



# Assessing Diversity

## Impact in Business

*By the European  
Union Platform of  
Diversity Charters*

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More information about Diversity Charters and the platform for EU-level exchange is available from the European Commission portal: [http://ec.europa.eu/justice/discrimination/diversity/index\\_en.htm](http://ec.europa.eu/justice/discrimination/diversity/index_en.htm)

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Diversity **Charters** -  
Supporting business  
in Europe

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In 12 countries across Europe, more than 5 500 companies and public institutions, which employ over 15 million people, have signed diversity charters.

These charters, which consist of a short document voluntarily signed by a company or a public institution, outline the commitment that organisations have to promoting diversity and equal opportunities in the workplace, regardless of, for example, age, disability, gender, race or ethnic origin, religion or sexual orientation.

By signing a public commitment to managing diversity and participating in the learning network provided through the diversity charters, companies gain considerable benefits, internally and externally.

With the support of the European Commission, national diversity charters came together into the EU Diversity Charter Platform<sup>1</sup>. The EU-level exchange platform allows the promoters of the existing diversity charters to meet, to share their experiences and develop common tools.

This report presents the business case of diversity on the basis of existing research; points out the main challenges and key factors of measuring diversity impact stemming from the experience of diversity charters; gives examples identified by the EU Diversity Charter Platform of company activities aiming at measuring the impact of diversity; and makes recommendations for further action.

## 1.1 The Business Case for Diversity

### Leveraging intangible assets

In 2003, a survey of 200 companies in four EU countries revealed that companies invest in diversity to create economic benefits, which they classified as long-term 'value-drivers' and short and medium-term 'opportunities'<sup>2</sup>. The latter, also known as 'return-on-investment' (ROI) benefits, relate to cash-flow through cost reductions, resolving labour shortages, opening up new markets, and improving performance in existing markets. The former long-term value drivers of human and organisational capital, relate to the

tangible and intangible assets that ensure companies are competitive, and include building a differentiated reputation with key stakeholders and customers.

### Showing positive impact

The European Business Test Panel (EBTP) is a representative sample of 3 000 businesses from 25 EU Member States. A 2005 study revealed the extent to which diversity policies were being adopted among members of the panel, the business benefits of these policies and the challenges in their implementation<sup>3</sup>. When asked whether diversity initiatives have a positive impact on their business, the vast majority (83 %) of the companies agreed that they did.

### Getting SMEs more customers and contracts

A follow-on study with small and medium-sized enterprises (SMEs) revealed that further forms of advice and guidance were required<sup>4</sup>. SMEs make up the vast majority of all businesses in Europe and employ three-quarters of the workforce; yet, in 2007, UEAPME<sup>5</sup> highlighted the lack of visibility of diversity and equality measures applied in SMEs. Diversity management is essential for SMEs in attracting customers and securing contracts, especially when dealing with public institutions and large companies that have procurement and supplier diversity policies.

### Positively valuing employment and customer relations, creativity and innovation

A Chartered Institute of Personnel Development (CIPD, 2006) report revealed that the central theme of 'valuing everyone as individuals – as employees, customers, and clients' extends diversity beyond what is for. It revealed four positive effects of managing diversity: diversity in employment promotes cost-effective employment relations, enhances customer relations, enhances creativity, flexibility and innovation in organisations and promotes sustainable development and business advantage.

<sup>1</sup> The EU Diversity Charter Platform is a unique forum, bringing together Diversity Charters across Europe with the tools, skills and structures to support enterprises to deliver effective diversity management strategies, see [http://ec.europa.eu/justice/discrimination/diversity/diversity-charters/index\\_en.htm](http://ec.europa.eu/justice/discrimination/diversity/diversity-charters/index_en.htm)

<sup>2</sup> Centre for Strategy and Evaluation Services. (2003). "The Costs and Benefits of Diversity – A Study on Methods and Indicators to Measure the Cost-Effectiveness of Diversity Policies in Enterprises". Brussels: European Commission

<sup>3</sup> Focus Consultancy and the Conference Board. (2005). "The Business Case for Diversity: Good Practices in the Workplace". Brussels: European Commission

<sup>4</sup> Focus Consultancy and EIM. "Diversity for Talent and Competitiveness: The SME Business Case for Diversity". Brussels: European Commission

<sup>5</sup> UEAPME -European Association of Crafts, Small and Medium Sized Enterprises. 2007. "UEAPME Compendium of good practices of diversity and non-discrimination in European Crafts, Small and Medium Sized Enterprises and their organisations" Brussels: UEAPME

## Enhancing performance and profit

A 2008 study suggested that there can be a positive relationship between diversity and innovation in a business context<sup>6</sup>. Respondents strongly associated diversity-led innovation with product innovation and operational innovation. Importantly, more than half of respondents felt that these benefits translated into organisational efficiency and corporate profit.

