

# THE WOMEN AND WORK RESEARCH GROUP

## **Advancing Women:**

Increasing the participation of women in senior roles in the NSW public sector

Prepared for the NSW Public Service Commission

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THE UNIVERSITY OF SYDNEY  
BUSINESS SCHOOL



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## ABBREVIATIONS

ABS	Australian Bureau of Statistics
ACT	Australian Capital Territory
ADF	Australian Defence Force
AGJ	NSW Department of Attorney General and Justice
AHRC	Australian Human Rights Commission
ANZSCO	Australian and New Zealand Standard Classification of Occupations
ANZSOG	Australia and New Zealand School of Government
APS	Australian Public Service
APSC	Australian Public Service Commission
ASX	Australian Stock Exchange
ATSI	Aboriginal and Torres Strait Islander
CEO	Chief Executive Officer
D&I	Diversity and Inclusion
EEO	Equal Employment Opportunity
EL	Executive Level
F&S	NSW Office of Finance and Services
FACS	NSW Department of Family and Community Services
GSE Act	Government Sector Employment Act
HCMS	Human Capital Management System
HR	Human Resources
ILM	Internal Labour Market
IT	Information Technology
KPI	Key Performance Indicator
NSW	New South Wales
NSW PSC	New South Wales Public Service Commission
MCC	Male Champions of Change
P&C	NSW Department of Premier and Cabinet
PMES	People Matter Employee Survey
SA	South Australia
SA DPC	South Australia Department of Premier and Cabinet
SES	Senior Executive Service
SOG	Senior Office Grade
T&I	NSW Department of Trade and Industry
OECD	Organisation for Economic Cooperation and Development
PSC	Public Service Commission
PTO	Predictable Time Off
ROWE	Results Only Work Environment
US	United States of America
WGEA	The Workplace Gender Equality Agency
WWRG	Women and Work Research Group

## EXECUTIVE SUMMARY

This report, '**Advancing Women: Increasing the participation of women in senior roles in the NSW public sector**', provides a macro-level analysis of the current position of women in the NSW public sector with a specific emphasis on women in senior roles, that is, above pay level \$140,067 (grade groups SO1-2; SO3–SES1-3; SES 4-8). The report examines the barriers and enablers to progressing women to leadership positions and provides evidence to support recommendations for change.

**Chapter 1** provides an overview of the research aims and methodology, the contemporary legislative context of the NSW public sector, of women in the Australian labour market and in leadership.

### **Research aims**

The New South Wales Public Service Commission (NSW PSC) engaged the WWRG at the University of Sydney to undertake research and recommend strategies to increase the participation of senior women in the NSW Public Sector.

The aims of the research were to:

1. Understand leading practice in the public and private sectors nationally and internationally and the extent of solid evidence about outcomes.
2. Understand the views and issues in the NSW public sector that impact positively and negatively on gender balance in senior roles.
3. Develop strategies for the short and long term that have the potential to be sustainable over time.

### **Methodology**

The research, conducted March-August 2014, involved:

- Analysis of NSW public sector workforce census and employee survey data;
- A review of Australian and international literature;
- Analysis of qualitative data from interviews and focus groups with 21 experts within the NSW public sector; and
- Case studies of eight leading practice Australian organisations.

This evidence was used to generate recommendations that were subsequently tested with a focus group of senior NSW public sector stakeholders.

### **The legislative context**

The **Government Sector Employment Act 2013** (GSE Act), which came into operation in February 2014, provides the legislative basis for government employment in NSW and implements the NSW Government's priorities to reform the structure and management of the NSW public service. These include introducing a single, leaner, flatter, and more mobile executive structure for the Public Service, which is known as the Public Service senior executive.

The **Public Service Commission** (PSC) is a separate Public Service agency under Schedule 1 Part 3 of the GSE Act. The PSC has the lead role in designing workforce management strategies. In 2013 the PSC introduced the NSW Public Sector Capability Framework (2013) and the Public Sector Performance Development Framework.

### **Women in the labour market**

Participation and employment rates over the last decade in Australia have been increasing for women, and declining for men. Women's participation rate in 2012-13 was 65 per cent and the employment rate was 62 per cent.<sup>1</sup> A range of factors (workplace, financial, social, educational, demographic and cultural) is driving the change in women's labour force engagement.

In Australia, 43 per cent of employed women work part time (working an average of 17.5 hours per week) while 14 per cent of men work part-time. Women provide the majority of care. The 2013 Australian Human Rights Commission (AHRC) report noted that 72.5 per cent of the care provided to children or adults in need of care, was provided by women.<sup>2</sup>

In addition to the hours and care gaps between men and women, there remains a persistent pay gap. The most recent data for Australia show a gender pay gap of 18.2 per cent for full-time, adult, ordinary time earnings. For NSW, the gender pay gap is 16.5 per cent.

### **Women in leadership**

Gender representation in leadership is a highly debated topic due to the low proportion of women in senior roles. The 2012 Workplace Gender Equality Agency (WGEA) Australian Census of Women in Leadership reported that in ASX 200 companies, 9.7 per cent of executive management personnel positions were held by women. Of ASX 500 companies, the comparable figure was 9.2 per cent.<sup>3</sup> There is a notable difference between the private and public sectors. Allowing for differences in data collection, women hold approximately 27 to 44 per cent of senior positions in the State public sectors.

**Chapter 2** analyses the NSW public sector Workforce Profile (census data, as at June 2013 collected at agency level) along with human capability data and attitudinal survey data.

The **workforce data** is analysed by gender at the cluster level. 'Clusters' are the groups into which NSW Government agencies are organised to enhance coordination and provision of related services and policy development. The nine clusters (at the time the workforce data was collected) were: Health, Education, Attorney General and Justice, Transport, Trade and Industry, Family and Community Services, Office of Finance and Services, Department of Premier and Cabinet, and Treasury.

The NSW public sector employs nearly 400,000 people across a diverse range of organisational contexts, occupations and job roles.

The three Clusters of Education, Health, and Family and Community Services, have the highest percentage of female workers, at over 70 per cent. The two clusters of Transport and Trade and Industry have the lowest percentages of women, at less than 30 per cent.

Women constitute 62 per cent of the total NSW public sector workforce and hold 32 per cent of the Senior Officer and Senior Executive roles.

<sup>1</sup> ABS Cat. No. 4125.0 Gender Indicators, Australia, February 2014

<sup>2</sup> AHRC (2013) *Investing in Care: recognising and valuing those who care*.

[https://www.humanrights.gov.au/sites/default/files/document/publication/UnpaidCaringVolume1\\_2013.pdf](https://www.humanrights.gov.au/sites/default/files/document/publication/UnpaidCaringVolume1_2013.pdf)

<sup>3</sup> WGEA (2012) *Australia Census of Women in Leadership*.

[http://www.wgea.gov.au/sites/default/files/2012\\_Census%20Report\\_0.pdf](http://www.wgea.gov.au/sites/default/files/2012_Census%20Report_0.pdf) accessed 23 August 2014

Over the past five years there has been modest improvement, an increase of 5 percentage points, in the percentage of women in senior positions in the NSW public sector.

Women dominate the lower grades, comprising almost two-thirds (64 per cent) of employees in grades 1-8, earning less than \$93,586. Female workers make up just over half (53 per cent) of employees in the 'pipeline' grade, that is, the pay range \$93,586 - \$140,067. Beyond this 'pinch-point', the pattern is reversed and men hold two-thirds of senior and executive positions and women hold one-third.

Three-quarters of the public sector is employed in permanent positions, and one-quarter in casual, contract or temporary positions. Women comprise two-thirds of casual, temporary and part-time workers in the NSW public sector.

Fifteen per cent of the public sector workforce is employed part-time (less than 35 hours per week), and 87 per cent of all permanent part-time workers are women. At senior levels, two per cent of women and one per cent of men work part-time.

### **Capability**

In the 2014 analysis of senior executive capabilities the average scores of 91 female participants exceeded the average scores of 204 male participants. Women statistically significantly outperform men on 11 of the 17 capabilities, whereas men statistically significantly outperform women in only one category, that of *Finance*.

### **NSW public sector workforce: attitudes to gender and caring responsibilities**

The People Matter Employment Survey (PMES) of NSW public sector workers conducted in 2012 and 2014 found that women were slightly less likely than men to agree that senior managers support the career advancement of women, and women at higher grade levels were marginally less likely than men at the equivalent salary levels to agree with all three statements.

Over three-quarters of men and women (77 per cent of each) agreed that they had sufficient flexibility to handle family and caring responsibilities. In contrast, less than two-thirds of men and women agreed that their organisation offers practical employment arrangements and conditions to help employees achieve a work-life balance (64 per cent of each).

Almost two-fifths (37 per cent) of public sector employees provide care for others outside of work, that more female public sector workers provide care outside of work than male workers, and more women are principal carers than men (21 per cent of women compared with 6 per cent of men).

### **Key messages from the workforce and survey data:**

- The recruitment, selection and promotion of women at the 'pinch-point' require careful examination.
- The limited number of senior roles in some clusters may restrict opportunities for women's advancement. Lateral mobility between clusters and external appointments of women to senior roles may assist in increasing the percentages of women at senior levels.
- Pipeline and senior women may benefit from development opportunities to improve their capability in finance and financial management.
- Closer examination of the options for senior level roles to be re-sized, re-designed and to provide increased flexibility is warranted.
- Further research is needed to determine what practical arrangements and conditions would help employees achieve a work-life balance.

**Chapter 3** presents key findings from the academic and ‘grey’ research literature.

Several key thematic elements were evident in both the literature surveyed and in the qualitative research within the NSW public sector and leading practice organisations. These related to the need to:

- establish the business case for gender diversity;
- address unconscious bias and gender stereotyping;
- promote more flexible work arrangements for senior roles;
- introduce gender targets; and
- provide top leadership and responsibility structures for gender equity programs.

***The findings from the research literature were as follows:***

**Business case arguments** for equity and diversity are popular with advocates and practitioners. Academic researchers express more circumspect views. Studies of the impacts of diversity on firm performance have delivered mixed results, and suggest that business case arguments must address and reflect the organisational context. Both the contextual significance for the business case and the promotion of a values case in certain circumstances are relevant in the NSW public sector where there is a variety of business and service environments and where structural change is currently underway.

**Unconscious bias** (unconscious negative gender stereotyping and stereotyping the ‘ideal worker’) permeates cultural and structural norms in organisations as well as systems such as recruitment and progression. Gender stereotyping leads to ‘evaluative’ and ‘backlash’ bias, where women are judged more harshly than men when they seek to be, or act as, leaders. The research profiles strategies to eliminate negative bias by: raising awareness; reconfiguring day-to-day workplace practices to remove unconscious bias; redesigning organisational systems and processes; and leading culture change.

**Flexible work arrangements** are recognised as crucial to improving opportunities for women’s advancement to senior positions. The research literature finds that while policies for flexible work are widespread, take up is low at senior levels, a finding echoed in the qualitative research. Flexible work arrangements are underutilised due to perceptions that they undermine career advancement. The empirical evidence confirms that flexible workers are penalised in terms of earnings and promotions. Research finds several factors impede the use of flexible arrangements including: the degree of discretion and the attitudes of line managers; difficulties redesigning jobs to facilitate flexible work; and lack of universal access to its use.

Uptake of flexible working is improved where: there is a culture that explicitly values its use; where flexible arrangements calibrate individual flexibility needs with job design; and where flexibility is built into work processes, managed by work units and involves whole groups rather than individuals within groups.

Current literature on **gender targets and quotas** argues that while quotas have been successful for increasing the number of women on boards, targets are suited for advancing women into senior management roles. Large organisations in Australia, including those profiled in this report as leading practice organisations, are increasingly setting gender targets for women in leadership roles. Studies suggest, however, that resistance may be experienced from concerns about the impact on and perception of merit. Consequently, gender targets should be: accompanied by careful

communication, strong leadership and organisational support; and set with the involvement of those responsible for achieving them.

**Evaluations of diversity interventions** in the United States found that programs that established responsibility for diversity in management (such as plans, committees and designated positions) were more effective in improving managerial diversity than diversity training and mentoring/networking strategies. Further, an understanding of barriers to women's promotion into senior roles across the public service requires consideration of: supply and demand side factors; internal labour markets; and the gendered nature of 'opportunity structures'. Lastly, in order to achieve gender equality in senior roles in the US federal public service, researchers advocated the use of affirmative action, targeted external recruitment, improved flexibility arrangements and better internal mobility.

### ***Key messages drawn from the literature***

At the organisational level:

- The development of a business case to underpin gender equity strategies is widespread.
- In the public sector, reference to a values case is also beneficial.
- The application of targets is recognised as a powerful means of driving change when supported and communicated by senior leadership.

At the work unit level:

- Job re-design and changes in the allocation of work are necessary to accommodate flexible work and to encourage the use of flexible work options, which may be more attractive to women.

At the level of the individual:

- The focus needs to be on the way women are stereotypically perceived in terms of their leadership capabilities and their willingness to take on senior roles.
- Unconscious bias training and developmental support for females can assist in breaking through the 'glass ceiling'.

