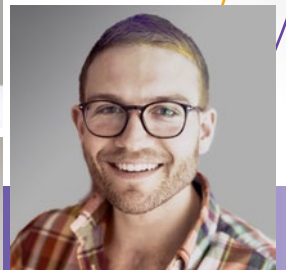
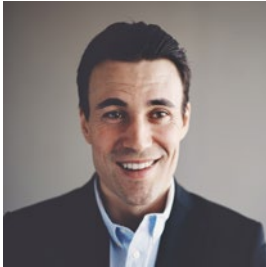


DIVERSITY MANAGEMENT STUDY 2018



Is diversity
the key to success?

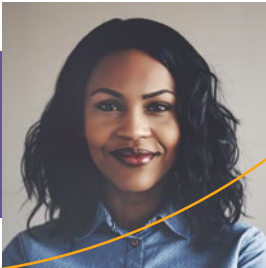


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Creating a diverse team is not enough, you also have to create an open culture as a company.

Joost Fortuin
Managing Director PageGroup Netherlands

MANAGEMENT SUMMARY

DIVERSITY IN THE WORKPLACE MORE IMPORTANT THAN EVER

More and more companies acknowledge the importance of diversity within their organisation. Given the political, economic and social developments, this comes as no surprise. Society itself has become more diverse, and that is reflected in the workplace.

In addition, there is a shortage of professionals on the labour market, which means that companies do their utmost to recruit talent from all groups in a society, be it men and women, different generations, employees with a physical disability or employees with different preferences or cultural backgrounds.

A third reason is the globalisation of business. The sales markets of companies are international. Cultural diversity in the workplace helps companies to operate abroad.

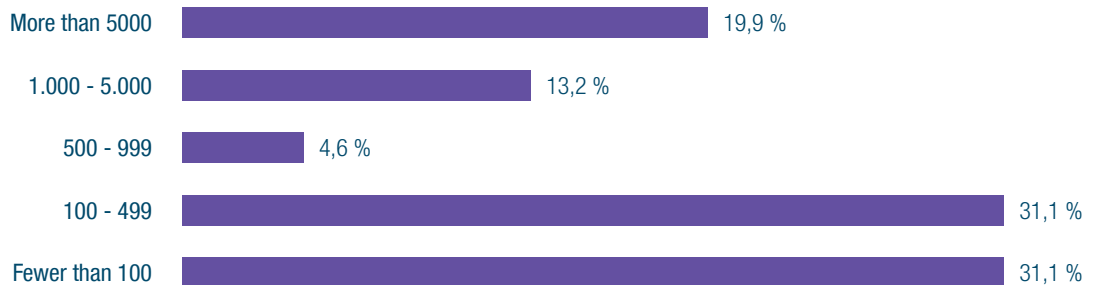
In this sense, a good diversity management is an important building block to meet the challenges companies face in the coming years.

Diversity management leads to a better corporate culture and stronger employer branding

The results of the study show that companies see the positive effect of diversity in the workplace. Thanks to a good diversity management, they have a better understanding of the differences and similarities between their employees. This enables them to create a working environment in which all workers can develop, regardless of their age, sex, cultural background, religion, sexual orientation or physical limitations. This ultimately leads to a better corporate culture.

The consequences of this are not only seen within the organisation but are also translated to the outside world. More diversity, if well managed, thus delivers better solutions and more innovative products in the medium term. An added advantage of a diverse organisation is a better image as an employer, which makes it easier to attract and retain talent within the organisation.

How many employees in total work at your company?



Diversity important for international success

More than 92 percent of companies therefore believe that diversity management is important for the international success of the company. This is shown by the online survey PageGroup conducted among 151 companies in the Netherlands, of various sizes.

Companies working together on more diversity

There are various initiatives in which Dutch companies work together to promote more diversity in the workplace. One such initiative is the Diversity Charter, a declaration of intent by which the signatories commit to specific goals to promote diversity and inclusion within organisations. The declaration has since been signed by 135 Dutch and 10,000 European organisations. PageGroup also signed up to the initiative in 2018.