## Equality promotes growth

Recent evidence of the business case of diversity was presented during the Equality Summit organised by The Cyprus Presidency of the Council of the European Union and the European Commission. This forum provided the following examples:

- As the unemployment rate for disabled people is 70% higher than for nondisabled people, increasing the employment rate of disabled people can help to tackle poverty. Underemployment and underqualification of disabled people accounts for the estimated loss of 40.3 billion euros per year in general revenue.
- In terms of concrete benefits and impact, companies actively implementing diversity measures claim to minimize average pay difference between men and women by about 5%, ensure higher representation of women in companies' boards and managerial positions, and attain multicultural experience of more than 50% of the senior managers.
- Hostile attitudes to minorities cause absenteeism, underperformance and clearly diminish the performance of companies. For example, it is estimated that more than 75% of the LGBT workers are not out at the workplace, which implies an estimated loss in the productivity of the European labour force of 1,7%, with consequences on the EU GDP that can be quantified on € 200 billion per year.

A joint report by the Commission and the Economic Policy Committee published in 2012 on Ageing<sup>7</sup> shows that a longer working life implies more em-

ployment, more taxes and contributions. 5% more employment among older workers could reduce public spending on pensions by 0.2 % of GDP in 2060 and have a much stronger effect if combined with an increase in the retirement age without increasing pension levels<sup>8</sup>. In this context, discriminatory attitudes and stereotypes towards age in the labour market are an economic issue since they prevent capable and skilled people to work, putting additional pressure on public finances.

## Citizen's support to diversity management measures

The extremely high level of support from citizens to measures aiming at fostering diversity in the workplace is quite significant. The latest Eurobarometer on discrimination<sup>9</sup> (2012) shows that there is widespread support among Europeans for training employees and employers on diversity issues (79%), monitoring recruitment procedures (76%) and monitoring the composition of the workforce (69%).

## 1.2 Challenges in Assessing Diversity Impact

Companies differ in terms of size, strategy, sector and market position. Diversity strategies also differ, as do company costs, and diversity strategies are only one of a number of factors that contribute to improvements in performance. Few companies are applying approaches such as diversity scorecards<sup>10</sup>; however, companies are assessing and monitoring:

- changes in workforce demographics;
- developments in staff engagement, talent management, employee well-being and performance management;
- changes in working environments;
- the integration of diversity goals and actions across all units, functions and geographies as part of the business growth strategy.

Despite the limitations, companies are gathering evidence through testimonials, case studies and

<sup>6</sup> Focus Consultancy. 2008. "Diversity and Innovation a Business Opportunity for all". Brussels: European Commission

<sup>7</sup> [http://ec.europa.eu/economy\\_finance/articles/structural\\_reforms/2012-05-15\\_ageing\\_report\\_en.htm](http://ec.europa.eu/economy_finance/articles/structural_reforms/2012-05-15_ageing_report_en.htm)

<sup>8</sup> <https://webgate.ec.europa.eu/eipaha/library/index/download/id/374>

<sup>9</sup> [http://ec.europa.eu/public\\_opinion/archives/eb\\_special\\_399\\_380\\_en.htm#393](http://ec.europa.eu/public_opinion/archives/eb_special_399_380_en.htm#393)

<sup>10</sup> Hubbard's (2004) diversity scorecard has six components: financial impact, diverse customer/community partnership, workforce profile, workplace climate/culture, diversity leadership commitment, and learning and growth.

surveys and are using empirical research, where they can, to identify the relationship between specific activities and performance. The EU Diversity Charter Platform shows that multiple forms of evidence are required to reveal the impact of diversity strategies in companies.

### 1.3 Measuring Diversity Impact – Key Factors

#### Diversity awareness

The Centre for Strategy and Evaluation Services (CSES, 2003) revealed ‘internal’ obstacles to measurement, i.e., difficulties in changing the culture of a business and a lack of awareness of workforce diversity policies. This ‘awareness gap’ includes a lack of knowledge about the content, rationale, costs, benefits, and methods of measurement of workforce diversity policies. This can be addressed by a communications plan that ensures the delivery of consistent messages, directed at various audiences, including shareholders, employees, managers, suppliers and customers.

