



Co-funded by
the European Union



DARE Skills and Capability Competency Framework

Empowering European SMEs Towards Diversity and Inclusion Excellence



Contents

01 ABOUT DARE

02 CURRENT SITUATION IN EUROPE

01

03 COMPETENCE AREAS

ABOUT DARE



01

01

DARE PROJECT AND OUR GOALS

02

TARGET GROUPS

03

RESEARCH METHODOLOGY



01 DARE PROJECT AND OUR GOALS

This study presents the results of a research conducted by our DARE team, on the basis of which we have developed a framework that considers the skills and knowledge needed by SMEs to meet the challenges of transformation regarding diversity and inclusion.

Based on a study conducted in 2022 consisting of 82 responses from the interviews with representatives of enterprises and vocational education institutions of partner regions in Ireland, Poland, Germany and Denmark, as well as 15 interviews carried out in 2023 amongst SMEs, VET and employees.

This allowed to draw certain conclusions and problems occurring on the European labour market regarding integration and diversity.

First of all, we would like to analyse the current situation of the labour market in Europe and a significant factor that affects the labour market, i.e. migration.

Competence framework document also provides a clear set of expectations regarding the skills or competencies employees need to demonstrate to meet the objectives of their positions and contribute to the overall goals of the organization.

Europe is facing a serious labour shortage with 3% of all available jobs vacant, more than ever since statistical records of this data started in 2006. By embracing the principles of diversity and inclusion and putting strategies in place, European SME's can unlock previously "invisible" talent pools. Diversities are Reviving Enterprises (DARE) is a transformative VET project which will develop a new suite of resources to sensitise and upskill European SMEs (and those who train them VET educators) about the economic and ethical gains diversity and inclusion bring to small business workforces. DARE will help European SME's to overcome systemic and individual biases pertaining to constructs like age, race, ethnicity, gender, disability and sexual orientation.

An important part of diversity and inclusion programs is gathering feedback from company employees and leaders to understand where the company is succeeding in its DARE efforts and where it can improve. It is important to ask these questions, so employees feel their company values them, they're more likely to be creative and innovative and to take pride in their role with the company. Employees who feel the company disrespects them, are often more likely to leave for a more inclusive position.

Therefore, we decided to conduct interviews with employees, company owners and vocational education institutions. This study will present the conclusions from these conversations.

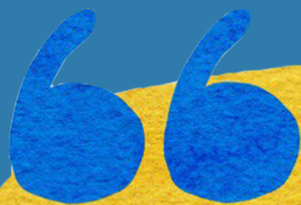


Diversity & inclusion management has been an important social topic recently. Is not a temporary trend, but a challenge that more and more companies are facing. This concept originated in the United States and its main development worldwide took place in the 1980s. We noticed the first changes in Europe when large international enterprises were established. Newer standards of human resources management and the development of organizational culture began to be implemented. A miles. the development of the idea of diversity in companies has been the entry into the European Union and the adoption of Community law

A number of EU programmes aimed at promoting equal opportunities and inclusion policies have emerged. Since 2004, 26 diversity charters have been created in Europe, providing support, promoting best practice in diversity management.

In any organisation, a collection of people who are different in many ways can work effectively as a team, complement each other and be successful, provided they are given the right support and space for their own thoughts, views and opinions.

In our study, we will present this topic in more detail in terms of opportunities and challenges for the labour market.



**“Diversity is not about how we differ.
Diversity is about embracing one another’s
uniqueness.”**

— Ola Joseph, Author

Diversity & Inclusion

Before we can explain the significance of diversity and inclusion, we need to have a clear understanding of what the two words mean. People often use these terms interchangeably; however, while they are interconnected, they don't mean the same thing.

The words diversity and inclusion – which often appear together are more than just buzzwords. They're part of a series of policies and programs that help foster an equitable culture in the workplace, ensuring that companies respect the unique perspectives and needs of all their employees.

Diversity in a workplace means having a workforce inclusive of different backgrounds and national origins. It means gender, socioeconomic, and cultural diversity – and beyond. It also means that the company fosters a sense of belonging that makes everyone feel like they are part of the team regardless of identity and attributes represented in a group, inclusive of employees or the management and executive team. Ideally, the workplace should include people who have varying racial, social, ethnic, and religious backgrounds and represent different genders, sexual orientations, abilities, and more. After all, a variety of perspectives can create a stronger workplace.

Inclusion, which is related to diversity, refers to how well the company values the perspectives of different workplace groups. For example, if men, women, and nonbinary individuals equally make up the workplace but men make the majority of leadership decisions, then the workplace isn't really inclusive because the company isn't taking everyone's perspectives into consideration.



Sustainable Development Goals



The framework underlines the necessity of diversity and inclusion training and education for SMEs and their employees, as well as the development of skills and knowledge to build an inclusive workplace. This goal is to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

This refers to the European Commission Sustainable Development Goals within both the competency framework and the Curriculum.

The DARE Competence Framework & Curriculum documents emphasise on fostering diversity and inclusion within European SMEs makes it compliant with a number of Sustainable Development Goals (SDGs) established by the United Nations. These SDGs are listed in the Competency framework & curriculum along with justifications for their applicability: SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth, SDG 10: Reducing Inequality, SDG 11: Sustainable Cities and Communities, SDG 17: Partnerships for the Goals.

02 TARGET GROUPS

Diverse workforces can pertain to age, race, ethnicity, gender, religion, disability, socioeconomic background and sexual orientation, as well as experience, education, skill sets, and knowledge bases. Each of these areas will be a focus of the DARE project.

VET

The DARE resources are primarily targeted at VET organisations / VET professionals that provide training/services to SMEs.

SMEs
(owner/manager
/key staff)

SMEs will utilize unexploited potentials: they acquire the skills and knowledge to manage the transformation needed – helping them to address important challenges and remain competitive, especially regarding their attractiveness as employers.

Employees

Employees in general, but especially vulnerable, marginalized, excluded or discriminated groups, benefit directly and indirectly in manifold ways.



