



BAROMETER ON
**& DIVERSITY
& BUSINESS**
LËTZEBUERG

2016 EDITION

— ACTIONS IMPLEMENTED IN THE
AREA OF DIVERSITY BY THE
SIGNATORIES OF THE DIVERSITY
CHARTER LËTZEBUERG —





EDITORIAL

Today, diversity is a vital asset that requires appropriate handling and management in order to enable everyone, regardless of their individual characteristics, to have the same employment opportunities.

The Diversity Charter Lëtzebuerg aims to encourage companies to respect and promote this diversity management.

To date, 170 organisations have signed the Charter and committed to implementing a policy in favour of equal opportunities and diversity.

I wish to thank IMS Luxembourg and LISER, the public institution that helped analyse the data supplied by the companies, and am delighted to present the second barometer on “Diversity and Business”.

This second barometer presents a state of play of the actions carried out by the signatories of the Charter. It also allows us to observe how the implemented practices have developed between 2014, when the first barometer was carried out, and 2016, and shows that the movement initiated by the Committee for the Diversity Charter Lëtzebuerg is indeed well under way:

Signatory organisations give more structure to their diversity management policy, thanks to the tools provided by the Committee, namely the practical guide to “Diversity Management”, whose various advantages are applied by more organisations than in 2014.

In fact, the practical guide has had an impact on 81% of the signatories of the Diversity Charter, who also acknowledge the usefulness of the services offered by the Committee, such as Diversity Networks or the Diversity Day.

By making these tools available to the signatories, the Committee also encourages concrete actions rather than mere declarations of intent.

This barometer moreover shows that the Committee for the Diversity Charter Lëtzebuerg provides impetus and guidance. Indeed, we find that the topics put forward by the Committee for the Charter – such as disability or sexual orientation – are subsequently pursued by the signatories internally. So I particularly wish to thank the Committee for its strategic impact.

I would also like to congratulate all the organisations that engage daily in favour of diversity, and that allow the movement to grow, thanks to their commitment and understanding of the common strategy developed by the Committee.

I invite all private and public companies to join this movement if they have not yet done so!

Ms Corinne Cahen
Minister for Family Affairs, Integration,
and the Greater Region

Patron of the Diversity Charter
Lëtzebuerg

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A CONTEXT

DIVERSITY MANAGEMENT IN COMPANIES

Diversity management brings together policies and practices that have two objectives: reducing discrimination at work and creating added value through a diverse workforce. In this context, diversity management is considered not as a legal concept but as a managerial approach that lies in the idea that recognising the plurality of human backgrounds and talents within an organisation contributes to its economic success when it is consciously included in the company strategy and practices.

Many studies demonstrate that companies that recognise the potential in a diverse staff perform better than those that do not take it into account, thus transforming a risk into an opportunity¹.



Source: Non discrimination de la diversité dans les entreprises en France (IMS)

Taking into account and promoting diversity implies changes in a company's usual procedures regarding human resources management or communication policy. For example, in order to attract

talents that are different to those usually recruited by the organisation, one needs to review the recruitment and selection processes.

In short, the challenge of a diversity policy in a company also consists in ensuring that everyone has work and career opportunities related to their skills and aspirations, all the while respecting and taking into consideration each person's individual characteristics (gender, race, ethnic or social origin, disability, language, religion or beliefs, political opinions, and sexual orientation, etc).

THE DIVERSITY CHARTER LÉTZEBUERG

The Diversity Charter Lëtzebuerg is a text of six commitments that can be signed by any organisation based in Luxembourg, whether private or public, for profit or not for profit, and regardless of its size.

As a national charter, it provides a common vision of diversity.

Launched in September 2012, the Diversity Charter Lëtzebuerg supports its signatories in their commitment to manage diversity beyond mere legal obligations.

On a day to day basis it is steered by IMS Luxembourg, and it is strategically guided by the Committee for the Diversity Charter Lëtzebuerg, which brings together private as well as public partners: Deutsche Bank Luxembourg, the Ministry for Family Affairs,

Integration and the Greater Region, (via the OLAI - Luxembourg Reception and Integration Agency), PwC, RBC Investor & Treasury Services, Sodexo, as well as the ABBL.

Ms Corinne Cahen, Minister for Family Affairs, Integration and the Greater Region, is the Charter's patron.

In September 2016, the Diversity Charter Lëtzebuerg had 170 signatories, representing 15% of Luxembourg's workforce.

Among these 170 signatories, 138 organisations were invited to complete the 2016 "Diversity and Business" questionnaire, in line with their commitment on when they officially sign the Diversity Charter.

OBJECTIVES OF THE BAROMETER

Every two years, as part of their commitment, signatories must report on their diversity management practices by replying to a questionnaire administered by IMS. The data collected and analysed by the LISER (Luxembourg Institute of Socio-Economic Research) have enabled the establishment of this barometer.

This survey has three main purposes:

- Offer a state of play of diversity and related practices in Luxembourg-based organisations in 2016.
- Provide a self-evaluation tool for and inspire signatory companies through the issues it addresses, every two years

the questionnaire takes stock of the actions that have been implemented and their impact on the organisation. It can also provide insights into actions that could be implemented by signatory organisations.

- Measure the evolution of the diversity management policies implemented by the signatories (the results of 2014 are presented as a comparison to those obtained this year).

For the Committee for the Diversity Charter, the interest of this Barometer lies in understanding both its impact in terms of implemented actions and the signatories' needs. It will then help guide and adapt the Charter's missions accordingly. As a reminder, the Charter's objectives are the following:

- Support the signatories in their commitment to implement a diversity management policy beyond all legal obligations;
- Raise signatories' awareness of diversity;
- Develop a network of companies acting in the field of diversity management by organising conferences, workshops, and exchange meetings between signatories;
- Develop and give visibility to diversity knowledge in Luxembourg.

This survey aims to present the actions implemented in favour of diversity, however, it does not measure the level of development of these actions.

The Committee for
the Diversity Charter Luxembourg



DESCRIPTION DES RESULTATS

INTRODUCTION

By signing the Diversity Charter, companies commit to answering a survey that aims to describe their actions in favour of diversity. This mandatory questionnaire is made up of 52 questions based on five themes:

- The general description of the company, and namely the total number of staff and certain sub-groups
- The diversity initiative in terms of Corporate Social Responsibility
- The diversity management policy and implemented actions
- The impact of the diversity initiative
- The impact of the actions offered by the Committee for the Diversity Charter

This document provides an account of the results of the survey, to which 132 organisations out of 138 replied between July and August 2016. It is based on four sections, which are:

- The characteristics of signatories of Diversity Charter.
- How the signatories' diversity policies were defined
- The actions implemented in favour of diversity
- The results obtained following the commitment in favour of diversity

When possible (that is, when the questions were asked in exactly the same way in 2014 and 2016), we used the results obtained in 2014 in order to highlight the changes in organisations' practices. As a whole, this document presents the 2016 results.

1

THE MAIN CHARACTERISTICS OF THE SIGNATORIES OF THE DIVERSITY CHARTER LËTZEBUERG

TYPOLOGY OF THE SIGNATORIES OF THE DIVERSITY CHARTER

The majority of the signatories of the Charter belong to the private sector (74%) and are directed at the Luxembourg market (49%). More than half (56%) of them saw an increase in their turnover in the past three years. For 35%, turnover has remained stable, and for 9% it has decreased. 37% of the signatories who replied to the questionnaire have a maximum of 50 employees, 34% have between 51 and 250 employees, and 29% have more than 250 employees.

If we analyse the breakdown of the signatories of the Charter according to the three branches of activity representing industry, construction, and services, we find that 3% of the signatories belong to the industrial sector, 5% to the construction sector, and 92% to the services sector.

FOCUS ON SEVERAL TARGET GROUPS

When considering the employment patterns of the signatories of the Charter, we find that on average **women** represent 55% of their workforce. By comparison, in the first quarter of 2016², they represent 41% of domestic employment.

As regards women's share of high-level management positions, we find that on average there are **40% women in managerial positions within organisations that have signed the Charter**. We also find that only 19% of Boards of Directors are comprised of more women than men. Indeed, on average, these Boards are made up of 28% women and 72% men.

