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Inclusion and diversity in the workplace

Understand what inclusion and diversity mean in the workplace and how an effective I&D strategy can support business

Introduction

Promoting and supporting diversity in the workplace is an important aspect of good people management - it's about valuing everyone in the organisation as an individual. However, to reap the benefits of a diverse workforce it's vital to have an inclusive environment where everyone feels able to participate and achieve their potential. While UK legislation – covering age, disability, race, religion, sex and sexual orientation among others – sets minimum standards, an effective inclusion and diversity strategy goes beyond legal compliance and seeks to add value to an organisation, contributing to employee wellbeing and engagement.

This factsheet explores what workplace inclusion and diversity means, and how an effective strategy can support an organisation's business objectives. It looks at the rationale for action and outlines steps organisations can take to implement and manage a successful I&D strategy, from communication and training to addressing workplace behaviour and evaluating progress.

Explore our viewpoints on [age diversity](#), [disability](#), [gender equality](#), [race inclusion](#), [religion and belief](#), and [sexual orientation, gender identity and reassignment](#).

What are inclusion and diversity?

The moral case for building fairer and more inclusive labour markets and workplaces is indisputable: regardless of our identity, background or circumstance, we all deserve the opportunity to develop our skills and talents to our full potential, work in a safe, supportive and inclusive environment, be fairly rewarded and recognised for our work

and have a meaningful voice on matters that affect us.

It's also vital for the sustainability of businesses and economies. Everyone stands to benefit when we embrace and value the diversity of thoughts, ideas and ways of working that people from different backgrounds, experiences and identities bring to an organisation. So organisations must ensure their people management approaches do not put any group at a disadvantage. People professionals have a key role to play in role modelling inclusion and diversity in their organisation - find out more in our [Profession Map](#).

Inclusion and diversity often go hand in hand but are different from one another. This means that organisations need to consider both in their people management practices and strategies.

- **Inclusion** is where people's differences are valued and used to enable everyone to thrive at work. An inclusive working environment is one in which everyone feels that they belong without having to conform, that their contribution matters and they are able to perform to their full potential, no matter their background, identity or circumstances. An [inclusive workplace](#) has fair policies and practices in place and enables a diverse range of people to work together effectively. Reflect on inclusion practice in your organisation with our [inclusion health checker tool](#).
- **Diversity** is about recognising difference. It's acknowledging the benefit of having a range of perspectives in decision-making and the workforce being representative of the organisation's customers.

Standards, such as the BSI and ISO human resource management suite and Investors in People (IiP), provide principle-based frameworks and guidelines to help organisations recognise the actual and potential value of their people and ensure their people policies and working practices are bias free. See more on [HR and standards](#).

The concept of 'intersectionality' is that we all have multiple, overlapping identities that impact on our experience - takes into account this principle.

Differences include visible and non-visible factors, for instance, personal characteristics such as background, culture, personality, work-style, accent, and language. It's important to recognise that a 'one-size-fits all' approach to managing people does not achieve fairness and equality of opportunity for everyone. People have different personal needs, values and beliefs. Good people management practice needs to be consistently fair but also flexible and inclusive to support both individual and business needs.

In the UK, age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion and belief, sex and sexual orientation, are 'protected

characteristics' covered by discrimination law to give people protection against being treated unfairly.

Discrimination can:

- Impact an individual's wellbeing, performance at work and intention to stay.
- Adversely affect employment opportunities.
- Result in failure to recognise skills-based abilities, potential and experience.
- Result in significant legal costs, compensation and settlements paid to avoid defending expensive discrimination claims.

For example, 'neurodiversity' is a growing area of workplace inclusion. It refers to the natural range of differences in human brain function. Among employers, it's used to describe alternative thinking styles including dyslexia, autism and ADHD. Together with Optimize, we've produced [Neurodiversity at work](#), a practical guide for employers to help create a neurodiversity-friendly workplace where people can utilise their strengths. Most adjustments are simple and low-cost, but can make a significant difference to an individual's working life. Listen to our [Neurodiversity podcast](#).

Inclusion and diversity in the time of coronavirus

The COVID-19 pandemic has created numerous challenges to businesses, including making difficult workforce decisions such as about redundancies, furloughing and return to work. Employers should ensure their decisions meet their legal obligations and do not discriminate. The Equalities and Human Rights Commission has produced [guidance for employers](#).

