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THE IMPACT OF A COMPANY'S DIVERSITY & INCLUSION COMMITMENT ON EMPLOYER BRAND IMAGE

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<u>Abstract</u>

This paper explores the significance of diversity and inclusion (D&I) in the modern workplace and the impact it has on a company's employer brand. In recent years, the subject of diversity and inclusion has become an important topic of discussion around the world, both in society and in the workplace. Businesses are becoming increasingly aware of the business case for D&I and how it can contribute to their overall success. The impact of global social justice movements and the evolving expectations of the upcoming Millennial and Generation Z workforce has also put pressure on organisations to prioritise D&I and make it an integral part of their overall business strategy. This paper investigates the relationship between a company's commitment towards D&I and their employer brand, specifically analysing its effect on recruitment, employee satisfaction and retention. Through a survey of 207 participants and interviews with four industry experts, this paper found that the presence or absence of D&I within an organisation has an impact on the individual's decision to work there, their level of happiness in the job and their willingness to stay with the company. The findings indicate that companies are at risk of losing employees and diminishing their competitiveness in the job market, particularly in terms of attracting younger generations, if they fail to make D&I a priority at all levels of the organisation.

Keywords: diversity, inclusion, employer brand, upcoming generations, social movements, recruitment, employee satisfaction, retention, job market, competitiveness.

Introduction

Objectives

It is evident that the topic of diversity and inclusion is of high importance to businesses in the contemporary world of work. This can be attributed to increasing awareness of the benefits that a diverse and inclusive workplace can offer to organisations, as well as a growing expectation from key stakeholders for it to be integrated into their business strategies. This paper will explore the rapid evolution of diversity and inclusion within the workplace and the benefits of incorporating it into an organisation's business strategy. It aims to investigate the current perception of the topic of diversity and inclusion and examine why it has gained attention in recent years. Furthermore, this paper will explore the evolving values and expectations that the upcoming generations have for companies, with a specific focus on how they differ from older generations. It will investigate the reasons why their expectations have shifted and how this will impact businesses' approaches towards obtaining talent from this cohort of individuals.

The main objective of this paper is to understand how a company's commitment to diversity and inclusion impacts three aspects of the employer brand: employee recruitment, satisfaction and retention. The research will explore the expectations of jobseekers today towards diversity and inclusion in a company and investigate whether this aspect can affect their decision to apply for a job or accept an offer. Additionally, the paper will examine how the presence of an inclusive and supportive environment can impact the satisfaction of employees within the workplace. Furthermore, the research will provide insights on whether employees are more likely to stay in a company that dedicates resources to D&I initiatives and whether they are willing to leave a company that fails to establish an inclusive culture for their employees.

Ultimately, this paper seeks to contribute to the ongoing conversation around diversity and inclusion in the workplace and to provide actionable recommendations for companies hoping to improve their employer brand and attract and retain talented individuals.

Methodology used

To reach these objectives, two methods of deductive primary research will be conducted. In order to understand the values of jobseekers and their opinions towards diversity and inclusion in a potential employer, the survey is a useful method of data collection. It will

enable me to reach a large number of respondents quickly (Taylor, 2000) and provide quantifiable data which will support or reject the hypotheses that jobseekers today expect an employer to have a strong commitment to diversity and inclusion.

In addition, through conducting interviews with industry experts, the aim will be to gain insights into the general perspective of organisations towards diversity and inclusion and the strategies they have in place for implementing it into their businesses. The interviewees will be able to give me their honest opinions (Hannabuss, 1996) towards this subject in the one-on-one interviews and provide real-life examples of how diversity and inclusion is integrated into companies. By using the new information gained from conducting these interviews, recommendations can be made for companies going forward in ensuring that they can attract and retain the best talent in the labour market.

Through a thorough review of the existing literature available on this topic, a survey with individuals and interviews with industry experts, this research will provide valuable insights into the relationship between D&I initiatives and the perceptions and behaviours of prospective and current employees towards an employer.

State of the question

As previously mentioned, the topic of diversity and inclusion has accelerated in conversation in recent times both within society and in the workplace (Ferdman et al., 2013). This is partly due to businesses beginning to recognise its contribution to business success and its importance to their workforce. However, other external factors have played a part in the increase in attention placed on D&I, one of which is the increase in social movements around the world. The rise in awareness of global social issues has ignited uncomfortable conversations amongst humans regarding the injustice towards people of colour, the unfair treatment of women and the hate crimes directed towards other ethnicities. Due to technology, humans are more connected to each other than ever which means we now have more exposure to these different movements no matter where we are in the world. Society is now demanding change, which extends to places of work. It is not sufficient for companies to say they are a diverse and inclusive environment; they must put in extra investment and resources to demonstrate that they are making tangible changes. Furthermore, research has shown that the younger generations are increasingly socially conscious (Yamane & Kaneko, 2021). The expectations of the future workforce

are evolving, and they value companies that have an inclusive work culture and prioritise representation at all levels of the business.

While there is extensive academic research already conducted on the positive impact of diversity and inclusion on business performance, there remains a gap in understanding its influence on a jobseeker's perception of an employer's attractiveness in the job market. To address this gap, this paper aims to provide a comprehensive understanding of the relationship between an organisation's dedication to D&I and their employer brand image. More specifically, it will delve deeper into three critical aspects of the employer brand including employee recruitment, satisfaction and retention, investigating what impact the D&I initiatives in a company has on them. As a result, from the information collected in the literature review and the data obtained from the survey and interviews, it can be determined whether the competitiveness of an employer within the job market is affected by the presence or absence of a commitment towards diversity and inclusion.

Structure of the paper

This paper is organised into six sections. In the initial section of this study, the definitions of key terms such as diversity, inclusion and employer brand are established. The objectives of the study are set and the methods by which these objectives will be achieved are explained. The second section involves a comprehensive review of the existing literature regarding this topic. This literature review will help in establishing key research questions which are investigated further through the primary research conducted in later sections of the paper. In the third section of this paper, an analysis is conducted into the diversity and inclusion industry. It investigates its evolution in recent years, the emergence of companies specifically focused on diversity and inclusion and what trends are identified in industry reports. The fourth section outlines the methodology and techniques used to collect primary data. The main results are presented, and a detailed discussion is had regarding the outcomes of the primary research in the fifth section. Finally, the sixth section of the paper draws the main conclusions discovered and highlights key takeaways from the research conducted.

Literature Review

To obtain a comprehensive understanding of diversity and inclusion in the workplace, this literature review examines how scholars have defined these terms, the benefits they believe it brings to companies and its evolution in the workplace to date. Additionally, the review investigates how an employer brand image is described and analyses its connection to the topic of diversity and inclusion.

Furthermore, the literature review is then subsequently divided into three main topics. Firstly, the environmental factors which have accelerated the discussion around diversity and inclusion within the world of work are outlined, which includes the impacts of the Covid-19 pandemic and recent global social movements. Secondly, the evolving expectations of the upcoming generation of workers are investigated and contrasted with those of the preceding generations. Finally, an overview of how scholars believe diversity and inclusion has had an impact on retention, employee satisfaction and recruitment is given.

Defining Diversity and Inclusion and Employer Brand Image

The terms diversity and inclusion are interconnected with one another but hold two separate definitions. Diversity refers to "who is represented in the workforce" (McKinsey, 2022). It is any dimension that could be used to differentiate groups and people from one another (Global Diversity Practice, 2019). According to Milliken & Martins (1996), such dimensions can be *observable* or *non-observable. Observable* or *readily detectable* dimensions refer to those characteristics that one cannot control such as age, gender, race, sexual orientation, and disabilities. The *non-observable* or *underlying* dimensions are controllable and may change over time such as education, income, religion, and marital status.

Inclusion can be defined as ensuring the workforce feel a sense of belonging. They believe their opinions are being listened to and they are empowered in the decision-making within the company (Moore et al., 2020).

Mor-Barak & Cherin (1998) describes inclusion as "the degree to which individuals feel a part of critical organisational processes such as access to information and resources, involvement in work groups, and ability to influence the decision-making process". An

environment in which many genders, races and nationalities are represented but only the opinions and perspectives of certain groups are valued may be diverse but is not inclusive.

Through this research, three key benefits of incorporating diversity and inclusion practices into a company's operations have been identified. These advantages include enhanced productivity, improved employee morale, and increased revenues.

In today's globalised world, businesses face increasingly complex challenges that require a diverse range of perspectives and skill sets to solve. One of the best ways to achieve this is by hiring people from different backgrounds and cultures. A diverse workforce brings a wide range of experiences and perspectives to the table, which can be leveraged to generate innovative and creative solutions to complex problems. As Cox and Blake (1991) noted, having a variety of groups with different backgrounds and perspectives provides a wider and more extensive range of experiences to draw from when problem-solving. In other words, a diverse workforce can enhance a company's ability to find and implement effective solutions to the challenges it faces. Moreover, when employees of different backgrounds and cultures come together, they can share innovative and creative ideas, fostering an environment in which the employees can learn from one another and develop their skills and ideas in the process. This, in turn, leads to increased productivity for the company, as a diverse workforce brings fresh ideas and perspectives that can positively impact business outcomes.

Furthermore, diversity and inclusion practices help create a positive work environment that is conducive to employee well-being and happiness. When employees feel valued and respected for their unique backgrounds and perspectives, they are more likely to be engaged and committed to their work. This, in turn, can lead to a lower turnover rate, as employees are more likely to stay with a company where they feel supported and valued. This benefit will be further elaborated in a later section of the literature review, examining the impact of D&I on employee satisfaction.

As a result of the wide range of skills in the companies' teams, the improved employee engagement and the creation of innovative solutions, the business is more likely to have higher revenues. In a study conducted by the Harvard Business Review, researchers Gompers & Kovvali (2018) examined tens of thousands of venture capital investments to discover the impact of D&I efforts on their financial performance. The gender and racial

makeup of the venture capital industry are homogenous. The researchers found that only 8% of investors in venture capital organisations in the United States from 1990 to 2018 (when the study was conducted) were women. The article also discusses how racial minorities are underrepresented in the industry. It seems that venture capitalists tend to partner with those who have similar traits to themselves such as educational backgrounds and race. So, what is the difference in the financial performance between homogenous partnerships and diverse partnerships? The research shows that the "more similar the investment partners, the lower their investments' performance". The success rate of acquisitions and IPOS was 11.5% lower for investments made by partners with shared educational backgrounds than those by partners from different schools. It was also discovered that the success rate of the shared ethnicity partnerships was reduced by between 26.4% and 32.2%. Gompers and Kovvali outline that the reason for this difference is within the decision-making of the venture capitalists. Creative thinking in "uncertain competitive environments" in terms of shaping strategy and recruitment for a company is vital and for that, diverse collaborations are better able to deliver on these decisions, therefore their success rate is higher. This study is just one example of how a more diverse team of people can collate all their knowledge and skills to deliver more promising results for the company.

The concept of diversity and inclusion and its management has undergone a rapid evolution in recent times. What was once seen as a sub-component of the Human Resources department, has now become an integral function which creates value for all businesses.

The workforce has changed dramatically over the last 100 years. In the beginning, the workforce was predominately made up of males, and women tended to hold more "traditional" roles at home. It was only during World War II that many more women entered the labour market, to cover for the shortage of workers, which challenged policies and perceptions of equal, fair treatment and opportunities. Subsequently, new policies regarding diversity and inclusion in the workplace were developed which eventually extended to other marginalised groups (Worktango, 2020).

Workplace diversity training first began in the 1960s, following the implementation of equal employment opportunity laws and anti-discrimination legislation (Dong, 2021).

This training usually took place in workshops that were mandatory for the employees to attend. The training would involve filling out personality tests and bias questionnaires. This training was ultimately ineffective as it did not have any lasting impact and there was also a perception by the employees that these workshops were controlling (Dong, 2021). For companies during this time, implementing these trainings and being diverse and inclusive meant avoiding the risk of being prosecuted for not complying with the law (Volmer, 2020), therefore, the content of these trainings tended to be more compliance-oriented rather than results driven.

In the late 1980s, Hudson Institute released a book "Workforce 2000", which outlined the future of the workplace, explaining that the "net additions" of the workforce would mostly be comprised of more women and minority groups. This publication initiated a shift in the way of thinking for businesses and the term "workforce diversity" was added to the business lexicon. It was during this era that the attitude towards D&I training moved from being compliance orientated to enhancing working relationships. More emphasis was put on "fostering sensitivity and respect for differences" and the term 'inclusion' became more popular in the late 1990s as an extension of diversity (Anand & Winters, 2008).

In 1996, David A. Thomas and Robin J. Ely published a piece of work titled "*Making Differences Matter: A new paradigm for managing diversity*". Within this piece of work, they discuss how the attitudes and behaviours of a company's leadership needs to change before they see the true benefits of a diverse workforce. The common assumption that people have upon hearing the word 'workplace diversity' is that it's about "increasing racial, national, gender or class representation". This way of thinking inhibits its effectiveness according to Thomas and Ely.

