



Canadian Centre for Diversity and Inclusion  
Centre canadien pour la diversité et l'inclusion

# Locking in your leadership

Toolkit for developing the ironclad business case for  
D&I

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## Introduction

What's the business case for diversity?

That is a terribly nebulous question, but can you answer it? Can you answer it for your organization specifically? Do you have a document that is your road map for success?

In 2013, as part of our first Community of Practice events we hosted in Calgary, Edmonton, Toronto and Vancouver, we asked participants to identify some of their 'pain points' – the challenges they are facing that affect their ability to succeed when it comes to diversity and inclusion in their respective organizations.

We heard a lot, but there were two major issues that we identified in all four cities, totally independent of each other: leadership accountability and the business case.

In order to truly embed diversity in your organization, every leader, manager, and employee needs to be able to understand and articulate why diversity and inclusion, or human rights and equity is important to your organization.

If they cannot articulate the why – they will not support the how. Nor will they dedicate their time or resources to initiatives for which they cannot articulate the justification or rationale.

A diversity and inclusion ("D&I") business case is a brief document that helps organizations easily articulate their unique strategic imperative for embracing and leveraging diversity and inclusion, and human rights and equity ("HR&E"). The business case should be aligned with the organization's key strategic goals and should articulate the "why" of diversity for that specific organization, not the "how." Goals and methods should later be articulated in the diversity strategy or strategic plan document.

As part of our second Community of Practice events of 2013, we engaged participants in an exercise around what makes the perfect business case. It began in Vancouver as an idea. We took the results of that session to Edmonton, then to Calgary, and then finally to Toronto. In each city the ideas grew and expanded. Every participant – over 150 people from across the country, from different industries, professions, and sectors – had the opportunity to put their stamp on the process. It was a truly collaborative effort.

For us, it was an exhilarating process. To watch a document take shape and grow, and see how the benefit of diversity of thought and experience can lead to true creativity and innovation. Truly inspiring!

The purpose of this toolkit is to give you the framework for creating a Business Case document that can be easily customized to suit your own organization.



**A few notes about this document and its potential audiences** – we’ve called this document Locking in your Leadership: Developing the Ironclad Business Case for D&I; however we know that the term “business case” doesn’t resonate in every organization. In some organizations “strategic imperative” or “project justification” may be more appropriate to refer to these types of documents. However, for ease of reference, we will refer to these documents as the business case throughout this report.

**For employers that feel like they already ‘get’ the business case** – there are some employers in Canada that have done some wonderful work in the area of diversity and inclusion. Many have won awards. There is no doubt in my mind that there is a strong commitment to D&I in some of Canada’s workplaces.

I treat my business case like a touchstone. In my previous role, I would re-read the document every year to remind myself of what I had said in the original business case, see if it was still relevant, and ensure we weren’t seeing ‘scope creep’.

I would encourage every employer that thinks they get the business case to revisit this process. Use this document as a guide and compare it against your own business case document. If you don’t have a business case document, you should...even if you have won a multitude of awards. Working on a D&I strategy without a business case document is like building the second floor of a house before you’ve built the foundation – not effective.

**For small employers that find this all overwhelming** – I recognize how challenging it can be to take on yet another ‘thing’ when you’re busy trying to keep the lights on.

There are more small employers in Canada than there are large, which means there are thousands of employers trying to figure out this ‘diversity thing’ without dedicated resources. It’s tempting to ignore the imperative (and having a D&I strategy is an imperative), but if you don’t act, you run the risk of losing out on a lot.

Never fear – it doesn’t have to be that hard.

Our recommendation is simple. Use this guide and write your business case. It doesn’t need to be a huge undertaking and you don’t need a team of 15 to complete the process. We’ve provided you with resources and tools that should help make the process simple.

We hope you enjoy and find value in our first toolkit of 2014. We look forward to bringing you more such documents as we move forward with engaging hundreds of people across Canada in developing the solutions to our biggest inclusion challenges.

**Michael Bach, CCDP/AP**  
**Founder & CEO**



## Developing this toolkit

### The methodology

The contents of this toolkit are derived from a truly collaborative effort – with input from over 150 professionals across Canada.

In the spring of 2013, we hosted a series of in-person Community of Practice events that we called our “Getting to Know You” events in four cities across Canada: Vancouver, Edmonton, Calgary and Toronto. Attendees included human resources and D&I professionals, as well as people in other functions of their organizations – diversity champions – who are dedicated to improving the inclusivity of their organizations. Participants came from public sector, non-profit, and private sector organizations, and represented almost every major industry in Canada.

At those events we asked participants to identify the biggest challenges to their work of creating inclusive organizations in Canada. Subsequently, we summarized the challenges addressed at each location and provided a summary report with resources to the event participants.

We created a chart comparing the major issues and challenges across the country and some very clear trends emerged. While there were some enlightening regional differences, there were a few significant universal challenges that were discussed at every table group in every city:

- » Leadership and/or organizational buy in;
- » Prioritization of D&I and HR&E Initiatives; and
- » Resources for successful execution – human capital and financial.

