



83% of European companies with 'diversity in the workplace' policies see business benefits - Commission report

Brussels 28-11-2005. Diversity policies make good business sense say 83% of the companies who have adopted them, a new European Commission survey reveals. The main business benefits include being able to recruit from a wider selection of people, being able to keep better workers longer, improved community relations and an enhanced company image. Yet nearly half of all companies responding to the survey still have to implement a diversity policy. While companies in the north and west of the EU have wider use of and experience in diversity policies, those in southern Europe and the new EU Member States stressed their need for more information on how to develop them. The new report focuses on diversity policies promoting non-discrimination on grounds of ethnic or racial origin, disability, religion or belief, age and sexual orientation in the workplace.

The report 'The business case for diversity: good practices in the workplace' was launched by Vladimir Spidla, the EU Commissioner for Employment, Social Affairs and Equal Opportunities who says: 'This study clearly shows that companies are making steady progress in the implementation of diversity and equality strategies at the workplace. They are doing this not only just for ethical and legal reasons but also for the clear business benefits they bring. It is particularly worth noting that a lot of companies wish to go beyond legal requirements and lead the field in diversity issues.'

Diversity policies' most important business benefit is resolving labour shortages and recruiting and retaining high quality staff - 42% of all respondents highlighted this. Labour issues are growing in importance as the EU's workforce is about to start shrinking due to demographic change.

The second most important business benefit, cited by 38% of respondents, was enhancing a company's reputation and standing in the local community. And more than 26% of companies saw improvements in their capacity to create and innovate.

Some 50% of the companies that participated in the survey are actively engaged in promoting workplace diversity. Many of the companies stressed that legal compliance with non-discrimination and equality legislation is not a driver for implementation, but the desired outcome of their policies.

As well as a survey, the report also includes a collection of good practices from various companies with diversity policies. Examples include providing non-discrimination training for managers and staff; creation of employee networks representing disabled, gay, lesbian, ethnic minority employees; company-wide campaigns on the value of older employees; diversity objectives for managers linked to performance appraisal.

The good practices highlight how diversity policies bring tangible results. In one case, they helped a company reduce its employee turnover rate from 25% to under 7.5% in less than four years, thereby making significant savings in employment and training costs. Most examples of good practice were received from companies in the UK, followed by Spain, Germany, France, the Netherlands and Belgium.

The main obstacles in promoting diversity, according to respondents, are lack of information and awareness of diversity practices (around 20% said), difficulty of measuring results (also around 20%) and discriminatory attitudes and behaviour in the workplace (17%).

Almost 800 businesses, from blue chips to SMEs, took part in the survey earlier this year. They were asked about their attitudes to and policies on diversity - commonly perceived as 'the recognition and appreciation of difference' - in the workplace. Some 65% of responses came from SMEs, which account for 90% of the EU economy.

For further information, including access to the entire report, please consult: <http://europa.eu.int/comm/antidiscrimination>