DIVERSITY AS AN INTEGRAL PART OF THE CORPORATE CULTURE



As the results show, diversity management is an integral part of most companies in the Netherlands (62.3%). However, there is a difference between companies with fewer than 500 employees and larger companies. Whereas almost three quarters (72%) of the large companies in the Netherlands pursue a diversity management, that percentage is slightly more than 56% for smaller companies. Of the smaller companies that do not have a diversity management, 20% say that the theme is on the agenda for the future.

How firmly is diversity anchored in the corporate culture?

The number of companies where the diversity management is firmly anchored in the culture is still in the minority, at just over 44%. According to the results of the survey, 18% are still in the start-up phase. For 18% it is an important topic for the near future, but there are still no concrete plans. For almost 20% the subject is not relevant at the moment and in the near future.

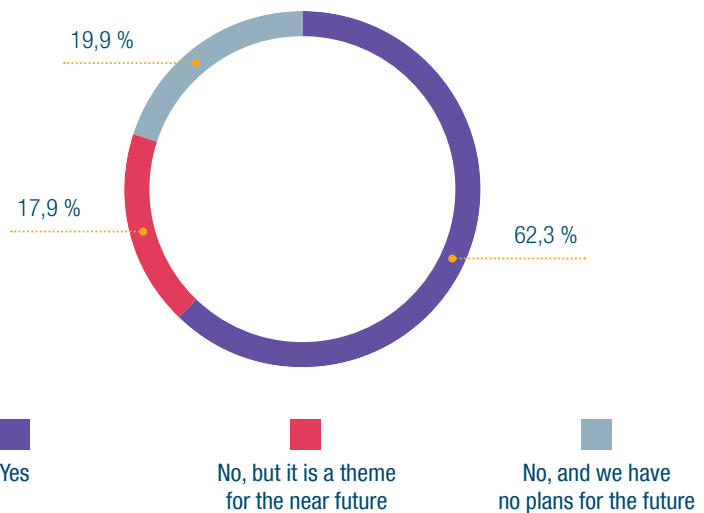
Initiatives are adopted and managed at the highest level

Companies that pursue a diversity management often tackle this at the highest level. At 34.7%, the responsibility for policy lies at the highest management level, and at half of the companies the HR department is responsible. They communicate the policy both within the organisation and to the outside world. This indicates that employers take diversity in the workplace very seriously and see its positive effect.

Sometimes the knowledge and resources are lacking

Smaller companies in particular sometimes lack the people and resources to set up a diversity management. Of the smaller companies that do nothing about diversity, 15% say that there is not enough capacity, and 10% that they lack the knowledge to set up such a policy. Half simply do not consider such a policy relevant to the company.

Has your company been involved in diversity management for the past two years?



A GOOD DIVERSITY MANAGEMENT GIVES COMPANIES A STRATEGIC ADVANTAGE



The majority of those surveyed (92.4%) consider a good diversity management as one of the success factors for the company. More than half (55.7%) see the policy as a good way to attract talent. An open and inclusive corporate culture, and the opportunity to work in international and diverse teams, can certainly be decisive for millennials. In a labour market where talent is scarce, diversity within the company is therefore an important strategic advantage.

Old structures are thrown overboard

In order to develop a good diversity management, existing structures must be abandoned and rethought. For example, more than 38 percent of companies have adapted the application procedure to attract a greater variety of talent.

One of the most important measures that companies have taken to meet the different needs of employees is the introduction of flexible working models. Take, for example, flexible working hours, or the option to work from home: 55 percent of all companies have such a policy. In addition, much larger companies (40%) offer specific services to certain groups, such as prayer rooms or adapted menus in the canteen.

It is interesting to note that smaller companies are much more successful on one point than larger companies: 40% have adapted roles for older workers or for workers with physical disabilities. For larger companies this is only 25%.