03 RESEARCH METHODOLOGY

1 ANALYSIS: REPORTS, INTERVIEWS, SURVEYS

Analysis of the positioning report conducted prior to the project's application. Further interviews in each partner country with VET representatives, SME's (owner managers, key staff) and employees in general and desk research.

1

2

2 CATEGORIZATION OF NEEDS & KNOWLEDGE GAPS

Development of 6 competency areas based on previously defined needs and further partner's analysis.



3 DEFINING KNOWLEDGE, SKILLS & ATTITUDES

Further elaboration of competencies defining skills & knowledge required by the target groups.

3



4 FINALIZATION OF THE DARE COMPETENCE FRAMEWORK

Finalisation based on further partner input and user testing with experts. Implementation of the final changes and fine-tuning.

4



CURRENT SITUATION IN EUROPE



02

01

EMPLOYMENT SITUATION IN EUROPE

02

OBSTACLES AND CHALLENGES CONCERNING DIVERSITY AND INCLUSION IN EUROPE

03

DIVERSITY AND INTEGRATION



01 EMPLOYMENT SITUATION IN EUROPE

EUROPE'S CURRENT LABOUR SHORTAGE

Europe is facing a serious skills shortage with 3% of all available jobs vacant – more than ever since statistical records of this data started in 2006. This means that around six million jobs are open/available to be filled across the EU. Correspondingly, the EU's unemployment rate sank to 6.0% in July – another record figure since at least 2001, when Eurostat began compiling this data. Let's look at our partner countries:

- In Ireland, as we approach full employment, a shortage of skilled people could jeopardise Ireland's economic recovery. The Central Bank has said, up to 167,000 jobs could be created across the Irish economy over the next couple of years. CIPD Ireland, the professional body for HR and Learning & Development published a study "HR Practices in Ireland" which shows 47% of respondents said attracting, developing and retaining employees was their top priority and 36% of employers cite "significant shortages" when it comes to the skills they need in their workforce (source)
- 87% of German family businesses surveyed by the Munich-based Ifo Institute on behalf of the foundation for family businesses said they felt the effects of the workers' shortage
- In Poland, for example, the unemployment rate is at its lowest in 32 years, yet more than half of the companies are still concerned about the labour shortage
- In July 2022, the Danish government announced a new Positive List for Highly Educated and a Positive List for Skilled Workers from other countries to meet the labour shortages. Those who have been offered a job included in the Positive List can apply for a Danish residence and work permit based on the Positive List Scheme.

Like many regions, Europe has been undergoing digital transformation, which has led to the creation of new jobs in technology and data-related fields while making some traditional jobs obsolete. Upskilling and reskilling have become crucial for the workforce to adapt to these changes.

The Covid-19 pandemic has made remote work very popular. Many European countries have also adopted hybrid working systems, which enable employees to work both from home and in the office. This change affects work-life balance.

Many European countries face demographic challenges due to aging populations. This has implications for pension systems, healthcare, and the need to extend retirement ages in some countries. What's more, despite overall low unemployment rates in some European countries, youth unemployment has been a concern in several regions. Creating opportunities for young people entering the job market remains a challenge.

Multigenerational employees present on the labour market are characterized by different value systems, attitudes towards work and expectations towards employers, including those regarding the organization work in terms of time and place of work. Therefore, it is important to activate mechanisms aimed at effectively managing a diversified generation employees. Such opportunities are created by effective diversity management, which is part of the process of the human resources management in the enterprise.

02

OBSTACLES AND CHALLENGES CONCERNING DIVERSITY AND INCLUSION IN EUROPE

The European labour market, like many others around the world, faces various obstacles and challenges concerning diversity and inclusion. Some of these obstacles include:

01

Unconscious biases can affect decision-making processes related to recruitment, promotions, and assignments. These biases often lead to favoring individuals from certain backgrounds over others, hindering diversity and inclusion efforts.

02

Stereotypes and prejudices based on race, gender, age, religion, sexual orientation, or disability can lead to discrimination in the workplace. Discriminatory attitudes create barriers for marginalized groups in accessing job opportunities and career advancement.

03

Some companies may lack comprehensive diversity and inclusion policies or may not enforce existing policies effectively. Absence of clear guidelines can result in inconsistent practices and unequal treatment of employees.

04

Insufficient accommodation for religious practices or political or cultural differences can alienate employees. Failure to respect these differences can lead to discomfort and exclusion.





05

Limited access to quality education and training opportunities can perpetuate inequalities. Lack of skills and qualifications can restrict certain individuals from entering the labour market or accessing higher-paying jobs.



06

Lack of role models in senior position in a workplace might affect productivity and innovation among employees. If the management team is entirely from gender or race people are less likely to be fully integrated in the company.



07

Another common barrier is communication. Very often there is a language barrier and issues deriving from cultural differences. These aspects should be taken into consideration in order to improve this matter in the teams.



08

The above barriers clearly show the lack of training on diversity and inclusion in many workplaces. A cultural diverse and inclusive workplace will result in more innovation, higher level of efficiency and ultimately a better work place.



Although diversity management as a concept and a term has been used since the 1980s, it is still a relatively seldom-used strategy in Polish organisations (Maj,2012;Majand, Walkowiak,2015).Despite this, there are several research-based studies which shine a light on the strengths and weaknesses of diversity management in Polish companies.

In 2015, Maj and Walkowiak conducted a study among the signatories of the Polish Diversity Charter and found that a small number of organisations really implemented diversity management. The conducted research gave insight into the practical implementation of diversity management in Polish organisations. It should be noted, that due to the qualitative nature of the conducted research as well as the purposive sampling,the results and analysis presented cannot be treated as representative but more as an exploration of the topic. What is interesting for DARE is how diversity management is still uncommon in Poland. Also interesting is the instruments here listed and their relationship to the various diversity dimensions.



Diversity and integration in the Polish labour market



Managing generational diversity

Current managers face a real challenge of acquiring loyal employees and acquiring new customers, which is becoming more and more difficult. Managing generational diversity and recruiting new employees are a big challenge for a leader. Each generation was brought up in different conditions and has different approaches to work and expectations towards the employer to efficiently manage employees from different generations, it is worth investing in human resources management training and, above all, ensuring proper cooperation in the team.