When considering the number of men and women **working part-time**, we find that in 95% of these organisations, the number of women working part-time is higher than the number of men in the same situation. On average, women with part-time employment represent 19% of the total workforce, whereas for men it is 3%. In 2014 the proportions of women working part-time was 35.4%, whereas it was 4.3% for men when considering overall national employment³.

Luxembourg resident employees make up an average of 56% of the workforce of Charter signatory companies, which

is approximately the same proportion as at the domestic level. Indeed, in the first quarter of 2016, residents represented 55% of national employment⁴.

On average, **employees over 50 years of age** make up 19% of the signatories' workforce; employees under the age of 26 make up 9% of the total number of employees. The **proportion of employees with a disability** is virtually nil and the proportion of employees who have been (externally or internally) reassigned is barely above 1%.

In analysing **job precariousness** in the organisations that have signed the Diversity Charter, we find that on average 10% of employees have a fixed-term contract and 3% are temporary workers. By comparison, at national level the percentage of workers who have a temporary job (fixed-term contract and temporary employment) was 10.2% in 2015.

2 <http://www.statistiques.public.lu>

3 <http://www.statistiques.public.lu/catalogue-publications/cahiers-economiques/2015/PDF-Cahier-120-2015.pdf>

4 <http://www.statistiques.public.lu>

THE SIGNATORIES' CSR COMMITMENT

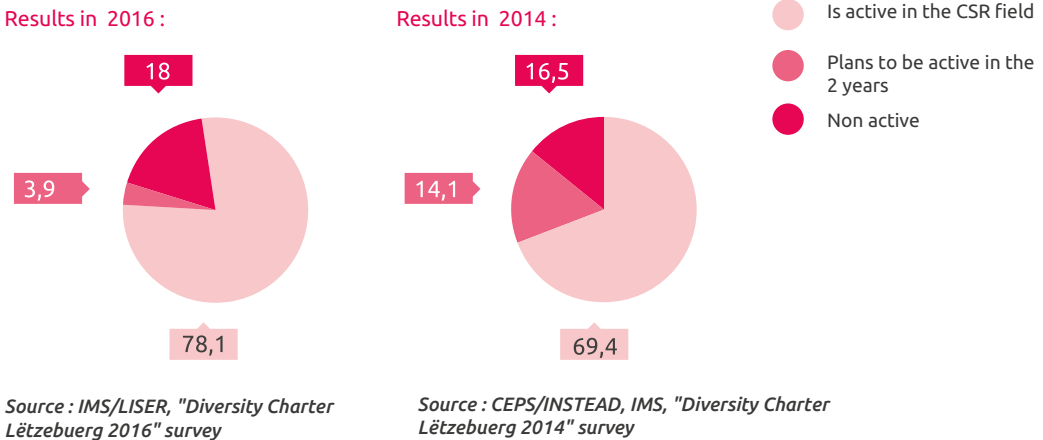
Diversity management is anchored into the more global practice of Corporate Social Responsibility (CSR), a conscious, voluntary action by which a company integrates not only its economic responsibility but also its environmental and social responsibilities⁵. Just as in the previous edition of the Barometer, one aspect of the survey deals specifically with CSR. This section describes the signatory organisations' CSR commitments.

More than three quarters (78%) of the signatories of the Charter who replied to our survey declared that they are active in CSR and 4% that they would be active in this field in less than two years.

More than half (59%) of the signatories who have adopted a CSR initiative have been using this approach for over 5 years. A small number of signatories (3%) adopted the CSR initiative less than a year ago.

⁵ www.imslux.lu

Fig 1. Distribution of the signatories of the Diversity Charter according to their commitment to CSR (in %)



2

DEFINING THE DIVERSITY POLICY

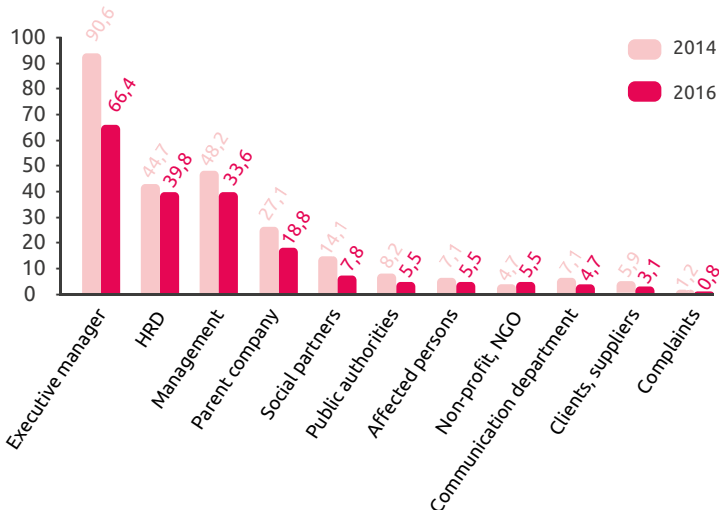
ORIGIN OF THE DIVERSITY INITIATIVE

When analysing the implementation of the diversity management policy, we find that it is very widely adopted at the initiative of the organisation and is rarely the result of external pressure.

More specifically, we find that for 66% of the signatories, diversity management is implemented following a decision by the Executive Manager. For 40% of signatories, the Human Resources

Department (HRD) is at the origin of the initiative and for 34% of the signatories, it stems from a Management request. Conversely, diversity management is almost never implemented following complaints received for discrimination (this concerns only 1% of signatories) or requests stemming from non-profit organisations and/or NGOs (this concerns less than 5% of signatories).

Fig 2. Proportion of Signatories by origin of the implementation of the diversity management policy (in %):



Source : IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

THE THEMES OF THE DIVERSITY MANAGEMENT POLICY

Luxembourg legislation, based on European legislation, prohibits six forms of discrimination: discrimination based on gender, racial or ethnic origin, religion or beliefs, age, disability, and sexual orientation.

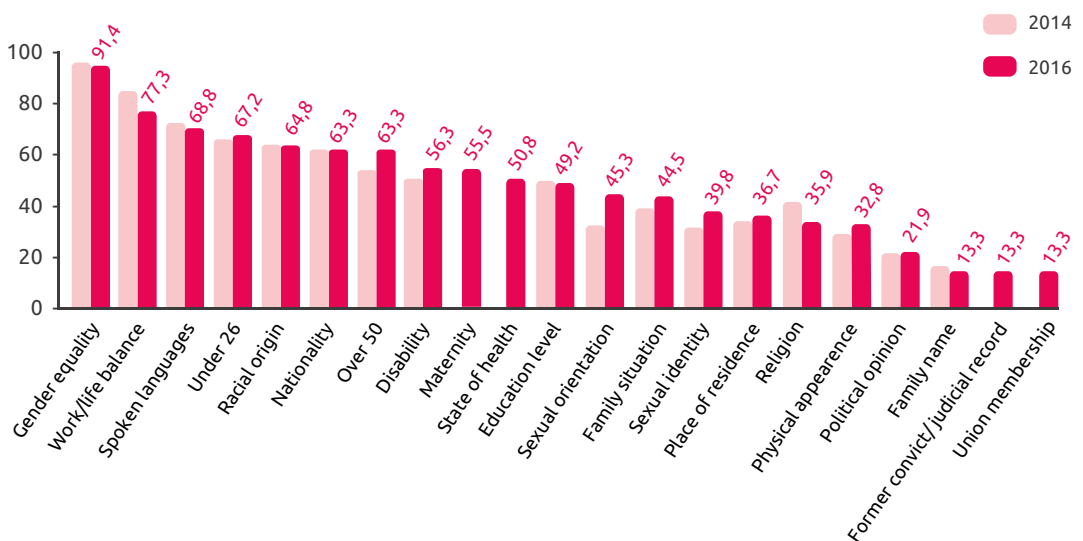
For the signatories of the Charter, the main focus of diversity management policy is **gender equality** and **work/life balance**. Respectively 91% and 77% of signatories declare that their diversity management policy concerns these two issues. On average, two in three signatories focus their attention on **spoken languages**(69%), **age** (67% for people under 25 and 63%

for people over 50), racial or ethnic origin (65%), and nationality (63%).

The themes that are less mentioned by the signatories are: family name, criminal record and union membership (13% of signatories).

We note some degree of continuity in the criteria chosen for the diversity initiative between 2014 and 2016. We find that the signatories choose the themes of disability, sexual orientation and social origin more frequently in 2016 in comparison to 2014. We can suppose that the actions implemented on these topics by the Committee for the Charter had somewhat of an influence in this regard.

