

## REALISING THE BUSINESS BENEFITS WITH EUROPEAN DIVERSITY CHARTERS Managing Diversity at Work



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This brochure is produced by the Diversity Charters exchange platform and is funded by the European Commission under PROGRESS by the project 'Support for voluntary initiatives promoting diversity management at the workplace across the EU.' The PROGRESS programme is a financial instrument supporting the development and coordination of EU policy in the areas of employment, social inclusion and social protection, working conditions, anti-discrimination and gender equality.

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More information on the European Union is available on the Internet (http://europa.eu). Cataloguing data can be found at the end of this publication. Luxembourg: Publications Office of the European Union, 2012

ISBN: 978-92-79-21841-5 doi:10.2838/41327

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## Introduction

This brochure gives you a taste of some of the inspirational equality and diversity strategies companies are implementing with the support of European Diversity Charters. It provides information on the business benefits of diversity as well as the innovative initiatives and services offered by Diversity Charters.

# Knowledge and innovation through diversity

Knowledge and innovation, now more than ever, are crucial in securing a competitive advantage in a globalised economy. Europe's demographics are changing; higher immigration, lower birth rates, an ageing population and a shrinking workforce mean that companies have to be smarter about recruitment to find the right talent to meet their needs. It is therefore important to start mapping a diversity strategy now to realise the benefits that a diverse workforce can bring for the future. Businesses and customers are becoming more diverse and demanding, requiring a strategic shift in learning and knowledge management. A diverse workplace represents a deeper pool of knowledge, skills, life experience, perspectives and expertise<sup>1</sup>.

Research has proven that innovation can be converted into profit. No matter how qualified your workforce is, without diversity, they are likely to think the same and look for

similar ways forward. Innovation requires a new perspective, and a well managed diverse workforce can breed creativity and dynamic business solutions.

"Deutsche Bank knows that diverse teams are smarter teams, that success comes from many perspectives and that diversity is vital for delivering innovative solutions for our clients."

> Herman-Josef Lamberti, Chief Human Resource Officer Deutsche Bank

<sup>&</sup>lt;sup>1</sup> Diversity and Innovation, a Business Opportunity For All – the European Community Programme for Employment and Social Solidarity (2007–2013).

# Diversity Management and your business

Effective Diversity Management is proven to produce significant benefits in terms of recruitment and staff retention, creativity, problem-solving and customer engagement. Not only can you increase your profit margins through efficiency savings and innovation, but the individuals you employ also benefit, resulting in increased levels of job satisfaction and employee loyalty<sup>2</sup>.

An inclusive corporate culture provides access to new markets and enhances corporate appeal in the labour market, attracting talent and improving corporate image. Effective Diversity Management also protects your company from risk, allowing you to reap the business rewards of diversity whilst also promoting equality and adhering to national

and European equality legislation. Managing diversity and promoting inclusion increasingly form part of the business world's strategic agenda as a response to a more diversified society, customer base, market structure and overall business environment.

"TNT Express Austria has seen a continuous increase in the company results since 1998, a significant improvement in quality and high customer and employee satisfaction. Would we be as successful without the use of Diversity Management? Maybe. Would we be as attractive in the labour market? Certainly not."

> Erich Neuwirth, Director of Human Resources TNT Express Austria

<sup>&</sup>lt;sup>2</sup> Monks, K. (2007) The Business Impact for Equality and Diversity. Dublin: The Equality Authority and the Centre for Partnership and Performance and O'Connell, P. and Russell, H. 2005. Equality at Work? Workplace Equality Policies, Flexible Working Arrangements and the Quality of Work. Dublin: The Equality Authority



## Diversity Charters

Diversity Charters are voluntary initiatives which help businesses and public institutions unlock the potential in diversity, supporting the realisation of the business benefits for companies and the wider benefits for society at large. Diversity Charter signatory companies commit to developing and implementing diversity policies by signing a pledge to promote diversity and equal opportunities in the workplace, regardless of race or ethnic origin, sexual orientation, gender, age, disability and/or religion. Signing a Diversity Charter represents a valuable starting point for companies wishing to embark on their diversity journey and also provides a framework for companies to develop existing policies. Charters also seek to promote ongoing research and spread awareness of diversity issues, as well as providing training and consultancy services.

# Diversity Charters — the story so far

Since 2005, seven Diversity Charters have been established in Europe, providing support and promoting best practice in diversity management to thousands of leading multinational companies, SMEs and public organisations. These Diversity Charters are founded on the principle that Diversity Management, demonstrated through respect and recognition for employee diversity, is a key performance indicator for companies. Operating at the national level and financially sponsored by a range of governmental and private or public organisations, Diversity Charters also provide a recognised 'trademark' that symbolises commitment to Diversity Management issues.

