# DIVERSITY, EQUITY AND INCLUSION (DEI) STRATEGIES IN BREWERIES

## A TOOLKIT BY THE BREWERS OF EUROPE

*"Make sure you know why you do it, just get started and keep going"*

THE BREWERS OF EUROPE

# Diversity, Equity and Inclusion (DEI) strategies in breweries

## A toolkit by The Brewers of Europe

"Make sure you know why you do it,
just get started and keep going"

Based in Brussels, The Brewers of Europe brings together national brewers' associations from 29 European countries and provides a voice to represent the united interests of Europe's 10,000+ breweries. The Brewers of Europe promotes the positive role played by beer and the brewing sector in Europe and advocates the creation of the right conditions to allow brewers to continue to freely, cost-effectively and responsibly brew and market beer across Europe

THE BREWERS OF EUROPE

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# ABOUT THIS TOOLKIT AND THE IMPORTANCE OF DIVERSITY, EQUITY AND INCLUSION POLICIES

## SCOPE

The Brewers of Europe focuses on breweries and brewing company employees, whether they are working in breweries, offices or with the companies' customer base. To that end, a dialogue with partners across the value chain will be engaged to extend the efforts and improve the inclusiveness along the beer production and consumption chain.

## WHAT IS IT FOR?

It is to help breweries build a workplace that is welcoming of diverse people and perspectives, recognising that diversity breeds innovation. It has long been established that organisations with obvious diversity throughout their workforce outperform those who do not, and these organisations are able to not only attract diverse talent but have created environments in which talent can thrive.

Additionally, it is becoming an expectation not only from current employees, but potential employees, consumers, customers and shareholders that organisations are able to talk about and put into action what they are doing in this space. We have seen this come to the forefront in recent years such as with the #MeToo, #BlackLivesMatter movement, both calls for a more inclusive society. The brewing sector is not immune to this, as the #MeTooBeer movement on social media has revealed unacceptable practices in this sector.

This toolkit gathers a framework for breweries large and small to get inspired from as they start or accelerate their engagement towards an inclusive and equitable company.

## WHAT IS IT NOT FOR?

It is neither intended to be prescriptive nor set as a recollection of ready to use best practices. There is no silver bullet to solve these issues, as every company will have different challenges and opportunities to discover and address, and actions will be different for each organisation based on a variety of factors. It is intended to offer a framework for organisations to build on as they progress through their DEI journey and recognises that starting points will differ.

## HOW TO USE IT?

This toolkit has been designed as a guide to be inspired from. Breweries will feel free to select within the toolkit, the steps which make sense to shape and deliver their own DEI strategies

## AUTHORSHIP

This toolkit has been put together by experts of The Brewers of Europe's network involved on a daily basis in DEI strategies, from large and smaller brewing companies.

# KEY DEFINITIONS

### DIVERSITY

The presence of difference within a given setting.

*In workplace, it's about diversity of identities – race, gender, ethnicity, religion, nationality, sexual orientation, age & disability – as well as diversity on acquired diversity traits, such as socioeconomic background, parental status, education, religion.*

### EQUITY

An approach that ensures everyone has access to the same opportunities.

*Equality means each individual is given the same resources and opportunities.*

*Equity recognizes that each person has different circumstances and allocates the exact resources and opportunities needed to reach an equal outcome.*

### INCLUSION

Inclusion is about people with different identities feeling and/or being valued, leveraged, and welcomed within a given setting.