We see a greater need to understand and learn how to work with people who are just entering the labour market. Their mentality is completely different than that of more experienced employees.

Political Views

In the age of easily accessible social media, politics is virtually ubiquitous in our lives. Political views at work should not have the slightest importance, but in Poland it is often different.

Ageism

Ageism is a complex social phenomenon. It refers to simplistic patterns of thinking about people in a particular age category - most often young or old (stereotypes), feelings towards these people, and behaviours and decisions towards them (discrimination). Ageism can therefore appear in various aspects of social activity, including the labour market. Young people are very often generalised. They are considered to have too high expectations and too little willingness to work.

Lack of respect for lower-level staff, unfair pay.

Assessment by appearance
Too often we choose our friends or colleagues at work based on their appearance. We reject people who are inappropriately dressed during job interviews.

There are still too many buildings that are not accessible to people with disabilities.

Lack of knowledge of a foreign language

In the Progress Group survey, it was the lack of opportunities to find a job without knowing the language that proved to be the biggest disadvantage of living in Poland, indicated by 39 per cent of Ukrainian employees. Poor medical care, relatively low wages and intolerance of Poles towards other nationalities were also ranked next.

Diversity and integration in the Irish labour market

In their most recent country report for Ireland, the OECD highlighted a growing divergence between the productivity of indigenous Irish companies (primarily SMEs) and the multinational operations that are based here. The OECD have also noted that the low uptake in lifelong learning and management development amongst Irish SMEs as a causal factor in this divergence of productivity.

Building a culture of lifelong learning in SMEs, and encouraging a greater uptake of management development training by SME owner managers is a considerable challenge that needs a sustained response both a policy level, and by the firms themselves.

But recent research shows:
-20% ethnic minority workers reported discrimination in the workplace in Ireland, almost three times the average rate of discrimination (7%). Meanwhile 14% of workers with a disability experienced workplace discrimination and 11% of non-Irish workers.

Two standout facts:

- Only 12% of Irish professionals believe their organisation's workforce demographic is a fair reflection of today's society
- Only 55 Irish businesses signed up to the Diversity Charter Ireland (since 2010!)

The inaugural National Diversity and Inclusion Awards #NDIAWARDS2023. awards will take place at Croke Park, Dublin on 2 February 2023. These will be the first dedicated awards to celebrate advances in D&I in Ireland. The award winners will be chosen for demonstrating best practice across 10 categories including Race & Ethnicity, Gender, LGBTQ+ and Disability.

Census data on ethnicity and religion for 2016 reveals high unemployment rates among Black and Muslim respondents relative to others, though unemployment rates among Irish Travellers, at 80 per cent, were highest of all the groups measured.



Based on interviews conducted by the DARE team, other features of the Irish market are outlined below:

"I think my company and colleagues try to treat everyone the same but there are still a lot of misunderstandings, miscommunications, lack of knowledge that can be very easily fixed with the right training, policies and procedures. It should start with HR and management."

"Nowadays, there is greater integration of people in companies between non white ethnic backgrounds and LGBT."

„As a person of colour when I first came to the company they didn't understand my religion and that I have different holidays but now the company is aware and interested in factoring in these holidays in my work calendar."

"Most companies don't have any programs, policies or training related to inclusion and diversity."

Diversity and integration in the Danish labour market

Denmark is among the countries with the world's lowest income inequality, according to the OECD. It is also reported to have one of the lowest poverty rates among the OECD countries, where poverty is measured as the percentage of people who receive less than half the median national income.

Interestingly, since 2020 the annual reports of companies (+250 employees) listed in Denmark must include a description of their diversity policy for management, under amendments to the Danish Financial Statements Act (Regnskabsloven) (Danish).

The law transposes provisions of the EU directive 2013/34/EU. The policy must cover several diversity factors, including age, gender, educational and business background, geographical origin,

international experience and socio-economic background.

The statement included in the annual report must contain information about:

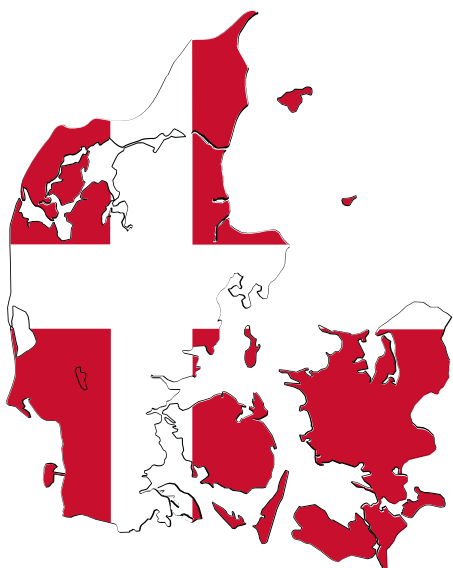
- The policy's objectives
- Implementation efforts
- Results achieved during the applicable reporting period

But smaller SMEs would also benefit from such an approach.

In general, Danish society is open and tolerant of all people but there is space for improvement here mainly on the political side. On the labour market, there are few incidents of non-discrimination in Denmark. If such situations occur, entrepreneurs respond very quickly and appropriately.

Very often equality and non-discrimination issues are written into employment contracts and implementation documents.

There is still too little training that addresses diversity issues.



Interview with a SMEs from Germany

Can you briefly describe your institution's involvement in VET programmes? What types of VET initiatives or partnerships have you been involved in? Do these programs include diversity and inclusion aspects?

We are currently involved in a number of measures with the local job center. These are promotions of long-term unemployed in order to integrate them back into the labor market (as career changers). Within this measure we have 6 full-time employees, who were unemployed for more than 5 years, whom we give a second chance in our company. Diversity and integration are represented in the program to such an extent that our employees have a lower chance of integration into the first labor market due to the system alone. Our employees are single mothers and wives, people with a history of integration / without German citizenship, pensioners who still want to work and so on - everyone carries a personal story and everyone gets a chance with us. We do not hire based on external characteristics, but give everyone a chance and then see who can stay. This is done in close cooperation with an integration program run by the job center. Unfortunately, I am not aware of any other programs.