Fig 3. Proportion of signatories of the Charter by topics addressed by their diversity management policy (in %)



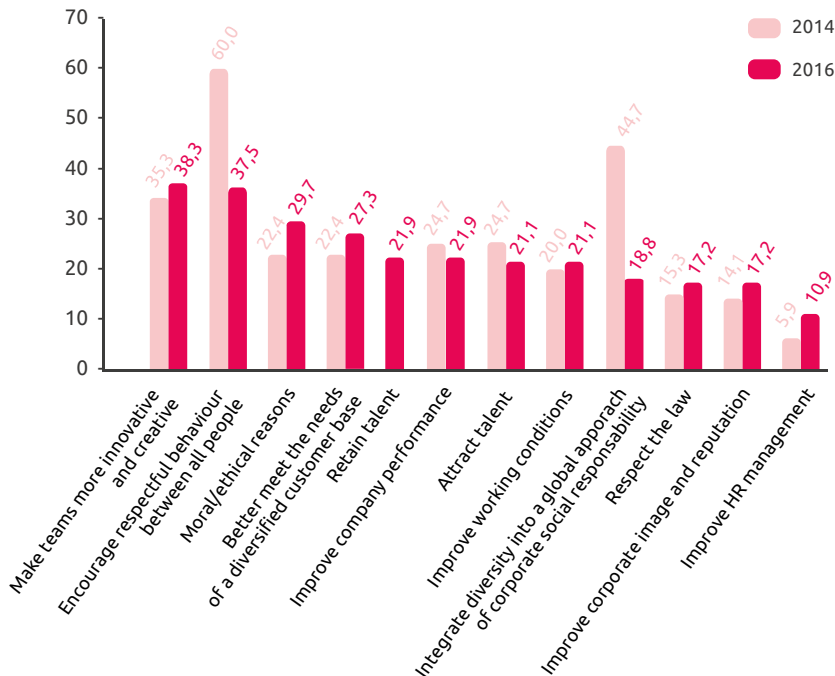
THE OBJECTIVES OF THE DIVERSITY APPROACH

A review of the signatories' objectives shows that about 38% of them adopted a diversity management policy for two key reasons: **improving team innovation and creativity** and **inspiring a respectful behaviour between all people**. For almost one in five signatories (19%), diversity management is part of a global Corporate Social Responsibility approach. 22% of the

signatories wish to **retain talent** by engaging in diversity management.

We find a significant reduction in the proportion of signatories with the two following objectives: encouraging a respectful behaviour between people and wanting to integrate diversity in a global CSR approach. However, the proportion has almost doubled as regards **improving HR management**.

Fig 4. Proportion of signatories based on the objectives pursued by the diversity management policy (in %)



Source : IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

FINANCIAL AND HUMAN RESOURCES

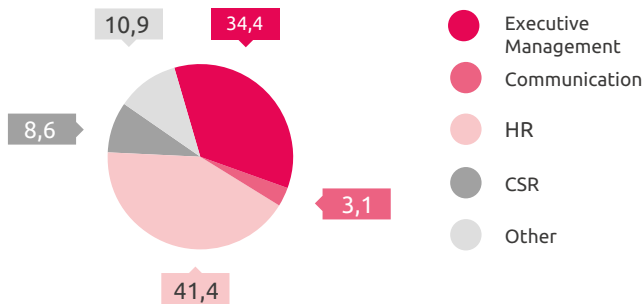
More than a third of the signatories of the Charter (38%) have a specifically allocated budget and have set up a steering committee (40%) for diversity management. Three in four organisations (75%) have specifically allocated staff in charge of implementing actions in favour of diversity. In one out of two cases (52%), these organisations assign only one person to the task. For 87% of these same organisations, there is a direct link between the personnel in charge of

diversity management and the Executive Management.

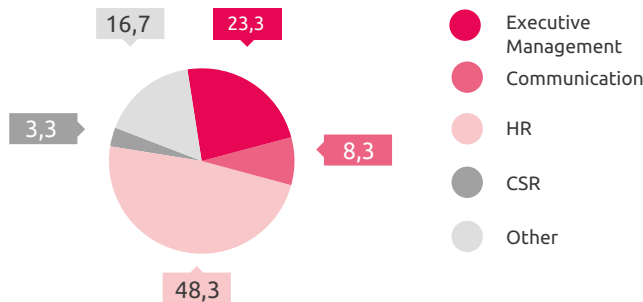
We find that the staff in charge of setting up actions in favour of diversity predominantly belongs to the Human Resources Department (41%).

Between 2014 and 2016, the share of signatories who relate their Diversity action to the HR department has decreased. In contrast, the share of signatories linking their action to the Executive Management has increased.

Fig 5. Distribution of signatories by department to which the Diversity action is linked to (in %)



Source : IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey



Source : CEPS/INSTEAD, IMS, "Diversity Charter Lëtzebuerg 2014" survey

COMMUNICATION TOOLS

One in four signatories of the Charter (25%) has established a communication plan for their diversity management policy.

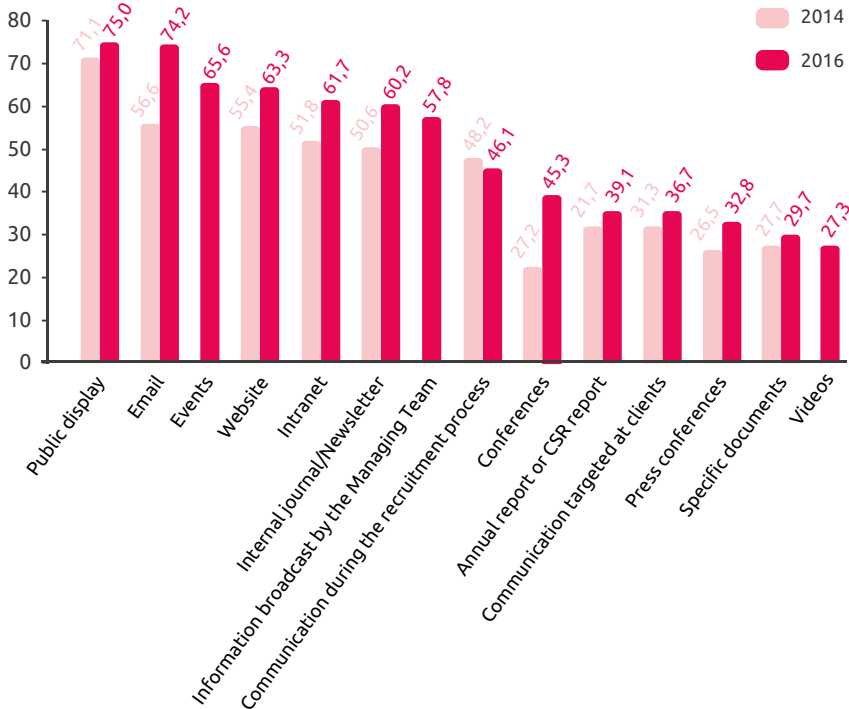
Regarding the communication tools used, we find that communication is carried out primarily by means of public display (75% of signatories) and by email (74%). Signatories also give priority to one-off events to communicate on their Diversity strategy (65.6%). Information and communication technologies are also used to broadcast information: in addition to using email, 63% of signatories communicate via their

organisation's website, 62% do so through their company intranet, and 60% via a newsletter or internal journal.

The role of the Managing Team is also important. Indeed, in 58% of signatory organisations the Managing Team carries out communication via speeches and formal and informal meetings. About one in four signatories of the Charter communicate via specific documents on diversity (30%) or videos (27%).

Between 2014 and 2016 we find a general increase in the proportion of signatories using the various communication tools.

