performance of diverse workforces, was abandoned (Portocarrero & Carter, 2022). The new approach to combating discrimination was based on finding ways to integrate different identities into the workforce and support belonging on an individual level (Nishii & Leroy, 2022). Because of this, we use D&I as a term encompassing different approaches to work culture that aim to create a space for people, regardless of identity, to feel safe without fear of retribution for showing their true selves.

Our research adds to this body of literature by exploring the state of D&I in the EU with this evaluation of DCs. We see a need for further research in the field because our experience working with companies showed us that there is not enough understanding of D&I or how to implement it to get good results. In order to understand what is blocking contemporary European society from achieving its D&I goals, we should consider the current social context in which these initiatives operate. Current research indicates a shift in the EU discourse on unity occurs when lawmakers debate D&I issues. Research by Ford and Jennings (2020) demonstrates that contemporary Western European society is experiencing a change in the cleavages that underline social stratification. The changes in social order are evident in five domains of life:

1. The expansion of higher education and the emergence of graduates as a distinctive electorate
2. Mass immigration and the emergence of electorally significant ethnic minority communities
3. The reactions of socially conservative white voters with the lowest levels of formal education to demographic decline and political marginalization
4. The unprecedented growth in the size of older cohorts of the electorate, thanks to increases in life expectancy
5. The emergence of geographical cleavages reflecting the increased segregation of voters into cosmopolitan cities and conservative hinterlands, as well as the divergence of identities and interests resulting from this segregation

Other research examining the political climate of the EU indicates that the union is experiencing substantive politicization among member states and within states, revealing an ideological divide exacerbated by the recent eurozone and refugee crisis (Hutter & Kriesi). Research also indicates that the increasingly divided political climate in the EU is split between the new left and far-right ideologies, creating novel forms of cleavage that are yet to be fully understood (Bornschiefer et al., 2021). Furthermore, recent political developments in the EU demonstrate that unity is lacking regarding how EU member states interpret and protect fundamental human rights (Toggenburg, 2004). The DC is another element of the political and ideological balancing among member states. As such, it reveals the challenges facing the EU and companies that operate within its borders.

The article will begin by examining the political and social background under which the DCs were created and the main goals that guided this research. After this, we will explain the theoretical and methodological framework and describe the research process and the uncovered findings. The article will end with a discussion on the implication of the findings for D&I efforts and proposals for further research that include the development of an analytical method we call the Reflective Realignment Approach (RRA), a recommendation for policymakers, and considerations for further research in the field of D&I.

2.1. The First Diversity Charter

The first DC in Europe was introduced by the CEO of Axa, Claude Bébéar, in 2004 (European Commission, 2023). The process of creating the first DC began in 2000 when Bébéar founded the Institut Montaigne because he wanted to combat ethnically based discrimination in the workplace by addressing politics, social, and economic issues (Djabi-Saïdani & Perugien, 2020). The institute published its first reports in 2004:

1. Those left behind by equal opportunity (*Les Oubliés de l'égalité des chances*) by Yazid Sabeg and Laurence Méhaignerie.
2. Neither quotas nor indifference: positive-equality companies (*Ni quotas, ni indifférence: les entreprises et l'égalité positive*) by Laurent Blivet.

Besides gaining support from the French government, increasing workplace diversity was also supported by emblematic French business leaders of the time (Doytcheva, 2020). In this respect, the Charter is a joint initiative mandated from the top of France's political and business world. This merger of interests to push for diversity is also evident in the briefing for the research project the French Prime Minister Raffarin wrote to Bébéar. There, he states that the actions taken by the state to combat discrimination were sufficient but not enough and that '[...] the business world has an essential role to play' (Djabi-Saïdani & Perugien, 2020). As Djabi-Saïdani & Perugien (2020) show, the original French DC had 6 points that remain part of the Charter to this day, although in somewhat adapted wording. The DC points are listed below.

1. Raise awareness of non-discrimination and diversity issues among top management and staff involved in recruitment, training, and career development and to educate them in these matters.
2. Respect and promote the application of all aspects of the principle of non-discrimination at every stage of the human resource management, in particular in the recruitment, training, promotion and career development of employees.
3. Endeavour to reflect, the diversity of French society particularly in its cultural and ethnic dimensions at every level of the workforce.
4. Make all our employees aware of our commitment to non-discrimination and diversity, and keep them informed of practical results of the commitment.
5. Make the development and implementation of the diversity policy a subject of a dialogue with the employees' representatives.
6. Insert a chapter in the annual report describing our commitment to non-discrimination and diversity including details of the measures implemented, our international procedures and the results achieved.

After this event, member states of the EU gradually established their DC. Soon after, France, Belgium (2005), and Germany (2006) created their charters. After this, other member states followed; the last to create a DC organization was Bulgaria (2020).

