The business case for Diversity, Equity & Inclusion (DEI).

10 reasons why its imperative to focus on DEI

1. **Advance performance**
   In a McKinsey and Company study, companies in the top quartile for ethnic/cultural diversity on executive teams were 33% more likely to have industry-leading profitability. A McKinsey & Company study of 1,000 companies across 12 countries found that companies in the top quartile for gender diversity were 27% more likely to outperform their national industry average in economic profit.¹

Firm success story: **Carr, Riggs & Ingram**

2. **Foster innovation and creativity**
   Companies with two-dimensional (2-D) diversity (inherent and acquired) out-innovate others. Leaders who give diverse voices equal attention unleash value-driving insights, and employees in a “speak up” culture are 3½ times as likely to contribute their full innovative potential.²

Firm success story: **Marcum**

3. **Evolve productivity**
   A McKinsey report that covered 366 public companies in a variety of countries and industries found that those that were more ethnically and gender diverse performed significantly better than others.³ Work environments that are more inclusive of persons with disabilities often see improved productivity levels.⁴

Firm success story: **RSM**

4. **Competitive advantage**
   Companies with a diverse leadership team are 45% more likely to report a growth in market share over the previous year. Companies with a diverse leadership team are 70% more likely to capture a new market.²

Firm success story: **Plante Moran**

5. **Grow intellectually**
   Diverse groups are 58% more accurate in problem solving as compared to homogenous groups. Collective and individual intelligence increases in diverse groups.⁵

Firm success story: **EY**

6. **Demographic shifts**
   Generation Z is on track to be the nation’s most diverse and best-educated generation yet. Today, nearly half (48%) are non-white.⁶ A CNBC article states that “the traditional 9-to-5 office job doesn’t adequately support the lives millennials and Gen Zs want to live. They are flexible-work natives.”⁷

Firm success story: **Crowe**

7. **Social responsibility**
   An increasing number of millennials say that organizations have a moral obligation to give back to the society in ways that create an inclusive environment for everyone to participate and thrive.⁷

Firm success story: **Deloitte**

8. **Market demand**
   A study of more than 1,300 full-time employees found that an inclusive culture is a key to hiring and retaining talent. Eighty percent of respondents said that inclusion is important in choosing an employer. Nearly a quarter of all respondents left jobs due to a lack of diversity and inclusion. An inclusion strategy is a key to retaining a diverse workforce.⁸

Firm success story: **Baker Tilly**

9. **Talent acquisition**
   While 74% of executives view D&I as crucial to the success of their organization, most executives do not take advantage of D&I to attract top talent.⁹ All workers benefit from a more diverse workplace. Studies show that working alongside employees with disabilities makes non-disabled individuals more aware of how to make the workplace more inclusive and better for everyone. Staff turnover is up to 30% lower when a well-run disability community outreach program is in place.¹⁰

Firm success story: **Sensiba San Filippo LLP**

10. **Cultivates engagement**
    Belonging is linked to a 56% increase in job performance, a 50% drop in turnover risk and a 75% reduction in sick days. A study in the U.S. by Out Now titled “LGBT 2020 — LGBT Diversity Show Me the Business Case” found that the U.S. economy could save $9 billion annually if organizations implemented more effective inclusion policies for their LGBTQ+ staff. This is partially attributed to avoiding costs from stress and ill-health associated with LGBTQ+ staff who need to hide their identity at work or experience discrimination.

Firm success story: **KPMG**

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¹ Delivering through diversity: McKinsey and Company, 2019
⁴ New Social Trends, 2018
⁵ Institute for Public Relations, 2017
⁶ Deloitte Inclusion Pulse Survey, 2017
⁷ Russell Reynolds O&D Pulse Survey, 2017
⁸ The Value of Belonging at Work, HBR, 2016
⁹ Diversity and Inclusion Pulse: 2017
¹⁰ Getting to Equal: The Disability Inclusion Advantage, 2018


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