#### Diversity data

It is important that diversity data is managed sensitively and follows best practice guidelines related to its collection separately from the point of decision-making and adhering to the law. In addition, if data is to increase visibility it needs to be consistently collected over time and across functions to reveal outcomes, trends and the full range of impacts.

#### Diversity indicators

Impact measurement requires indicators which need to be discussed and reviewed regularly to ensure continued relevance and efficient use. Hubbard (Hubbard, 2004) refers to lead and lag indicators. Lag indicators refer to outcomes of actions previously undertaken and measure results at the end of a time period usually historically, for example, sales, market share, and employee satisfaction. Lead indicators refer to drivers of future economic

performance and measure intermediate processes and activities, for example, hours spent with diverse customers and absenteeism. Hubbard argues that there should be a mix of core outcome indicators and performance indicators, to represent the learning and growth perspective<sup>11</sup>.

#### Learning to reveal impact

It is essential to gain experience and build learning into practice review. Learning can be supported by involving practitioners in recording and assessing appropriate data collection, selecting indicators and using comprehensive reporting methodologies. It is the responsibility of managers; and business leaders to communicate the lessons learn into messages that are accessible to all groups in the organization and beyond.

<sup>11</sup> See other indicators discussed at a seminar in the European Monitoring Centre on Change <http://www.eurofound.europa.eu/emcc/content/source/eu07007a.htm?p1=reports&p2=null>



Conclusions and  
Recommendations –  
**Actions** for Assessing  
Diversity Impact

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The case studies in the next chapter outline some of the impact assessment work in companies that are signatories of diversity charters in the EU. These companies are monitoring their results and the effect of their diversity strategies. This is providing information on achievements, outcomes and trends and helping to flag up areas for improvement so that appropriate responses can be put in place. The activity to reveal impact in the compa-

nies in this report shows how important informed and skilled personnel are. These personnel are crucial because they consciously and visibly apply inclusive practices that leverage diversity for the benefit of the business.

The next step is further collaboration across companies and countries to discuss and share challenges and expectations that will reveal:

<p><b>EXPECTATIONS</b></p> <ul style="list-style-type: none"> <li>• Do we all have an understanding of what can be achieved and are leaders committed to revealing impact?</li> <li>• Will they use the conclusions drawn from impact assessments in decision-making?</li> <li>• Have we considered the plausible cause-and-effect relationships?</li> </ul>	<p><b>METHODOLOGIES</b></p> <ul style="list-style-type: none"> <li>• Can we use current data collection systems; do they need to be supplemented?</li> <li>• Do we have appropriate indicators?</li> <li>• Are we ensuring reasonable time is given between conception, implementation and assessment so impact can come into effect?</li> </ul>	<p><b>INTEGRATION</b></p> <ul style="list-style-type: none"> <li>• Can we assess all impacts?</li> <li>• What is the impact on staff and customers, innovation, creativity and learning outputs?</li> <li>• Are improvements in business processes, the financial bottom line and business development and growth being seen?</li> </ul>
<p><b>LEARNING</b></p> <ul style="list-style-type: none"> <li>• What can be learnt?</li> <li>• Can we all take action on the basis of results?</li> <li>• Is there openness to learning?</li> <li>• Does everyone understand that, across the organisation?</li> </ul>	<p><b>COMMUNICATION</b></p> <ul style="list-style-type: none"> <li>• Have we used the range of communication methods that will make the outcomes and change visible to all stakeholders?</li> </ul>	<p><b>VISIBILITY</b></p> <ul style="list-style-type: none"> <li>• Can we work to identify successful 'impact measurement' stories and share them?</li> </ul>
<p><b>RESEARCH</b></p> <ul style="list-style-type: none"> <li>• Can we identify for each sector or category of the company, measurement methods and indicators that work and are transferable?</li> <li>• Can we build a typology that is appropriate for companies of different sizes and sectors?</li> </ul>		

Studies have concluded that there is a strong case to be made for measuring the impact of diversity and inclusion activities in organisations. Many companies still need to create the conditions that encourage the kind of risk-taking necessary for the linkages to be made<sup>12</sup>. Impact assessment is important, at the least because it enables managers to make outcomes visible, review and improve programmes and learn lessons to be applied to build the business. Collectively we need to continue to develop the business case, to show that equality is promoted, and that diversity and human rights are good for business.