2.2. The EU and Diversity Policies

Several declarations, treaties, and agreements pertaining to DC were voted into effect in the same period the charters were created. This includes The Charter of Fundamental Rights of the European Union (2000), The Convention on the Rights of Persons with Disabilities (2007), the Lisbon Treaty (2009), and the European Pact for Gender Equality (2017). The EU also adopted several directives intended to combat workplace discrimination. Among them are Council Directive 2000/43/EC (implementing equal treatment between persons irrespective of racial or ethnic origin), Council Directive 2000/78/EC (establishing a general framework for equal treatment in employment and occupation), and Council Directive 2004/113/EC (implementing the principle of equal treatment between men and women in accessing and supplying goods and services).

Here, it is essential to note that EU directives are goals set by the EU that all member states have to achieve. Still, they have the choice of how they will do it, while regulations are exact and binding legislative acts that must be applied across all the member states (European Union, 2023). EU directives do not obligate the country to amend its laws and install predetermined regulations. Even though the directives exist, they are not binding legislature and, as such, are subject to interpretation by member states. The fact that the EU regulates D&I issues with directives presents an interesting finding because it suggests a sort of ambiguity in the EU law system. Furthermore, upon examining a 2014 study of D&I implementation across the EU, findings revealed that managers and HR professionals reported on work issues linked with a lack of alignment in the national legislature when laws ensuring the protection of human rights are concerned (Wondrak, 2014). Further in the article, we will explore the potential cause of differences in interpreting human rights.

2.3. The Ambiguities of the EU Legal System

The mentioned documentation, directives, and member state charters illustrate a growing initiative among EU governing bodies to combat discrimination in society and the legal system. Even though the documents and directives mentioned above show that D&I is becoming an important issue for the EU, the current political and social situation demonstrates obstacles in achieving these goals. In this article, the focus will be specifically on the DC as an initiative. Without explaining the legal system that the DCs belong to, their significance and effect on D&I cannot be understood.

Upon inspection of the EU law system, the current literature revealed specific regulations that allow member states to maintain an unequal approach to human rights issues. Even though the EU has supremacy over the national law system (Scheppele et al., 2020), there are reasons why the EU cannot regulate human rights laws comprehensively or enforce them. Here, the reasons will be illustrated and explained.

By signing the binding treaties of the EU member states, among other things, agree to the supremacy of EU law above national law (Kaczmarczyk, 2020). In the EU system, the EU Treaties and the Charter of Fundamental Rights of the EU are at the top of the hierarchy. Beneath them are the general principles of EU law, with secondary legislation at the bottom (Tryfonidou & Wintermute, 2021). The principle of supremacy means that if there is a conflict between national law and EU Law, the latter prevails, including in national constitutional provisions (Tryfonidou & Wintermute, 2021). The EU should uniformly address human rights laws because the described hierarchy in the legal system seemingly mandates this. However, at present, this is not the case.

In addition to the concept of supremacy, it is also essential to consider the principle of competence. The EU is given competence in most areas of law and commerce, but certain areas remain within the competence of the national state and the decisions of its lawmakers (Toggenburg, 2004). In general, EU legal principles have supremacy over national laws, but member states also have the right to practice their autonomy by retaining competence in certain areas of domestic affairs (Kaczmarczyk, 2020). The area where member states have competence is linked to values, like human rights guarantees (Toggenburg, 2004). Furthermore, even though EU governing bodies like the EU Court for Human Rights may make rulings that oblige the state to change discriminatory laws, the EU has no mechanism to enforce them (Tryfonidou & Wintermute, 2021). The question of competence is just one example of the mentioned ambiguity present in human rights issues. Other examples illustrate some EU member states' adaptations to bypass confronting questions of value in their legal system.

The author Kaczmarczyk (2020) demonstrates with the example of the "Polish declaration" (Table 1) how the question of values and uniformity in human rights laws remains a contested issue in the EU. Furthermore, the author suggests that a uniformed EU axiological system is continually blocked from being formed because of disputes over questions of values (Kaczmarczyk, 2020). The formation and expansion of the EU show that political tensions among member states most commonly arise when there is a demand for equating values. Earlier work like that of Toggenburg (2004) also indicates that values have been a source of tension for the EU since the first expansion of the union. In 2017, the European Council Secretary General published the report "Populism – How strong are Europe's checks and balances?" portraying the EU as losing initiative for pluralism and gaining interest in populism (Donders, 2020). Such research shows that values and their protection in law are challenging and changing areas for the EU, and because of this, there is no universal approach to creating laws for the protection of human rights.

Table 1.

Directly quotes the "Polish declaration" added as an annex to the Accession Treaty of 2003

"Nothing in the provisions of the Treaty on European Union, the Treaties establishing the European Communities and the provisions of treaties amending or supplementing these treaties prevents the Polish State in regulating questions of moral significance, as well as those related to the protection of human life."