Many of the themes from the research literature were also expressed by the expert interviewees in the NSW public sector, (presented in chapter 4), and in the leading practice case studies, (presented in chapter 5).

**Chapter 4** provides analysis of the views of NSW public sector experts.

NSW public sector experts from all clusters were asked about barriers, opportunities and practices as they related to women progressing into senior roles. The main barriers to women advancing into senior roles dovetail with key findings in the research literature. The barriers faced by women in the NSW public sector most frequently observed by the NSW experts were:

- **Occupational segmentation** leading to reduced 'opportunity structures' for women;
- **Workplace cultures** imbued with gender stereotyping and unconscious bias which limit opportunities for women seeking advancement;
- **The use of flexible work arrangements** and career breaks which adversely impact on advancement by reducing access to opportunities for those who use them; and
- The perceived **lack of flexibility in senior roles** which thwarts women's ambitions for advancement, particularly for those who need flexibility due to their non-work

responsibilities (which are principally understood and assumed to be family and care responsibilities).

In terms of systemic issues, NSW experts saw great potential to improve the advancement of women by fully realising the opportunity provided by the **NSW public sector reforms**, such as the capability framework, the new senior executive structure, and the introduction of the human capital management system. These initiatives were viewed as providing the ground for unbiased recruitment and promotions systems; greater mobility to improve development opportunities; and more refined and strategic gender-related data collection, analysis and reporting.

The use of **gender targets** was supported by NSW experts. However, in line with the literature and the experience of leading case study practitioners, interviewees were emphatic that targets could not work in isolation and needed to be linked to accountability measures and set at the local level.

Experts saw a critical **role for the PSC** in promoting the issue of women in leadership by leading the discussion, providing sector-wide frameworks for ensuring activity and accountability and coordinating clusters and agencies to roll out and refine best practice strategies.

The interviews highlighted gender advancement strategies already in existence in the NSW public sector. The early adopters of leading practice identified **initiatives for gender equity** that accord with the best practice literature (presented in chapter 3) and the lessons provided by the leading practice case studies (presented in chapter 5). These initiatives highlighted the need for committed and accountable leadership, researching and understanding of the key issues, embedding and mainstreaming equity practice and solutions by using a business case, building awareness of unconscious bias and the case for gender equity through all layers of management, changing mind-sets about flexibility and driving job redesign, improving structures of support for women to build confidence, and responding to the context in which strategies are to operate given the diversity of NSW public sector operational settings.

***Key messages from NSW public sector experts:***

- The need for a unifying message about and position on gender equity and of the role of the PSC in providing this.
- The need to tailor recommendations for change to suit the specific context of the workplace, agency or department.
- The need for gender targets, supported by NSW public sector leadership, but set at the local level.
- The need for more innovative approaches to work design and flexibility to benefit both men and women at senior levels.
- The need to ensure recruitment and selection practices follow objective principles based on capability.
- The need to monitor and evaluate changes brought about by the restructuring of the senior executive levels to ensure that women are not disadvantaged in seeking or gaining new roles and that formal flexibility arrangements are not lost.
- 

**Chapter 5** provides the lessons from leading practice organisations.

Eight leading practice organisations from the private and public sectors were studied. Their support for gender equity programs was built with **demonstrated leadership support** using **business case** arguments.

Initiatives to increase the representation of women at senior levels were described as cultural change programs, but were all accompanied by structural changes. The most common structures for program governance and delivery were senior-level committees running alongside business unit/department-level delivery mechanisms, with overall coordination provided by small teams of diversity and inclusion or HR staff.

Reflecting the research literature and the NSW public sector experience, it was found that while provisions for **flexible working** are common in leading practice organisations, take-up is low among those in senior positions. Cultural barriers posed 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 role 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'.

Research undertaken by leading practice organisations in the public sectors (Australian, South Australian and NSW) found that women in feeder groups were reluctant to seek promotion into senior executive ranks due to poor confidence or a perceived lack of flexible work arrangements. In response, leaders in leading practice organisations now model flexible work arrangements, personally encourage women to apply for senior vacancies, allocate assignments to women to improve their promotion potential and provide **confidence building** training and **talent management** programs targeted at women.

Consistent with findings from interviews with NSW public service experts, there was support for **gender targets**. The evidence shows that the use of targets in leading practice organisations has been effective in improving the percentage of women in leadership positions and underpinning cultural change programs.

Internal apprehension and resistance to gender targets because they are perceived as overriding merit was a factor raised as a potential problem in both the literature and by NSW public sector experts. In the leading practice organisations, this was mitigated by leaders communicating that merit remained the key criteria for recruitment and promotion.

The leading practice organisations instigated changes to systems and structures to improve **gender equity in recruitment and promotion**. Initiatives included opening the way for a broader pool of candidates for senior vacancies by incorporating non-technical management and leadership skills in selection criteria, introducing behaviour-based performance management systems, and taking advantage of organisational restructures to change the complexion of leadership structures.

Most leading practice organisations conducted awareness training to eliminate **unconscious bias**. Along with demonstrated leadership support for gender equity, this training was seen as pivotal to driving cultural change.

All leading practice case study organisations had found that change programs worked best when their implementation and success were a **shared responsibility of women and men**. Efforts were made to actively engage men in all aspects of programs. For gender initiatives to yield results and be sustainable, they require constant championing, auditing and evaluating processes and outcomes. One or more highly committed individuals spearheaded most programs and there was considerable **diffusion of ideas and initiatives between organisations**.

**Key messages from leading practice:**

- The importance of governance and gender equity leadership structures,
- The importance of signalling, in terms of role modelling of flexible work at senior levels and in appointing women to senior positions.
- The importance of developing a business case ‘plus’ in the public sector – the ‘plus’ being capability and values;
- The need to set targets -- at the local work unit level;
- The need to collect and keep good data;
- The importance of job re-design strategies;
- The need to develop more flexible work patterns for senior level roles;
- The recognition that line managers are the gate-keepers for access to flexible work and the need to provide support for line managers;
- The need to combat ideal worker stereotypes;
- The need to provide confidence building training and activities for women in the ‘pipeline’.

**Chapter 6** provides recommendations based on all the evidence collected.

### **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.

### **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.

### **3 Prioritise flexible work options**

The Public Service Commission should provide guidance on flexible working arrangements throughout the public sector.<sup>4</sup>

### **4 Raise awareness of gender equity**

<sup>4</sup> Appendix 2, ‘Possible Initiatives to Support the Recommendations’ provides examples of strategies to facilitate flexibility.

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.

## **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.

## **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.

## ACKNOWLEDGEMENTS

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# 1 INTRODUCTION

Women hold 32 per cent of senior officer and executive level positions in the NSW public sector. This occurs in a workforce that employs close to 400,000 people, of whom 62 per cent are women. Women comprise most (62 per cent) of the employees below Senior Officer Grade 1 (SOG) level (earning less than \$140,067). This means that three-fifths (60 per cent) of the entire NSW workforce is comprised of women in the two lowest grade categories.

In March 2014 the New South Wales Public Service Commission (NSW PSC) engaged the Women and Work Research Group (WWRG), University of Sydney Business School, to research and recommend strategies to increase the participation of senior women in the NSW public sector. The objectives of the research were to:

1. Understand leading practice in the public and private sectors nationally and internationally and the extent of solid evidence about outcomes.
2. Understand the views and issues in the NSW public sector that impact positively and negatively on gender balance in senior roles.
3. Develop strategies for the short and long term that have the potential to be sustainable over time.

## RESEARCH METHODOLOGY

The research involved a multi-method approach, enabling the collection of data from multiple sources and diverse groups. The research was conducted according to ethics protocols cleared by the University of Sydney Human Ethics Committee.

The research was carried out over the period March-August 2014.<sup>5</sup> The research stages and data sources are summarised below. As each stage progressed, findings were refined and iterated to ensure validity and relevance. Throughout the project timeline, progress meetings were held with the Public Service Commission.

### Analysis of NSW public sector workforce census and survey data

NSW public sector census workforce profile data was analysed to establish patterns of gender representation across the NSW public sector and within the clusters. Data from the People Matter Employee Survey (PMES) was analysed to gauge NSW public service workforce attitudes in relation to gender, career and work-care matters. Other reports on senior executive capabilities and Agency practices were referenced.

### Review of the relevant literature

A review of key and recent academic and grey literatures was conducted. The literature was Australian and international in origin and was selected in the first instance to establish the scope of research in the area. The literature review was then expanded and focussed to respond to the themes that emerged strongly from findings in the qualitative stages of the research (outlined below).

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<sup>5</sup> Machinery of government changes did occur after the commencement of the research project. The data reflects the cluster configuration as at March 2014.

The literature was reviewed and collated as an annotated bibliography and summarised by key thematic category. This involved search and analysis of several hundred publications and websites located using scholarly and general search engines. Over one hundred of those publications were earmarked for closer examination based on their relevance to the project. Of those publications, 58 articles and reports have provided the basis for a literature review.

#### **Interviews and focus groups with cluster and agency experts in the NSW public sector**

Qualitative data was collected and analysed from in-depth and semi-structured interviews and focus groups with 21 experts representing each of the nine clusters in the NSW public sector.<sup>6</sup> The participants were invited on the basis of their expertise and knowledge and their capacity to provide a panoramic view of the strategies and challenges relating to increasing the participation of women in senior positions. Most held roles as Human Resources (HR), Diversity and Inclusion, or operational managers. Most interviews were conducted by telephone, (with one face-to-face interview conducted). Focus groups were conducted face-to-face, each facilitated by two researchers. HR experts in each of the clusters who were interviewed for the research were asked to nominate senior managers with a strong interest in matters of gender balance or good knowledge of associated initiatives for inclusion in focus groups. The average duration of interviews and focus groups was 60 to 90 minutes. Interviews and focus groups concentrated on understanding the primary patterns of gender balance within the cluster; the key barriers and enablers for the advancement of women into senior roles; gender equity initiatives implemented at cluster at agency level; and views on how the NSW PSC might contribute to that project. As a result of this process, specific gender equity programs in three clusters and agencies were identified and subjected to case study treatment and are profiled in Chapter 4 of the report.

#### **Interviews with representatives from Australian leading practice organisations**

Case studies of leading practice in Australian gender diversity initiatives were conducted. The criteria for selection of the case study organisations was their implementation of leading practice gender diversity and equity programs. The case study research involved in-depth interviews with 13 representatives from 8 organisations outside of the NSW public sector (3 in the federal public sector, 1 in the South Australian public sector and 4 in the private sector). Most of the interviewees held leadership or executive-level positions (partners, executive managers or public sector Senior Executive Service (SES) roles), with responsibility for gender and diversity and inclusion programs. All participants had steered gender diversity programs in their organisations and the primary objective of the interviews was to collect data on best practice in developing and implementing gender advancement programs. Six of the participants were interviewed by telephone, and seven were interviewed face-to-face. The average duration of interviews was 60 minutes.

#### **Focus groups to validate proposed recommendations**

Recommendations for the NSW PSC were developed based on insights and evidence that emerged from all stages of the research: the review of the literature; workforce profile and PMES data; and interviews with stakeholders within the NSW public sector and leading practice organisations. These recommendations were presented to the NSW PSC for approval in a draft report. They were then 'tested' with a focus group comprising eight senior NSW public sector managers to assess whether the recommendations were viable within the NSW public sector environment. They were refined accordingly for inclusion in the final report.

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<sup>6</sup> All interviews and focus groups conducted in the course of the research were digitally recorded and professionally transcribed. Data drawn from interviews and focus groups was analysed by arraying data thematically in a standardised coding frame to allow patterns in the data to emerge.

## THE SETTING

### The legislative context

The Government Sector Employment Act 2013 (GSE Act), which came into operation in February 2014, provides the legislative basis for government employment in NSW and implements the Government's priorities to reform the structure and management of the NSW public service.

The government sector is defined by section 3(1) of the GSE Act as the Public Service, the Teaching Service, the NSW Police Force, the NSW Health Service, the Transport Service of NSW, any other service of the Crown, and any other organisation prescribed under another Act or the Government Sector Employment Regulation 2014 for the purpose of the definition. Around 400,000 individuals (making up around 330,000 full-time equivalent employees) work in the NSW public sector.<sup>7</sup>

The GSE Act provides the foundation for a single, leaner, flatter, and more mobile executive structure for the Public Service, which is known as the Public Service senior executive. The former Chief Executive Service, Senior Executive Service and award-based senior executives (Senior Officers and equivalent roles) will be replaced by a single executive structure with one set of employment arrangements for all, including a model written employment contract.

Public Service employees are employed in 'Departments', 'Public Service executive agencies related to Departments', or 'separate Public Service agencies' (section 22 of the GSE Act).<sup>8</sup> Workforce data for this report was provided at the 'cluster' level. The following definition of 'cluster' is provided in the Fact Sheet: Public Sector Reform [3]:

'Clusters' are the groups into which NSW Government agencies are organised to enhance coordination and provision of related services and policy development. Clusters are not set up by legislation and the GSE Act does not refer to the term 'cluster' or to cluster arrangements. However, the GSE Act strengthens the relationship between Departments and Public Service executive agencies related to Departments, and the term 'cluster' continues to be used for other administrative purposes.

