

Case Study Analysis: Air Canada

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Introduction

Within any organization, the importance of a diverse, equitable, and inclusive workplace is a top priority. Furthermore, a diverse, equitable and inclusive environment within a thriving business “acknowledges and empowers employees to share their strengths freely, without shame, backlash, and further marginalization” (CultureAlly, no date). So the question is, what is DEI, what does it look like within the workplace, and how can we achieve this? DEI stands for diversity, equity, and inclusion. Firstly, diversity is the representation of different groups. Businesses aim to ensure that individuals in the workplace have equal opportunities as well as access to employment, pay and promotion (UN Global Compact, no date). Diversity can include traits such as age, gender, race, as well as values, worktypes and roles (UN Global Compact, no date). Equity recognizes that everyone is unique, not everyone starts from the same place, meaning it aims to create a level playing field for all, by looking at and addressing the barriers and disadvantages and removing them (CultureAlly, no date). It ensures the following three elements: fair treatment, resource allocation, and equal opportunities for every individual (CultureAlly, no date). Lastly, inclusion is about the environment of the workplace in which individuals feel valued, welcomed and respected. It emphasizes that everyone's voices are heard and their contributions are recognized and acknowledged (CultureAlly, no date). With that being said, in this essay, I will introduce the company, Air Canada and examine the DEI initiatives it has implemented through the CARE framework. I will critically analyze these initiatives using academic research, employee experiences, and credible news sources to truly see how effective they are in creating an inclusive workplace.

Background on Air Canada

Air Canada is Canada's largest airline, the country's flag carrier and a founding member of the star alliance, they provide service to over 200 destinations over 6 continents (Air Canada, 2025). Air Canada's first flight took place on September 1, 1937 to Seattle, carrying only two passengers. The company was founded in 1936 in which the Canadian federal government created trans Canada Airlines but later on in 1965 the name was changed to Air Canada. Air Canada is recognized for its strong commitment to DEI as the airline has earned many awards. Air Canada was named for the seventh time in ten years, as one of Canada's Best Diversity Employers for 2025 (Air Canada, 2025). Anumula and Padhy 2024, highlighted that when a workplace has employees with different backgrounds and experiences working together, they are more likely to "challenge the status quo and generate unique ideas" which leads to more innovative and creative solutions. Companies like Air Canada are often getting credited for their diversity and inclusive acts which supports this idea. Not only was Air Canada named one of Canada's Best Diversity Employers for 2025, they also received, for the second consecutive year, an award for being one of Canada's Top Employers for Young People in Canada (Air Canada, n.d.). In addition they also received a Gold Level Certification for Mental Health at Work from Excellence Canada (Air Canada, n.d.). Through recognition and awards that Air Canada receives, it goes to show the commitment they have to their values and goals as an organization and demonstrates the care they have for their employees.

From the chief executive officer Michael Rousseau, he states that "Promoting diversity, equity and inclusion is not only the right thing to do but also essential for any organization that wants to attract and retain the best available talent. For an expanding global carrier such as Air Canada, it is vital that our diverse customer base sees itself reflected in our workforce and that

diversity enables us to better accommodate our customers' needs and expectations” (Air Canada, 2025). This is not just a policy, or a quote written on their website, this is the backbone of what Air Canada believes in. The world we live in is expanding and becoming more and more diverse, meaning companies and organisations must make sure that their workforces reflect the diversity of their customer base.

Critical Analysis

At Air Canada, the Diversity, Equity, and Inclusion team created a strategic framework to ensure Air Canada fosters a welcoming environment where everyone's differences are embraced. The way Air Canada has designed their DEI initiatives were under the four pillars of CARE, which strategically focuses on caring for all their employees, their communities, and each other. (Air Canada, 2025).

Community Outreach

Air Canada’s community outreach looks to strengthen connections and foster inclusivity with communities across Canada (Air Canada, 2025). Air Canada works with local organizations to create access to opportunities and equity-seeking communities. Their aim is to empower their local communities by participating in different types of traditions and different events that embrace the diversity across Canada (Air Canada, 2025). There are many strengths that come from the community outreach program. A few of these would be that employees participated in a lot of different events to encourage women, those of colour, and Indigenous candidates to spark some interest in an aviation career (Singh, 2025). This represents the broader focus on sociopolitical initiatives since it reaches out to communities that are not always represented within aviation, allowing for a more diverse workplace. Also, the Air Canada Foundation noted

that in 2024 they donated \$1.8 million to well-being of communities as well as provide 900,000 meals to Breakfast Club Canada (BCC), Food Banks Canada and Second Harvest. Air Canada donates money and provides meals, which shows they are supporting their communities.

