



International Federation of Consulting Engineers
The Global Voice of Consulting Engineers

Policy on Diversity & Inclusion: Embrace differences, treat equally

A FIDIC policy document

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Diversity and Inclusion (D&I) is a theme that is being embraced in today's business climate. A focus on diversity, equity and inclusion is important for every organisation and company in the engineering industry looking to build sustainable workplaces for the future - workplaces that represent the world in which we live today and especially for the world of tomorrow.

Article 1 to the Charter of the United Nations promotes and encourages *"respect for human rights and fundamental freedoms for all without distinction as to race, sex, language or religion"*. One of our greatest challenges in the 21st century is to secure equal access to quality education and health, economic resources and participation in political life for all. Social inclusiveness will become the foundational element in such economic and social transformation by leaving no one behind.

A series of business and cultural changes have come together to spotlight the importance of this issue:

- Global political environment has heightened employee sensitivity to diversity and inclusion. A broader discussion about wealth, power and income raises awareness that these should be distributed fairly. The need for attention to diversity and inclusion is now an essential component in our daily reality.
- Research indicates that diverse and inclusive teams outperform their peers. Companies with inclusive talent practices in hiring, promotion, development, leadership, and team management generate up to 30 percent higher revenue per employee and greater profitability than their competitors.
- As career trajectories change, age and life transition issues are becoming more critical to prevent a clash of generations.

"Diversity and inclusion" are more than buzzwords. They represent the evolution of humankind in terms of equality, ethics, morals and justice and form an essential function for heightened business results. A commitment to enhancing diversity, equity and inclusion efforts leads to increased belonging within the organisation. It is not a matter of one or the other, but a combined and related effort. Such action not only results in a culture focused on belonging, which empowers and motivates staff, but it is also a driver for improved employee engagement, productivity, corporate reputation, partnerships, attracting top talents, and business results. As such, businesses can no longer ignore such essential parts of day-to-day operations. Diversity includes nationality, race, gender, and gender identity, personal or family status, sexual orientation, age, ability or disability, cognitive and emotional intelligence, ethnicity, religious beliefs, culture and socioeconomic circumstances or background.

Companies, Boards, CEOs, senior management, management, in fact, all staff must take ownership and drive accountability across all levels to close the gap between what is said and what is implemented. For diversity and inclusion – we are all in

this together. So, whilst diversity and inclusion are actively considered as real issues by many CEOs in parts of the world, they need a greater emphasis globally to ensure effectiveness and fairness and FIDIC aims to play its role in delivering this message.

Our leaders are committed to behaviours and leadership styles which foster a working environment in which staff identify with and feel important to, and valued and appreciated by the FIDIC community. FIDIC, its staff and volunteers are most likely to succeed when we bring together diverse thinking, different ideas, different ways of looking at problems, our consideration and evaluation, various plans and tactics, our emotional and cognitive intelligence and our personal energy and leadership.

What research shows us



Research shows that diversity and inclusion is a cornerstone for a safe environment, contributes to wellbeing and delivers positive results.

Companies that embrace diversity and inclusion outperform their peers

Bersin by Deloitte research has found that companies that embrace diversity and inclusion in all aspects of their business statistically outperform their peers. Bersin found that across 128 companies, those with talent practices focused on building a diverse and inclusive workplace were ranked as high performing organisations, compared to those that did not focus on these areas. Another study focused on gender diversity found that companies with women board members outperformed all male boards.

In connection with this, a recent Glassdoor survey, cited in Harvard Business Review, found that top female candidates care about gender diversity at prospective companies. Their study shows that 61% of women look at the diversity of the employer's leadership team when deciding where to work. A McKinsey study found that in the United States, earnings before interest and taxes (EBIT) increased by 8% for every 10% increase in the ethnic and gender composition of senior executive teams. Research focused on business decision making shows that diverse and inclusive teams make better decisions than both individual decision makers and teams that are not diverse or inclusive. Other studies have shown that diverse and inclusive teams make decisions faster, with fewer meetings, and make better business decisions 87% of the time.

FIDIC as an international organisation can contribute with this policy from different perspectives:

- A. Reflecting on how FIDIC as an organisation and its member associations can be more diverse and inclusive: 'looking in the mirror'.
- B. Challenging the way Consulting Engineers as individuals and organisations implement measures to become more diverse and inclusive 'collectively raising the bar regionally'.
- C. Empowering consultancy and engineering companies to deliver more value regarding diversity and inclusivity in their projects and making choices that support the change to a more diverse and inclusive society and ensuring delivery on the promise'.



The mission of FIDIC's policy on D&I is to stimulate a "D&I evolution" of the companies/to underline the importance of having diversity and inclusion among the values of each company/to engage companies on the application of practical actions to transition to D&I work environments.

This policy limits itself to focus on the three main topics: gender equality, ethnicity and religion. That doesn't mean other topics are not also important. However, we encourage the focus of FIDIC on these three topics.

Theme: Gender equality

The FIDIC Suite of Contracts have always included a gender recognition provision in its interpretation clause, and the challenge for future versions of the contract document is to do more to promote gender equality both in contract provisions and in documentation that flows from the contract such as letters between parties, dispute board engagement and engagement of subcontractors and suppliers.

Gender equality and women's rights are more than ensuring that quotas are not only set (and met) but also we must focus on improving education, personal security, working conditions, remuneration,

dignity, respect and fairness in the workplace. That should be done in such a way that all who are capable, willing and appropriately qualified, skilled and experienced are not prevented from realising their potential due to gender bias. Raising awareness by monitoring helps bring more transparency on this theme, especially on harassment issues.

