



Module 2 (Part 3) Inclusive Leadership Skills

Part 3: Measure Inclusive Leadership Impact and Build D&I Resilience



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Discover the DARE Modules Learning Pathway:

Enjoy our learning blocks designed to help SMEs build diverse, equitable and inclusive workplaces. Unlock the power of how DEI to drive the sustainable success of your company. Our practical and interactive Modules deliver real life insights and case studies from a European perspective – Join us in creating workplaces and communities where everyone can thrive!

MODULE 1

Introduction: Diversities Reviving European Enterprises

Key Features: Overview and definitions of D&I in SMEs. 12 Dimensions of Diversity. Learning key competencies for business case delivery.

Part 1: Why D&I Matters for SMEs.
Part 2: Building D&I Competencies for SMEs.

MODULE 2

Inclusive Leadership Skills

Key Features: Develop inclusive leadership skills (e.g., Bias awareness and mitigation). Tap into the power of neurodiversity. Measure impact and build resilience.

Part 1: Prepare for Inclusive Change Through Leadership.
Part 2: Unlock Inclusive Leadership & Neurodiversity.
Part 3: Measure Leadership Impact & Build Resilience.

MODULE 3

Inclusive Talent Management for SMEs

Key Features: Inclusive advertising, recruitment and retention. Performance management and leadership succession planning.

Part 1: Attracting, Developing, and Retaining Diverse Talent.
Part 2: Creating Inclusive Job Descriptions & Adverts.
Part 3: Inclusive Selection, Interviewing, and Offer Strategies.
Part 4: Employee Talent Development and Retention.
Part 5: Performance Management and Feedback.
Part 6: Succession Planning and Leadership Development.

MODULE 6

Inclusive Community Engagement for SMEs

Key Features: Learn the six core principles of inclusive community engagement. Understand the four layers to community context and prepare an effective Engagement Framework and Action Plan.

Part 1: Foundations of Inclusive Community Engagement.
Part 2: Understand & Engage Your Community.
Part 3: Ensuring Inclusive Engagement through Shared Value.
Part 4: Prepare for an Effective Community Engagement Framework.
Part 5: Create a Community Engagement Framework & Action Plan.

MODULE 5

Inclusive Marketing For SMEs

Key Features: Embed inclusivity into branding. Understand the needs of diverse audiences. Craft strategic inclusive marketing campaigns.

Part 1: The Power of Inclusive Marketing for SME Brands.
Part 2: Understand Your Customers and Overcome Marketing Barriers.
Part 3: Crafting Inclusive Marketing Campaigns.

MODULE 4

Building an Inclusive Company Culture in SMEs

Key Features: Build an inclusive company culture. Design and deliver a strategic cultural change audit, review policies and practices and empower teams through reward and recognition.

Part 1: Understand and Build an Inclusive Company Culture.
Part 2: Design and Deliver a Strategic Cultural Change Audit.
Part 3: Support Management in Creating a Workplace of Belonging.
Part 4: From Policies to Practice: Cultivating a Culture of Inclusion.
Part 5: Empower Teams Through DEI Collaboration, ERGs, and Recognition.

YOU ARE HERE

Introduction DARE to Module 2

These five key sections show leaders how they can embed D&I into their management practices.

SECTION 1 highlights the role of top leadership in creating a competitive advantage through D&I. Use the DARE Assessment to inform your D&I strategy.

SECTION 2 focuses on creating a proactive, purpose-driven D&I strategy by setting measurable goals and ensuring company-wide buy-in.

SECTION 3 equips leaders with the skills to build inclusive teams by managing biases and embracing neurodiversity to drive team success.

SECTION 4 teaches you how to measure leadership impact on D&I using the SMART framework and develop crisis management strategies.

SECTION 5 revisits measuring D&I leadership impact and provides crisis management solutions to build SME resilience through inclusive leadership.

Section 1

Section 2

Section 3

Section 4

Section 5

Inclusive Leadership Skills

Prepare for Real Inclusive Change Through Top Level Leadership (Module 1: Part 1)

Develop A Purpose Driven High Impact D&I Strategy (Module 1: Part 1)

Unlock Your Inclusive Leadership and Tap Into the Power of Neurodiversity. (Module 1: Part 2)

Measuring Leadership Impact on D&I (Module 1: Part 3)

D&I Crisis Management & Resilience Strategies (Module 1: Part 3)



Part 1

Part 2

Part 3

M2: Part 3 Section 4

SECTION 4 enables leaders to measure the impact of their leadership on D&I. This is essential so they can track their progress, identify areas for improvement, and ensure accountability. This module explores effective methods to monitor and report the impact of leadership on D&I, develop systems for recognizing inclusive leadership, and uses the SMART framework to measure success. Additionally, it provides a deep dive into crisis management and resilience strategies that incorporate D&I principles. By empowering leaders with inclusive crisis management tools, this module will equip them to navigate challenging situations while maintaining a commitment to diversity, inclusion, and organizational resilience.

