

SUBJECTIVE FACTORS IN CORPORATE DEMOGRAPHIC POLICY

Oksana Shubat – Anastasia Tobysheva

Abstract

Negative demographic trends encourage seeking new instruments to address demographic problems. One of such instruments may be an active involvement of the private sector in supporting reproductive health of employees and birth rates among them. This direction in the company's activities in several articles is called corporate demographic policy. The purpose of the paper is to develop a methodology for identifying cognitive distortions that affect corporate demographic policy. Methods of scientometric and content analysis were used. The analysis made it possible to identify specific features of publications about cognitive distortions, as well as trends in the dynamics of the number of such publications. A methodology was developed for identifying cognitive distortions of the staff that have an impact (or could potentially have it) on corporate demographic policy. The methodology is implemented in three stages and involves conducting qualitative research (in-depth interviews). The proposed methodology, as well as studies conducted on its basis, will help to understand the mechanisms of CDR formation and corporate social policy in general deeper and suggest ways to improve it and increase its effectiveness.

Key words: corporate demographic policy, cognitive distortions, private sector, birth rate

JEL Code: J13, M14

Introduction

The negative demographic dynamic is one of the most serious issues in many developed and developing countries, including Russia. For example, since 2016 Russia has seen a natural decrease of population, which is increasing every year. In 2016, it accounted for 2,286 people, whereas in 2021, the number of deaths exceeded the number of births by 1,043,341 people. In this period, the crude birth rate decreased annually, the total fertility rate decreased from 2016 to 2019 and then remained unchanged at 1.505, which is significantly lower than the level of simple reproduction (Demographic indicators, 2022).

Negative demographic trends encourage seeking new instruments to address demographic problems. One of these instruments can be the active participation of the private sector in supporting the reproductive health of workers and the birth rate among them, and in general – the implementation of family-friendly policy. This direction in the company's activities is referred to as corporate demographic policy (Bagirova & Manukyan, 2020; Rostovskaya et al, 2021), which is implemented as part of corporate social responsibility (CSR) policy. It can compensate for the insufficient state assistance provided to families with children and strengthen the support provided at the macro-level in the field of parenthood (Rostovskaya et al, 2021).

Family-friendly policy, corporate demographic policy, and research into these topics are not common in Russian companies. At the same time, researchers show various positive effects for businesses exerted by family-friendly policies – the mitigation of the family-work conflict and improved job satisfaction (Breugh & Frye, 2007), the increasing attractiveness of the company (Bourhis & Mekkaoui, 2010), reduced turnout, and improved satisfaction of workers with labour conditions (Kim & Wiggins, 2011), an increase in the birth rate in the families of employees, a decrease in the number of complicated and premature births and a decrease in the frequency of sick leave due to a child's illness. (Bagirova et al, 2014).

Studies conducted in different countries also reveal factors affecting the implementation of corporate social responsibility practices. Researchers point out to a variety of factors, including internal and external, objective and subjective (Kabir and Tai, 2021; Manner, 2010). When forming a corporate demographic policy, it is certainly highly important to consider not only objective characteristics and needs of employees, but also subjective factors; cognitive distortions are one of those factors.

The term “cognitive distortion” first appeared in cognitive therapy literature on depression. A. Beck defined it as the “idiosyncratic thought content indicative of distorted or unrealistic conceptualizations” (Beck, 1963, p. 324). According to Beck, cognitive distortions are unrealistic, inflexible, or extreme interpretations of information caused by systematic errors in the logic of an individual.

There have not been any studies of the cognitive distortions influence on corporate demographic policy, which may be due the novelty of the research object. However, researchers have explored various aspects of enterprise and human resource management in terms of cognitive distortions. For example, they analysed indicators that allow predicting the occurrence of cognitive distortions in management activities (Frankovský et al, 2015), the relationship between the cognitive distortions occurrence and positive and negative emotions

(Zibrinova et al, 2015), the impact of cognitive time distortions on labour productivity (von Schéele et al, 2019), and other management aspects.

The study aims to develop a methodology for identifying cognitive distortions that affect corporate demographic policy.