Diversity as an employer branding strategy

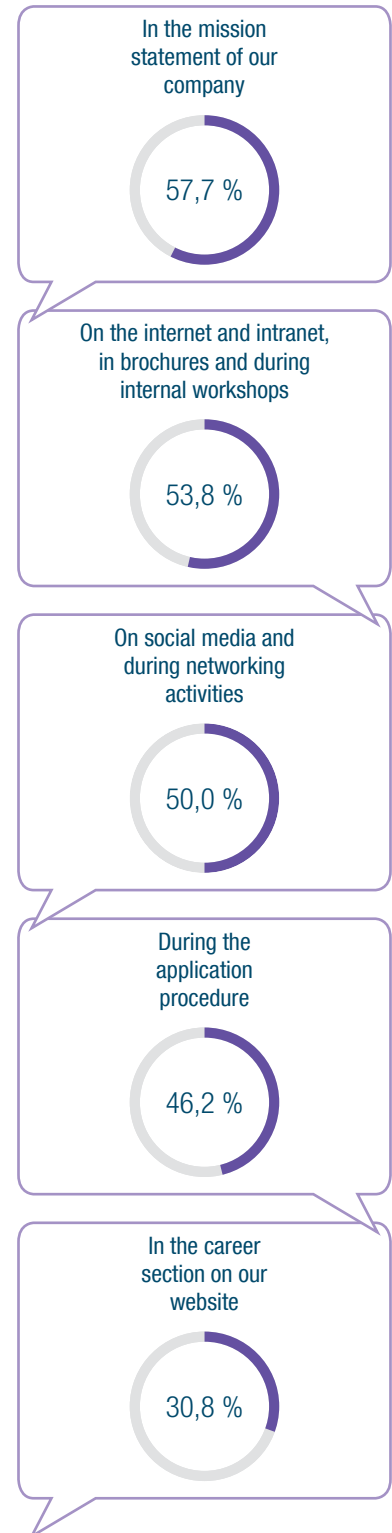
Large companies in particular use their diversity management to strengthen their employer branding. And successfully: 63% say they have become a more attractive employer for candidates thanks to their diversity management.

Diversity management to increase employee satisfaction

At least as important as attracting talent is ensuring that good employees do not leave. Because of the good labour market, employers are finding it increasingly difficult to retain employees. That is why companies invest in initiatives to accommodate employees. A good diversity management is part of this: 24% hope that it leads to less discrimination, 21.5% that it improves cooperation and 38% that it leads to higher satisfaction among employees.

How and where do companies communicate their diversity management?

Several answers are possible



WHAT CONCRETE SUCCESSSES HAS DIVERSITY MANAGEMENT YIELDED?

Does a diversity management also deliver what companies expect of it? The companies that invest in diversity mention various concrete results. For example, 63% say that the atmosphere in the workplace has improved thanks to the policy and almost a quarter (24.1%) see that employee satisfaction has increased. The concrete results are summarized below.

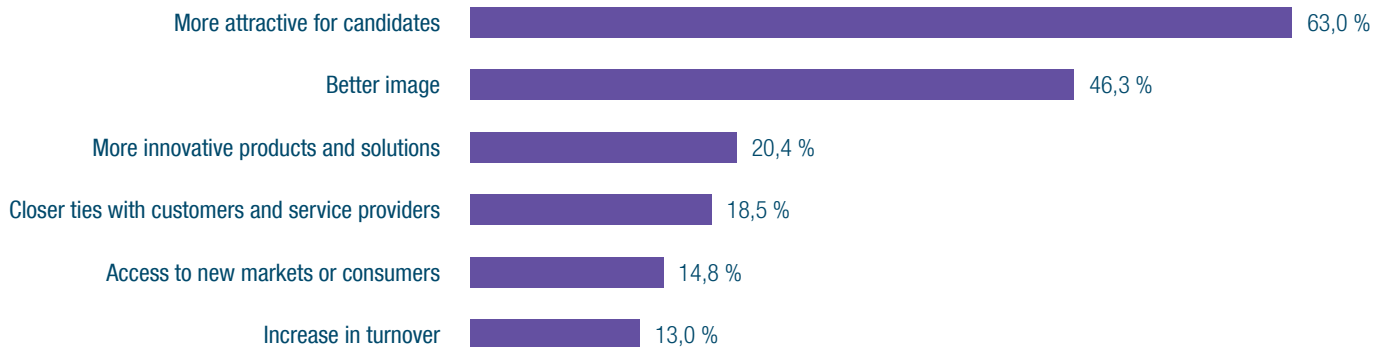
Internal successes through diversity management – Several answers are possible



Positive side-effects

In addition, other positive side effects emerge. These include the change of corporate culture (50%) and more innovative strength (18.5%), leading to more innovative solutions and products.