To us at the Institute, the message was loud and clear: organizational leaders are not “getting” the business case for diversity & inclusion, and human rights and equity. We believe in order to address these challenges we would be best to help articulate the business case for D&I and HR&E in their organizations.

For our next round of Community of Practice events, we engaged participants in developing the ironclad business case for diversity and inclusion. We asked participants to engage in a group brainstorm and work together on crafting the structure of the business case such that it would be easily customizable and applicable in all types of organizations – whether large or small; public, non-profit, or private sector.

First we asked participants to develop a headline for the business case. This was followed by developing a structure for the document, what sections should be included, what was an imperative and what was nice to have.

Then at subsequent events, we asked participants to develop the verbiage for each of the component parts of the structure.



Attendees at all four events had lively discussion and debate. We invited and encouraged everyone to bring their own experiences to the table, and yet challenged them to think outside the box, taking into consideration the needs of a broader audience.

All that information was taken back to our office, sifted through repeatedly, and distilled down into what we believe is a template – a guide, model or prototype – that can be picked up by any employer and used to develop a customized business case document.



## Components of a D&I business case

### Business case structure guidelines

The purpose of a business case document is to briefly explain the rationale or reason your organization needs to invest resources in diversity and inclusion, or human rights and equity.

As such, we recommend that your business case be brief – a maximum of two pages.

The primary audience for the business case is your leaders. If you present them with a 20 page document, they won't read it. You need to be concise if you want to get the message across.

Not every section of the toolkit below will be required for your organization's business case. It's up to you to choose the aspects and format that will be most impactful for your organization's leaders.

### Using headlines

Every business case document needs a headline. With thousands of competing priorities, it is increasingly hard to grab, and keep people's attention. The headline is the hook that will encourage your organization's leaders, managers, and colleagues to read more. The headline could also be considered the proverbial "elevator speech." Imagine you have your CEO's attention for less than a minute. What are you going to say that will pique his or her interest to learn more? That's the purpose of the headline.

Below we have presented examples of excellent headlines developed by our participants. You can choose the one that best suits your organization, or amend one of the headlines below to suit your needs.

Effective diversity in an environment of trust and respect will mitigate risk, improve organizational/social image and lead to innovation, engagement and results.

- » Investing in inclusion increases the three E's: engagement, empowerment and efficiency.
- » Inclusion is inevitable; exclusion equals extinction.
- » Inclusive workforces intuitively builds trust with the global market.

It is critical to our organization to attract, engage and retain the unique attributes of all employees, leveraging their respective expertise and experiences that will result in desired outcomes, foster innovation, build trusted relationships, and enhance our reputation in the community.

To be competitive in a cut-throat, global environment, we must create a culture of trust where people know their differences are valued as they will strive to be innovative without barriers.



Diversity, in an environment built on trust and respect, will generate a return on investment by enabling us to attract and retain the best; bringing innovation and different perspectives to the table; and mirroring the values and diversity of our clients, customers and communities.

Trust the evidence; invest in diversity and inclusion and gain (\$XX m per year).

## Executive summary

The executive summary should be a paragraph that summarizes the rest of the business case, which ties the headline into your organizational values and strategic imperatives.

In the executive summary and throughout your business case document, keep messages concise and aligned with the language of your organization's strategic plans and priorities.

At a high level, the executive summary should articulate the key organizational impacts or benefits associated with a strong commitment to D&I and HR&E and should also touch on the risks associated with not focusing on inclusion.

## Scope, context, and definitions

This section allows you to clarify terminology and outline the key concepts behind your diversity and inclusion initiatives. You should include:

- » Statement of opportunity. The issues you are facing should be framed as opportunities rather than problems: Your organization's definition of diversity and inclusion

## Situational/stakeholder analysis

This section may have different titles in different organizations. It may be referred to as a Current State Analysis, Environmental Scan, or Market Analysis. In your Business Case, always use the verbiage that will resonate best with your organization's leaders.

In developing the Situational/Stakeholder analysis, you'll need to do some research to gather the data that is most pertinent to your organization. Any information presented in the business case should be a brief high-level summary of your findings. If you need to provide backup documentation, include it as an addendum to the main document, but don't assume or expect that it will be read.

Situational analysis may include:

- » Global, national or local benchmarking or best practices reports.
- » Sector/industry comparison.
- » Population demographics.
- » Political/legal frameworks.



The purpose of stakeholder analysis is to articulate why D&I and HR&E is important to the key stakeholders in your organization.

Stakeholders may include:

- » Employees and/or volunteers.
- » Clients/customers/patients/service users.
- » Competitors or other organizations in the same sector.
- » Investors or funders.
- » Community.

## Organizational impacts/business imperatives

In this section, you should articulate the organizational or business impacts that could be achieved by investing in your D&I and HR&E initiatives. Show how D&I can have a direct impact on specific aspects of your organization's overall strategic plan. Again, mirroring your verbiage to that of your organization's key strategy documents will provide greater credibility.