Source: Kaczmarczyk, 2020

In addition, it seems that the question of compliance with EU law, or the lack of compliance, is also an issue facing the EU Commission. One study indicates that member states' compliance with collectively agreed laws has been problematic since the formation of the EU, and this trend has extended to new member states (Falkner & Treib, 2008). For instance, a lack of compliance is evident when the rights of LGBTIQ+ people and "rainbow families" are concerned (Tryfonidou & Wintermute, 2021). Similar compliance issues are evident with laws that should provide benefits and chances for people with disabilities (Hadi, 2012). In addition, one study of compliance with laws intended to ensure gender equality in the job market estimated that adoption rates of laws are reasonable among three of the four studied states except for Czechia, where the rates were low pre- and post-ascension (Sedelmeier, 2009). Furthermore, researchers indicate that the European Commission is searching for methods to combat this state of slow or no compliance with EU decisions (Zhelyazkova & Schrama, 2023). The research also indicates that laws are not equally guaranteed by member states even though they are essential for D&I to become a reality.

The presented overview of EU laws and regulations is by no means comprehensive. There are many examples of the issue with compliance and respect for fundamental EU values, not just the ones linked with fundamental human rights. Through the exploration of EU DCs, the

intertextual connection to the EU legislature was evident. The documentation and directives noted above indicate a solid intent to create societies that respect fundamental personal rights and freedoms. Nevertheless, the evidence shows that many obstacles prevent this vision from becoming a reality. Even though the political will to make society diverse and inclusive exists in EU institutions, the member states do not execute this will equally.

3. Research Method

3.1. Research Problem and Objectives

What is peculiar and sets itself as the primary research interest in this inquiry into the EU's discourse on diversity is the paradox that international and national laws have been protecting fundamental human rights for decades. At the same time, we see continual inequality in society and the job market. Such a state of affairs seems to require answers to demanding questions. How is discrimination persistent in a law system that prohibits it? Why do we need interventions in the forms of DCs and DC platforms if inclusion is a guaranteed right by law? Moreover, who do we hold accountable in a social system that is biased and discriminatory and yet professes and inscribes equality in law?

The answer to the above-stated questions is far beyond the scope of one research article. Regardless, it is necessary to state the central principle guiding this research as it allows us to connect the arguments and answer the main problem. In this research article, the main concern will be the actual text of the DCs, as we found them in 2023 between January and July. In their exploration, we want to find potential solutions for resolving the divides that prevent inclusion from increasing across the EU.

3.2. Intertextuality as a Research Method

We chose an intertextual approach to researching the DCs. Intertextuality maintains that all text humans produce refers to other texts before it. Alternatively, as Julia Kristeva, reformulating Bakhtin's definition, states (Alfaro, 1996): "Each word (text) is an intersection of words (texts) where at least one other word (text) can be read."

Three main principles of intertextuality guided our research:

1. Each text is a combination of other texts that came before it.
2. The hybridization of texts is specific to a cultural and historical moment.
3. Studying the hybridization of a text makes it possible to understand the cultural and historical moment in which it was created.

Intertextuality is a pivotal concept in the realm of literature and cultural studies. The approach allows us to explore texts' interconnected and dialogical nature because the theory is based on the recognition that no text exists in isolation. Instead, the approach maintains that every text exists as a network of references, echoes, and allusions to other texts (Haberer, 2007). In this respect, we consider an intertextual approach to be one based on the study of texts and their intersections.

The critical component of intertextual research is to conduct a detailed textual analysis. Closely examining texts allows researchers to identify the intertextual markers that permeate several texts (Martin, 2011). In literary intertextual analysis, the process involves scrutinizing the form, style, language, and themes employed within a text, enabling the identification of intertextual references and connections (Zengin, 2016). It is possible to examine the motifs and structures that reveal the intertextual connections that transcend individual works through such an

approach. Our research approach looks at DC to find connections in the main themes. However, we did not focus on form, style, and language.

As the above outlined three principles of intertextuality indicate, social, political, and economic factors also shape the creation and reception of a text. Furthermore, the findings presented in the introduction also show there is reason to be cautious when generalizing the state of human rights in the EU based on DCs without considering the legal context. That is why we chose to focus on themes across the charters and see how they correlate with other findings presented in this article.

3.3. Thematic Analysis

Thematic analysis is a qualitative research methodology that allows researchers to identify the main themes in a body of text (in this instance, the DC). Thematic analysis was developed to analyze narratives and interviews (Joffe, 2012). This method aims to demonstrate what prevalent topics emerge from any material captured through interviews and to show how the topics are interlinked (Clarke et al., 2015). The first step in the thematic analysis is to identify codes that appear in the interviews; later, these codes are grouped into general themes, and then the sub-themes are organized into the main themes (Terry et al., 2017). Such organization of the research findings helps demonstrate how the various concepts are interwoven and commonly expressed in a collection of texts.