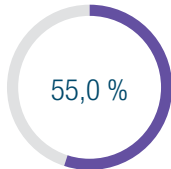
External successes through diversity management – Several answers are possible



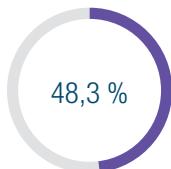
COMPANIES UNDERSTAND THE COMPLEXITY OF THE SUBJECT

Measures to promote diversity Several answers are possible

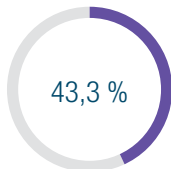
Flexible work forms for a better work-life balance



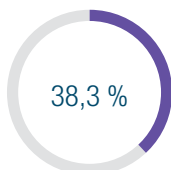
Measures to promote acceptance of sexual orientation



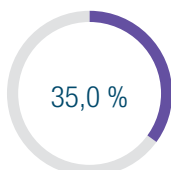
Encouraging the creation of intercultural teams



Adjustment of recruitment and selection policy (e.g. reformulation of vacancies, adaptation of application process and selection procedure)



Adapted roles for older workers and workers with physical disabilities



The potential of a good diversity management is far from exhausted. Both on their own initiative and under the influence of political and economic developments, companies are increasingly committed to creating equal opportunities for all.

The debate is often about the percentage of women in the workplace, and especially at management level. Although only 20% of companies take specific measures to increase the proportion of women within the organisation, other figures show that they do take the issue very seriously. For example, flexible working hours and working from home help partners to better divide their time between work and family: 55% of companies offer this possibility. The hope is that women, who until now have worked part-time more often than men, will therefore opt for a full-time job more than they have down up to now.

Diversity has many dimensions

At the same time, many companies recognise that gender diversity is only one part of their overall policy. Diversity has many dimensions, and policy needs to be developed in all these areas.

Policies for specific groups

Many companies have developed policies to support specific groups within the organisation.

For example, almost half (48.3%) of all companies have a policy to promote acceptance with regard to sexual orientation or identity.

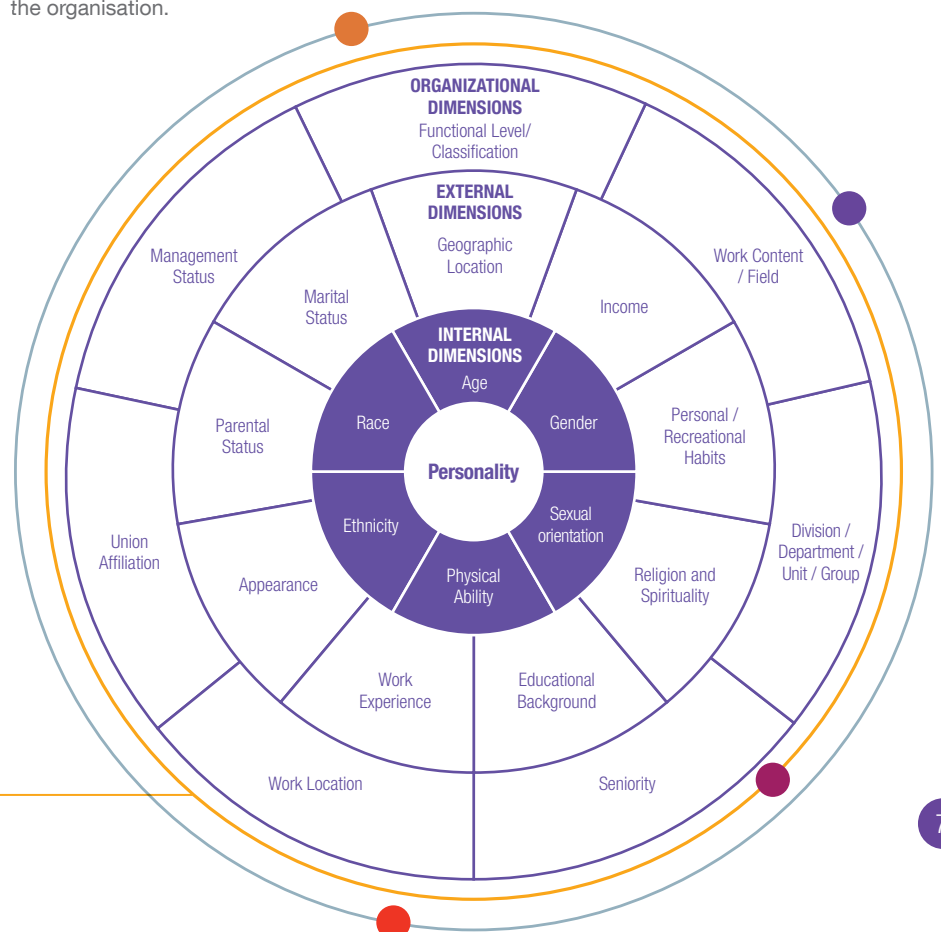
In addition, 35% take specific measures to accommodate older employees or employees with a physical disability. The previously mentioned initiatives for employees with a certain conviction are another example of this: at 20% these are part of the policy.