It's important that employers take an inclusive, fair and transparent approach to people management, including when adapting HR practices due to current circumstances, for example, adopting virtual recruitment methods.

Employers need to understand the impact the pandemic and related workplace and personal change has on individuals, depending on their background or circumstances. For example, increased caring responsibilities mean flexible working options need to be considered. Reasonable adjustments to enable people to perform at their best need to receive due attention. And considering the health, safety and wellbeing of employees is essential given the pressures and uncertainty people may be experiencing.

Line managers need to feel confident and capable to manage in a different way, such as

managing remote teams, and do so in a way which still embraces difference and promotes a sense of inclusion and belonging as well as supporting employee wellbeing.

Find out more about inclusive practice during the pandemic in our [CIPD Lab article](#) and our webinar [Diversity and inclusion through COVID-19](#). Our guide on returning to the workplace shows the importance of an inclusive organisation culture where employees feel they are returning to a supportive and caring environment.

The social justice case for diversity

The social justice case is based on the belief that everyone should have a right to equal access to employment, training and development based solely on merit. Everyone should have the right to be free of any direct or indirect discrimination and harassment or bullying. This can be described as the right to be treated fairly and the UK law, principally in the Equality Act 2010, sets minimum standards.

The [Equality and Human Rights Commission](#) has published a range of guidance on all aspects of the Equality Act 2010, including a [Code of practice](#) on employment. Whilst not legally binding documents, the codes give important guidance on good practice and failure to follow them may be taken into account by tribunals or courts.

For more information on particular aspects, see our various factsheets on [age, disability, harassment and bullying, race, religion, sex discrimination and gender reassignment and sexual orientation discrimination](#).

Inclusion and diversity are good for people and for business

The main business benefits of taking inclusion and diversity seriously are talent and corporate reputation.

Talent

Research on [the psychological contract](#) shows that people want to work for employers with good employment practices. They also want to feel valued at work.

To be competitive, organisations need everyone who works for them to make their best contribution. Increasingly, employers recognise the importance of inclusion and diversity in recruiting and retaining the skills and talent they need.

As well as designing appropriate and fair people practices, it's important to create open and inclusive workplace cultures in which everyone feels valued, respects colleagues, and where their contribution is recognised.

Flexible working and job design are also important components of diversity strategies and part of attracting and retaining a wide pool of talented people.

Corporate reputation

Businesses need to consider corporate responsibility (CR) in the context of diversity as social exclusion and low economic activity rates can limit business markets and their growth. CR used to be centred on environmental issues, but an increasing number of employers now take a wider view, seeing the overall image of an organisation as important in attracting and retaining both customers and employees.

Managing inclusion and diversity

Overcoming prejudice and changing entrenched negative attitudes can be difficult. To progress diversity, organisations should take a systemic approach, including developing an inclusive culture, inclusive approaches to employment policies and practices, to personal behaviours, and by managing equality and diversity issues in ways that also support business contexts.

Our report Diversity and inclusion at work: facing up to the business case reviews the evidence on the touchpoints in the employee lifecycle that may contain barriers to equality. Businesses should examine their own people management practices and diversity data to understand where barriers lie, taking action accordingly.

As well as targeted initiatives, a coherent strategy is needed to ensure that working practices across the organisation support an inclusive culture which embraces difference. The strategy needs to be supported by organisational values and leader and manager behaviour which reflect the importance of inclusion and diversity. Our report Diversity management that works draws on research evidence and professional expertise to make practical recommendations in six key areas of diversity practice and strategy. Explore the actions people professionals need to take to build inclusion.

Although there's no legal requirement to have a written inclusion and diversity policy, it's a good idea to produce one to demonstrate the organisation takes its legal and moral obligations towards being a diverse employer seriously. It can also encourage employees to treat others equally.

