

Diversity and Inclusion: How to Grow Your Business

Indiana Chamber of Commerce
HR Conference

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Overview

- Define Diversity and Inclusion and its application in the workplace.
- Understand the importance of a diverse and inclusive workplace.
- Discuss the business case for Diversity and Inclusion—how it impacts your business operations.
- Summarize our learning and provide time for questions.



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Exercise

- Get into groups of two or three.
- Discuss diversity and inclusion, and what it means to you.
- Prepare to share.



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What is Diversity?

- The collective mixture of differences and similarities that includes individual characteristics, values, beliefs, experiences, backgrounds, preferences and behaviors.

-Society for Human
Resource Management



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What is Diversity?

- Diversity embraces the perspectives, experiences, cultures, genders, and ages of others and uses them to foster new ideas and innovation.
- Diversity values both visible and invisible traits.

Visible and Invisible Diversity Traits

Visible Traits

- Ethnicity/Race
- Age
- Gender
- Physical Traits/Abilities

Invisible Traits

- Beliefs/Values
- Family Status
- Education
- Working-Style Preferences



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What is Inclusion?

- The achievement of a work environment in which all individuals are treated fairly and respectfully, have equal access to opportunities and resources, and can contribute fully to the organization's success.

-Society for Human
Resource Management



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Why Diversity and Inclusion?

A diverse and inclusive workplace benefits everyone in the organization by making the organization stronger, more resilient, and more competitive.

- "Workforce diversity and inclusion is a key driver of internal innovation and business growth."
-Forbes Magazine
- "Companies with diverse executive boards enjoy significantly higher earnings and returns on equity."
-McKinsey & Company
- "Multicultural networks promote creativity."
-Harvard Business School



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Why Diversity and Inclusion?

More than the RIGHT
thing to do!



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The Business Case

Diversity and Inclusion creates opportunities for organizational and financial growth by:

- Attracting and retaining the best talent.
- Reducing costs associated with turnover, absences, and low productivity.
- Gaining and keeping greater/new market share with an expanded diverse customer base.



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Attracting and Retaining Talent

- **Your employees are your talent**—they bring specialized skills that can only be obtained through experiences.
- Talent **is tied to** variables such as race, gender, sexual orientation, ability, religion, marital/parental status, and socio-economic background.
- Talent **adds the competitive edge** to the organization through creativity, innovation, idea generation, etc.
- A work environment that is not inclusive **drives talent away** negatively effecting employee morale and the company's bottom line.



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Attracting and Retaining Talent

- **Retain your talent**—this starts with creating a culture that makes employees want to stay.
- **Be fair and consistent**—ensure that all employees have full and equal access to opportunities.
- **Showcase differences**—create opportunities to discuss the importance and value of differences.
- **Foster openness**—encourage employees to express ideas and opinions, and attribute a sense of equal value to all.
- **Promote diversity in leadership**—this practice provides visibility and realizes the benefits of diversity in the workplace.



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Turnover, Absences, and Productivity

- Over **2 million** people leave organizations each year due to perceived unfairness—comments/ jokes, unfair policies, perceived invisibility, etc.
- This trend costs U.S. corporations **\$64 billion** each year (equivalent to combined revenues of Google, Goldman Sachs, Starbucks, and Amazon.com).



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Turnover, Absences, and Productivity

Diversity and Inclusion improves employee morale, performance, and productivity through workplace practices that develop, recognize, and treat people based on fairness and the value of their differences.

- Improved retention and cost reductions due to lower absenteeism and turnover—**Loyalty and Dedication**.
- Increased productivity resulting from employees being encouraged to utilize their diverse experiences to perform their work—**Efficiency and Quality**.
- A sense of connectedness that inspires employees to do their best work—**Engagement**.



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Greater/New Market Share

As the marketplace diversifies, businesses **MUST** reach out to diverse markets who possess a lot of buying power—this money can either benefit you or your competitors.

- Individuals with disabilities spend approximately **\$1 trillion** per year.
- LGBT consumers average **\$884 billion** annually in disposable income.
- Older generations (boomers and above) account for **70 percent** of all discretionary income in the U.S.
- Women are responsible for **83 percent** of all purchases.



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Greater/New Market Share

How will you capture these markets?

- If your employees are uncomfortable conversing with colleagues with disabilities, how are they likely to treat clients with disabilities?
- If your sales team is constantly telling jokes that belittle gays and lesbians, are they likely to be effective and respectful when dealing with openly gay customers?

The skills that your employees learn when transitioning into a more diverse and inclusive workplace are immediately transferable to your customers.



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Return on Investment

Diversity and Inclusion's impact on your bottom line:

- Over a 10-year period, the index of publicly traded companies in *DiversityInc's* Top 50 Companies for Diversity list outperformed the:
 - NASDAQ by **28%**
 - Standard and Poor's 500 by **25%**
 - Dow Jones by **22%**
- Gender diverse companies are **15%** more likely to out perform others.
- Ethnically diverse companies are **35%** more likely to out perform others.



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Summary

- An environment that is positive and motivating for its people increases worker satisfaction, productivity and retention.
- When people feel respected and their differences are valued, they are better able to realize their full potential and make meaningful contributions to the workplace.
- Diversity and Inclusion facilitates innovation and provides clients and customers with increased value.
- Diverse organizations significantly outperform others increasing their bottom line.



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Exercise

- Get into groups of two or three.
- Share something that you would like to start doing, continue with and stop doing.
- Prepare to share.



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Questions?

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