

Commentary January 2004 - issue 3

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Diversity brings benefits to the workplace

Discussions on diversity are often limited to race and gender. This uninformed view may limit the scope of a company's diversity policies so it is important to understand more about what is meant by encouraging and managing diversity in the workplace.

The Chartered Institute of Personnel and Development (CIPD) gave the following description of managing diversity:

"Managing diversity is based on the concept that people should be valued as individuals for reasons related to business interests, as well as for moral and social reasons. It recognises that people from different backgrounds can bring fresh ideas and perceptions which can make the way work is done more efficient and products and services better."

In other words, age, different experiences, varied levels of academic achievement, values and lifestyles bring different ways of thinking and, therefore, different ways of looking at the same issues or requirements. This, in turn, provides a variety of approaches to understanding customer needs, marketing, problem solving, and management.

Diversity Facts and Figures (UK)

- Of the one-fifth of the population of working age who have disabilities, only 11% are employed.

Source: Office of National Statistics, 2001

- A survey of 99 organisations with a total workforce of almost 3 million people found that only 44 ethnic minority individuals currently hold posts at the most senior level.

Source: Race: Creating Business Value, Business in the Community/Race for Opportunity, 2002

- A survey of 600 heterosexual managers found that 1 in 3 would be less likely to hire a gay or lesbian job applicant.

Source: Social and Community Planning Research, May 1998

- Currently, just under 6 million people aged between 50 and state pension age are in employment - an employment rate of 68%.

Source: Age Positive

High-level Monitoring Checklist

It is important that companies review their recruitment processes to ensure they are not unintentionally discriminatory. They must also ensure, through their recruitment policies, that they invite applications from diverse areas.

Here are some recruiting tips:

- Advertise vacancies not only in the mainstream newspapers and magazines but in a variety of media so that you reach potential applicants from a wider area of society.
- Place as much emphasis on relevant experience as on academic qualifications.
- Have standard interview processes and selection criteria.
- Seek advice from specialist agencies or relevant associations.

The next issue of **Commentary** will look again at diversity, specifically in the British workforce.

If you would like further guidance or have any enquiries in the meantime, do contact Amos Butler on 0845 125 9612 or e-mail

info@amosbutler.com for an initial discussion with one of our advisors.

Is outsourcing your best option?

Before making the decision to outsource, think long-term; how sustainable, from a business perspective, is this option? Is outsourcing truly the right option for your business?

The reasons for outsourcing are often among the following:

- To reduce costs
- To increase efficiency
- To improve customer satisfaction
- The service in question is disorganised
- The relevant infrastructure or equipment is outdated
- A reduction in headcount

Examine carefully your reasons for considering the outsourcing option. Before making that final decision, develop a robust outsourcing strategy. Ensure that you at least address the points below.

High-level Outsourcing Review List

1. Can you accurately measure or forecast the benefits over the next 5 years? What are the medium to long-term cost benefits of outsourcing?
2. Look beyond the immediate financial benefits; what are the other benefits to your organisation should you choose to outsource.
 - If your main reason is that the service or business unit in question is not operating efficiently or effectively, outsourcing on it's own will not solve the problem.
3. Have you fully investigated other available options? These might include reorganisation of the business, upgrading of

equipment, recruitment of specialists for key positions, up-skilling or re-training of key employees.

4. How critical to your business and your customers is the area you wish to out-source?
 - Is outsourcing a key customer service area an appropriate course for your organisation?
5. What is the market perception of your likely outsourcing partner? Are they the best or just the most cost efficient?
6. Is outsourcing a socially or corporately responsible course of action for your employees or community?
 - Assess the likely impact in these areas.
 - Factor in the marketing impact of your decision; how is your decision likely to be reported in the media?

Summary

Outsourcing can provide a competitive advantage but this is by no means a foregone conclusion. Companies must consult their stakeholders and conduct comprehensive in-house and external impact and risk assessments before making a final decision or they risk a reduction in turnover or reputational damage.

If you would like further guidance or have any queries on this subject, please contact Amos Butler on 0845 125 9612 or e-mail info@amosbutler.com for an initial discussion with one of our advisors.