



Public
Service
Commission

**NSW Public Sector response
to recommendations in the following report:**

***Advancing Women: Increasing the participation of
women in senior roles in the NSW public sector***

Women and Work Research Group, University of Sydney



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This draft was circulated to the following groups, then discussed at two PSC convened meetings:

1. Government Sector Reform Reference Group, Wednesday 11 February 2015
2. Separate Agencies Reference Group, Thursday 26 February 2015.

1 *Advancing Women* research report

Background to the research

The low representation of women in senior leadership in government, business and in political roles is a subject of widespread discussion and concern in Australia and internationally.

There is a clear gender gap at the highest levels of the NSW public sector. Women comprise almost two-thirds of lower grades and account for approximately half of the feeder groups or pipeline for senior management positions. Beyond this point the pattern is reversed and men hold two-thirds of senior positions. While there has been a small increase in numbers over the last three years, the proportion of women at the top has not changed.

To get a better understanding of this issue, the Women and Work Research Group from the University of Sydney was engaged by the Public Service Commission (PSC) in 2014 to conduct research on increasing the participation of women in senior roles in the NSW public sector. The research included: a literature review; analysis of workforce census and survey data; interviews and focus groups with senior NSW human resource, diversity and operational managers; interviews with leading practice organisations in other government jurisdictions and the private sector; and a focus group of senior NSW managers to validate the report recommendations.

Publication of research findings

Key research findings were published in the *State of the NSW Public Sector Report* in November 2014 and the full research report, [*Advancing Women: Increasing the participation of women in senior roles in the NSW public sector*](#), was released on the PSC website on 3 December 2014. It provides solid evidence about the current situation across the NSW public sector and of public and private sector experiences with gender issues and solutions. The research report should be read in conjunction with this document.

Report recommendations and implementation

The report recommendations have been endorsed by the Secretaries Board and the heads of Separate Agencies. Their statement of endorsement is in Section 2.

The recommendations and proposed implementation action is in Section 3. Implementation action will be developed progressively as this work unfolds across the public sector. The initial commitment is development of gender targets by departments and agencies (where required) by 30 June 2015.

2 Statement of endorsement

Endorsement of report recommendations by heads of departments and agencies

Wide-ranging workforce reform is enabled through the *Government Sector Employment Act* (GSE Act) which provides a foundation for the reform of the executive structure in the public service with a focus on consistent employment arrangements, and an emphasis on capability, performance development and mobility for senior executives. The GSE Act requires department and agency heads to ensure that workforce diversity is integrated into workforce planning at all levels within their organisation.

As the senior leaders of the NSW government sector, our role is to encourage diversity of thought and experience and to actively look for ways to create an inclusive workforce and to develop talent and career pathways for talented individuals. Diversity at leadership levels has the potential to strengthen service delivery, productivity, capability and the ability to innovate, through diversity of thinking.

It is clear that past gender initiatives have had mixed outcomes and a new approach is required that is effective as well as sustainable over the longer term. We welcome the research by the University of Sydney Women and Work Research Group on increasing the participation of women in senior roles in the NSW public sector.

We are committed to visibly driving change within our respective organisations to address any systemic issues which are blocking women's successful transition to senior leadership roles. In examining specific circumstances in our organisation/s or clusters to inform the development of future action, we will consider variability within organisation/s and business units, and issues and action for both men and women. We will consider what is required to address gaps at executive levels and in feeder groups. We will seek the active involvement of both men and women across the organisation or cluster in constructive dialogue about what needs to be done.

Where gender targets are required for an organisation, or in different parts of the organisation, they will vary according to local circumstances. Whether action is currently required or not to improve gender equity, we will work to improve understanding of unconscious bias by all employees and its impact on all types of diversity, including gender.

This is the start of a longer discussion about evolving management practices and changes in workplace culture. It is an issue that will remain on the agenda for some time as the inherent complexity of the barriers and the nature of sustained change in workplace culture requires time.

List of endorsing organisations

Appendix 1 contains the names of departments and agencies who have endorsed the report recommendations.

3 Response to the report recommendations

Focus of recommendations

The *Advancing Women* report makes recommendations relating to six areas:

1. Endorsement by senior leaders
2. Gender equity targets and KPIs
3. Flexible work options
4. Raising awareness of gender equity, particularly unconscious bias
5. Collaboration and information sharing
6. Analysing data.

There are 18 recommendations in total – an overarching recommendation for each area and 12 supplementary recommendations. Details and proposed implementation action is in this section.