They have identified three paradigms or three perspectives that have guided diversity efforts, the first of which is the *discrimination and fairness paradigm*. Under this approach, leaders focus on "equal opportunity, fair treatment, recruitment, and compliance with federal Equal Employment Opportunity requirements" (Thomas & Ely, 1996). There is a bigger emphasis on the numbers, the regulations and the creation of mentoring programmes for women and people of colour (Anand & Winters, 2008).

The second paradigm is that of *access and legitimacy*. Within this lens, individual differences are valued, and diversity is celebrated. Diversity under this paradigm makes

business sense; a more diverse workforce will help gain access to all customers and gain legitimacy with them.

The final paradigm refers to *learning and effectiveness*. This paradigm not only seeks and values the differences of their employees but uses them with the knowledge that they will enhance and improve the company, its culture and performance (Hamza, 2019). This new paradigm allows organisations to "internalize differences among employees so that it learns and grows because of them" (Thomas & Ely, 1996).

Nowadays, in the 21st century, diversity and inclusion have evolved even more. The efforts of D&I are more focused on improving productivity, fostering innovation and creativity, and encouraging teamwork amongst a diverse group of people (Volmer, 2020). In the past two years, the job postings for Chief Diversity Officer have increased by 35% as well as other management roles specifically tasked with D&I. Since 2014, global companies such as Apple and Google have begun publishing annual diversity reports, outlining what they are doing to achieve their diversity and inclusion objectives and their goals for the future, which enables the public to hold big companies accountable (Trafford-Owen, 2020). By viewing D&I through the *learning and effectiveness* lens, companies can ensure they are using their workforce to their highest capacity for strong business performance.

Employer Branding

According to Lloyd (2002), "Employer branding is the sum of a company's efforts to communicate to existing and prospective staff that it is a desirable place to work". It impacts the quantity and quality of applicants for a position within a company and, in addition, drives employee loyalty and makes a difference to the current employee performance, job satisfaction and retention (Sarabdeen et al., 2023). Prospective employees have the opportunity to understand the company's values through its employer brand and see how they align with their own (Köllen, 2021). Managing the employer brand allows companies to differentiate themselves from competitors in the labour market and hire, engage and retain the talent they need to be successful.

With the frequently changing economies and economic conditions, the labour markets are becoming more competitive, therefore, employing top talent has become that much more

important. Organisations can monitor their employer brand through quantitative data such as the number of applications, the acceptance of job offers, employee engagement survey scores and through qualitative data such as employee interviews (CIPD, 2022).

The employer brand of a company is the overall perception of the organisation in the market. It influences how jobseekers view the company and either encourages or discourages talent from applying to the business. Employer branding has significantly increased in popularity, especially over the last two years. During the Covid-19 pandemic, the attention was on businesses to see how they were dealing with the crisis and what they were doing for their employees to care for them in the unprecedented times (Maurer, 2020). Therefore, in order to attract and retain top talent, it is imperative for businesses to learn about and understand the values and beliefs of their employees.

If an organisation has a strong commitment to D&I, it is important that they communicate it with existing and potential employees. This paper will provide more detailed information about how the values of jobseekers are changing and how this evolution needs to be reflected in an organisation's employer brand image. D&I is a widely discussed topic at the moment and companies should be promoting their efforts and initiatives within their employer image in order to attract diverse talent.

Environmental factors that have accelerated the importance of diversity and inclusion

In recent times, there have been social and cultural factors that have been a catalyst for change within the diversity and inclusion industry, including the worldwide pandemic in 2020 and the Black Lives Matter movement, which originated in the United States.

In March 2020, when the Covid-19 pandemic began, everyone was forced to quarantine and stay at home. As a result, everything in our lives changed, including the way we work. Companies had to reimagine their work environments and, due to the significant technology advancements in recent years, the ability to work from home was a feasible option for most office-based jobs and allowed businesses to continue their operations with success.

Remote working and parenthood:

The introduction of remote working for employees has created opportunities for many jobseekers, but especially for women. In a survey conducted by Pew Research Center, they investigate the relationship between parenthood and career development. The fact is that "gender roles are lagging behind the labour force trends" (Parker, 2015). It is common that the women in the family are more likely to bear more household responsibilities such as caring for the children, cooking and cleaning compared to the men of the family. When asked what is best for young children, 33% of the respondents said that it is the "ideal situation" for children to have a mother who does not work at all, compared to 16% who said that having a mother who works full time is best (Parker, 2015). This sort of sentiment towards women in work is creating a damaging culture and one in which women may be negatively judged for deciding to work full-time rather than fulfilling the "traditional role" of staying at home to care for the household and the children.

Once women have entered the workforce, then comes the challenge of career advancement and progression. Among women with children, 51% said that being a working parent has made it harder for them to advance in their job or career compared to 16% of working fathers (Pew Research Center, 2013). One of the reasons for this is that women tend to prioritise their family duties over their jobs and realise they have to make sacrifices in order to accommodate the demands that go hand in hand with being a parent. Sacrifices include reducing their working hours, taking time off work, quitting or rejecting a promotion, all of which ultimately create roadblocks for women to develop in their careers.

This brings along the question of how the pandemic affected the role of women in the workplace. Giving employees the opportunity to decide when and where they can work increases gender equality two-fold. Women have more flexibility with remote working and can structure their working situation in a way that is beneficial to them and their work/life balance without having to sacrifice their career for being a mother (Gajendran & Harrison, 2007). In addition to this advantage, data which was gathered during the pandemic has revealed that fathers are more involved in family life when they are working from home. In a survey conducted with fathers from Canada, the majority answered that

they are doing more household chores and are spending more time with their children now than they did before the pandemic (Fogarty et al, 2020). In this way, the family responsibilities can be more equally divided among the father and the mother, which provides a further chance for women to enter and remain in the workforce.

<u>Remote working and people with disabilities</u>

In addition to this, remote working has increased the options for people with disabilities in the working world in terms of how and where they can work, and for them, working from home could be the more attractive option. A report issued by Employers for Change and The Open Doors Initiative in Ireland discovered that when talking to employees with disabilities they found that they had more autonomy in managing their disability when working from home. They were able to move more freely around their workspace to deal with pain or stiffness and also control the lighting and noise levels in order to accommodate their needs and requirements to work successfully (O'Donnell, 2021).

The functionality of technology has improved vastly over the years, and this has created benefits for those who have disabilities (O'Donnell, 2021). The ability to control the volume and brightness of meetings, having close captioning available and being able to look back on recorded meetings if necessary are all enhancements that technological companies made during the pandemic to facilitate greater accessibility in the technological environment of this new style of working.

To conclude, the Covid-19 pandemic has created a huge shift in the way we work and, indeed, the future of the workplace. The introduction of remote working has increased employment opportunities for minority groups such as women and people with disabilities, increased the conversation around D&I and how accommodations can be made in the workplace to suit different people, and has provided employers with the opportunity to "accelerate building inclusive and agile cultures" (Dixon-Fyle et al., 2020) within their businesses.

Recent social justice movements and campaigns have intensified the discussions around diversity and inclusion in all aspects of life, but particular attention has been brought towards businesses across all industries to encourage them to think more deeply about their role in society and how they can bring about change in response to the ongoing

demand for societal reform. The large support for campaigns such as #MeToo and #StopAAPIHate has put pressure on companies to demonstrate how their workplace culture values diversity and is inclusive to all. One of the biggest movements that took place in 2020 is Black Lives Matter, which made businesses revaluate their diversity and inclusion efforts concerning race.

Black Lives Matter (BLM)

After the tragic murder of George Floyd in 2020 in the United States, #BlackLivesMatter protests took place around the world appealing for change to combat systemic racism. Pressure from employees was placed on companies to see how they would respond and contribute to this racial injustice crisis.

Many companies showed their support for the cause by making public statements denouncing racism and discrimination of any sort. In addition, companies donated huge funds to anti-racism organisations and foundations. The term performative activism appeared throughout this research which defines the "activism that is done to increase one's social capital rather than because of one's devotion to a cause" (Boston Medical, 2022). So, although it was remarkable to see so many businesses using their corporate voices to address such a widespread issue during this movement, it is on the minds of all employees whether this was just an act of performative activism or if companies are serious about committing to this cause long-term.

In terms of employer brand image, the reaction that a company has in response to social movements like the BLM movement can either help them improve their image or it could potentially have a negative effect. There is an expectation by jobseekers nowadays that corporations use their platforms and power to speak up against violations of human rights and put processes and policies in place to make sure all their employees feel included and supported in the workplace. Donating money isn't enough to make transformational change, so it is important that the commitment to the cause is followed through in order to continue to gain the trust and respect of existing and potential employees and to remain a desirable employer for the future generation of workers.

It is clear that these environmental factors profoundly altered the workplace and made individuals re-examine their priorities and expectations when it comes to where they work and who they want to represent.

The changing expectations of the next generation workforce

The composition of the workforce has changed and will continue to change significantly in the coming years. The generation of the "Boomers", born between 1946 and 1964 (Hogan et al., 2008) and "Generation X", those born between 1965 and 1980 (Brunjes, 2023) are slowly leaving the workplace and going into retirement and will be replaced by "Millennials", those born between 1981 to 1996 (Dimock, 2019) and "Generation Z", those born from 1996 onwards (Mitchell, 2020). As a result, the values and expectations of the incoming employees are different to those from before.

With the goal of being the employer of choice for potential staff and for retaining current talent, it is necessary to have a competitive employee value proposition (EVP). An EVP is a unique set of benefits both tangible and intangible, that positively influence targeted candidates and employees in exchange for the employee's services (Binu Raj, 2020). Intangible benefits, such as the culture and values of the workplace are included in the EVP. Companies need to look through the lens of the Millennial and Generation Z generations when establishing or refreshing their EVP in order to be relevant to their needs. In a study conducted by Pandita (2021), it revealed that Generation Z put "work ethics, diversity, flexible working culture and contribution to the community at the centre when deciding whether or not to join a workplace". Not considering these key factors for the EVP of the new incoming talent could be harmful to companies' competitivity within the labour market. Furthermore, a survey completed by Weber Shandwick (2016) asked the respondents to consider the following statement and answer whether or not they agree, "If I were to look for a new job tomorrow, a diverse and inclusive workplace would be important in my job search". Out of the Millennials, 47% said they agree compared to 37% of Boomers. The next generations are eager to make a difference and want to work for a company that is committed to making a positive contribution to society.

The question is why is this generation more likely to value diversity and inclusion than their predecessors?

Millennials and Generation Z fall into the category of Digital Natives (Jarrahi & Eshraghi, 2019), which describe the generation of people who have grown up in the age of technology and the internet (Halton, 2021). As a result, social media has become an important part of everyday life with 97% of digital natives having an account with at least one social media platform (IZEA, 2021). Because social media is so widespread, there is more access to information and more exposure to different cultures, news and social issues from around the globe than the previous generations. These are known as the "digital immigrants" and include the older generation of workers who have adopted digital technology later in life (Ahn & Jung, 2014). Taking the Black Lives Matter movement as an example, it received significant coverage on all social media platforms around the world in 2020. The world's population was able to walk through the streets from the perspectives of the protestors, hear stories about people who encounter racist comments daily and learn more about the history of racism and how society can help to combat it, all through social media accounts. This sort of exposure was not available to older generations and therefore there wouldn't have been as high of an awareness of social injustices around the world. As a generation who have access to this knowledge, Millennials and Gen Zs are more open-minded and this follows through into their values in life and can influence their decision about the type of company they want to work with and be a representative for.

In addition, Gen Z and Millennials are more diverse than others before and are more aware of social issues. According to Pew Research Center and Brookings, 48% of Gen Z (Mitchell, 2020) and 44% of Millennials (Frey, 2018) are considered to be "racial or ethnic minorities" (in the United States). As a result, it makes sense for the diversity of individuals in the upcoming workforce to be reflected in businesses and in fact, it is a factor that may reduce the employees' morale in a company if it is not done correctly. In their Gen Z and Millennial Survey in 2022, Deloitte found that the level of satisfaction from employees in response to companies' commitment to creating a diverse and inclusive environment has an impact on job loyalty. Of the Gen Z respondents who said they were very satisfied with their company's progress in creating a diverse and inclusive environment, 32% said it was a factor that would encourage them to stay beyond 5 years in the company, compared to 52% of Millennials. This is a statistic that businesses need

to consider when establishing their employer branding strategy in order to stay competitive in the labour market.

By 2025, 75% of employees will be from the Millennial generation and will be occupying the majority of the leadership roles in companies (Deloitte, 2014). The responsibility will be on them to shape workplace culture and create an inclusive space for people to work in. In an article written by Vijay Eswaran (2019), he comments on how the next generations have a unique perspective on diversity, he believes that "while older generations tend to view diversity through the lenses of race, demographics, equality and representation, millennials see diversity as a melding of varying experiences, different backgrounds and individual perspectives". If companies want to attract and retain a workforce with the upcoming generations, then diversity will have to play an important part in the hiring process.

Diversity and Inclusion's impact on retention, employee satisfaction and recruitment

Retention

The ability to retain high-quality employees is crucial for the success of any organisation. Employee turnover has a negative impact on a company's profitability and results in additional costs for recruitment, training, and motivating new employees. Furthermore, it can lead to a loss of organisational goodwill (Chioma Oguegbulam et al. 2017), therefore, developing retention strategies are key for businesses.