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Measure Inclusive Leadership Impact on D&I

Step by Step How to Manage Inclusive Leadership Impact

10 Examples of How to Measure Leadership Impact by Applying the SMART Framework

M2: Part 3 Section 5

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D&I Crisis Management & Resilience Strategies

Develop a D&I Crisis Management Framework

Build Resilience Through Inclusive Leadership

7 Examples of SME Crisis Management Strategies with Solutions

Learning Objectives

By the end of this module, participants will be able to:

- Understand the key **metrics and methods for monitoring and reporting** leadership impact on diversity and inclusion (D&I).
- Develop systems to track the **effectiveness of inclusive leadership** and establish accountability mechanisms.
- Create **recognition and reward strategies** for inclusive leadership practices.
- Apply the **SMART framework** to measure leadership impact in D&I.
- Learn **crisis management** and **resilience strategies** focused on D&I.
- Develop a comprehensive **D&I crisis management framework** for SMEs.
- Identify inclusive leadership practices that build company resilience in times of crisis..

M2: Part 3 Section 4

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Step 1

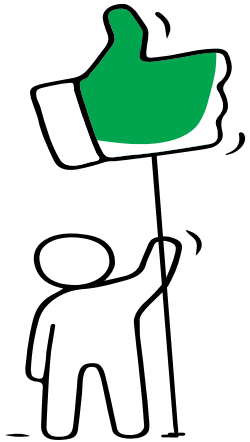
»» Define Clear D&I Objectives and KPIs

To measure leadership impact on Diversity and Inclusion (D&I), it's essential to provide a structured, actionable approach. Here's a step-by-step guide to help leaders understand how to monitor, measure, and improve their D&I impact

Establish D&I Goals Start by defining specific, measurable, achievable, relevant, and time-bound (SMART) goals for D&I. For example, a goal might be to increase the representation of underrepresented groups in leadership roles by 15% over three years.

Identify key performance indicators (KPIs) to track progress. Examples include:

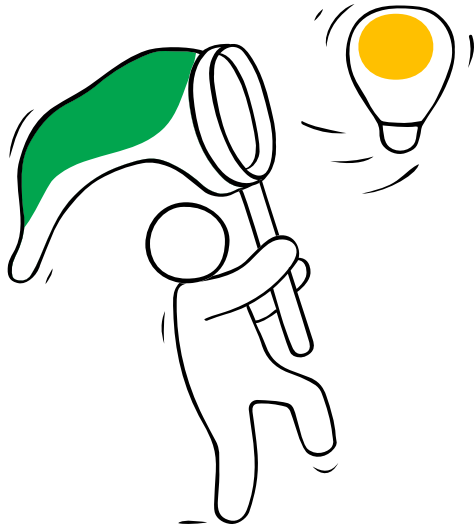
1. **Workforce Diversity Metrics** Percentage of employees from diverse backgrounds at different levels.
2. **Inclusion Metrics** Employee engagement survey results on inclusion-related questions.
3. **Retention Rates** Retention rates of diverse employees compared to the overall retention rate.



Step 2



Gather Baseline D&I Data



Diversity Audit Conduct an initial audit to understand the current state of diversity and inclusion within the company. Collect data on demographics, pay equity, representation in leadership, etc.

Inclusion Surveys Use surveys to assess employees' sense of belonging, their perception of leadership support for D&I, and any experiences of bias or exclusion.

Qualitative and Quantitative Data Conduct focus groups or interviews to gain deeper insights into the experiences of different employee group

A tech company set a goal to increase female representation in leadership from 20% to 30% within two years. They tracked hiring rates, promotion rates, and leadership development participation for women. By implementing mentorship programs and inclusive hiring practices, they achieved a 12% increase in one year.



Step 3



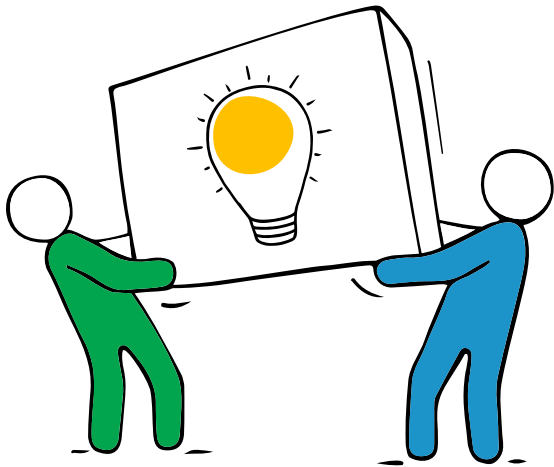
Implement Monitoring and Reporting Systems

Dashboards Develop real-time D&I dashboards that track KPIs and allow leaders to see trends and patterns over time. This can include demographic breakdowns, hiring, promotion, and turnover rates.