*Diversity is being invited to the party; inclusion is being asked to dance.*

# SETTING UP A DEI STRATEGY
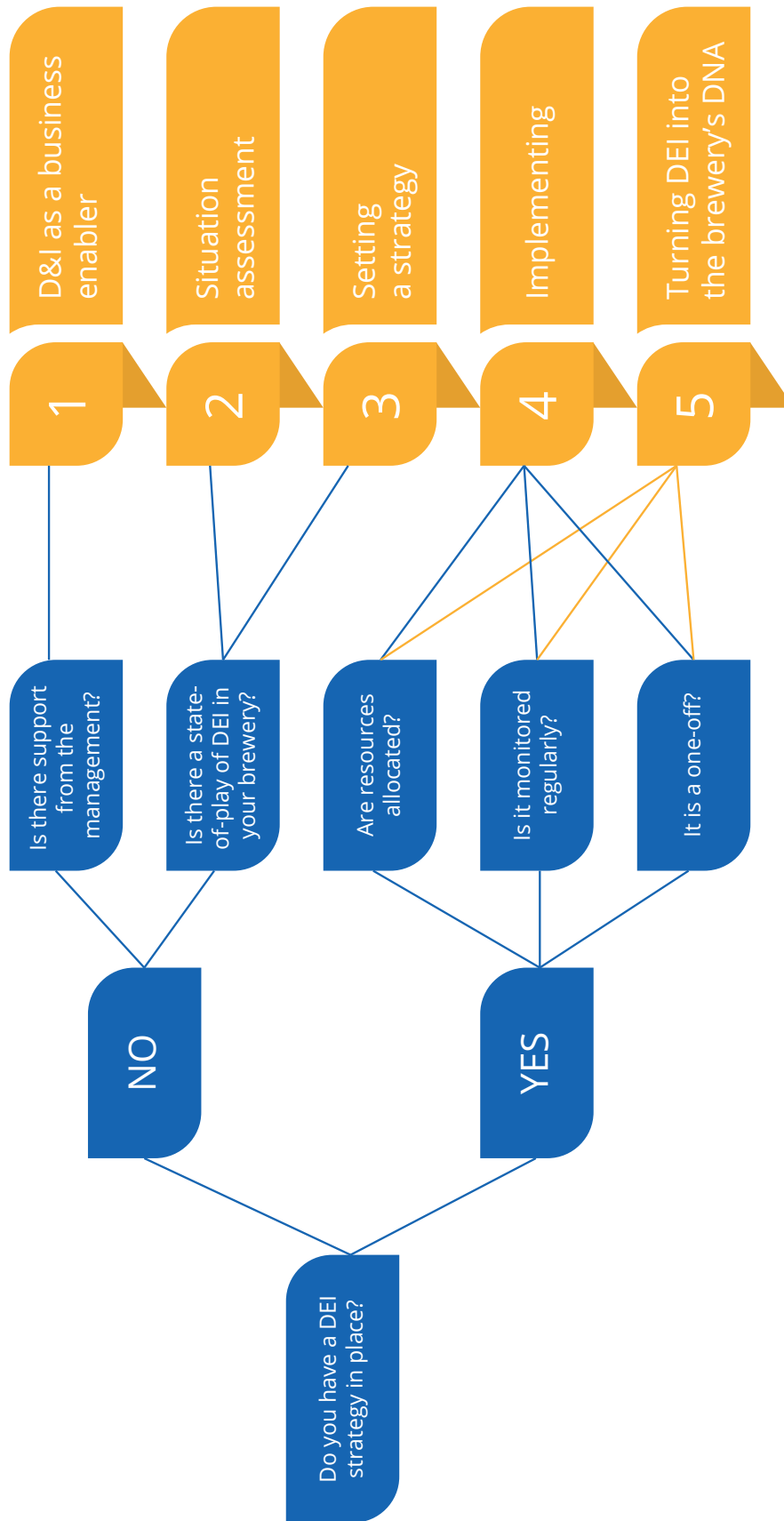
A DEI strategy can be developed following a 5-step process

| 1 | D&I as a business enabler |
|---|---|
| 2 | Situation assessment |
| 3 | Setting a strategy |
| 4 | Implementing and monitoring |
| 5 | Turning DEI into the brewery's DNA |

# DECISION-TREE



1. D&I as a business enabler
2. Situation assessment
3. Setting a strategy
4. Implementing
5. Turning DEI into the brewery's DNA

Is there support from the management?

Is there a state-of-play of DEI in your brewery?

Are resources allocated?

Is it monitored regularly?

It is a one-off?

NO

YES

Do you have a DEI strategy in place?

# STEP 1
# BUILDING THE CASE FOR CHANGE

## WHAT?

The first step consists of convincing the brewery management and employees that developing a DEI policy will be beneficial for the brewery.

Research has proven that companies driving DEI actively perform better financially, reputationally, in talent recruitment, employee engagement and customer loyalty, therefore increasing the company's value. This holds true for breweries as well.

### FINANCIAL STRENGTH

33% higher likelihood of achieving above-average profits for companies with more diverse executives.

### BRAND & REPUTATION

80% believe it would be advantageous for company's reputation if their CEO were to speak out on issues.

