



CEA

Croatian Employers' Association

**COMMUNICATION ON
ENGAGEMENT (COE)**

2016 - 2017



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Statement of Continued Support

February 1, 2018

To our members, partners, stakeholders,

it is with great honor that I introduce to you Croatian Employers' Association's Communication on Engagement with the United Nations Global Compact, thus reaffirming CEA's support to the Initiative's vision of a global movement of sustainable companies and stakeholders towards achieving the United Nations Sustainable Development Goals and aligning with the universal principles on human rights, labour, environment and anti-corruption.

I am pleased to inform you that the Croatian Employers' Association will continue to host and run the Global Compact Local Network Croatia, providing the Local Network with administrative and logistical support and cooperating with the Global Compact Office in New York, all in the interest of better assisting the UN Global Compact and the Local Network participants in Croatia.

CEA recognizes the essential role the business community has in achieving success of the 2030 Sustainable Development Agenda and the 17 global goals. We believe that businesses need to incorporate the values of social responsibility and sustainability throughout their entire operations, and have, as an employers' association, been actively promoting the 10 Principles of Global Compact and the 17 Sustainable Development Goals among our members, and shall continue to do so, as well as committing to them ourselves. This Communication on Engagement gives an overview of our work and activities to that effect in 2016 and 2017.

Sincerely yours,

Davor Majetić
Director General





About the Croatian Employers' Association (CEA)

The Croatian Employers' Association (CEA) was established in 1993 as a voluntary, non-profit and independent employers' association that represents, promotes and advocates for the interests of its members. Today, CEA has over 6000 members in 30 branch associations that advocate for specific economic interests of different sectors:

- CEA - Association of Contracted Physicians
- CEA - Association of Polyclinics, Hospitals, Medical and Health Care Facilities
- CEA - Catering and Tourism Association
- CEA - Chemical Industry Association
- CEA - Construction Industry Association
- CEA - Education Association
- CEA - Electroindustry Association
- CEA - Employers' Trade Association
- CEA - Energy Association
- CEA - Financial Services Association
- CEA - Food Industry and Agriculture Association
- CEA - Forestry and Hunting Association
- CEA - Geodetic Geoinformatic Association
- CEA - Health-Care and Rehabilitation Association
- CEA - Humanitarian Mine-Clearing Association
- CEA - ICT Association
- CEA - Metal Industry Association
- CEA - Non-metal, Building Materials and Mining Industry Association
- CEA - Pharmaceutical Industry Association
- CEA - Pharmacy Association
- CEA - Publishing and Printing Association
- CEA - Real Estate Developers' Association
- CEA - Security Services Association
- CEA - Small and Medium Sized Enterprises' Association
- CEA - Small Shipbuilding and Nautical Tourism Association
- CEA - Textile and Leather Industry Association
- CEA - Transport Association
- CEA - Wood and Paper Industry Association
- CEA - Graphic designers and publishers
- CEA - Professionals for EU funds

CEA is a strong and independent voice of employers and entrepreneurs. Its regional offices in Osijek, Rijeka, Split and Varaždin make a powerful entrepreneurial network covering all regions of Croatia.





The basic principles which CEA stands for are:

- dynamic and sustainable growth of Croatian economy
- improvement of transparency and efficiency
- good governance and sustainability
- social responsibility standards
- protection of competitiveness and fair level playing field
- flexible labour market and competent labour force

Our mission: *„Being a partner to employers, helping them realize their potential, entrepreneurial ideas and endeavours in the most competitive way“*

Since 1994 the CEA has been the only employers' representative within the national Social-Economic Council, the highest tripartite social body (Government, trade unions and CEA) for social dialogue in Croatia. The Council was established in order to determine, defend and promote the economic and social rights of entrepreneurs and workers, and to maintain a harmonized economic, social and development policy. Pursuant to the Labour Act from 1996, CEA has the legitimate right to negotiate in the process of collective bargaining and to sign Collective Agreements on behalf of employers.

CEA is also very active on an international level.

Since 2012, CEA has been the headquarter centre/representative of the Global Compact Local Network Croatia, thus promoting the principles of corporate social responsibility and sustainable development among its members. The association is also::

- member of the International Employers' Association (OIE) since 1993
- participant to the International Labor Organization (ILO) since 1994
- member of the European Confederation of Small and Medium-sized Enterprises (CEA-PME) since 1997
- member of BUSINESSEUROPE in the observer status since 1994 and in the associate member status since 2004, becoming a full member in 2013
- observer in BIAC since 2014
- Director General of CEA is a member of the European Economic and Social Committee (EESC) – Employers' Group





Activities in 2016 and 2017

Partnerships and Initiatives

CEA Base of Business Women



In March 2016, Ombudsman for Gender Equality and Croatian Employers' Association presented first members of the electronic Base of business women who are capable and qualified to assume management positions in companies. The Base is open to public on the website www.hup.hr and <http://staklenilabirint.prs.hr/>.