In your opinion, what are the key challenges faced by SMEs in adopting and implementing innovations in vocational education and training?

In our experience, the biggest challenge can be broken down into several sub-areas. For many, the release of key personnel for the planning, implementation and follow-up of training/innovation programs is problematic; there are employees who believe they cannot afford to take time off, and there are also companies in which personnel bottlenecks do not allow this. In addition, there is a lack of willingness on the part of employees to embrace innovations or new systems - many are sceptical at first. We have also observed that there is little demand among employees to take advantage of digital learning opportunities - first of all, suitable opportunities have to be found, which is sometimes a challenge because everyone has individual needs and at the same time they have to be supported very closely in their search. Here in Germany, there is funding for continuing education, but it's not so easy to meet the funding criteria so that it matches the needs of my employees.

Does the vocational education system in your region meet the expectations of the labour market?

I think there's still room for improvement, unfortunately I can't pin it down to specific points.

Are you aware of any specific examples of innovation being introduced into vocational education programs? Are these innovations aimed at diversity and inclusion?

No, except for the measure described above, I am not aware of any in my environment.

How diverse are your employees? Please explain.

In fact, I don't know of any company that takes diversity as much for granted as we do. Everyone has a place with us. We have many student employees, and we also like to hire international students because they contribute positively to the team with their wealth of experience and their different perspectives for a lot of creativity, openness and solution-oriented thinking. And since many of them know what it can be like to be somewhere new or different, they also have a higher level of understanding for our forces with handicaps. This contributes to a general improvement in the working atmosphere and also has an effect on all employees - they are accepted and therefore accept others. There is a team feeling.

What do you do to foster a culture of diversity and inclusion with your employees?

It is important to us that our employees fit into the team. Everything else is secondary. This includes openness toward others; this is a basic requirement for such a diverse and international team. All employees are always allowed to take time off for any reason that is important to them. Be it religious holidays, appointments with the children, home visits, etc. We make sure to assign everyone according to their personal needs: Single parents take the morning shifts with us, students are more likely to be assigned in the afternoons. For Ramadan, we make sure that appropriate workers do not take on physically demanding tasks. It is important to us that everyone feels seen and valued. In addition, we provide lunch for our employees, and it goes without saying that we cater to all needs (no pork, etc.). At irregular intervals, we also engage in culinary activities with the employees' countries of origin (eating local dishes together), thus promoting the exchange of experiences and mutual cultural understanding.

The majority of Germans find increasing diversity more an enrichment than a threat, and the acceptance of social diversity is well developed. At the same time, there are clear differences in the acceptance of diversity depending on the region and the degree of diversity. These are the findings of the “Diversity Barometer” of the Robert Bosch Foundation.

Only 3,800 companies and institutions with a total of around 14 million employees have signed the German Diversity Charter. They specifically promote the diversity of their employees. Chancellor Angela Merkel has been the patron of the initiative since it was founded in 2006. Almost 19.3 million of the total 82 million people in Germany have an immigrant background. 10.8 million people live with a severe disability. There are over 400 religious communities, and 7.4 per cent of the German population describe themselves as LGBT: lesbian, gay, bisexual and / or transgender.

In Germany, diversity is not just a “nice thing to have”. Diversity is mandatory; it is anchored in law. Laws and contracts such as the General Equal Treatment Act oblige employers to adhere to regulations on equal opportunity and equal treatment.

According to the recently conducted interviews between SME, VET and the company owners in Germany successfully managing of the diversity in the modern company is the key to success.



COMPETENCE AREAS



03

01

COMPETENCE AREAS

COMPETENCE AREAS

Small and Medium Enterprises (SMEs) in Europe, like their counterparts around the world, face the challenge of adapting to the diverse and inclusive nature of the modern workforce. Embracing diversity and inclusion not only fosters a positive workplace culture but also enhances creativity, innovation, and overall business performance. To meet these challenges, SMEs in Europe need to focus on developing certain skills and competence areas.





Small and Medium Enterprises (SMEs) in Europe, like their counterparts around the world, face the challenge of adapting to the diverse and inclusive nature of the modern workforce. Embracing diversity and inclusion not only fosters a positive workplace culture but also enhances creativity, innovation, and overall business performance. To meet these challenges, SMEs in Europe need to focus on developing certain skills and competence areas:



1. Top Level Executive Support Integrating Diversity and Inclusion

Companies Join the Strategic Inclusivity Uprising: Elevating Diversity at Top-Level Management

Companies Join the Strategic Inclusivity Uprising: Elevating Diversity at Top-Level Management Build strong top-level support and management for diversity and inclusion, ensuring that these initiatives are integrated into the core of the business strategy and culture. Commitment from leadership is crucial for creating lasting and meaningful change within any company.

1. Top-Down Support & Commitment:

- **Develop strategic top-level support and management** for diversity and inclusion by securing commitment from company leaders, integrating diversity initiatives into strategic plans, and fostering a culture that values and promotes diversity at all levels. Leaders should take the first steps to actively champion these efforts and set an example for the rest of the company.

2. Strategic Alignment & Compelling Business Case

- **Articulate a compelling business case** for diversity and inclusion. That means demonstrating how these initiatives contribute to innovation, employee engagement, and overall business success.
- **Embed diversity and inclusion goals** into the company's overall strategic plans. Ensure that diversity and inclusion initiatives are considered a critical component of the business strategy.
- **Ensure alignment among top executives** on the importance of diversity and inclusion. Leaders should share a unified vision and commitment to diversity and inclusion goals by demonstrating it in the company's mission and vision.