Inclusion is vital for retaining today's workforce. It is not enough for companies to focus all of their efforts on recruiting and hiring a diverse team if they don't have the means in place to keep them in the company and discourage the movement of labour to competitors. When businesses create an inclusive environment within the workplace where new ways of thinking and collaborating are encouraged amongst the employees, they are more likely to have the desire to advance and stay loyal to the company.

The motivation to progress within a company may be lost for people who don't feel comfortable expressing themselves fully in their workplace. For some employees who may differ from their colleagues in terms of their gender, sexual orientation, race or other variables, they often hide parts of themselves when they are at work for fear that they will

receive negative reactions from their managers or co-workers. An article written by Harvard Business Review calls this an "identity cover" (Brown, 2018), and it can be difficult for companies to truly know who their employees are, what barriers they may face and what they need to succeed if they are 'covering' their identity. If an employee doesn't feel like they can be their true self in work or won't be accepted in the culture that has been created, it can inhibit their desire or motivation to progress and grow in the company, which can make them vulnerable to leaving the organisation altogether.

As the evolving workforce continues to shape the future of work, the need for businesses to improve their retention strategies to secure their top talent is increasing. Deloitte US published a report titled "Unleashing the power of Inclusion: Attracting and engaging the evolving workforce" in which they explore the evolution of expectations for organisational culture. As already discussed in this paper, the workforce is rapidly changing and Deloitte US discovered that the Millennial generation changes jobs approximately every two years, causing an annual turnover cost of $30.5 billion for the US economy (DeHaas et al., 2017). There are many reasons for the frequent job-hopping amongst this cohort, such as seeking higher pay and exploring other career options, however, the culture created in a workplace is an important factor and one that is inclusive is even more crucial for the Millennial generation. According to the survey in Deloitte's report, 39% of respondents said that they would leave their current organisation for a more inclusive one and 23% reported that they have already left (DeHaas et al., 2017). The workforce of today, and of the future, value a company that allows them to be themselves, and, when they do not experience this sort of culture, they are willing to leave and find a company that does. Addressing the evolving priorities of younger employees such as an inclusive work environment will aid organisations in retaining their top talent.

Employee Satisfaction

Treating all employees with respect and dignity is essential for managerial staff in a company in order to create positive relationships within their teams and maximise their potential. Research has shown that employees who feel included in their workplace are more likely to have higher job satisfaction and a decreased intention to leave the company (Brimhall et al., 2014; Brimhall & Mor Barak, 2018; Mor Barak et al., 2016). Studies have found that employees are 83% more engaged to their work when they feel a sense

of belonging in their teams (Anderson-Finch & Patterson, 2018). Establishing an inclusive environment means that all ideas are listened to and considered no matter your gender, race or sexual orientation. For workers to know that their contributions to the team are being taken seriously will provide them with a sense of purpose in their job and encourage them to work to a high standard.

In BCG's Diversity and Inclusion Assessment for Leadership survey, they found a direct correlation between the level of inclusiveness within a company and employees' happiness. Of the employees who reported that they work in an organisation where diversity and inclusivity is truly valued, 81% said they were happy. In comparison, of the respondents who answered that they work in a company that lacks inclusivity, only 27% said they are happy (Krentz et al., 2021). In terms of why an organisation should care about these figures is its impact on productivity. A number of experiments were conducted by the University of Warwick, which found that productivity increased by 12% when the employees were happy (Oswald et al., 2009). The companies that invest time and money into fostering a culture of belonging, where people can be themselves, will be rewarded with happier and more engaged workers. This, as a result, will translate into increased productivity and a strong employer brand image.

Recruitment

As mentioned in previous sections of this literature review, the public conversation and increased attention around diversity and inclusion has generated renewed emphasis on encouraging companies to re-evaluate their D&I efforts in each aspect of their business practices. This focus is no longer an 'extra option' or a 'nice-to-have' for companies, it is now integral for business success and a non-negotiable factor for jobseekers today.

There is an expectation amongst today's workforce that diversity and inclusion practices have a strong presence in a company. In fact, studies are showing that it influences jobseekers' decisions when evaluating companies as potential employers. Deloitte found that 80% of their respondents say the level of inclusion in a company is important when applying for a job (DeHaas et al., 2017). Furthermore, an interesting study was conducted in which the researchers examined "how information about the diversity of a potential employer's workforce affects individuals' job-seeking behaviour" (Choi et al., 2022). This team of researchers partnered with an online job listing company called Zippia which

emails their subscribers job postings relevant to the individuals' preferences and criteria. For this study, they split the population of subscribers into two conditions. The first group (baseline condition) got sent the job listings in the normal format with no information included on diversity, and the other group's job listings (diversity condition) included a Diversity Score for the companies listed. The results found that the participants in the diversity condition group clicked on more job listings with higher Diversity Scores than those in the baseline condition who had no information regarding the diversity of the company at all. They were paying attention to the diversity data and using this to decide whether or not to click on the job listing. In a follow-up survey of all the participants, they indicated that the Diversity Score of each business would be useful to know in their job search as it would show whether or not the company cares about D&I. It would indicate how much the participant would enjoy working in the company and it would help assess the prospects of working for such an employer (Reynolds, 2022). Including this quantifiable data in job posts could be useful for companies to attract new talent.

By truly incorporating diversity and inclusion into employer branding, it can enable the company to differentiate themselves from competitors and show potential employees that they are a committed employer who care about their workforce. Conversely, in the age of technology and social media, it is easy for employees to report negative behaviour, discrimination or a lack of an inclusive culture within organisations. This can negatively impact attraction and recruitment and will also have adverse effects on the brand of the company as an employer (Fullilove, 2019).

To position themselves as a desirable employer and to remain competitive, organisations need to acknowledge the importance of promoting their D&I commitments to the public (Byrd, 2018). The labour market is competitive and if companies want to ensure they are attracting and recruiting top talent, then re-examining their business practices to incorporate D&I practices could be of benefit, especially when seeking to engage the next generation of workers.

The purpose of this literature review was to understand what research has already been conducted around the topic of diversity and inclusion and its relationship with a company's employer brand image. In recent years, the topic of diversity and inclusion has garnered increased attention in academic research and public discussion, propelled by

rising awareness of social inequities, external environmental changes, global migration patterns, and technological advancements. The younger generations, including millennials and Gen Z, have played a vital role in this shift towards diversity and inclusion, with many expressing their desire to work for companies that align with their values and positively impact society. Consequently, companies are recognising the significance of prioritising diversity and inclusion in their practices. Extensive research has been conducted on the business advantages of diversity and inclusion and organisations recognise the advantages of attracting, retaining, and inspiring a diverse workforce for their overall business success. However, there appears to be a lack of research on the impact of diversity and inclusion on employer branding and their appeal as a desirable employer to prospective employees. I would like to further investigate, through primary research, whether companies gain a competitive advantage in the job market by devoting time and resources to implementing diversity and inclusion practices. The research will specifically investigate whether companies that implement diversity and inclusion practices are more appealing to potential employees as a desirable workplace, experience lower employee turnover rates, and have higher employee satisfaction.

Industry Analysis

The world in which we live in today has become more intricate and interconnected due to globalisation and technological progress. As a result, diversity has evolved into a fundamental element of contemporary society (Yahoo Finance, 2022). In this section of the paper, the evolving industry of diversity and inclusion is analysed, and trends are identified. As of the current year 2023, the global diversity and inclusion industry has been valued at US$ 9 billion and is expected to increase to US$ 30 billion by 2033, expanding at a compound annual growth rate of 12.7% (Fact.MR, 2023). In 2020, it was estimated that companies invested $7.5 billion on D&I-related initiatives and this amount is expected to more than double to $15.4 billion by 2026 (Ellingrud et al., 2023). In addition, the industry has seen a significant rise in the number of D&I-related job roles such as Chief Diversity Officers and Directors of Diversity. This is both due to internal factors such as the increasing awareness that diversity within a company is a competitive advantage in terms of improved profitability and decision-making, and external factors such as the pressure and expectations from society regarding equality and social justice (Goldstein et al., 2022). This has led to a demand for the creation of job roles, specifically designed to focus on driving D&I efforts within corporations. As observed in Figure 1 below, published by McKinsey, between 2015 and 2020 there was a 71% increase globally in all diversity and inclusion roles (Anderson, 2020) and, as of 2022, 53% of Fortune 500 companies employ a Chief Diversity Officer or a similar position equivalent (Goldstein et al., 2022).

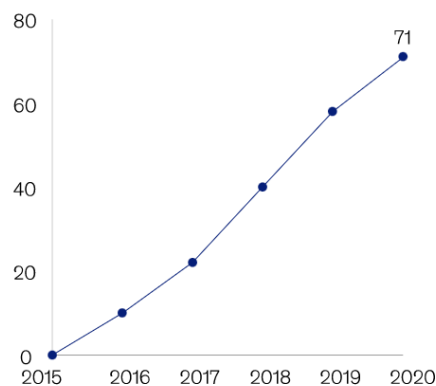**Growth in number of DE&I[1] roles since 2015,** %

Figure 1: Growth in number of DE&I roles between 2015 to 2020. Source: McKinsey & Company, 2022

Furthermore, there are companies in the diversity and inclusion industry that focus solely on offering innovative solutions to organisations to support their diversity and inclusion efforts. Two examples are Textio and Umbrella Analytics. Textio is an AI-powered writing platform which analyses the language and tone of a text, such as job descriptions and performance evaluations, and makes suggestions on how to improve it to make it more inclusive and diverse (Textio, 2023). Another similar company is Umbrella Analytics. This UK-based startup has created a software platform which evaluates critical inclusion metrics by taking into account input variables such as pay, gender, location and policies (Fact.MR, 2023). Both of these companies are making significant steps to ensure companies are equipped with the necessary tools to foster greater diversity and inclusion within their organisations.

The increase in pressure from regulators also contributes to the growth of the diversity and inclusion industry. Employers are facing growing stress from regulatory bodies to put focus on D&I within their organisations. Currently, the disclosure of D&I policies and metrics is mainly voluntary (KPMG, 2023), however, there has been a steady increase of legislation and regulations, especially in the UK, that are requiring companies to publish certain information such as their gender pay gap and ethnicity pay gap (Perraudin, 2019; Pinsent Masons, 2023), where fines can be distributed in the case of non-compliance. This external factor is influencing the industry and creates accountability and transparency for its key players.

In recent years, there has been an increase in demand by companies seeking recognition for their D&I initiatives and achievements. Currently, there are many bodies that present awards to organisations that can demonstrate a strong commitment to D&I and who can serve as examples to other companies in the industry. One of the most recognised companies in this area is "Great Place to Work". This company is a global research and consulting firm that help organisations improve their workplace culture to create a positive and inclusive environment. Additionally, they grant certifications to companies that have proven to have a superior employee experience environment (Great Place to Work, 2023). Similarly, the Chartered Institute of Personnel Development (CIPD) and the National Diversity & Inclusion Awards also offer awards and certifications to those businesses that truly are creating positive change in D&I areas. In addition to being significant accomplishments for the organisations that receive them, these awards also

serve as a powerful tool for enhancing their employer brand. Companies have tangible evidence of their dedication to D&I to showcase to potential employees. This in turn will create a positive reputation for the company and attract more diverse candidates to apply. This growing demand for recognition of D&I initiatives can also be attributed to the expansion of the D&I industry, as it receives more attention through media coverage.

To gain a deeper insight into the diversity and inclusion industry, the next section aims to explore reports created by consulting companies such as Deloitte and McKinsey relating to the industry and identify themes which will further aid the understanding of this topic.

In these reports, the firms comment on the importance of implementing D&I strategies for justice and ethical reasons, however, they also often make reference to the business case for D&I. Businesses are now recognising that it is a fundamental driver of performance progress and a generation of creativity and innovation for the company.

Throughout the reports on this industry, the writers make it clear that implementing diversity and inclusion practices within a business will improve their financial performance. In a report conducted by McKinsey in 2019 titled "*Diversity wins: How inclusion matters*", they found that the companies located in the highest quartile for gender diversity in their executive teams had a 25% greater chance of achieving above-average profitability than the companies in the lowest quartile. Similar to this statistic, McKinsey also discovered that the organisations that are the most gender-diverse have a 48% higher likelihood of outperforming the companies that are least gender-diverse. In their analysis of ethnic and cultural diversity, their study revealed that companies in the top quartile outperformed those in the fourth quartile by 36% in terms of profitability (Dixon-Fyle et al., 2020). Harvard Business Review also reported the correlation between diverse teams and improved financial performance as they found that the EBIT margins for companies with diverse management teams were 9% higher than those with below-average diversity at management level (Lorenzo & Reeves, 2018). In conclusion, it is widely recognised in the D&I industry that incorporating D&I strategies into business operations creates advantages to financial performance.