Overall strategy

- Recognise that a diverse workforce needs an inclusive environment to flourish.
- Ensure that initiatives and policies have the support of the board and senior management.
- Remember that managing diversity and developing a culture of inclusion is a continuous process of improvement, not a one-off initiative.
- Develop a strategy to support the achievement of business goals, including ways of addressing the diverse needs of customers.
- Keep up-to-date with the law and review policies through checks, audits and consultation.
- Design guidelines and provide training for line managers to help them respond appropriately to diversity needs, as they are vital change agents, but give them scope for flexible decision-making.
- Link diversity management to other initiatives such as Investors in People (IIP), BSI 76000 Valuing People and ISO 9001 Quality Management.
- In an organisation that operates internationally, be aware that the approach to managing diversity will need to take account local legislation, norms and social issues, and the ways that individual working styles and personal preferences are influenced by national cultures.
- Prioritise collecting and using good quality people data to identify barriers and solutions.

Workplace behaviour

- Train all employees to understand and engage with inclusion in how they do their jobs and work with colleagues.
- Reflect respect and dignity for all in the organisation's values and ensure these are shown in the way the organisation and its employees operate on a daily basis.
- Describe desirable behaviours to gain positive commitment.
- Make clear that everyone has a personal responsibility to uphold the standards.
- Embed inclusion and diversity in line managers' roles; they have a key role to play, behaving in an inclusive way and contributing to diversity goals.
- Focus on fairness, inclusion and transparency, ensuring that merit, competence and potential are the basis for all decisions about recruitment and development, and be alert to the influence of conscious and unconscious biases.
- Introduce mechanisms to deal with all forms of harassment and bullying, making clear that such behaviour will not be tolerated and setting out the consequences of breaking the organisation's behaviour code.

Communication

- Develop an open culture with good communication channels based on open dialogue and active listening.
- Ensure appropriate channels for employee voice and that different groups feel able to access them.
- Use different and accessible methods such as newsletters, in-house magazines, notice boards and intranets to keep people up to date with diversity policies and practices.
- Actively seek people's ideas and take action on feedback.

Learning and development

- Build inclusion and diversity concepts and practices into staff training courses, management training and teambuilding programmes to increase awareness of the need to handle different views, perceptions and ideas in positive ways. Find out what diversity training is most effective in our Diversity management that works report.
- Consider awareness-raising programmes, such as 'lunch and learn' sessions, about various aspects of diversity to help people appreciate difference.
- Include diversity issues in induction programmes, including raising awareness of employee network groups, so that all new employees know about the organisation's values and policies.
- Train line managers to help them understand the issues and drive their support for organisational and operational policies and practices.

Measure, review and reinforce

- Regularly audit, review and evaluate progress, using quantitative and qualitative data on both inclusion and diversity, to highlight where barriers exist (for example, via recruitment data) and show the impact of initiatives, making appropriate changes to activities if needed.
- Use employee surveys to evaluate initiatives, to find out if policies are working for everyone, and to provide a platform for improvement.
- Add inclusion and diversity objectives in job descriptions and performance reviews, and recognise and reward achievement. For example, staff surveys could ask questions about the team culture and the perception of equality of opportunity.
- Benchmark progress against other organisations and explore what others are doing to adopt and adapt ideas where appropriate.
- Network with others from inside and outside the organisation to keep up-to-date and to share learning.

Useful contacts and further reading

Contacts

[Acas - Equality and discrimination](#)

[Equality and Human Rights Commission](#)

[GOV.UK - Employers: preventing discrimination](#)

[Government Equalities Office](#)

[The Employers Network for Equality & Inclusion \(enei\)](#)

[Equality and Diversity Forum](#)

Books and reports

ACAS. (2018) *Prevent discrimination: support equality*. London: ACAS.

BUSINESS DISABILITY FORUM. (2015) *Square holes for square pegs: current practice in employment and autism*. London: Business Disability Forum.

FROST, S. and KALMAN, D. (2016) *Inclusive talent management: how business can thrive in an age of diversity*. London: Kogan Page.

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Visit the [CIPD and Kogan Page Bookshop](#) to see all our priced publications currently in print.

Journal articles

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BASKA, M. (2019) [Businesses 'feel free to discriminate' because equality law is not being enforced](#). *People Management* (online). 30 July.

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PALUCK, E., PORAT, R., CLARK, C. and GREEN, D. (2021) Prejudice reduction: progress and challenges. *Annual Review of Psychology*. Vol 72. pp533-560. Reviewed in *In a Nutshell*, issue 105.

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