THE BALANCING ACT
CREATING A DIVERSE WORKFORCE

Research and insights that impact your world of work.
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A diverse workforce is one inclusive of people of various genders, ages, cultural backgrounds, Aboriginal and Torres Strait Islanders and people with physical and mental disabilities. But how many organisations in Australia can claim to truly have a diverse workforce? Many may meet the diversity criteria for one area, such as age, but fall short when it comes to another, such as gender representation.

In this white paper we explore the current situation in Australian workplaces in terms of gender, age, multiculturalism and disability representation. We look at the barriers preventing real diversity. Finally we share six practical steps you can implement in order to create a totally inclusive organisation and retain it by successfully managing individual differences.

Supporting our suggestions are the findings from a survey of 239 Australian employers and 348 Australian candidates, conducted in late 2013.

As a results-orientated company, we hope the strategies detailed herein will help you achieve a lasting and positive impact in your world of work.

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The business case for diversity has been corroborated through both research and experience, with the consensus being that it leads to:

**Improved attraction and retention:** When you proactively seek to attract a diverse pool of candidates for your vacancies, you are more likely to identify the most suitable skills and experience. In contrast, employers that limit diversity parameters effectively limit the number of candidates they can consider and therefore their ability to fill roles with the very best person for the job.

A fully diverse workforce also sends a strong message to employees and candidates that your organisation is accepting of all, and is therefore an employer of choice. In addition, existing and potential new employees will recognise that you value them, which impacts positively on retention. As a recruiting expert, we have seen this in action countless times.

In our survey of Australian employees, 58 per cent would like to see more diversity in their workplace, while 33 per cent are happy with efforts made to date and 9 per cent feel there are more important issues to deal with.

**Reflective of your customer base:** Speaking on a panel at the AHRI HRIZON event in 2013, Ross Miller, HR general manager in Westpac Australia’s financial services arm, said Westpac’s push for a more diverse workforce over the past 10 years has created an organisation that now properly reflects its customer base.

“The best example from an age diversity point of view was our call centres,” he said. “If you went into a Westpac call centre in 2003, everyone would have been under 35. If you go into a Westpac call centre in 2013 I’m very proud to say that there is age diversity between 18 and 70.”

**Improved productivity:** An Ernst & Young study showed that women working flexibly waste just 11.1 per cent of working hours, compared to 14.5 per cent of their full-time counterparts.

In addition Scott E. Page, a professor of complex systems, political science and economics at the University of Michigan, believes that organisations made up of different types of people are more productive than homogenous ones. In an interview he said, “Diverse groups of people bring to organizations more and different ways of seeing a problem and, thus, faster/better ways of solving it... There’s a lot of empirical data to show that diverse cities are more productive, diverse boards of directors make better decisions, the most innovative companies are diverse.”

**Innovation:** “Diverse teams drive more innovation,” according to GE CMO Beth Comstock. “Hiring people with different styles, backgrounds and experience increases the success of teams.”

This view is further supported by a Forbes study in 2011. Of 321 large global enterprises surveyed (companies with at least $500 million in annual revenue), 85 per cent agreed or strongly agreed that diversity is crucial to fostering innovation in the workplace.

“For global companies, diversity is no longer simply a matter of creating a heterogeneous workforce, but using that workforce to innovate and give it a competitive advantage in the marketplace,” the report states. “Competition for talent is fierce in today’s global economy, so companies need to have plans in place to recruit, develop, and retain a diverse workforce.”
And Tracey Burton, former director of diversity at Target Corporation said, “I think the greatest benefit we have found is that diversity drives innovation. People from different backgrounds engaged in thoughtful debate leads to groundbreaking solutions. When you have a team that is engaged and reflective of your consumer base, you can better understand, anticipate and meet the needs of your guests.”

**New approaches**: Katherine Phillips writing in Forbes magazine notes that, “The mere presence of social diversity makes people with independent points of view more willing to voice those points of view, and others more willing to listen... We are more thoughtful, and we recognise and utilise more of the information that we have at our disposal, when diversity is present.”

**Improved financial performance**: In the mid-1990’s in the US, the Federal Glass Ceiling Commission concluded that “Organisations which excel at leveraging diversity (including the hiring and advancement of women and non-white men into senior management jobs, and providing a climate conducive to contributions from people of diverse backgrounds) will experience better financial performance in the long run than organisations which are not effective in managing diversity.”

The Commission cited a study by Covenant Investment Management, which concluded that “The stock market performance of the firms that were high performers on the glass ceiling-related goals was 2.5 times higher than that of the firms that invested little in glass ceiling-related issues.”

Then in 2010 McKinsey & Company found that companies with the highest share of women outperform companies with no women by 56 per cent in terms of operating results.

And Sallie Krawcheck, past head of Merrill Lynch and Smith Barney, wrote in one of her LinkedIn Influencer posts, “Greater diversity of thought, perspective and background has been shown to lead to greater innovation and superior financial results.”

One of the most cited examples of diversity in action occurred at IBM. After Lou Gerstner took over IBM in 1993 he made it a point to infuse diversity into the hiring process. In two years the number of female executives increased by 370 per cent and the number of ethnic minority executives increased by 233 per cent. “We made diversity a market based issue,” Gerstner later said. “It’s about understanding our markets, which are diverse and multicultural.”

Part of the process was to create several task forces broken down by race, gender, disability and sexual orientation, and the work of these task forces led to significant bottom-line results. For example, one task force established a ‘Market Development Organisation’ which focused on niche minority and female customers. Revenue grew from $10 million in 1998 to over $300 million in three years.

Finally, as Deloitte noted in a 2011 report, “When an authentic, inclusive culture is at work, a diverse workforce is capable of producing a range of original and engaging ideas that is simply not possible among homogenous employee populations. At the top of the organisation, this can translate into more apt and financially rewarding decision-making.”

**Procurement process and tender documents**: According to the Australian Network on Disability there has been an increase in the number of companies seeking information from suppliers on their employment and CSR (corporate social responsibility) programs and encouraging tenders from suppliers with a diverse workforce.

**Risk management**: The Australian Network on Disability also note that compliance with legislative requirements and meeting international standards when it comes to diversity reduces litigation risk.
2. MAPPING AUSTRALIA’S DIVERSITY: THE CURRENT SITUATION

While many organisations strive for a diverse workforce inclusive of people of various genders, ages and cultural backgrounds, Aboriginal and Torres Strait Islanders and people with physical and mental disabilities, an examination of the current situation shows us that reality falls short of lofty ambitions.

Yet 68 per cent of employers we surveyed said their company is taking steps to create a diverse workforce.

Is your company taking steps to create a diverse workforce (ie of people of various genders, ages and cultural backgrounds, Aboriginal and Torres Strait Islanders and people with physical and mental disabilities)?

- Yes: 68
- Unsure: 13
- No: 19

Here we present the current situation in Australia for diversity across the various target groups.

Gender

According to our survey of Australian employees, 66 per cent say their organisation is gender diverse.

In our survey of employers, 49 per cent said women are equally represented in leadership positions in their organisation. 60 per cent said women are developed into leadership roles and 71 per cent said women are supported and encouraged to reach their career goals.