## European Diversity Charter Exchange Platform

The European Commission encourages employers to put diversity management more firmly on their strategic business agenda and has supported activities across the EU through numerous actions over the last few years. In 2010, Diversity Charters from across Europe came together to create an EU-level platform funded by the European Commission under the project 'Support for voluntary initiatives promoting diversity management at the workplace across the EU.' The platform meets three times a year to exchange ideas and best practice and to help build the movement in Europe. Up and coming Diversity Charters in Europe are supported by the platform and are invited to become members following their official launch. The ultimate objective is to expand the platform to 27 members; one in each member state of the European Union.



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## The business case for diversity

The Europe 2020 strategy shows how the EU can come out stronger from the economic crisis to become a smart, sustainable and inclusive economy. Diversity management is a vital element of achieving rapid and lasting results for this ambitious strategy. Companies have to adapt, change, embrace and strategically integrate diversity management into their business in order to survive. The European Commission has carried out pan-European studies and surveys on the business case for diversity, which demonstrate that companies are making steady progress towards implementing diversity and equality strategies in the workplace<sup>3</sup>.

### Spotlight on... Scandic Hotels

The Scandic hotel group worked with the Diversity Charter in Sweden to set itself a diversity challenge; identify a solution and measure the outcomes. Scandic wanted to attract more disabled customers and employed a disability coordinator to focus their attention on meeting the needs of disabled customers. In consultation with disability organisations, hotel guests, and staff members, the disability coordinator created a check list of 93 points which became 'Scandic's Accessibility Standard'. Disability organisations were invited to stay at Scandic hotels and report back on the experiences and challenges during their

stay. Scandic worked to make each hotel barrier free and invested in diversity training for all staff members. In just one year they increased hotel stays by 15,000 nights and became the contractor for 100 companies.

"Scandic's vision is to be there for the conscious guest and at the same time to work towards a better world. It is a responsibility which demands awareness and a conscious way of working with diversity."

> Inger Mattsson, Manager Sustainable Business, Scandic

<sup>&</sup>lt;sup>3</sup> Brett, S. 2006. Reward and Diversity – Making fair pay add up to business advantage – Executive Briefing". London: Chartered Institute of Personnel and Development. The study Business Case for Diversity: Good Practices in the workplace revealed that companies were engaged in Diversity management for more than ethical or legal reasons. Of the 800 companies surveyed, around 400 reported they already had a diversity policy or strategy in place and 83% of these said that their diversity initiatives had a positive impact on company results. 26% identified 'great innovation' as a key benefit of diversity policies and practices. Key amongst these was enhanced employee recruitment and retention, an improved corporate image and reputation, greater levels of innovation, and better marketing opportunities.

## The business case for SMEs

Small to Medium-sized Enterprises (SMEs) are defined at the European level as enterprises that employ less than 250 staff. There are some 23 million SMEs in Europe, which make up 99% of all European enterprises, representing around 75 million jobs. Diversity Management is essential for SMEs in attracting customers and securing contracts, especially when dealing with large companies with supplier diversity policies. Supporting all members of an SME team to operate with sensitivity to diversity and including as many aspects of people's talents as possible will enhance an SME's working environment and optimise limited resources.

#### Spotlight on... Batisol Plus

Batisol is a French tiling and flooring company which employs 42 people. The company was having difficulties recruiting local workers and actively wanted a more diverse workforce. Batisol contacted the employment agency in a bid to recruit more women and young people from deprived areas. Following complaints that the new workers did not take their jobs seriously and were arriving late to work, the company's director, Michel Droin, began to suspect the problems (if they really existed) stemmed from discrimination. To address this, each member of staff, including all temporary workers, received a full day of diversity training and learned about the power of stereotypes and the benefits of diversity. This action sent a clear signal to the workforce that the issue was a priority for the company. The problems were surprisingly quickly resolved; employees were able to work efficiently

and independently and were more motivated. One unexpected yet happy outcome was the new friendships that emerged between workers from very different backgrounds.

"Diversity is great for our image. It proves that we can advance and we are seen as a very dynamic business. This has helped us secure new clients and public procurement."

Françoise Garbet, Executive Assistant, Batisol Plus





## Getting the right people for the job

Studies show<sup>4</sup> that attracting and retaining high quality employees from diverse backgrounds can bring tangible business benefits. Participating in a Diversity Charter can represent a cost effective way of improving human resource management, offering free tools, training resources, networking, mentoring and partnership opportunities to staff members, increasing the skills and knowledge base in your company.