3. Promote Inclusive Leadership Accountability and Development:

- **Leadership Modelling.** Encourages, cultivates, and develops leaders who champion diversity and inclusion. Leaders should model and communicate the desired behaviours, including active listening, open communication, and valuing diverse perspectives.
- **Provide top-level management and leadership training** that emphasizes inclusive decision-making and team management. This training should cover unconscious bias, inclusive leadership, and strategies for fostering a diverse and equitable workplace.
- **Allocate resources,** both financial and human, to support diversity and inclusion programs. This demonstrates a tangible commitment to driving change and achieving set goals.
- **Accountability and Reporting.** Hold leaders accountable for diversity and inclusion outcomes within their departments and teams. Regularly report progress to the executive team and stakeholders, emphasizing transparency and continuous improvement.
- **Performance Evaluation Criteria:** Incorporate diversity and inclusion goals into leadership performance evaluations. Linking performance to diversity outcomes reinforces the importance of these initiatives.

4. Innovative Problem Solving and Collaborative Decision Making

- **Diverse perspectives.** Encourages diverse perspectives in problem-solving.
- **Inclusive solutions.** Fosters a culture that values creative inclusive solutions arising from diverse experiences.
- **Incorporate Diversity Metrics in Decision-Making.** Promote collaborative decision-making processes that include diverse voices. Use diversity metrics when making strategic decisions. Consider the impact on diversity and inclusion when developing policies, initiatives, and business strategies.
- **Regular Review and Adjustment.** Ensures that decision-making structures are inclusive and transparent. Regularly review diversity and inclusion strategies with top-level management. Adjust initiatives based on feedback, changing business needs, and the evolving landscape of diversity and inclusion.



2. Inclusive Human Resource Management

*Companies Join the Strategic Inclusivity Uprising:
Elevating Diversity at Top-Level Management*

Recruitment

Hiring

Retention

Revolutionizing HR Strategies to Unleash the Power of Diversity & Inclusion Companies. Developing Human Resource Management (HRM) for diversity and inclusion involves integrating inclusive practices into every aspect of HR functions. This includes recruitment, talent management, training, and employee engagement. By incorporating these steps into HRM practices, companies can create an inclusive and equitable workplace that attracts, retains, and supports a diverse workforce. This not only enhances the overall employee experience but also contributes to company success and innovation.

1. HR TRAINING & SUPPORT – DIVERSITY & INCLUSION PRACTICES

- **Unbiased Recruitment Processes:** Provide training for hiring managers to identify and eliminate unconscious biases during recruitment processes. This includes reviewing resumes without demographic information and using diverse interview panels.
- **Diversity Training for HR Professionals:** Provide diversity and inclusion training for HR professionals. Equip them with the knowledge and skills to foster an inclusive workplace and address potential biases in HR processes. Train them to be part of the solution e.g., how to be advocates for equal opportunities for career advancement. Tools they can use to identify and strategies they can use to address barriers to career goals and progression for underrepresented groups.

- **Cultural Competency Development:** Foster cultural competency development within HR teams. This helps HR professionals navigate diverse workplace dynamics and effectively support employees from various backgrounds e.g., assess the supports they need, how they communicate, how to assess their strengths and maximise their potential.

2. RECRUITMENT & HIRING – STRATEGIES, POLICIES & PROCESSES

- **Diversity Recruitment Strategies:** Implement diverse recruitment strategies to attract candidates from different backgrounds. Use inclusive language in job descriptions and explore various recruitment channels to reach a broad candidate pool.
- **Inclusive & Diverse Onboarding Programs:** Develop onboarding programs that emphasize the importance of diversity and inclusion. Actively seek diverse talent pools and ensure that new hires understand the company's commitment to creating an inclusive environment from the beginning.

3. HR EMPLOYEE MANAGEMENT – STRATEGIES, POLICIES & PROCESSES

- **Flexible Work-Life Balance Policies:** Implement flexible work policies that accommodate diverse needs. This could involve flexible scheduling, remote work options, or other accommodations that support work-life balance for all team members. This will involve a Policy Review. Once established strategies and policies will need to be regularly reviewed and updated to ensure they continue to support inclusive and support diversity. This accommodates diverse needs and ensures that employees from different backgrounds can thrive in the workplace.
- **Diversity Metrics and Reporting:** Establish and track diversity metrics, including demographic data at various company levels. Regularly report on diversity progress and share this information transparently with employees.
- **Inclusive Talent Performance Management:** Implement talent management processes that focus on potential and performance rather than biases. Provide equal opportunities for career advancement, mentorship, and sponsorship for all employees.
- **Inclusive Performance Policies and Promotions:** Regularly review and update HR policies to ensure they are inclusive relative to hiring, promotions, benefits, and any other areas that impact employees.

- **Fair Pay & Compensation Practices:** Regularly review and audit compensation practices to ensure fairness and equity. Address any gender or minority pay gaps and communicate transparently about compensation policies.
- **Accessibility Considerations:** Ensure that HR processes and communication are accessible to employees with different abilities. This includes making physical spaces, technology, and communication formats inclusive.
- **Set Up a Diversity and Inclusion Task Force or Employee Resource Group (ERG):** Support the formation of ERGs and affinity groups within the company. These groups provide a platform for employees to connect, share experiences, and contribute to diversity and inclusion initiatives.
- **Manage Company Diversity Training:** Develop, provide, and implement regular diversity and inclusion training for all employees to increase awareness and understanding e.g., include diversity and inclusion components in management and leadership development programs. This includes topics such as cultural competence, unconscious bias, and inclusive leadership.
- **Inclusive Performance Reviews:** Train managers to conduct performance reviews that are free from biases. Evaluate employees based on their contributions and achievements, considering the impact of diversity and inclusion efforts.
- **Anonymous Reporting Systems:** Implement anonymous reporting systems to encourage employees to report discrimination or harassment without fear of retaliation. Ensure that these systems are easily accessible and well-publicized.
- **Regular Assessments and Continuous Improvement:** Conduct regular assessments of HR processes and initiatives to identify areas for improvement. Use feedback from employees and data analytics to continuously refine and enhance diversity and inclusion practices.
- **Mentorship and Sponsorship Programs:** Establish Formal Mentorship and Sponsorship Programs to support the professional development of underrepresented employees. As a secondary encourage and train leaders to serve as mentors to employees from diverse backgrounds.