Companies are beginning to see and show how managing difference is contributing to business development and growth. Companies and public institutions that sign diversity charters are wonderful champions of the benefits of diversity management.

The report reveals that there is a unique opportunity now to continue the work of sharing good practice. In this next exciting stage of the journey, diversity charters are committed to gathering and disseminating learning so that the contribution of diversity and inclusion initiatives to individual commercial success and overall growth are made more visible and better understood.

<sup>12</sup> Focus Consultancy Ltd, European Academy of Business in Society (EABIS), Instituto Europa para la Gestion de la Diversidad (EIMD) and EIM Business & Policy Research. 2008. "Continuing the Diversity Journey – Business Practices, Perspectives and Benefits". Brussels: European Commission

Assessing **Diversity**  
Impact in Business:  
Case Studies



## Orange Poland

Orange Polska employs over 21 000 throughout Poland. They believe in diversity as a creator of new opportunities for the company and see diversity as an asset that enables them to get the best from each employee. The group's diversity programme focuses on gender equality in the workplace, with each country building its own theme and policy as a function of local issues. Diversity in Orange Polska is an integral part of the corporate social responsibility strategy and is one of its main priorities. They focus on the development of a culture of respect for diversity by disseminating knowledge among employees and producing a Code of Ethics, which determines procedures enabling employees to recognise any irregularities, particularly related to discrimination. In order to promote respect and a balance between private and professional lives, they encourage flexible forms of employment, and make an effort to ensure a friendly and accessible working place for people with disabilities.

## Results Drive Action

In 2012, they established a task force to disseminate information about flexible forms of work in the company, focusing on employees who are parents and employees caring for the elderly. In 2013, Orange Polska focused on disabled employees, by conducting an audit of the intranet, which is the main source of information for employees, to ensure it is accessible for all everyone. Their principal office in Warsaw will also be fully adjusted to the needs of employees with a disability.

Between 2011 and 2012 the percentage of women employed in managerial positions in the organisation increased from 26.8 % to 27.3 %. In 2013, this increased further to 35,8 % in all managerial positions, and 22,7% in TOP 350. In 2012, the overall ratio of gender pay in managerial positions was 94,5 %, in non-managerial 84,9%.

## Impact Assessment Tools

All the data is annually reported and measured through the use of human resource statistical tools. They focus on two targets as way of assessing the impact of their diversity activities:

- a) Equal pay – monitoring gender pay equity in managerial and non-managerial positions in the organisation and reporting on the overall rate.
- b) Access to management positions in the company – they have set a target of 35 % of women in managerial positions by 2015.

In Orange Polska we believe that diversity management brings business benefits for the company and helps to get a leading position in the market. Working in a friendly and diverse workplace helps to focus on our customers and develop best products and services for them.



## Hewlett-Packard Austria

AT HP, diversity and inclusion are foundational values, woven into the fabric of the organization. HP believes this creates a competitive advantage around the world, helping drive growth, productivity and innovation.

Hewlett-Packard is analyzing Diversity key data on a quarterly basis (results per region, sub-region and per business & function) and is measuring the success of its diversity activities regularly. Such analyses are essential to monitor the development of the Diversity concept overall, give insight into year-to-year trends and allow the detection of areas for improvement.

Furthermore HP annually measures staff engagement through their Employee Engagement Index (EEI), by which the company collects feedback of all employees and suggestions for continuous improvement.

### Impact Assessment Tools

All the data collected is used to assess the impact of the diversity activities and to develop customized measures and activities. The comparison of internal results with external market data is necessary to have external trends also represented in the Diversity program of HP and to have a wide focus secured.

- a) Employee Engagement Index / How HP secures ongoing improvement:  
Internal working groups consisting of people managers and HR are analyzing the results of the EEI study to identify certain areas for improvement and to address the topics specifically.

Out of that specific goals are defined and goal achievement is monitored regularly. Employees receive continuously a progress update to see on the one hand how their feedback is transformed into measures and to have on the other hand secured that employees can follow the implementation process on a regular basis.

- b) Diversity / How HP secures that their targets are reached:

To increase the female rates in specialist and management positions HP has developed an action plan to address this topic successfully (targeted events, cooperation with universities, hiring goals where needed,...). Special, customized programs for other Diversity topics (for example Generation Management program at HP).