Regular Reporting Establish a reporting timeline or schedule, such as quarterly or biannual reports, to review progress against D&I goals. These reports should be shared with senior leadership and relevant stakeholders.

Pulse Surveys Implement pulse surveys to regularly gauge the inclusion climate and quickly identify areas that need attention. Pulse surveys enable you to identify the strengths and weaknesses of your DEI initiatives. You can discover what aspects of diversity and inclusion work well and should be celebrated while uncovering areas where improvements or additional support are necessary.

[13 Pulse check questions to measure the DEI for your company](#)



Step 4



Evaluate Leadership Effectiveness in D&I

360-Degree Feedback Incorporate D&I into leadership 360-degree feedback processes. Ask peers, direct reports, and other stakeholders to assess leaders on their commitment to and effectiveness in promoting D&I.

Inclusive Leadership Assessments Use tools or frameworks to assess how well you or other leaders exhibit inclusive behaviors, such as active listening, empathy, fairness in decision-making, and advocating for diverse talent.

Step 5

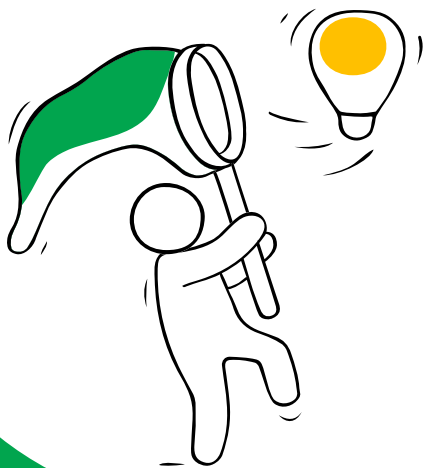


Develop and Implement Recognition and Reward Systems

Recognition Programs Establish recognition programs that celebrate leaders who demonstrate strong commitment to D&I. For instance, award an "Inclusive Leader of the Year" to highlight exceptional efforts.

Tie D&I to Performance Reviews Integrate D&I goals into the performance appraisal process. Ensure that leaders are held accountable for achieving D&I outcomes, and their success is recognised in their overall performance rating.

Incentives Consider financial incentives or bonuses tied to D&I achievements. This might include meeting specific representation targets or successfully mentoring diverse talent.



Step 6



Continuously Improve and Adapt



Feedback Loops Use the data gathered from surveys, audits, and reports to continuously refine your D&I strategies. Engage in ongoing conversations with employees to understand what's working and what's not.

Benchmarking Regularly benchmark your company's D&I efforts against industry standards or competitors. This can help identify areas for improvement and highlight best practices to adopt.

Leadership Development Provide ongoing training and development opportunities for all leaders to enhance their inclusive leadership skills. This should include workshops, coaching, and access to D&I resources.

A financial company aimed to improve its inclusion score on employee surveys. They introduced training on unconscious bias, set up Employee Resource Groups (ERGs), and regularly communicated their D&I initiatives. Over time, their inclusion scores improved by 15%, and employee engagement increased overall.

10 Examples How to Measure Leadership Impact Using the SMART Framework

Create a clear and actionable Diversity & Inclusion (D&I) strategy with company aligned objectives and goals are essential for driving meaningful D&I change within a company. These goals should align with the company's overall business objectives. For successful D&I integration, they should be measurable and tracked regularly with progress reports. The next section shows how to measure leadership impact using the SMART Framework. It presents popular SME D&I strategy goals and objectives.





1. Increase Workplace Diversity

Objective Increase the representation of underrepresented groups (e.g., gender, ethnicity, age, disability) in the workforce.

Goal Increase the percentage of women in technical roles from 20% to 35% within three years.

Goal Achieve a 30% representation of ethnic minorities in leadership roles within five years.

Specific Increase the representation of women in technical roles within the company.

Measurable Raise the percentage from 20% to 35%.

Achievable Implement targeted recruitment strategies, partner with female tech education and organisations and revise job descriptions to be more inclusive.

Relevant Address gender imbalance so that it supports D&I and innovation strategies and aligns with company values.

Time-bound Achieve this increase of women in tech roles within the next 3 years.



2. Promote Inclusive Culture

Objective Foster an inclusive workplace culture where all employees feel valued and respected.

Goal Increase employee engagement scores related to inclusivity by 15% in the next 18 months.

Goal Implement at least four company-wide cultural awareness events or programs per year.

Specific Enhance the inclusivity of the workplace culture.

Measurable Improve employee engagement scores related to inclusivity by 15%.

Achievable Launch cultural awareness programs, provide regular inclusivity training, and host quarterly events or programs.

Relevant A more inclusive culture increases employee satisfaction and retention.