Organizational impacts to consider including:

- » Clients/customers/patients/service users:
  - Static market share because we are not addressing our customers' needs.
  - How has our client base changed? (demographic changes)
  - How satisfied are our clients? (analyzed by demographics)
  - What steps do we need to do to meet our clients' needs? How can diversity help?
- » Employees:
  - Are employees reflective of our clients, our community or the available labour pool?
  - How are we doing with recruiting, retaining and promoting our employees?
  - Workforce/Canadian demographic trends.
  - Employee satisfaction by demographics.
  - Leadership demographics.
- » Community:
  - Demographics of communities.
  - Where we work and what is our reputation?



## SWOT analysis

SWOT stands for strengths, weaknesses, opportunities and threats. In some organizations, such an analysis may be referred to as sensitivities, risks and contingencies, strategic considerations analysis, or risk vs benefit analysis. Again always align the verbiage in your business case with the terminology that is currently used by your organization.

For the purpose of developing your D&I business case, conduct a SWOT analysis to articulate your organization's strengths, weaknesses, opportunities and threats in the context of addressing D&I and HR&E in your organization.

Issues to consider in your SWOT Analysis:

- » Legal frameworks:
  - Business regulations/authorities.
  - Employment regulations/authorities.
- » Risks:
  - Operational risk. e.g., supplier/vendor efficiency and effectiveness.
  - Financial risk. e.g., liability, cost.
  - Reputational risk.
  - Employees and volunteers. e.g., turnover, complaints.
- » Business benefits:
  - Operational.
  - Financial – return on investment (“ROI”).
  - Reputational.
  - People.
  - Customer/client.
- » Critical success factors.
- » Organizational sand opportunities.



## Legal frameworks and ramifications

Here you should clearly articulate the risks and costs associated with not paying attention to D&I and HR&E. Identify any legal requirements that may be applicable to your organization and the risks or penalties for non-compliance. Also, if applicable consider the cost associated with being audited on any related legislation. Include issues such as:

- » Legislation:
  - Human rights (provincial and federal).
  - Employment equity (if applicable).
  - Accessibility legislation (varies by province).
  - WSIB and other provincial requirements.
  - Industry-specific.
  - Privacy.
- » Policies:
  - Based on required legislation.
  - Corporate social responsibility.
  - Employee-related (sick days, flex hours, pay equity, etc.).
- » Audit:
  - History.
  - Record-keeping.



## Conclusion and recommendations

In this section of your business case you should define “the ask.” Clearly articulate what you want the organization to do next and provide suggested timelines.

If you can, you should also try to identify resources to handle the recommendations.

Again, ensure that you articulate how your recommendations will impact your organization’s strategic goals and objectives and reiterate the ROI for addressing these issues.



## Wrap up

Developing a solid business case is a critical component to gaining leadership buy-in for your organization's diversity and inclusion, and human rights and equity endeavors.

For organizational leaders to drive change and be advocates of D&I and HR&E in your organization, they first need to be able to understand and articulate the imperative for your organization.

Every organization will have its own unique reasons for focusing on D&I and HR&E. It's important that you, your leaders, managers, and all employees can articulate what they are to ensure the organization prioritizes accordingly.

Articulating "why" your organization should address D&I and HR&E will then help you get to the "how" in your diversity strategy or strategic plan.

We hope that the tools we have provided in this document are valuable and useful in helping you craft (or re-craft) your business case.



## Helpful resources

- » How to write magnetic headlines. <http://www.copyblogger.com/magnetic-headlines/>
- » 5 Easy tricks to help you write catchy headlines. <http://goinswriter.com/catchy-headlines/>
- » How to write an executive summary. <http://www.inc.com/guides/2010/09/how-to-write-an-executive-summary.html>
- » Stakeholder analysis guidelines (World Health Organization). <http://www.who.int/workforcealliance/knowledge/toolkit/33.pdf>
- » Diversity and its impact on organizational performance: The influence of diversity constructions on expectations and outcomes (Journal of Technology Management and Innovation). <http://www.jotmi.org/index.php/GT/article/view/art215>
- » What is diversity and how does it impact work? (Small Business by Demand Media). <http://smallbusiness.chron.com/diversity-impact-work-15985.html>
- » Recent research on team and organizational diversity: SWOT analysis and implications (Journal of Management). <http://jom.sagepub.com/content/29/6/801.abstract>

## Canadian Centre for Diversity and Inclusion (CCDI)

The Canadian Centre for Diversity and Inclusion (CCDI) is a made-in-Canada solution designed to help employers, diversity and inclusion/human rights/equity, and human resources practitioners effectively address the full picture of diversity, equity and inclusion within the workplace. Founded and run by experienced diversity and inclusion practitioners, CCDI's focus is on practical sustainable solutions that help employers move toward true inclusion. Effectively managing diversity and inclusion, and human rights and equity is a strategic imperative for all Canadian organizations that wish to remain relevant and competitive.

We focus on the topics of inclusion that are relevant in Canada and the regional differences that shape diversity by addressing the issues that move employers from compliance to engagement. Our research, reports and events have become valuable cornerstones for people developing and implementing diversity plans.

CCDI is grateful for the support of our over 200 Employer Partners across Canada.

## Contact us

Have questions about the benefits of becoming a CCDI Employer Partner, or any of our services? Please contact:

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CCDI is grateful for the ongoing support of our Founding Partners.