### Results Drive Action

HP Austria has one of the highest rate of females within the local IT industry, with women making up to nearly 30 % of the workforce. They are improving this by setting targets, promoting atypical career choices and increasing flexibility, in order to support a better work-life balance and supporting a range of programmes, such as, special programmes for mentoring, as well as signing the Diversity Charter.

Hewlett-Packard aims to create a vibrant work environment, which facilitates collaboration and recognises every individual's strengths. Numerous studies show diversity drives innovation, which is one reason why HP is committed to diversity as a basis of innovation. HP is convinced that an inclusive, flexible work environment that values differences, motivates employees to contribute their best. Employee engagement reflects satisfaction, the feeling of receiving respect, being heard and being given the possibility to actively contribute to the success of the business.

## PSA Peugeot Citroën Spain

The Spanish subsidiaries of PSA Peugeot Citroën (PSA) have made equality and respect for diversity founding elements of their responsible development for every branch of activity. They seek to implement and promote best practice in every aspect of human resources management. The diversity of the teams within PSA is seen as a distinct advantage for the economic performance of the business being made up of people with varied profiles, reflecting the society and environment in which they operate.

Promoting diversity therefore consists of recruiting the best talent and getting them to work together and grow, regardless of background, gender, lifestyle, sexual orientation, age, family circumstances, pregnancy or maternity, genetic characteristics, whether or not one belongs (or supposedly belongs) to a certain ethnic group, nation or race, political opinions, trade-union or mutual-society activities, religious beliefs, physical appearance, family name, state of health or disability.

By diversifying recruitment channels, i.e., entering into partnership with educational institutions and public employment services, recruiting online and accepting unsolicited job applications they foster diversity of employment and obtain a better mix of skills.

PSA has made selection procedures more objective by introducing such tools as a guide for good recruitment practice: anonymous CVs, the Simulation Recruitment Method (SRM), and training in the prevention of discrimination. They monitor diversity and equality of opportunity to ensure that agreements are effectively implemented.

## PSA PEUGEOT CITROËN

### Impact Assessment Tools

PSA carry out a self-assessment exercise and develop action plans to assess the impact of their diversity activities:

- a) Self-assessment – in December 2012, the Global Diversity representatives met for the third time, to take stock and carry out a self-assessment exercise. This resulted in more than 131 action plans, which help employees to become more attuned to diversity issues.
- b) Tools for implementation – in introducing the diversity initiative to his or her own country, each representative has a roll-out kit and shares good practices within the global diversity representatives' network.

### Results Drive Action

In 2006, PSA signed an agreement with the trade unions, relating to diversity and social cohesion and since 2008, they have been training their managers in 'diversity management'. In 2010, the PSA formalised their activities to promote diversity by making a common commitment applicable to all branches of the business: the Global Diversity Commitment, based on seven founding principles which allow for global awareness of diversity and related issues.

Having played an important role in formalising commitments and establishing indicators, these action plans are now focusing on communication with employees.

Diversity is a source of complementarity, social equilibrium and economic efficiency. By facilitating the sharing and comparing of ideas, it has become a source of creativity and innovation for the Spanish subsidiaries of PSA Peugeot Citroën.

## Kaubamaja Estonia

Kaubamaja is the oldest department store in Estonia with 690 employees. In 2012, Kaubamaja joined the Diversity Charter and committed to following the principles of equal treatment and opportunities. They believe that their diversity work will ensure they are able to provide a better service to their customers. One of the main objectives of human resource management is the ongoing and targeted development of employees focusing on achieving results and commitment. The continued development and motivation of employees is ensured via a system of evaluation of competence levels.

### Impact Assessment Tools

Kaubamaja monitor the perceptions of their employees and measure the success of recruitment processes as a way of assessing the impact of their diversity activities:

- a) Monitoring – conducting a satisfaction survey with employees, indexing strengths and weaknesses on three scales: my job, my manager, my company.
- b) Recruitment – assessing the speed of recruitment



### Results Drive Action

Every two years, Kaubamaja assess motivation and satisfaction of employees, examining their views on exchange of information, the atmosphere, teamwork, the quality of management and leadership. They also examine employees' reasons for leaving the company.

They monitor the speed of recruitment and how fast they can find new employees. Kaubamaja cooperates with the Estonian Unemployment Insurance Fund to offer internships, and has offered jobs to people that have difficulties competing on the current employment market.