Time-bound Achieve this improvement within the next 18 months.



3. Enhance Recruitment Practices

Objective Attract and hire a more diverse pool of candidates.

Goal Ensure that 50% of the candidate shortlists for all roles include diverse candidates within the next two years.

Goal Partner with at least three diversity-focused recruitment agencies or job boards by the end of the year.

Specific Ensure a diverse candidate pool for all job openings.

Measurable Have 50% of all shortlists include candidates from diverse backgrounds.

Achievable Partner with diversity-focused recruitment agencies and use diverse job boards and networks.

Relevant Engage a diverse hiring process that drives D&I and company innovation and reflects company values.

Time-bound Implement this practice within the next 2 years.



4. Develop and Retain Diverse Talent

Objective Support the development and retention of diverse talent within the company.

Goal Implement a mentorship program for underrepresented groups with a participation rate of 75% within the first year.

Goal Increase retention rates of underrepresented employees by 10% within three years.

Specific Support the development and retention of underrepresented employees e.g., people of colour, LGBTQ+, people with disabilities, people from other countries, neurodiversity etc.

Measurable Implement a mentorship program with at least 75% participation from these underrepresented groups.

Achievable Develop a structured mentorship program and promote it through internal channels on a regular basis.

Relevant Retaining diverse talent is essential for maintaining a competitive, diverse and inclusive workplace.

Time-bound Launch and achieve this participation rate within the first year.



5. Bias Mitigation and Awareness

Objective Reduce unconscious bias in decision-making processes.

Goal Conduct unconscious bias training for 100% of managers and leaders within the next 12 months.

Goal Integrate bias mitigation tools and techniques into all hiring, promotion, and performance evaluation processes within two years.

Specific Reduce unconscious bias in hiring and performance evaluations.

Measurable Conduct unconscious bias training for 100% of managers and leaders.

Achievable Partner with external D&I consultants to deliver training and integrate bias mitigation tools.

Relevant Addressing bias is critical for fair and inclusive decision-making.

Time-bound Complete training within the next 12 months.



6. Strengthen Leadership Accountability

Objective Hold leaders accountable for D&I outcomes within their teams.

Goal Include D&I objectives in the performance and team evaluations of all senior leaders by the end of the current fiscal year.

Goal Establish a D&I committee led by senior leadership to review progress and make recommendations quarterly, award accordingly.

Specific Encourage leaders for D&I results within their teams and hold them accountable if they do not achieve the results.

Measurable Include D&I objectives in 100% of senior leaders' performance evaluations and team reviews.

Achievable Integrate D&I metrics into the existing performance review and team review process.

Relevant Leadership accountability ensures sustained focus on D&I goals.

Time-bound Implement this change by the end of the current fiscal year.



7. Improve Accessibility and Accommodation

Objective Ensure that the workplace is accessible and accommodating to all employees, including those with disabilities.

Goal Conduct a comprehensive accessibility audit of all company facilities within the next 12 months and implement necessary improvements within 24 months.

Goal Establish a dedicated budget for workplace accommodations and ensure it is fully utilized each year.

Specific Ensure workplace accessibility for employees with disabilities.

Measurable Conduct an accessibility audit and make all necessary improvements.

Achievable Allocate resources for the audit and improvement process.

Relevant Accessibility is crucial for an inclusive work environment.

Time-bound Complete the audit within 12 months and improvements within 24 months.



8. Employee Engagement and Feedback

Objective Regularly engage employees in D&I initiatives and solicit their feedback.

Goal Launch a D&I employee resource group (ERG) with at least 25% employee participation within the first year.

Goal Conduct annual D&I surveys with an 80% response rate and use the findings to inform strategic adjustments.

Specific Engage employees in D&I initiatives and gather feedback.

Measurable Achieve 80% response rate on annual D&I surveys.

Achievable Promote the survey and provide incentives for participation.

Relevant Regular feedback can often provide helpful insights, solutions and help refine and improve D&I strategies.

Time-bound Conduct the survey annually and implement changes within 6 months of receiving feedback.



9. Supplier Diversity

Objective Increase the diversity of suppliers and vendors.

Goal Ensure that 20% of the company's annual procurement budget is spent with minority-owned, women-owned, and other diverse suppliers within three years.

Specific Increase diversity among company suppliers.

Measurable Allocate 20% of the procurement budget to minority-owned, women-owned, and other diverse suppliers.

Achievable Identify and engage with diverse suppliers and monitor spending.

Relevant Supplier diversity supports the company's broader D&I goals.

Time-bound Reach this target within the next 3 years.



10. Community and Social Impact

Objective Enhance the company's impact on the broader community through D&I initiatives.

Goal Partner with at least five local organisations focused on diversity, and inclusion initiatives by the end of the next fiscal year.

Goal Launch a volunteer program where employees contribute a combined total of 1,000 hours to D&I-related community service projects within 12 months.