69 per cent said a clear maternity leave policy is available.

As these results show, most organisations in Australia have invested time and effort into creating a gender diverse workforce, but have failed to achieve their desired outcome. As reported in The Australian Financial Review, most accounting firms failed to hit self-imposed gender diversity targets set about the time of the new Australian Securities Exchange diversity rules in 2010-11.16

Despite Australia’s population consisting of slightly more women than men17 and more dual-income families than ever,18 women continue to be under-represented in the labour market. According to the Australian Bureau of Statistics, as at July 2013 Australia’s male labour force was 6,707,500 of whom 6,319,900 were employed. Yet Australia’s female labour force was 5,651,200 of whom 5,333,400 were employed.19

In addition, female workforce participation is 58.8 per cent, lower than male participation at 71.6 per cent.20 The under-employment rate for men as at May 2013 was 5.6 per cent, compared to 9.4 per cent for women.21

In a recent report Ernst & Young note that female participation rates decline once women hit their mid-20s and this lasts for two decades as they move from full-time to part-time employment to accommodate the needs of their families.22 A survey by Kronos found that many organisations perceive mothers want to leave the workforce, when in reality they seek to maintain a working pattern; it just may need to be flexible.23

That goes a long way to explain why women continue to be under-represented at the senior management level. According to the Equal Opportunity for Women in the Workplace Agency or EOWA (now known as the Workplace Gender Equality Agency or WGEA) in 2012 women held 9.2 per cent of executive roles in the ASX 500.24 But EOWA also reported that the pipeline to senior leadership is shrinking for women, with men holding 2,148 line positions in the ASX 500 compared to 141 (or 6.6 per cent) for women.25

Furthermore there has been little increase in the number of female executives over the past decade in Australia, and we have the lowest percentage of female executives compared to similar countries.26
In our survey of Australian employees (both men and women), 52 per cent said they are satisfied with the career path available to women at their organisation. But 24 per cent are not aware what career path is available and the final 24 per cent are not satisfied with the career path available to women.

Furthermore 53 per cent said there is not a balance of male and female representation at the senior executive level in their organisation.

Many industries continue to be dominated by men. According to the Australian Human Rights Commission, in the industries of construction, mining and utilities, women account for around 12 per cent, 15 per cent, and 23 per cent of employees respectively. Recent figures suggest that increasing women’s employment rates could boost Australia’s GDP by 11 per cent.27

Meanwhile in Australia’s ICT industry, ‘alarming’ levels of discrimination and gender imbalance exist with no position surveyed in the Australian Computer Society’s 2013 Employment Survey showing higher than a 30 per cent female participation rate.28

According to our survey of Australian employees, 30 per cent do not think traditional male industries such as construction and mining do enough to recruit more women, 41 per cent are unsure, while 29 per cent say such industries do enough to recruit women into their workforce.

As if the glass ceiling hanging over such industries wasn’t enough, the salary differential between men and women also remains. The gender pay gap (the difference between the average of all female and all male full-time earnings as a percentage of male earnings) is 17.6 per cent, with average weekly ordinary time earnings for women of $1,227.50 and $1,489.10 for men.29 The figures also show that over the past 18 years the pay gap has increased by 1.3 per cent.
A significant factor in this differential is the fact that women are under-represented in Australia’s highest paying growth industries.30

Finally it seems we cannot escape the inexplicable fact that as a society we have different expectations for our male and female executives. Marissa Mayer, CEO of Yahoo, was profiled in Vogue’s September 2013 edition and despite many male CEOs appearing in men’s magazines, her appearance sparked debate about the representation of female executives. At the time media reported both that the photo shoot was inappropriate for a female CEO, and that there is a double standard for how female and male CEOs can be represented.31

International comparison
In China the proportion of women in senior management has climbed to 51 per cent this year, up from 25 per cent in 2012 and outpacing the global average of 21 per cent32, according to a recent survey by Grant Thornton. Results from the survey of 200 businesses in China revealed that 94 per cent of them employed women in senior roles. The survey’s remarkable findings would seem to represent great news for women in China.

Age
According to our survey of Australian employees, 69 per cent say their organisation has a diverse workforce of various ages. And 57 per cent said their organisation values mature-age workers.

Do you think your organisation values mature-age workers?

<table>
<thead>
<tr>
<th>Yes</th>
<th>Unsure</th>
<th>No</th>
</tr>
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<td>25</td>
<td>18</td>
<td>57</td>
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In our survey of employers, 43 per cent have plans in place to retain mature-aged staff.

Age discrimination is one of the biggest issues on the employment landscape but few employers want to admit to it. A survey by the Australian Human Rights Commission revealed one in 10 bosses won’t hire a worker older than 50.33

Older workers find it increasingly difficult to be hired by younger bosses, or were the first to be laid off in staff retrenchments. The survey also found half of Australia’s employers believe older workers are at higher risk of being made redundant.

A third of the business leaders surveyed reportedly said older workers did “not like being told what to do” by a younger person, and were more forgetful. Business leaders also felt older workers had difficulty learning new things and did not want to work long hours. One in five would not encourage job applications from older workers.

Yet many other surveys have shown that mature-age workers are more reliable than their younger colleagues. The Max Planck Institute for Human Development in Berlin for example asked over 200 workers, aged 20 to 31 and 65 to 80, to perform 12 tasks to test perceptual speed, episodic memory and working memory. They found that older workers are more reliable and “have fewer bad days at the office.”34 The Institute put the results down to older workers having a consistently higher level of motivation, a balanced routine and a stable mood.

Interestingly, Australia’s labour market has shifted since the global financial crisis as older workers have absorbed half of Australia’s net growth in jobs.35

Despite this, the older the person the more likely they are to be long-term unemployed. According to the Australian Bureau of Statistics, 33 per cent of those aged between 55 and 64 are long-term unemployed, compared with 22 per cent of those aged 35-44 and 13 per cent of those aged 15-24.36
International comparison
In Sweden, the employment rate for residents aged 55 to 64 in 2012 was an impressive 73 per cent, far above the EU average of 48.9 per cent.37 The country also ranks near the top when it comes to employment in the OECD Better Life Index.38 Kronoberg County Council is one example of an organisation in Sweden that has improved “the ability of employees aged over 55 years to stay at work” and created “a positive attitude among management in relation to its own and other employees’ ageing” through measures such as training for managers, career planning at 55 years of age, mentorships, and enhancing workers’ employability through keeping skills up-to-date.39

Youth
Age discrimination is not restricted to mature-age workers. Many studies have been conducted on the attitudes of Generation Y, or millennials, most of which emphasise the negative stereotypes. One such example is a recent Los Angeles Times article with the glaring headline, ‘Employers have negative view of Gen Y workers.’40

Yes Generation Y value work/life balance, want interesting work and are unwilling to make their work lives an exclusive priority.41 And yes their tenure in jobs is lower than the remainder of the working population.42 But they are also more excited by their work, satisfied with the recognition they receive and see more opportunity for growth than their Generation X and Baby Boomer colleagues, and the salary expectations of all three generations are similar.43 Meanwhile Generation Y has ‘a big desire’ for mentoring, but few actually receive it from their manager.44

A study by Kenexa shows that many of the negative stereotypes attributed to Generation Y are age related, and not unique generational issues.45

In Australia the unemployment rate for those up to 19 years of age (as at October 2013) is 17.4 per cent.46 And between 2008 and 2011, the percentage of young Australians without a job for a year or more nearly doubled.47

A survey by Mission Australia found that while around 60 per cent of employers recognised the benefits in employing younger staff who could be moulded to the needs of their business and were willing to learn on the job, many were concerned that young people they’d taken on had proven to be unreliable and immature. These negative experiences have coloured their attitude toward young job seekers.48 But if we are to achieve real age diversity, we must not only focus on improving employment rates for mature-age workers, but also for our nation’s youth.