Successful implementation

The *Advancing Women* report (p74) lists the common and essential implementation elements found in leading practice organisations:

- Top leadership commitment and action
- Engaging men
- Governance and accountability structures
- Communicating the rationale for initiatives
- Sequencing activities and maintaining focus
- Data gathering
- Target setting
- Recruitment, retention and promotion strategies
- Development and performance management interventions
- Flexibility programs and role modelling flexibility
- Mentoring, sponsorship and networking
- Unconscious bias awareness training
- Resourcing and sustaining interventions.

Chapter 5 of the report provides further detail with a summary on pp103-105.

Recommendation 1: Endorsement of gender equity by senior leaders

To increase the proportion of women in senior roles, the Public Service Commissioner should endorse, champion and facilitate action on gender equity across the public sector which will be driven by Department Secretaries and Agency Heads.

Secretaries and Agency Heads should identify appropriate mechanisms for establishing responsibility and governance of action on gender equity.

Response: endorsed

Research findings

The following conclusions from the *Advancing Women* report (pp106-107) are particularly pertinent to Recommendation 1:

- While more women are entering the paid workforce, their progress to senior management or executive positions remains slow and limited. The NSW public sector has seen very little improvement over the last five years and without strategic intervention, the situation is unlikely to improve.
- Leadership commitment and stewardship is essential for changing the structure and the culture.
- To achieve change in culture and structures that will advance women into senior positions requires sequenced strategies, starting with focussed and “winnable” interventions.

Implementation action

The heads of departments and agencies are responsible for workforce diversity within their organisations and for ensuring that workforce diversity is integrated into workforce planning (GSE Act Part 4:25 & 30, Part 5:63).

Commitment by the Secretaries Board and heads of Separate Agencies to implementation of the recommendations in the *Advancing Women* report is outlined in Section 2 of this document.

Progress with implementation will be reported in the State of the NSW Public Sector Report that is delivered to the Premier and tabled in Parliament each year and will provide the primary source of sector-wide commentary on women in leadership going forward. Departments and agencies will also report specifically on workforce diversity issues as part of annual reporting requirements. Further information about reporting is under Recommendation 6.

Recommendation 2: Set gender equity targets and key performance indicators

Secretaries and Agency Heads should integrate into workforce plans defined targets for women in senior roles, underpinned by robust data analysis and nuanced to reflect context-specific considerations and organisational diversity: for example, occupational patterns and career pathways, business plans and current leadership percentages in agencies and clusters. At the local level, refined targets could be employed to provide focus.

Whole of sector, cluster and agency Workforce Management KPIs related to gender equity should be developed and tracked which take into account operating environments of Departments and Agencies.

The workforce data provided in this report should be used as the sector wide baseline of women in senior roles and to track trends over time.

Response: endorsed

Research findings

The following research conclusion is particularly pertinent to Recommendation 2:

- Waiting for change to occur organically is not viable and the setting of targets was supported by the majority of interviewees. It is also supported by evidence sourced from academic and grey literature sources and from leading practice organisations.

Discussion of targets in the *Advancing Women* report can be found on pages 41, 62 and 82. Data gathering is on p80. Gender targets refer to aspirational goals for achieving a gender balance in an identified group, generally to be achieved within a set timeframe. They are not quotas (minimum numbers to be achieved).

The research shows that leading practice organisations set relatively modest principal targets for representation of female executives for the short and long term (p83) and that some organisations also set targets relating to executive feeder groups, recruitment, retention, promotion, engagement etc (p84-5).

In the 2014 State of the NSW Public Sector Agency Survey, seven agencies reported the existence of gender targets at highly developed or developed levels for different groups of employees (senior managers, managers, graduates and other employees or occupational groups). The agencies are listed under Recommendation 5.

Implementation action

In agreeing with this recommendation, the heads of departments and agencies are not removing the principle of merit which is fundamental to public sector recruitment processes.

Targets are required only where a need is evident in workforce data. They may be set at cluster, agency, or business unit levels and with focus determined by the agency.

The targets will be in place by 30 June 2015. Department and agency heads will use workforce planning processes to identify targets appropriate to their workplace context. They will also develop an implementation plan, including resourcing and management oversight to achieve the targets.

The PSC will provide resources to assist implementation, including data and case studies. This includes baseline data for all departments and agencies about the numbers and percentages of men and women at executive levels and in feeder groups. The data will be made available to all agencies to assist comparative analyses and communication between agencies.