The Public Service Commission (PSC) is a separate Public Service agency under Schedule 1 Part 3 of the GSE Act. The PSC has the lead role in designing workforce management strategies.

The PSC introduced the NSW Public Sector Capability Framework (2013) to provide a common foundation for creating roles, managing performance, capability development, mobility, career planning, and workforce planning. The Capability Framework describes capabilities required by all public sector employees at executive and non-executive levels.

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<sup>7</sup> The public sector includes: Government Sector (all agencies covered by GSE and aligned services), plus State Owned Corporations, plus other independent agencies (such as the Independent Commission Against Corruption, Audit Office, Judicial Commission, Staff of the Parliament, Judicial Officers). See 'GSE Act: To Whom the GSE Act Applies'.

<sup>8</sup> The Secretary of a Department is the employer of:

- The Public Service Senior Executives and other employees of the Department
- The head of each Public Service executive agency related to the Department
- All public service senior executives assigned to roles in each Public Service agency related to the Department

The head of a Public Service executive agency related to a Department holds the employer functions for all non-executive employees in that agency. The head of a separate Public Service agency holds the employer functions in relation to all employees, both executive and non-executive, within their agency.

The capabilities of executives are assessed through the NSW Senior Executive Development Program (EDP) and results are disaggregated by gender. The 2014 results show that the average scores of female participants exceeded the average scores of male participants in all but three of the twenty capabilities, while men outperformed women with a statistically significant difference in just one capability (discussed further in Chapter 2).

The Public Sector Performance Development Framework was also introduced in 2013 to improve the culture in the sector to manage and develop workforce capabilities and performance. It aims to raise the bar for performance management and drive continuous improvement to achieve best practice.

Among other roles, the PSC remit is to lead the 'strategic development and management of the government sector in relation to ... equity and diversity to ensure the government sector reflects the diversity of the wider community'. Diversity in government sector workforce management continues to be a priority under the GSE Act. A diverse workforce which is free from discrimination and which reflects the diversity of the broader NSW community is an important factor in the delivery of high quality services. Secretaries and Agency Heads have responsibility for integrating diversity into workforce planning. Diversity as a concept is broader than equity, but in this report the focus is on gender diversity and equity.

## Women in the labour market

There are two key indicators of women's labour force engagement: the participation rate and the employment to population ratio. The participation rate refers to the number of people in or seeking employment as a percentage of the working age population; the employment to population ratio refers to people in paid employment as a percentage of the working age population. Participation and employment rates over the last decade have been increasing at a greater rate for women than for men (see Table 1). A range of factors, including workplace, financial, social, educational, demographic and cultural, are driving the change in women's labour force engagement.

**Table 1 Female and male labour force participation and employment to population ratios**

Year	Labour force participation rate		Employment to population ratio	
	2003-4	2012-3	2003-4	2012-3
Male	78%	79%	74%	75%
Female	61%	65%	58%	62%

Source: ABS Cat. No. 4125.0 Gender Indicators, Australia, February 2014

In recognition of the gender shifts in the workforce, successive Australian governments have instituted social policy and safety net reforms over the last 5-10 years. These have included, for example, the introduction of government funded parental leave pay, legislative reforms to include the right to request flexible work arrangements and an extension to unpaid parental leave. However commentators observe that while these reforms are welcome additions there has been little or no significant shift in the inequalities experienced by women in terms of paid and unpaid work.

In terms of the domestic division of labour and the allocation of care, there remain significant differences between men's and women's contributions. The 2013 Australian Human Rights Commission (AHRC) report noted that 72.5 per cent of the care provided to children or adults in need of care, was provided by women.<sup>9</sup>

<sup>9</sup> AHRC 2013 'Investing in Care: recognising and valuing those who care'  
[https://www.humanrights.gov.au/sites/default/files/document/publication/UnpaidCaringVolume1\\_2013.pdf](https://www.humanrights.gov.au/sites/default/files/document/publication/UnpaidCaringVolume1_2013.pdf)

In regard to paid employment, there also continue to be significant gaps between men and women, for example in relation to hours of work, security of work and pay. ABS data report that men in full-time employment work on average 41.5 hours per week compared to women in full-time employment who work on average 37 hours per week. Forty-three per cent of women work part-time (working an average of 17.5 hours per week) while fourteen per cent of men work part-time (an average of 18 hours per week). Women constitute more of Australia's casual labour force: 22.5 per cent of women who work hold casual positions, defined as employees without paid leave entitlements, compared with 18 per cent of men.<sup>10</sup>

There is also a persistent pay gap between women and men. The gender pay gap refers to the percentage difference between women's and men's pay. The most recent data for Australia show a gender pay gap of 18.2 per cent for full-time, adult, ordinary time earnings. For NSW, the gender pay gap is 16.5 per cent. In the public sector (Australia wide) the gap is less than for the workforce as a whole. In May 2014 Full-Time Adult Male Average Weekly Ordinary Time Earnings were \$1,666.50 and Full-Time Adult Female Average Weekly Ordinary Time Earnings were \$1,457.30, representing a gender pay gap of 12.6 per cent across the Australian public sector.<sup>11</sup>

**Table 2: Full-Time Adult Female Average Weekly Ordinary Time Earnings in May 2014**

	Male	Female	Gender Pay Gap
Australia	\$1,559.10	\$1,275.90	18.2%
NSW	\$1,558.30	\$1,300.10	16.5%
Australia – Public Sector	\$1,666.50	\$1,457.30	12.6%

Source: ABS 6302.0 Average Weekly Earnings May 2014, Released 14/8/2014

The earnings gap for women is highest at the top of the earnings distribution. A study by Watson (2010)<sup>12</sup> found that full-time female managers in Australia earn 27 per cent less than their male counterparts and that between 65 to 90 per cent of the gap can be attributed to sex discrimination rather than other labour market or demographic variables. Watson also found that the gap worsened for women with dependent children; and that for women 'financial returns to labour market experience diminished in the latter years' unlike male managers for whom it stabilised.<sup>13</sup>

## Women in leadership

It is apparent that gender balance in senior roles differs considerably between nations, sectors and jurisdictions. Countries such as Canada and the United Kingdom, along with Australia, head the public sector leader boards for G20 countries<sup>14</sup>, while the United States, New Zealand and France perform best overall amongst OECD countries, with Australia not far behind.<sup>15</sup>

<sup>10</sup> ABS Gender Indicators August 2014

<sup>11</sup> ABS 6302.0 Average Weekly Earnings May 2014, Released 14/8/2014

<sup>12</sup> Watson, I (2010) Decomposing the gender pay gap in the Australian managerial labour market, Australian Journal of Labour Economics, Volume 3, Number 1, pp49-79

<sup>13</sup> Watson conducted a decomposition study of gender pay differentials for managers across all sectors using eight waves of the Household, Income and Labour Dynamics in Australian (HILDA) Survey. He also found that Australian female managers are very much more likely than men to work in the public sector, Table 10, p 20.

<sup>14</sup> E&Y (2013:10). It should be noted that the groups of nations represented in the G20 and OECD are different.

<sup>15</sup> OECD (2012:177). Australia sits in the top 10 nations for gender balance for senior managers and is above the OECD average.

The 2012 Workplace Gender Equality Agency (WGEA) Australian Census of Women in Leadership reported that in ASX 200 companies, just 9.7 per cent of executive management personnel positions were held by women. Of ASX 500 companies, the comparable figure was 9.2 per cent.<sup>16</sup> However, some private sector companies have considerably higher percentages of women in senior positions. A selection of these leading practice companies was studied and their strategies are documented in Chapter 5 of this report.

While the public sector generally outstrips the private sector in terms of the representation of women at senior levels, published data suggests there are some jurisdictions that are having comparatively greater success and some departments and agencies that do better than others.<sup>17</sup>

For instance, acknowledging some differences in data collection and presentation, the NSW public sector appears to be doing marginally better than both Tasmania and Western Australia, with a slightly higher percentage of women in Senior Executive roles, but seems to lag behind the Northern Territory, South Australia, Victoria, the ACT, and Queensland.<sup>18</sup> Accordingly, there is room for improvement in the NSW public sector both in a comparative sense and in terms of achieving a gender balance in its own labour force at senior levels.<sup>19</sup>

Overall, there remain significant gaps in hours, pay and entitlements between men and women. One significant gap attracting increasing attention is that between men and women in leadership positions. This report goes some way to explaining the leadership gap in the NSW public sector and to providing strategies for advancing women into senior management and executive positions.

## REPORT STRUCTURE

Following this introduction, the structure of the report is as follows:

**Chapter 2** provides a summary and gender analysis of the workforce profile and characteristics of the NSW public sector, with a particular focus on senior levels. It reviews survey findings in relation to the perceptions of employees in the NSW public sector; and outlines findings relating to executive capability.

**Chapter 3** reviews findings from academic research and grey literature, arranged thematically to reflect critical issues of importance in advancing the position of women in the NSW public sector.

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<sup>16</sup> WGEA 2012 Australia Census of Women in Leadership  
[http://www.wgea.gov.au/sites/default/files/2012\\_Census%20Report\\_0.pdf](http://www.wgea.gov.au/sites/default/files/2012_Census%20Report_0.pdf) accessed 23 August 2014

<sup>17</sup> Australian Capital Territory Commissioner for Public Administration (2013); Australian Public Service Commission (2013a); Edwards *et al* (2013); Local Government Managers Australia, 2013; New South Wales Public Service Commission (2012); Northern Territory Government Office of the Commissioner for Public Employment (2013); Queensland Public Service Commission (2013); South Australia Commissioner for Public Sector Employment (2013); Tasmanian Department of Premier and Cabinet (2013); Victoria State Services Authority (2012); Western Australia Public Sector Commission (2013)

<sup>18</sup> See references above. NSW, 29.7%; Tasmania, 26.6%; Western Australia, 29.2%, Northern Territory, 44%; South Australia, 43.1%; Victoria, 40%; ACT, 38%; Queensland, 32%; We note here that there are challenges in interpreting workforce statistics due to the different ways in which data is collated and reported. For example, the Northern Territory data appears to include both senior and senior executive positions in the counts. Other jurisdictions appear to report the two levels separately.

<sup>19</sup> It is important to treat workforce statistics with caution due to differing reporting regimes across agencies and jurisdictions.

**Chapter 4** reports the views and insights of senior human resource (HR) practitioners and related experts in the NSW public sector about the barriers and enablers to increasing the participation of senior women in the NSW public sector.

**Chapter 5** describes and analyses the key strategies and lessons of Leading Practice organisations in the private and public sectors. These organisations are recognised for introducing strategies that positively influence the position of women in senior positions.

**Chapter 6** outlines recommendations and suggested strategic interventions to increase the participation of senior women in the NSW public sector. These findings and recommendations are drawn from the evidence presented in Chapters 2-5.

## 2 THE NSW PUBLIC SECTOR WORKFORCE

This chapter reports on and analyses workforce data provided by the NSW Public Service Commission from their annual Workforce Profile (census data, collected June 2013); results from a review of senior executive capability; and findings from opinion surveys of NSW public sector employees conducted in 2012 and 2014.

### WORKFORCE PROFILE

Workforce Profile data is collected from all agencies in the NSW public sector at the same time each year. This section provides analysis of the percentage of men and women by cluster, grade, and a range of demographic and workforce characteristics.<sup>20</sup> The following definitions have been used for the analysis and reporting of grade groups based on employment classifications (grades) and earnings that prevailed in June 2013, at the time of the census used in this analysis.