Specific Enhance the company's social impact through D&I initiatives.

Measurable Partner with 5 local D&I-focused organisations.

Achievable Establish partnerships and engage employees in volunteer work.

Relevant Strengthening community ties enhances the company's reputation and supports social equity.

Time-bound Form these partnerships by the end of the next fiscal year.

M2: Part 3 Section 5

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D&I Crisis Management & Resilience Strategies

D&I makes SMEs more resilient. A diverse and inclusive workplace is more resilient and better equipped to handle crises. Diversity brings a variety of perspectives, which is crucial for innovative problem-solving, while inclusion ensures that all voices are heard during critical decision-making moments.

D&I provides a competitive advantage. Studies show that diverse teams perform better under pressure and are more likely to recover quickly from crises. For SMEs, this can be a significant competitive advantage.

Building D&I resilience is imperative. For SMEs, building resilience through D&I-focused crisis management is not only a strategic imperative but also a moral one. By empowering leaders with the right strategies, tools, and approaches, SMEs can navigate and mitigate crises while maintaining their commitment to diversity and inclusion. This approach not only helps in crisis recovery but also strengthens the overall organizational culture, making it more resilient in the face of future challenges.

Needs a comprehensive approach. To effectively address Diversity and Inclusion (D&I) Crisis Management and Resilience Strategies for Small and Medium-sized Enterprises (SMEs), leaders must adopt a comprehensive approach that encompasses planning, execution, monitoring, and continuous improvement. This section provides guidance with steps, approaches, tactics, strategies, examples, and methods tailored to European SMEs.

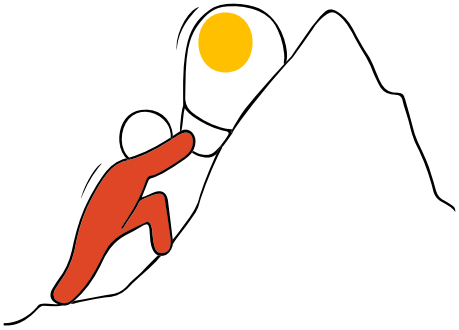
Step 1



Develop a D&I Crisis Management Framework

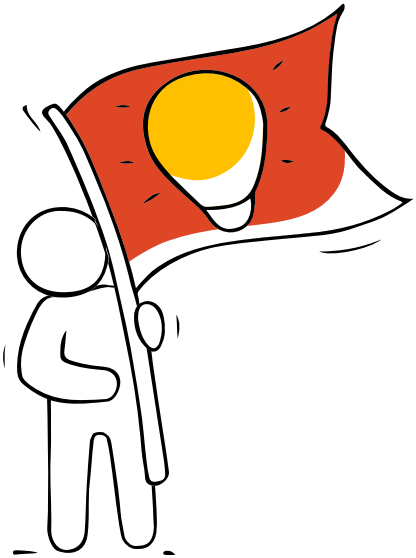
Prepare for the Crisis by establishing a D&I-focused crisis management framework that integrates D&I principles into every stage of crisis planning. A D&I (Diversity and Inclusion) Crisis Management Framework typically integrates various aspects of crisis communication, preparedness, and response to ensure an organization's commitment to diversity and inclusion remains strong, even during a crisis. This should include:

1. **Risk Assessment** to identify potential crises that could impact both the business and its commitment to D&I, such as public relations issues related to diversity or internal conflicts.
2. **Scenario Planning** Develop scenarios where D&I challenges may arise during a crisis (e.g., an incident of discrimination within the company) and plan responses. Conduct regular drills that simulate D&I-related crises. This will help the team practice their response and identify any gaps in the crisis management plan. Regularly conduct scenario analysis workshops focused on potential D&I-related crises. This helps the crisis management team prepare for various possibilities.



Step 1

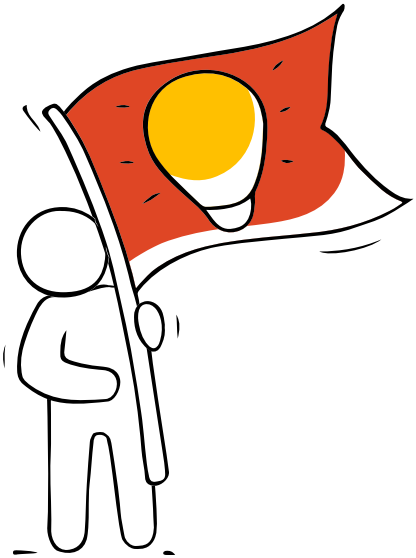
»»» Develop a D&I Crisis Management Framework



3. **D&I Crisis Response Team** Form a crisis response team that includes diverse members from different levels and departments within the organization. This team should be trained in both crisis management and D&I principles.
4. **Crisis Communication Plan** You need this plan to outline specific actions to be taken during a crisis. It includes ensuring that communication remains inclusive and sensitive to all, especially underrepresented groups.
5. **Diversity-focused spokesperson** Identify and train a spokesperson who is trained and well-versed in D&I principles and can effectively communicate the company's stance and actions during a crisis. This person should ensure that messages are consistent, inclusive, and culturally sensitive.
6. **Inclusive messaging** across all communications, whether internal or external, reflects the company's commitment to diversity and inclusion. This includes using language that is respectful and ensuring that the needs of diverse communities are considered in crisis responses.