Fig 6. Communication tools used by the signatories of the Charter (% of signatories)

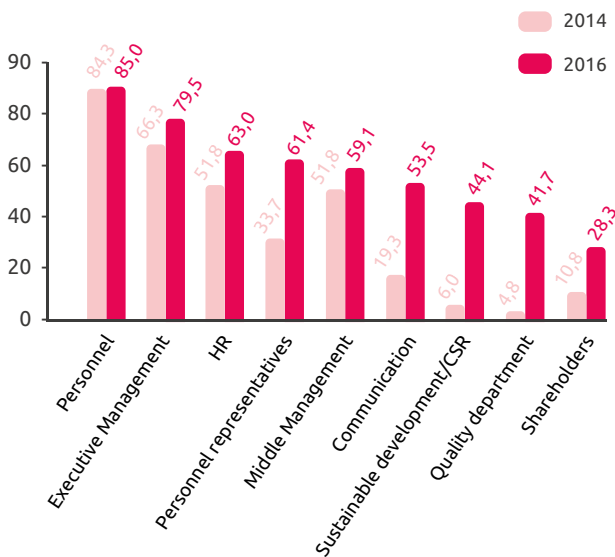


When we ask the signatories of the Charter to identify the main target groups for their **internal communication** on diversity (see Figure n°7), we find that the overwhelming majority of them mention the overall workforce (85%), followed closely by Executive Management (80%). The three other main target groups are

the HR department (63%), personnel representatives (61%) and Middle Management (59%).

Between 2014 and 2016, we find an increase in the proportion of signatories for all the groups targeted by internal communication.

Fig 7. Recipients of the signatories' internal communication policy on diversity (% of signatories)

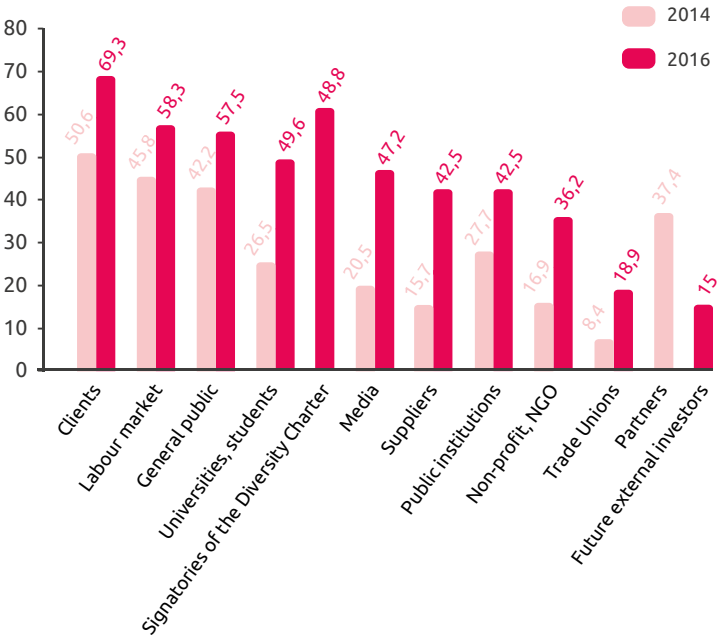


Source : IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

As regards the key external communication objectives (see Figure n°8), clients are the main target audience. Indeed, 69% of the signatories of the Charter declare that clients are part of the target audiences for their external communication on diversity, with the labour market coming second at 58%, followed by the general public at almost 58%.

Just as for internal communication, between 2014 and 2016 we find a clear increase of the proportion of signatories for all target audiences as regards external communication.

Fig 8. Proportion of signatories by key target audience for external communication on diversity



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

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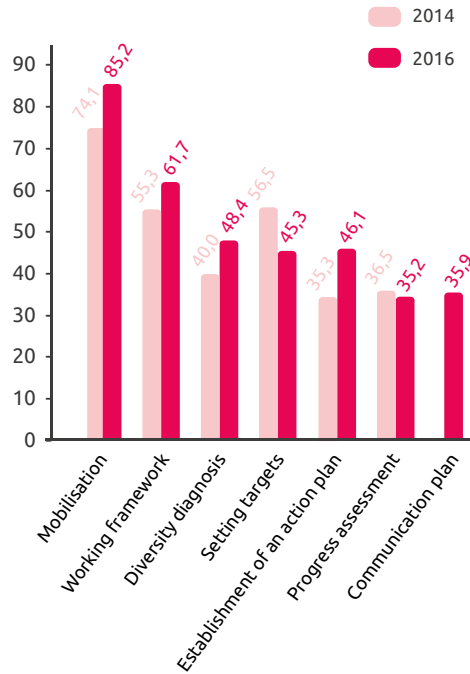
ACTIONS IMPLEMENTED IN FAVOUR OF DIVERSITY

STATE OF PLAY OF THE DIVERSITY ACTION

When analysing the implementation of the different stages of the Diversity action plan, we find that the first two stages - mobilising decision makers around a common vision and establishing a working framework for the action - are carried out by a wide majority of the signatories of the Charter (respectively 85% and 62%). Moreover, we find that almost half the organisations also carried out a Diversity diagnosis (48%) and established a Diversity action plan (46%). These figures tend to diminish when it comes to introducing an assessment of the progress made as regards diversity (35%) and establishing a Diversity communication plan (36%).

There is a logical progression in the stages defined by the practical guide to "Diversity Management". Between 2014 and 2016, organisations increasingly undertook each of these stages apart from "setting targets".

Fig 9. Actions implemented by the signatories of the Charter (% of signatories)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

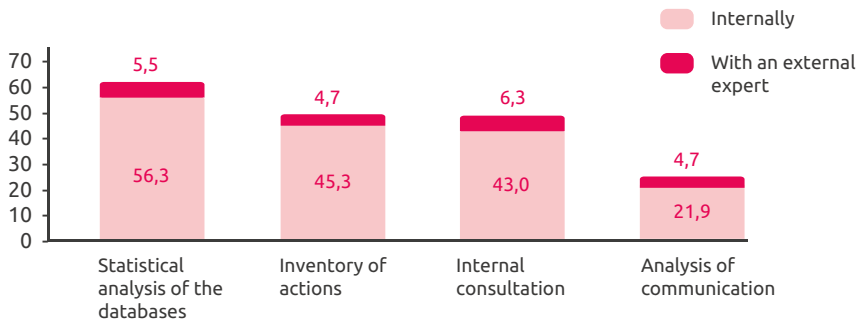
On average, the signatories of the Diversity Charter evaluated the importance of the diversity issue at 7.9 on a scale of 1 to 10. Almost 9 in 10 (89%) gave this issue a score above or equal to 6.

DIAGNOSIS

More than half (56%) of the signatories of the Charter carried out a statistical analysis of their internal databases to establish their Diversity diagnosis. The diagnosis makes it possible to compare both the representativeness of certain groups or

minorities and the levels of the various indicators between these groups: salary levels, promotions, training, levels of responsibility, etc. Organisations analyse their internal and external communication less frequently (22%) from a diversity point of view.

Fig 10. Actions implemented to establish a diversity diagnosis (% of signatories)



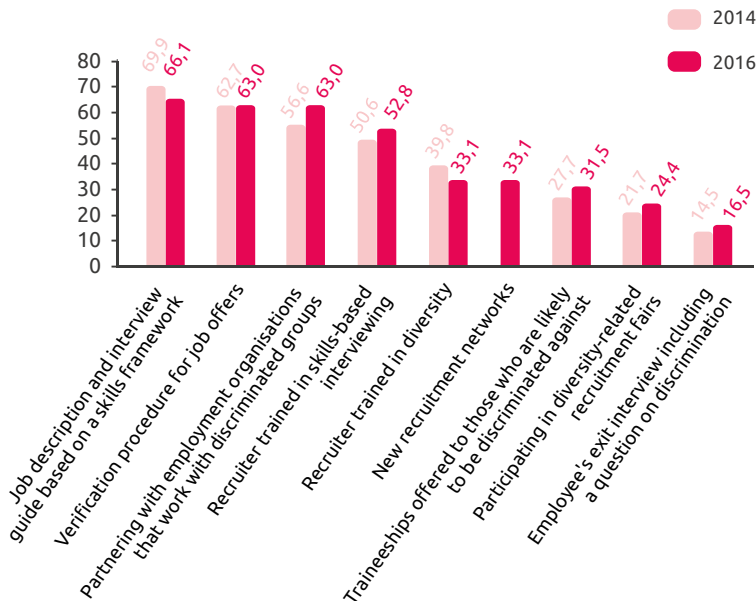
Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

RECRUITMENT AND SELECTION

About two out of three signatories have set up the following actions in relation to the recruitment and selection of new workers: job descriptions and interview guides based on a skills framework (66%), non-discrimination verification

processes (63%) and partnerships with organisations that are dedicated to the employment of groups that are likely to be discriminated against (63%). We also find that over half of the signatories (53%) train their recruiters to make use of skills-based interviews.