Grade group	Definition <sup>21</sup>
1 Grade 1-8	Employees in clerk grade 1 to grade 8 and employees with equivalent earnings (\$0 - <\$93,586)
2 Grade 9/10 – 11/12	Employees in clerk grade 9/10 and 11/12 and employees with equivalent earnings (\$93,586 - <\$140,067)
3 SO1-2	Employees in Senior Officer grade 1 (SO1) and Senior Officer grade 2 (SO2) and employees with equivalent earnings (\$140,067 - <\$163,000)
4 SO3 and SES 1-3	Employees in Senior Officer grade 3 (SO3) and Senior Executive Service Band 1 (SES 1) to Senior Executive Service Band 3 (SES 3); and employees with equivalent earnings (\$163,000-<\$232,501)
5 SES 4-8	Employees in Senior Executive Service Band 4 (SES 4) to Senior Executive Service Band 8 (SES 8); and employees with equivalent earnings (=>\$232,501)

### Composition of the sector<sup>22</sup>

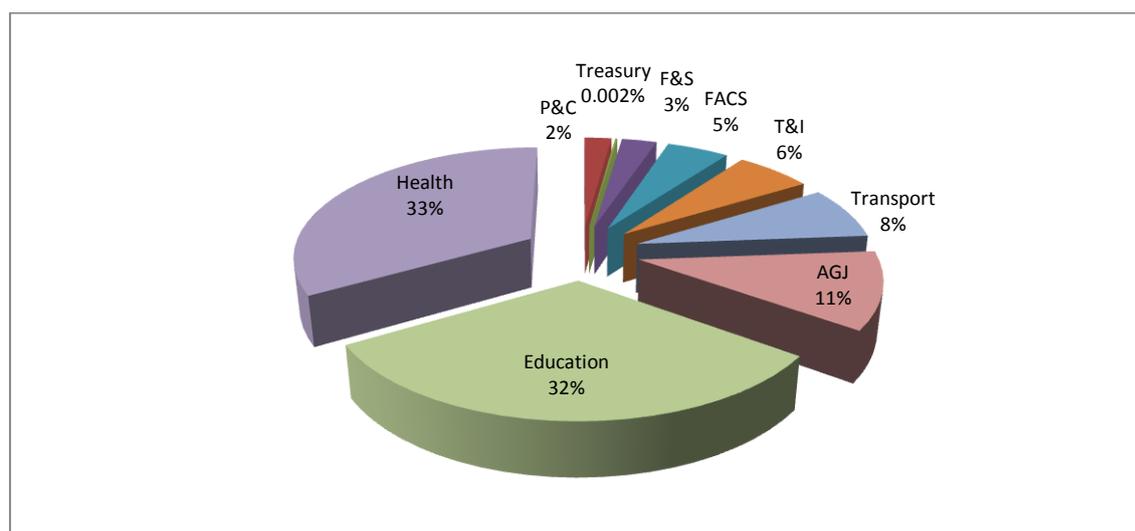
The NSW public sector employs nearly 400,000 people across a diverse range of areas, occupations and job roles. Sixty-two per cent of all employees are women. **Figure 1** below profiles the distribution of the NSW public sector workforce across the nine main clusters. It indicates that Health and Education are the largest clusters in terms of workforce size. They each represent one-third of the total public sector workforce. **Figure 2**, following, shows that these two clusters, along with FACS, have the highest percentage of female workers, at more than 70 per cent (as seen in the blue bars reporting all grades for each cluster). The two clusters of Transport and Trade and Industry have the lowest percentages of women, at less than 30 per cent.

<sup>20</sup> All analysis reported in this chapter is based on headcount data (the total number of employees employed at a given time). All analysis of workforce composition among individual clusters does not report data pertaining to the Independent Agencies cluster.

<sup>21</sup> Workforce Census data does not report the equivalent earnings for casuals so casual employees are absent from data reporting within grade groups.

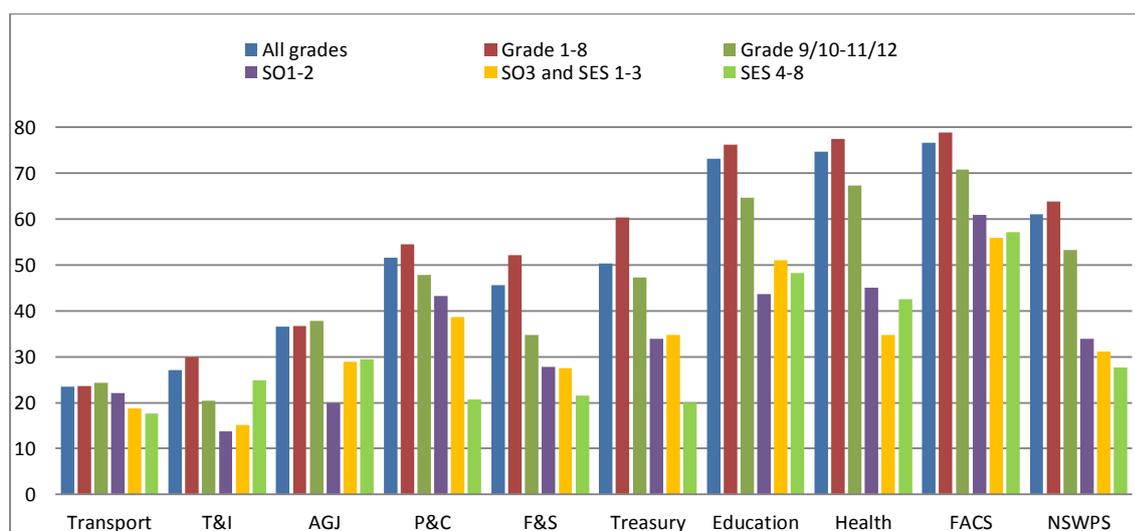
<sup>22</sup> Much of the data in this section is reported by cluster. The following abbreviations apply: AGJ - Attorney General and Justice; F&S - Office of Finance and Services; T&I - Trade and Industry; P&C - Department of Premier and Cabinet; FACS - Family and Community Services; NSWPS - New South Wales Public Sector

**Figure 1: Distribution of NSW public sector workforce by cluster**



Base: Total NSW public service headcount at June 2013, excluding Independent Agencies, including casual workers (N=399,243). Figures are based on the following data counts: Health (n=133,178) Education (n=126,834) AGJ (n=44,212) Transport (n=30,036) T&I (n=24,488) F&S (n=19,861) F&S (n=11,193) P&C (n=8,656) Treasury (n=683).

**Figure 2: Percentage of women in each grade within clusters and NSW Public Sector**



Base: Figures are based on headcount data, casuals missing, identified as women or men, within a grade (N=359,843)

**Figure 2** above shows that in all clusters and the NSW public sector as a whole, there is a higher percentage of women in lower grades (grade 11/12 and below) than in higher grades (SO1 and above). The clusters with the highest percentage of women at each grade level, as well as the highest percentage of women in higher grades, are F&S, Education and Health. Those clusters with the lowest percentage of women at all grade levels, including at higher grades, are Transport and Trade and Industry.

An analysis of data at agency level within each cluster (N=192 reporting entities) confirms that the public sector wide pattern of gender distribution displayed in **Figure 2** (where women's representation diminishes with progression up the grades) is also the prevailing pattern at reporting entity/agency level. There are, however, differences within clusters and across the sector. Some agencies and reporting entities have much lower or much higher percentages of women than the cluster average. This feature prevails in reporting entities that are largely composed of either

traditionally male occupations (for example Transport, Water corporations, NSW Police, and Fire and Rescue) or in agencies with high proportions of stereotypically female jobs delivering administrative or corporate functions, and in teaching and nursing occupations. The most notable exception to this trend is evident in the Department of Community Services (N= 4101), which has a very high percentage of women (84 per cent of the total workforce) remaining fairly constant across each of the five grade groups.

### The “Pinch -Point”

Across the public sector, the largest numbers of employees are located in grades 1-8, and grades 9/10-11/12, as shown in **Table 3**. These latter grades (9/10-11/12) are referred to as the ‘pipeline’ grades as they potentially feed into the senior officer and senior executive grades.

**Table 3** also indicates the significant drop-off in numbers of employees in the ‘pipeline’ or ‘feeder group’ for senior roles, when compared with employees in senior officer grades. The numbers fall from 58,628 employees in the feeder group to 6,113 employees holding SO1-2 roles. This highlights the narrowing of the job pipeline at that juncture of the grade distribution. At this point the distribution between women and men reverses, indicating the ‘pinch-point’ for women’s progression to senior positions. As **Table 3** demonstrates, women dominate the lowest grades (1-8) comprising almost two-thirds (64 per cent) of employees. Female workers make up just over half of employees in the pipeline grade, at 53 per cent. From SO1 to SES 8 women occupy up to or less than one third of the positions.

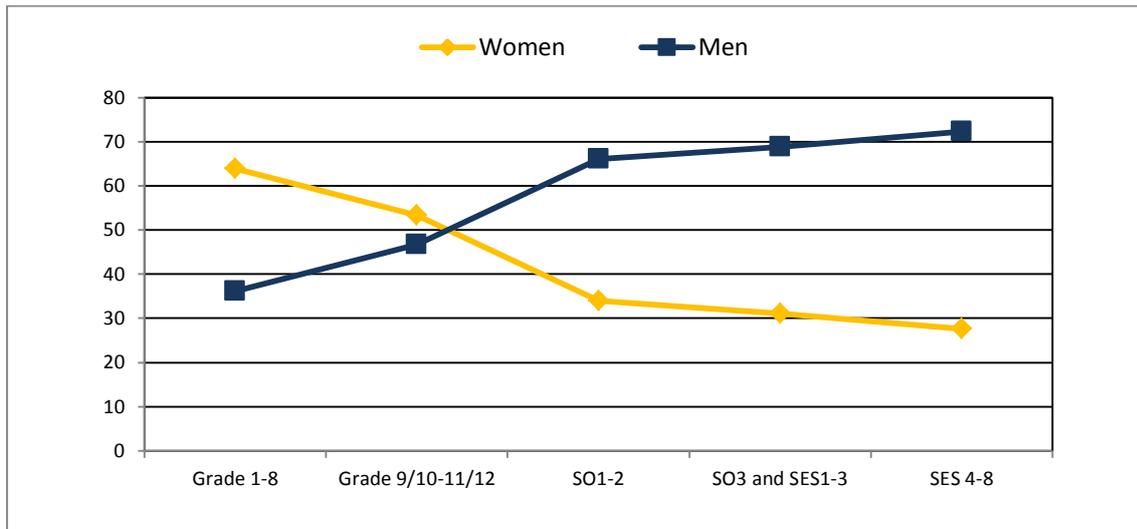
**Table 3: Headcount and percentage of women and men at each grade level**

Grade	Grade 1-8		Grade 9/10-11/12		SO1-2		SO3 and SES1-3		SES4-8		All grades	
	% F	% M	% F	% M	% F	% M	% F	% M	% F	% M	% F	% M
<b>Within grade</b>	64	36	53	47	34	66	31	69	28	72	61	39
<b>Total within grade</b>	288,324		58,628		6,113		5,563		1,215		359,843	

Base: Figures are based on headcount data, casuals missing, identified as women or men, within a grade (N=359,843)

**Figure 3** shows the high percentage of women in lower grades, and high percentage of men in higher grades, across the NSW public sector. There is a near-even gender split at the ‘pipeline’ (grades 9/10-11/12). Beyond this point the percentage of women declines most rapidly between the pipeline and the SO1-2 grades. Conversely, the percentage of men rises most rapidly at the same point, with men comprising between 66 and 72 per cent of employees earning over \$140, 067 (SO1 and above). These data indicate that in order to increase the internal progression of women into senior roles attention needs to be paid to this specific phase in their careers as well as the policies and practices that are at play in recruiting, selecting and promoting people between Grades 11/12 and SO1 and beyond.

Figure 3: Percentage of women and men in each grade for all NSW Public Sector

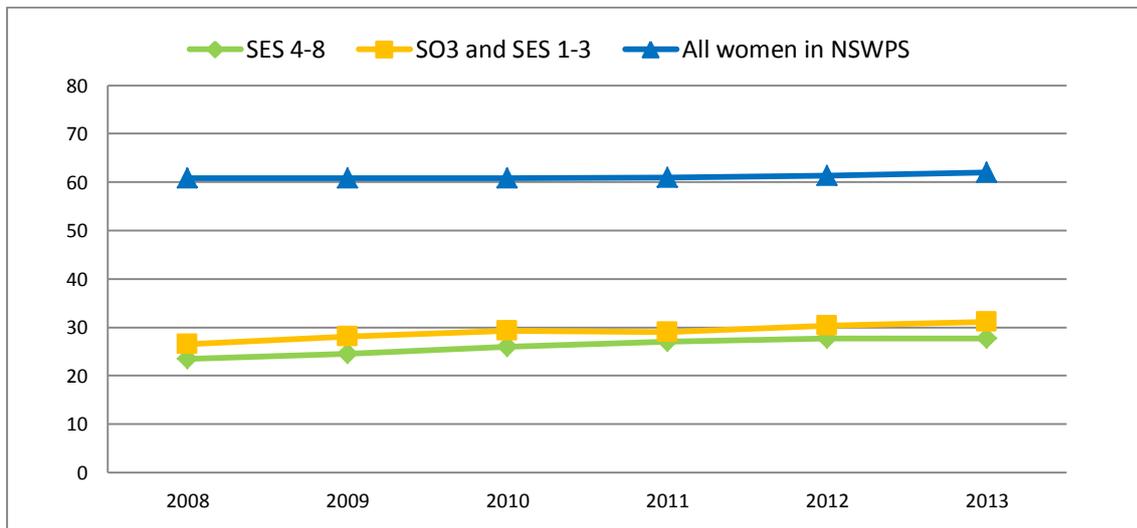


Base: Figures are based on headcount data, casuals missing, identified as women or men, within a grade (N=359,843)

### Modest improvement over time

The data in **Figure 4** below demonstrates that between 2008 and 2013 the percentage of women in the NSW public sector has remained stable, at between 61-62 per cent. Over this five year period there has been a modest increase in the percentage of women at the two highest grade categories (for women earning over \$163,000) of around 5 percentage points in each grade group. **Table 4** below provides headcount and percentage data over time. It shows that as at the 2013 census there were 1,732 women (31 per cent) and 3,831 (68 per cent) men at SES 1- 3. At SES 4-8 there were just 336 women (27 per cent) compared to 879 men (72 per cent).

