Benefits of DARE

Benefits of Embracing Diversity and Inclusion in the SME Workplace

Embracing diversity and nurturing inclusivity in small and medium-sized enterprises (SMEs) can yield numerous benefits. DARE creates a more vibrant, innovative, and resilient company culture that has triple benefits for employees, customers, and the business.

The next two sections outline some of the benefits and advantages of becoming more inclusive and diverse in the workplace:

DARE
DIVERSITIES ARE
REVIVING ENTERPRISES

1. Increased Innovation and Creativity
2. Enhanced Employee Engagement and Morale
3. Improved Decision-Making
4. Broader Talent Pool and Recruitment Advantage
5. Better Customer Understanding and Market Reach
6. Enhanced Reputation and Brand Image
7. Reduced Turnover and Increased Retention
8. Legal and Compliance Benefits

Benefits

Reports, Facts and Figures

01 Increased Innovation & Creativity

Diversity brings together individuals with different backgrounds, perspectives, and experiences. This diversity of thought can lead To innovative ideas, creative solutions, and fresh approaches to problem-solving, driving business growth and competitiveness.

According to a study by McKinsey & Company, companies in the top quartile for ethnic and cultural diversity are 33% more likely to outperform their industry peers in terms of profitability.

A report by the European Commission found that diverse teams are more likely to generate innovative ideas and solutions, contributing to business success and competitiveness in the European market.

02 Enhanced Employee Engagement & Morale

Inclusive workplaces where employees feel valued, respected, and included tend to have higher levels of employee engagement and morale. When employees feel like they belong and are appreciated for their contributions, they are more motivated, committed, and enthusiastic about their work.

Eurofound's European Working Conditions Survey revealed that employees who perceive their workplace as inclusive are more likely to report higher levels of job satisfaction and well-being.

Research by the Chartered Institute of Personnel and Development (CIPD) found that inclusive workplaces have higher levels of employee engagement, leading to increased productivity and performance.

03 Improved Decision-Making

Diverse teams are better equipped to consider a wide range of viewpoints, weigh various options, and make well-informed decisions. This diversity of perspectives can lead to more comprehensive analyses, reduced groupthink, and ultimately, better decision-making outcomes.

A study published in the Harvard Business Review found that diverse teams make better decisions 87% of the time compared to homogeneous teams.

The European Diversity Charter Annual Report highlights that diverse teams are more effective at problem-solving and decision-making due to the variety of perspectives and insights they bring.

04 Broader Talent Pool & Recruitment Advantage

Embracing diversity and inclusivity can attract a wider range of talented candidates from diverse backgrounds. By fostering a reputation for inclusivity, SMEs can appeal to top talent-seeking organizations that prioritize diversity and equity, giving them a competitive edge in recruitment.

A survey conducted by Glassdoor revealed that 76% of job seekers consider diversity and inclusion an important factor when evaluating companies and job offers.

According to research by the European Union Agency for Fundamental Rights, diverse and inclusive workplaces are more attractive to younger generations entering the workforce, enhancing SMEs' ability to recruit top talent.

DIVERSITIES ARE REVIVING ENTERPRISE

Benefits

Reports, Facts and Figures

05

Better Customer Understanding & Market Reach
A diverse workforce can better understand and connect with diverse customer demographics. This enhanced understanding of diverse consumer needs and preferences can lead to more effective marketing strategies, product development, and customer service, ultimately expanding market reach and customer loyalty.

A report by _Deloitte_ found that companies with inclusive cultures are 1.7 times more likely to be innovative leaders in their market segments.

The _European Consumer Scoreboard_ highlights that businesses that prioritize diversity and inclusivity are better equipped to understand and meet the needs of diverse consumer demographics, leading to increased customer satisfaction and loyalty.

06

Enhanced Reputation and Brand Image
Companies that demonstrate a commitment to diversity and inclusion often enjoy a positive reputation and brand image. Customers, clients, investors, and other stakeholders are increasingly valuing diversity and social responsibility, and supporting diverse and inclusive businesses can enhance brand loyalty and attract socially conscious consumers.

The _Diversity and Inclusion in Europe report by McKinsey & Company_ found that companies with diverse leadership teams are perceived as more innovative and better performing by investors and stakeholders.

A study by _Accenture_ revealed that 62% of consumers prefer to buy from companies that share their values, including diversity and inclusion.

07

Reduced Turnover and Increased Retention
Inclusive workplaces that prioritize diversity and equity tend to experience lower turnover rates and higher employee retention. Employees who feel valued, respected, and supported are more likely to stay with the company long-term, reducing recruitment costs and promoting continuity and stability within the organization.

The _European Commission's Equality and Human Rights Commission_ reports that inclusive workplaces experience 39% lower turnover rates compared to non-inclusive workplaces.

A study by the _Centre for Economic Performance (CEP)_ found that companies with diverse and inclusive cultures have higher employee retention rates and lower absenteeism.

08

Legal and Compliance Benefits
Embracing diversity and creating an inclusive work environment can help SMEs comply with legal requirements and avoid potential discrimination lawsuits. By implementing inclusive policies, practices, and training programs, SMEs can mitigate legal risks and ensure compliance with relevant employment laws and regulations.

The _European Union's Directive on Equal Treatment in Employment_ prohibits discrimination based on various grounds, including race, ethnicity, gender, age, disability, sexual orientation, and religion or belief.

Compliance with diversity and inclusion regulations can _protect SMEs from legal risks_, reputational damage, and financial penalties associated with discrimination lawsuits and non-compliance with employment laws.