### RECRUITING & RETENTION

50% consider the equitability of a potential employer's work environment as part of their job search.

### EMPLOYEE ENGAGEMENT

2.4 times higher employee engagement levels at D&I-Forward organizations vs. at D&I-Novice organizations.

### CUSTOMER LOYALTY

38% of consumers are more likely to trust brands that do well with showing diversity in their ads.

## HOW?

Making the case for change can be achieved by using one of these means:

- Getting brewery management buy into the importance of developing a DEI policy by:

  - Evaluating how the brewery performs on each of the above-listed items;

  - Highlighting the margin for improvement of each and how it would benefit to the brewery; and

  - Presenting the results, as well as a cost-assessment of no-action/sticking to the bare minimum to the brewery management

- Getting the support and appetite from all employees for the development and roll-out of a DEI policy, allowing them to give their input into this (e.g. via panel discussions, being able to highlight/indicate what it means to them...):

  - Collectively, for the brewery performance (impact on growth, impact on collective strength...)

  - Individually (better for future employability, improvement of work conditions...)

# STEP 2
# SITUATION ASSESSMENT

## WHAT?

It's about knowing the DEI situation in your brewery, and possibly outside as well (once colleagues leave the brewery) or when your brewery operates outside their location (e.g. in a festival, in a pub...). This is about having a 360° view about your operations and DEI. This may cover:

- Your recruitment procedure, strategy, staff management and work culture inside the brewery

- The Marketing strategy

- Whether colleagues are aware of the situation they might encounter outside the brewery environment and trained to deal with it/react, e.g. when dealing with suppliers, distributors (retailers, hospitality) or consumers directly (at point-of-sale owned or operated by your brewery), and ready to speak up

- The brewery requirements towards suppliers and distributors, i.e. staff behaviors or how they operate their business towards end consumers either in hospitality or festivals

- Processes already in place to allow staff to report DEI issues in a safe and confidential manner

# HOW?

To assess your DEI situation, you should establish a diagnosis/assessment by:

- Performing qualitative analysis

    - Interview your leaders to assess their views and mindsets on DEI

    - Interview, on a regular basis, staff on DEI matters

    - Interview, on a regular basis, suppliers, and distributors, as well as end consumers (if applicable), concerning issues such as marketing, point-of-sale DEI policy…

- Performing quantitative analysis

    - Tracking DEI-related data, when available

    - Running questionnaires/surveys to your staff and outside partners (suppliers, distributors, consumers)

- Contacting a third-party, specialized in (brewery) DEI matters, to perform an external audit and suggest a diagnosis and a strategy forward to improve the situation

- Using freely-available third-party resources (such as the Global Diversity, Equity and Inclusion Benchmark[1]) to perform the assessment

- Benchmarking/best practices

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1  https://centreforglobalinclusion.org/

# STEP 3
# SETTING A STRATEGY

## WHAT?

Set a DEI policy that helps to improve the situation within the brewery and potentially outside the brewery, if applicable. The policy necessitates a strategy with long-term ambitions and targets, as well as intermediary targets and monitoring.

## HOW?

- Based on the situation assessment (see step 2), set:
    - The few topics on which you want to improve (psychological safety, belonging, gender balance, cultural diversity etc. – attracting, onboarding, promoting, retaining talent)
    - Long-term ambitions/goals and related targets
    - Identify short-term and mid-term targets
    - Develop an implementation roadmap for all the short, medium- and long-term targets, including how to monitor progress
- Build a roadmap that covers resource allocations:
    - Financial/budgetary resources
    - Human Resources, including:
        - Brewery management involvement in the DEI policy implementation
        - Employing, possibly, a DEI expert or train a staff member to cover the DEI policy (implementing a Chief Diversity Officer, CDO)
    - Identify monitoring tools
- The strategy development can be done in-house, together with the staff (and possibly external stakeholders when the strategy covers the out-of-brewery environment) and/or involve a third-party expert in (brewery) the DEI policy

# STEP 4
# IMPLEMENTING AND MONITORING

## WHAT?

Once a DEI policy is identified and validated, it needs to be implemented across the brewery and monitored to track progress, identify risks and detect issues that will hinder reaching targets / goals.