Moreover, the composition of a diverse team and the presence of a positive inclusive environment also enhances innovation and creativity. Diverse teams are characterised by differences amongst team members which reduces the risk of groupthink and expands

each member's perspective and ideas. As observed in Figure 2 below, BCG revealed that companies with high diversity in their management teams produced 19 percentage points more revenue from innovation than companies with low diversity in leadership, accounting for 45% of total revenue compared to 26% (Lorenzo et al., 2018).
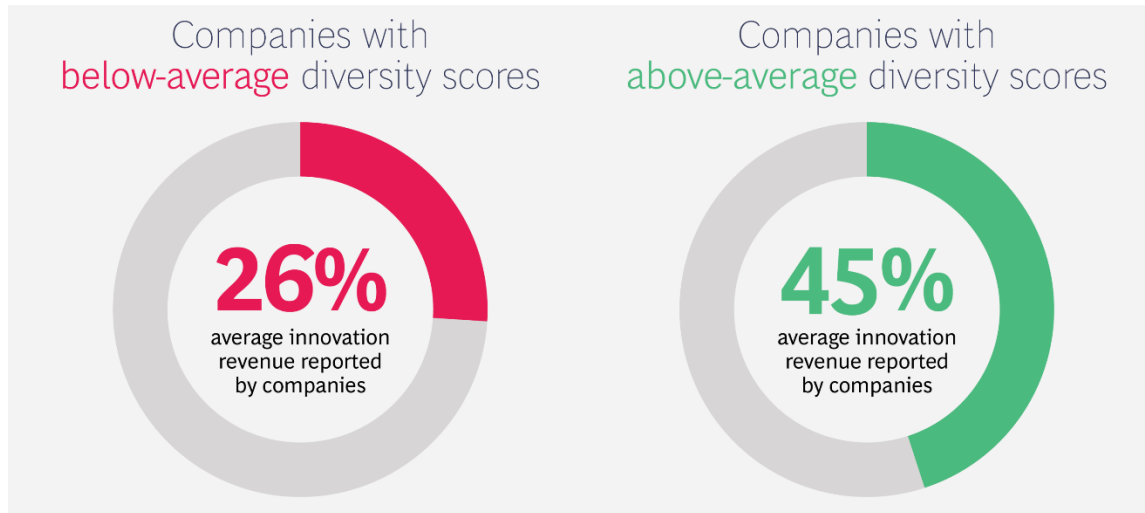

Figure 2: Companies with more diverse leadership teams report higher innovation revenue. Source: BCG Diversity and Innovation survey, 2018

Conversely, a lack of evidence towards a company's commitment to D&I can cause damage to the reputation of organisations. A report issued by PwC analysed how a sample of companies are perceived by key stakeholders on their D&I stance and how this can cause reputational risk. The writers discuss how D&I plays a critical role in a jobseeker's decision-making process today, therefore a business's reputation is put at risk if it fails to meet the expected standard in this area. In their study, PwC discovered that 60% of the women surveyed looked at the diversity of the leadership team when making a decision of where to work (PwC, 2017). This indicates that candidates are seeking a transparent portrayal of the employment experience and culture prior to selecting an employer, therefore, it is key that companies make the effort to incorporate their D&I position into their employer brand and work towards maintaining a positive reputation in order to attract and retain top talent. This can involve articulating and communicating strategies to current and prospective employees and disclosing information voluntarily about the company's progress in D&I. In this way, the company can manage their reputation and risks and gain the trust from key stakeholders.

Furthermore, industry reports on this topic also provide insight into what organisations must consider when implementing D&I efforts into their operations. The majority of the industry reports all agree that companies must ensure senior leadership are fully supportive of D&I within the organisation in order for it to be successful and reap the benefits previously mentioned. The commitment should start at the top with C-suite-level employees. In order to truly showcase the strong commitment a company has to D&I; companies should encourage senior-level sponsorship and ensure that they demonstrate to current and prospective employees that the D&I values of the company also align with their personal beliefs. Deloitte found that the actions and behaviours of leaders in an organisation can have a significant impact on whether employees feel included or not in the workplace. Their research suggests that leaders can influence 70 percentage points of difference in the level of inclusion felt by employees (Bourke, 2018). In a report published by McKinsey, the researchers revealed that the "Diversity Winners" in the industry were going beyond the conventional method of D&I training such as unconscious bias training. These companies prioritise inclusive leadership as an essential skill which can be demonstrated by encouraging D&I within their teams, supporting flexible work arrangements, addressing bias and participating in the "conscious inclusion" of their diverse team members (Dixon-Fyle et al., 2020). Ultimately, senior leadership serves as a guiding force for the rest of the organisation and plays a vital role in establishing a culture of inclusive behaviour towards those employees in marginalised groups.

In conclusion, the industry of diversity and inclusion has experienced significant growth and attention in recent years. Companies are realising the benefits of investing time and capital into creating inclusive work environments on their business performance. There has been an emergence of key players in the industry who specifically focus on supporting companies in their D&I journey, which will make it easier for organisations to improve their processes and strategies. In today's business landscape, the D&I industry has surfaced as a critical component for the success of any business. It is crucial that companies evolve with this industry's growth, as failure to do so can result in falling behind competitors and experiencing talent shortages. Therefore, it is imperative for organisations to prioritise D&I initiatives to attract and retain talent, foster innovation and drive overall business success.

As aforementioned, the subsequent sections of this paper will undertake an in-depth analysis of primary research to understand the impact of a company's D&I efforts on its appeal to jobseekers in today's competitive job market. The study will mainly focus on evaluating the effectiveness of D&I efforts on recruitment, employee satisfaction and retention rates, with the goal of providing valuable insights to businesses looking to leverage their commitment towards D&I to improve their desirability as an employer.

Methodology and Results

In order to investigate this topic more, two types of deductive cross-sectional primary research were conducted. Quantitative data was obtained from a survey and qualitative data was gathered from interviews with industry experts.

The aim of the survey was to gauge the general perceptions of diversity and inclusion in the workplace, its importance and to what extent it impacts individuals' employment decisions. The survey provided quantitative data that allowed for the identification of trends that correlated with the literature review findings. In order to fully understand the job seeker's perspective on D&I in the workplace, a survey was the ideal method as it has the ability to reach a large number of respondents quickly and efficiently (Taylor, 2000).

The survey contained three sections and 15 questions in total. The first section included sociodemographic questions with the aim of gathering information about the surveyed population's characteristics and identifying any potential variations in survey responses based on sociodemographic factors. The second section included general questions about diversity and inclusion in the workplace, its perceived importance and how it has gained relevance in recent times. Finally, the third section aimed to gain insight into how a company's diversity and inclusion efforts impact a job seeker's overall perception of the company as an employer and their level of interest or desire to work for them.

Google Forms was used to create the virtual survey and a mixture of question formats were included such as linear scale, multiple choice, Likert scale and dichotomous questions. The quota set for the survey was 100 people. The aim was to reach as many people as possible in order to gather a diverse set of responses and to do this, the sampling methods used were volunteer and snowballing sampling. With volunteer sampling, the survey link was sent to friends and family and posted to my LinkedIn profile to reach my connections, and those who were "willing" to answer the survey did so voluntarily (Murairwa, 2015). In addition, the snowball sampling method involved requesting that the participants forward the survey to anyone they believe would be interested in filling it out (Emerson, 2015). The sampling methods used were effective for the research for this paper as a diverse range of people from different parts of the world were reached. The sample of people who took part in this survey can be seen as a representation of the larger population. In this case, the larger population includes any individuals that are

employed or who are currently searching for employment. The sample of 207 participants were all part of the population and represented a diverse range of ages, ethnicities and genders. The respondents were made aware before they carried out the survey that their answers were completely confidential and would only be analysed for the purpose of this thesis. A total of 207 individuals consented to participate in the survey.

In order to analyse the survey, the results were exported to Microsoft Excel. The data was prepared for analysis by removing unnecessary columns and ensuring the headers were easy to read, which facilitated the efficient analysis of the answers.

The research aimed to gain a dual perspective, that of the jobseeker and of the organisation. The survey collected quantitative information from job seekers, which helped to complement the findings from the literature review. Additionally, the survey included a question which allowed the respondents to input their own text which collected qualitative data. This provided valuable insights into the opinions and thoughts of the participants and enabled them to raise issues or ideas that were not addressed by the closed questions (O'Cathain & Thomas, 2004), which added significant depth and richness to the research.

In addition to conducting a survey, four interviews were held with industry experts to explore this topic further. As mentioned previously, the aim of the survey was to gain an insight into the mind of a jobseeker and understand from their point of view, how diversity and inclusion could impact their employment decisions. The second form of primary research, interviews with industry experts, provided insights from a business perspective on whether diversity and inclusion has influenced their employer brand. The one-on-one interviews allowed for an in-depth discussion with the participants regarding each question, thus providing a comprehensive overview of the diversity and inclusion strategies of each organisation.

I wanted to interview individuals who have a close relationship with diversity and inclusion within their organisation. I used my network of family and friends and my connections on LinkedIn to reach out to individuals who have knowledge in the area of D&I. The job roles and organisations of each participant are as follows.

- Interviewee A: Partner in Software Global Planning and Strategy at Dell. They also hold the role of Diversity and Inclusion Champion.
- Interviewee B: Senior People Solutions Generalist at Change Healthcare
- Interviewee C: Senior Director in Human Resources at McKesson
- Interviewee D: Director of recruitment in the Medical Technology sector at Projectus Consulting

It is important to note that three of the four companies I interviewed are related to the medical and healthcare technology industry in Ireland. The population for this section of the primary research consists of all companies that implement diversity and inclusion initiatives. The interviewed organisations are therefore part of this overall population, and the sample can be considered representative of it.

The interviews were conducted virtually through Microsoft Teams, with each interview lasting approximately thirty minutes. Three of the four interviews were recorded with the participants' consent so that they could be analysed at a later time. Within the questions to the interviewees, three aspects of employer brand were targeted including recruitment, employee satisfaction and retention.

The interviews were analysed by identifying the main trends and key themes that appeared in discussion with the interviewees. This included noting any repetition of words said by the interviewees (Ryan & Bernard, 2003) and finding both comparisons and differences between the answers to the questions posed.

By conducting one-on-one interviews, I was able to gain valuable insights into the business's perspective of diversity and inclusion, and their strategies for achieving it. The interviewees were able to provide their honest opinions to each question in great detail, enriching the previous literature review as well as inspiring ideas and concepts that I had not previously encountered in my research.

Results of Survey

A total of 207 people participated in the survey. Three participants answered that they were under 18 therefore, they could not complete the full survey and it ended for them after the sociodemographic questions. As a result, the total number of valid responses was 204. Out of these participants, 62.3% were female, 35.7% were male, 1.4% were non-

binary and 1 participant answered that they preferred not to disclose this information. 92.3% of the respondents were of Caucasian ethnicity, meanwhile, 7.7% of the respondents made up other ethnicities such as Black, Asian, Hispanic, Mixed race and Indo-Mauritian. The participants were split between four generations, 27% were from Generation X (Gen X), 31% were from the Boomer generation, 22% were Millennials and 20% were Generation Z (Gen Z).

As previously mentioned, the aim of the second section of the survey was to gauge the general perception of the importance of diversity and inclusion in the workplace and understand individuals' opinions of the reasons why the topic has increased in conversation in recent years.

When asked on a scale of 1 to 5 how important the respondents think diversity and inclusion is in a workplace, 186 participants, which represents 91.6% of the sample, answered either 4 or 5, indicating they believe it is very important in the workplace. When the data was analysed by generation, the results were consistent. Gen X respondents had an average score of 4.64, Boomers averaged 4.47, Millennials scored 4.67, and Gen Z averaged 4.58.