Theme: Ethnic aspects

While companies emphasise diversity and inclusion initiatives¹ to strengthen organisational adaptability, gain competitive advantage and reduce legal risks, many still struggle with racial and ethnic discrimination as well as policymaking.

Companies should make the goal to go beyond meeting minimum the requirements for legal compliance. They should strive to understand both the social and cultural complexities inherent in embracing diversity and strive to be diversity leaders in their industry.

To effectively improve racial and ethnic diversity in the workplace, companies need to understand some key terms and definitions, including Racial Discrimination, Ethnic/Tribal Group, Ethnic Minority, Implicit Bias, and Inclusion.

Theme: Religious aspects

Religious diversity in the workplace can bring a company many benefits in the form of different viewpoints. Managing religious diversity in the workplace, however, can be challenging from a human resources standpoint.

Tolerance and acceptance of different religious views is vital, as well as accommodating those who may need extra time off or may have special needs dictated by their religious preference.

1 PeoplesScout ([click here](#))



Focus point: Education and diversity of staff and skills

Education and continual professional development of staff are essential to ensure that companies keep their skills base up to date and allow for flexibility and inclusion of staff in the broader set of activities within a company. Companies with inclusive talent practices in hiring, promotion, development, leadership, and team management outperform their peers. The return of investment on education concerning D&I is objective and measurable. However, it is not simple to do and not a question of just delivering that 'one' training. Higher management requires constant attention for longer periods to ensure D&I is not 'a checked box'.

FIDIC recommends that companies/MAs should set up and monitor on an annual basis the composition of its staff's education levels, additional or training undertaken and produce an overall educational and skills profile of the company that can be monitored over time.

This should include as a minimum:

- Qualifications
- Any training received each year
- A profile of skills such as word, excel, SPS, VBA etc.

Such information allows company/MA to see their own risk, staff, and educational profile and provides companies with data to shift this profile over time, reducing risks where skills are deemed to be excessive or lacking.

Focus Point: Engagement of diverse groups in FIDIC Board and other committees

Committees provide a vital role for MAs and companies to converse. The output from these committees is a product of such groups' expertise, skills, personalities and diversity.

Therefore, it is essential that such committees, expert panels, etc. are balanced or constructed in a way that does not result in bias outcomes. FIDIC, for example, in 2020 refreshed all of its committees to improve diversity and gender balance, regional representation, board accountability, consistent terms of reference, public accountability and transparency and processes for operation.

The committees are reviewed every two years and terms have been put in place for chairs, vice chairs etc.

FIDIC recommends that diversity and inclusion in committees/ levels be monitored regularly and defined consistently to ensure the quality of outputs produced. It is also essential that diversity and inclusion are considered at the board level to ensure their continued importance over time.

This should include as a minimum:

- Standardised terms of reference
 - Composition of the board should account for regional, cultural and gender balance
 - Ensured transparency of the activities
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Focus point: Employment (salary, training, skills)

Therefore, it is essential that when considering an inclusive approach, it does not simply define 'yes/no' criteria but considers the broader concept of inclusivity. This could, for example, mean that the focus on some individuals is tailored towards certain training criteria and that of others is the opportunity to work remotely.

FIDIC recommends – MAs/companies put in place the concept of level playing field within its staff manuals and the way it approaches and treats staff.

This should as a minimum:

- Involve an annual survey of staff to monitor wellbeing and diversity;
- Allow for staff to raise concerns or issues anonymously to raise issues; and
- Be integrated into staff handbooks (code of conduct).

Focus point: Social return on investment (SROI)

Return on investment is a well-known concept for any business and is a measurement of its performance, evaluating an investment's efficiency or comparing several investments given the input and output generated.

FIDIC recommends – that companies explore options and measures which improve their social return on investment to enhance the sectors offering and image in terms of the responsibility of the actions they are undertaking.

As a minimum, they should:

- Consider putting in place social policies or for small companies to explore diverse options to join a wider group of companies with existing policies.
- Allow their staff time to volunteer for activities within local socially beneficial projects.
- Embed the positive concepts of the above activity and report them in their annual reports.

Focus point: Social Behaviour

Social behaviour and treats form a key part of individuality and a key part of the dynamics of an organisation. This notion is all about people focusing on commonalities, making 'fun', and the ability of addressing issues in a team safely and soundly. We are as diverse and inclusive as we show in our behaviour. Inclusion enables diversity to exist and flourish and creates unity. It is a core element in supporting people and maintaining mental health.

FIDIC recommends – companies periodically undertake tests such as Management Drives, Caliper Profile, Predictive Index (PI) Behavioural Assessment, Myers-Briggs Type Indicator (MBTI), DISC Assessment and Situational Judgment Test (SJT) to inform and ensure inclusion and diversity in their decision making.

As a minimum, this should involve:

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- Testing senior management to judge their effectiveness.
 - Open forum to discuss the results; and
 - A commitment to address the issues that require attention
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About FIDIC



FIDIC, the International Federation of Consulting Engineers, is the global representative body for national associations of consulting engineers and represents over one million engineering professionals and 40,000 firms in more than 100 countries worldwide.

Founded in 1913, FIDIC is charged with promoting and implementing the consulting engineering industry's strategic goals on behalf of its Member Associations and to disseminate information and resources of interest to its members. Today, FIDIC membership covers over 100 countries of the world.

FIDIC Member Associations operate in over 100 countries with a combined population in excess of 6.5bn people and a combined GDP in excess of \$30tn. The global industry including construction is estimated to be worth over \$22tn this means that FIDIC member associations across the various countries are an industry worth over \$8.5tn.



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Endnotes