



THE IMPORTANCE OF DIVERSITY & INCLUSION

+ how it can boost employee
engagement

The need for improved diversity and inclusion in the workplace is not new, but organizations are paying closer attention. Response to Deloitte's Global Human Capital Trends report regarding the importance of diversity and inclusion has increased by 74% in the last three years. According to the same report, diversity now impacts brand, purpose, and performance.

While diversity is important, building a culture of inclusion is key to reaping the benefits of a diverse workforce. For example, simply bringing underrepresented minorities and female hires on board will not likely boost workplace morale without providing employees a voice and paving the way for a culture of trust and active involvement.

CURRENT STATE OF DIVERSITY IN THE WORKPLACE

EMPLOYEES' VIEWS

Today's employees are concerned with more than just a paycheck. Employees expect employers to provide learning, development, and adequate work/life balance. They are also concerned with things like the ability to contribute and the impact of their work on the world. This includes being part of a diverse, inclusive work environment.

83% of millennials are more actively engaged when they believe their company fosters an inclusive culture.

67% of job seekers said a diverse workforce is important when considering job offers.

Just one in four employees agree that their supervisor or someone at work cares about them as a person.

... AND ORGANIZATIONS' ACTIONS

Organizations are beginning to acknowledge the importance of diversity and inclusion, yet there is still work to be done.

Resumes submitted by people with African American-sounding names are 14% less likely to get a call back than those with white-sounding names.

41% of managers say they are “too busy” to implement diversity initiatives.

Only five out of the current Fortune 500 companies have African American CEOs.

THE FACTS: WHY WORKPLACE DIVERSITY MATTERS


Companies with more racial/ethnic or gender diversity are proven to have financial returns above their national industry medians. In addition:

Companies reporting the highest levels of racial diversity in their organizations bring in nearly 15 times more sales revenue than those with lowest levels of racial diversity.

Research shows that companies with more diverse teams are more innovative, engaged, and creative in their work.

Gender-diverse companies are 15% more likely to outperform their peers and ethnically-diverse companies are 35% more likely to do the same.

For every 10 percent increase in racial and ethnic diversity on the senior-executive team, earnings before interest and taxes (EBIT) rise 0.8 percent.



One study by Gallup found that companies with highly engaged employees and a more diverse workforce resulted in 46% to 58% higher financial performance.



WORKPLACE DIVERSITY AND EMPLOYEE ENGAGEMENT

What does workplace diversity and inclusion have to do with employee engagement and employee recognition?

Gallup's extensive research has identified a link between diversity and employee engagement: Employees who feel strong social connections at work have higher levels of well being and engagement than those who do

not. Read more about the benefits of engaged employees [here](#). On the other hand, actively engaged employees are more likely to agree that their company regards diversity as important.

My experience has been that people bring the most to their work when they feel connected to the mission and the people around them.

-Vivek H. Murthy

The ability to attract and retain a diverse pool of talent is paramount to an organization's success, according to research by Bersin by Deloitte. Part of that strategy? Engagement. Increased retention rates can be directly correlated to high levels of employee engagement, and diversity can boost employee engagement.