Within the same section of the survey, the respondents were presented with a series of statements which were associated with the possible reasons why diversity and inclusion is important in the workplace, and they were asked to indicate whether they strongly disagree, somewhat disagree, are neutral, somewhat agree or strongly agree with each of the statements (See Figure 3). Most respondents strongly agreed that diversity and inclusion helps "foster a culture of belonging" and that it "aligns with my personal values and beliefs". Over half of the participants indicated that they strongly disagree/somewhat disagree with the statement that diversity and inclusion is "just necessary in order to comply with the law and regulations". The majority of the respondents either strongly agreed or somewhat agreed with the statements, "It helps produce more innovative and creative ideas", "It ensures that those in minority groups feel represented and valued" and "It ensures that the workplace reflects the diversity of the wider community" with only a small percentage somewhat disagreeing and strongly disagreeing with these statements.
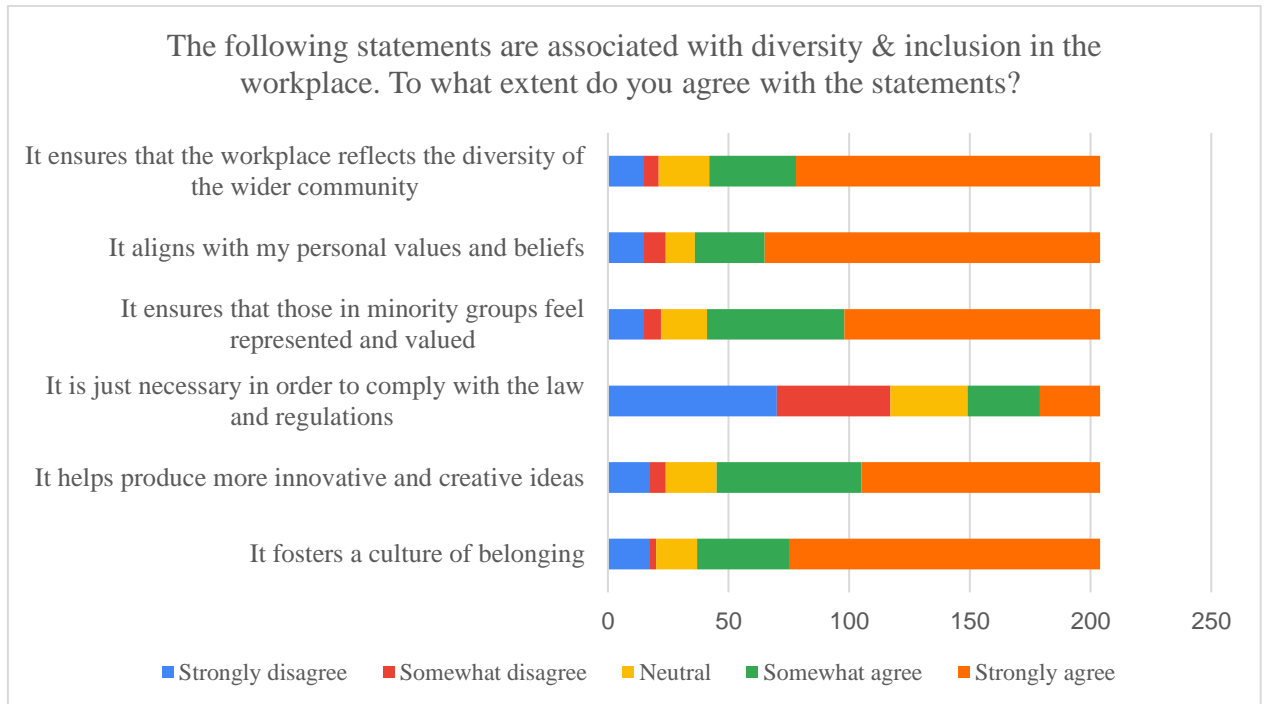
Figure 3: The extent to which the participants agree with the given statements regarding diversity and inclusion in the workplace. Source: Survey data conducted for this thesis study, 2023

In this survey, I wanted to investigate the reasons why respondents think there has been an increase in the level of discussion around diversity and inclusion in the workplace in recent years. In the question, "In your opinion, why has there been increased conversation around the topic of diversity and inclusion in the workplace in recent years? (Please tick all that apply)", four possible reasons were included which were discovered throughout the literature review research. The reason that "The population is more diverse (due to immigration and other reasons) therefore, this should be reflected in the workforce" was selected 150 times. The second most selected reason with 133 votes was that "There is more awareness of global social injustices due to the use of the internet and social media", followed by 130 participants selecting "Social movements such as "Black Lives Matter" and "#MeToo" have increased attention around the topic". The least selected reason from those provided was that "Companies are beginning to realise its benefits to their financial performance" with 83 participants selecting this option.

The opportunity was also given to the participants to input their own thoughts and opinions as to why they believe diversity and inclusion has been a subject that has gained popularity in recent times. The answers given can be divided from the perspective of an

organisation, of society and the increased awareness amongst the public about the topic itself.

A few participants outlined the reasons for an increase in conversation around diversity and inclusion in the workplace from a business point of view. They responded that there is "legislation" in place and "government gender quota targets" that companies must adhere to in order to appease a very "vocal minority". In addition, diversity and inclusion impacts an organisation's stakeholders including their investors who nowadays are "looking for an ESG efficient frontiers in companies", and their employees as there is a "risk of group think" if there is not a diverse range of individuals in a team. A participant also added that the topic of D&I in the workplace has increased in popularity as there is a "race to attract and retain key talent" nowadays and also a "race to diversify company brand to match the current social environment".

Another theme noted from the responses to this open question was, from society's perspective, why there has been an increase in the subject of diversity and inclusion. A common trend that was noticed from these answers involved the pressure that companies are under from society, NGOs, and social justice groups to "employ from wider diverse groups". In addition, there is a fear present amongst companies for being "cancelled" if they don't meet society's demands regarding diversity and inclusion. One participant also commented that the "outdated opinions" of the previous generations are being replaced by a more modern "enlightened philosophy", indicating the evolution of society's opinions.

Finally, some participants believe that increased awareness of the topic itself has contributed to its increase in conversation. One participant pointed out that enhanced representation of minority groups in the workplace and the heightened visibility of minorities has stimulated discussions among individuals. Another response commented that although there have been efforts made to improve diversity and inclusion in the workplace, "gaps in equity" are still noticeable.

Within the third section, the questions related to the relationship between diversity and inclusion in an organisation and elements of the employer brand such as recruitment, employee satisfaction and retention.

When asked on a scale of 1 to 5, how important a company's position on diversity and inclusion is towards their decision to work with them, 71.6% of respondents answered either 4 or 5 indicating that it is of high importance to them. 20.2% selected option 3 which reflects that they are neutral and almost 8% chose 1 or 2, meaning that the position of a company towards diversity and inclusion is of low importance to them when deciding whether to work for them.

This data was divided according to gender to explore whether males, females, or those who identify as non-binary have different opinions when it came to answering this question. It was revealed that a higher proportion of women selected option 4 or 5 on the scale. Out of the 143 respondents who chose option 4 or 5 on the scale, 69% identified as female and 31% identified as male. In addition, 2 of the 3 respondents who identify as non-binary, chose option 5 on this scale. It is important to note that there were only three participants that identified as non-binary, therefore, this figure cannot be taken as a representative of the entire population of those who identify as non-binary.

This information would suggest that females find a company's position on diversity and inclusion to be a very important factor when considering whether to work with them, in comparison to that of males.

For the next question in this survey, I wanted to understand the impact that a negative review regarding a company's approach towards diversity and inclusion had on the individual's decision to apply for a role with them. The data was significantly skewed towards the right for this question with the majority of the participants selecting 4 and 5 on the scale, indicating a negative review in relation to diversity and inclusion in a business would have a high impact on their consideration of whether to apply to them for a job role. This data shows that the employer brand is negatively impacted by a lack of a positive D&I culture within a workplace.

Another element of the employer brand I investigated through this survey was employee retention. The respondents were asked the following question, "Would a positive diverse and inclusive environment in a company be a contributing factor towards you staying in that employment?". 77% replied "Yes", 16.7% responded "Maybe" and 6.4% said "No".

This data was then split according to gender. It was found that a larger proportion of women answered "Yes" to this question than men. 80% of women choose "Yes", 15% said "Maybe" and 6% said "No" (See Figure 4). Meanwhile, 73% of men said "Yes", 21% answered "Maybe" and 7% chose "No" (See Figure 5). This shows that a higher percentage of women answered that yes, a positive diverse and inclusive environment in a company would be a contributing factor towards them staying in that employment, whereas more men answered that it could potentially be a factor, but they aren't completely certain that it would be.
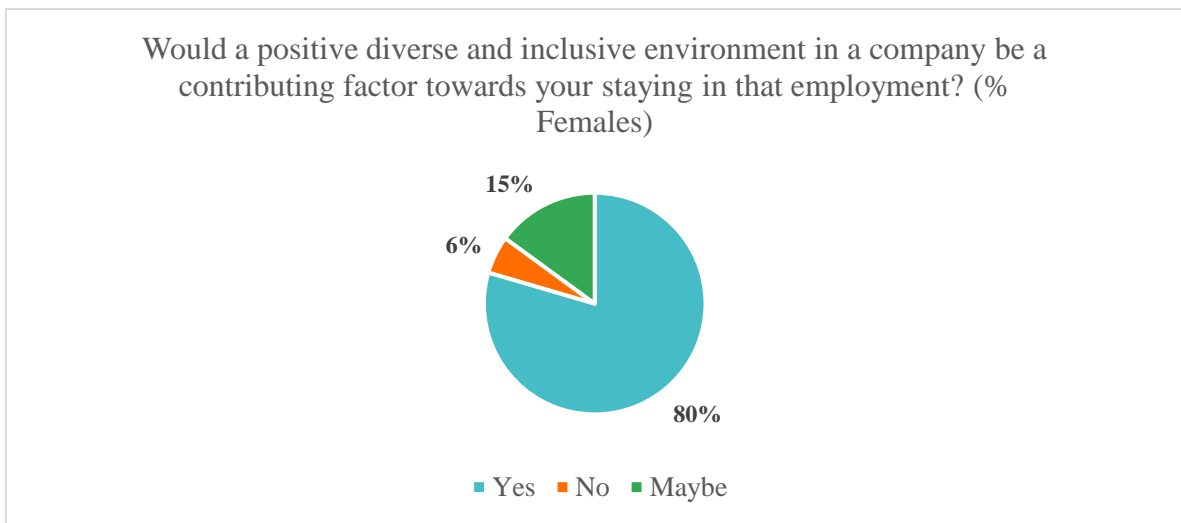

Figure 4: Female respondents' answers as to whether a positive and inclusive environment in a company would be a contributing factor towards their decision to stay in that company. Source: Survey data conducted for this thesis study, 2023

Figure 5: Male respondents' answers as to whether a positive and inclusive environment in a company would be a contributing factor towards their decision to stay in that company. Source: Survey data conducted for this thesis study, 2023
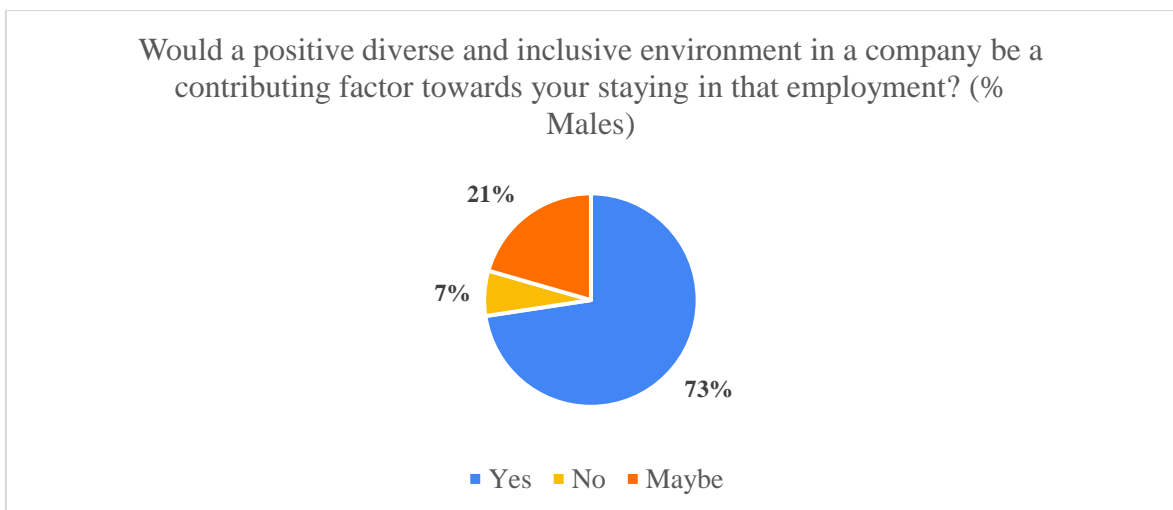
The results of the survey also suggest that the Millennial and Gen Z generations are more inclined to respond with "Yes", whereas Gen X and Boomers generations had a greater proportion of respondents who selected the "Maybe" or "No" option, as you can see in Figure 6.
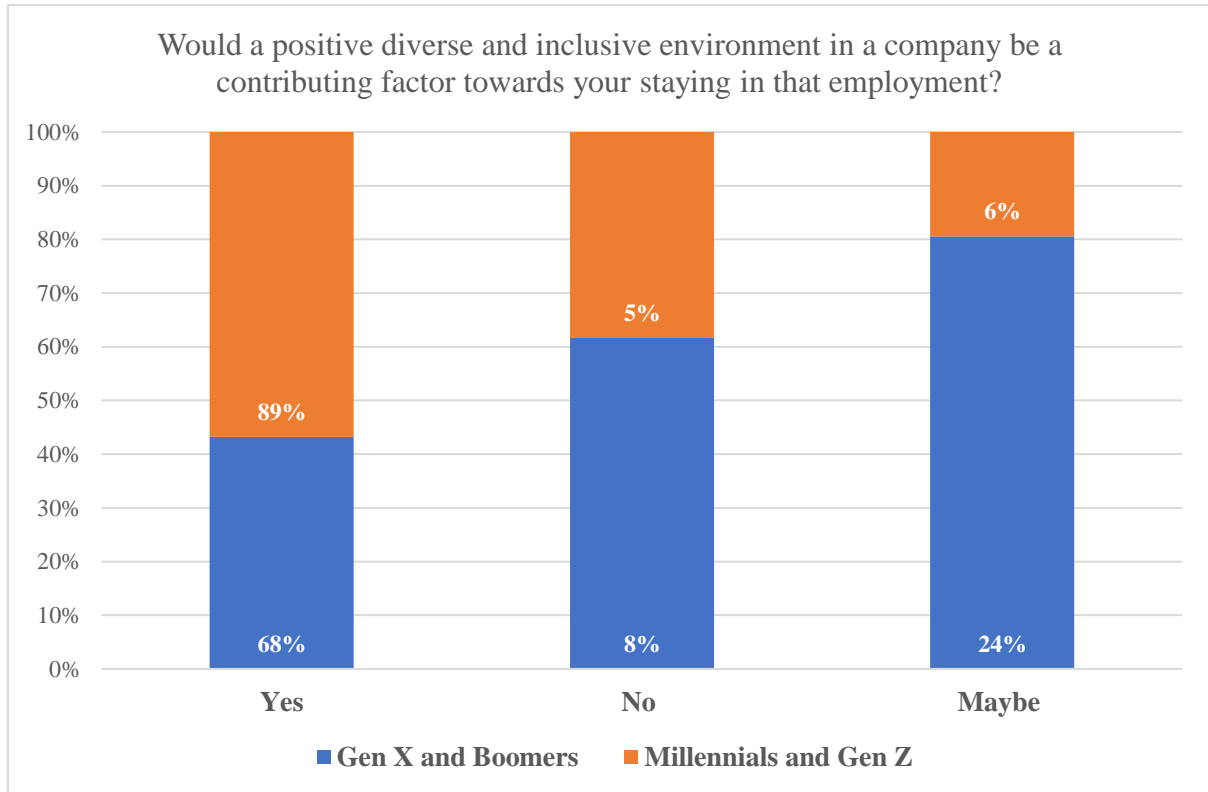

Figure 6: The difference between Gen X & Boomer and Millenial & Gen Z's answers as whether they believe a positive diverse and inclusive environment would be a contributing factor towards their decision to stay in that company. Source: Survey data conducted for this thesis study, 2023

As another measure of employee retention, the participants were asked if they have ever considered leaving their job due to a lack of diversity and inclusion in the workplace. 47 out of the 204 respondents answered "Yes". Out of these 47 respondents, 68% of them were women, 28% were men and 4% were non-binary.