### Spotlight on ... McDonald's

"At McDonald's Germany we literally live diversity – 62,000 people from 128 countries work for us. We believe that diversity depends on equal chances and offer all our employees various opportunities to further develop their careers. In 2007, we established partnerships with community colleges all over Germany, the so-called 'Crew College'. This enables our employees to take part in different training courses of their choice, from improving their language skills to IT knowledge. Due to talent management programmes and an egalitarian approach to promotion, climbing up the corporate ladder can become reality for literally anyone from our diverse workforce."

Wolfgang Goebel, Senior Executive President, Human Resources, McDonald's Germany is a founding member and chair of the board of the Charta der Vielfalt, the Diversity Charter in Germany

> "We believe competence in diversity is increasingly important for economic success and is vital in providing SMEs with key skill sets."

> > Monika Haider, Managing Director, Equalizent

<sup>&</sup>lt;sup>4</sup> Brett, S. 2006. Reward and Diversity – Making fair pay add up to business advantage – Executive Briefing". London: Chartered Institute of Personnel and Development. Monks, K. (2007) The Business Impact for Equality and Diversity. Dublin: The Equality Authority and the Centre for Partnership and Performance and O'Connell, P. and Russell, H. 2005. Equality at Work? Workplace Equality Policies, Flexible Working Arrangements and the Quality of Work. Dublin: The Equality Authority

## Who's who – Diversity Charters in the EU

#### Austria

The Austrian Diversity Charter was launched in November 2010 as an initiative of the Federal Economic Chamber, the Vienna Economic Chamber and the diversity consultancy Pauser&Wondrak. The charter covers all fields of discrimination, such as gender, age, ethnic affiliation, skin colour, disability, sexual orientation, religion and values. With their signatures, companies, organizations and public entities formally express their appreciation and respect for diversity. They commit to carry out measures to promote diversity internally and externally.

#### Brussels' Capital Region

Each region in Belgium has its own initiative to foster diversity within companies. The Brussels' Capital Region Diversity Charter was established on 19 December 2005 by the Minister for Employment and the Economy, Benoît Cerexhe, in collaboration with the Union of Enterprises in Brussels (UEB). The Charter's document develops general commitments and encourages companies to actively participate by taking part in a two year "Diversity plan." After the completion of their Diversity plan and based upon a positive evaluation, companies receive a Diversity label for use on external communications, which is valid for two years.

#### France

The French Diversity Charter, launched on 22 October 2004, was the first document of its kind to be established in Europe, paving the way for many more initiatives of its kind. The Charter is supported by major business organisations, corporate networks and government agencies and focuses on raising awareness among SMEs and micro-enterprises. The Charter's initiators are Claude Bébéar, CEO AXA and Chairman of the Montaigne Institute and Yazid Sabeg, President of SSII's administrative council.

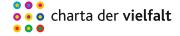
#### Germany

The German Diversity Charter (Charta der Vielfalt) was launched on 1 December 2006 to promote diversity in the workplace across the following fields: gender, nationality and ethnic origin, religion, philosophy, physical ability, age, sexual orientation and identity. Maria Böhmer, the German Minister for Migration, Refugees and Integration supports the initiative and Germany's Chancellor Angela Merkel is the Patron. Initial signatories include Daimler, Deutsche Bank, BP and Deutsche Telekom. The Charter became a Public Private Partnership in September 2010, consisting of members from 13 large companies and the German Government.

#### CHARTA der Vielfalt







### Italy

The Charter for Equal Opportunities and Equality at Work was launched on October 5 2009 under the initiative of Fondazione Sodalitas with the active support of the National Equal Opportunities Advisor Office, Consigliera Nazionale di Parità. The Steering Committee brings together other ethically oriented business networks – Family/AIDAF, Female/AIDDA, Christian/UCID, Cooperative/Impronta Etica. It is supported by the Ministers of Labour and Social Affairs, Maurizio Sacconi and of Equal Opportunities, Mara Carfagna. www.cartapariopportunita.it

#### Poland

The Polish Diversity Charter was launched in February 2012 by the Responsible Business Forum, in collaboration with the Government Plenipotentiary for Equal Treatment, and the Office of the Polish Human Rights Defender. So far 14 companies have signed the Polish Charter: Aviva, British American Tobacco Polska, Danone, Deloitte Polska, Grupa Orbis, Grupa TP, Grupa Żywiec, Kompania Piwowarska, L'Oreal Polska, Nutricia, Provident Polska S.A., PwC, Totalizator Sportowy sp. z o.o., and Unilever. These enterprises employ almost 50 000 people in total.