Fig 11. Actions set up while implementing the main diversity principles as regards recruitment (% of signatories)



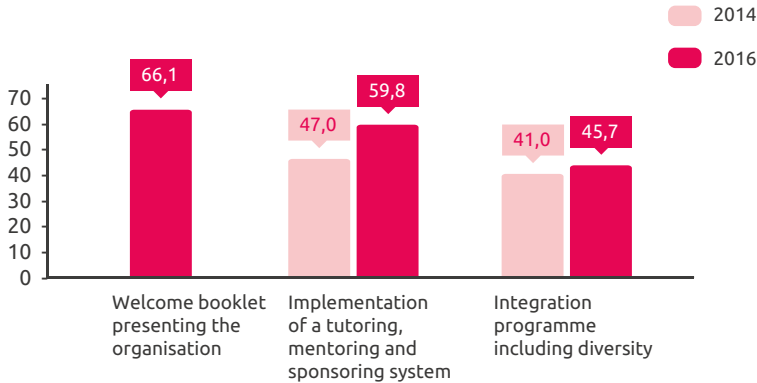
Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

INTEGRATION

As regards integration, 66% of the signatories have a welcome booklet presenting the organisation (this option was absent from the 2014 questionnaire, so that we cannot measure the

progression of this item) and 60% of them have set up a tutoring or coaching system for new employees. To a lesser extent (46%), signatory organisations prepare an integration programme including specific messages linked to diversity.

Fig 12. Actions set up while implementing the main diversity principles as regards integration (% of signatories)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

WORKING CONDITIONS

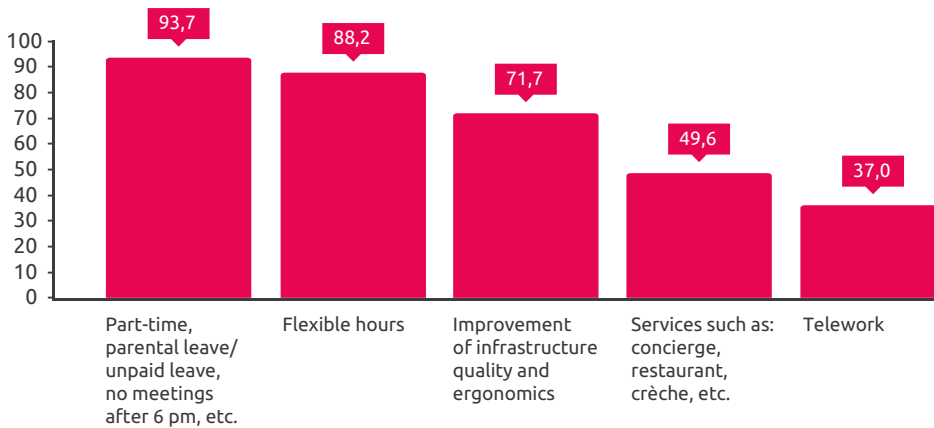
A good number of signatory organisations have set up actions to promote work/life balance. More than nine out of ten signatories (94%) offer part-time work and ensure the absence of meetings after 6:00 p.m., etc.; 88% of them have flexible schedules. One in two signatories (50%) has set up services such as a corporate

concierge service, a restaurant, a company crèche, etc.

For better inclusion, one in two companies (50%) has improved the quality and ergonomics of its infrastructure.

Lastly, to a smaller extent (37%), signatories have set up telework solutions.

Fig 13. Diversity actions while implementing a diversity management policy as regards work conditions (% of signatories)



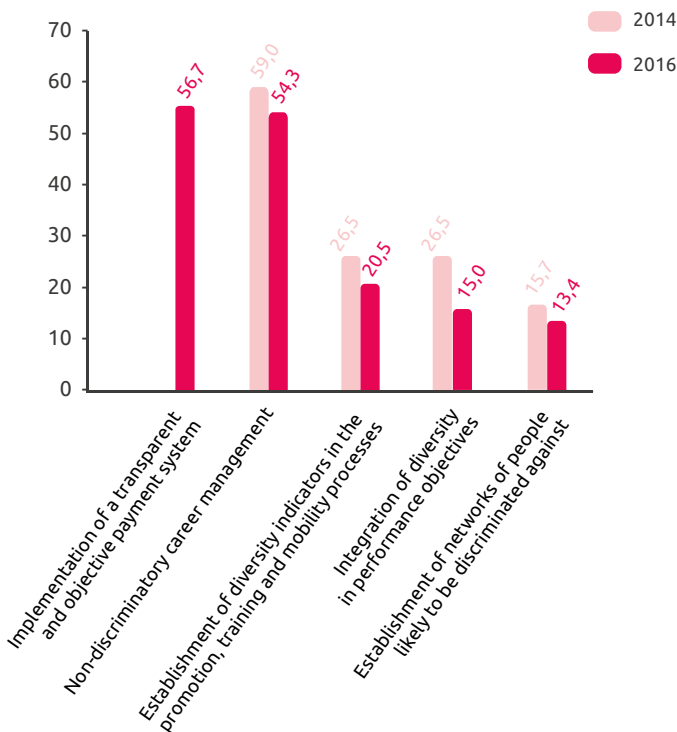
Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

CAREER MANAGEMENT

Two practices are widely showcased by more than half of the signatories. They integrate an objective and transparent payment system (57%) and a non-discriminatory career management

system (54%). However, they integrate diversity less in performance objectives (15%) and only 13% of them set up networks of persons who are part of minority groups and likely to be discriminated against.

Fig 14. : Diversity actions set up while implementing a diversity management policy in career management (% of signatories)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

CORPORATE CULTURE

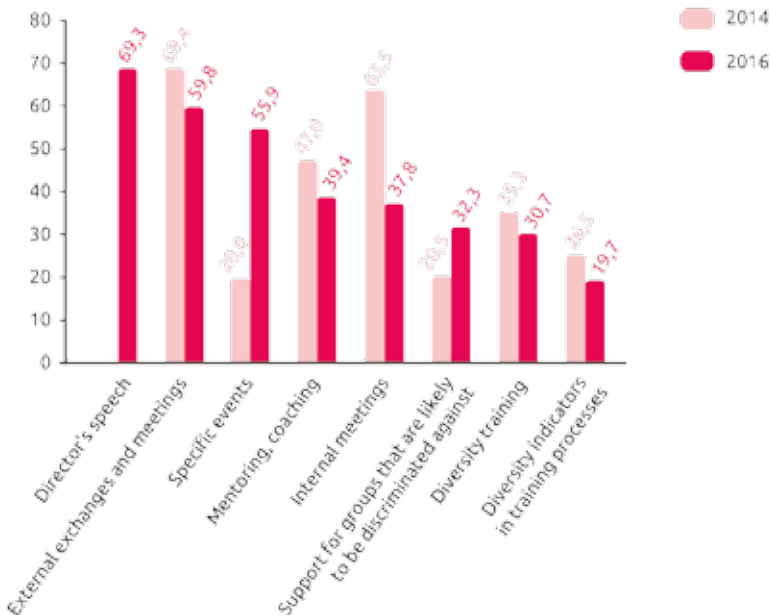
Almost three signatories of the Charter in four (72%) have integrated diversity in their company values. By comparison, in 2014, they were only 54% to have done so.

AWARENESS-RAISING AND TRAINING

For most signatories of the Charter, diversity awareness-raising and training takes place through speeches by the Director (69%), participation in external exchanges (60%) and specific events such as the Diversity Day (56%).

It should be noted that there has been a massive upswing in specific diversity events between 2014 and 2016. Whereas in 2014, 20% of signatories participated in these events, 56% of signatories did so in 2016.

