### **Employment, Pensions and Incentives Group**

# A Guide to **Diversity and Inclusion**



### What is diversity and what is inclusion?



Diversity involves acceptance and respect for differences between people, including people with differing educational backgrounds, personality types, cultural references, experiences or disabilities.

Inclusion refers to every individual in the workplace being valued, heard, respected, empowered and feeling a true sense of belonging. Inclusion goes beyond tolerance to actually celebrating and elevating every person so that they feel confident in reflecting their authentic self in work.

# Why are diversity and inclusion important?



Diversity and inclusion are integral to how organisations attract, retain, develop and engage employees as well as the team relations we have with each other in the workplace. Diversity and inclusion support collaborative work practices, where innovation, training and creative solutions develop. Inclusive workplaces are crucial for employee wellbeing and for reducing the number of sick days taken by employees, reducing stress levels of employees and preventing key talent from leaving an organisation.

For 'Generation Y' and 'Generation Z' individuals, pay, pensions and security influence career decisions but they also prioritise elements of the work experience including diverse and inclusive workplaces, flexible work policies and workplace wellness policies.

# Positive impact of diversity and inclusion in the workplace

These benefits lead ultimately to better business and greater success for your organisation.



### What can you do to improve diversity and inclusion in the workplace?

Diversity and inclusion are relevant to every stage of the employment relationship, starting with the recruitment and interview process. There are many steps that employers can take to improve diversity and inclusion in the workplace, ultimately resulting in a happier and more productive workforce. These include:



#### **Smarter Recruitment**

To secure the most talented people, employers will need to adopt a conscious and innovative approach to access more diverse talent pools. Employers should ensure that their recruitment strategies reach candidates regardless of gender, ethnicity, sexual orientation, disability or socio-economic background. Organisations should ensure that job adverts and job descriptions use language that does not imply that the organisation is looking for a candidate from a particular background. It is particularly important for anyone drafting job advertisements or participating in interview panels to be aware of their own bias. Anti-bias training can be highly effective, allowing managers to identify areas where they may have their own unconscious biases, helping them to approach recruitment more objectively. Removing certain information from application forms, such as the name and gender of the applicant or the name of the school they attended, can also help employers to minimise the impact of unconscious bias by encouraging employing managers to focus solely on the applicant's qualifications and experience. At the interview stage, employers should also make sure that they are prepared for an inclusive interview. It is important for organisations to consider the composition of the interview panel e.g. is the panel composed of a range of diverse characteristics such as gender, age, race etc. as well as asking candidates if they have any accessibility requirements.



#### Strategy

It is important for organisations to develop a strategy around diversity and inclusion in the individual workplace. Diversity and inclusion has traditionally been within the merit of the human resource function of organisations. In order to effect change in a workplace's culture, it is necessary to have engagement regarding diversity and inclusion from senior management in the first instance. A governance structure needs to be implemented in order to support the organisation's diversity and inclusion policies.



#### **Review organisational policies**

Organisational policies should be reviewed to ensure that they comply with employment equality legislation, best practice and the organisation's specific diversity and inclusion strategy. Policies can then be amended and updated to reflect the positive changes made.

Policies should be put in place for specific groups as required. Employers considering their diversity policies in the modern workplace need to look beyond the more traditional considerations such as gender, race and physical disabilities, and also consider, amongst other diverse characteristics:

**A.** Generational diversity

**B.** Socio-economic Background





**c.** LGBTQ+

**D.** Mental health





**E.** Employee wellness and resilience

**F.** Cognitive diversity, including neurodiversity







#### **Training Initiatives**

It is important to consider the issues that feed into inequality in the workplace such as prejudice and unconscious bias. Even with strong policies and employment legislation, individual views and beliefs can still impede progress towards diversity and inclusion.

Initiatives such as unconscious bias training and anti-harassment and discrimination training are an effective and worthwhile way to promote diversity and inclusion in the workplace.



#### Workplace accommodations and reasonable adjustments

Accommodating people with disabilities (either physical or mental) is vital for ensuring inclusion and promoting diversity in the workplace. By providing reasonable adjustments and promoting the participation of people with disabilities in the workplace, employers can help to foster an all-inclusive work environment.

For example, at interview stage, it is important to accommodate people who may have disability requirements. Employers can easily consider such requirements when setting up interviews by asking candidates in advance if they have any accessibility requirements.



#### Return to work programmes

Return to work programmes can be very effective in terms of assisting employees who are returning to work after any extended periods of leave. These programmes have a wide reach including parents returning to work after maternity, paternity or parental leave as well as people returning from sick leave, carer's leave or other types of career breaks.

Such programmes can assist employers to retain highly talented and experienced individuals while also encouraging work-life balance. This results in an enhanced reputation for the organisation as an employer among many other benefits.