Furthermore, it allows researchers to draw conclusions that can later be transformed into actionable recommendations. The method is widely used in qualitative research because it applies to most text types. Thematic analysis will allow for a more detailed intertextual comparison of DCs.

4. Research Process

The intertextual study of DCs had two main steps. First, we collected data on 26 charters from relevant websites. Using the EU Commission website as the initial source of information, the researchers later looked at the national DC and their websites. Second, we looked at other information on the relevant websites besides evaluating the Charter's text. This information included the number of companies that signed the Charter, the activities proposed by the organizations for creating more inclusion in the workplace, the prices and process for joining the community, and the requirements needed to gain the DC label. The additional information was included in the analysis because it was not stated in the Charter's text but is an essential part of the process and is present on each website. We collected the charter texts and placed them in a comprehensive table with additional website information. Most of the DCs had an English version. When an English version was unavailable, we used the translation tool DeepL Translator. In total, we analyzed 25 DCs for this study.

The other source of information on the DC and associated laws and regulations was acquired through a semi-systematic literature review. The review aimed to determine the historical process that led to the creation of DC and reveal potential findings that would help contextualize this intertextual study. These findings were presented in the introduction, and we will refer to them during the discussion.

During the research, we first evaluated the content on the DC initiatives websites and then did the thematic analysis of the charters. Thematic analysis was performed on the charter text to determine key codes and themes. Aside from this, each Charter has a set of goals for the companies that sign it. We also considered them during the study, and they will be discussed later in the article. Two researchers did the text analysis, each doing the study independently.

After this, the results were compared, and the findings were discussed until we reached a consensus.

5. Research Findings

5.1. Findings Relating to DC Organisations and Websites

The national DC usually has a dedicated website and is an organization. However, in some instances, the charters are part of a different organization's website, as is the case with the Estonian Charter, which is part of the Estonian Human Rights Centre. Another exception is the Cypriot DC, which has a Facebook page and no website. The other two exceptions are the Maltese and Belgian charters, which do not have any associated information on the EU Commission or dedicated national websites. At present, it is impossible to find any information on these two charters aside from knowing they exist in some form because they are listed on the EU Commission website.

Upon evaluating all the available websites, the researchers established that each has the following four elements: an explanation of the DC, the text of the Charter, educational programs for companies, and contact information for interested companies. In the table below (Table 2), we listed four example countries and stated the number of points in the Charter, the price, and other requirements for joining the community and getting the charter label. We will not present all the countries and the Charter-specific details in the table, but the relevant information from the charters will be presented in the discussion.

Table 2.

The number of points that constitute the statement of intention to promote D&I, the price for gaining the DC Label, and the requirements needed to join

Country	Charter Points	Price of Signing	Requirements for Joining and Maintain Membership
Austria	6	One-time payment of EUR 200.	There is no training or monitoring for the Charter, only signature and one-time payment.
Croatia	8	One-time fee of 130 EURO.	There is no training or monitoring for the Charter, only signature and one-time payment.
Denmark	5	The price depends on the company's size and varies from 268 – 2000 EURO.	No training or monitoring is required just suggested, only signature and one-time payment are required.
Netherlands	5	No price is stated on the website.	After signing the Charter, there is a request to create a diversity action plan and a detailed process roadmap.

Source: Original research finding

Our findings show no uniformity in the number of points, that is, obligations the signatories of the Charter make. The Czechian website lists 4 obligations, and the Latvian list the most with 15. As Table 2 shows, there is variety in the number of obligations.

As for monetary compensation, 9 of the 25 charters do not list any price information for signing the Charter and gaining the label. Only the Slovak Charter website explicitly states that joining the program is free. On the other hand, 15 of the 25 charters ask for participation fees, and the prices vary from a couple of hundred euros to several thousand annually. Also, some charters structure the prices based on the company's size, and others have a universal annual fee.

The requirements for gaining the label differ. Most charters, 16 out of 25, list signing a document and paying the annual fee as the only requirements. Therefore, most charters have no evaluation or baseline measurement for determining the level of D&I in a company. DC labels are given based on good intentions and the willingness to pay monetary compensation. A few charters are different in this respect. The Czechian Charter has a mandatory assessment tool, the Dutch Charter requires the creation of an action plan and has a detailed roadmap for the process of getting the DC label, and the French Charter requires surveys to be filled two times a year in addition to signing the charter document and paying for the contribution. Only the Latvian Charter lists that the interested company should also check that they are not facing discrimination-related legal proceedings. In general, the charters are allocated to interested parties without many requirements.

The DCs are governed by various state and private bodies. More precisely, 9 charters were formed due to collaboration between private individuals or companies with state organizations or ministries. In 7 charters, only the state and state-funded organizations were involved in creating and maintaining the DC. In 9 of the charters, non-profit organizations are the organizers of the Charter. Croatia, Romania, and Slovenia are the only countries that created the Charter through an EU-supported program, IDEAS (Innovation, diversity, economy, awareness, and success). Examples of member states and the organizations and governing bodies that run the DC are listed in the table below (Table 3).