Figure 4: Percentage of women at SES grades, and all women in NSW Public Sector, 2008-2013



Base: Figures are based on headcount data including casuals, identified as women or men, within a grade (2008 N= 377,470; 2009 N=381,584; 2010 N=384,674; 2011 N=393,350; 2012 N=400,267; 2013 N=398,834)

**Table 4: Headcount and percentage of men and women in SES Grades, 2008-2013**

Year	SES 1 to SES 3			SES 4 to SES 8			Total workforce		
	Women (n,%)	Men (n,%)	Total (n,%)	Women (n,%)	Men (n,%)	Total (n,%)	Women (n,%)	Men (n,%)	Total (n,%)
2013	1,732 (31%)	3,831 (68%)	5,563 (100%)	336 (27%)	879 (72%)	1,215 (100%)	247,201 (62%)	151,633 (38%)	398,834 (100%)
2012	1,610 (30%)	3,694 (69%)	5,304 (100%)	310 (27%)	810 (72%)	1,120 (100%)	245,723 (61%)	154,544 (38%)	400,267 (100%)
2011	1,467 (28%)	3,601 (71%)	5,068 (100%)	296 (27%)	798 (72%)	1,094 (100%)	239,911 (60%)	153,439 (39%)	393,350 (100%)
2010	1,417 (29%)	3,430 (70%)	4,847 (100%)	265 (26%)	753 (73%)	1,018 (100%)	234,185 (60%)	150,489 (39%)	384,674 (100%)
2009	1,167 (28%)	2,992 (71%)	4,159 (100%)	243 (24%)	747 (75%)	990 (100%)	232,259 (60%)	149,325 (39%)	381,584 (100%)
2008	1,046 (26%)	2,909 (73%)	3,955 (100%)	258 (23%)	841 (76%)	1,099 (100%)	229,503 (60%)	147,967 (39%)	377,470 (100%)

Base: figures are based on headcount data including casuals, identified as women or men, within a grade (2008 N=377,470; 2009 N=381,584; 2010 N=384,674; 2011 N=393,350; 2012 N=400,267; 2013 N=398,834)

### Nature of employment

Three-quarters (74 per cent) of the public sector workforce is in permanent employment, with 26 per cent in other employment arrangements, either casual, contract or temporary,<sup>23</sup> as shown in **Table 5**. Fourteen per cent are employed as temporary workers, and around one in ten (11 per cent) of public sector workers are subject to casual employment arrangements (lower than the national average of 19 per cent casual employment<sup>24</sup>) and 1 per cent are contracted executive staff.

In **Figure 5** the gender breakdown of each employment category is displayed. Women are almost twice as likely as men to be in temporary and casual jobs while men are twice as likely to be on executive contracts (although as **Table 5** indicates, the overall percentage of executive contract employment is low, at 1 per cent). While the presence of casual and temporary work in senior ranks is negligible, it is well understood by labour market analysts that temporary and casual work has the effect of curtailing career progression, with staff working those arrangements receiving fewer development and advancement opportunities compared to those in more secure forms of employment, and as such has a disproportionate impact on women. This was also an issue that was raised by one of the NSW public sector experts (chapter 4) where it was observed that the high proportion of women in non-permanent positions was regarded as creating barriers to their progression.

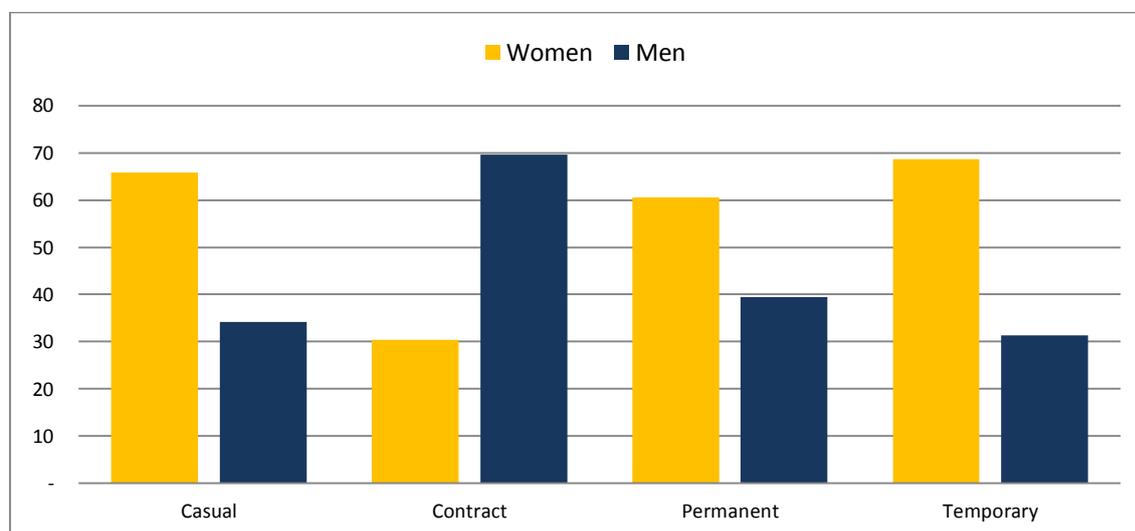
<sup>23</sup> A temporary employee is a person employed in a temporary basis to undertake duties of a specific task or project for a nominated period of time.

<sup>24</sup> ABS (2013) Cat 6359.0 Forms of Employment, Australia, ABS November 2013

**Table 5: Total and percentage workforce by employment category**

Employment Category	Women (n,%)	Men (n,%)	Total (n,%)	% in workforce
Casual	28,356 (66%)	14,718 (34%)	43,074 (100%)	10.8
Contract	1,186 (30%)	2,717 (70%)	3,903 (100%)	1
Permanent	177,866 (61%)	116,033 (39%)	293,899 (100%)	73.7
Temporary	39,793 (69%)	18,165 (31%)	57,958 (100%)	14.5
NSWPS	247,201 (62%)	151,633 (38%)	398,834 (100%)	100

Base: Figures are based on headcount data for individuals identified as women or men and within employment categories. Casual N=43,074; Contract N=3,903; Permanent N=293,899; Temporary N=57,958; NSWPS N=398,834. Total N excludes 409 individuals (missing/withdrawn) who were not identified as women or men.

**Figure 5: Percentage of women and men in each employment category**

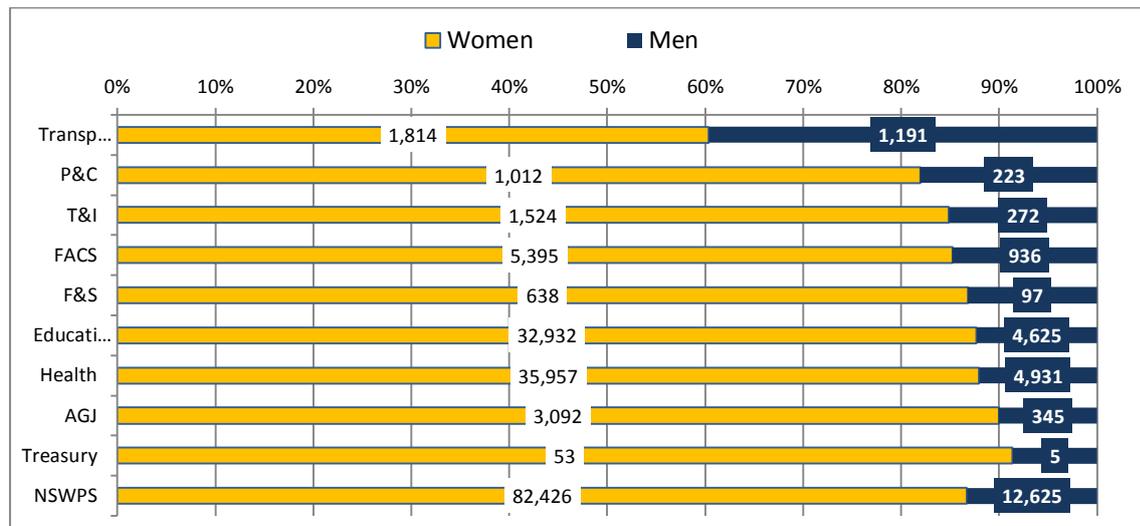
Base: Figures are based on headcount data for individuals identified as women or men and within employment categories. Casual n=43,074; Contract n=3,903; Permanent n=293,899; Temporary n=57,958; NSWPS n=398,834.

## Hours of work

Part-time work is defined as working fewer than 35 hours a week. **Figure 6** shows all part time workers in each cluster, by gender, and the composition of cluster-level part-time workforce by gender. The headcount numbers are low as they exclude casual part-time workers (that is, the headcount numbers reflect permanent part-time work arrangements, non-casual employees, only). In each cluster, excluding Transport, women make up the large majority of part-time workers (between 82 and 91 per cent). In Transport, women still comprise the majority of part-time workers (60 per cent), but there are more male part-time workers in Transport than in other clusters, or than in the NSW public service overall.<sup>25</sup>

<sup>25</sup> According to a NSW public sector expert this relatively high proportion of male part time workers in Transport is possibly made up public transport drivers who work part time patterns of hours.

**Figure 6: Percentage of women and men working part-time in each cluster**



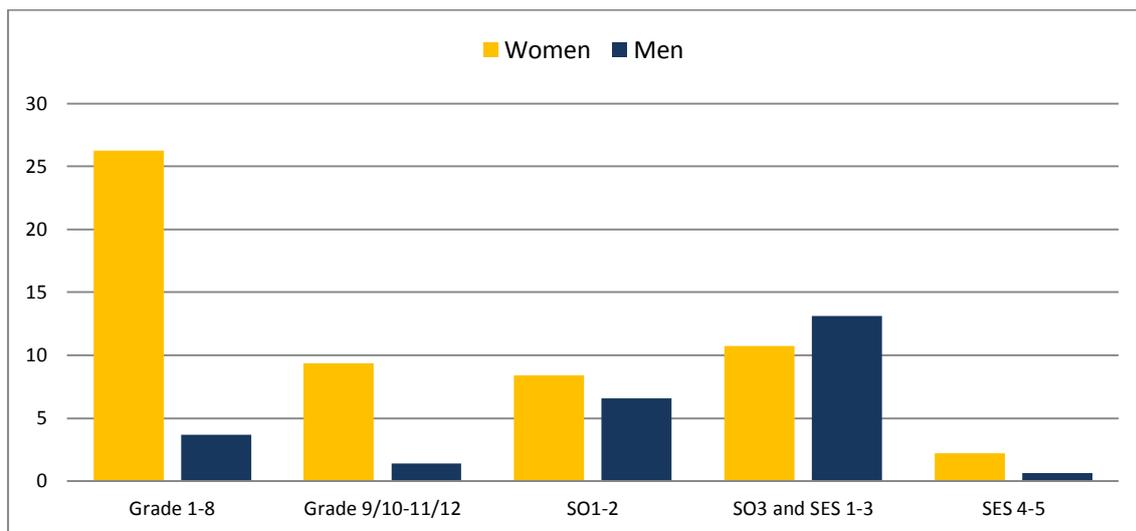
Base: Figures are based on headcount data, not including casuals, identified as women or men, who usually work less than 35 hours per week. N on bars represents the number behind each percentage

**Figure 7** (below) shows a higher percentage of female employees work part-time at each grade level than their male counterparts, with the exception of the fourth grade grouping (SO3 and SES 1-3). The relatively high numbers of senior staff working part-time evident in **Figure 7** (particularly men) is likely to be due to large numbers of medical consultants (Visiting Medical Officers) in the Health cluster working fractional hours in hospitals in addition to hours being worked in private practice. This becomes apparent when Health is excluded from the analysis, as can be seen in **Figure 8**.

Importantly, the data also show that part-time work is much more prevalent among female and male workers at the lowest grade level than at other grade levels, with very few women and men working part-time at 'pipeline' and senior grade levels. Excluding health cluster employees, 23 per cent of women in the lowest grade group (grade 1-8) work part-time. This drops markedly in the 'pipeline' grade to 7 per cent of women working part-time. At senior levels, (excluding Health) just two per cent of women and one per cent of men work part-time. Overall, percentages of male part-time workers are very low at all grade levels (between 0.6 and 3.9 per cent). As suggested by the research literature, the low levels of utilisation of part-time work in senior ranks may be related to a number of issues such as job size, job design and job autonomy (or lack of) and perceptions of the need to be present for long work hours. Together with the concentration of a senior male workforce nearing retirement age (see below) who may seek reduced hours, investigation of options for redesigning senior level roles to increase flexibility is warranted.

