

Case Study Analysis of Diversity and Inclusivity in the Workplace

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Introduction

This report will analyse the importance of diversity and inclusivity within the workplace. Looking specifically at the company Tesco, this report will critically analyse how they promote diversity and inclusivity, how effectively they do this, the impact of this on their organisational performance and success followed by recommendations on how to further enhance these efforts. All underpinned by the broader cultural, socio-political, and environmental contexts.

Importance of Diversity and Inclusivity

UK businesses have a legal responsibility to comply with the Equality Act 2010 which protects employees from discrimination; however, this act does not require businesses to provide diversity and inclusivity policies. Although it is not mandatory for businesses to produce these policies, it is important and can improve a business's employment reputation and increase employee retention (Bank, 2025).

Promoting and demonstrating diversity, inclusivity and equity within the workplace is important for multiple reasons, with 78% of 18–24-year-olds and 60% of 55+ year olds in the UK say it is an important factor to them when job hunting (Mitchell, 2023), (YouGov, 2023). This can be due to how it creates confidence in employees through providing specific measures in place to help them excel in their position, by providing these measures for their staff, employees feel valued and acknowledged and can attract and build confidence in potential employees looking for workplaces that foster diversity. It can also increase a sense of community and belonging, creating a positive work environment, where then employees are happier attending work and therefore more motivated to complete work tasks and participate in a position longer.

Promoting diversity, inclusivity and equity in a workplace can help spread awareness on related topics. Businesses can use these policies to educate employees on unrepresented struggles, types of measures that can be used, support lines and help understanding. It can also help broaden perspectives and open ways of thinking and developing. Diverse groups of staff can lead to a wider range of skills and outlooks as staff come from different backgrounds, different upbringings and ways of thinking, therefore more viewpoints can be developed, problem solving and decision making can be made from different angles.

Tesco background

Tesco is a multinational retailer with over 330,000 staff, operating in the UK, Ireland, Czech Republic, Slovakia and Hungary (Tesco, 2025). Tesco's operates as a grocery and retail store, mobile network, banking brand, F&F clothing brand and own One Stop convince shop and Booker wholesalers.

Tesco started as a grocery stall in the East End of London in 1919 by Jack Cohen (Tesco Plc, 2024). Cohen later on in 1929 opened the first Tesco store in Burnt Oak Edgware, north London, and in 2025 operates 5,040 worldwide stores (excluding franchise) (Statista, 2025).

Tesco's core purpose is “serving our customers, communities and planet a little better every day” and they believe everyone is welcome at Tesco and everyone should treat people how they wish to be treated (Tesco PLC, 2025). Their requirement aim is to ‘attract and welcome a diverse range of applicants from all different backgrounds’.

Tesco is known for its diversity and inclusivity practices with 86% of Tesco employees say they feel they can be their selves at Tesco without fear of judgement, and 85% say they would recommend Tesco as a great place to work (Tesco PLC, 2023)

Analysis of Tesco’s Diversity and Inclusivity Practices

As one of Tesco's diversity and inclusivity practices they follow 5 commitments to create a culture that supports their workforce and action plans (Tesco, 2025). This section will analyse all 5 commitments.

Inclusion for all

Tesco says they aim to create an environment that allows employees to be themselves, feel valued and represented at all levels in the company, as part of their inclusion for all commitment (Tesco, 2025)

Tesco have 3 main programmes to help push inclusion, as well as following the other 4 commitments. Tesco introduced a Women's Development Programme in 2023 where women who are nominated by their managers get tools, support and visibility to develop their career. As a named Disability Confidence Leader, Tesco have an inclusive and accessible requirement programme, where reasonable adjustment can be requested on an application form or email to make the requirement process more accessible. Adjustments such as different equipment, premises, furniture, working hours, training and extra time can be made for those who need it (Tesco, 2024). Tesco is part of the Black Action Plan that promotes an anti-racist culture, addresses and understands challenges that ethnically diverse colleagues may face, breaks down barriers and celebrates culture.

Tesco have won multiple awards for their inclusive and diversity efforts. In 2024 Tesco were the winner of the British LGBT Awards for Inclusive Employer and The Royal National Institute of Blind People Employer of the Year. They have also had a 100% satisfaction rate from their Business Diversity Internship (Tesco, 2024).