Kaubamaja was ranked first in retail and among the best 10 employers in Estonia in an employer branding survey carried out in 2012.

In Kaubamaja, it is important to us to encourage cooperation between different generations and when recruiting people, we consider people's values, attitudes and skills, not their age, sex, nationality.



## ISS Palvelut Finland

ISS Palvelut, which provides property support services, has approximately 12 000 employees in Finland. For ISS, diversity and pluralism are drivers that guarantee equal opportunities, rights and treatment for all. ISS employs immigrants, the elderly, the young, and people with disabilities. The diversity work is part of daily management and is supported by a variety of programmes.

Currently, ISS Palvelut provides jobs for many hundreds of people with a partial capacity to work, with a normal employment contract and salary. The goal is to offer employees work that matches their working capacity by modifying work content and hours, and by offering relocations and trainings. Those with a partial capacity to work are treated as equal with others. ISS is a personnel-intensive enterprise which employs a lot of different people: of different ages, varying backgrounds, people with partial disabilities, immigrants, trainees, etc.

### Impact Assessment Tools

ISS Palvelut monitors the perceptions of their employees and measures the success of recruitment processes as a way of assessing the impact of their diversity activities:

- a) Monitoring – by conducting a yearly staff survey.
- b) Reporting – on the changing of diversity in the workforce

### Results Drive Action

In 2012, ISS was nominated Exemplary Employer of the Year in Finland. The jury especially emphasised the company's determined action to support those returning to work from sick leave. The employees had diverse backgrounds, 8.2 % of the employees required a work permit, more than 1 000 people have a background of unemployment, and the gender breakdown is men 46 % and women 54 %.

The yearly staff survey has consistently given good results and the annual report to the ISS Group contains key figures regarding personnel, which is reported on the website: [http://www.fi.issworld.com/yritysvastuu/henkilöstö/pages/henkilöstön\\_tunnusluvut.aspx](http://www.fi.issworld.com/yritysvastuu/henkilöstö/pages/henkilöstön_tunnusluvut.aspx)

ISS Palvelut promotes diversity throughout the business, as satisfied and committed employees are the most important capital of ISS services and a key driver in our business strategy.



## Deutsche Telekom Germany



Deutsche Telekom introduced a binding group-wide women's quota for upper and middle management in order to increase its share of women from 19 % to 30 % by the end of 2015. Deutsche Telekom set the bar for the DAX30 companies and in October 2011, all member companies followed their lead and voluntarily introduced targets for women in management.

The 'Fair Share' targets apply to all steps in the talent pipeline starting with shortlists for executive positions; each has to consider at least 30 % women. The recruitment rate of female university graduates has to equal the proportion of women in the respective academic year. Furthermore, internal talent pools have to be composed of at least 30 % women and the supervisory boards of all their German affiliates must have 30 % female members. Finally, at least 30 % of the participants of management training programmes need to be women as a mandatory prerequisite for holding the training.

### Impact Assessment Tools

Deutsche Telekom monitor human resource processes as a way of assessing the impact of their diversity activities:

- a) Monitoring – quarterly reviews of recruitment and development targets in all areas of the company.
- b) Reporting – on the take-up of programmes such as flexible and part-time options by executives and employees

### Results Drive Action

The group-wide diversity programme to achieve the women's quota also involves addressing the life balancing and developing a culture to replace the face-time culture. They are working to optimise re-entry after sabbatical and parental leave, have expanded childcare facilities, and have introduced e-mail-free weekends. All assessment and development centres are examined for gender fairness and group-wide female talent pools are built up in order to increase the visibility of talented women in the company.

As a company acting in a highly dynamic and innovation-driven business environment, for Deutsche Telekom raising the female proportion in management is closely tied to economic success. With mixed teams we intend to leverage the creative potentials of diversity that have widely been proven to boost economic performance and innovation.

## BNP Paribas Group Luxembourg



BNP Paribas in Luxembourg's financial sector is the second-largest employer in the private sector with nearly 4 000 people employed by the group. The Group's Executive Committee set itself the target of achieving a minimum representation of 25 % female senior managers at group level by the end of 2014. In 2011, they created the position of Diversity Officer at senior management level, reporting directly to a member of the Executive Committee. The promotion of diversity is thus managed in the same way as any other strategic project undertaken by the company.