3. Inclusive Leadership and management

Inclusive Leadership Successfully Navigating the Edges of Diversity Management

- understanding a crucial role of the leader and the soft skills every leader should demonstrate
- training for leaders on inclusive leadership practices, empathy, and managing diverse teams.
- holding leaders accountable for fostering inclusive environments and promoting diversity within their teams.

Inclusive leadership starts at the top. It is the company's management and management who set an example for others. They are the ones who set the operational goals of the entire company. Leaders and managers must visibly and visibly support diversity and inclusion initiatives. Their commitment sets the tone for the entire organization.

Inclusive leadership and management are critical components of fostering a diverse and equitable workplace. Let's take a closer look at it.

- **Inclusive leaders actively recognize and appreciate the diversity of their team members, including differences in background, perspectives, and experiences,**
- **Inclusive leaders strive to establish a work environment where all team members feel safe to express themselves,**
- **Inclusive leaders adapt their communication to ensure that everyone can understand and contribute,**
- **Inclusive leaders make decisions that consider and incorporate diverse viewpoints.**

What makes people feel included in organizations?

That they feel they are treated fairly and with respect and valued obviously depends on a number of factors. It is influenced by the company's mission, policies, organisational practices but, to a large extent, by the behaviour of colleagues – and above all the leader.

Creating an inclusive organizational culture involves fostering an environment where individuals feel valued, respected, and a sense of belonging.

Organisational leaders are aware that by treating their employees inclusively, they can attract talent to the company and also retain existing employees. This also makes it easier to motivate employees to work.

If inclusive leaders are so influential, then inclusive traits like humility, curiosity, and empathy should be treated as critical leadership capabilities rather than simply desirable.

“Leaders play a particularly critical role: They account for a difference of up to 70 percentage points in employees’ experience of belongingness and psychological safety, and inclusive leaders see a 17% increase in team performance, a 20% increase in decision-making quality, and a 29% increase in team collaboration. Inclusive leaders also cut down employee attrition risk by 76%.”

Harvard Business Review





WHAT QUALITIES SHOULD A GOOD INCLUSIVE LEADER HAVE?



In order to effectively manage inclusion and diversity in an organisation, a leader should demonstrate soft skills in particular. Soft skills are not only valuable for interpersonal relationships but also contribute significantly to a leader's ability to innovate, problem-solve, and adapt to the ever-changing demands of the modern workplace. Here are some of them:

- | | |
|--|--|
| <input type="checkbox"/> Open-Mindedness and Empathy | <input type="checkbox"/> Adaptability |
| <input type="checkbox"/> Strong Communicator | <input type="checkbox"/> Self-management |
| <input type="checkbox"/> Responsible and honest | <input type="checkbox"/> Analysis |
| <input type="checkbox"/> Time management | <input type="checkbox"/> Problem solving |
| <input type="checkbox"/> Stress management | <input type="checkbox"/> Continuous Learner and Educator |
| <input type="checkbox"/> Courageous and Authentic | <input type="checkbox"/> Adaptive and Flexible |
| <input type="checkbox"/> Prioritizing | <input type="checkbox"/> Collaborative and Team-Oriented |
| <input type="checkbox"/> Planning | <input type="checkbox"/> Empathy |
| <input type="checkbox"/> Empowering and Supportive | <input type="checkbox"/> Observations |
| <input type="checkbox"/> Verbal communication | <input type="checkbox"/> Brainstorming |
| <input type="checkbox"/> Constructive feedback | <input type="checkbox"/> Decision making |
| <input type="checkbox"/> Active listening | <input type="checkbox"/> Teamwork |

4. Diverse and Inclusive Cultural Engagement

Cultural Fusion: How to Amplify Company Inclusion through Dynamic Diversity Engagement.

- awareness of cultural nuances and differences crucial to promote a respectful and inclusive environment.
- understanding the barriers for diverse cultures to engage in the training programmes
- essential skills to communicate effectively across diverse cultural backgrounds to avoid misunderstandings and conflicts
- commitment to lifelong learning of diversity, equity and inclusion and personal change

Individuals from different cultural backgrounds may have varying perspectives, communication styles, and approaches to work. This can lead to misunderstandings or misinterpretations. To overcome this, encourage open dialogue, active listening, and empathy. Training sessions or workshops on cultural awareness can also be beneficial.

Language barriers are still an ongoing problem. Not everyone communicates very well in English.

Language barriers can hinder effective communication. Encouraging language learning programs, providing translation services when needed, and using simple and clear language in communications can help bridge these gaps.

Different cultures may have different working styles, decision-making or processes. Flexibility and understanding are key. Embrace diverse working styles and create a collaborative environment where different approaches are valued.

In summary, fostering cultural competence requires commitment from both management and colleagues and creating a supportive working environment is a process. Each of us should continue to learn and model from others. We should be aware that things that are obvious and easy for us are not so for everyone. It takes consistent effort to work on this aspect, but the benefits of a diverse and inclusive workforce are enormous.

5. Open Communication and Inclusive Culture

Mastering the Harmony of Inclusive and Diversity Communication in the Workplace.

Fostering open communication and feedback in the workplace is vital for diversity and inclusion, promoting collaboration, productivity, and innovative thinking. Beyond enhancing the work environment, it plays a crucial role in decision-making, problem-solving, and preventing organizational blind spots. Actively engaging employees builds loyalty, boosts productivity, and reduces turnover, creating ambassadors for an inclusive culture. This culture enhances team cohesion, allowing members to express concerns openly, fostering understanding, cooperation, and a sense of security.


To adopt a respectful and inclusive environment, it is crucial to be aware of cultural nuances and differences. Understanding the barriers diverse cultures face in engaging with training programs and developing effective communication skills across various cultural backgrounds helps prevent misunderstandings and conflicts. A commitment to lifelong learning of diversity, equity, and inclusion is essential for personal growth and organizational progress.

Individuals from different backgrounds and with different needs bring diverse perspectives and communication styles to the workplace. To overcome potential misunderstandings, open dialogue, active listening, and empathy are key. Additionally, training sessions and workshops on awareness enhance understanding. Language barriers can impede effective communication, but these can be addressed by promoting language learning programs, providing translation services, and using clear, simple language to bridge communication gaps.