The PSC will also work with departments and agencies to identify the types of data that will be used at agency, cluster and sector wide levels for analysing and reporting progress each year. Results will be benchmarked within the NSW public sector and against the Australian Public Service and non public sector organisations reporting to the national Workplace Gender Equality Agency annually.

A Key Performance Indicator Framework is currently under development by the PSC and gender diversity will have a prominent role to play within the Framework and reporting (see p13 for further detail).

Recommendation 3: Prioritise flexible work options

The Public Service Commission should provide guidance on flexible working arrangements throughout the public sector.

Response: endorsed

Research findings

The following research conclusion is particularly pertinent to Recommendation 3:

- More women than men seek flexible work. As the NSW public sector workforce ages, demand for increased flexibility will most likely increase from both men and women.

The research shows that while provisions for flexible working are common in leading practice organisations, take-up is low among those in senior positions. Cultural barriers pose the greatest impediment to the use of flexible working arrangements.

The experience of leading practice organisations suggests that uptake of flexible working is improved where male and female leaders model flexible working and where bespoke solutions are found to fit individual needs. The 'if not, why not' approach, which assumes all jobs can be flexible, has gained widespread application among leading practice organisations, as has the notion that flexible arrangements encompass a variety of arrangements, not just part-time work, but 'where you work, when you work, how you work' (pxi).

Implementation action

The PSC will provide new guidance about flexible working arrangements in 2015. It will include an examination of the effectiveness of the current arrangements in meeting the needs of public sector agencies and their employees, and address cultural barriers and enablers to implementing and utilising flexible working arrangements. It will complement the existing suite of flexible work arrangements formally available to male and female employees in the public sector.

Departments and agencies will also need to give consideration to enabling systems including technology and remote access.

Recommendation 4: Raise awareness of gender equity

The Public Service Commission should lead work, with the assistance of Departments and Agencies, to raise awareness of unconscious bias throughout the sector and in all phases of the employment cycle.

Departments and Agencies should introduce initiatives for women at the pipeline level, including confidence building and awareness-raising, to facilitate and encourage moving into executive roles

Response: endorsed

Research findings

The following research conclusion is particularly pertinent to Recommendation 4:

- Women in Australia carry more of the caring responsibilities and this is carried over to the workforce in both real and assumed ways. Assumptions about women's roles at home carry over to work and produce unfair and potentially unfounded stereotypes or unconscious biases, often influencing perceptions of a woman's ability to take on a senior role and leading to inequitable recruitment, selection and promotion processes.
- Organisational and workplace cultures are regarded as significant impediments to progressing women into senior positions. Cultural and structural changes are interdependent and both require attention.

Implementation action

Implementation of this recommendation will require action at both sector wide and agency levels to raise awareness of unconscious biases and review effectiveness of strategies, including those relating to gender, and the actions required by all employees to manage it in the workplace.

PSC will make unconscious bias seminars available to all executives, develop a general guide for agencies, and embed guidance in documentation relating to relevant workforce strategies.

Recommendation 5: Foster collaboration and information sharing on initiatives

Departments and Agencies should share information on gender equity practice through existing or new structures and forums.

Information about new gender equity initiatives and success stories should be disseminated through multiple channels: for example, State of the Public Sector Report, a dedicated web page, at NSW public sector cross-cluster events, and externally.

Response: endorsed

Research findings

Information exchange about practice is an important component of reform implementation. The *Advancing Women* report identifies three organisations that are early adopters of leading practice in the NSW public sector – the NSW Police Force, Transport for NSW and the Office of Finance and Services (p65). Leading organisations identified in other jurisdictions and sectors include Qantas, Telstra, South Australian Department of Premier and Cabinet, Australian Treasury, Deloitte and the Department of Defence (p73).

The following NSW organisations reported the existence of gender targets at highly developed and developed levels in the 2014 State of the Public Sector Agency Survey – NSW Police Force, Corrective Services, Sydney Water, Office of Finance and Services, Western Sydney Local Health District, Sydney Trains and Roads and Maritime Services.

Implementation action

This recommendation requires implementation at sector wide, agency and cluster levels.

PSC will continue to utilise existing communication channels for collaboration about workforce reform, including the Secretaries Board, Government Sector Reform Reference Group, Separate Agencies Reference Group, Communities of Practice, Executive Connections events for executives, the annual Public Sector Awards and case studies in the annual State of the Public Sector reports.