In 2025 Tesco was awarded One of the Times’ Top 50 Employers for Gender Equality (Tesco, 2024). Tesco practicing and pushing gender equality aligns with socio-political

contexts as they are supporting the UN sustainability goal 5 which aims to achieve gender equality and empower girls and women, as well as complying with the Equality Act 2010 and actively supporting women in the workplace, through schemes like the Women's Development Programme, which highlights their genuine drive and efforts to support women in the workplace. However, Kellanova (Kellogg's brand) was another business under this award who have reach their goal of 50:50 gender representation at manager level in 2023, (Kellanova, 2023), whereas Tesco are aiming to reach a notably different 42% female representation by 2028 (Tesco, 2023). In 2021, Tesco also lost a legal argument against its workers over equal pay. Tesco employees, majority women, argued that they had failed to receive equal pay for equal work, against colleagues who were mostly men. They claimed this was a breach of EU and UK laws, with one Tesco worker, Pam Jenkins, calling it “demoralising” (Simpson, 2021). Both examples show that regardless of Tesco's gender equality award, this is a weakened area of Tesco's diversity and inclusivity practices, and their aim is not being reached in relation to their actions.

Flexibility for all

Tesco says they aim to embrace and support flexible working to allows employees to thrive. They offer permanent, temporary and part-time contracts as part of this and allow employees to request flexible working patterns from day one, instead of waiting 6 months under employment law. One Tesco store manager (Mel Gutteridge) has said she values the flexibility as it allows her to balance work and home life with her 2 young children and partner, and as a store manager she welcomes the right to flexible working from day one (Tesco, 2023).

Tesco does not include time off work for menopause symptom in their absence calculations, to allow employees have time off to cope with menopause (Tesco, 2022). They also allow 1 personal day a year for all employees, that allows employees to take time off for reasons other than holidays, such as doctors' appointments, mental health days and personal responsibilities, however 1 day a year is not significant, compared to companies like Nike who give employees a ‘Wellness Week’ every year since 2021 (Bhasin, 2025), and LinkedIn who give employees a day off every month to invest in themselves (McQueen, 2015). Tesco allows employees to take up to 12 months off as a ‘lifestyle break’, where their role will be given back to them upon return. This can be used for breaks such as travelling, hobbies, studying, volunteers etc (Careers, 2024).

In 2023, Tesco increased their maternity, paternity, adoption and fertility leave and introduced giving kinship carers the same support as adoptive parents, making them the first UK supermarket to do so (PLC, 2023). Tesco also require a minimum 16-hour contract which can become a high workload for students, employees trying to find a work-life balance and those new to the working world. As well as no longer allowing

employees to transfer as part of their flexible working, disadvantaging students, employees moving away and employees developing their career.

In 2020 Tesco was sued by a Thailand garment factory that was used to produce F&F products for failure to reach employee welfare standards (Byrne, 2022). Reports were made from over 130 employees on working over the legal working day, being paid less than minimum wage, experiencing verbal abuse and lack of care, working extensive overtime and living in overcrowded accommodation (Dugan, 2022). This shows that flexible working and basic employment rights are not implemented throughout all of Tesco, displaying inconsistency within Tesco's diversity and inclusivity practices.

Accessible first

Tesco aims to support employees with accessibility needs by providing technology systems, communications and physical attributes.

Tesco have an Employee Assistance Programme that give employees access to 24/7 mental and physical health support. This programme allows employees to use online or phone services to contact GPs and speak virtually or book an appointment or speak to wellbeing experts such as sleep therapists, counsellors and nutritionists. This programme not only allows employees to use it but also their partners and their children.

Tesco also give employees access to over 25 wellbeing apps such as Headspace and Calm using a provided membership, as well as internal resources to promote conversations over mental health and provide a support guide to employees (Tesco, 2022).

Tesco give their employees 50% off Tesco Pharmacy health checks, 30% off glasses and free eye tests at Vision Express, 20% off F&F clothing purchases, 10% off groceries at One Stop, SIM deals with Tesco mobile, and 20% off pet, travel, and home insurance. Tesco's staff rooms include free staff food for employees to eat on shift, such as cereals, bread, noodles, soup, tea, coffee, tinned goods etc, and a colleague shop that gives employee access to discount or free products (Careers, 2024). Providing employees with these discounts and incentives allows them to better access products and services they may need, promoting inclusivity by supporting disadvantaged individuals who may be struggling to provide for themselves and give them the assistances they need.

Transform recruitment

Tesco aim to give employees and candidates a positive and inclusive recruitment experience in order to attract and retain best team.

