



# DIVERSITY AS A STRATEGY FOR BUSINESS GROWTH



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# What we need to know



Here are all the topics this PowerPoint aims to cover from the BME Y12 Syllabus.

- **managing diversity as a strategy for business growth**

# Defining Diversity

A decorative graphic consisting of a small diamond shape with a horizontal line passing through its center, positioned below the title.

Diversity refers to the inclusion of a variety of different individuals or groups within a firm. This includes diversity in terms of gender, race, ethnicity, age, sexual orientation, physical ability, and other factors that may shape a person's identity or experience.

This is an important topic for businesses operating in Australia as new research published in 2023 outlines 55% of all Australians are more likely to shop with a business with more diversity in its work force. A resounding 75% of Australians also agree all business should be accessible regardless of physical, mental, sensory or intellectual disabilities.

# Benefits of Managing Diversity in the Workforce

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There are several benefits to having a firm having a diverse workforce, from both a productivity standpoint and in day-to-day business operations.

Enables a firm to be influenced by a large range of talent, skills and ideas which in return helps enhance the innovative process

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Reduces staff turnover by making employees feel valued, welcome and supported irrespective of their backgrounds

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Helps public image and foreign expansion plans as culturally diverse employees can provide input on unfamiliar markets. This can prevent insensitive marketing, poor product positioning and any other issues that occur from not being knowledgeable about foreign markets

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## Considerations required to encourage Diversity

Simply including more diverse quotas (allowances) in the hiring process is not enough for a firm to retain a diverse workforce. The business must consider a wide range of factors such as:

- Designing flexible ways to work – i.e., people with disabilities or family commitments could work from home
- Reduce hours for older workers over time to enable them to still work
- Internal culture, procedures, practises and workplace environments that reward, retain and recruit a diverse range of people
- The way people with different cultures expect to be managed and individuals' own personal style

# Legal Requirements

The following Acts below dictate what diversity and ethical requirements businesses must follow to prohibit discrimination and encourage equal opportunities:

- Australian Human Rights Commission Act
- Age, Sex, Racial, and Disability Discrimination Acts
- Racial Hatred Act
- Workplace Gender Equality Act 2012
- Fair Work Act and National Employment Standards
- State-based anti-discrimination Acts and Occupational Health and Safety (OH&S) Acts

The ASX Corporate Governance Council also mandates that companies must adopt and disclose a diversity policy and measurable objectives and encourages disclosure of the companies' performance in meeting these objectives and the proportion of women in senior management and general employees.

# Managing Diversity



| <i>Stakeholders</i>     | <i>Practises</i> to improve understanding:   | <i>Impact</i> on business growth  |
|-------------------------|--|---|
| <b><i>Employees</i></b> | <ul style="list-style-type: none"><li>- Culturally awareness training – sensitivity towards different religious beliefs, customs and convictions</li><li>- Give employees authority to make decisions to ensure they feel valued and committed to the outcomes</li><li>- Share credit for success</li><li>- Ensure everyone is heard and feedback is taken</li></ul> | <ul style="list-style-type: none"><li>- Reduces conflict</li><li>- Increases motivation, productivity and expansion of output (production)</li><li>- Greater understanding of employee skills that can increase efficiency, reduce costs and increase profit margins</li><li>- Comes with short term costs involved in training</li><li>- Some feedback can be rejected, could be taken personally by employees</li></ul> |
| <b><i>Consumers</i></b> | <ul style="list-style-type: none"><li>- Provide a diverse range of products to meet demand of culturally diverse consumers</li></ul>   | <ul style="list-style-type: none"><li>- Increases sales opportunities, consumer expenditure, sales, profits, turnover and expansion</li><li>- May not be as popular as other goods</li></ul>  |
| <b><i>Suppliers</i></b> | <ul style="list-style-type: none"><li>- Respective culture improves public image, thus, gaining trust from suppliers</li><li>- Conduct negotiations (price, transport etc.) in a nondiscriminatory and respectful nature, building trust</li></ul>   | <ul style="list-style-type: none"><li>- Reduces conflict, increases productivity, output, communication, efficiency and reduces costs</li></ul>   |





# Case Study: Google

Google has made significant efforts to embrace diversity and promote inclusion in its workforce. Some of the ways Google has embraced diversity include:

- Setting *specific diversity goals*, such as increasing the representation of underrepresented groups in its workforce.
- Implemented various initiatives to recruit more diverse candidates, such as *partnering with organizations* that focus on diversity and inclusion and *hosting events to attract diverse candidates*.
- Implemented *training and education programs* to promote diversity and inclusion, such as *unconscious bias training and workshops* on inclusive language. The company has also *created employee resource groups* for underrepresented groups and has fostered a culture of open communication and collaboration.
- Offering benefits that support diverse employees, such as *gender-neutral bathrooms* and *support for employees with disabilities*.
- Ties executive compensation to *meeting diversity goals*.

Overall, Google's approach to diversity and inclusion is comprehensive and multifaceted, encompassing recruitment, workplace culture, benefits, and leadership accountability. This has resulted in a more diverse and inclusive workforce and positive business outcomes.





# Concluding Ideas

- Managing diversity is not just a moral imperative, but also a smart business strategy.
- Embracing diversity can lead to increased creativity, innovation, and problem-solving, as well as a broader range of perspectives and ideas.
- Effective strategies for managing diversity include creating a diverse and inclusive workplace culture, providing training and education on diversity and inclusion, and promoting diversity in recruitment and promotion processes.
- Companies that have successfully implemented diversity strategies, such as Google, have seen positive results in terms of employee satisfaction and business growth.
- By embracing diversity and creating an inclusive workplace culture, businesses can tap into the full potential of their employees and drive growth and success.