### Impact Assessment Tools

BNP Paribas report on outcomes of human resource processes as a way of assessing the impact of their diversity activities:

- a) Auditing – an internal gender audit examined equal opportunities for men and women based on quantitative data and a qualitative survey open to all staff, asking them for their thoughts about gender equality.
- b) Scorecard – of performance indicators for the key drivers for equal opportunities among men and women in the various human resources management processes.
- c) Reporting – on quarterly presentation and publication of an annual 'diversity' report.

### Results Drive Action

Since 2011, the promotion of diversity has been one of the performance evaluation criteria of BNP Paribas managers throughout the world. A methodical approach is used with tasks clearly defined, governance established at the highest level under the personal sponsorship of the company CEO and five measurable objectives defined with deadlines. For each aspect of the diversity of human resources (priority for gender and age) a working group has been set up to define tangible actions to be undertaken.

They have been working in partnership with the Luxembourg Ministry for Equal Opportunities. The audit analysis gave the bank an objective view of the situation with regard to equal opportunities for men and women and was crucial in the rollout of the programme as it enabled rapid implementation of actions and definition of priorities. The working group prioritised raising awareness and accountability among senior management and a training programme for managers on the management of diversity in human resources is delivered.

Since 2007, discrimination has been listed among the Group's 30 major operational risks.

## Folksam Sweden

The insurance company Folksam has 50% of the Swedish household market. They believe that insurance can be hard to understand even if you speak the local language and almost impossible to understand if you speak another language. Almost 20 % of the Swedish population has an immigrant background and in the big cities the proportion is between 30 and 35 %. They believe that such a large group represents a huge business potential and places new demands on how they communicate and adapt their range of products and services.

Besides the great business potential, it also means a lot to combat exclusion to provide each individual with security and insurance.

### Impact Assessment Tools

Folksam monitor the outcomes of customer service processes as a way of assessing the impact of their diversity activities:

- a) Monitor – achievements of their multi-lingual customer service

# Folksam

### Results Drive Action

The achievements of their multi-lingual customer service showed immediate results and sales grew rapidly. Therefore, Folksam connected diversity directly to its business strategies. They argue that 'what you do not know, you can't take part in' as the motto that drives the development of their multilingual customer service. It now has 18 nationalities and they strive to serve customers not only in their language but also with cultural competence. They believe that their most important task is to ensure the development of inclusion in the customer service, when it comes to sales, service and claims throughout Folksam. The development of the personal attention in the customer meeting is prioritised and they aim to further develop their relationships with the Swedish immigrant organisations.

We are proud of our diverse staff who help us with the most important part – communicating with our customers!

## Sodexo France – Diversity a business imperative



Sodexo strives to create a culture that embraces differences and celebrates unique ideas, perspectives, and experiences. To become the global benchmark in diversity and inclusion, Sodexo has made diversity a pillar of its strategy, along with a commitment to promoting equal opportunity in five priority areas: gender, generations, ethnic minorities, people with disabilities and LGBT individuals.

Globally, the first priority was set on fostering gender diversity in all areas of the organisation by addressing the gender gap at management levels: today women represent 54 % of Sodexo's workforce, yet make up only 20 % of the Top 300 leaders. Sodexo's Women's International Forum for talent was launched in 2009, bringing together 25 senior women and two executive sponsors, representing all areas of the organisation and 14 nationalities.

### Impact Assessment Tools

Sodexo uses a global scorecard as a way of assessing the impact of their diversity activities:

- a) Scorecard – tracks annually both quantitative and qualitative KPIs to ensure they are recruiting, developing, engaging and retaining a diverse and highly skilled workforce, particularly in terms of gender balance.

### Results Drive Action

Diversity was championed by the CEO Michel Lanel to attain the target of 23 % representation of women amongst Sodexo's Top 300 managers by 2015. The Group Office of Diversity monitors progress using the scorecard which draws from workforce data, as well as the group engagement survey, which measures, every two years, the satisfaction of employees. A scoring system has recently been introduced to evaluate overall diversity and inclusion efforts, as well as progress. Since 2009, women's representation amongst the Group Senior Leaders (Top 300 managers) has grown from 17 % to 20 %. At Executive Committee and Board level they represent respectively 25 and 38 % of members.

Diversity and inclusion are business imperatives that drive Sodexo's ability to attract and develop the best talent, create an engaged workforce, and deliver quality of life solutions to diverse clients and customers.