Step 1

»»» Develop a D&I Crisis Management Framework



7. **Stakeholder engagement** Continuously engage with diverse stakeholder groups, including employees, customers, and communities, to gather feedback and adjust the crisis response accordingly.
8. **Monitoring and feedback** Use tools to monitor the effectiveness of your communications and gather real-time feedback. This helps in adjusting strategies to better address the concerns of diverse groups. Use tools and platforms to monitor social media and other channels for any issues that may escalate into a crisis. This is particularly important for SMEs, as they often have limited resources to handle large-scale crises.



Monitor, Get Feedback and Adjust

Monitor & track, get feedback, measure, adjust. The only way to know if D&I is improving or if any issues or challenges exist in your company is to measure and track it. An annual survey is not enough. You need to practice continuous listening and collect real-time insights into what your employees are thinking and feeling.

Continuously give employees the opportunity to voice D&I concerns, as they have an in-the-trenches view of possible conflicts that managers may not. Use this feedback to think of new ways to incorporate people-centric initiatives and build a trustful relationship with employees to foster better overall performance.

Be sure to measure diversity and inclusion–related KPIs before and after implementing each new D&I initiative. Look at the change (or lack of change) in metrics. Coming up with diversity KPIs is relatively simple if you break down your workforce by gender, race, geography, etc.

Diversity and Inclusion in the Workplace: Benefits and ...



Monitor, Get Feedback and Adjust

Inclusion is tougher to measure, but there are two key ways to do it.

First, look at the Inclusion Climate — equitable employment practices, integration of differences, and inclusion of decision-making.

Second, measure the Perceived Group Inclusion Scale. This gauges employees' sense of belonging and authenticity.

Remember: Gathering data is just one piece of the puzzle. You need to follow up and take action to ensure that you're using insights to strengthen your approach and impact.

Monitoring Tools like Diversio or Culture Amp can help monitor D&I impact during crises.

Crisis Management Tools Platforms such as Everbridge or OnSolve can integrate D&I considerations into broader crisis management efforts.

[Find out how to fuel your HR team with data and properly measure](#)

Step 2



Build Resilience Through Inclusive Leadership

Empower, encourage and support diverse leadership particularly in crisis management, to ensure a range of perspectives and experiences are considered.

Training and Development Provide leaders with training on how to lead inclusively during crises. Managers require training on D&I goals, why they're important, and what's expected of managers. Leadership teams need to lead by example, integrating D&I into all business aspects and people.

Resilience is built by managers building an inclusive team environment, recognising their own biases, being culturally competent, listening to their employees and recognising them for their everyday efforts. Employees too should receive D&I training so they too understand, acknowledge and improve and help avoid and overcome issues such as biases. Examples of training include;

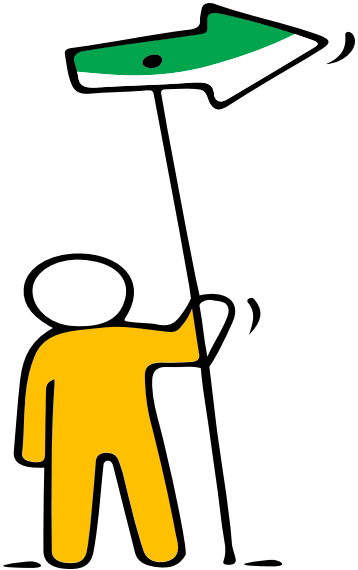
- **Cultural Competence** Understanding and managing the dynamics of diverse teams.
- **Communication Skills** Ensuring clear, transparent, and inclusive communication during crises.

Source [Achievers](#)



Step 3

»»» Implement Inclusive Crisis Management Supports



Inclusive Communication should be in place before a crisis so that if a crisis occurs it is automatic that all communication is inclusive, addressing the concerns of diverse employee groups and stakeholders.

Regular Updates Provide frequent updates to employees, ensuring that the messaging is sensitive to cultural differences and diverse perspectives. After a crisis, conduct a thorough review and updates so that everyone understands what worked, what didn't, and how the response impacted the company D&I.

Support Systems Establish support systems, such as Employee Resource Groups (ERGs) or network, to offer insights and feedback during a crisis. These groups are a fantastic way for people to connect at work, especially if employees feel disconnected. For example, consider starting a women's network, LGBTQ+ network, a new hire network, that feeds into the ERG or a D&I committee.