Table 3.

The founding organization of the DC in EU member states and the estimated number of companies that signed the document

Country	Founding Organization	Est. Signatories
Austria	The Austrian Federal Economic Chamber and the Vienna Economic Chamber run the Charter.	> 349
Croatia	The DC of Croatia is one of the outcomes of a project IDEAS. The implementation of the Charter was co-funded by the Justice Program of the European Union.	> 38
Denmark	The Association New Dane established the Danish Charter for Diversity with support from the Danish Ministry for Children, Gender Equality, Integration, and Social Affairs.	No data.
Netherlands	The Charter was launched in The Hague by Lodewijk Asscher, minister of social affairs and employment, with 22 public and private sector employers.	> 300

Source: Original research finding

Aside from the presented findings, it is also valuable to consider the number of signatories of the charter organizations. Some DC websites list a number, and others have no information. It is necessary to consider the number of members in proportion to the total number of companies in the state where the Charter operates. For instance, the German Charter has more than 2900 signatories, and current estimates state that it has more than 4.8 million companies working on its market (EBRA AISBL, 2023).

5.2. Results of the Thematic Analysis of DCs

The identified codes will be outlined with examples from the charters, and after that, they will be grouped into themes and discussed. The coding for this thematic analysis was open-ended. The researchers did not use a pre-existing set of codes determined by another research.

Before the findings of the thematic analysis are presented, it is essential to note that all the charters have one element that is the same. They may differ regarding the other codes discussed

here, but all the analyzed charters list the identity markers the Charter should protect. They are sex, race, colour, nationality, ethnic origin, religion, disability, age, sexual orientation, and gender identity. The only difference is in the Irish Charter, which also has the category "Traveller Community" (ethnic group that lives in Ireland).

The above-stated listing of identity markers is a formulation derived from Article 21 of the EUCFR (Official Journal of the European Union, 2012), which states:

1. Any discrimination based on any ground such as sex, race, color, ethnic or social origin, genetic features, language, religion or belief, political or any other opinion, membership of a national minority, property, birth, disability, age, or sexual orientation shall be prohibited.
2. Within the scope of application of the Treaties and without prejudice to any of their specific provisions, any discrimination on grounds of nationality shall be prohibited.

Aside from the above-mentioned, articles 22 to 26 of the EUCFR also refer to other issues that are addressed by the charters. Among them are Article 22 (cultural, religious, and linguistic diversity), Article 23 (equality between women and men), Article 25 (the rights of older people), and Article 26 (integration of persons with disabilities). Hence, all the charters structure their list of obligations based on the EUCFR and the mentioned articles. The codes described below are not concerned with protected identities but rather other aspects of the Charter that instruct on action or explain the need for the Charter.

5.2.1. Identified Codes

Below, we will list nine identified codes, descriptions, and examples from the DC texts. After they are presented, we will group the codes into themes based on the open-ended approach to thematic analysis employed during this research.

Code 1: Acknowledgment of Globalization. Five of the DC texts mention globalization as a context for understanding the importance of diversity and the need to respect and value individual differences. They recognize that globalization and social changes create a diverse society that should be embraced. An example from the Bulgarian Charter is "Acknowledging that, in the context of globalization and dynamic demographic changes, the respect for diversity is key to the development of a tolerant and inclusive society and the prevention of unequal treatment and discrimination."

Code 2: Definition of Diversity. All texts define diversity. However, the definitions are not the same. Some define diversity as a state. Others define diversity through what it brings to a company. Inclusion is mentioned in ten of the DC texts and is linked with the concept of diversity. However, we do find that there is often confusion about the meaning of the words and how they should be used. For instance, in the example of the Cypriot Charter ("Diversity is perceived as a principle that enables people to fulfil their potential irrespective of their individual differences."), the definition of diversity is a definition of inclusion. An example from the Croatian Charter is "Diversity is one of the fundamental values of modern society."

Code 3: Business Benefits. Eleven of the DC texts emphasize the benefits of diversity for businesses and organizations. They highlight that diversity leads to creativity, innovation, growth, productivity, and the fulfilment of individuals' potential. Diversity is seen as a source of competitive advantage, opening new markets, and fostering customer loyalty. An example from the French Charter is: "The Diversity Charter helps to develop a management style that respects differences and is based on trust. It improves team cohesion, which is a source of a better way of living together and therefore of performance."

Code 4: Inclusive Work Culture. The texts stress the importance of maintaining an inclusive corporate culture that respects and values diversity. Maintaining an inclusive work culture involves creating an environment that does not discriminate and ensures equal treatment and opportunities for all employees. They encourage organizations to review their processes and integrate diversity considerations into human resources, supply chain, and customer relations. An example from the Portuguese Charter is: "Develop an organizational culture based on mutual respect, recognition and appreciation of individual differences and talents."