Deloitte’s reverse mentoring program is one example of how benefits can be gained from a diverse workforce that includes young people. According to Katherine Milesi, a partner in the Australian office of Deloitte, “We identified people who were digital natives and digital dinosaurs. We asked our digital natives to mentor the dinosaurs. The one-on-one private sessions enabled senior executives to ask questions they were too scared of asking in public.”49

International comparison
Germany boasts the lowest rate of youth unemployment in Europe, at below 8 per cent, and its success has been put down to its system of dual vocational training, where students go to school and work simultaneously rather than consecutively.50 Employers are therefore able to employ entry level candidates with both theoretical knowledge and practical experience. But despite this, the city of Cologne in Germany experienced a significant drop in the number of applications from young people, and especially young people “with a migrant background”. Their program to increase youth recruitment saw the number of trainees with a migrant background increase over five years to 34.5 per cent of all new staff, through targeted, individual supervision, the elimination of language deficits and an initial assessment of training needs.51

Multi-cultural
According to our survey of Australian employees, 66 per cent say their organisation has a workforce of various cultural backgrounds.

Meanwhile 66 per cent of employers surveyed said they are committed to recruiting a multicultural workforce.

Multiculturalism is one area in which Australia is successfully creating a diverse workforce. According to the Department of Immigration and Border Protection, many of the Australian-born children of blue-collar immigrants have moved into professional, technical and managerial jobs. Furthermore
some immigrant groups have higher levels of income, lower levels of unemployment and higher levels of home ownership compared to their Australian-born counterparts.52

But despite this, a large number of non-English speaking immigrants are in low skilled employment. Qualifications brought to Australia are often not recognised, or require the individual to undergo a long period of supervision or skills assessment before they can work in a job function equal to that they held overseas.

According to our survey of employees, 49 per cent said immigrants face discrimination when it comes to accessing or gaining employment in Australia.

The latest results, released in 2010, from the Continuous Survey of Australia’s Migrants found that 34 per cent of migrants on skilled or family visas hold a bachelor degree. A further 21 per cent hold masters, doctorate or other post graduate qualifications, while 22 per cent hold a diploma or certificate level qualification. Furthermore 85 per cent speak English as their only language, or ‘very well’ or ‘well’.53

90 per cent of skilled migrants were employed (76 per cent full-time). Five per cent were unemployed (below the national unemployment rate of 5.7 at the time of the survey) and the final five per cent were not in the labour force. For family stream migrants, 19 per cent were unemployed, 35 per cent were not in the labour force, while 28 per cent were employed full-time and 18 per cent part-time.54

Apart from skilled migrants, the expertise of refugees and asylum seekers can also be used to create a diverse workforce. UK think tank the Industrial Society says that refugees and asylum seekers have, in the main, a strong work ethic and a high level of skills. They are often bilingual and can become vital contributors to their new homeland. For example the UK’s Home Office reported that for the year 1999-2000, migrants contributed $77 billion in taxes and consumed $71 billion in benefits and services – thus contributing $6 billion to Britain’s GDP.55

Australia has multicultural roots and overwhelming evidence exists of the economic and societal benefits of refugee migration to Australia, including that skilled refugees bring insight into overseas markets that can be immensely valuable in a global era.

However heated public debate surrounded refugees in the 2013 Federal Election campaign. Perhaps this is because currently in Australia the costs and benefits of refugee settlement are poorly understood. No study in Australia has found that refugees impose a net cost to Australia in the long term. Research indicates that refugees start to make a net contribution somewhere between five and 20 years after arrival in Australia.56

Various studies have also found that refugees have a higher incidence of business ownership than other migrant groups, and that they play a critical economic role in unskilled and semi-skilled work in regional areas.

News Ltd’s Rupert Murdoch recently praised former refugee, now billionaire Westfield boss Frank Lowy, who “came here with a single suitcase. His only real assets were his wit and his willingness to work hard. It turns out that these are the assets that matter most.”57

International comparison
Scotland has a long and proud history of welcoming asylum seekers and refugees, and while the UK Government has a different approach the Scottish Government believes that asylum seekers and refugees should be welcomed, supported and integrated into Scottish life from day one.58 Given the upcoming referendum on Scotland’s independence from the UK, the nation could become a “welcoming and immigrant-friendly nation,”59 and it will be interesting to watch this situation develop over the coming year.
Indigenous

According to our survey of Australian employees, 30 per cent say their organisation has a workforce that includes Aboriginal and Torres Strait Islanders. In our survey of employers, 41 per cent said they are committed to recruiting Aboriginal and Torres Strait Islanders, while 30 per cent offer employment pathways to Aboriginal and Torres Strait Islanders.

According to the Australian Bureau of Statistics, “Neither the Aboriginal and Torres Strait Islander labour force participation rate or the unemployment rate compares favourably to the equivalent non-Indigenous rates.”60

In 2008, the Council of Australian Governments (COAG) agreed to work together to overcome Indigenous disadvantage under the National Indigenous Reform Agreement (NIRA). One of the targets is to halve the gap in employment outcomes between Indigenous and other Australians between 2008 and 2018.61

As at 9 August 2011 (the last census date), 56 per cent of Aboriginal and Torres Strait Islander working age people were participating in the labour force, with 17.2 per cent unemployed, more than three times higher than the non-Indigenous rate at the time (5.5 per cent).62

This is a significant gap, and given that we are now over half way through the NIRA’s timeframe, there is still a lot of work to be done.

International comparison

Canada’s Aboriginal Workforce Participation Initiative (AWPI) is dedicated to “increasing the participation of Aboriginal people in the labour market.”63 It provides a range of resources to motivate employers and help them employ Aboriginal people, with a goal to “converge the efforts of Aboriginal peoples and employers, to stress the advantages and emphasize the benefits of working together.”64 Meanwhile the country’s Aboriginal Affairs and Northern Development Canada (AANDC) department has committed to filling 50 per cent of its vacancies with Aboriginal peoples.65

Disabilities

According to our survey of Australian employees, 26 per cent say their organisation’s workforce includes people with a disability.