Pro tip: Jeff Cates, CEO and President of Achievers, **shares 11 employee networks to consider for your company** to build an inclusive culture.

Feedback Mechanisms: Create channels for employees to provide feedback during and after a crisis. This feedback should be analyzed to understand the impact of the crisis on different employee groups.



External Example Customer Crisis Management

Online Customer Accuses Retail SME of Discrimination

An SME in the retail sector encountered an online customer discrimination issue. The leadership team, trained in D&I, understood and responded using trained solutions by publicly apologizing and explaining the background context. The company trained staff using possible scenarios with solutions and implemented new policies to prevent future incidents. The swift and inclusive response helped the company maintain its reputation.

Internal Example Customer Crisis Management

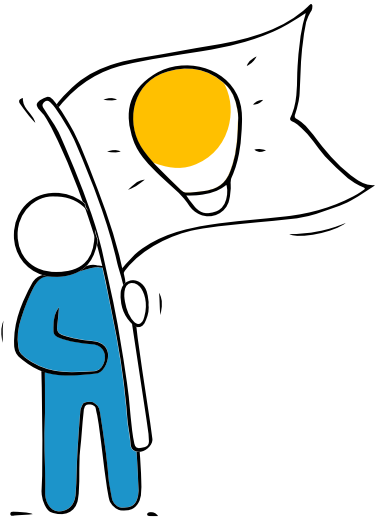
Employee Criticised a Company for a Lack of Diversity

A small tech startup faced employee resistance and backlash after an employee criticised the company's lack of diversity. The company quickly assembled a diverse crisis response team, listened to the employee in a safe environment to resolve their issue respectfully, as a result the company learned from their perspective. The SME held open forums with other employees to discuss the issue, opened up meetings with the ESG and implemented a transparent D&I action plan. This transparent and inclusive approach helped restore trust and strengthen the company's commitment to diversity.

Step 4



Some Strategies for Navigating and Mitigating Crisis



Impact Assessments Use impact assessments to evaluate how a crisis might affect different demographic groups within the company. This ensures that responses are tailored to the needs of all employees.

Balanced Scorecard Incorporate D&I metrics into your crisis management scorecard, allowing you to track the impact of your crisis response on diversity and inclusion efforts.

Integration D&I into Business Continuity Planning (BCP) Ensure that D&I considerations are integrated into the overall business continuity plan. This might involve updating BCP documentation to reflect D&I priorities during a crisis.

Regular Review and Update D&I crisis management strategies should be regularly reviewed and updated based on new risks, changes in the business environment, and feedback from past crises.

7 Examples of SME Crisis Management Strategies



Each of these examples highlights the importance of a tailored approach to crisis management in SMEs, where resources are often limited but the impact of a crisis can be profound. The key to success lies in swift, transparent action; inclusive leadership; and a commitment to learning from each experience to strengthen the company's resilience.

D&I Crisis 1



Racial Discrimination Incident in the Workplace

Context Employee reports experiencing racial discrimination from a colleague. The incident becomes known among staff, leading to tension within the team.

Tactic Immediate response by setting up an investigation led by an external, impartial D&I HR consultant. Establish open communication with all employees about the process.

1. Conduct a thorough investigation with input from the affected employee and witnesses via an external HR D&I consultant
2. Provide employee support (e.g., counselling), and feedback, communication channels (e.g., survey, company meeting or ERG).
3. Implement mandatory racial sensitivity training for all employees.
4. Develop a clear anti-discrimination policy and procedure for handling such incidents in the future.

Outcome The situation was resolved without further escalation. The training and new policy helped prevent similar incidents.

What Worked Transparency in the investigation and communication; involving external experts.

What Doesn't Work Downplaying the incident or delaying the response can lead to loss of trust and credibility.

D&I Crisis 2 »»»



Gender Pay Gap Exposed in SME Financial Report

Context An internal audit reveals a significant gender pay gap, which becomes a subject of concern among employees.

Tactic Leadership publicly acknowledges the issue and commits to a timeline for addressing the pay gap. A task force is created to analyse and address pay disparities.

1. Set up compensation data analysis tools, HR specialists, legal advisors, and a communication plan specific to the issue.
2. Conducted a detailed analysis to identify the cause of the pay gap.
3. Adjusted salaries where necessary to ensure equity.
4. Implemented a transparent pay structure and regular pay audits.

Outcome The pay gap was reduced significantly within a year. Employee trust and morale improved due to the transparency and concrete actions taken.

What Works Company wide acknowledgement and commitment to change; data-driven approaches.

What Doesn't Work Ignoring the issue or making vague promises without concrete action plans.

D&I Crisis 3



Backlash Over Lack of Diversity in Leadership

Context Company-wide criticism arises due to the lack of diversity in the company's leadership of teams.