Diversity management for all employees

In addition, a large number of companies take diversity measures that benefit all employees. The promotion of intercultural teams (43.3%), and special mentoring programmes (18.3%) are examples of this.

Another example is diversity training courses, which help to create broader support for the policy at management level: 20% of companies surveyed offer such diversity training programmes.

These results show that companies in the Netherlands understand how complex the subject is. That is why they do not opt for one solution, but for different measures that complement and reinforce each other.



Diversity dimensions

FUTURE CHALLENGES FOR DIVERSITY MANAGEMENT

Diversity in the workplace is now high on the agenda of a large number of companies in the Netherlands. The policy is often set at the highest level, indicating how seriously companies take the issue.

At the same time, this PageGroup study shows that there is still a lot to gain. After all, a good diversity management is more than putting together various teams. The next step is to have employees from different backgrounds and generations work well together.

“One of the important benefits of diversity in the workplace is that as a company you create more innovative solutions and products,” says Joost Fortuin, Managing Director of PageGroup Netherlands. “But it’s not enough simply to put together a diverse team. As a company, you also have to create an open culture in which employees feel comfortable. Management has to support and encourage employees to share their different views and ideas. It is sometimes forgotten that this does not happen as a matter of course.”

The role of managers is changing

That is where the big challenge lies when it comes to a good diversity management: different perspectives and positions can lead to heated discussions, making it difficult to reach a decision. It is up to the manager to steer this process in the right direction and ultimately make the decision. The question is what this means for the role of the manager. Do managers need to be trained to manage various teams? Do they need to be assessed for other competencies when they are appointed? And how can the HR department support managers in their new role? The answers to all these questions have not yet been found.

How to define the success of diversity management?

“In the coming years, employers will have to think about how they give concrete shape to their diversity management,” says Joost Fortuin. “What are the measures by which they will measure the success of their policies? And what are the right methods for setting up a successful policy?”

“A good diversity management offers many opportunities, but at the same time there are still many challenges. It is therefore important that companies share both their successes and failures in this area. When it comes to diversity in the workplace, we can still learn a lot from each other.”



Joost Fortuin
Managing Director
PageGroup Netherlands

About the study

This survey was conducted in September 2018 by PageGroup Netherlands (Michael Page, Page Personnel and Page Executive), and focuses on employees who are responsible or jointly responsible for diversity management within their company.

In this report we distinguish between companies that have been actively involved in diver-

sity management over the past two years and those that intend to do so in the near future. The third group includes companies that do not engage in diversity management and have no plans to do so in the future.

We looked at companies of different sizes and in different sectors. Most of the participants are from the industrial and service sectors.



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