As shameful as it may seem, there are no official statistics on disability employment in corporate Australia. The Australian Bureau of Statistics does say, however, that labour participation rates are only 54 per cent for people with disabilities, which is nearly 30 per cent lower than for the general population.66

Furthermore, public service figures show conditions are not progressing with just 3 per cent of public servants identifying themselves as having a disability, a decline of 3.3 per cent since 1986.67

Around 20 per cent of Australia’s population has a disability and it is estimated that four in 10 workers will be aged over 45 by 2020, according to the Australian Network on Disability.68 As disability increases with age, this will have significant workplace implications.

It should come as no surprise then that the Australian Human Resources Institute has been calling for mandatory reporting obligations and for companies to set voluntary targets for employing people with disabilities.

The AHRI argues that mandated reporting of targets similar to the Australian Securities Exchange gender diversity reporting requirements are needed as its research has found widespread employer reluctance in hiring candidates with a disability.69

However according to our survey of employers, just 41 per cent say their standard induction procedures are accessible to a person with a disability. And 54 per cent said their workspaces can be modified to accommodate a person with a disability.

The economic argument for more participation by workers with disabilities is sound. If the gap between the participation rate and unemployment rate for people with and without disabilities was reduced by one-third over the next decade, the cumulative impact on gross domestic product would be $43 billion, according to Deloitte Access Economics.70
But according to our survey of Australian employees, only 40 per cent of organisations can accommodate staff with a physical or mental disability. 31 per cent were unsure and 29 per cent cannot accommodate disabled staff.

International comparison
According to a 2012 survey by our office network in Japan, more than two thirds of businesses in Japan employ staff with disabilities, and this figure is rising in response to government regulations whereby employers with fifty or more staff must have those with disabilities represent at least 2 per cent of the total. It is positive to see businesses in Japan working towards a fully diverse workforce and staffing strategy.
3. WHY WE FALL SHORT ON DIVERSITY

Over recent years there has been a notable increase in the number of diversity initiatives within both private and public sector organisations. Yet those efforts do not seem to be achieving the changes advocates want to see.

As Deloitte noted in a 2011 research paper, “Truth be told – there appears to be more head nodding about the business case (for diversity) than a rolling up of the sleeves to take action.”

There are numerous reasons why organisations fail to deliver on their diversity strategies. For some the challenge is about hiring or promotion mechanisms. For others, it is due to branding the diversity plan in a certain way, not securing a commitment from executives, or using ineffective training techniques.

We asked Australian employees why they think organisations fall short on diversity. Here are some of their comments:

“People tend to employ people like them, so if they come across someone too different they hesitate.”

“Preconceived opinions by management on the ‘type’ of people sought, which creates a prejudice (unconscious or not).”

“General discomfort of not understanding someone with different abilities to theirs.”

“They are unable to see the longer term benefits of fostering a diverse workforce.”

“Many hiring managers have no training in HR.”

“Many small businesses do not have the capacity to be able to identify and target opportunities within their business.”

“Diversity is often dealt with at a compliance level and not a passion or value for managers.”

“Good intentions get lost when any additional costs/investments are needed. So often businesses are not truly committed.”

“Entrenched personal bias amongst old managers.”

“Diversity is just a slogan.”

“It’s about the managers. At a previous place of employment, the managers made racial comments and said they would never employ certain types of ethnic groups. In my current place of employment there is definite diversity and we all respect each other and share a laugh about each other.”

“It requires owners and managers to put aside their pre-conceived ideas about certain groups and that is something they are not prepared to do.”

“On paper and in legislation workplaces are required not to discriminate – in reality they discriminate.”

“They have no confidence in their ability to make it work without disruptions to work, discrimination and compensation claims.”

“I think there is still a perception that people with disabilities will not be able to carry the same workload as someone who is completely able bodied, however I believe that most people with a disability have adapted to their situation and it really has very little impact on their daily lives.”

“In spite of developments in legislation and rights for diverse groups in society,
there seems to be a lot of residual bias and outdated methods of recruitment, from both men and women in senior management roles.”

“There’s a misconception that it’s all too hard to deal with.”

“Lack of measurable targets, lack of diversity on interview and selection panels, and lack of commitment from the executive level.”

“My experience as a mature-age person is that employers do not fully appreciate the benefits of employing such an individual. I have applied for over fifty positions in recent times without success.”

“Men play the promotion game better than women. They talk themselves up and take credit when women tend to allow the team to take credit. They also work very hard at competing for self promotion.”

“In the legal profession, men still run law firms. I think that law firms try to put women in senior roles just as a token to the public, not because they believe in it. I work in construction law and I am the only professional female in the group and am definitely undermined by the men in the group.”

“Recruitment in itself fails based on age and gender prejudice, even if it is subconscious.”

“Stigma is a very powerful foe. If told of a disability, people immediately have a set way in which they view you. A little more effort in training and being given an opportunity to show their skills would go a long way.”

By combining existing research with our survey of employers and employees, the following appear to be the main barriers preventing real diversity in Australian workplaces.

**Failure to promote the business benefits**

In part 1, we presented the business case for diversity. But many managers, executives and even HR teams fail to understand and promote these benefits within their organisation. This is the first barrier to creating a diverse workforce since, as two of our survey respondents noted:

“Managers often need to see the benefits first hand before they become an advocate of the benefits to be gained from diversity.”

And

“Employers are unaware of the benefits diversity can bring to the organisation.”

**Personal prejudice**

Another factor is the personal prejudice that can exist in those making hiring decisions. A difficult topic to explore, from big companies to small the people who make hiring decisions may not have received training in diversity hiring. Or if they have, there is no monitoring of the steps they then proactively take to ensure a diverse workforce.

Prejudice in the hiring community halts an organisation’s ability to achieve diversity. HR can present the business case for diversity, but unless hiring managers truly embrace it with a positive attitude no edict from on high will lead to true change.

Employers said in our survey:

“There is a stigma attached to certain areas, particularly disability and mental health.”

“Personal preconceived ideas or bias hinder diversity.”

“Although EEO legislation is in place there is still a bias towards recruiting culturally fitting candidates.”
“It is the bias of the people in charge. When we are hiring, I give hiring managers CVs of migrants and they are never interviewed, never selected. Women are not promoted and never receive salaries or conditions equivalent to the males in the company.”

Unconscious bias
Another barrier is unconscious bias. PwC Australia head, people and culture, Richard Deutsch, said in an Australian Financial Review article that the accounting firm needed to unravel unconscious bias in the recruitment process. “In the last three to four years the majority of people recruited into senior level have been male. We need to specifically look at that issue and the reasons for it,” he said.73

In addition in 2013 the Business Council of Australia unveiled measures including the systematic testing of chief executives and board members for unconscious gender bias in a bid to promote more women into senior executive roles.74

In our survey of employers several noted that unconscious bias, particularly in the form of recruiting people like themselves, is the key factor preventing diversity. Comments included:

“Often people employ, without consciously thinking about it, potential employees that they feel comfortable with, and generally those people who hold similar values, thoughts, cultural characteristics, as the recruiter/employer.”

“Many managers recruit people who are similar to themselves (the mirror image approach).”

“Most managers recruit like minded people. This usually results in a specific culture being dominant in the workplace.”

“Leadership attitudes and behaviour drive the required ‘cultural fit’. So if the leader thinks maternity leave is inconvenient for the business and that all staff should have a ‘work hard play hard’ style then that attitude filters down to recruitment and promotions within each team.”