Code 5: Internal and External Communication. The texts emphasize the need for regular communication about D&I both internally and externally. This includes informing employees and the public about the organization's commitment to D&I, promoting diversity standards, and educating society about diversity issues. An example from the Italian Charter is: "Communicate to staff, in the most appropriate ways, the commitment undertaken in favor of a corporate culture of equal opportunities, informing them about the projects undertaken in these areas and the practical results achieved."

Code 6: Collaboration and Education. Three DC texts highlight the importance of collaboration with government and non-governmental organizations to promote societal diversity. They also mention educating employees, managers, and leaders about diversity issues and providing training and development opportunities. An example from the Dutch Charter is "(Company Name) shares the experiences and knowledge in achieving this challenge and diversity policy in general with other companies and organizations."

Code 7: Action Plan and Reporting. Five DC texts mention developing an action plan to implement diversity practices and set measurable goals. They emphasize the importance of monitoring progress and annual reporting on achievements and best practices. The Dutch Charter has the most detailed approach and instructions for developing the action plan. Other charters mention that it should be made but do not elaborate on how this should be done. An example from the Estonian Charter is, "We shall draft and regularly update an action plan for the promotion of the principle of equal treatment and for consideration of diversity which shall incorporate measurable performance indicators and, in the drafting, and implementation of which all staff shall be included; We shall continuously monitor progress in the achievement of the objectives set out in this charter."

Code 8: Updating Recruitment Practices. Four of the charters mention the need to change recruitment processes so they are not biased and allow for a fair selection of new employees. An example from the Latvian Charter is, "We commit to assessing all recruitment and staffing policy processes to ensure that they guarantee the optimum use and equal treatment of all employees' expertise and talents, eliminating discrimination on the basis of gender, ethnic background, skin colour, age, disability, sexual orientation, gender identity, and religious or political views."

Code 9: Legal Compliance. Two of the DC texts explicitly mention that diversity efforts are under the constitutions and laws of their respective countries. They stress the prohibition of discrimination and the promotion of equal opportunities. Example from the Irish Charter: "Prevent discrimination and promote equality for groups covered in the Employment Equality Acts 1998-2015 and the Equal Status Acts 2000-2018, that is, age, civil status, disability, family status, gender, race, religion, sexual orientation and membership of the Traveller Community."

5.2.2. Key Identified Themes

Two central themes are present across the charters: Statements Affirming the Importance of Diversity and Promissory Statements for Future Interventions. The grouping of codes for each theme is presented in the table below (Table 4).

Table 4.

Lists the identified themes and the codes that belong to them

Theme	Codes
Statements Affirming the Importance of Diversity	Acknowledgment of Globalization, Definition of Diversity, Business Benefits, and Legal Compliance.
Promissory Statements for Future Interventions	Inclusive Work Culture, Internal and External Communication, Collaboration and Education, Action Plan and Reporting, and Updating Recruitment Practices.

Source: Original research finding

Statements Affirming the Importance of Diversity consist of codes identified in the DCs meant to show the company signing the Charter understands the context and importance of their participation. Furthermore, these statements reaffirm existing ideals in other EU documents discussed in the article. Promissory Statements for Future Interventions indicate the company's intent to increase inclusion in their work environment and promote D&I in society and their supply chain.

The codes and themes identified during this open-ended coding demonstrate that the DC is based on existing EU documents; its statements reaffirm union ideals. However, upon exploring other areas of the DC initiatives, we found that most of the documents are based on promises the companies make with no measures to validate the efficiency of their actions. The unity in the Charter's wording is absent in the suggested change processes. It seems that in most cases, to get recognized as a diverse and inclusive organization, signatories of the DC need to sign a promise of good intentions and pay a participation fee. The similarities in the charters regarding actions the company promises to take are general ideas that will have minimal effect, especially if the company in question has no estimate of its current state and, hence, no basis to search for best practices and recommendations.

6. Discussion

Based on the presented findings, the researchers identified five key issues with the current state of DC and its relationship with the broader economic and political environment in the EU. The key issues will be the base for recommendations and future research directions.

6.1. Values Are Outsourced to the Market

The findings indicate that the DC is, in a way, an attempt at governing bodies to outsource their responsibility to ensure a free society that respects all its citizens to the job market. At least, this is how the creation of the DC is portrayed with the story of Axa and the French Prime Minister's plea to the corporate world to further the cause the government enshrined in law.

The main principles in the Charter are just a reiteration of formulations found in many EU treaties and declarations. However, as the evaluated literature demonstrates, reforming each member state's laws to be more respectful of human rights outlined in the EUCFR is proving difficult. Mainly because member states use loopholes to protect themselves or ignore EU opinion altogether. In such a legal climate, it seems that the DC can do little to resolve underlying social issues that prevent further inclusion from spreading through the EU.