Tactic The company initiates a leadership development program about underrepresented groups within the company.

1. Rolled out leadership development programs, mentoring/coaching resources and, D&I consultants.
2. Identified high-potential employees from underrepresented groups.
3. Provided targeted development opportunities (e.g., leadership training, mentorship).
4. Set specific diversity targets for leadership positions.

Outcome Over time, the company saw a significant increase in diversity within its leadership team, which led to better decision-making and a more inclusive culture.

What Works Investing in the development of internal talent; setting measurable targets.

What Doesn't Work Simply hire diverse leaders externally without addressing internal development can create resentment among existing staff.

D&I Crisis 4



Employee Outrage Over Inadequate Response to Social Justice Issues

Context The company remains silent during a major social justice movement, leading to employee dissatisfaction and public criticism.

Tactic The SME took a public stand, pledging support to the cause and implementing internal programs to foster a more inclusive environment.

1. Company engages in public relations expertise, sets up an internal D&I task force and, allocates a budget for social justice initiatives.
2. Issued a public statement to support the cause with details of actions.
3. Launched internal initiatives, such as donation matching programs or partnerships with relevant nonprofits.
4. Engaged employees in discussions and provide platforms for them to share their thoughts.

Outcome SME's actions improved employee morale and positively impacted its public image, but some employees felt the response was delayed.

What Works Taking a clear and genuine stance; involving employees in the response.

What Doesn't Work Reactive or tokenistic responses can be perceived as insincere and may do more harm than good.

D&I Crisis 5



Backlash Against a Marketing Campaign Seen as Culturally Insensitive

Context A marketing campaign unintentionally includes elements that are offensive to a particular cultural group, leading to public backlash.

Tactic The campaign is immediately pulled, and an apology is issued. The company then partners with cultural experts to review future campaigns.

1. Engage with cultural consultants, marketing team, and crisis communication team.
2. Quickly withdraw the campaign and issue a public apology.
3. Review and revise internal processes for campaign approval to include D&I checks.
4. Engage with the affected community to understand their perspective and ensure future campaigns are inclusive.

Outcome While the initial backlash was significant, the company's prompt and sincere response helped mitigate long-term damage.

What Works Swift action and acknowledgement of the mistake; engaging with experts and the affected community.

What Doesn't Work Delaying the response or trying to defend the campaign can exacerbate the issue.

D&I Crisis 6



Retaliation Against Whistleblower in a Diversity Issue

Context An employee who reports discriminatory practices faces retaliation, leading to a lawsuit and public scrutiny.

Tactic The company takes immediate action by suspending the implicated managers and launching an internal investigation.

1. Company seeks legal counsel, external investigators, and employee support services.
2. Conducted an independent investigation into the retaliation claims.
3. Provided support to the whistleblower, including legal support and counseling.
4. Implemented stronger whistleblower protection policies.

Outcome The company successfully resolved the lawsuit and implemented reforms that improved the overall D&I culture.

What Works Proactively supporting the whistleblower; ensuring a thorough and impartial investigation.

What Doesn't Work Failing to protect whistleblowers or conducting biased investigations can lead to further legal and reputational damage.

D&I Crisis 6



Inability to Retain Diverse Talent Due to Perceived Lack of Inclusion

Context High turnover among diverse employees due to a perceived lack of inclusion and growth opportunities.

Tactic Conducted an inclusion audit and created tailored retention strategies, such as mentorship programs and inclusive leadership training.

1. Engaged with D&I consultants, HR analytics tools, and mentoring/coaching resources.
2. Surveyed current and departing employees to understand the reasons for turnover.
3. Implemented mentorship programs for underrepresented employees.
4. Trained managers on inclusive leadership practices.

Outcome Turnover among diverse employees decreased, and overall employee satisfaction improved. However, initial efforts required fine-tuning to address specific issues highlighted in feedback.

What Works Listening to employee feedback and tailoring retention strategies accordingly; investing in mentorship.

What Doesn't Work Applying generic retention strategies without understanding the specific needs of diverse employees can be ineffective.

Learning Outcomes

By the end of this module, participants will be able to:

- **Design methods for monitoring and reporting leadership impact** on D&I initiatives.
- **Establish systems to assess the effectiveness** of leadership in promoting inclusivity and holding leaders accountable.
- Develop frameworks **to recognize and reward inclusive leadership** behaviors.
- Use the **SMART framework** to measure leadership impact on D&I initiatives.
- **Apply crisis management strategies** that foster inclusivity and resilience during organizational crises.
- **Build a customized D&I crisis management framework** tailored to the needs of SMEs.
- **Develop actionable strategies** that integrate inclusive leadership into company resilience planning.



Well Done!

Now Move to Module 3 Inclusive Talent Management for SMEs

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