At the end of the survey, the respondents were asked the following question, "As a consumer, to what extent would a company's diversity and inclusion practices influence your use of its product or service? (On a scale of 1 to 5, 1 meaning it would have no influence, 5 meaning it would have a high influence)". The aim of this question was to obtain an overall general perception of a company's brand in terms of their diversity and inclusion initiatives. The average score for this question was 3.63, which reveals that it

has a moderate amount of influence on consumers. This external view of a company's values and standards is crucial, as it can potentially impact a prospective candidate's perception of them as an employer.

Discussion

Discussion of Survey

A significant number of individuals who participated in this survey answered that they believe diversity and inclusion is an important aspect in the workplace, which aligns with the research already conducted. There was no statistically significant difference between the four different generations for this question. All participants agreed that it was an important factor within a company.

When presented with the rationale behind the importance of diversity and inclusion in a company, most respondents disagreed with the fact that it is solely needed for reasons related to law and regulations compliance. The respondents strongly agreed with statements that emphasised the importance of diversity and inclusion in ensuring fair treatment for all individuals, fostering a sense of belonging among minorities, and promoting positive business performance. A lot of respondents also strongly agreed that it aligns with their personal values and beliefs. This is important for employers to take into consideration when promoting positions within the company. If diversity and inclusion is something that the company values highly, they should use this in their employer branding strategy and attract those who have personal values that align with the company itself. Another statement that a lot of respondents agreed with was how diversity and inclusion within a company is a reflection of the diverse wider community. It can be deduced from the survey that the majority of the respondents recognise the increase of different cultures, lifestyles and nationalities in the community due to the global migration of people which they believe should be reflected in the workforce. This suggests that people expect companies to keep up with the changing times by prioritising diversity and inclusion in their hiring practices to ensure that minority groups are properly represented within the composition of staff.

Further insights were also acquired into the factors contributing to the growing discussions around the subject of diversity and inclusion in the contemporary workplace. Many respondents agreed that the environment in which society is in has contributed to more people initiating a conversation around D&I in the workplace with their management, colleagues and customers. As discussed in the literature review and as agreed by most of the survey respondents, the increased attention on social movements

such as "Black Lives Matter" and "#MeToo" has put pressure on companies to reevaluate their approach to D&I. In addition, most participants of the survey agreed that the increased use of the internet and social media nowadays has increased the awareness of social injustices around the world, which has ultimately sparked additional conversations around the subject. Some respondents commented on the pressure that companies are under from society to embed diversity and inclusion into their business operations as the outdated opinions of previous generations are being replaced by the more open-minded thoughts of the upcoming generations, and that companies now fear that they will be cancelled if they don't satisfy the desires of modern society. This analysis supports the literature review in the discussion that the new generations entering the workforce have different views and perspectives of the world and that these values are filtering down into their expectations of businesses as employers.

Previous research illustrated that the business case for diversity and inclusion has become recognised by organisations and that this has contributed to its increase in business discussions. Respondents commented on how investors nowadays look for companies that have an interest in incorporating D&I strategies into their operations and who can prove that they are making investments to improve the diversity of their teams. These results align with the theory that Thomas and Ely proposed in 1996. The paradigm of *learning and effectiveness* not only recognises and appreciates the unique qualities of its employees, but also leverages them, understanding that they can contribute to the growth and success of the company, its culture, and its performance. It will add to the long-term sustainability of the business, therefore, it makes business sense to adopt it.

D&I impact on recruitment

With this survey, the objective was to explore the potential impact that a company's commitment to diversity and inclusion has on a jobseeker's desire or willingness to work there. The majority of the respondents answered that a company's position on D&I has a high impact on their decision to apply for a role with them. Therefore, it can be inferred that a company that values diversity and fosters an inclusive culture is more attractive to prospective employees than to those who do not.

A closer examination of the results revealed that women were more likely to consider a company's position on diversity and inclusion highly important when deciding where to

work compared to men**.** This is likely due to the prevalence of gender inequality in the workplace, its disproportionate impact on women and the continued lack of female representation within leadership positions (Haines et al., 2016)**.** As a result, when women are considering where to work, they are more likely to prioritise the companies that have a high representation of women, flexible working hours, inclusive culture and respect for everyone and their contributions over another company which doesn't have as high a level of diversity and inclusion. Organisations should consider this when advertising job openings. They should showcase their commitment to diversity and inclusion in their recruitment campaigns to stand out from competitors in the labour market and attract top talent. The results of this survey highlight the increasing importance of diversity and inclusion to job seekers, especially to those in a minority group, and the need for companies to prioritise these values to remain competitive in attracting and retaining talent.

In addition to the research, an investigation was conducted to explore whether negative reviews of a company's diversity and inclusion approach would influence a person's decision to apply for a job there. The results clearly indicate that such reviews have a significant impact, highlighting the connection between a company's diversity and inclusion efforts and its employer brand. Negative reviews from employees about diversity and inclusion can harm a company's reputation as an employer. In turn, this can cause a company to lose talented candidates to competitors who can demonstrate a stronger commitment to diversity and inclusion, ultimately leading to reduced competitiveness. These findings underscore the importance of companies' diversity and inclusion efforts in attracting and retaining top talent and maintaining competitiveness in the labour market.

D&I impact on retention

Another aspect of the employer brand to explore was employee retention. Once the employee has been hired and onboarded within the company, what makes them stay working there for an extended period of time? 77% of respondents said that a positive diverse and inclusive environment within a company would be a contributing factor towards their decision to stay there.

This question was further analysed by dividing it into males and females, and then, splitting it into the different generations.

Out of all the individuals that identify as female, 80% answered that yes, a positive diverse and inclusive environment would contribute to them saying in the company, 15% said "Maybe" and 6% said "No". If compared to the answers that were collected from the males, a slightly lower percentage said "Yes" but a higher percentage said "Maybe". This could imply that for those who identify as males, a diverse and inclusive culture might have some impact on their decision to stay, however, they don't seem to value it as highly as the females of the survey do. This complements the previous point made when it was discovered that women place a higher importance than men on a company's commitment to diversity and inclusion when evaluating job opportunities. This value carries through to when they are within the company. They are more willing to stay if they feel like they are in a welcoming workplace culture where their opinions are valued, and they have a sense of belonging in the workplace.

Additionally, the results indicate that individuals from the Millennial and Gen Z generations are more likely to stay with a company if the workplace environment is diverse and inclusive, as compared to those from Gen X and Boomer generations. This highlights the importance of diversity and inclusion to younger generations and the need for organisations to prioritise these values to attract and retain talent from these age groups. This data supports what was found in the literature review. The act of valuing diversity and fostering inclusion in the workplace is of high importance to the upcoming generations and, if companies want to remain competitive in the labour market and continue to attract and retain top talent for the future, then this is something that they must prioritise in their recruitment efforts.

Ultimately, if you have a low turnover rate and positive reviews from current employees regarding the culture of the workplace, this will positively impact the employer brand and thus attract more talent to the company.

There were 47 survey participants who commented that they have considered leaving their job due to a lack of diversity and inclusion within their workplace. 68% of these individuals were women, 28% were men and 4% identified as non-binary. A company that fails to incorporate diversity and inclusion into their corporate culture risks losing

valuable talent. Relating back to Brimhall et al., (2014); Brimhall & Mor Barak (2018); Mor Barak et al. (2016), research has shown that employees who feel included in their jobs are more likely to be happier, and therefore, have a lower intention to leave the company and seek employment elsewhere.

Discussion of Interviews

It is clear from the interviews conducted that the topic of diversity and inclusion is a hugely important area for companies today. Each interviewee commented on the high priority that is placed on this aspect within their businesses and they emphasised the positive impact it has had on their culture and overall success. The majority of the interviewees discussed that a diversity and inclusion plan in companies should be a "given" and is expected by individuals nowadays, therefore, placing low importance on this aspect, will affect how successful companies are in their recruitment efforts.

When asked what D&I initiatives they have in place at their company, Interviewees A and B discussed how they conduct mandatory trainings for all employees within a business. They both stressed that they no longer hold day long unconscious bias workshops and have updated their trainings to be more interactive and engaging. Interviewee A mentioned a training they have titled "Be the Change", which includes talks from employees who are part of a minority group, speaking about their "lived experiences" in relation to situations they have been in in the past. These talks are regularly performed, and it enables employees to understand different points of view and gain an insight that they otherwise would not receive in a workshop-style training. Similarly, in the organisation of Interviewee B, they hold virtual scenarios with "People Leaders" (managers) where they are reviewed on how well they deal with certain situations with employees, for example, at meetings or welcoming new hires into the company. Through this interactive exercise, leaders can recognise unconscious bias more deeply and understand how they may approach matters better in the future. These evolved styles of trainings are much more efficient than past approaches as they engage the employees and reveal how other people feel towards certain actions or language used, thus creating a long-term positive effect, which is rarely obtained through mandatory training days, as discussed by Dong (2021).

Additionally, Interviewees A and C emphasised the importance of the support of senior leadership in the success of diversity and inclusion efforts within a company. They both mentioned that senior leaders have been investing heavily in this area, which has encouraged other employees to realise its importance. This also correlates with the research conducted in the analysis of the diversity and inclusion industry. The analysis found that the behaviour of senior leaders towards D&I has a significant impact on employees' feelings of inclusion within the workplace (Bourke, 2018). As commented by Martins (2020), the vision of diversity established by senior leadership plays a vital role in determining the extent to which D&I are encouraged and implemented within the business. By knowing how much people in top management positions value diversity and inclusion and understanding how much time and effort they are contributing to its success, shows employees within the company that they are committed to the message they are promoting externally. Interviewee A explained that they felt Dell was not participating in "window dressing", signifying that the company practices what they preach, and this is evident by the strong support from managers at the top. This aspect is important for the employer brand as current employees who prioritised the company's position on diversity and inclusion while choosing to work there, are able to see that they truly value each employee, and it isn't solely for marketing purposes. As a result, a positive inclusive environment will contribute to happier and more engaged employees, which aligns with the findings of Anderson-Finch & Patterson (2018).

I believe there is room for improvement when it comes to measuring the satisfaction of employees in response to organisations' diversity and inclusion efforts. Interviewees A, B and C all discussed that there is a general survey that is sent to employees every year to measure their satisfaction with the company overall. Within these surveys, there is a section dedicated to diversity and inclusion in the company. The employees are asked a few questions regarding if they feel a sense of belonging in the company and if they feel valued by their managers. Although this is a good way to monitor the overall success of the company's D&I efforts, I think there should be more regular check-ins with the employees to better gauge the company's progress and to receive more up-to-date feedback from employees regarding events or initiatives they have held. Interviewee A did mention how they hold regular forums at Dell with the "Diversity and Inclusion Champions" who are those who have completed certain, more specific trainings regarding

diversity and inclusion. In these forums, they discuss any feedback that employees have regarding diversity and inclusion matters in their roles at Dell. These forums are a good example of the regular communication that should be conducted amongst staff as it provides an ongoing conversation between employees and their managers, and it enables relevant feedback to be received as it is given. The employer brand can be positively impacted by regular communication as it offers prompt resolutions to employee concerns in a responsive way, without waiting for the annual survey to reveal employees' opinions. In addition, it further demonstrates the company's dedication to diversity and inclusion, building trust and confidence with the employees, thus improving satisfaction.