Recommendation 6: Gather and analyse data

Gather and analyse gender disaggregated workforce data, including recruitment statistics, for use in workforce planning through existing and future mechanisms such as Human Capital Management Systems.

The Public Service Commission should continue to use the People Matter Employee Survey to understand perceptions of the barriers and enablers to women advancing to senior roles, and to encourage responses from women at the pipeline and executive level.

The Public Service Commission should continue to collect data about gender balance at the top three bands of Departments and Agencies to facilitate bench-marking with public and private sector organisations.

Response: endorsed

Research findings

The *Advancing Women* report (pp.80-81) uses examples from leading practice organisations to emphasise the importance of collecting and analysing workforce data to improve gender representation at senior levels. In these organisations research, data and gender analysis are used to:

- establish the need or case for, and optimal form of, change programs (for example by conducting research identifying current deficiencies or barriers to female leadership)
- make the business case for change (through analysis of where 'fixes' were needed)
- assist in setting targets, goals or guidelines for gender representation
- monitor or track the achievement of targets or goals; to track proportions of women at all stages of the pipeline, including female recruitment and retention
- evaluate initiatives mid-term, to refine future endeavours
- provide an impetus for devolving responsibility or accountability for program delivery to group, agency or divisional level leaders
- allow for benchmarking against other organisations.

Implementation action

The role of departments and agencies in gathering and analysing data is specified in Recommendation 2.

Whole-of-sector workforce information

The PSC Workforce Information Warehouse currently contains workforce information collected since 1999. This resource will continue to be developed through the range and depth of data for analysis. In addition, an advanced analytics capability, including predictive analytics, is being added to the Warehouse.

The PSC will continue to support workforce management reforms through enhanced recruitment and human resource system functionality.

Rapid development of human capital management (HCM) solutions that integrate e-recruitment with other functions, such as performance development, career and succession planning, learning and workforce analytics are now available. The PSC is working with the sector for the provision of modern HCM information systems, including workforce analytics, as the key to delivering improvements introduction of HCM information systems and associated HCM practice improvements across the NSW government sector. The program includes the introduction of the Government Employee Number to aid in the management, measurement and analysis of employee mobility and career paths.

New Key Performance Indicator Framework

The Public Service Commission is developing a small suite of Key Performance Indicators (KPIs) to help the sector and agencies measure progress from June 2015. Importantly, the KPIs will look to draw a link between workforce measures and sector, agency or business outcomes. These KPIs by nature will be few in number and focus on those strategic workforce priorities identified as critical to measure and bring highlight to. Gender diversity will have a prominent role to play within the KPI framework and reporting.

Reporting

The State of the NSW Public Sector Report will provide the primary source of commentary on women in leadership going forward. It will be informed by the workforce census, results from employee and agency surveys, agency annual reporting, and information gathered through the 'Advancing Women' project.

Departments and agencies are required to report the number of executives and gender in each band as part of their annual reporting requirements (Public Service Commission Circular PSCC 2014-09).

People Matter Employee Surveys and State of the NSW Public Sector Agency Surveys will include targeted questions on women in leadership and gender equality generally as part of monitoring progress in future.

The gender composition of executives at the top three levels in agencies was collected for the first time in the 2014 NSW Public Sector Agency Survey. This data will be collected in future as a way of measuring gender progression through management levels and facilitating benchmarking with other jurisdictions and sectors.

Additional commitments from the Public Service Commissioner

The Public Service Commissioner has made the following additional undertakings which will support efforts by heads of departments and agencies to increase the diversity within public sector leadership groups:

- Undertake a post implementation review of the reform of executive roles in relation to impact on diversity groups, in particular on women.
- Continue to promote an ongoing and informed discussion about the notion of an ideal worker/leader (ppviii, 36) to contextualise the gender leadership diversity issue.
- Communicate to employees (and potential employees) public sector commitment to diverse and inclusive workplaces and leadership teams through the forthcoming distinctive and overarching Employee Value Proposition and implementation plan that will seek to position the NSW government as an employer of choice.

Appendix 1: Endorsement by departments and agencies

- Independent Transport Safety Regulator
- TAFE Commission
- Independent Pricing and Regulatory Tribunal
- Board of Studies, Teaching and Educational Standards
- Office of the Director of Public Prosecutions
- Police Integrity Commission
- Health Care Complaints Commission
- NSW Health
- Planning & Environment
- NSW Treasury
- Premier & Cabinet
- Family & Community Services
- Trade & Investment
- Transport
- Education & Communities
- Justice
- NSW Police Force
- NSW Crime Commission