Fig 15. Actions set up while implementing a diversity management policy as regards awareness-raising and diversity training actions (% of signatories)

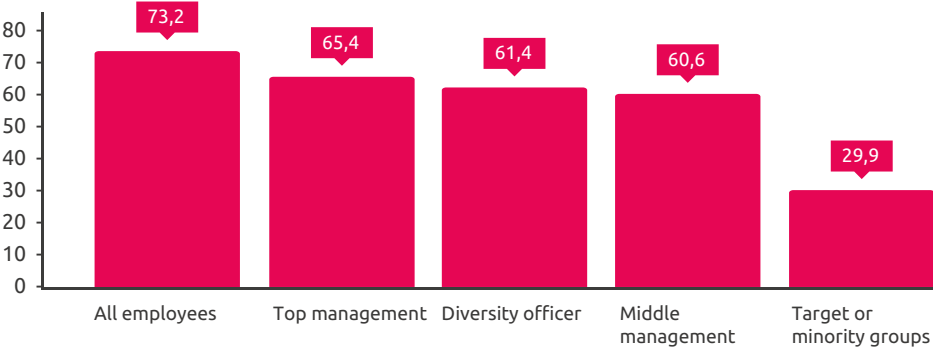


Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

We find that only 30% of signatories set up training or awareness-raising actions specifically for minority groups who are likely to be discriminated against, whereas three quarters of signatories (73%) target all their employees. This may indicate

a tendency not to carry out positive discrimination in the fields of training and awareness-raising.

Fig 16. Target groups for the actions set up in the field of awareness-raising and diversity training (% of signatories)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

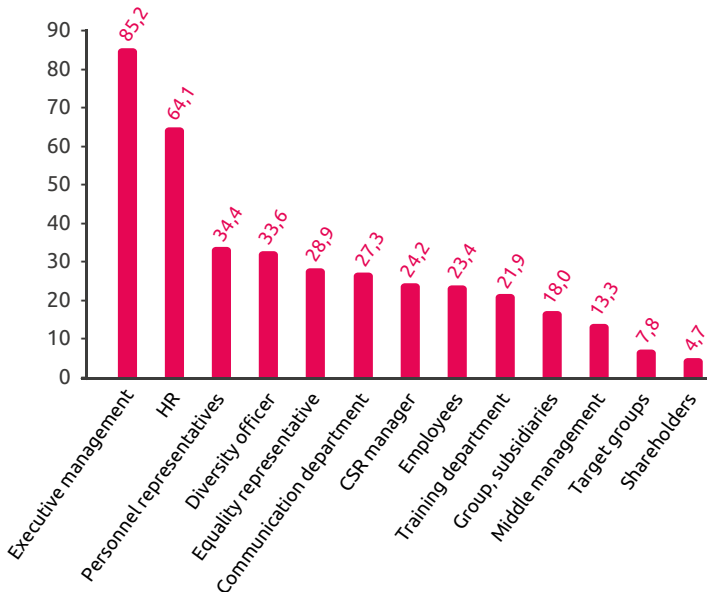
RELATIONS WITH STAKEHOLDERS

As part of a diversity management policy, relations with (internal/external) stakeholders are of particular importance. Organisations can inform their stakeholders of their actions, and can also consult or involve them in their actions. Naturally, these organisations are free to choose which stakeholder they wish to establish relations with, which is why some organisations may not contact some stakeholders.

When we study the relations of the signatories of the Diversity Charter

Lëtzebuerg with their **internal stakeholders** (see Figure n°17) we notice that shareholders and target groups (the persons who are targeted by the implemented actions) are the two stakeholders that are the least involved in the signatories' diversity management policies. Only 5% and 8% of the signatories have relations with these within the framework of their diversity management policy, namely as regards decision-making and consultation. Conversely, we find that the Executive Management (85%) and Human Resources (64%) are the stakeholders that are the most involved in the diversity management policy.

Fig 17. Proportion of signatories by internal stakeholders with whom they have relations (in %)



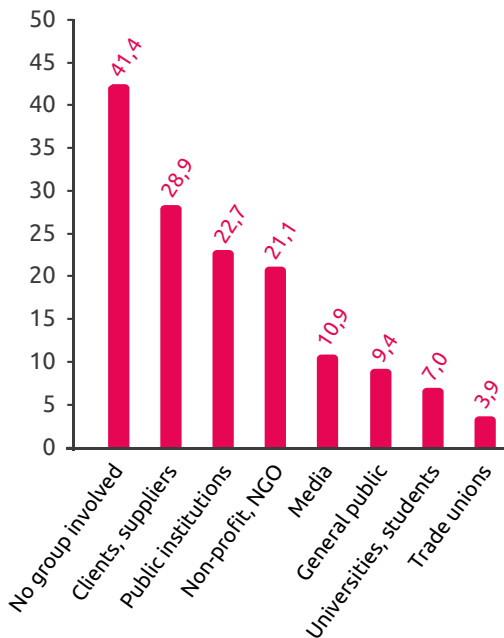
Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

In comparison with internal stakeholders, external stakeholders are less often involved in the implementation of a diversity management policy.

As regards the relations carried out by external stakeholders, we find that 41% of signatories do not have any relation with external groups whatsoever when it comes to decision-making and consultation for their diversity management policy. We also find that

clients/prospects, suppliers or partners (29%), public institutions (23%) and associations or NGOs (21%) are the external stakeholders that are most often involved by the organisations. Only 4% of signatories are in contact with trade unions. This result must be considered in light of the fact that, as we noted previously (Figure n°17), 34% of signatories involve personnel representatives in their diversity actions.

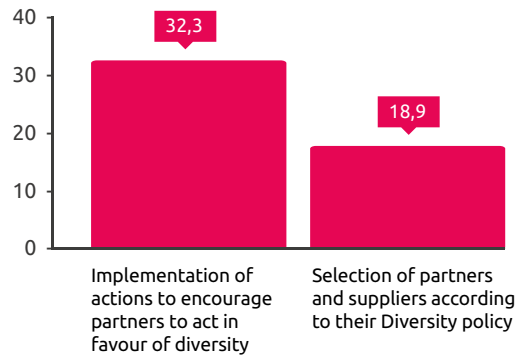
Fig 18. Proportion of the signatories of the Charter by external stakeholders with whom they have relations (in %)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

Signatories of the Charter seek to promote diversity management as part of **their relations with their partners and suppliers**, in compliance with Article 6 of the Diversity Charter Lëtzebuerg. One in three signatories (32%) thus sets up concrete actions to encourage their partners to act in favour of Diversity, and 19% take into account their partners' Diversity policy when selecting them.

Fig 19. Proportion of signatories by different ways of involving stakeholders (%)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

4

OBTAINED RESULTS

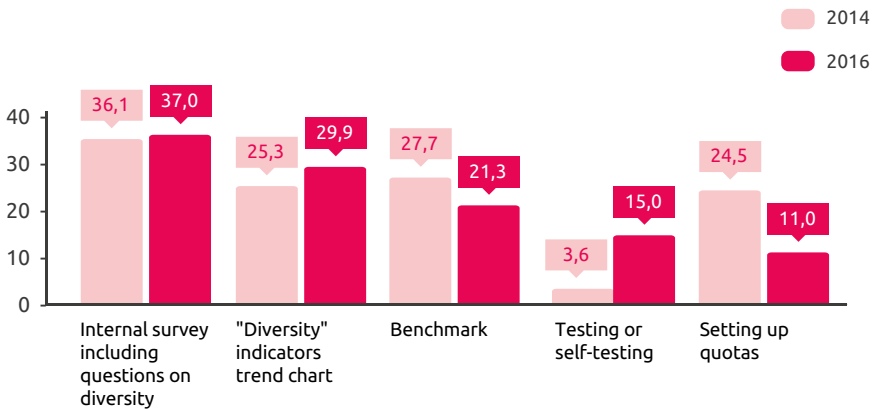
ASSESSMENT

35% of the signatory organisations evaluated the progress they have made in the field of diversity.

More than one in three (37%) carries out internal satisfaction surveys that include questions on diversity. 30% of organisations establish trend charts to

monitor the main diversity indicators and 21% of them carry out benchmarks to evaluate their diversity policy compared to other organisations'. Signatories rely somewhat less on testing (15%), which offers a direct method of investigation in real-world settings to detect a discriminatory situation. Lastly, just over one in ten signatories (11%) sets quotas and quantified objectives.