The ‘merit’ argument
A common argument against diversity holds that if you focus on recruiting a diverse workforce you do not recruit the candidate with the very best skills or experience. Those who hold this belief say they create an interview shortlist from applicants who possess the most suitable skills and experience, and from that shortlist they then hire the best person.

Indeed a sizeable portion of employers in our survey held this opinion, with comments including:

“It is difficult to hire the best person for the job with balancing diversity.”

“Recruitment and promotion should be merit based and all people have to be considered equally in such considerations.”

“Employing individuals is mostly about employing the best person for the job. To enable true diversity to occur it can sometimes mean that the best person for the job needs to be overlooked. In business that is not the smartest move.”

“Organisations are aiming for best profit and the best person for the job. Diversity often prevents this.”

“It is ridiculous to impose diversity in the workplace. The number one criteria should always remain technical abilities required to undertake the work.”

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“Why do we need to create a diverse workforce? What is wrong with simply hiring the best candidate for the position?”

“It depends on who applies.”

“The people applying for jobs are not diverse. People should be employed based on merit and skills.”

Of course the final recruitment decision should always be based on who possesses the most suitable skills and experience, but if there is not diversity in your application pool how do you know you have the very best shortlist from which to select from? If we are to recruit the top talent based on merit, then we need to ensure we reach a diverse range of candidates and encourage them to apply for the role initially. Diversity in an applicant pool will ensure you select the very best shortlist, which will naturally then be diverse. In turn you can build the very best workforce, which again will naturally be diverse if all candidates are considered equally.

Thus organisations need to approach people directly and be far more proactive in compiling diverse shortlists, since to recruit based on ‘merit’ means we must select from a diverse candidate pool initially. Otherwise, even at this initial stage of sourcing applicants, unconscious bias can exist.

One of our survey respondents puts it best:

“It is difficult to see unconscious bias. The most common view is ‘people are hired on merit’, which is correct, but equality doesn’t mean everyone is treated the same. It means that those who need it get some assistance to get access to the same opportunities. This subtle distinction is very difficult to understand until you’ve worked in this field or experienced this first hand.”

And if a diverse applicant pool is sought, and from this a diverse shortlist selected, then the following situation develops:

“A truly diverse worksite has diversity amongst its staff, but each team member has been employed on merit.”

As Deloitte’s CEO, Giam Swiegers, says, “Deloitte is, and will always remain, a meritocracy...the cultural diversity program is about creating a fair environment for all Deloitte people, regardless of background or religion.”

Myth versus reality

Dr Peter Radoll is an Assistant Professor at the University of Canberra and Member of the National Indigenous Research and Knowledges Network (NIRAKN). We asked him why he thinks employers fall short when it comes to creating a truly diverse workforce, inclusive of Aboriginal and Torres Strait Islanders, and he said that many Australians believe the many myths about Aboriginal and Torres Strait Islanders. “Employers can sometimes have low expectations of Aboriginal and Torres Strait Islander peoples. I like to look at Reconciliation’s relationship barometer. The past two barometers show that there is not a lot of trust between the Aboriginal and Torres Strait Islander community and other Australians and I believe that the general lack of trust impacts on Aboriginal and Torres Strait Islander employment.

“A lot of Aboriginal and Torres Strait Islander people like to work in areas where they can assist their community in some way, such as education or health. This notion is strengthened by University and TAFE enrolments. It can be difficult to attract Aboriginal and Torres Strait Islander people to some vocations.”
**Business culture**
Many organisations have inbuilt and often hidden elements in their business culture that do not support diversity, such as the perception in IT that women can’t code. In such cases HR with the support of the CEO needs to drive cultural change in support of diversity. This is no quick or easy task, but unless the business culture is supportive of attracting, recruiting and retaining a diverse workforce, reality will fall short of HR’s diversity ambitions.

Such change however needs to be communicated in a way that promotes and recognises the benefits of diversity, otherwise employees may misinterpret change as mere politically correct lip service.

**Diversity fatigue**
Diversity fatigue refers to disinterest or even dislike of diversity activities that are taking place at an organisation. It occurs after the launch of a diversity initiative followed by months or years of diversity programs.

Causes of diversity fatigue include the lack of senior executive endorsement or involvement, lack of a diversity plan, failing to connect diversity activities to the business case, sporadic activities, a lack of communication and a lack of manager and executive accountability.

As one of our survey respondents said:

“Once targets are set and diversity is measured, diversity can become tokenistic.”

**Failure to integrate differences**
Diversity goes beyond attracting, recruiting and retaining certain target groups. If true diversity is to be achieved, it also involves recognising and valuing the varied skills, knowledge, backgrounds and perspectives that people bring to their work. Rather than merely accepting people from different target groups, diversity also means managing and integrating their varied lifestyles, beliefs and needs to your business.

Failure to do this means true diversity can not be achieved, even if set diversity employment targets are achieved.

**One is enough**
Some organisations are very good at focusing on one diversity target group as opposed to all. As two of our survey respondents noted:

“They tend to focus on one area (e.g., gender diversity) and ignore the others.”

“I believe certain kinds of diversity are more or less acceptable in different environments so there remain barriers or obstacles for people from the other kinds of diversity to be successful.”
4. SIX STRATEGIES TO CREATE A DIVERSE WORKFORCE:

While there is no one-size fits all magic solution to diversity, the following strategies can be considered and adapted to fit your organisation’s unique business, sector and workforce. We group the below strategies under three key themes: culture, learning & development, and environment.

**Culture**

1. **Lead from the front**

According to our survey of Australian employees, 52 per cent say their organisation’s public face and the way they portray themselves on issues like diversity isn’t a true representation of the real culture.

Other comments from our survey respondents included:

“Workloads, deadlines and time pressures do not always allow flexibility to accommodate diversity.”

“An organisation’s ‘public face’ is controlled by marketing and usually bares little relationship to its real culture, diversity included.”

“Most companies that have their mission statement displayed don’t actually follow it. If you want this to truly be what your company stands for then enforce it.”

How your business is viewed as a workplace has a huge impact on the number of quality skilled professionals applying for roles. As a consequence of a culture and values that support inclusion and diversity, an organisation is likely to be known – or be working towards being known – as an organisation that supports diversity.

**Business culture**

So let’s look first at business culture. The Wharton School of the University of Pennsylvania studied diversity and found that certain environments and business strategies enhance the effectiveness of diverse teams. They found that “diverse groups are more likely to have higher levels of performance in environments that emphasise a people-oriented culture (cultures that emphasise cooperation, sociability, empathy, good interpersonal relationships).”

By comparison, those organisations with cultures that avoid risk-taking and seek to maintain the status quo do not embrace diversity.

This suggests that in certain organisations cultural change may be required to enable real diversity. This is not a simple process, and it takes time, expertise and executive support to become reality. However a people-oriented culture can have many benefits besides diversity; it is also an essential ingredient in becoming an employer of choice and enabling you to attract and retain the top talent.
Inclusion

According to our survey of Australian employees, 49 per cent say a feeling of ‘belonging’ to their employer’s company culture makes them feel more positive about the company they work for.