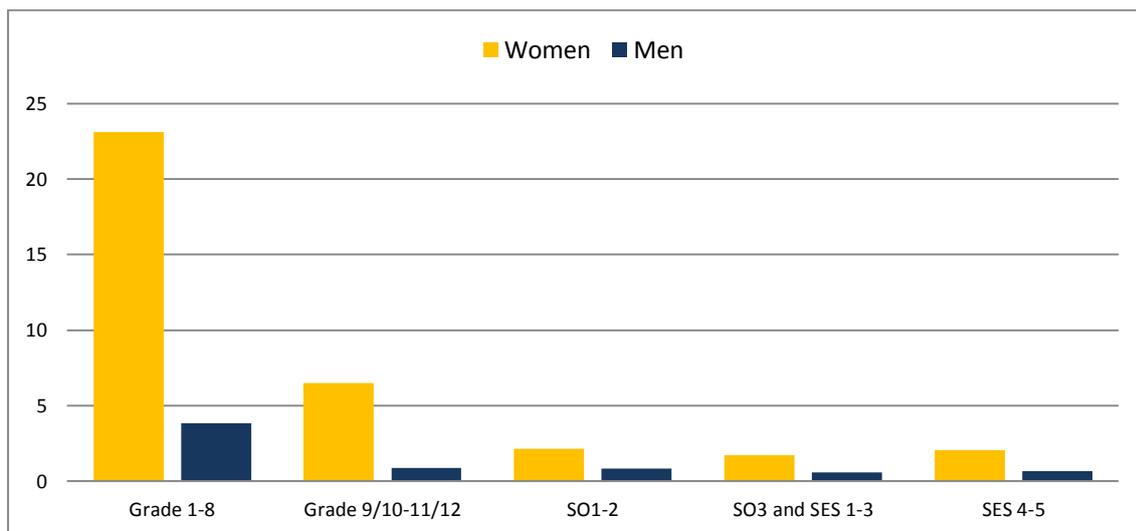
Comparison of the two figures, 7 and 8, also reveals the greater extent to which jobs in the Health cluster are more likely to be subject to part-time arrangements than other occupational categories, at all grade levels. As the Health cluster is the largest cluster numerically (closely followed by Education, which has a large number of part-time teachers), this has a disproportionate effect on percentages of employees working part-time across the NSW public sector as a whole.

Figure 7: Percentage of women and men working part-time in each grade group



Base: Figures are based on headcount data, not including casuals, identified as women or men, within a grade group, who usually work less than 35 hours per week.

Figure 8: Percentage of women and men working part-time in each grade group (excluding health)



Base: Figures are based on headcount data (not including casuals or health cluster workforce), identified as women or men, who usually work less than 35 hours per week.

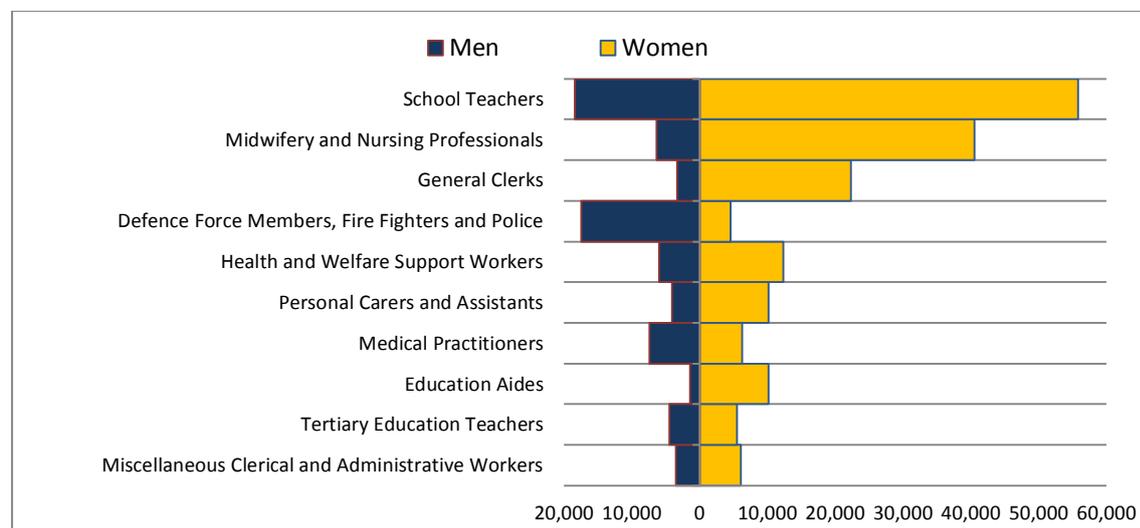
\*\* N for each grade: Grade 1-8 (>\$0 - <\$93,586) n=188,654; Grade 9/10-11/12 (>=\$93,586 - <\$140,067) n=41,106; SO1-2 (>=\$140,067 - <\$163,000) n=4,223; SO3 and SES 1-3 (>=\$163,000 - <\$232,501) n=2,699; SES 4-8 (>=\$232,501) n=1,168; All grades n=237,850.

### Occupational segregation

As noted earlier, the NSW public sector employs people across a wide range of occupations. **Figure 9** shows the gender makeup of the largest ten occupational groups in the NSW public sector by headcount (workforce size). It demonstrates that women are numerically dominant in most of the ten largest occupations. Women comprise the majority of the three largest occupational groups (School Teachers, Midwifery and Nursing Professionals, and General Clerks). Men form the majority of the occupational group ‘Defence Force Members, Fire Fighters and Police’ (the fourth largest

group).<sup>26</sup> Women also make up a majority of the occupational groups, Health and Welfare Support Workers; Personal Carers and Assistants; Education Aides and Clerical and Administrative Workers. Women also comprise just under half of the smaller occupational group, Medical Practitioners, and just over half of Tertiary Education Teachers). **Table 6** below provides total headcount and percentage gender breakdowns for each occupation.

**Figure 9: Largest 10 occupations by gender (headcount)**



Base: Figures are based on headcount data including casuals, identified as men or women, all 3 digit ANZSCO Major Group Code

**Table 6: Largest 10 occupations in NSW public service by headcount and percentage (ANZSCO 3 digit)**

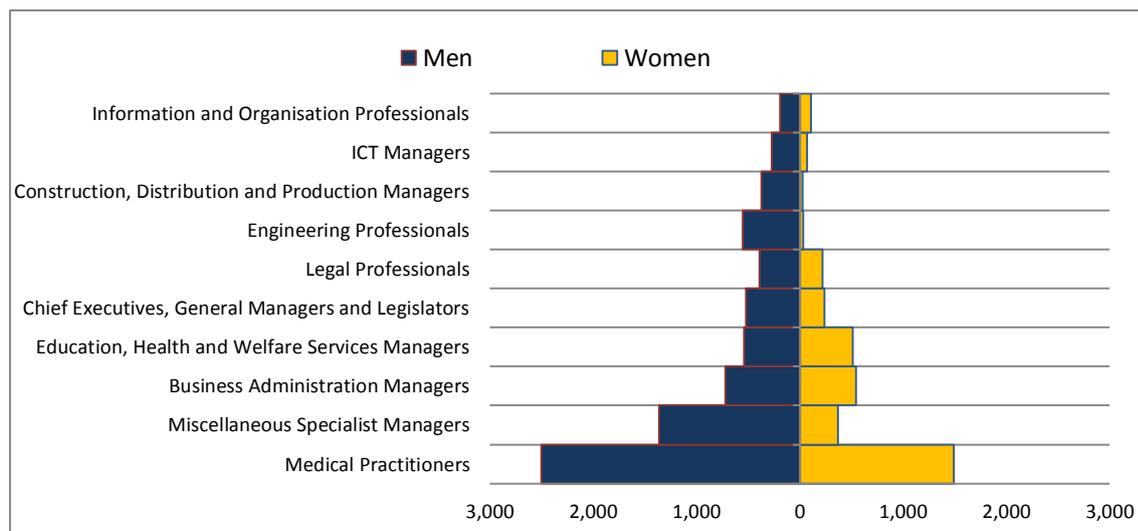
Occupation (ANZSCO 3 digit)	Women (n,%)	Men (n,%)	Total in occupation
Miscellaneous Clerical and Administrative Workers	6,108 (64%)	3,483 (36%)	9,591
Tertiary Education Teachers	5,590 (56%)	4,412 (44%)	10,002
Education Aides	10,162 (88%)	1,385 (12%)	11,547
Medical Practitioners	6,346 (46%)	7,331 (53%)	13,677
Personal Carers and Assistants	10,200 (72%)	4,026 (28%)	14,226
Health and Welfare Support Workers	12,402 (68%)	5,938 (32%)	18,340
Defence Force Members, Fire Fighters and Police	4,632 (21%)	17,464 (79%)	22,096
General Clerks	22,349 (87%)	3,286 (13%)	25,635
Midwifery and Nursing Professionals	40,567 (87%)	6,313 (13%)	46,880
School Teachers	55,876 (75%)	18,354 (25%)	74,230

Base: Figures are based on headcount data including casuals, identified as men or women, all 3 digit ANZSCO Major Group Code

<sup>26</sup> Note: Occupational categories are based on national standards (ANZSCO). This category in the NSW public sector would not include defence force members as they are employed exclusively within the federal jurisdiction.

Taking employees earning over \$140,067 (senior officer and executive level grades), **Figure 10** shows the ten numerically largest occupational groups into which they fall. It demonstrates that men form the majority of those earning above this level, in all of these occupations. The largest group is medical practitioners, with men comprising almost two-thirds (63 per cent) of people in this group (earning above \$140,067). Men also make up the majority of all other occupational categories in which people at this earnings level sit, although the gender split is fairly even in two numerically smaller occupational categories: education, health, and welfare services managers (49 per cent female: 51 per cent male); and business administration managers (43 per cent female: 57 per cent male).

**Figure 10: Largest 10 Occupations with people earning over \$140,067 per annum by Gender**



Base: Figures are based on headcount data (Remuneration \$140,067 and above) including casuals, identified as men or women, all 3 digit ANZSCO Major Group Code

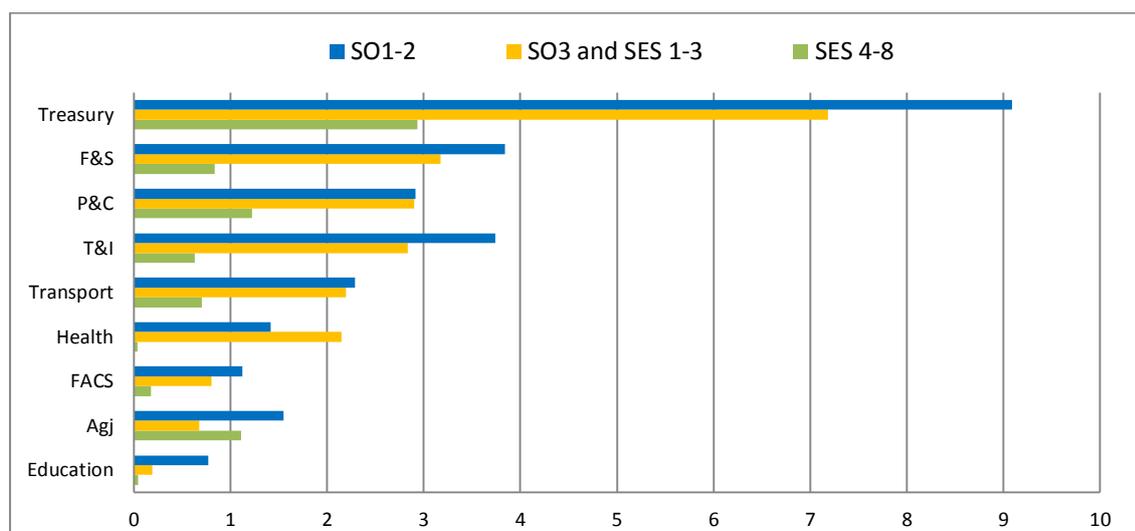
## Senior positions

**Figure 11** shows the percentage of employees in higher grades as a percentage of all employees in the cluster. This gives an indication of the scope for advancement to senior positions in each cluster.

**Figure 11** indicates that some of the smallest clusters numerically (Treasury, Finance and Services and Premier and Cabinet) have a higher percentage of higher grade roles than the largest clusters and the NSW public sector as a whole. These are the three smallest clusters by headcount, but they have the highest percentage of senior grade and executive positions, relative to their overall size. As seen in **Figure 2** earlier, the percentage of women in higher grade positions in these clusters is typically low.

By contrast, Health and Education, the two numerically largest clusters, have a low percentage of senior grade and executive positions in comparison to the smaller clusters, with the lowest percentage of SES 4-8 positions. This denotes a relatively 'flat' hierarchy and internal career structure in the largest clusters, that is, the same clusters in which women are overly represented, thus providing less opportunity for advancement to senior positions within these clusters. Restructuring of organisations (as discussed in Chapter 5 on leading practice) can effect opportunities for women's advancement. Given reforms to the senior executive levels under the GSE Act and the patterns observed in terms of the limited number of senior roles in some clusters, lateral mobility and external appointments may offer more opportunities for women to advance to senior roles.