On Tesco's careers website an accessibility tool has been added called 'My Buddy'. This tool allows users to select different text size, letter and line spacing, multiple reading aids (e.g. text to speech, dyslexia font, magnifier etc), and colour (monochrome and inverted). This allows candidates to use the website in a layout that they find easiest to use. Providing tools like this aligns with social-political contexts as it is combining reasonable adjustments under employment law but taking it further and making it readily accessible to everyone.

Tesco also work with employment organisations that help people with disabilities. Tesco work with; Even Break, an organisation that provides free career support, advice and services, The Business Disability Forum, an organisation that provides employment toolkits, advice and guidance and Purple Space, a network that help push disability related work change. Working with these organisations helps provide candidates applying for Tesco with support and encouragement (Careers, 2024).

Tesco also have an area on their career's website providing interview tips, and a requirement email for candidates to use if they need extra support.

Despite this, reviews on Indeed have claimed that it is a "disgraceful recruitment process" and "do not do any thorough training and new starters are shoved straight on to shifts", showing that the recruitment process may not be as positive as Tesco aim to provide. Another review said they felt "mentally drained and my mental health was at an all-time low" implying that the support and advice that Tesco provides as part of their recruitment may not be efficient (Indeed, 2026).

Tesco's recruitment process is very online based, where you apply via their website, have to complete an online questionnaire to move onto the next stage, and are contacted by phone or email (Careers, 2024). Many people may not have the equipment, skills or training to be able to carry out these vital steps of the recruitment process, disadvantaging and not including these candidates. However, this would align with environmental contexts as it means paper applications are not used.

Developing careers

Tesco aim to support underrepresented and disadvantaged people to gain experiences, skills and behaviours to expand their career paths.

Tesco work with the Kings Trust to help disadvantaged young people improve their employability skills whilst in education. Over the last 3 years Tesco has worked with over 136,000 young people and aim to reach 200,000 by summer 2026 (Tesco, 2024). They also work with the Job Centre Plus and their Movement to Work programme to support people aged 16-30 who are not in education, training or employment and help them get into work and increase their skills. The programme runs over 3 weeks where customer service, digital, health and safety and wellbeing courses are provided in a

classroom setting, an instore placement is then carried out, followed by feedback (Work, 2018).

All Tesco colleagues have access to online learning to upskill, reskill and develop their careers. The training is self-led and is completed by articles, videos and quizzes. Although training is provided, the learning methods are limited and may not suit all employees, as everyone learns differently and some may have learning difficulties making these methods unsuitable.

Tesco is a member of the Governments Armed Forces Covenant, meaning they have a promise that those who serve/have served in the forces are treated fairly. As part of this Tesco support former service personnel in finding a civilian job, whether with Tesco or not. Tesco, say they recognise their transferable skills, ability to cop under pressure and teamwork and aim to provide them with good work (PLC, 2024).

Tesco also have a Launch Disability Programme to support young people struggling to seek work due to disabilities and health. This programme provides self-esteem training and placement within Tesco. The programme also aligns with cultural context as it is carried out through the help of 8 partnerships including; Whizz-Kidz, Shaw Trust and Remploy.

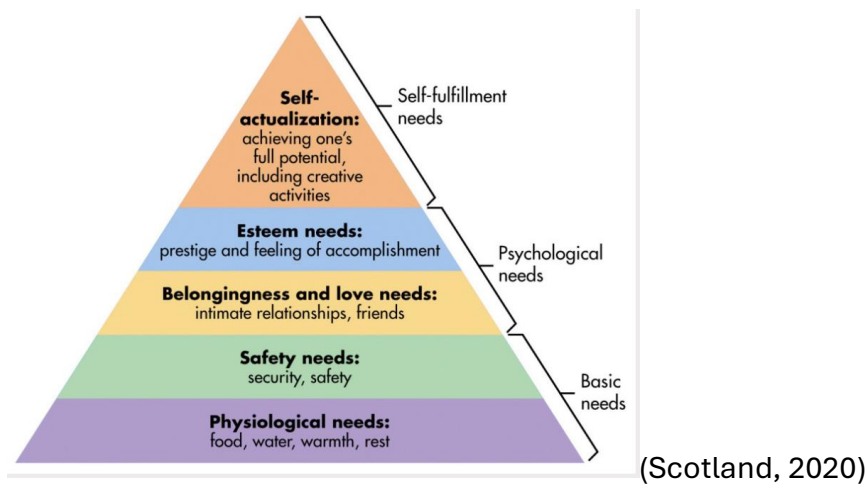
However, during 2025, Tesco cut 400 jobs as part of simplifying the business (Fullbrook, 2025). This left induvial without decent work; going against the aim to support underrepresented and disadvantaged people to gain experiences, skills and behaviours to expand their career paths.