CEA Base of Business Women was designed according to the already existing similar bases in the world, such as Global Board Ready Women, European Network for Women in Leadership and Women on Board, as part of a

wider project Removing the glass labyrinth - equality in opportunities and access to decision-making positions in companies in Croatia, financed by the Progress program of the European Union.

After the completion of the project, CEA took over the management of the Base, aiming to encourage companies to hire more women in management positions, because they are still significantly under-represented in comparison to men, although equally competent and qualified to be executive directors or members, and presidents, of management boards. Croatian Employers' Association, representing more than 6,000 companies, continues to manage this base in order to start a positive change in terms of achieving greater equality between men and women, which will then hopefully make a very visible impact and cause significant shifts in the entire business sector.

By April 2017, two more cycles of new candidates applying to join the Base had been conducted. As a result, today the CEA Base of Business Women numbers 100 members.

All member companies of the CEA have been informed about the activation of the Base, and since then encouraged to use the Base when deciding on new appointments to management positions in their companies. In addition, we encourage companies to generally pay more attention to the equality of women and men in their human resources programmes.

During 2016 and 2017 we had organized workshops on leadership for members of the Base and, in addition, business women have shown interest in participating in Private Sector Youth Initiative's Mentoring program, another initiative launched by CEA in 2016, to support female students in entering the labour market and planning their careers.





Croatian Employers' Association actively supports and will continue to support all initiatives aimed at achieving true equality of women and men in the business world, but also in the wider community.



Private Sector Youth Initiative (PSYI)



In October 2016, Croatian Employers' Association has launched the Private Sector Youth Initiative, in partnership with EBRD and in cooperation with private companies, professional women's associations and academic institutions, with the aim to address the mismatch by linking education institutions and employers, thus providing young people in Croatia with on-the-job training opportunities and high quality internships to gain skills that are directly relevant to the labour market and to have access to a better career progression route

with real job opportunities on completion of internship programme

The other PSYI objective is expanding economic opportunities for women by matching them with successful business women, to guide them at the beginning of their careers and help them overcome “soft” barriers when entering the labour market.

By incorporating work-based learning, mentoring and the student internship programme, the initiative's goal is to provide a framework for student training based on best international practice and to develop an internationally approved Student Internship and Women Mentoring programmes.

By summer of 2017, 140 companies have secured over 620 internship placements for students from 40 educational institutions that have joined the Initiative. In addition, 40 successful business women from CEA Base of business women have joined the Initiative's Mentoring programme, agreeing to mentor exceptional young female students.

We have established the web-site and portal <http://inicijativazamlade.hup.hr/>, a meeting point for employers, educations institutions and students, where all the PSYI activities are done online.





With support from the EBRD Taiwan Business Technical Cooperation Fund, in the second phase of the Croatia Private Sector Youth Initiative (PSYI II), CEA aims to expand the programme's reach to regional cities of Croatia where the inclusion gaps are larger, as well as to neighbouring countries that have the same problem.

Specific activities include the following: workshops for students, educational institutions' staff, employers, mentors and coaches; maintaining and enhancing web-site/portal; visibility events promoting the Initiative; developing of Regional Handbook for neighbouring countries and, most importantly, securing a sustainable funding-base for the Initiative through the EU Structure Fund.

With the Private Sector Youth Initiative, Croatian Employers's Association wants to support modernisation of higher education and strengthen the cooperation between academia and business sector, providing Croatia with a common platform to engage the existing and future private-sector organisations in offering work-based learning opportunities, and providing Croatian organisations with an internship framework based on international best practices. The end objective is to show the Ministry of Science and Education and the Ministry of Labour and Pension System the importance of implementation of dual studies in Croatia, incorporating internship for students in the national curriculum, so that internship becomes a part of studies programme for all students in Croatia. At the moment, some faculties (mostly private ones) have internships as part of their programmes, but most of the state universities and faculties do not. With this initiative, we want to plead with the Government to change this.



Human Rights



Labour



Environment



Anti-Corruption





CSR Academy Children are Everyone's Business

As part of the worldwide initiative Children are everyone's business, that aims to support companies of all sizes in integration of children's rights in every day business and management, CEA and UNICEF organized a series of workshops on:

- children's rights – what they are and why they are important to business;
- international frameworks and standards related to children's rights;
- inclusion of children's rights in business processes and management;
- children as an important part of the business sector;
- how to avoid, reduce and eliminate harmful effects on children and why it is necessary to have a policy on the rights of children.