Fig 20. Diversity actions set up in the area of self-evaluation (% of signatories)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

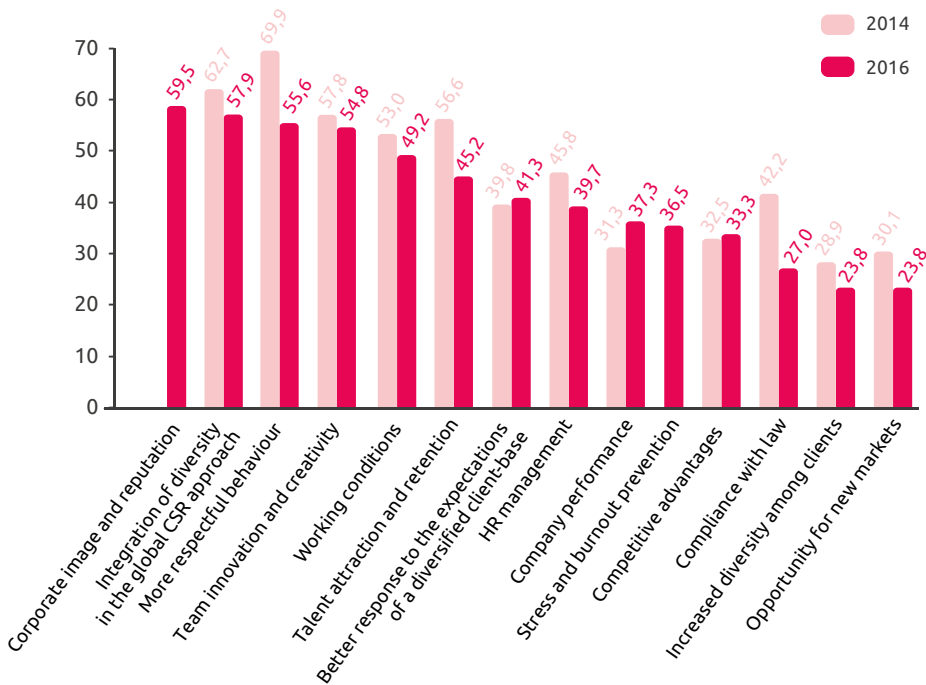
IMPACT ON THE ORGANISATION

Among the improvements noted by the signatories of the Charter since a diversity management policy was implemented, 60% of signatories have noticed the organisation has an enhanced image and reputation. For 58% of the signatories, diversity has been integrated into a more global approach: Corporate Social Responsibility. More than half of the signatories have also noticed more respectful interpersonal behaviour (56%). 37% of the signatories

have noticed improved prevention of burnout and work-related stress since the implementation of the diversity policy.

Lastly, there are also positive impacts on criteria that are more closely related to company performance: team innovation and creativity (55%), talent attraction and retention (45%), better response to the expectations of a diversified client base (41%), as well as on the organisation's overall performance (37%), general competitive advantage (33%), and new market opportunities (24%).

Fig 21. Improvements noted by the signatories of the Charter (% of signatories)



Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

IMPACT ON TARGET GROUPS

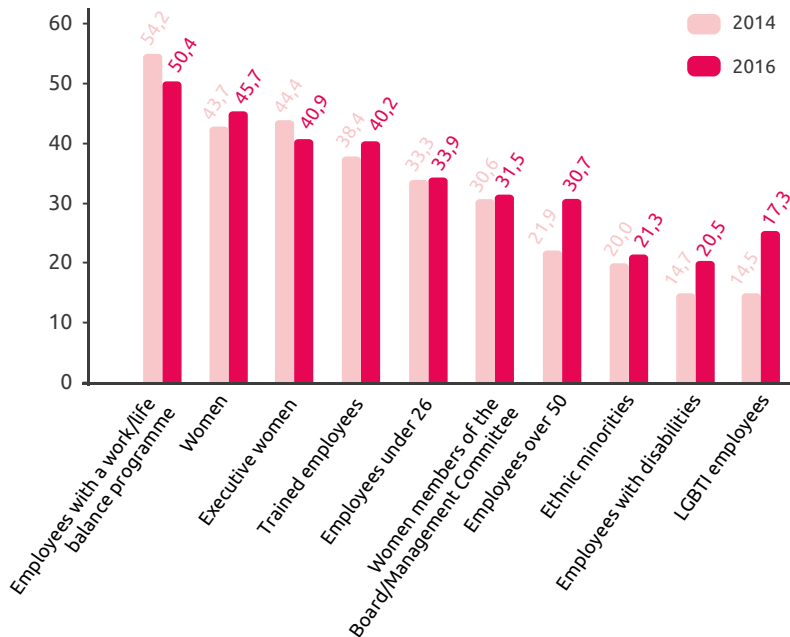
In the framework of their diversity management policy, signatories of the Diversity Charter can aim to increase the number of employees belonging to specific categories, such as, for example, people with a disability, older or younger workers, etc.

The analysis of the groups affected by the organisations' diversity policy reveals that the diversity management policy mainly affects employees with a work/life balance programme (this concerns 50% of the signatories) as well as the proportion of women among employees (46% of

signatories). Conversely, organisations have noticed a lesser impact on the proportion of employees from a minority ethnic background (21%), on employees with a disability (20.5%), and on LGBTI persons (17%).

Between 2014 and 2016, employees over the age of 50 were considerably affected by the diversity policy of the signatory organisations, with a 9% increase. Moreover, two of the issues addressed by the Committee for the Charter - employees with a disability and LGBTI persons - were more affected by the signatories' diversity policies.

Fig 22. Target groups affected by the diversity policy (% of signatories)

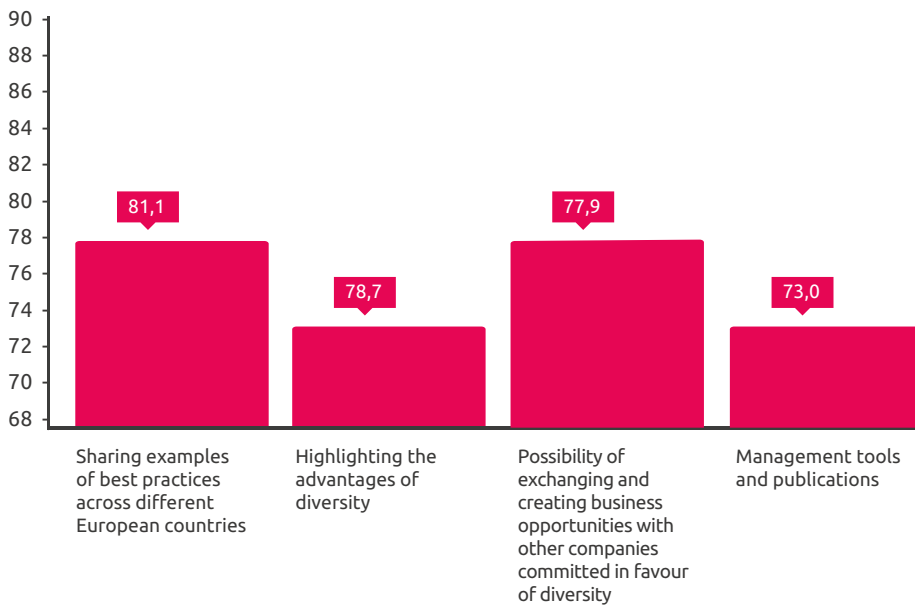


Source : IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

THE ROLE OF THE EU PLATFORM OF DIVERSITY CHARTERS

The signatories of the Charter were invited to express themselves on the interest for their organisations to enact the activities proposed by the EU Platform of Diversity Charters. Signatories elected sharing best practices at European level as the most interesting activity (81%).

Fig 23. Interest in the activities of the EU Platform of Diversity Charters (% of signatories)

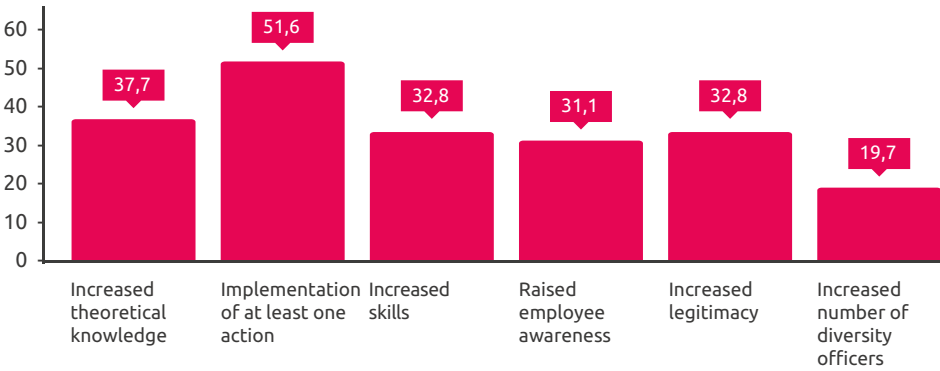


Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

THE ROLE OF THE DIVERSITY CHARTER LÉTZEBUERG

For 38% of the signatories, signing the Diversity Charter Lëtzebuerg has made it possible to at least partly increase **theoretical knowledge** in the field of diversity management. More than half (52%) of the organisations have replied that signing the Charter has made it possible to implement at least one action in favour of diversity.

