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# Diversity, Equality and Inclusion

## Introduction

"With the new Equality and Human Rights Commission (EHRC) having been launched in autumn 2007 – and likely to truly start coming into its own from 2008 onward – diversity is an issue that will soon have to climb the senior management agenda." <sup>1</sup>

But it's more than just compliance. Organisations are starting to see real business benefits.

The purpose of this report is to provide an insight into current and emerging practice in the implementation of diversity strategies. A short series of questions were asked of 21 senior HR professionals from large public sector and blue chip commercial organisations at the Penna sponsored Strategic HR Network event on 15 January 2008. The topical questions focused on how these organisations were designing, implementing and measuring diversity strategies in order for them to have a positive impact on business performance.

## Strategy

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
1. Our organisation has a diversity strategy in place	38%	43%	0%	14%	5%
2. Our diversity strategy is underpinned by a clear business case	28%	43%	5%	19%	5%
3. I believe there is a demonstrable link between diversity and organisation performance	43%	57%	0%	0%	0%
4. Our diversity strategy has buy-in from the board and senior management	43%	29%	9%	14%	5%

Our results overwhelmingly show the continuing importance placed on diversity with 81% of organisations having a diversity strategy in place and 72% saying their diversity strategy has buy-in from the board and senior management.

100% of individuals surveyed believe there is a demonstrable link between diversity and organisation performance yet only 71% say their own diversity strategy is underpinned by a clear business case.

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<sup>1</sup> A barometer of HR trends and prospects 2008, CIPD



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## Implementation

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
5. Our organisation manages diversity successfully	10%	38%	38%	14%	0%
6. We engage our staff at all levels with diversity training and guidelines	24%	33%	5%	33%	5%
7. We have someone in our organisation specifically tasked with diversity management	57%	24%	0%	14%	5%

When it comes to implementing the diversity strategy, 81% of organisations have someone specifically tasked with diversity management yet only 48% manage diversity successfully.

Furthermore, only 57% engage staff at all levels with diversity training and guidelines, which suggests that there is still a lot to be achieved.

## Business Benefits

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
8. Having a diversity strategy in place is good for our employer brand	62%	24%	14%	0%	0%
9. We have a career development strategy in place that meets the requirements of different generations	5%	19%	10%	47%	19%
10. We see a benefit to the business in offering flexible working arrangements	57%	38%	5%	0%	0%
11. We measure the impact and success of our diversity strategy	24%	33%	10%	28%	5%
12. A diverse and inclusive culture is embedded in our organisation.	5%	24%	52%	19%	0%

86% of organisations agree that having a diversity strategy in place is good for the employer brand and 95% see a benefit to the business in offering flexible working arrangement. However, a significant 66% do not have a career development strategy in place that meets the requirements of different generations.

Just over half (57%) of organisations actually measure the impact and success of their diversity strategy and only 29% can say that a diverse and inclusive culture is embedded in their organisation.





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## Key diversity challenges

"Creating a 'passion' for it, rather than it feeling like it's another thing to do." Director of HR & Communications, Housing Group

"Moving aspirations and plans into real actions that we can measure. Attracting talent, managing generational issues, changing the mix in our organisation." Group HR Director, Leading Publisher

"Achieving greater attitudinal diversity - different perspectives on some of the big issues facing the organisation, economy. We have a very strong culture, which means we create a monoculture from earliest selection and induction into business." Group Director of HR, Large Central Government Organisation

"Recruiting a diverse workforce representative of UK population while in a climate of workforce / headcount reductions." Head of HR & Business Resources, Government Department

"Need to understand if there is a diversity issue. Focus at the moment is on increasing inclusion and creating an environment to maximise employee success." Anon

"In the US operations where we have a perception of discrimination in of our sites. Need to raise awareness for future." Group HR Policy Director, Healthcare Industry

"Complacency - thinking we will continue to find best people for our jobs without reaching out to 'new' markets." Head of Corporate Learning & Diversity

"Recruiting people from the BME community who have the skills we need." Director of People & Organisational Development, Non-Departmental Public Body

"Living and breathing it - making it a natural way of doing business." HR Director, Global Energy Company

## Summary

Overall, organisations have come a long way with regards to diversity strategy and a large number of organisations are seeing the benefits. Not only do they have a strategy in place that has buy-in from the board but they also recognise the link between a diverse organisation and business performance and the positive effect it has on employer brand.

While the large majority recognise the importance of a diversity strategy, many organisations still have some way to go to having an effective strategy that engages staff throughout the process and measures its success. Our survey also highlighted room for improvement with regard to generational diversity, specifically relating to career development.

### How Penna can help

Our team has developed an outstanding reputation for our commitment to Diversity and our understanding of best practice and innovation in this area. Our reputation has been built on our work with clients, our involvement with a strong diversity network and our commitment to research. We believe that ticking boxes is to be avoided at all costs and we are fortunate to be working with many organisations that we have helped make the shift from talk to action that is really helping them to become more inclusive and to manage talent and their reputation.

If you want to reach into the rich seam of experience, creativity, perspectives and talent that will underpin the future performance and success of your organisation, we would be delighted work with you from policy evaluation and specifically targeted initiatives through to the development of the broadest attraction and engagement programmes.

For more information please contact Heather Staff at [heather.staff@penna.com](mailto:heather.staff@penna.com)



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