By attending the education, representatives of leading Croatian companies adopted expert knowledge and practical tools to help them better understand children's rights and needs and to incorporate them into day-to-day business and management.





Promoting Best Practices

CSR Best Practice Award



Both in 2016 and 2017, Croatian Employers' Association awarded companies that have been recognized for socially responsible practices in the following areas:

- care for employees,
- care for community and the environment in the three categories: small, large and medium-sized companies,
- promoting a socially responsible business within the supply chain,
- CSR Grand Prix for a company that best incorporates the CSR principles through the entire business.

SHINE for Visibility of CSR and Sustainability in Digital Media



In July and August 2017, Global Compact Network Croatia, the Croatian Employers' Association and the initiative Dobra Hrvatska (Good Croatia) for the Affirmation of Social Responsibility and Sustainable Development, conducted a research project on companies' visibility of corporate social responsibility in digital media.





The results have shown that more and more Croatian companies are investing in the visibility of socially responsible business via digital media.

Large companies were leading in communicating their activities, although small and medium-sized enterprises were already sharing exceptionally valuable examples of good practice that can stimulate others.

Among the 203 companies covered in the research project, 10 have been awarded with "SHINE" awards for the Visibility and Affirmation of Socially Responsible Business and Sustainability in the Digital Media. The aim of the award is to validate good digital practice; to give recognition to the noted companies; and to encourage others to use different good experiences and improve their own business.



Recognition and Growth

MAMFORCE Company

In 2016, as part of the project "Towards real equality between men and women - reconciliation of private and business life", Croatian Employers' Association gained the



MAMFORCE STANDARD Certificate for successful implementation of family-aware and gender-equal human resource management policies. During 2017, based on the recommendations received, we implemented new practices taking into account the family responsibilities of employees and enabling equal gender representation in managerial positions. In December 2017, Croatian Employers' Association was awarded the **DADFORCE**

Certificate for supporting employed fathers.

MAMFORCE STANDARD is awarded to public institutions, state bodies and public companies, and small and medium-sized enterprises that have successfully passed an independent assessment of working conditions and existing human resource management practices.





Diversity Charter



In October 2017, CEA, along with 33 other companies and organizations, signed the Diversity Charter, thus joining numerous companies and organizations in 16

countries of the European Union, that have adopted the Charter and agreed on respecting diversity, implementing and promoting diversity principles, and reporting on their activities in this area.

By signing this charter, we have taken on the commitment of ensuring long-term sustainability, tolerance and inclusion in all segments of our business, understanding the importance of following the global trends in this field.



Franklin University Students in CEA on CSR and Sustainability



In March 2017, a group of postgraduate students from the University of Franklin in Switzerland visited the Croatian Employers' Association as part of a multi-day study trip to Bosnia and Herzegovina and Croatia on Social Entrepreneurship and Sustainable Development.

Apart from wanting to hear about CEA's activities in this area, students were interested in seeing where the Global Compact Local Network

Croatia is run from and to learn more about the Network's activities as well as about the Global Compact initiative and its principles, Agenda 2030 for Sustainable Development, the impact of the Global Compact Local Network in Croatia, and the position of young people in Croatia with special emphasis on employment.





Learning and Sharing Good Practices

Lecture Culture beats Strategy: The Role of Leaders in Managing Organizational Culture, June 2016

The lecture showcased a company that, after a period of exceptionally bad results, introduced a change in management, while not making any changes in company's structure and employees. This led to dramatic improvements in productivity and cost reduction. This example shows that sometimes the necessary change is needed not in strategy, but in organizational culture.

Organizational culture is a set of values, beliefs, norms and customs in the organization that determine the internal communication, the way of working and the behavior of individuals and groups.

Lecture on Principles of Success in a Business Environment, September 2016

Quality and motivated workforce represents the greatest resource in a business environment. Today, professional knowledge is the basis, but there is an increasing need for the development of soft skills, the skills we use to manage people around us but also to manage ourselves, our behaviour in a working environment. These skills distinguish extremely successful businesses from the average ones and are directly linked to profit making.

Roundtable Development of organizational culture that supports the balance of professional and private life - a win-win situation for employees and employers, October 2017

The Roundtable was organized to demonstrate the challenges that most of today's organizations face in an effort to attract and retain quality employees and increase their engagement. Many researches show that today's generation of employees greatly appreciates the quality of life and leisure and that they are not loyal to their companies since they are prone to frequent changes in the workplace. That is why it is more important than ever to provide employees with support to better meet the demands of their professional life while providing them with time and energy for quality private life.

It was concluded that the development of a healthy organizational culture and the implementation of programs and measures that enable a balanced work life (such as flexible working hours and place of work) have proved to be the best solution for long-term productivity, health and employee satisfaction.