The interviews conducted were with companies based in Ireland, therefore the diversity factor that is most relevant there is gender, followed by diversity in terms of disability and ethnicity. The diversity and inclusion initiatives in place at these companies were therefore orientated towards these dimensions.

Interviewees A, B and C stated that in the Science, Technology, Engineering and Mathematics (STEM) industries, there is a lack of women. As a result, it is hard for their companies to achieve gender equality when recruiting for roles as there are not enough women applying for university courses in these areas. The common solution that Interviewees B and C have come to is, with the women that they do recruit in these areas, they offer them additional opportunities to advance in their profession until the number of women catches up with the number of men with the necessary technical skillset. Within the company of Interviewee B, they provide training programmes to build on their skills and encourage them to apply for promotions internally. As a result, they have seen a big uptake in the number of applications from women for leadership roles. These women feel supported and want to stay and grow within the company, which reflects positively on the employer brand of Change Healthcare. Similarly, in McKesson, the company of Interviewee C, every year they offer a female employee a scholarship to complete a women's only PhD course in STEM and have support in place for women returning to the workforce after an extended period of time away from work. These sorts of initiatives encourage women in the workplace to fulfil their potential with the complete support of their companies, thus reinforcing their position towards D&I and promoting a positive employer brand.

From a more personal perspective, one of the interviewees at Dell explained how, for a period of time, they moved to a different company. The other company were very vocal about their position on D&I, however, Interviewee A did not feel like this was the case. As a result, the interviewee moved back to Dell as they knew the company genuinely cared about D&I and it was truly a high priority for them. Interviewee A felt a sense of belonging at Dell and this was a contributing factor for them to return. As seen from the results of the survey, 77% of participants agreed that a positive diverse and inclusive environment within a company plays a significant role in their decision to remain in the business. Conversely, a negative D&I environment in an organisation, as experienced by Interviewee A, can establish a negative employer brand and can lead to employee attrition.

What is interesting to note is that none of the interviewees had a measurement in place to gauge the impact of diversity and inclusion efforts on the retention of staff. Interviewee A commented that this would be very interesting to explore further as with all the effort that is involved in promoting a company's diversity and inclusion commitment and dedication, it would be beneficial to investigate the retention rate of their employees to evaluate the effectiveness of said efforts. They also pointed out the fact that it is difficult to monitor the efforts of individual teams and team members towards D&I. The company and its senior leaders may genuinely feel strongly towards D&I, however, it is up to the individual teams and team leaders to enforce a positive inclusive environment, and if that is not present at a local level, then companies can lose employees. In response to this, the efficacy of the D&I training provided by the organisation becomes vital. In the case that the training does not equip the employees with the necessary skills to foster a positive diverse and inclusive workplace culture, it then becomes imperative for businesses to reassess their training methods and make improvements to achieve better results. For the employer brand to remain consistent, it is important that the values of the workforce align with those of the company overall. Consequently, it becomes crucial to carefully select employees who share the organisation's values and empower them with the necessary training to honour these values.

In relation to the impact of diversity and inclusion efforts on recruitment, Interviewees A, C and D communicated that they actively promote D&I as part of their recruitment campaigns. This involves attending STEM events and conferences and visiting career

fairs at universities to display their position as an inclusive employer to prospective employees. Interviewee C mentioned that McKesson has won multiple awards in the area of D&I and that they communicate their nominations and awards with prospective candidates to demonstrate that they truly value D&I in the company. They see this as an opportunity for branding and a chance to discuss with candidates the reasons why they have won these awards which ultimately makes them stand out in the labour market. This aligns with the information found in the diversity and inclusion industry analysis. There are many opportunities nowadays for companies to be acknowledged for their D&I efforts, which aid them in promoting a positive employer brand and attracting candidates who have values and beliefs that correspond with those of the organisation. Additionally, in many of the interviewees' careers pages, there are sections where you can read about the stories of the diverse employees currently working there to showcase that not everyone looks the same and that there is a representation of different ethnicities, religions and genders.

Not only do these companies promote their commitment externally, but they also ensure that their recruitment processes are adapted to everyone and to their specific needs. For example, neurodiverse candidates may have sensory needs in the office that HR managers can accommodate during the interview process. These discussions about any required accommodations, both in the recruitment and onboarding process are important for candidates as it allows them to feel comfortable and included in the work environment and it creates a positive experience for them with the company, thus improving employer brand image.

Furthermore, a lack of effort towards D&I in a company can create challenges in recruitment. Interviewee D, who is a recruiter at Projectus Consulting, discussed that they have indirectly experienced a candidate not accepting a job offer for reasons relating to diversity and inclusion. The candidate didn't see much of a focus on D&I in the company, so they made the decision not to work there. This builds on the previous conclusions reached in this paper. When there isn't evidence of a strong commitment to D&I, companies may miss out on potential candidates who prioritise this attribute in an employer.

All of the interviewees have found that the conversation around the topic of diversity and inclusion has increased in recent times. They mentioned two reasons for this, the rise in external social movements and the pressure from the upcoming generations, both of which align with the research conducted in the literature review.

The social movements external to the company have accelerated conversation in certain areas of diversity and inclusion. Interviewee A provided the examples of the Black Lives Matter movement and the Stop Asian Hate movement. When these were occurring, Dell launched a big campaign expressing their support for anti-racism groups and support for their employees who may have been affected. In addition to this, their campaigns aimed to show prospective employees that they stand by their D&I values as an employer. Similarly, the other companies interviewed ran initiatives in response to these movements as well as others such as Pride events, International Women's Day and disability awareness initiatives.

Interviewee C commented that in their experience in recruitment, they have seen the correlation between an interest in diversity and inclusion and the younger generation. They said that those younger than 40 years old are more likely to come to interviews with previous research already conducted about the company's D&I policies. The interviewee feels that the candidates from younger generations are a more "socially conscious" cohort and one that won't "tolerate" any company that doesn't have a strong commitment to D&I. It was expressed that companies need to have a good reputation and they must be able to demonstrate this to candidates because, nowadays, it is a "given" that organisations value this. The interviewee believes this is the reality of the new workforce and any business that does not satisfy this need for candidates will have to accept that they will not be able to attract the best talent of the next generation. This aligns with the literature review, outlining that the values of the upcoming generations have evolved and, therefore, companies need to follow this evolution in order to stay competitive within the labour market and recruit the best talent to achieve the goals of the organisation.

Conclusions

The research methods used in this paper provided great insights into the perspectives that two important stakeholders have regarding diversity and inclusion in the workplace. The employer expectations and preferences of jobseekers were identified through the conducting of a survey, the results of which aid in establishing recommendations for companies to retain their current workforce and to attract the workforce of the future. Moreover, the interviews with industry experts offer a comprehensive insight into the stance of companies towards diversity and inclusion and how they perceive it to benefit their current employees, performance, and its impact on the employer brand.

It can be concluded that the topic of diversity and inclusion is of high importance to both jobseekers and companies. From the interviews conducted, it is evident that companies are investing time and capital into establishing their position towards diversity and inclusion. They can see the benefits of this investment, not just from an improved business performance perspective but also to create a relationship with their employees and enable them to feel supported and empowered to achieve their potential. It is clear from the survey results that the presence or lack thereof of diversity and inclusion within an organisation has an impact on the individual's decision to work there, their level of happiness within the workplace and their willingness to stay in their position at the company. Therefore, it can be confirmed that diversity and inclusion within a company has a significant impact on the employer brand image, particularly in the areas of recruitment, employee satisfaction and retention.

Throughout this paper, it has been demonstrated that the younger generations, who represent the future of the workforce, attach significant importance to the value placed on diversity and inclusion within their place of work. Companies need to alter their employee recruitment, engagement and retention techniques to satisfy the shifting values of the younger cohort to remain attractive to jobseekers in the labour market. In order to do this, it is imperative that there is consistency at all levels of the business and that the workforce is equipped with the knowledge and skills needed to foster a positive diverse and inclusive company culture. They should take advantage of the existing initiatives in place and leverage them as a promotional tool to attract top talent and demonstrate their dedication to building a workplace culture that values and supports diversity and inclusion.

This research, however, is subject to some limitations. The results of the survey could be more precise if a larger portion of the population participated. In this way, the results could have demonstrated a more accurate portrayal of the overall population. Additionally, the organisations I interviewed were all based in Ireland, therefore, their diversity and inclusion initiatives are focused on certain dimensions of diversity. Future studies can expand the research to other parts of the world in order to gain a more comprehensive overview of the D&I initiatives of businesses, how they perceive its importance and what measurements are in place to gauge the success of their D&I efforts.

While this paper seeks to understand the impact of a company's commitment to D&I on three important aspects of the employer brand; recruitment, employee satisfaction and retention, further research could address these aspects individually. Future studies could delve deeper into each of these elements, for example, a focus on the impact of a company's dedication to D&I on the retention of current employees. I believe that further research into developing and implementing a tool to measure this correlation would be of significant benefit to companies who wish to understand if their efforts towards D&I are yielding positive results throughout the organisation.

It can be concluded from the literature review, industry analysis, survey and interviews conducted for this paper that diversity and inclusion within a company impacts their employer brand, thus, influencing their competitiveness within the labour market. To remain a desirable and competitive employer, organisations must acknowledge the need to evolve with the current norms and integrate diversity and inclusion into their overall business strategy. By recognising its importance, businesses can attract top talent, support their employees and achieve prosperity in the future.

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<u>Appendices</u>

Appendix 1: Survey Questionnaire

Section 1: Introduction

1. **Please indicate whether you are over or under 18**

    ( ) Over 18

    ( ) Under 18

2. **Please indicate the year you were born: _____**

3. **What gender do you identify with?**

    ( ) Male

    ( ) Female

    ( ) Non Binary

    ( ) Prefer not to say

    Other: _____

4. **What ethnicity best describes you?**

    ( ) White/Caucasian

    ( ) Black

    ( ) Asian

    ( ) Hispanic/Latino

    ( ) Prefer not to say

    Other: _____

5. **What is your current employment status?**

    ( ) Employed

    ( ) Unemployed (including students and those searching for work)

( ) Retired

Other: _____

6. **Please answer if you are currently in employment. How many years have you been in your current company?**

( ) Between 0 and 11 months

( ) 1-5 years

( ) 6-10 years

( ) 11-20 years

( ) 21 years +

( ) Not applicable

Section 2: Diversity & Inclusion in the Workplace

7. **In your opinion, how important is diversity & inclusion within the workplace?**

( ) 1 – Not important at all

( ) 2

( ) 3

( ) 4

( ) 5 – Very important

8. **The following statements are associated with diversity & inclusion in the workplace. To what extent do you agree with the statements?**

	Strongly disagree	Somewhat disagree	Neutral	Somewhat agree	Strongly agree
It fosters a culture of belonging					

It helps create more innovative and creative ideas					
It is just necessary to comply with the law and regulations					
It ensures that those in minority groups feel represented and valued					
It aligns with my personal values and beliefs					
It ensures that the workplace reflects the diversity of the wider community					

9. **In your opinion, why has there been increased conversation around the topic of diversity and inclusion in the workplace in recent years? (Please tick all that apply)**

[ ] Companies are beginning to realise its benefits to their financial performance

[ ] Social movements such as "Black Lives Matter" and "#MeToo" have increased attention around the topic

[ ] The population is more diverse (due to immigration and other reasons) therefore, this should be reflected in the workforce

[ ] There is more awareness of global social injustices due to the use of the internet and social media

[ ] I am not sure why

Other: _____

Section 3: Diversity & Inclusion and Employer Branding

For those who are retired or already in employment, for the following questions, please assume you are applying for a new job.

10. On a scale of 1 to 5, how important is a company's position on diversity and inclusion towards your decision to work with them?

( ) 1 – Not important at all

( ) 2

( ) 3

( ) 4

( ) 5 – Very important

11. If you were made aware that a company had a negative review towards their approach to diversity and inclusion, on a scale of 1 to 5, how much of an impact would this have on your decision to apply for a role with them?

( ) 1 – No impact at all

( ) 2

( ) 3

( ) 4

( ) 5 – Very high impact

12. Have you ever researched a company's diversity and inclusion practices before applying for a job there?

( ) Yes

( ) No

( ) I am unsure

13. Would a positive diverse and inclusive environment in a company be a contributing factor towards your staying in that employment?

( ) Yes

( ) No

( ) Maybe

14. Have you ever considered leaving your job due to a lack of diversity and inclusion in the workplace?

( ) Yes

( ) No

( ) Maybe

15. As a consumer, to what extent would a company's diversity and inclusion practices influence your use of its product or service?

( ) 1 – It would have no influence

( ) 2

( ) 3

( ) 4

( ) 5 – It would have a high influence

Appendix 2: Interview Questions

Questionnaire for Interviewees A, B and C

1. What is your company's position on diversity & inclusion?
2. Is diversity & inclusion a low, medium or high priority for your company at this moment in time?
3. Do you have any diversity & inclusion initiatives in place and if so, what are they?

4. Do you have any measurements for the success of the diversity & inclusion initiatives?

5. My aim is to see how companies measure the success of their overall diversity and inclusion efforts and I'm thinking that probably relates to employee retention and recruitment success. From your experience, how would you measure this success?