And 82 per cent said their colleagues are open to working within a diverse workforce.

According to Deloitte, diversity is leveraged through inclusion, or the “extent to which individuals feel valued and included by an organisation.” Inclusive leadership, they argue, will ensure that all employees can fulfil their potential.

So in this sense, a diverse workforce without an inclusive culture will not achieve the desired outcomes. In isolation a diverse workforce is just that – but with an inclusive culture an organisation will value differences, support and encourage individuals to thrive, and thus benefit from improved outcomes.

So if you can create an inclusive culture in your workplace, where employees feel valued and included, and which is based on “openness, merit and rational decision-making”, then your diverse workforce will be able to utilise its “richer knowledge bank” to achieve “better business outcomes.”

In its own words employer of choice Google “strive to cultivate a wholly inclusive workplace everywhere we operate in the world. We want all Googlers to love coming to work every day, not just for their projects and the great perks, but for the inclusive culture where they can feel free to be themselves and thrive.”

To create an inclusive workforce we suggest:

- You foster a culture that values inclusion;
- Senior leaders and middle managers commit to an inclusive, collaborative, respectful, fair and equal opportunity management style;
- They ‘champion’ inclusion;
- Leaders are held accountable for an inclusive team culture;
- You clearly communicate to all staff the importance of and business case for inclusion;
- You provide opportunities for staff to work in teams on projects and utilise their differences; and
- You encourage employees to be inquisitive and consider various opinions.

CEO support

But a truly diverse workforce can only be created with the support of leadership at the top. With real commitment, encouragement and leading by example, an organisation’s top executive can enable progress to take place by supporting all programs to encourage diversity.

Diversity should also be on the strategic agenda; your CEO should visibly champion diversity.

Without such drive from above, even the most supportive manager of diversity can struggle to create real change.

One example of leading from the front comes from the ten CEOs from Consult Australia, the industry association for consulting firms operating in the built and natural environment, who signed a Charter of commitment to workplace equality, and pledged personal action.

Towers Watson meanwhile aim to develop a diverse workforce and part of their strategy is to lead by example: “Our senior leaders are expected to model appropriate behaviours, and have set specific objectives related to diversity and inclusion.”

And Microsoft CEO Steven A. Ballmer has said, “Diversity and inclusion are not just words on paper for us; they are core values and business imperatives. We promote diversity at every level within our organisation and strive for inclusiveness in everything we do.”

Steve Jobs, the late cofounder and CEO of Apple, was passionate about diversity and bringing more minorities into engineering. He even hired a “Senior Engineering Diversity Manager to recruit a more diverse workforce, and today there are dozens of engineers from underrepresented groups working at Apple.”

Harvard Business Review interviewed 24 CEOs who have made diversity a strategic priority. They concluded that diversity made its way to the top of a CEO’s agenda for two reasons: the first was the belief it was a business imperative in order to stay competitive; the second was the belief that diversity is a moral imperative, which usually resulted from their own personal experiences and values. As noted in the article, “A CEO’s commitment often arises from his or her own understanding of what it means to be an outsider.”
But what if diversity is not top of your CEO’s agenda? Then clearly demonstrate the link between diversity and business success. By making the business case, your CEO can see the value diversity will bring, whether it be greater understanding of the customer base, increased innovation within internal teams, or talent attraction. The evidence alone should be persuasive.

2. Voluntary targets

Targets are not a new concept. All organisations have various operational targets in place at any given time, from financial to customer service. Thus in theory it should be an easy process to extend targets to workplace diversity. However as we know, theory does not always smoothly lead into practice.

Shortlist targets

Just nine per cent of employers surveyed have targets in place to ensure they create a diverse shortlist.

Voluntary organisation-specific gender, mature-age, disability, multi-cultural and Indigenous representation targets for each shortlist is our next suggestion. The value of these targets is dependent on your own unique situation. For some large multinational organisations the value may be set at two candidates for each diverse group; for other smaller domestic organisations it may be one candidate from just one of the diverse groups identified. But regardless of an organisation’s size the goal is the same: a candidate pool of diverse composition.

Some organisations choose this strategy over set workforce targets since shortlist targets force hiring managers to interview and consider a diverse range of candidates, from which they can then make hiring decisions based on who has the best skills and experience.

Without set workforce quotas the ultimate hiring of a diverse workforce is still at the hiring manager’s discretion, but this strategy does at least ensure candidates from diverse groups are interviewed and considered.

Citigroup is one example of an organisation that ensures a diverse shortlist. The organisation ensures that “diverse candidates are included on candidate slates for new opportunities” and “strive to present a diverse pool of highly qualified candidates for management and professional opportunities.”

With such targets in place, you ensure your organisation recruits from a diverse pool of candidates, essential if we consider that true diversity begins with recruitment.

Workforce targets

Intel “make sure women, minorities, people with disabilities, veterans, and other diverse groups are appropriately represented” in its workforce.

Just 14 per cent of employers surveyed have targets for gender representation as well as for Indigenous representation. That figure drops to 6 per cent for multi-cultural representation and 4 per cent for people with a disability and mature-age workers.

To date the use of workforce targets has, more often than not, been restricted to helping to improve female representation in businesses. In reference to the progression of women into senior leadership positions Mike Smith, the CEO of ANZ, said, “The biggest gains will occur when more businesses not only set and report on targets but also take the time to understand what is needed and take direct action to ensure more women thrive and advance in our workplaces. This is not just about addressing equality, it actually makes good business sense and those organisations that take action will reap the economic benefits of a more productive workforce.”

But most employers want to keep targets voluntary, rather than go the way of Norway with mandatory quotas.

In our survey of employers, only 17 per cent said mandatory quotas would be an effective method of ensuring diversity. 66 per cent said they would be mere tokenism.
The Workplace Gender Equality Agency has created a gender target-setting toolkit to help organisations set voluntary targets that take into account their particular circumstances. It includes a target-setting calculator so that organisations can determine a realistic target over a set period of time.

While it was designed with gender in mind, the advice within the toolkit could be used to help create representation targets for all minority groups. Such targets force hiring managers to become accountable for actively considering a diverse range of candidates. They will then hire on merit, but it forces them to challenge any bias related to candidates they may otherwise not consider or interview.

This practice can also be extended to promotional pools to ensure career progression and diversity at the senior management level.

‘Plus-one’
An alternative actionable diversity objective is the ‘plus-one’ pledge. An initiative from Australia’s ‘Male Champions of Change’, it commits organisations to adding at least one woman to their teams as roles arise. While the focus of the ‘plus-one’ pledge is gender diversity, the concept could be applied across all diverse groups in the workforce.

3. Accountability

One thing all organisations that are known for diversity have in common is their regular monitoring and reporting of diversity progress. For example Towers Watson, “monitor our progress and report on it quarterly to our Compensation Committee, and Global Diversity and Inclusion Council.”

Meanwhile according to ANZ, “The ANZ executive level Diversity Council, chaired by our CEO, Mike Smith, sets and publishes (internally and externally) a scorecard that outlines priorities and targets with measurable outcomes. We also set specific public targets such as our target around our Given the Chance employment program which are monitored and reported against twice-yearly.”