Furthermore, signing documents promising to protect certain identity groups and then having no new legal way to do so will give no results. Without an understanding of what they need to change and how they should change, companies cannot choose a direction. This lack of understanding and accountability certainly impacts the EU and the member states and

contributes to their inability to combat discrimination in society. Companies will align with legal requirements, but the state must mandate them. Otherwise, each company must figure out how to offer its employees rights that the state is not providing for them. The historical trajectory of market interests underlines a worrying trend: these interests have not always catalyzed advancements in ethical standards.

A stark example is the institution of slavery, which, distressingly, made economic sense from a market perspective. Analytical outcomes from various sectors presented in this article confirm that the market, in its current state, systematically perpetuates discrimination, contravening established anti-discrimination statutes. The fundamental mechanics of the market, where supply meets demand, inadvertently marginalize minority and oppressed groups. Their needs, voices, and aspirations get lost amidst dominant market forces, rendering them invisible. Market-driven thinking approaches the target group where the most money can be made and services this group the most. Ignoring other groups and thus marginalizing them because they are not economically viable. Market-driven strategies alone are insufficient and, at times, counterproductive in advancing D&I.

We consider the concept of 'woke capitalism'—that diversity is championed because it augments profits—holds dangers. If ever the tide turned and diversity ceased to be commercially viable, we risk backsliding into an era where discrimination is once again legitimized. Entrusting our moral and ethical compass to the unpredictable whims of the market is fraught with danger. Succumbing to the belief that market dynamics are the ultimate solution is to risk fostering a society where minority voices are perpetually marginalized. In simple terms, when decisions are based purely on what sells or is profitable, those with less representation or (financial/ social) power in the market get overlooked, leading to systemic discrimination.

6.2. There Is a Lack of Process and Independent Expertise

The research findings also demonstrate no formal processes for gaining the Charter. Furthermore, no requirements for retaining it are stated either. The lack of professional evaluation, accession process, and continual evaluation indicates that DC is based on intentions and does not create processes where people are held accountable for achieving D&I goals.

In this way, most initiatives may face implementation paralysis because the DCs are formulated with general terms without providing starting measurements and a way for the stakeholders and leaders to understand what they must do to create a more inclusive work environment. Even though many of the charters offer educational programs, they are not required to get the DC label. The education should focus on providing participants with external knowledge about D&I in general and offering introspective tools. Like a mirror, these tools will help them understand where they stand, where they need to go, and how their actions and behaviours have contributed to or perpetuated a lack of genuine and equitable D&I collaboration. Hence, currently, there are no actual requirements other than voicing good intentions and reiterating commitments to upholding human rights.

6.3. The Findings Indicate Low Participation

During the research, we found that even though there are many companies involved in the DC initiatives, the participation rate is low when compared to the total number of companies on the job market. Furthermore, upon closer inspection of the participating companies, it is possible to spot multinational corporations and large companies reappearing on many charter

signatory lists. However, the exact representation of multinational corporations on the DC signatory's lists was not determined during this research.

6.4. Charters May be Perceived as EU-Mandated Intervention

With the example of the IDEAS and the three member states that participated in the program, it is also evident that the EU sometimes mandates the creation of DC initiatives. This is an example of soft power techniques that the EU practices to convince member states to better align with agreed norms. Also, it may be that in other instances, when non-profit organizations created the national DC, they were also funded by the EU.

EU support of the DC can be understood as an effort to guide the market to become more inclusive. However, this is another example of the issues identified in point one. The EU supports the creation of the DC but does not provide any tools, nor does it request a detailed process for gaining the label. At the same time, by supporting the initiatives and not providing a way for action, the companies are left to invent their interventions based on goals set by the EU without a proper understanding of D&I.

6.5. Intersectionality Is Relevant but Often Ignored

Most charters concentrate on identity categories and perpetuate the idea of people having a single discriminated identity. The current understanding of discrimination maintains that layers of human experience create various forms of discrimination. By stating all the potential discriminated identities, we do not understand the full scope of inclusion. Instead, we are creating a platform for potential island formation among employees. With certain identity groups being marked as the enemy and others as victims.

7. Recommendations

Based on the five points discussed above, we will offer recommendations to improve DC and its inclusion initiatives in the EU. The presented suggestions combine scientific insight and professional experience. We base these recommendations on our current research and understanding of DC initiatives in the EU. Further research will help us understand if these recommendations should be adapted.

7.1. Vales Are for the State

Values should not be outsourced to the market, especially when the issue is the fight against discrimination. The government is always responsible for the security of its citizens, and companies will do what is legally required of them. The intertextual study shows a clear intention to improve inclusion in the EU. However, there is ambiguity in this endeavour mainly because of the political tension arising from questions of how to represent commonly held values in law.