6. How do your diversity & inclusion efforts affect employee satisfaction? Do you conduct employee satisfaction surveys on this topic?

7. From your experience in the last few years, have you found that there have been more candidates requesting information regarding diversity & inclusion policies/ has the topic appeared more frequently in discussions with candidates?

8. Do you actively promote, as part of your recruitment campaign, the diversity & inclusion policies/initiatives you have in your company? If so, why?

Questionnaire for Interviewee D

1. In the recruitment world, how important is diversity and inclusion to employers and prospective employees?

2. Is diversity & inclusion a low, medium or high priority for the companies that you represent at this moment in time?

3. From your experience in the last few years, have you found that there have been more candidates requesting information regarding diversity & inclusion policies/ has the topic appeared more frequently in discussions with candidates?

4. Do you actively promote, as part of your recruitment campaign, the diversity & inclusion policies/initiatives the companies you represent have? If so, why?

5. Has any candidate that you have worked with not taken a job due to an employer's poor diversity and inclusion practices?

Appendix 3: Tables and Graphs

| In your opinion, why has there been increased conversation around the topic of diversity and inclusion in the workplace in recent years?		
Business	Society	Increased awareness
- Legislation - Government gender quota targets. - Companies seem to feel obligated to do it to appease a very vocal minority. - The push for corporate and social responsibility systems as companies try to race others in diversifying their brand to match the current social environment. - Companies being sued / settling cases of discrimination quietly and doing diversity training and promotion to help avoid lawsuits. - Risk of Groupthink. - The race to attract and retain key talent. - Investors seeking an ESG efficient frontier in companies. - Stakeholder capitalism	- More outdated opinions, a more enlightened philosophy holds more sway. - Societal opinion pressurising companies to employ from wider diverse groups. - Civil unrest leading to extremism and creating fear worldwide which can lead to abuse of power and scapegoating - Social status and competition from peer companies - Woke generation. - Employers are feeling pressured by NGOs and social justice groups. - Companies don't want to be "cancelled" by society. - People blindly follow trends without considering their position.	- More awareness around the idea of 'if you see it, you can be it'. - Increased visibility of LGBTQ+ minorities and associated causes - There is recognition that despite previous efforts to address imbalances, we still see gaps in equity. - At senior management/director level, they want to be inclusive. - Special rights versus equal rights
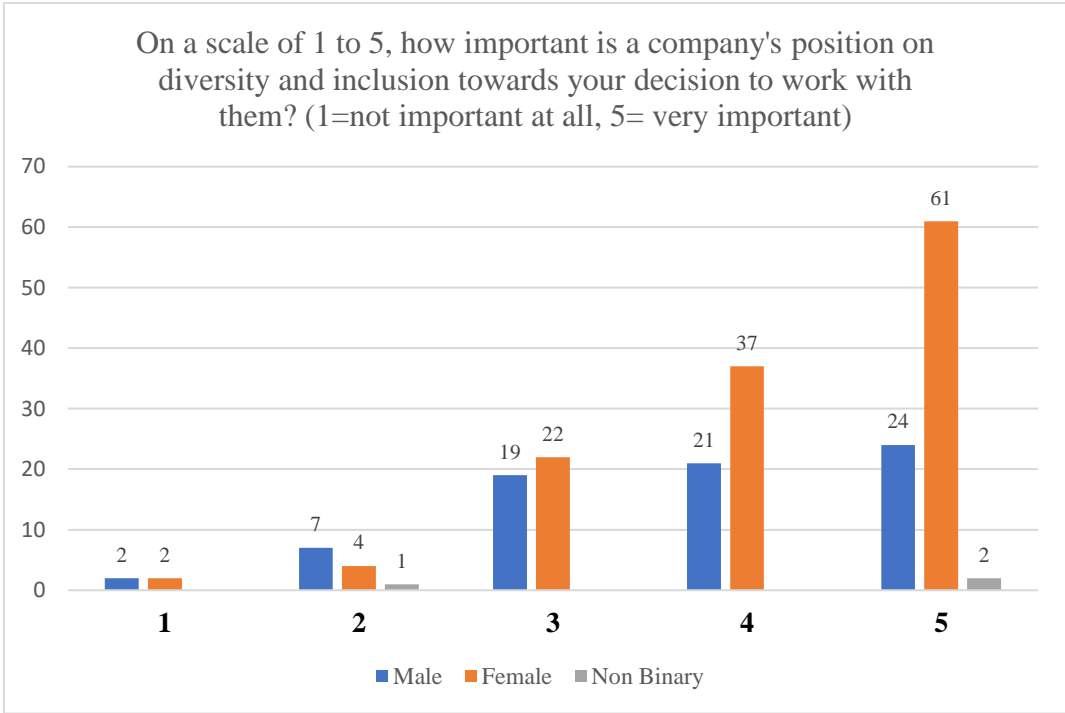
Figure 7: The differences in the importance Males, Females and Non-Binary people place on a company's position on diversity and inclusion towards their decision to work with them. Source: Survey data conducted for this thesis study, 2023
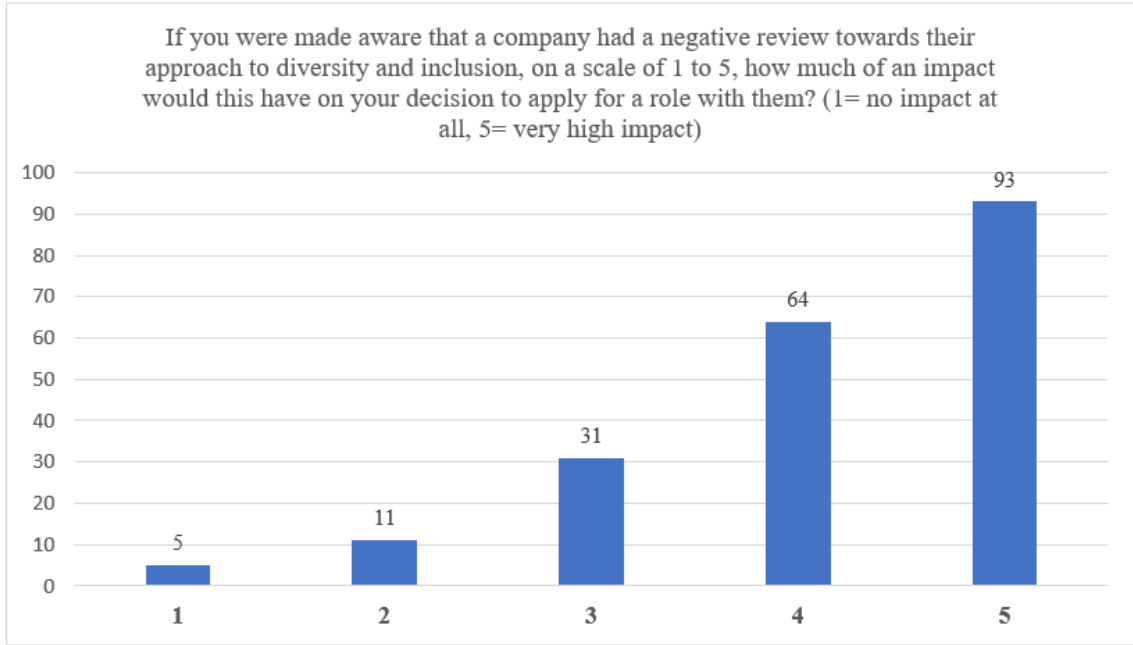

Figure 8: The extent of the impact a negative review regarding a company's diversity and inclusion commitment would have on an individual's decision to apply for a role with them. Source: Survey data conducted for this thesis study, 2023.
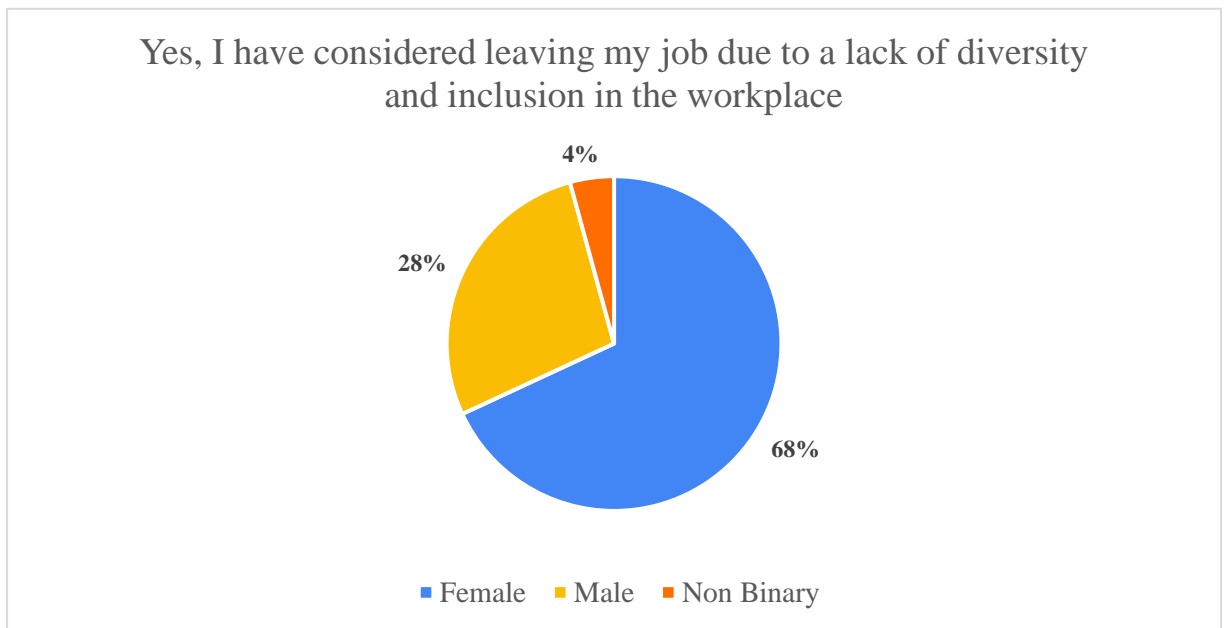
Figure 9: The percentages of Males, Females and Non-Binary people who responded that they have considered leaving their job due to a lack of diversity and inclusion in the workplace. Source: Survey data conducted for this thesis study, 2023
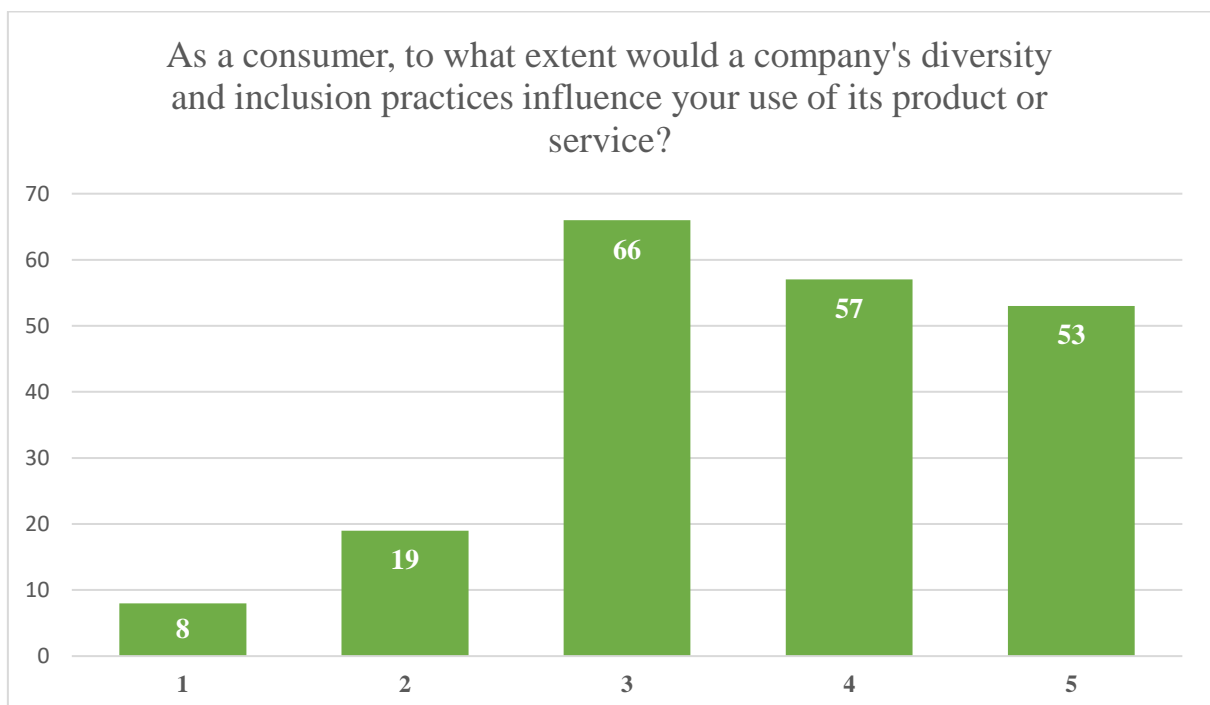

Figure 10: The impact of a company's diversity and inclusion practices on consumer behaviour. Source: Survey data conducted for this thesis study, 2023.