#### Spain

The Spanish Diversity Charter, launched on March 17 2009, was set up by the European Institute of Diversity Management in Madrid with the support of the Ministry of Equal Opportunity. The Charter aims to encourage Diversity Management and inclusion practices in Spanish companies and organisations of all sizes and from all sectors as a strategy to enhance efficiency and competitiveness. The Charter's initiators are Myrtha Casanova, Founder of the European Institute of Diversity Management and the Alares Foundation. www.fundaciondiversidad.org

#### Sweden

The Swedish Diversity Charter was launched 2 December 2010 by ten initiators – Volvo Cars, Novartis, L'Oreal, Skanska, Axfood, A-Search, Sodexo, Scandic, Lectia and Managing Diversity. By signing the Swedish Diversity Charter, companies commit to undertaking a personalised diversity challenge that aims to evolve the company's organisational diversity strategy. The challenge is unique for each company and can involve all areas in the range of diversity, but most importantly, it must represent a real challenge for the company in order for it to take a step forward towards its diversity objectives. www.diversitycharter.se









## **Diversity Charter facts and contact details**

Charter Country	Austria	Brussels	France	Germany	Italy	Poland	Spain	Sweden
Charter name	Charta der Vielfalt	Charte de la Diversité dans l'Entreprise – Charter voor Diversiteit in de Onderneming	Charte de la diversité	Charta der Vielfalt	Carta per le pari opportunità e l'uguaglianza sul lavoro	Karta Różnorodności	Fundación para la diversidad	Diversity Charter in Sweden
Web address	www.charta- der-vielfalt.at	www.diversite. irisnet.be www.diversiteit. irisnet.be	www.charte- diversite.com www.diversity- charter.com	www.charta- der-vielfalt.de	www.cartapari opportunita.it	www.kartaroz norodnosci.pl	www. fundacion diversidad. org	www.diversity- charter.se
email	office@charta- der-vielfalt.at	cellulediver- sité@ actiris.be celdiversiteit@ actiris.be	N/A	info@charta- der-vielfalt.de	info@cartapari opportunita.it	kontakt@ kartaroznorod nosci.pl	fundacion diversidad@ fundacion diversidad.org	info@diversity- charter.se
Launch date	26/11/2010	12/19/2005	10/22/2004	12/1/2006	10/5/2009	14/02/2012	3/17/2009	2/12/2010
Associated organisations	Initiated by Austrian Fed- eral Economic Chamber, Vienna Eco- nomic Chamber and Pauser & Wondrak Diver- sity Consulting GmbH	Public structure Territorial Pact for Employment in Brussels	Non-profit association IMS-Entrepren- dre pour la Cité	Sponsored and initiated by multinational companies and supported by the Ministry for Migration	Steering Com- mittee: Public Private Partner- ship. Secretariat Fondazione Sodalitas	Responsible Business Forum	Non-profit structure Foundation for Diversity	Non-profit association, sponsored and initiated by Skanska, Volvo Cars, Scandic, Axfood, Sodexo, Novartis, A-Search, Man- aging Diversity and Lectia
Government relations	Austrian Fed- eral Economic Chamber and Vienna Eco- nomic Chamber are the lead partners of the project	Launched by Brussels' Minister of Labour	Support from a number of Ministries and the State Secretariat	Public Private Partnership formed, Chan- cellor Merkel is the patron and Minister of State is the sponsor	Support from the Ministers of Labour and Equal Opportu- nities	Government Plenipotentiary for Equal Treat- ment and the Human Rights Defender.	Support from the Ministry of Equal Oppor- tunity	N/A
Key activities	Awareness raising of the broad benefit of diversity, dis- course between pressure groups, new networks and co-operations	Focused on diversity initiatives and consultancy service	Events and regional deploy- ment, tools and guidance on service providers	Collabora- tion with diversity actors; education about Diversity Management; promotion of the charter initiative	Events and regional deploy- ment, develop- ment of tools	Promoting diversity management in Poland and creating tools and guidance for companies, institutions and organisations to implement diversity man- agement in the workplace. Organising events and education programmes for signatories.	Events and regional deploy- ment, respond- ing to specific issues and guid- ance on service providers	Building a strong network for the exchange of ex- perience within diversity and inclusion, events for guidance and inspiration, guidance in diversity chal- lenges, develop- ment of tools

#### **European Commission**

Realising the business benefits with European Diversity Charters: Managing diversity at work

Luxembourg: Publications Office of the European Union

2011 – 16 pp. – 21 × 21 cm

ISBN: 978-92-79-21841-5 doi:10.2838/41327

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