



Royal Academy
of Engineering

An introduction to

The EDI Engine



Evidencing the business benefits of equality,
diversity and inclusion (EDI) in engineering

The EDI Engine, from the Royal Academy of Engineering, explores the business and economic benefits of Equality, Diversity and Inclusion (EDI) in engineering. This booklet introduces *The EDI Engine* and offers an overview of its major themes. The full report, produced with Dalberg Advisors, is available at [is available at: raeng.org.uk/edi-engine](https://raeng.org.uk/edi-engine)



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Engineering business benefits



Engineers shape the world we live in. By embracing diversity, they can unlock new ideas and develop more effective, inclusive, and safe solutions for everyone.

Our report highlights how EDI drives benefits across four key areas in engineering businesses: **People**, **Products and services**, **Partners**, and **Processes**.

Why EDI matters in engineering

Creating a more inclusive and diverse organisation is the right thing to do regardless of the business opportunities this presents – justice is not a commodity. However, it's motivating to understand how acting on EDI can additionally bring benefits to your business.

The EDI Engine research evidences how prioritising EDI is a strategic imperative for driving business success in engineering: from attracting top talent and enhancing innovation, to reaching broader markets and protecting your reputation.

In the context of an engineering skills shortage, which inhibits the full potential of engineering's economic and social contribution, advancing EDI can help businesses to recruit, retain and progress engineers, and unleash their creativity for more innovative engineering solutions.

Businesses that advance EDI can access more funding, contracts and partnerships, and also mitigate legal and reputational risk.



About the report

EDI is a win-win for engineering businesses. Inclusive workplaces can lead to higher employee motivation, improved performance, and greater innovation. By prioritising EDI, companies can boost their commercial performance and unlock wider benefits for individuals and the economy.

The investigators for *The EDI Engine* reviewed a range of evidence from engineering, and beyond, to identify the best evidence for the business benefits of EDI.

The examples given overleaf provide a glimpse of the evidence that is set out and referenced to original sources, in our full report.

Interviews with a range of companies, who we thank for sharing their stories, add texture to that evidence through case studies.



Diverse leadership within businesses is strongly correlated with financial performance.

A global study of 1,265 businesses across industries found that businesses with the highest levels of gender and ethnic diversity in their executive teams (in the top quartile of diversity) are **39% more likely to financially outperform** their industry median. This is compared to businesses in the lowest quartile of diversity.



PEOPLE

Inclusive teams create a better employee experience

53% of UK engineers said that feeling included at work increased their motivation. **45%** said it improved their performance.



PRODUCTS AND SERVICES

Diverse teams innovate and make your solutions more inclusive

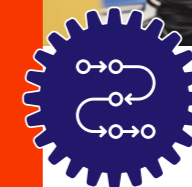
In US research, more diverse and inclusive teams had **121% more patent citations** than un-diverse teams.



PARTNERS

Engagement with EDI can attract investment and enhance reputation

Over half of private equity firms collect or will collect **EDI data** from their portfolio companies.



PROCESSES

Addressing EDI can mitigate legal, reputational and safety risks

In 2022/23 the **highest compensation** from an employment tribunal in the UK was **£1.77M** for a disability-related discrimination case



Our full report includes recommendations to support businesses of all sizes to improve performance across People, Products and services, Partners, and Processes:

EDI actions

- 1. Understand** your starting point through data collection to assess your current EDI practices, policies and culture. Identify areas to improve, set goals and track progress.
- 2. Collaborate** with experts and partners, leveraging external resources and expertise – including engaging with key Academy programmes.
- 3. Adopt** a leadership-driven, strategic approach; use this report to help secure buy-in, and establish EDI as integral to your mission and strategy.
- 4. Tailor** initiatives to organisational needs, capabilities and resources, with ambitious yet realistic and measurable goals. Prioritise high-impact and high-feasibility initiatives.
- 5. Cultivate** a culture that embeds EDI into everyday practices, by encouraging open communications, seeking diverse perspectives, and being proactive in how you address bias and discrimination.



What will this achieve?

- Greater justice and fairer outcomes** for engineers from all backgrounds.
- Recruiting and retaining talent** into the profession through better employee experience and engagement.
- Engineering solutions** that meet the needs of diverse end-users.
- Business growth** and access to markets and funding.
- Compliance, reputation and brand** – safety, organisational health, fulfilling organisational values and CSR/ESG goals.
- Contribution of engineering to **UK GDP**.



81% of engineers prioritise diversity when choosing their employer



Academy EDI initiatives to help you on your journey

Culture+

Developed especially for the engineering industry, Culture+ is an online platform which supports startups, scaleups, and SMEs as they embed diversity and inclusion best practice across their organisation. Simple and interactive, it encourages and supports employees to develop everyday habits that are essential to build inclusive cultures and puts a range of useful resources at your fingertips.

enterprisehub.raeng.org.uk/culture-plus



Graduate Engineering Engagement Programme

Our award-winning programme run in partnership with engineering employers, aims to increase the transition of engineering graduates from diverse backgrounds into engineering employment. The engineering employers are empowered to access this diversified talent pool and to build an inclusive company culture – to not only attract the next generation of engineers but also promote a sense of belonging from the beginning.



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Next steps

- Delve into the full detail of our report and the wide range of evidence presented, including case studies from leading companies
- Share the evidence with your leadership or board to drive motivation to address EDI in your organisation
- Action our recommendations, which in the full report are tailored for small, medium, and large companies
- Engage with Academy programmes to help boost your EDI capability



Download the full report at raeng.org.uk/edi-engine



**Royal Academy
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The Royal Academy of Engineering harnesses the power of engineering to build a sustainable society and an inclusive economy that works for everyone.

In collaboration with our Fellows and partners, we're growing talent and developing skills for the future, driving innovation and building global partnerships, and influencing policy and engaging the public. Together we're working to solve the greatest challenges of our age.

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The statistics in this summary are quoted in our full report, and the original sources are as follows:

Edmans A et al., 2023

Kantar, 2023

McKinsey & Company, 2022

McKinsey & Company, 2023

Royal Academy of Engineering, 2023

UK Government Ministry of Justice, 2023

Whysall and Foley, 2021