Figure 11: Percentage of employees in higher grades in each cluster



Base: Figures are based on headcount data including casuals, identified as men or women, within grades

**Table 7** shows headcount data for higher grade roles in **Figure 11** above and provides percentages shown in Figure 11, including totals and percentages for the three grade groups combined.

Table 7: Headcount and percentage of higher grade roles by NSW public sector cluster

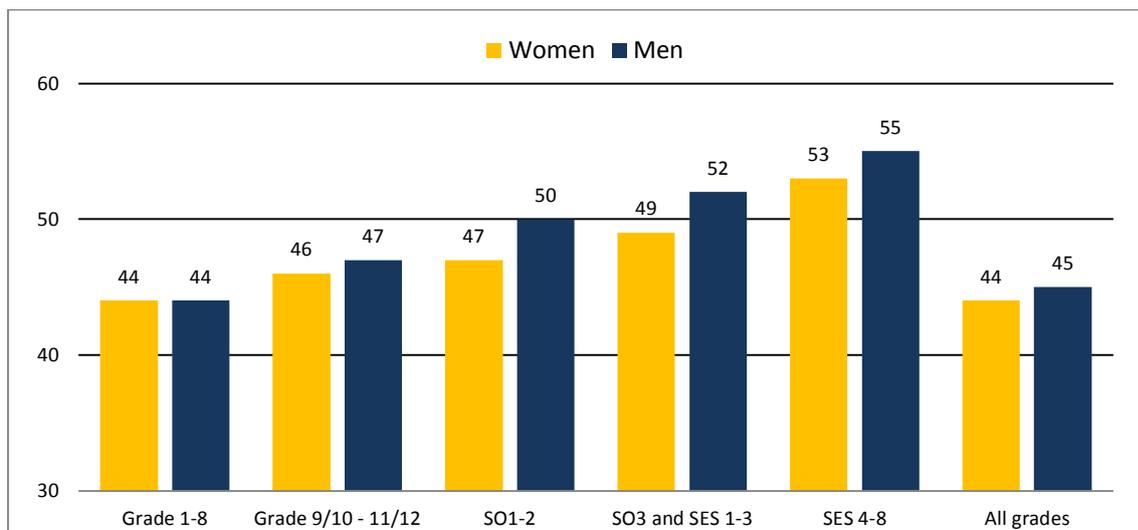
Cluster/grade	Senior Officer Grade 1 to SES Band 1 (>=\$140,067 - <\$163,000) (n,%)	SES Band 1 to SES Band 3 (>=\$163,000 - <\$232,501) (n,%)	SES Band 3 to SES Band 8 (>=\$232,501) (n,%)	All senior roles (>=\$140,067 - >=\$232,501) (n,%)
Education	979 (0.8%)	237 (0.2%)	56 (0.0%)	1,272 (1.0%)
AGJ	685 (1.6%)	298 (0.7%)	491 (1.1%)	1,474 (3.3%)
FACS	223 (1.1%)	159 (0.80%)	35 (0.2%)	417 (2.1%)
Health	1,889 (1.4%)	2863 (2.2%)	47 (0.0%)	4,799 (3.6%)
Transport	684 (2.3%)	656 (2.19%)	210 (0.7%)	1,550 (5.2%)
T&I	907 (3.7%)	688 (2.8%)	153 (0.63%)	1,748 (7.2%)
P&C	252 (2.9%)	251 (2.9%)	106 (1.2%)	609 (7.0%)
F&S	427 (3.8%)	353 (3.2%)	93 (0.8%)	873 (7.9%)
Treasury	62 (9.1%)	49 (7.2%)	20 (2.9%)	131 (19.21%)
NSWPS	6,113 (1.5%)	5,563 (1.4%)	1,215 (0.3%)	12,891 (3.3%)

Base: Figures are based on headcount data including casuals, identified as men or women, within grades

## Age

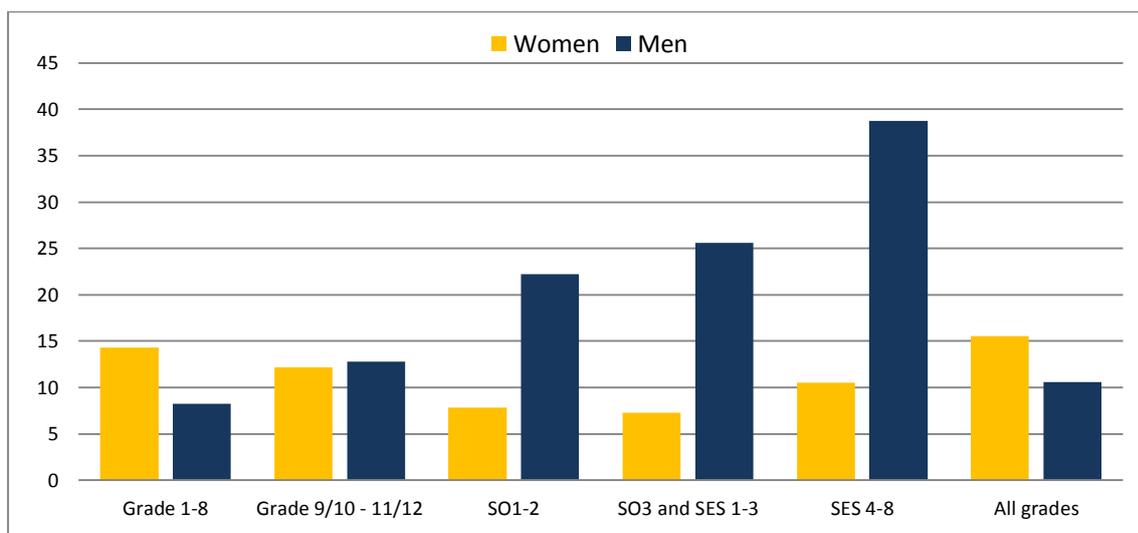
As shown in **Figure 12** below, the median age across the public sector (for all grade groups) is similar for men and women (44 years for women, 45 for men). The age of both men and women increases by 1 to 4 years between each grade group for women and by 2 to 3 years between each grade group for men. There is a slight difference in age between men and women at each grade level, with men between 1 and 3 years older than women. The gradual increase in median age by grade group shown in **Figure 12** indicates a seniority-based advancement trajectory.

Figure 12: Median age (years) by grade groups and gender



Base: Figures are based on headcount data including casuals, identified as men or women

Figure 13: Percentage of employees aged 55 and over in each grade group who are male and female



Base: Figures are based on headcount data (aged 55 or over) casuals missing, identified as men or women, within a grade.

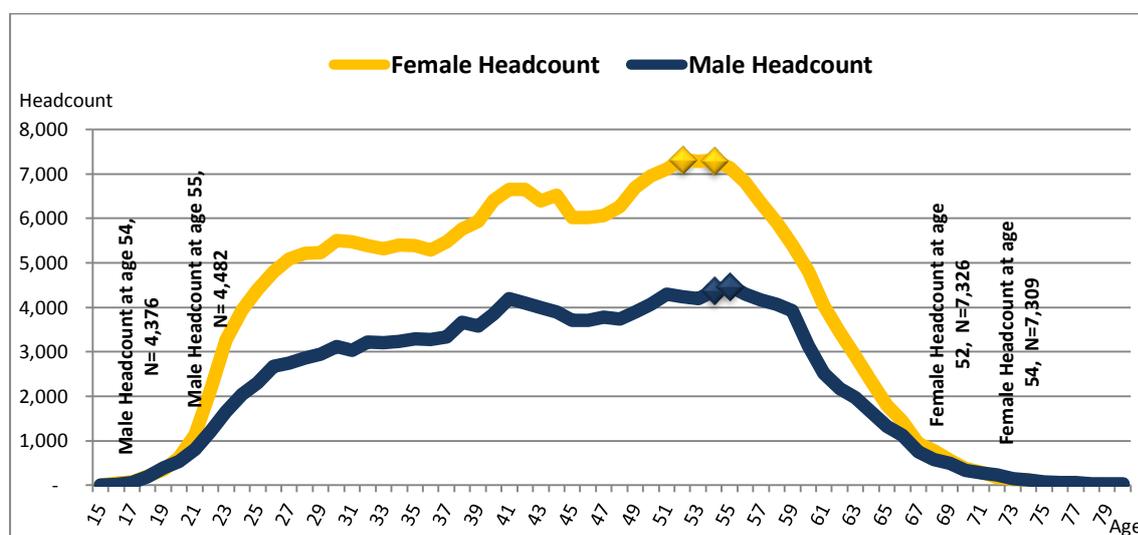
Figure 13 (above) shows, for each grade, the percentage of men and women aged 55 and over. It demonstrates that men aged 55 and older are in the highest proportions in the senior grades and executive groups. Almost two in five men (39 per cent) in SES 4-8 are aged 55 and over, while over one quarter (26 per cent) of men in the SO3 and SES 1-3 grade group are aged 55 and over, and over one fifth (22 per cent) of men in this age group are located in SO1 and SO2.

Overall, there are more women aged 55 and older in the public sector than men (16 per cent of women compared with 11 per cent of men). However these women are located primarily in the lowest grades: there are fewer women aged 55 or over than men at all grade levels with the exception of the lowest grade group (Grade 1-8), where 14 per cent of women are 55 and over, compared with 8 per cent of men at the same grade level. This difference is most marked at the

highest grade group, where 11 per cent of women in SES 4-8 are aged 55 or over, compared with 39 per cent of men. This suggests that women, when they are achieving senior positions, are doing so at an earlier age than men – or that men are staying in their positions for longer periods of time than women.

**Figure 14** shows the age, by headcount, of the male and female workforces in the NSW public sector. The age distribution for both male and female workforce populations is similar in profile, with the highest number of male workers at age 54-55 and for female workers, at ages 52 and 54. Large proportions of both female and male workers are aged 40-45 and 51-55. The number of female and male workers declines from age 55 (males) and 54 (females). The decline is steadier from age 54 for female workers while among the male workforce, numbers of workers remain high and stable until age 60, at which point it declines steadily.

**Figure 14: Age distribution by gender**

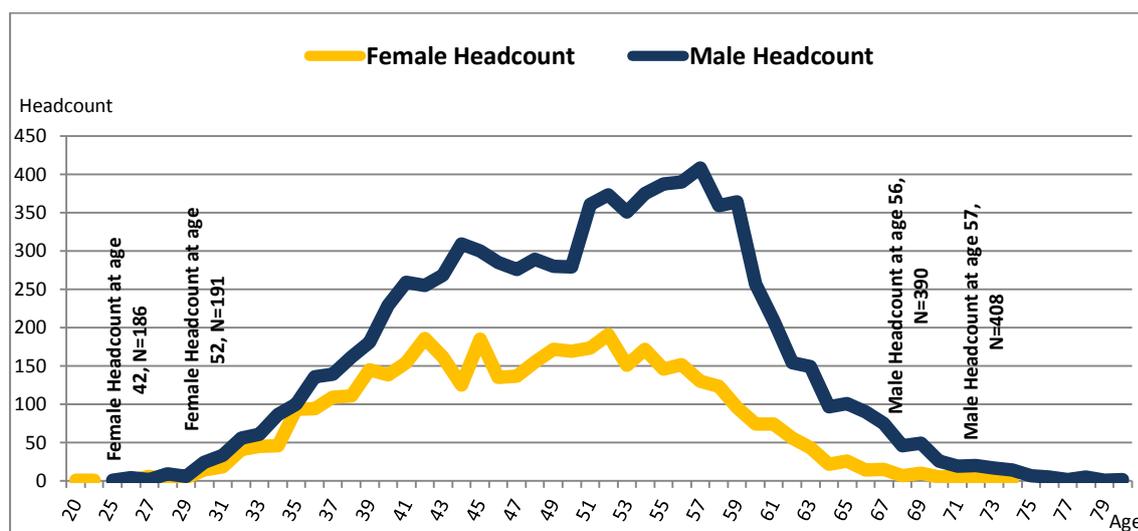


Base: Figures are based on headcount data, including casuals, identified as women or men. Total N=398,725; Female N=247,156; Male N=151,569.

Examining the age of employees with annual remuneration of \$140,067 and above, **Figure 15** shows an age profile that is the inverse of that for the workforce as a whole (**Figure 14**). Greater numbers of men sit at this earnings level than women, at all ages from 29 years up. The age profile, in terms of workforce numbers, does not reflect the gender composition of the NSW public sector workforce as a whole. Among those earning over \$140,067, the highest numbers of male workers are aged between 51 and 59 years old, reaching a peak of 407 male workers at age 57. By contrast, the highest numbers of women by age are smaller, with 'peaks' occurring at ages 42, 45, and 52 (186 workers at age 42, 185 workers at 45 and 191 workers at age 52). Most notable is the high number of men aged 50 to 57 in this remuneration category, a trend that is not evident among women in the same age category.