Living a diversity-centric, open, and inclusive work environment is intricately connected to the fundamental aspects of open communication and feedback. Creating spaces for expression, combined with a genuine assurance that all contributions will be acknowledged without judgment, is essential. Leaders, including managers and key personnel, must exemplify the advocated values. Integrating regular feedback opportunities, such as employee surveys or personal discussions, into the organizational structure reinforces a culture of open communication. Commitment to actively practice and reinforce this culture is paramount for sustained success.



Creating spaces for open communication and ensuring acknowledgment without judgment.



Understanding barriers diverse individuals face and promoting effective communication across various cultural backgrounds.



Encouraging open dialogue, active listening, and empathy to enhance cohesion and overcome potential misunderstandings.



6. Diversity and Inclusive-Centric Marketing

Diversity Paving the Way for SME Horizons: Innovative Strategies for Marketing and Promoting Diversity

Diversity Paving the Way for SME Horizons: Innovative Strategies for Marketing and Promoting Diversity.

Reflect Diversity in Branding:

- **Craft a Diverse Brand Image:** Ensure that your brand visuals, imagery, content, marketing materials, and online presence reflect diversity. Use diverse imagery that represents various ethnicities, genders, ages, and backgrounds. Represent various ethnicities, genders, ages, abilities, and backgrounds in your marketing materials and content.

Language, Messaging and Content Development:

- **Understand Your Audience:** Identify and understand your target audience. Recognize the diversity within your customer base and tailor your marketing messages to resonate with different demographics into customer engagement strategies.
- **Highlight Diversity in Content:** Feature diverse stories and experiences in your content marketing. Showcase a variety of perspectives and narratives that align with your commitment to inclusion.
- **Inclusive Language:** Use inclusive language in your marketing communications. Avoid stereotypes and language that may be exclusionary. Be mindful of cultural sensitivities and preferences.
- **Inclusive Messaging:** Develop messaging that communicates your commitment to diversity and inclusion. Emphasize inclusivity, equality, and respect in your external communications, including press releases, social media posts, and marketing campaigns.

- **Diverse Product Representation in Promotion and Advertising:** Showcase diversity in your advertising and marketing materials. This includes featuring a diverse range of people in generic and promotional videos, advertisements, and product imagery. For example, showcase a diverse range of people using or benefiting from your products or services. This helps customers see themselves represented and fosters a sense of inclusivity.
- **Educational Content:** Develop content that educates your audience on diversity and inclusion topics. This could include blog posts, videos, or social media campaigns that promote understanding and awareness.
- **Accessibility Considerations:** Ensure that your marketing materials are accessible to all audiences, including those with disabilities. This includes accessible web design, alt text for images, and other considerations for different abilities.
- **Measure and Report Progress:** Track the impact of your diversity and inclusion marketing efforts. Use analytics to understand how diverse audiences engage with your content and adjust strategies accordingly.
- **Feedback Loops:** Encourage feedback from your audience and stakeholders. Listen and adapt your messaging, content and strategies based on the responses and suggestions you receive.
- **Continuous Learning:** Stay informed about evolving conversations around diversity and inclusion. Regularly update your strategies to reflect changing societal norms and expectations. By incorporating diversity and inclusion into your marketing and promotion efforts, you not only demonstrate your commitment to these values but also connect with a broader and more inclusive audience.

Communicate and Promote Diversity & Inclusion Related Activities:

- **Diversity and Inclusion Competence in External Communications:** Demonstrate diversity and inclusion competence in external communications. Be mindful of cultural nuances, sensitivities, and preferences in different markets or regions where your company operates.

- **Corporate Social Responsibility (CSR) Initiatives:** Communicate your company's involvement in CSR initiatives related to diversity and inclusion. Highlight partnerships, sponsorships, and community projects that contribute to social causes.
- **Press Releases and Public Statements:** Issue press releases and public statements that communicate your company's diversity and inclusion initiatives. This can include achievements, awards, or updates on programs and policies.
- **Promote and Engage in Thought Leadership:** Position your company as a thought leader on diversity and inclusion issues. Publish articles, whitepapers, or blog posts that contribute to the conversation and showcase your commitment to positive change.
- **Highlight Employee Diversity:** Feature employee spotlights or success stories in external communications. Showcase the diversity within your workforce to demonstrate your company's inclusive culture.
- **Participation in Diversity Awards and Recognitions:** Apply for and publicize any diversity awards or recognitions your company receives. This enhances your reputation as an employer of choice for diverse talent.
- **Engage in Diversity & Inclusion Targeted social media:** Actively use social media platforms to communicate your diversity and inclusion efforts. Share updates, and success stories, and engage with followers on related topics.
- **Inclusive Product and Service Promotion:** Ensure to promote products and services designed with diverse user perspectives in mind. Develop marketing to promote any diverse employee by leveraging and showcasing their innovativeness or creativity in the company.
- **Diversity Events and Campaigns:** Create marketing campaigns around cultural events, holidays, or awareness months. This not only shows your commitment to diversity but also engages with different communities.



Form and Promote Diversity and Inclusion Partnerships:

- **Partnerships with Diverse Influencers:** Collaborate and partner with influencers, brand ambassadors and thought leaders from diverse backgrounds or who represent or support diversity and inclusion. Ensure that your collaborations are authentic and align with shared values. Their endorsement can help amplify your commitment to diversity and reach a broader audience.
- **Inclusive Events and Sponsorships:** Participate in and sponsor events that celebrate diversity. Communicate your involvement in conferences, seminars, or community events focused on diversity and inclusion.
- **Support Inclusive Causes:** Align your company with social causes and initiatives that promote diversity and inclusion. Communicate your support through marketing campaigns, sponsorships, and partnerships.