While these strengths are beneficial, there are limitations within the community outreach. One limitation would be that the community outreach mainly focuses on short-term help, and they do not provide much evidence through their reports of long-term impact, making it difficult to know whether these initiatives are actually creating lasting changes in communities. They also reported that some of their community outreach actions may not be sustainable as they are spending more than they were allocated (Air Canada Foundation Impact Report, 2023, p. 16). Lastly, Air Canada mentioned that they are currently not looking to grow due to the increasing number of current partnerships, leading to them to not expand into more communities. Overall, the community outreach program is somewhat effective because Air Canada, as mentioned earlier, was named as one of Canada's Best Diversity Employers for 2025 for the seventh time in ten years (Air Canada, 2025). This shows how the community outreach program helps bring in more diversity and allows everyone to have more opportunities at getting jobs within Air Canada. Yet, with there being little longitudinal information, it is unclear if there will be an impact from these programs long term.

Accountability

The second pillar in the CARE framework is Accountability. Through transparency and data-driven results, their aim is to drive real change (Air Canada, 2025). With integrity, Air Canada ensures their Diversity Equity Inclusion (DEI) goals are met by working with internal and external partners, being one of their major strengths. Another strength within their

accountability pillar is that they ensure their DEI commitments are being met within every level, their DEI structure includes an Executive Council, Steering Committee, Employee Resource Groups (ERGs), and Champions programs. Through these groups, Air Canada celebrates the diversity among their workplace. Also, to ensure accountability was supported they held quarterly governance meetings, they added DEI performance objectives for those in their senior leadership roles, and added new inclusion questions into the employee engagement survey (Singh, 2025). Furthermore, Gujar (2021), noted that ERGs create a sense of community and belonging as they significantly improve employees overall engagement.

In addition, Air Canada also joined the federal 50/30 Challenge. The 50/30 challenge was designed to help organizations within Canada in creating a diversity and inclusive workplace by promoting gender parity (50%) and increased representation of equity-deserving groups (30%) within a variety of leadership roles (Government of Canada, 2025). All of these are major strengths, yet there are limitations that appear. One major limitation is that many DEI employee surveys are self-reported, meaning that the data can be influenced by their feelings or perceptions, in which they are missing the deeper issue. Also, the governance meetings may be good for short-term problems, but will most likely not help the long-term issues. Furthermore, Air Canada may be posting information about ERGs for show, meaning they may not be as effective as one would think as there is not a lot of public evidence that shows this. This is backed by research from Catalino et al (2022), that highlights that organizations often struggle to ensure that their ERG's align with both their employees' expectations and their departments' envision, making it difficult to see the real impact beyond participating in these. Overall, the accountability pillar seems to be moderately effective since it is hard to find evidence that backs all of their strengths with strict data.

Representation

The focus for this pillar is to make sure diverse voices and perspectives are heard and acknowledged across the organization. Through mentorship programs and employee resource groups, Air Canada aims to empower employees from diverse backgrounds to advance into leadership roles (Air Canada, 2025). One way representation was increased was through a large and wide ranging mentorship program in which they paired up their 220 senior leaders with 250 mid-level managers from underrepresented groups (Singh, 2025). She mentioned that 40 percent of the participants who took part were people of colour, as well as the majority of them were women. This is a major strength within their representation pillar. Furthermore, research shows that mentorship programmes should be formalised to make sure that everyone receives equitable access regardless of what their gender, roles, and sectors are. (Efthymiou, 2025). This links to Scott, as cited in Singh, 2025, stating that “when employees can see themselves represented at senior levels and are given the tools to advance, it creates lasting change”. In addition, Air Canada also reflects representation through their inclusive hiring practices, which include their Employee Equity Pay Transparency Gaps Analysis.

The Employment Equity Report from Air Canada looked into workforce diversity and pay gaps using both qualitative and quantitative data. The data talked about women, those of colour, Indigenous peoples, and those with disabilities, while also highlighting issues including how historically the aviation industry has been the male-dominated resulting gender pay gaps. This shows that they are taking effect in a more broader socio-political way to address reducing gender and racial inequality in industries such as aviation where these groups are underrepresented. Although the report shows that Air Canada is working towards improving representation within aviation, there are still several limitations. These include difficulties

comparing different job roles based on responsibilities, efforts, experience, complex pay structures, and small sample sizes, all of which make it challenging to really see if there is change occurring (Air Canada, 2025). Overall, the effectiveness of the representation pillar is more effective than not since it uses real data and statistics to show the outcomes of the meaningful initiatives they are taking.