1 Data and Methods

As part of the study, we applied methods of scientometric and content analysis. We used publications indexed in Scopus, as well as in the Russian Science Citation Index (RSCI). The analysis included publications with the term “cognitive distortions” as a keyword. Notably, the search options in these two databases differ greatly, as do the options for scientometric analysis; therefore, some results obtained from the analysis of Scopus and RSCI publications cannot be compared. However, the analysis still allows us to draw conclusions about the details of the publication activity on the topic of cognitive distortions.

To study CSR practices in the field of demography, we used data from the library of corporate practices provided by the Russian Union of Industrialists and Entrepreneurs (RSPP). The RSPP is a public organisation established to make Russia more business-friendly and attractive for investors, as well as to maintain a balance of interests between business, state, and society. The RSPP corporate practices library is an electronic database that contains corporate programmes which reflect the participation of business in solving socially significant problems (RSPP, 2022).

To develop the methodology for assessing the impact of cognitive distortions on the development and implementation of corporate demographic policy, we used basic concepts of the cognitive distortion theory with some of our revisions. The list of possible cognitive distortions is quite large, and the classifications of cognitive distortions types are also diverse. For our study, we identified the following important types of cognitive distortions: 1) those which the company’s top management faces when developing, implementing, and controlling corporate demographic policy; 2) those which the staff faces when feeling (or possibly feeling) the impact of corporate demographic policy measures. In this study, we present the methodology for identifying cognitive distortions of the staff. Such distortions affect or may potentially affect the implementation of corporate demographic policy and its effectiveness.

2 Results

1) The analysis of publications with the term "cognitive distortions" in their titles allowed us to make their scientometric portrait. There are 588 such publications indexed in the Scopus database, dating from 1976 to 2022. Most of the publications (74%) cover such subject areas as psychology and medicine. Less than 3% of publications deal with such subject areas as "Business, Management and Accounting", which are key for corporate demographic policy topics, as well as "Economics, Econometrics and Finance". Remarkably, there were not any publications on "Demography", which is a crucial subject area for our study. The top 3 leaders by the number of publications include the United States (24% of all publications), the United Kingdom (16%), and Canada (14%). Importantly, there are very few publications by Russian authors on the subject of cognitive distortions – only 4 papers.

The RSCI has indexed 267 such publications from 2010 to 2022. Thus, the research interest in cognitive distortions appeared in Russia much later than in the rest of the academic space. The overwhelming number of publications by Russian authors explore the subject area "Psychology" (78%). Only 2 publications have been indexed in demographic topics. The specific detail of the Russian scientific research on cognitive distortions is that authors tend to publish their work results in conference proceedings rather than in journals (Table 1).

Tab. 1: Some scientometric indicators of publication activity on the cognitive distortions in Scopus and RSCI

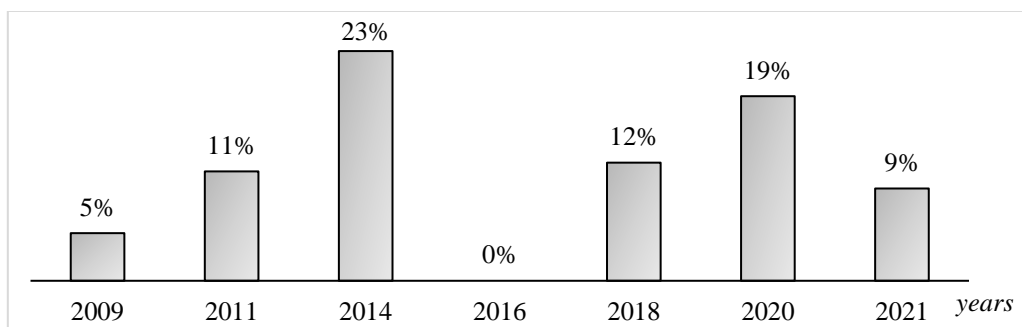
Indicator	Scopus	RSCI
Share of publications in the total number of publications indexed, %	0.00067	0.00066
Number of publications over the last 5 years (2018-2022)	194	199
Articles	85	59
Books and Books Chapters	5	6
Conference Papers	3	34
Number of publications in subject area «Demography»	0	2

Source: authors' calculations

Thus, researchers rarely conduct studies of cognitive distortions in those subject areas that can be associated with corporate social responsibility and policy. To such subject areas we attribute "Business, Management and Accounting", "Economics, Econometrics and Finance" and "Demography". Importantly, we did not find any publications with both "cognitive distortions" and "corporate social responsibility" as keywords.

