DIVERSITY AND INCLUSION FOR SMALL AND INDEPENDENT BREWERIES

Best Practices for Implementing Diversity and Inclusion: Diversifying Your Hands

The third resource in a five-part series

PURPOSE

The purpose of this document is to provide best practice guidelines for Brewers Association (BA) members seeking to increase the diversity of their hands. *Hands* are the people involved in the process of producing, distributing, and serving craft beer. For the purpose of this document, the term *diversity* refers to variety in the demographic makeup of the people who produce and distribute craft beer. Incorporating considerations of diversity and inclusion among chief organizational goals will not only allow breweries to attract and retain well-qualified employees, it will also ensure that breweries possess the flexibility to respond to the demands of an increasingly diverse marketplace.

According to the U.S. Census Bureau, the U.S. labor force is aging while growing more racially and ethnically diverse. Over the next 25 years, people of color will come to represent more than half of the working age population. Current research shows that large companies in the top 25 percent for gender or racial and ethnic diversity are more likely to have financial returns above the national industry medians.

Diversity is becoming a competitive differentiator that shifts market share toward more diverse companies over time.

DIVERSITY IN THE WORKPLACE: A SCALABLE FRAMEWORK

Brewery workforces can vary greatly in size, level of organization, division of labor, and individual job functions. It follows, then, that inclusion efforts aimed at managing the diversity of brewery hands will also be extremely varied. Rather than presenting a checklist of to-dos or a one-size-fits-all approach, this document provides a scalable framework of best practices that can be adapted to fit any size organization. After each element of the framework has been explained, a non-exhaustive set of examples is provided. The framework is a three-by-three matrix that integrates three *organizational requirements* with three *inclusion and equity functions*.

Organizational Requirements

Leadership: Research on organizational diversity, regardless of industry, cites leadership more frequently than any other element of an effective diversification strategy.[1] The importance of top-down implementation of inclusive and equitable practices and policies cannot be overstated. It is critical that diversity and inclusion initiatives are supported by those who have the power and resources to effect change. Moreover, to be most effective, diversity outcomes should be part of the overall organizational strategy agreed upon by brewery leadership.

Transparent Policies and Practices: The role of diversity and inclusion in an organization's overall strategy, its diversity goals, and the policies and practices put in place to achieve those goals should be readily apparent to anyone within the organization, and ideally to those outside of the organization as well. Perhaps the most important of these is the designation and empowerment of a responsibility structure.

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[1] Marquis, J. P. (2007). Managing Diversity in Corporate America: An Exploratory Analysis. Santa Monica, CA: RAND Corporation.

A **responsibility structure** is a formalized means of assigning the task of working to create diversity to an entity that is given the authority and resources to hold all organizational actors accountable. Examples of responsibility structures include diversity/inclusion committees, staff positions or appointments, and living documents or strategic plans.

Data Collection and Assessment: For all organizational goals, tracking, measuring, and assessing data translates into concrete results. Diversity goals are no different. Data and assessment results can also be used to measure progress over time and performance in relation to other organizations inside and outside of the craft brewing industry.

Inclusion and Equity Functions

Recruitment (Talent Pool): Recruitment is often seen as the primary activity of diversifying a business workforce. In theory, a brewery's labor talent pool includes all working age adults with compatible skills and competencies. In practice, however, brewery talent pools are significantly more constrained. Several aspects of effective recruitment for the purpose of increasing diversity are aimed at removing a number of these constraints. These include:

- Increasing the size of the effective talent pool.
- Increasing the number of streams that feed the effective talent pool.
- Engaging directly in pipeline development in order to proactively attract future participants in the workforce.

Recruiting Parallel Skill Sets

Knowledge of the craft brewing industry may be low or even nonexistent in many communities, particularly in those that do not have a base of existing craft beer fans. These individuals may not realize that their skills and knowledge may be of value in the brewing industry. Take the time to identify and recruit parallel skill sets in order to increase the size of your experienced talent pool.

Retention (Organizational Culture): While many businesses focus on recruiting a diverse labor force, research shows that fewer businesses put strategic effort into retaining employees from diverse backgrounds by consciously maintaining an inclusive environment that welcomes, nurtures, and supports all employees. In order to achieve lasting results, breweries should strive to mainstream inclusion and equity across the organization. Comprehensive efforts to create a welcoming and supportive organizational culture will not only support diversity and inclusion goals, they will benefit all employees.

Development and Mobility (Career Path): Happy, productive employees are often those who are creatively and positively engaged, feel their contributions are valued, receive support in maintaining work/life balance, and believe their work is impactful and contributes to personal and organizational success. All of these aspects of employee satisfaction are tied to career development and mobility. Ensuring that opportunities for professional development and promotion are proactively offered to all employees, regardless of job function, will support recruitment and retention efforts and will help to ensure breweries are meeting legal human resource requirements.

EXAMPLE: A DIVERSITY FRAMEWORK FOR YOUR HANDS

	Recruitment (Talent Pool)	Retention (Organizational Culture)	Development and Mobility (Career Path)
Leadership	Create organizational statement on inclusion, equity, and diversity goals. Include cultural competence and/or the ability to flourish in diverse environments among desired traits in new hires.	Create organizational statement on inclusion, equity, and diversity goals. Work to strike balance between making sure employees are "part of the team" and also valued for their individuality.	Create organizational statement on inclusion, equity, and diversity goals. Ensure that those in line for leadership positions understand and have internalized the organization's commitment to equity and inclusion. Speak with employees about personal goals and aspirations and invest in their development plans.
Transparent Policies and Practices	Affirm brewery's commitment to diversity and inclusion on brewery's website, annual report, and other external facing communications. Strategically list advertisements in locations that will increase the size and variety of your labor pool. Use partnerships with local educational institutions and professional organizations to develop a pipeline. Use job fairs and community engagement to increase the brewery's visibility among potential employees with limited knowledge of the industry.	Explain diversity initiatives to employees with a clear strategic vision and reinforce the organization's commitment in internal communications. Consider diversity and inclusion goals in government relations activities and philanthropic decisions. Use training and other workforce education efforts to minimize bias and to productively anticipate and resolve conflict.	Provide and promote education, cross-training, and other professional development opportunities for employees who may work in "sticky" positions. Use formal or informal mentoring programs to help employees build relationships, skills, and knowledge, and reinforce workforce education efforts.
Data Collection and Assessment	Collect detailed data about applications received for all job openings.	Use organizational climate and job satisfaction surveys to regularly "take the temperature" of your workforce.	Conduct a human resource audit to identify patterns in hiring, advancement, and turnover. Conduct exit interviews.