Engagement and Workplace Belonging

This final part of CARE looks at creating a workplace where everyone feels safe, valued, respected and supported within the workplace and by coworkers. There are many strengths within Air Canada when it comes to workplace belonging, as Air Canada requires their employees to go through sensitization campaigns to teach them about respect, cultural awareness, inclusion and unconscious bias (Air Canada, 2025). Furthermore, evidence shows that prioritising “inclusive practices create feelings of belonging that enhances job satisfaction and turnover” (Sathyanarayana S S, 2026). All of this leads to a more inclusive and engaging workplace. In addition, employees are not only protected by their employers, but also the government when it comes to being treated equally as they are protected by law stating that all employees must be treated equally and fairly (Canadian Human Rights Act, 1985). This allows for everyone, no matter their background, to feel a sense of belonging in the workplace.

Continuing, some limitations that can be found in the workplace would be around their workplace belonging and equity training. As the training is a requirement, some employees may skim the required readings and not read everything properly, or they may simply not retain the knowledge. Also, some employees may simply not agree with the rules about an equitable, respectful workplace, leading to people not following their standards. Lastly, it is almost

impossible to force these policies on employees all the time, leading to many grey areas within the workforce and how everyone treats one another either behind closed doors or openly.

Overall, the effectiveness of this pillar can be considered relatively strong, as it promotes employee awareness of what behaviour, respect, equality, and inclusion look like in a workplace. These initiatives help foster a sense of belonging with their employees and contribute to a more positive workplace culture. However, while such programs are often mandatory, there is no guarantee that all employees fully engage with or retain the information. Even though this is a limitation, the initiatives they are taking to promote still helps create a respectful and engaging work environment.

Overall

After analyzing the CARE framework that Air Canada uses for their DEI initiatives, it is fair to say that it is mainly positive. The CARE framework breaks down their DEI initiatives into pillars which can help them track their initiatives and their goals. It is a structure which is mindful of the different elements a workplace should have in mind when working towards creating an environment in which individuals feel supported, respected and valued. In particular to the representation and engagement pillar, programs like mentorships and community involvement help employees feel represented and supported. Though there are limitations that were identified. The main limitations throughout all four pillars was mainly just the lack of statistics and real data that Air Canada provides in order to justify whether or not the initiatives they are taking are actually benefiting them overall. An example is whether or not ERGs are using their voices for their decision making. They shared external success like their achievements and recognition such as being Canada's Top Employers but it was hard to find whether or not this CARE framework does essentially work. For the more Air Canada should

have more public evidence that shows the impact of the initiatives they take under the four pillars.

Impact on Organisational Performance

DEI and their initiatives can have a huge influence and impact on an organization's overall performance. Backed up by research, it is said that by “linking DEI goals to business outcomes, companies also create a clear vision of how diversity adds value, and motivate employees to align their efforts with the company's overall success” (Roberson, 2025). This directly links to Air Canada's CARE framework as it breaks down initiatives into clear pillars, each with specific outcomes and goals. In particular to the Engagement and Workplace Belonging pillar, it promotes employee satisfaction by fostering a safe and respected environment. An example of this is through an employee perspective. Samuel Eichenwald, Manager, Employee Accessibility & Workplace Accommodation at Air Canada states “A friendly and respectful work environment is one of the things that I love most at work” (Air Canada, 2025). Following this, Singh, cited in the Globe and Mail 2025 said “It was inspiring to step into an environment where shared values drive collective success,” just as he joined the Air Canada team. However, these interviews and quotes highlight good experiences for some employees being represented at Air Canada, it doesn't directly include input from other employees within Air Canada.

Through recognition such as awards, and certificates Air Canada's commitment to creating a workplace that is diverse, equitable and inclusion is highly showcased. As mentioned previously Air Canada was awarded Canada's Best Diversity Employers for 2025. Receiving an

award like this doesn't just come from what they say they do, it comes from ongoing actions and commitment in fostering an inclusive safe workplace.

Recommendations

A key recommendation I would give Air Canada to ensure that their CARE framework is more measurable and effective is to increase their transparency. Rahaman, 2023 noted that it is so important for organizations to discuss their accomplishments, but also their setbacks. Moreover, he mentioned that transparency may be difficult at times, it is crucial for organizations to stay loyal to their goals (Rahaman, 2023). Following this, through my critical analysis one main issue was the limited evidence when trying to evaluate framework. Air Canada does already showcase their commitment through some reports though I think it would be more beneficial to see more statistics revolving around diversity and again how their ERGs have to say within their decision-making.

Conclusion

This framework of CARE, is a testament in which shows the dedication of creating a space where everyone is seen and values which is a key element to success within any company. It allows companies and organizations to create a workplace in which everyone feels supported, included and respected. Through community partnerships, 50-30 challenges, the efforts in representation and more, Air Canada shows a genuine commitment to creating a more diverse, inclusive and equitable workplace. With every positive there is a negative though. Air Canada needs to provide more longitudinal data and statistics that show that these initiatives they are taking are having a lasting effect. As it may look good written down, more evidence needs to be

shown for their effectiveness. Overall, I think the CARE framework is a great way to organize the structure of any organization's DEI initiatives.

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