

Making the Business Case for DEI

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It is no secret that communities around the world are becoming more diverse. While accepting diversity in our communities, workplace, schools and families can be intimidating or uncomfortable at first, embracing diversity and differences of opinion, experience and background only serve to make us more informed and understanding members of our community and world around us.

The same concept is true for business, especially those with an emphasis on sports and sporting goods. At this year's Management Conference & Team Dealer Summit, a distinguished group of experts on the panel, "How Diversity, Equity and Inclusion Enhances Your Business," made the case to attendees that while DEI is the socially and morally right thing to do, it is also the right path for your business.

The panel was moderated by John Scipio, CEO of SV Sports, the largest African American-owned and led sporting goods retailer and team dealer in North America, and builds upon the concept shared by Duncan Wardle at the 2021 Conference. Diversity and inclusion is a strategy for innovation. Innovation is the key driver for business growth.

"Look at the audience consuming sports or sporting goods like Nike products, the majority of them are African American," Scipio said. "We recognize that there needs to be change, the key is to start the conversation."

This doesn't just apply to consumers. It expands to hiring practices and the culture within the business. Being deliberate about how to speak to employees and customers must be ingrained in your business and marketing efforts.

The Importance for Businesses to Leverage DEI

"Culture impacts the purchase habits of consumers. Be ahead of it," said Ahmad Islam, CEO of TEN35 and a marketing and DEI expert. "Diversity is a competitive advantage. By having diverse perspectives and experiences, it allows you to use a different lens on the world."

While it is not always feasible to hire new employees, there are other ways to support DEI in the community. Today's consumers care about the social impact that brands and local businesses make in their communities. Brands and local businesses should

invest in diverse areas and neighborhoods because they can make a difference and lift an entire community.

"Get involved with social impact programs, there is an expectation as a businessperson in the community that you give something back... employees want to feel good about the organization that they work for... make a commitment to the community, they are watching," said Monica Garrett, Director of Community Relations for LexisNexis Risk Solutions. "It is almost the cost/benefit of doing business. Innovation is another reason to expand and look at diverse communities in terms of where you operate new products, new markets and new talent. There should be a strong correlation between a good bottom line and socially investing in the communities where you do business."

For most businesses, decisions are made by what helps to move the needle, advance the brand and, of course, make money. Garrett adds, "in this role in business, what I have learned over the years is that there has to be a business case for it, and you're going to hear about talent, retention and the marketplace but there is a really strong business case for this (DEI)... you look at these agencies that talk about social impact programs, not just for large corporations, but also for small businesses."

Before investing in the community, Garrett encourages businesses to identify their "why." Why are you investing in this community? What are you trying to get out of it?

Garrett emphasizes, "it is important to recognize the gaps. Who do you want to reach and how do you want to reach them? Be thoughtful in your research. Keep a scorecard to ensure that what matters gets measured to determine if your efforts are successful. What matters to you and the causes you choose to seek out will determine how you translate changes to your business."



>> Yvette Dalton of Charles River Laboratories



The Importance of Diverse Business Teams

Running a diverse business is important because you want your business to be able to speak to different cultures and groups.

“When you think about the business case for diversity, the Harvard Business School came out with a report a few years back saying that when a company is more diverse, it is 20% more profitable. There have been other studies since that time that go as high as 46%. The business case for making your company more diverse is there,” said Yvette Dalton, Senior Diversity Specialist at Charles River Laboratories. “You want your company to be an employer of choice. The more diverse you are at the foundation, internally facing, when you externally face out and you want to attract people from diverse backgrounds that are qualified and excited about your company and want to invest in your company and see it as a place that they want to grow their career, it’s important. You want to attract diverse talent and appeal to them ... people want to be seen, heard and to feel like they matter.”

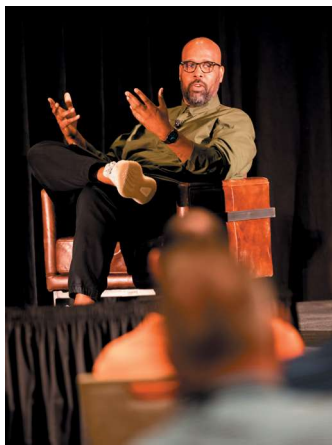
Acquiring great employees requires employers to not only understand what is important to their employees but also what makes them tick. While it is important to hire diverse employees from a business perspective, there should be some internal data surrounding what makes people stay or leave your business. Adjust your program to appeal to a more diverse workforce and find time to visit local schools and universities on career days.

“If kids don’t know your path exists, they won’t be looking to join the line of work or profession,” said Garrett.

“I always spent time at high schools and with kids to let them know they don’t have to end their love of sports when the playing stops,” Scipio said. “It is on us to show them that there is more to sports than just being on the field.”

There needs to be a solid business infrastructure in place to support and help your diverse workforce thrive.

“Know your data and know what your company is all about and then make small changes, because when you adapt in small pieces, then change comes organically. Sometimes people try to do things all at once, and sometimes your organization is just not ready for that. Make measurable, small changes that will yield over time,” said Dalton. “Look for organizations that exist that are diverse and tap into what they are doing, there are many voices for diverse perspectives.”



>> Moderator John Scipio of SV Sports

How to Engage with Diverse Communities to Build Your Brand

When marketing your business or brand to a diverse community, Islam emphasized it is important to “understand your ‘why’ and who you are as an organization, what your value proposition is, what you have to offer consumers and then understanding your consumer ... in a way where it’s not only about what they say what they want, but it’s also about being able to read between the lines to understanding their needs.”

Without making a concerted effort to engage in the communities with which you do business, it is hard to build that understanding.

“I think at times, the important part of it is finding that common ground between who you are as an organization, your value proposition, your consumers wants and needs and finding ways to add value to their lives,” Islam said, “where it is through community impact, providing products and services, creating a corporate culture or company culture within the community that makes people drawn to you and makes people want to be a part of what you’re doing and support your business.

“As you start to create communications, those need to be insight-based as well. You cannot take a one-size-fits-all approach to connecting with consumers. Take the time to step away from what you think, what’s important to you, what you know and putting yourself in the mind frame of the consumer or bringing people into your organization that can help with that.”

There are consequences these days for businesses that do not embrace Diversity, Equity and Inclusion.

“They miss out, it is a good thing to do ethically, but it is also good for your business,” said Dalton.

“You need a plan and vision to move toward DEI because your competitors are. It is now a business imperative,” adds Islam.

The most important step in learning more about or implementing a DEI process for your business is the first one and that’s getting started. This entails having an honest conversation about where your business is right now with regards to DEI. Going through that process is the only way to know where you can improve. It requires an honest look. Once you identify where you are, you can get started on improving.



>> Rhett Johnson, President of Johnson-Lambe Company Raleigh, North Carolina, poses a question to the DEI panel