## HOW?

- Engage and educate staff, enabling discussions and welcoming their questions:

    - On DEI in general (to establish the right organisation culture, the sense of belonging) and on unconscious inclusion (biases, awareness…) more specifically

    - On the DEI strategy, the specific diversity targets and how to reach them

    - Make colleagues part of the process to own the targets, ambitions and identify the most practical solutions in their remit that they have direct influence on

    - Give them the tools to succeed in the DEI policy implementation

    - Educate management teams so it becomes part of their daily way of working

    - Frequently recognize and reward employees

    - Ensure relevant processes are in place to enable colleagues to raise concerns in a psychologically safe way (i.e. confidential speak up process)

- Allocate the necessary resources
  - Budget-wise (if construction works needs to be done, new equipment is required…)
  - Human Resources, be it through employing a DEI officer (full or part-time), or empower a staff member with new DEI skills (to own the position of Chief Diversity Officer)
  - Set up a DEI committee with current employees from different departments acting as ambassadors to drive change
- Clearly define the roles and responsibilities for each stakeholder
- Ensure a regular forward-looking (i.e. improvement-minded, and not punishment-oriented) monitoring system to track progress, understanding improvement areas through:
  - Top management
  - External third-party company
  - Survey towards employees/suppliers/distributors/consumers
  - Employees' evaluation interview
  - Gather employee feedback
  - Document best practices and policies

# STEP 5
# TURNING DEI INTO THE BREWERY'S DNA

## WHAT?

Instead of making only a one-time DEI policy the work must be turned into an ongoing agenda, enshrined into the brewery's DNA to which attention must be paid (like a HACCP procedure, for example).

## HOW?

- Set-up appropriate structures, by ensuring the DEI policy and goals are enshrined into the brewery's culture:
    - Modify the internal regulation and planning cycles
    - Make it part of the standard recruitment procedure (i.e. checking new employees are aligned to the DEI policy…) and leadership expectations (when applicable)
    - Offering training to new colleagues
    - Turn into a standard operating procedure
    - Set up a diverse (beyond senior management and human resources department) cross-functional DEI committee (when the size of the brewery allows)
- Perform regular audits (Internal and/or external) to see if the previous DEI objectives are still being met
- Perform regular new situation assessment to prioritize and adjust the DEI strategy to societal or political developments:
    - Regarding a potentially changed situation (i.e. the initial objective may have been met, but societal expectations might have changed, meaning the brewery may now be lagging behind)
    - Other DEI topics were not dealt with previously in the initial DEI strategy
    - To continually learn about the advancements in the DEI space

# ANNEXES

## GLOSSARY

### BELONGING

Belonging is the feeling of connectedness to a group or community. It's the sense that you're part of something.

*You feel attached, close and thoroughly accepted by your people.*

### ALLYSHIP

An ally is any person that actively promotes and aspires to advance the culture of inclusion through intentional efforts that benefit people as a whole.

*Allyship is a lifelong process of building relationships based on trust, consistency, and accountability with marginalised individuals and/or groups of people.*

### MICRO AGGRESSIONS

Comments that are derogatory and targeted to insult marginalized groups. Comments or actions that are aimed to invalidate struggles for the systematically and historically disadvantaged.

*Microaggressions can occur against anyone but are particularly damaging when they center on factors based on the recipient's: race, age, disability, gender etc.*

### BIASES

Unconscious or Implicit Bias refers to the attitudes or stereotypes that affect our understanding, actions and decisions, without us knowing. These biases cause us to have preconceptions about other people based on any number of different characteristics. Our biases are developed over a lifetime through our life experiences, as well as the media we consume. They may come from a personal privilege. However, being aware of our biases and managing them so they don't impact our decision making is important.

### UNDERREPRESENTED GROUPS

Is defined as those groups that have been historically underrepresented in the organization or customer base, or who have been oppressed, marginalized, or ignored in society, whether or not legislation exists to recognize and protect them. This covers protected groups or classes identified in some legal systems and those groups sometimes referred to as disadvantaged, vulnerable, or underprivileged, or as minorities or out-groups.

### ORGANISATIONAL CULTURE

Is defined as a system of shared beliefs, values, norms, habits, and assumptions that impact the organization's environment and influence how people behave within it.

## ADDITIONAL RESOURCES

The Centre for Global Inclusion – https://centreforglobalinclusion.org/