2) The analysis of successful corporate practices in large Russian companies showed that the number of enterprises implementing economically and socially successful programmes to support employees' reproductive health and fertility in their families is still insignificant and does not have a pronounced tendency to grow (Figure 1).

Fig. 1: Proportion of enterprises implementing successful social responsibility programmes for supporting employees' reproductive health and fertility in their families (% of the total number of enterprises represented in the collections of RSPP corporate practices)



Source: authors' calculations

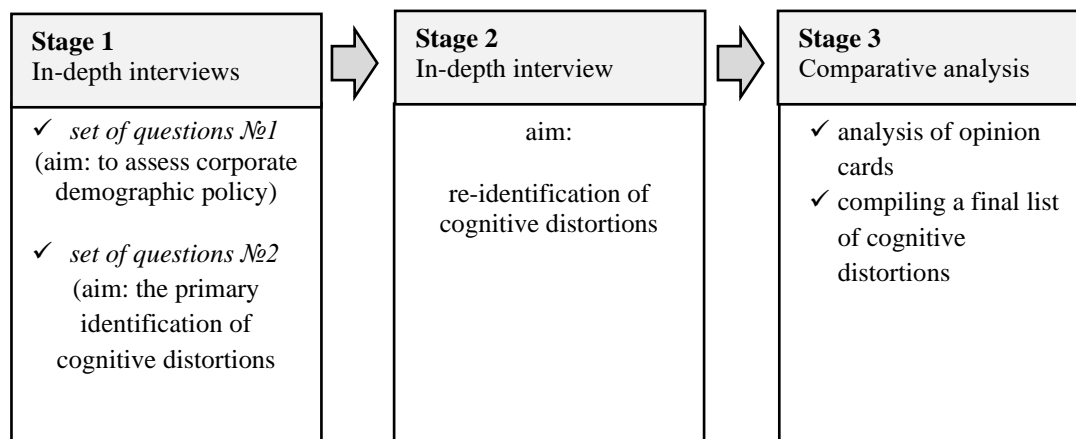
However, large Russian businesses realise the importance, necessity, and effectiveness – though delayed in time – of such programmes. The collections of corporate practices indicate that timely employee support measures help address several problems at once. For example, new kindergartens and other maternal support enable young mothers to return to work earlier and thus contribute to eliminating the labour shortage; wealthier families lead to an increase in the country's GDP; advanced medical technologies make socially oriented industries more competitive (RSPP, 2022).

3) We propose a methodology for identifying cognitive distortions of the staff that have an impact (or could potentially have it) on corporate demographic policy (CDP). The methodology is implemented in three stages and involves conducting qualitative research (Figure 2).

The first stage is in-depth interviews with employees; they have to cover two sets of questions. The first set of questions aims to assess corporate demographic policy, its instruments, and measures. During the interview, it is necessary to explore assessments of all four components of CDP (Rostovskaya et al, 2021): 1) ideological and moral component (counselling and psychological support for the employee and their family, as well as promotion of family values); 2) economic and financial component (a variety of benefits provided for the

childbirth and raising children); 3) organizational and medical component (affordability, availability, and quality of medical care for the health restoration, including reproductive health); 4) administrative and legal (promoting employment for women with children, providing infrastructure for families with children).

Fig. 2: Methodology for identifying cognitive distortions



Source: authors' development

The second set of in-depth interview questions aims at the primary identification of cognitive distortions that affect the employee reproductive behaviour in the context of CDR measures implemented at the enterprise. During the interview, we discuss and analyse the expected effects and results from CDR if the employee decides to have a child. For example, we assume that the interview can identify the following types of cognitive distortions and the reasons for the employee's unwillingness to have children:

- they are not certain that they will be able to continue working as effectively as before due to the loss of professional skills, deterioration of physical and emotional health, and a decrease in cognitive abilities. Such concerns in the theory of cognitive distortions can be classified as the ambiguity effect, framing effect, consolidation of particular cases:

- they believe that the income will drop due to additional expenses for the child, sick leave for childcare, insufficient childbirth and childcare benefits (focus effect, consolidation of particular cases);

- they believe that the employer may discharge them after parental leave is over (anchoring effect, confirmation bias, availability heuristic);

- they argue that the support of their health (including reproductive health) after the childbirth is not a priority for the employer (confirmation bias, clustering illusion, error of particular cases);

- they claim that they will not be able to provide comfortable conditions for childbirth and childcare (confirmation bias, anchoring effect, framing effect).