Even though all member states signed the EUCHR, there is a need for the DC to exist. The signatories promise to increase inclusion and ensure all existing and future employees have equal opportunities, and the state does not provide the same legal protection. This ambiguity can be resolved by offering companies a clear understanding of how state law guarantees the protection of human rights and what they do not provide. Then, companies can make conscious decisions to find solutions and provide equal opportunities when the state does not do this. However, such a solution again rests on the good intentions of the companies and individuals to provide for their employees what the law does not require of them. It is necessary to resolve

the ideological ambiguity, provide a comprehensive position toward human rights, and not depend on the market to solve historic social injustices.

7.2. The DCs Should Introduce a Formal Process

The intertextual analysis and the examination of the websites linked with the charters show very few formal processes for charter signatories after they signal they want to join. The fact that there is no baseline measurement of the state of D&I in companies that sign the Charter is concerning.

The measurement should not be understood as the accession criteria or a means by which companies will be judged whether they are inclusive. Our professional opinion is that discrimination is a profound and limiting issue all societies face. Resolving the problem of discrimination cannot be left to the good intentions of companies or individuals. The EU should support change initiatives that create interventions based on research that will show companies where they are and when they can say they are sufficiently diverse and inclusive. Without an independent and high-quality baseline measurement, a plan of action and training cannot be appropriately applied. A proper evaluation should not be left as an option, nor should self-evaluation be suggested. Instead, companies should find professional advice and evaluate their starting position with a proper research process.

7.3. Participation Rates Should be Increased

Currently, our research cannot provide a meaningful and comprehensive answer to the issue of low participation. Our professional experience shows that there is a growing interest in D&I initiatives. However, the figures repeatedly show that progress is lacking.

The low interest may result from financial demands arising from implementing D&I measures. It may be because some companies are dissatisfied with charter organizations and how they function. Alternatively, it can result from a lack of clear understanding of what companies will gain with D&I and the path they should take to get there. We aim to explore the issue with participation further, mainly by researching companies that sign the Charter and those that implement D&I but choose not to sign the document.

7.4. The EU Should Re-Evaluate its Approach

The EU has done much to fully support human rights, with a clearly outlined vision and measures to protect these rights. Furthermore, inclusion rhetoric, as is the case in organizations, is politically popular among member states. Nevertheless, the research indicates this is insufficient, and true inclusion is lacking in society and the job market.

Instead of further straining the multilateral relationships at the base of the EU with more top-down approaches that can be interpreted as the EU overreaching its legal competence, our suggestion is to rethink the approach. The argument that inclusion is enforced on member states by the EU and that a universal approach to human rights is opposed to member states' cultural values and is likely to lead to stagnation must be fully respected. The approach to ensuring inclusion should be re-adjusted accordingly.

More research is needed to uncover what causes resistance to a universal understanding of fundamental human rights and their protection. Furthermore, a clear understanding of all the missed opportunities and the inadequate interventions implemented in the past 20 years regarding D&I in the EU is also necessary.

7.5. Intersectionality Needs to be Integrated into the DC

Our understanding is that an approach to inclusion based on statements of aims to achieve equal representation of the population in the company and then setting percentage rates and pushing to achieve those numbers is not an approach based on an intersectional understanding of identity. Why do we have to add categories of people to a universal declaration of human rights? If we say all people are equal, why must we state who precisely is equal? As if those who intend to deny people their human rights care for the categories stated.

The intertextual study of DC in the EU shows that charters and the categorical approach to identity rights result from ideological differences among member states and a lack of integration of current scientific research into the DC processes. The DC is a soft power approach that inspires companies to do what the EU cannot mandate directly. As a soft power approach, DCs are neither good nor bad. The issue here is how they are enacted. In their current state, the DCs are just declarations of good intentions. To achieve D&I goals effectively, companies need an approach based on current research from the scientific community and insight from comprehensive qualitative research in the companies themselves.

8. Suggestions for Further Research

Based on the presented findings, we suggest developing a new approach to addressing discrimination in the intricate framework of the EU. We aim to expand our research and develop a new approach that will provide companies with the necessary tools for ensuring inclusion without having to tackle the challenge of achieving pan-European consensus on legislation related to ethical matters. The introspective initiative we are developing is the Reflective Realignment Approach (RRA). Instead of pressing for adopting a specific moral stance or the imposition of universal legislation, we advise developing a research method to aid companies and countries in implementing D&I. The approach we want to develop can be summed up by Maya Angelou's famous statement: "When you know better, you do better." Such an approach resonates in abundant change-management literature and posits that introspection is a prerequisite for sustainable transformation. We consider that this method should be akin to fostering 'awareness.' However, rather than focusing on socially recognized phenomena (the external), the emphasis lies on individual and institutional reflection about one's operations and actions (the internal). Instead of the current DC approach, the RRA, as an intellectual framework, endeavours solely to provide a lucid understanding of the current state of affairs concerning D&I. Should any injustices or discriminatory practices come to light, the responsibility to address these concerns rests with the respective organization and member state. This approach should value autonomy and self-regulation, recognizing the EU's diversity of moral and ethical viewpoints.

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