Impact on Organisational Performance

Diversity and inclusivity practices have a great impact on an organisation's performance, this is very visible throughout Tesco, already seen in their range of inclusivity awards and levels of employee satisfaction.

The impact of Tesco's diversity and inclusivity practices is shown in the company's productivity and success. In 2025, Tesco's market share reached 28.2%, followed by Sainsburys at 15.7% (Gazette, 2025). Tesco have been the leading supermarket since 1995, replacing Sainsburys (News, 1999). Highly motivated and valued staff make this possible, demonstrated in Maslow's Hierarchy of Needs.

Abraham Maslow, an American psychologist, created a motivational theory consisting of 5 human needs, shown as a hierarchy pyramid (McLeod, 2025)



Maslow proposed that basic needs; physiological and safety, need to be fulfilled before an individual's full potential can be reached. This is often applied to the workplace to understand how to effectively motivate staff and increase productivity by providing them with all the needs to reach full potential (Herrity, 2025).

This theory can be applied to Tesco and the impact on their diverse and inclusive practices on their performance.

- Tesco employee's physiological needs are met through having access to free food and water, shift breaks and warmth within their position.
- Safety needs are met through job security, reasonable adjustments, flexible working.
- Belongingness and love needs are met through celebrating cultures and working with charity organisations.
- Esteem needs met through career development, Tesco's Women's Development Programme, support, feedback and training.
- Self-actualisation being fulfilled by meeting all previous needs, leading employees to feel their best in their position, increase engagement and performance and help them reach personal goals.

A survey conducted by Onvero and Sapio Research took 2,000 UK employees in September 2025 to assess diversity, equity and inclusivity (DEI) practices in the workplace. They found that DEI practices within an organisation leads to employees to stay in a company 4 years longer than organisations without DEI practices. They also found that 68% of respondent rated productivity as excellent where inclusion is higher, and 46% report decreased turnover (Onvero, 2025). These results show that Tesco implementing diverse and inclusive practices is actively improving productivity and retention.

As part of this survey, 25% participants said that their organisation has a fully embedded strategy that is visible, applied and reported on. This is a small percentage, increasing Tesco's competitive edge for individuals looking for employment, increasing

their workforce and candidate pool, and therefore bettering organisational performance.

When feeling valued and recognised employees are more likely to speak out as they do not have the fear of feeling judged or discounted. Seeing staff as people and not numbers allow more perspectives, ideas and opinions to be shared to work towards faster and stronger decision making and solution making.

Conclusion

Looking at this case study it is clear that Tesco understand the impact of diversity and inclusivity practices within the workplace and from this they are seeing high rates of success and performance.

Not only do Tesco see the reward and impact but so do their employees, seen in the number of employees who would recommend Tesco as a great place to work, and those who say they feel themselves at Tesco without fear of judgment.

Tesco do not just say they embrace diversity and inclusivity, but they implement practices and apply them to cultural, socio-political and environmental contexts. Tesco look beyond diversity and inclusivity as a whole and have specific practices in place for all protected characteristics.

However, Tesco are missing practices in some areas of the business, such as options to transfer locations, under 16-hour contracts, offline training, stronger gender representation, more wellbeing days and productive job cutting.

Other organisations aiming to improve their diversity and inclusivity practices will improve their employee's motivation, increase business success, lower risk of harassment and discrimination and increase employee retention.

Recommendations

To further enhance diversity and inclusivity in Tesco the business could promote the same practices within their supply chain, distribution and operations. Although these are often external companies Tesco can still work with companies that have similar values and aims, to ensure all employees are satisfied and to lower the risk of additional lawsuits similar to the one highlighted previously concerning the Thailand garment factory.

To further enhance their diversity and inclusivity practices Tesco could avoid cutting jobs, like they have previously mentioned, they could provide a scheme that allows staff to transfer to other Tesco stores, remove current requirement opportunities or reassigned staff to new positions within their store/area, before jobs are cut.

Another way Tesco could enhance their diversity and inclusivity efforts is by acknowledging religion more. They could do this by including specific dietary requirements within their free staff food or events. Provide more awareness within employee training about different religious holidays and beliefs. Or allow employees to switch working days for religious events.

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