Fig 24. The impact of signing the Diversity Charter (% of signatories)



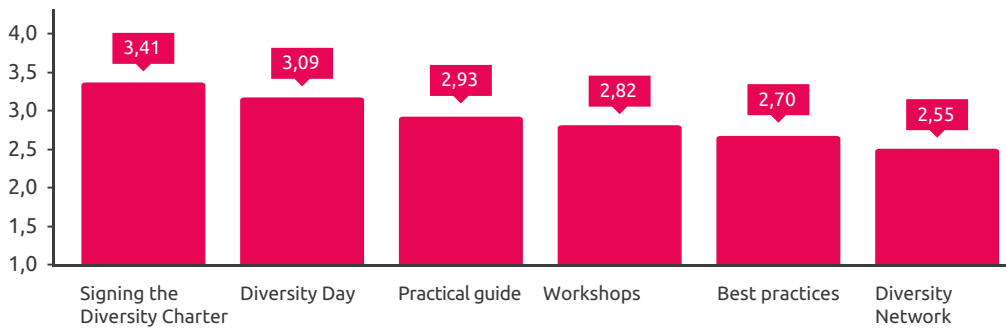
Source: IMS/LISER, "Diversity Charter Lëtzebuerg 2016" survey

When the signatories evaluate the impact of the signature of the Diversity Charter on a scale from 1 to 5 (1 corresponding to no impact and 5 to a very strong impact), 89% consider that it has had an **impact on the development of their policy and on the actions** taken in favour of diversity, among which 21% judge this impact to be significant. The practical guide to “Diversity Management” has also had repercussions for 81% of the signatories and obtained a score of 4 for 30% of signatories. We also find that the **Diversity Day** has had a significant impact for 23% of the signatories.

When the signatories evaluate the impact of signing the Diversity Charter on a scale of 1 to 5 (1 corresponding to no impact and 5 to a very strong impact), the average score is 3.4.⁶

⁶ Standard deviation is 1.20. This data's rather low standard deviation (dispersion index around the mean) indicates that there is not much variation between the choices made by all the signatories.

Fig 25. Average impact of the various actions carried out by the Committee for the Diversity Charter



Source: IMS/LISER, “Diversity Charter Lëtzebuerg 2016” survey

CONCLUSION

CONTRIBUTIONS

This survey presents the many practices in favour of diversity set up by the signatories of the Diversity Charter Lëtzebuerg. Its interest lies in the representativeness of its sample (93% of all signatories replied to the survey). It thus presents a state of play of practices carried out in Luxembourg by the companies or non-profit organisations that have committed to working in favour of diversity.

The interest of this survey is two-fold. It enables respondents to take stock of the advancement of their diversity policy and also offers new ideas through the items that comprise the survey's questionnaire. Lastly, it makes it possible to draw out the global trends in the diversity management policies carried out by the signatories in Luxembourg.

LIMITATIONS

It is important to note that, although they may be very active in the field of diversity management, as a general rule **small-sized organisations** have a **tendency to formalise their actions less**. Indeed, the number of actions set up is significantly higher in large companies than in small ones.



C SUMMARY

KEY FIGURES AND ANALYSIS OF RESULTS

The “Barometer on Diversity and Business Lëtzebuerg 2016” survey has made it possible to highlight certain characteristics of the signatories of the Diversity Charter. Moreover, it has enabled us to see what actions were given priority by the signatories and the consequences they have had on the organisations’ general performance. This section highlights all these key results.

THE PROGRESS THAT HAS BEEN IDENTIFIED

55%

Women represent 55% of signatories’ total workforce

We find that women are much better represented in the Diversity Charter signatories than in other companies. Indeed, they make up 55% of the total staff in signatory organisations against only 41% at national level. However, this proportion is not yet respected in decision-making positions, for which men are still in the majority (60% of men).

5

The five most significant issues: gender, work/life balance, language diversity, age and ethnic origin or nationality.

In most signatories’ diversity policy, many criteria of discrimination are taken into account. No fewer than ten criteria are quoted by half (or more) organisations. Strong involvement appears on the issues of work/life balance and on gender equality. In decreasing order of importance, the other criteria are the following: spoken languages, age, ethnic or racial origin, nationality, disability, motherhood, state of health, and education level.

78%

of the signatories of the Charter have integrated their diversity management policy as part of their Corporate Social Responsibility commitments.

Signatories’ commitment in diversity management is very often integrated as part of a broader Corporate Social Responsibility approach. This concerns more than three in four organisations

(78%). This figure proves that diversity management is a way of considering the social aspect of CSR. However, we found that the reverse course is also true: 18% of signatories who are already active in diversity management intend to commit to CSR within the next two years. Only a very small proportion (4%) of our sample is not or will not be active in the field of CSR within the next two years.

85%

of the signatories started by mobilizing decision-makers and determined a working framework for their diversity policy.

We note firstly that a significant number of signatories of the Diversity Charter followed the same method in building their policy as that presented in the practical guide to "Diversity Management". Indeed, 85% of them started by mobilising decision-makers and by determining a common vision of the diversity policy. 62% created a work environment that was conducive to the realisation of this policy. Just less than half of them then established an action plan (48%). These figures show some increase in the implementation of such a policy and very heterogeneous levels of maturity in the field of diversity management. It is very encouraging to note that these figures have noticeably improved since 2014.

In 2016, the different stages of the diversity approach were undertaken by a wider proportion of signatories than in 2014.

48%

of the signatories carried out a diagnosis of their organisation as regards its diversity aspect.

As relates to the method used to implement the diversity management policy, about one in two signatories (48%) carried out a diversity diagnosis in their organisation. This diagnosis is often in the form of an analysis of internal databases to establish comparisons between different groups (according to gender, nationality, age, etc.) on criteria such as, for example, level of wages, hierarchical levels, etc.

52%

% of the signatories implemented at least one action in favour of diversity since signing the Charter.

Signing the Diversity Charter makes it possible to implement an initial action in favour of diversity. This is enabled, among other things, by the actions set up by the Committee for the Diversity Charter, such as the Diversity Day, Diversity Workshops, the good practice fact sheets, etc.

60%

of the companies note an improvement in their image and reputation.

Six signatories in ten noted a positive impact on their organisation's image and reputation since they have implemented a diversity management policy. More than half also noticed more respectful interpersonal behaviour as well more innovation and creativity from the teams. One third of the organisations declared that their actions have an impact on the proportion of employees under 26 and over 50 and on the number of women present on the Board of Directors.

PERSPECTIVES

We have found that signatory organisations have better control over their internal and external communication in 2016. This communication reflects itself in an improved corporate image and reputation while being a tool to raise awareness and rally employees, clients and partners around diversity and its dedicated events such as the Diversity Day.

The signatories commit more to a structured diversity management policy by following the methodology suggested by the Diversity Charter. However, there is still room for improvement regarding

the setting of targets and the assessment of implemented actions, by establishing indicators for instance.

The diversity approach is a long term approach. This barometer proves there are ongoing developments. Nevertheless, the effects of a diversity management policy only show in the long term. This is why the Diversity Charter should keep measuring the trends among its signatories every two years.

We have found that the Charter provides impetus in implementing new actions and inspiration by focusing on topics that are less treated by the signatories. We have noticed that the actions that have been implemented by the signatories have had a greater impact on LGBTI employees and employees with disabilities in 2016 than in 2014. Such efforts will be pursued by the Diversity Charter in order to empower the signatories on new topics. While keeping inspiring the signatories, we look to provide them with in-depth knowledge on topics such as the employment of third country nationals and refugees, disabilities, sexual orientation and/or religion.



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Diversity Charter Lëtzebuerg

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