So once committed to diversity, it is important to create indicators to monitor progress towards hiring and retaining a diverse workforce. In concluding this section where we began, we repeat that it is important for an organisation’s top executive to monitor progress, and perhaps even be accountable for results, and of course support all programs to encourage diversity to take place.

Learning & development

4. Education at all levels

Educate hiring managers – this is where ‘the rubber hits the road’!
Provided an organisation is committed to diversity through its culture and support from its leader, then education is our next strategy to create a diverse workforce. If not, any education programs will be mere lip service and will fail to create a truly diverse workforce.

According to our survey of employers, just 28 per cent train hiring managers to improve awareness on diversity-related topics such as age, disability and women in the workforce.
And 37 per cent of organisations provide training on how to recruit for diversity. But of these, just 45 per cent go on to measure diversity outcomes in their organisation.

If you provide training, is diversity then measured in your organisation?

- Yes: 33
- Unsure: 45
- No: 22

The next step is to educate hiring managers and other business leaders on the benefits that diversity and a culture supportive of diversity and inclusion will bring. This group plays a critical role in balancing the diversity of the organisation, both now and in the future, with the recruitment of the best person for the job. Starting with a diverse shortlist is the key – unconscious bias is often present before the interviews start. As recruiters we take our responsibility very seriously and do our part, but better support from within will allow hiring managers and leaders to be shown how to follow the lead of the CEO in support of diversity.

One way to do this is through the use of ‘champions’. These champions could be geographically focused, or focused on a specific diversity group such as a culture, women or disabilities. These champions should become experts in their minority group, and are often a member of that minority group themselves – although this is not essential.

Training hiring managers to recruit based on set criteria is also important, as is showing them how to recognise the value of differences.

In addition, people managers should be trained on how to promote inclusiveness within their team, what is appropriate and not appropriate behaviour in various cultures, and discrimination laws.

Managers should then be held accountable, such as via performance objectives, in order to ensure their training is put into practice.

Address unconscious bias

Overt or systemic discrimination is a challenge to eliminate from hiring managers since it happens without a person being aware of their bias. For example, when we think of a surgeon, a nurse, a preschool teacher or an electrician, we often unwittingly picture a man or a woman. Such unconscious bias needs to be brought to the attention of hiring managers through training or additional programs since we cannot change unwitting bias unless we are first aware of it.

Such training should challenge assumptions. According to Pamela Young, author of a book on diversity, “Sustainable permanent change can only be achieved when the assumptions that drive attitudes and behaviours are revealed, challenged and aligned with your goals.”

It can also involve taking unconscious bias testing, a strategy that was recently proposed by the Business Council of Australia.

So talking about unfounded generalisations and turning the focus instead onto attributes, skills and experience, will help overcome unconscious bias. PwC is one organisation taking such steps. It is developing an internal program to address unconscious bias in its hiring process, as well as a separate initiative to challenge traditional ways of recruiting.

While unconscious bias is often spoken of in reference to the recruitment process, we should remember that it can also be a factor in promotions and in selecting (typically older) employees for redundancies.
Treat people as individuals
Unconscious bias or generalisations about staff members based on their gender, age, disability or cultural background can also lead to incorrect assumptions about their abilities or needs. Two-way communications with each individual staff member, such as through formal performance reviews or weekly or monthly meetings, will ensure you deal with staff as individuals and consider their unique situation.

Train all staff
According to our survey of employers, 44 per cent offer cultural awareness training for managers and staff.

This is a sensible strategy since training can help counteract any concerns staff may have about diversity or about potentially saying something that could be viewed as discriminatory.

Much like training for hiring managers, all staff benefit from becoming aware of unconscious bias, discriminatory conduct, cultural sensitivities and inclusion principles.

But a study by Deloitte found that workplace diversity training will only work if it includes self-efficacy components, or in other words, “the confidence that one can marshal the necessary motivation, cognitive resources and actions required to change behaviours and successfully attain diversity goals”. They argue this allows employees to apply the information and skills acquired in training in the workplace. Deloitte also suggest diversity training is audited to ensure it includes knowledge, skill and confidence based components, rather than relying solely upon knowledge transfer, which does not work on its own.97

One example of an organisation that offers regular diversity training to its staff is The Coca-Cola Company. In the organisation’s own words, “We find ongoing dialogue leads to better understanding of our colleagues, our suppliers, our customers, our stakeholders, and ultimately, to greater success in the marketplace.”98

5. Development programs
Development programs aimed specifically at minority groups is our fifth strategy for creating a diverse workforce – at all levels in an organisation. For instance, Intel in its words “focuses on leadership and development initiatives for our African American, Hispanic, and women employees. Three leadership councils comprised of experienced executives serve as role models and actively support these programs.”99

Development programs may take the form of internal or external training or education. For example, Chevron Australia has launched an education program to increase the number of women in engineering roles in Western Australia. Through the program, women will gain the skills required for an engineering career in oil & gas or resources & mining.100

According to Kaye Butler, General Manager Human Resources at Chevron Australia, the supportive learning and mentoring program, part-time course structure and all-female learning environment help break down the barriers that often prevent women choosing engineering as a career path.101

Or your development program could involve less structured one-on-one mentoring, where each member of a minority group is mentored by an experienced employee to provide support and career guidance in order to help achieve real career advancement. For example, Citigroup runs a mentoring program to ensure all individuals have an opportunity to grow and excel.102

Colgate-Palmolive is well-known for its commitment to diversity. In the organisation’s own words, “As part of our commitment to our greatest asset, our people, we are constantly strengthening our mentoring, training and work/life balance programs in an effort to ensure that all employees have access to professional and personal development opportunities.”103

By developing minority groups within the organisation, you will not only create diversity at the top, which promotes diversity across the organisation as a whole, but you will offer diverse role models to those just starting their careers, which will help forge a culture where diversity becomes a given.
Networking groups

You could also consider employee networking groups. For example, part of Colgate-Palmolive’s commitment involves forming employee network groups in order to promote the development and advancement of diverse groups in the workforce.104

Meanwhile at The Coca-Cola Company, “Diversity is an integral part of who we are, how we operate and how we see the future”, and their diversity workplace strategy includes providing “support systems for groups with diverse backgrounds.”105

And at Towers Watson, “Associate Resource Communities build understanding of the concerns and issues of colleagues across the different segments of our workforce. Currently, we have two active communities — Women and Supporters, and Out@Towers Watson for lesbian, gay, bisexual and transgender associates and allies.”106

Finally at ANZ employees are provided with “mentoring programs and affinity networks to build relationships and networks amongst employees from specific or under-represented cultural backgrounds.”107

You could follow their example and consider inviting the diverse groups in your workforce to form or join a support network. For example, Aboriginal and Torres Strait Islander employees could join a network or caucus to get together with other Indigenous people and discuss the challenges and successes they have within the workplace.