#### Promote well-being and resilience

Good mental health in the workplace is crucial to ensuring the success of the organisation. If mental health concerns are overlooked, it will have a negative impact on morale and productivity and increase the number of absences. An OECD report, "Health At A Glance: Europe" indicates that, more than one in six people across EU countries had a mental health issue in 2016. The costs of mental health problems for the individuals, employers and society can be significant. The total costs of mental ill-health are estimated at more than 4% of GDP, or over €600 billion, across the 28 EU countries. €190 billion (or 1.3% of GDP) reflects direct spending on health care, another €170 billion (1.2% of GDP) is spent on social security programmes, while a further €240 billion (1.6% of GDP) represents indirect costs to the labour market due to lower employment and productivity.

Employee assistance programmes, awareness campaigns and resilience programmes can all contribute significantly to the wellbeing of employees. Employers can promote their organisation as an inclusive employer through accommodation of work-life balance activities and atypical working arrangements.



#### **Rewards and Incentives**

It is important for organisations to consider their remuneration policies and to ensure that employees are being paid in a fair manner. Employees who are carrying out similar work are entitled to be paid similar pay. Employers should also consider the criteria on which pay increases are calculated to ensure that they are fair and based on objective reasons, such as experience, and not related to a person's characteristics. The introduction of Gender Pay Gap legislation, will present an opportunity for employers to examine any pay gap in their organisation, the reasons for such gap and the steps that should be taken to reduce the gender pay gap.

Incentives and bonus schemes are often used as arrangements for the provision of payments and rewards to employees and are often related to performance. Such schemes enable employees to share in their organisation's success and provide employees with a direct incentive to perform well and contribute to the organisation's profits. Incentive schemes are intended to attract, retain and motivate employees. In order to be effective, such schemes must be carefully implemented and managed on an on-going basis to ensure that employees understand what they have to do to be rewarded, how rewards will be measured and what employees will receive for achieving agreed goals.

By having these initiatives at the beginning of an employee's career, it promotes diversity and inclusion from the very start and instils in each employee's mind the importance of diversity and inclusion in the workplace.

### Legislation to consider



#### **Employment Equality Acts 1998-2015**

The Employment Equality Acts prohibit discrimination on nine grounds, namely: gender, civil status, family status, sexual orientation, religious belief, age, disability, race and membership of the Traveller Community. The Employment Equality Acts extend the principle of equal pay for "like work" to the nine discriminatory grounds so that different rates of pay for like work must be justified on grounds other than these nine grounds.

The Employment Equality Acts also provide a remedy against acts of indirect discrimination which are those acts which, although applying apparently without discrimination, place a particular category of employees (within the meaning of the nine grounds of discrimination) at a particular disadvantage by reference to a comparator and which cannot be objectively justified by the employer.

The Employment Equality Acts prohibit sexual harassment and non-sexual harassment in the workplace. Employers may be liable for such harassment by their employees unless they can establish that they took reasonable steps to ensure that harassment did not occur (including by having in place appropriate policies and procedures).



#### Equal Status Acts 2000-2015

The Equal Status Acts prohibit discrimination outside the workplace, in particular in the provision of goods and services, accommodation and education. Subject to some limited exceptions, discrimination is prohibited on the same grounds as those included in the Employment Equality Acts (gender, marital status, family status, age disability, sexual orientation, race, religion, and membership of the Traveller Community).

The Equal Status Acts also prohibit discrimination against those in receipt of certain assistance and social welfare payments, as well as the publication or display of advertising which indicates an intention to discriminate. Those selling goods or providing services are required by the Equal Status Acts to provide for special treatment or accommodations where it would be otherwise unduly difficult for a person with disabilities to avail of their goods or services, unless this would amount to more than a nominal cost.

#### Safety, Health and Welfare at Work Acts 2005-2014

Under the Safety, Health and Welfare at Work Acts, all employers are required to take steps to ensure that their employees are working in as safe an environment as is reasonably practicable. The Safety, Health and Welfare at Work Acts take account of the management of interpersonal relationships and the impact which certain behaviour may have on an employee's mental wellbeing.



Employers' obligations under the Safety, Health and Welfare at Work Acts relate not only to the physical environment but also to the emotional environment of a workplace. For example, it is important for employers to take steps to ensure that they adequately address the prevention of workplace bullying and/or harassment.

Employees can bring civil claims against their employers for any loss suffered as a result of accidents at work or industrial illnesses and can also claim compensation from the State Occupational Injuries Benefit Scheme.



### How can McCann FitzGerald assist you?



The Employment, Pensions and Incentives Group works with employers across all sectors to develope effective practices, policies and strategies to ensure an optimum diverse and inclusive workplace environment. The Group would be happy to answer any questions that employers may have about their diversity and inclusion strategy and policies. The Group also regularly works with clients to evaluate gender pay gap and gender pension gap issues and to provide advice in respect of incentive schemes. Your usual contact in the Group would be happy to advise you further.

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