Company Reporting, PR, and Media Communication:

- **Transparency in Reporting:** Be transparent about your diversity and inclusion metrics and progress. Share relevant data on your website or through press releases to demonstrate accountability.
- **Respond to Current Events:** Be prepared to respond to relevant diversity and inclusion issues in the media or public discourse. Communicate your company's stance on social issues in a thoughtful and timely manner.
- **Diverse Spokespersons:** Use diverse spokespersons in media interactions. Ensure that your company's spokespeople represent the diversity you are promoting in your external communications.
- **Engage in Community Dialogues:** Actively participate in community dialogues on diversity and inclusion. This can involve joining panels, participating in discussions, or hosting events.
- **Internal Collaboration:** Work closely with your company's diversity and inclusion team or relevant stakeholders. Collaborate to ensure that marketing strategies align with broader company goals.

SDG 10

- **Reduced Inequalities** - highlight strategies for reducing inequalities through inclusive marketing and branding practices.

7. Communities and Partnership

Elevating SME Diversity and Inclusion: Cultivating Dynamic Partnerships within Inclusive Communities.

Developing a competency framework for diversity and inclusion in SMEs requires a comprehensive approach that engages all interested parties both within the business and extending beyond the organisational boundaries to include external stakeholders and communities. It requires ongoing commitment, transparency, and collaboration to create a workplace and societal environment that values and celebrates diversity and inclusion actioned concepts.

The overarching goal of stakeholder engagement is to identify, understand, and communicate with all parties that have a 'stake' in realising the business outcomes, affording them the opportunity to engage in a meaningful way and is key to delivering on organisational diversity and inclusion ethos. Stakeholder engagement practices supporting diversity and inclusion should include the following actions;

- Identify and map the key stakeholders, both internal and external, including - employees; external contractors; volunteers, customers; suppliers; local communities including minority groups and those socially excluded and disadvantaged in the community; investors; regulators etc. Through the stakeholder mapping exercise stakeholder interests, needs and expectations can be identified and understood. This will ensure that all stakeholders are treated fairly and equitably and will demonstrate an organisational commitment to valuing and including different perspectives and backgrounds.

- Maintain regular and meaningful communication and engagement with stakeholders accommodating their diverse perspectives and interests. This involves not only conveying information but also maintaining a two-way dialogue process and actively listening to the concerns, perspectives and feedback of stakeholders and continually modifying content, frequency, distribution methods, and style of the communication system and approaches as appropriate. Transparent and open communication promotes a sense of inclusivity and collaboration creating a shared understanding of goals and objectives.
- Involvement: Involving stakeholders and communities in business from a diversity and inclusion perspective in a meaningful way is essential to fostering a more equitable and representative environment. Involving stakeholders including employees, customers, local communities, etc. allows SMEs' to understand the unique challenges, opportunities and threats linked to diversity and inclusion which impacts business success. Methods such as design thinking could be used to co-design, co-create ideas, test assumptions and scope out business solutions with stakeholders harnessing the diversity of insights, skills, and experiences stakeholders and different communities can offer. By actively seeking input, SMEs' can incorporate a variety of perspectives into their business strategies, policies, and practices. This inclusive approach not only enhances decision-making but also demonstrates a commitment to addressing the specific needs of different groups. Collaborating with communities helps create tailored initiatives that reflect the different and differing values, perspectives, needs and aspirations of the diverse individual make-up of stakeholders and communities "on the ground" fostering a responsible and inclusive business culture and positively impacting on reputation and the social responsibility of the organisation.

- Continuous evaluation and monitoring: Establish a robust system for monitoring and evaluating in collaboration with business stakeholders and communities with a diversity and inclusion mindset. It is crucial to ensure regular engagement with stakeholders for ongoing feedback and insight, ensuring that diversity and inclusion ideals align with the business goals and values. Additionally, through SMEs' gathering input from the communities they serve strategies can be tailored to specific needs and a sense of belonging and business loyalty can be fostered. Continuous evaluation of KPIs' related to diversity and inclusion metrics allows for data-driven decision-making and the ability to change in a timely fashion as and if required. This collaborative approach ensures that SMEs remain responsive to the evolving landscape with regard to diversity and inclusion, fostering a workplace culture that reflects and respects the varied perspectives of its stakeholders' and communities. Continuous evaluation and monitoring will help ensure accountability, transparency, quality, informed by the diversity of feedback and perspectives that stakeholders and communities can provide.

- Fulfilling the SDG 11: Sustainable Cities and Communities focusing on how SMEs can contribute to building inclusive and sustainable communities through active partnerships.

Additionally, investing in community engagement initiatives, supporting diverse causes, and showcasing a commitment to social responsibility can build trust with diverse stakeholders. Ultimately, a business's ability to authentically embrace diversity and consistently communicate its dedication to inclusion will foster stronger, more trusting business relationships with a broad range of individuals and groups and by extension create a strong and sustainable business with a clear purpose and values.





CONCLUSION

Diversity is a fundamental value of every society, and what's more, diversity simply pays off, which is why it is one of the most important business topics in the world of the last two decades.

While diversity can be achieved by employing different people in an organization, inclusion is a process that involves changing their way of thinking within the organization. Inclusion is a kind of organizational effort that involves accepting and properly treating people and groups from different backgrounds.

We still have a lot of work ahead of us in this area. As soon as we understand how ThisThis

This topic is of great importance on the European and global labour market, we will change many issues for the better.

These differences may be obvious, such as national origin, age, race and ethnicity, religion, beliefs, gender, marital status and socio-economic status, or they may be secondary and result from education, training, work experience or positions held.

The globalization of business activities, demographic and technological changes and the growing international mobility of employees are the key reasons for effectively managing employee diversity and shaping an inclusive organizational culture.

Engagement **Developing**
Participation
Belonging **Responsibility**
Appreciating **Creating**
Justice **Contributing**
Involvement **Enhancement**



Taking diversity & inclusion activities in a company brings many benefits, both social and financial. In companies that promote values such as team integration and acceptance, and also have a diverse staff, better results are achieved and they are more efficient.

Implementing a diversity & inclusion policy affects the company's image - it makes the company more attractive on the labour market and thus has the potential to attract more candidates.

A positive work climate, lack of barriers and discrimination, attracts good employees and increases the satisfaction of existing employees. Especially young employees pay special attention to this aspect.