An important methodological feature of all interviews is the completion of a special opinion card. It represents systematised and structured records of the researcher about all the questions asked and answers received, the contextual situations discussed, the participant's feelings, thoughts, and interpretations of various words and opinions.

The second stage of the methodology for identifying cognitive distortions is a repetition of the second block of in-depth interviews from the first stage. Interviews should be conducted with the same participants. The goal is to identify and evaluate the variation in people's views at different times. Participants should be asked the same questions and in the same order as in the first stage of the research. When new answers are found (different from the previous ones), it is necessary to articulate the opinion shared previously and identify the reasons for the change. This approach will allow us to assess the presence of the so-called "noise".

The third stage of the methodology involves the interpretation of the data obtained during interviews, as well as a comparative analysis of opinion cards. Finally, we compile a final list of cognitive distortions that affect or may potentially affect the company's corporate demographic policy.

3 Discussions

The study raises a discussion on a number of questions. First of all, the proposed methodology for identifying cognitive distortions that affect CDR is only the first methodological step in the research process. It requires more testing and will be finalised in the further research.

An important methodological issue of this methodology, which requires further elaboration, is the determination of the time lag between the first and second stages. We suggest that it should be from 1 to 4 weeks. According to the Ebbinghaus forgetting curve, after 3 weeks a person remembers up to 20% of the information received (Ebbinghaus, 1913). Thus, it is advisable to repeat the in-depth interview and assess the presence of cognitive distortions during this period. If the gap between the first and second stages lasts more than four weeks, then there is a risk that the company's corporate policy may change. This, accordingly, will lead to a bias in the answers of the interviewees. However, this position requires further in-depth research.

Additionally, to gain a full-scale picture of cognitive distortions' impact on CDR, it is necessary to develop and implement a methodology for analysing cognitive distortions among the company's top management. Their views and incentives play an important role in shaping the company's social policy. This is one of the directions for our further research.

An important practical result from developing and introducing the methods for assessing cognitive distortions of company's employees and top management will be the opportunity to classify cognitive distortions that affect each stage of decision-making during the establishment and enforcement of CDR. Therefore, it is possible to identify decision-making models with cognitive distortions considered, to correct these decisions in order to increase motivation and the ability of employees to realize their reproductive intentions. This is one of our future research goals.

Another area of further research is the development of a methodology and a quantitative study of the impact of cognitive distortions on corporate demographic policy. This will make it possible to conduct a comparative analysis of the corporate practices of various enterprises and rank enterprises in terms of the effectiveness of corporate demographic policy.

Conclusions

We can draw several conclusions based on our research. Firstly, corporate demographic policy is a popular and effective tool for solving demographic problems. However, currently, only a small part of Russian companies adopt measures related to supporting the reproductive health of workers and the birth rate among them, and in general – to pursuing family-friendly policy.

Secondly, the problems of cognitive distortions have not been sufficiently studied in subject areas covering the topics of corporate social responsibility and policy – "Business, Management and Accounting", "Economics, Econometrics and Finance", and "Demography".

Thirdly, the proposed methodology for identifying cognitive distortions that affect corporate demographic policy, as well as studies conducted on its basis, will help to understand the mechanisms of CDR formation and corporate social policy in general deeper and suggest ways to improve it and increase its effectiveness.

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Contact

Oksana Shubat

Ural Federal University

Mira st., 19, Ekaterinburg, Russia, 620002

o.m.shubat@urfu.ru

Anastasia Tobysheva

Ural Federal University

Mira st., 19, Ekaterinburg, Russia, 620002

tobysheva.a.a@internet.ru