Environment

6. Adapting your office environment

Recognise different cultures

The importance of recognising diverse cultures was identified in COAG’s National Indigenous Reform Agreement as a way to support Aboriginal and Torres Strait Islanders in their aspirations for a positive future. Assuming, promoting and supporting a strong and positive view of Aboriginal and Torres Strait Islander identity and culture should therefore be a consideration108 - as should supporting a positive view of all cultures.

This can include:

- Recognising the traditional owners of the land your office space sits upon.
- Celebrating significant Aboriginal and Torres Strait Islander days, such as NAIDOC, Mabo Day or Sorry Day.
- The Aboriginal and Torres Strait Islander Flags now fly on our battlefields, so if your workplace flies the Australian flag can it also fly these flags?
- Develop a Reconciliation Action Plan. According to Dr Peter Radoll, Assistant Professor at the University of Canberra and Member of the National Indigenous Research and Knowledges Network (NIRAKN), “These plans are an informal agreement between the business and the Aboriginal and Torres Strait Islander community. But they are no silver bullet. RAPs are hard work and you need someone, often an Aboriginal and/or Torres Strait Islander person, to be a champion of the RAP. Universities have embarked on putting Indigenous perspectives in the curriculum with the aim of making them a more welcoming place for Aboriginal and Torres Strait Islander people. It is all about changing the culture to be inclusive.” One example of an organisation embracing this approach is the Commonwealth Bank, which in 2013 released its fourth Reconciliation Action Plan.109
- Many workplaces now provide cultural leave for Aboriginal and Torres Strait Islander people, including access to personal leave for NAIDOC events (one day), additional leave for funerals and study leave.

As mentioned, this concept should be extended to positively support all cultures. For example, Google workplaces celebrate Black History month, LGBT Pride, Hispanic Heritage Month and Veteran’s Day.110 ANZ educate “employees about cultural festivals and celebrating them with our customers.”111

IBM offers a “floating cultural holiday” where staff can ‘trade’ official public holidays for days of cultural significance to them. For example, the Queen’s Birthday public holiday could be traded for a cultural day of particular significance to an individual employee.112

Finally, recognising different cultures also means recognising that people for whom English is a second language may require additional assistance to integrate into the Australian business environment. A mentor for instance can help them adjust and become comfortable with being actively involved in the workplace.
Aboriginal and Torres Strait Islander branding
Organisations can also consider what Aboriginal and Torres Strait Islander branding they use when promoting job vacancies. This allows Aboriginal and Torres Strait Islander people to identify with the organisation. The correct wording of job ads is also vital in attracting the attention of Aboriginal and Torres Strait Islander people.

Workplace flexibility
In our survey of Australian employees, 40 per cent said government legislation on flexibility encourages women to consider balancing a career and family. But 36 per cent were unsure and 24 per cent said legislation does not encourage women to balance a career and a family.

In Australia, on 1 July 2013 a number of family-friendly flexible working changes came into effect under the Fair Work Amendment Act 2013. The major change was to extend the range of employees who can apply for flexible working arrangements to include employees with disabilities, those who are 55 years or older, those with caring responsibilities and parents or guardians of children school age or younger.

Thus workplace flexibility is a reality you need to be able to effectively implement and manage.

Generalisations about flexibility
Working mothers, mature-age workers and those with disabilities in particular often require flexible working options to remain in the workforce, although even here we should be careful not to generalise based on an individual’s personal circumstances.

According to our survey of Australian employees, 55 per cent say flexible working options that meet their individual needs make them feel more positive about the company they work for.

And 71 per cent of employers surveyed said flexible working hours are offered to any staff needing them.

According to a Kronos survey, 96.7 per cent of women surveyed would return to work after a career break, such as maternity leave, if their employer offered flexible working hours. A similar percentage (96.6 per cent) of mature-age employees holds the same view.

But only half (54 per cent) of employers surveyed said they were prepared to offer flexible working arrangements. Of these unwilling to offer flexibility, half said flexibility is too disruptive and over one third (37 per cent) said it is too complex to manage flexible workforce policies.

Such antiquated views not only hinder the creation of a diverse workforce by allowing employees the flexibility they need to remain in work, but fail to ensure the outcome of one of flexibility’s greatest outcomes – a more productive team.
Backing up years of anecdotal evidence is Ernst & Young research which found that women working in flexible roles (part-time, contract or casual) are the most productive members of our workforce. As sited in part one, according to the research women in flexible roles waste only 11.1 per cent of their time, compared to an average of 14.5 per cent for the rest of the working population, an important productivity bonus that few employers recognise.

As Kate Mills, founder of ProfessionalMums.net, noted in reference to this research, “If you want something done then give it to a working mother – who has to leave at 5pm on the dot to make the childcare centre so will get her work finished by 4.30. Or, if it doesn’t get done during work hours she will log on after the kids have gone to bed to get it finished.”

But a flexible working arrangement is not just about helping working mothers balance work and caring responsibilities. It is about offering working arrangements that help all employees balance their personal and professional commitments. From allowing mature-age workers to transition to retirement at their own pace, to allowing employees the opportunity to observe religious practices that fall during their working day, flexibility help an organisation retain its diverse workforce.

Many organisations have already implemented highly successful flexible working practices. For example, as part of Commonwealth Bank’s diversity agenda, an annual People and Culture Survey measures and benchmarks progress towards better people engagements. The most recent survey found that most staff “agree or strongly agree that our managers allow them the flexibility to meet their work goals and their personal needs.”

Honest communication

According to Ernst & Young, flexible work is about an employee and an employer making changes to when, where and how a person will work to better meet individual and business needs.

Open and honest communication is at the heart of a successful flexible working arrangement, so sit with your employees individually and discuss the wishes and requirements of both sides to determine what works for you both.

Create a written agreement

Formalise this agreement in writing. According to the Workplace Gender Equality Agency, 58.7 per cent of women and 54.4 per cent of men with a flexible working arrangement have a written agreement, which is a sensible step to clarity expectations and reduce misunderstandings.

Given the widening of legislation to include more people who can request flexible working arrangements, a written arrangement provides clear guidelines for both employers with staff working flexibly and employees working flexibly.

Adapting work stations

To accommodate a diverse workforce some employees may require their work station to be adapted to meet their individual needs. Again open and honest communication is required to assess your physical environment and plan changes to accommodate individual needs.

Microsoft is one organisation that accommodates and enables employees with disabilities to perform the necessary functions of their jobs. Microsoft “provides ergonomic hardware and assistive technology consultation so employees can be productive, comfortable, and injury-free at work”, while their Cross Disability Employee Resource Group enables “employees at Microsoft to reach their full potential through inclusion, representation, access to accommodations and in doing so, be the employer of choice for people with disabilities globally.”

Quiet room

A workforce of diverse cultures has to consider many different needs, however a growing trend is to dedicate one room in the office, often called a ‘quiet room’, to the exclusive use of employees who need a quiet space during the day. This could have a range of purposes, from a place for staff to pray to a place where lactating mothers can express.

For example, Google provide Prayer Rooms and Mothers Rooms, “to provide Googlers with the benefits they need to be successful at Google and at home.”

In our survey of employers, only 28 per cent said they have a ‘quiet room’ available for such purposes.
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