The split in progression occurring between men and women commencing from ages 29-42 could reflect the prime child bearing years of women and the prime 'breadwinning' responsibility years of men. The continuation and growth in that gap may mirror the ongoing caring responsibilities that are known to primarily rest with women (noted in Chapter 1), as well as adverse impacts on career advancement associated with career breaks and uptake of flexible work (see the Research Literature, Chapter 3, for further discussion).

Figure 15: Age distribution by gender (Remuneration \$140,067 and above)



Base: Figures are based on headcount data, including casuals, identified as women or men, with annual remuneration of \$140,067 and above. Total N=12,888; Female N=4,144; Male N=8,744

## Employees with a disability

**Table 8** profiles the low percentage of workers with a disability within the NSW public sector workforce. It indicates a slightly higher percentage of female employees with a disability compared with male employees, but this is reflective of the higher percentage of women in the public sector workforce as a whole. There is little difference in the percentage of employees with a disability at each grade level for either men or women (at around 1 to 2 per cent at each grade level), although cell sizes are too small to allow for robust comparison.

Table 8: Percentage of male and female employees with a disability in each grade

Disability	Women (n,%)	Men (n,%)	Total (n,%)	Total workforce in grade
Grade 1-8	3,997 (1.4%)	3,042 (1.1%)	7,039 (2.4%)	288,324
Grade 9/10 – 11/12	732 (1.3%)	906 (1.6%)	1,638 (2.8%)	58,628
SO1-2	36 (0.6%)	120 (1.96%)	156 (2.6%)	6,113
SO3 and SES 1-3	30 (0.5%)	85 (1.5%)	115 (2.07%)	5,563
SES 4-8	7 (0.58)	19 (1.56%)	26 (2.1%)	1,215
All grades	5,031 (1.3%)	4,295 (1.1%)	9,326 (2.3%)	398,834

Base: Figures are based on headcount data, including casuals, identified as women or men, disabled, within a grade. Percentages are calculated out of all people in each grade. Difference in total N of 409 individuals comes from missing/withdrawn who were not identified as women or men.

As evident in **Table 9** (below), the percentage of employees with disability in each cluster is relatively low. The exception is the Office of Finance and Services cluster, which has the highest percentage of both female and male employees with a disability of any cluster. In this cluster people with a disability with a disability account for 4.1 per cent of women (compared with 1.3 per cent of women across the public sector as a whole) and 5.6 per cent of men (compared with 1.1 per cent of men across the sector).

Across all other clusters, the percentage of female employees with a disability ranges from 0.5 per cent to 2.1 per cent of cluster workforces, while the percentage of male employees with a disability ranges from 0.5 per cent to 2.1 per cent. Percentages of men with a disability were lowest in those clusters where men are in the minority (education, health and FACS), and the same pattern holds true for women workers, with the lowest percentages of female employees with a disability also found in those clusters with the lowest percentages of women workers (Transport, Trade and Industry, and Attorney General and Justice).

**Table 9: Percentage of female and male employees with a disability in each cluster**

Disability	Women (n,%)	Men (n,%)	Total (n,%)	Total workforce in cluster
<b>P&amp;C</b>	<b>118</b> (1.4%)	<b>150</b> (1.7%)	<b>268</b> (3.1%)	8,656
<b>Treasury</b>	<b>14</b> (2.1%)	<b>7</b> (1.0%)	<b>21</b> (3.1)	682
<b>F&amp;S</b>	<b>452</b> (4.1%)	<b>620</b> (5.6%)	<b>1,072</b> (9.6)	11,119
<b>Family</b>	<b>329</b> (1.7%)	<b>147</b> (0.7%)	<b>476</b> (2.4%)	19,861
<b>T&amp;I</b>	<b>110</b> (0.5%)	<b>497</b> (2.1%)	<b>607</b> (2.5%)	24,249
<b>Transport</b>	<b>157</b> (0.5%)	<b>637</b> (2.1%)	<b>794</b> (2.7%)	29,948
<b>AGJ</b>	<b>438</b> (0.1%)	<b>579</b> (1.3%)	<b>1,017</b> (2.3%)	44,206
<b>Education</b>	<b>1,672</b> (1.3%)	<b>982</b> (0.8%)	<b>2,654</b> (2.1%)	126,834
<b>Health</b>	<b>1,735</b> (1.3%)	<b>675</b> (0.5%)	<b>2,410</b> (1.8%)	133,177
<b>NSWPS</b>	<b>5,031</b> (1.3%)	<b>4,295</b> (1.1%)	<b>9,326</b> (2.3%)	398,834

Base: Figures are based on headcount data, including casuals, identified as women or men, disabled, within a cluster. Percentages are calculated out of all people in each cluster. Difference in total N of 409 individuals comes from missing/withdrawn who were not identified as women or men.

## Aboriginal/Torres Strait Islander (ATSI) employees

**Table 10** shows a low overall percentage of ATSI employees across the total NSW public sector workforce (1.8 per cent). There is a higher percentage of female ATSI employees (1.1 per cent) than male ATSI employees (0.7 per cent), reflective of the higher percentage of women in the workforce in total (women, for example, make up 63 per cent of all ATSI workers at the lowest grade and 60 per cent of all ATSI workers across the public sector as a whole). There are noticeably higher percentages of both male and female ATSI employees in the lowest grade compared with the higher grades, although cell sizes in the higher grades are too small to allow for robust comparison.

**Table 10: Percentage of Aboriginal/Torres Strait Islander (ATSI) employees in each grade**

Grade	Women (n,%)	Men (n,%)	Total (n,%)	Total workforce in grade
Grade 1-8	3886 (1.3%)	2274 (0.8%)	6160 (2.1%)	288,324
Grade 9/10 – 11/12	368 (0.6%)	294 (0.5%)	662 (1.1%)	58,628
SO1-2	21 (0.3%)	21 (0.3%)	42 (0.7%)	6,113
SO3 and SES 1-8*	14 (0.2%)	16 (0.2%)	30 (0.4%)	6,778
All grades	4,532 (1.1%)	2,719 (0.7%)	7,251 (1.8%)	398,834

Base: Figures are based on headcount data, including casuals, identified as women or men, ATSI, within a grade. Percentages are calculated out of all people in each grade. Difference in total N of 409 individuals comes from missing/withdrawn who were not identified as women or men.

\*Note: SO3 and SES1-3 and SES 4-5 grade groups are reported together in this table due to low cell counts in both groups.

As shown in **Table 11** (on the following page), several clusters have a higher percentage of ATSI workers in comparison to the percentage of ATSI workers across the entire NSW public service (1.8 per cent). These clusters include Department of Premier and Cabinet (4.3 per cent), Family and Community Services (4.2 per cent) and Attorney General and Justice (2.7 per cent).

The cluster with the highest percentage of female ATSI workers is Family and Community Services (3.3 per cent) and the lowest is Transport (0.2 percent – noting the small cell size). In all other clusters, ATSI female workers make up between 0.3 per cent (Trade and Industry) and 1.5 per cent (Department of Premier and Cabinet). Male ATSI workers stand at below 1 per cent in most clusters, with higher percentages in Department of Premier and Cabinet (2.9 per cent), Attorney General and Justice (1.6 per cent) and Trade and Industry (1.2 per cent).

**Table 11: Percentage of Aboriginal/Torres Strait Islander (ATSI) employees in each cluster**

Cluster	Women (n,%)	Men (n,%)	Total (n,%)	Total workforce in cluster
P&C	129 (1.5%)	244 (2.8%)	373 (4.3%)	8,656
Treasury	3 (0.4%)	2 (0.3%)	5 (0.7%)	682
F&S	64 (0.6%)	60 (0.5%)	124 (1.1%)	11,119
FACS	648 (3.3%)	182 (0.9%)	830 (4.2%)	19,861
T&I	69 (0.3%)	283 (1.2%)	352 (1.5%)	24,249
Transport	57 (0.2%)	187 (0.6%)	244 (0.8%)	29,948
AGJ	468 (1.1%)	702 (1.6%)	1,170 (2.7%)	44,206
Education	1,616 (1.3%)	586 (0.5%)	2,202 (1.7%)	126,834
Health	1,477 (1.1%)	473 (0.4%)	1,950 (1.5%)	133,177
NSWPS	4,532 (1.1%)	2,719 (0.7%)	7,251 (1.8%)	398,834

Base: Figures are based on headcount data, including casuals, identified as women or men, ATSI, within a grade. Percentages are calculated out of all people in each grade. Difference in total N of 409 individuals comes from missing/withdrawn who were not identified as women or men.

## SENIOR EXECUTIVE CAPABILITY

In 2014 an analysis was undertaken of senior executive capabilities as part of the NSW public sector Senior Executive Development Program.<sup>27</sup> The Public Sector Performance Development Framework (2012) which underpins executive development and executive performance assessment is aligned to the NSW public sector Capability Framework.

The average scores of 91 female participants exceeded the average scores of 204 male participants in all capabilities except for *Think and Solve Problems*, *Finance*, and *Project Management*. Women statistically significantly outperform men on 11 of the 17 capabilities, whereas men statistically significantly outperform women in only one category, that of *Finance*. The results of the analysis confirm that women have the capability to work at senior levels, but that some development in relation to finance capability may be useful for women seeking to progress further in senior roles.

## NSW PUBLIC SECTOR EMPLOYEE PERCEPTIONS

The PSC oversees the conduct of a bi-annual People Matter Employee Survey (PMES) which aims to capture the opinions of public sector employees about their workplace and working life. This section reports relevant survey data from the 2012 and 2014 surveys. A number of new questions regarding gender were introduced in the 2014 survey and the results are reported below.<sup>28</sup> Table 13 in Appendix 1 displays the percentage of respondents agreeing to attitudinal statements in the 2014 PMES by gender. The data reported is in relation to the following statements:

1. My manager assigns work to people in my workgroup based on their skills and expertise
2. My manager ensures fair access to developmental opportunities for people in my workgroup
3. My manager considers my needs and career aspirations when approving my development plan
4. I have a strong desire to advance my career
5. I am satisfied with the opportunities available for career development in my organisation
6. Senior managers in my organisation genuinely support the career advancement of women
7. My organisation offers practical employment arrangements and conditions to help employees achieve a work-life balance
8. My manager takes into account the differing needs and circumstances of employees when making decisions
9. I have enough flexibility at work to handle my own family and caring responsibilities
10. Gender is not a barrier to success in my organisation
11. In my organisation women are able to lead just as effectively as men
12. Women and men are given the same opportunities to take the lead on important work in my organisation

### **The key trends revealed in this data are as follows:**

Responses to statements numbered 1-5 inclusive and 8 (above) indicated that marginally higher percentages of both women and men at higher salary levels agreed with the statements than those

<sup>27</sup> Hudson Talent Management (2014) Confidential: 2014 Summary Analysis: Senior Executive Development Program NSW Public Sector.

<sup>28</sup> The response rates for the survey were 16 per cent (n=60,779) in 2012 and 19 per cent (n=73,550) in 2014.

at lower salary levels. It should be noted that most of these statements asked about ‘my manager’ or senior managers’, and those at higher salary levels were more likely to be in management positions, thus influencing their propensity to agree with the questions. The starkest difference between both men and women at the lowest and highest salary level was in relation to statement 5, with those at the lowest level significantly less likely to agree that they were satisfied with opportunities for career development than those at the highest level. The statement “I am satisfied with the opportunities available for career development in my organisation” elicited the lowest level of agreement of all the statements with only around half (55 per cent) of men and women agreeing, overall.

In relation to the gender and work life balance statements (numbered 6, 7 and 9-12 inclusive), there was no clear or consistent pattern of higher percentages of agreement rising with salary level.

Women were slightly less likely than men to agree that senior managers support the career advancement of women. In addition, women at higher levels were marginally less likely than men at the equivalent salary levels to agree that senior managers supported women’s career advancement; that gender was not a barrier to success; and that women and men are given the same opportunities to lead on work, at higher salary levels.

The highest level of agreement was in relation to the statement “In my organisation women are able to lead just as effectively as men” with over 9 in 10 agreeing (94 per cent of women and 93 per cent of men). This suggests that negative stereotypes of women as leaders are not that widespread in the NSW public sector as a whole, but the following result might indicate there are pockets where more support for women’s career advancement is needed.

A lower percentage of women in the \$170,000 - \$229,999 category agreed with the gender statements (6, 10, 11, and 12) than women at other levels, and their male equivalents at the same salary level. Women at this level were 17 per cent less likely than men at the same level to agree that “Senior managers in my organisation genuinely support the career advancement of women” suggesting that women in this category have different perceptions of gender equity than women at other levels, or than men.

Data from the 2014 PMES that disaggregated the responses of those who strongly agree, agree, disagreed and strongly disagree, by gender, was also analysed. Data at this level showed very little difference by gender with the exception of a slight difference in men and women who strongly agree with one statement (“Senior managers in my organisation genuinely support the career advancement of women”). Among female respondents, 20 per cent of women strongly agreed, compared with 28 per cent of men who strongly agree with the statement.

**Table 12: Comparing employee attitudes in 2012 and 2014**

PMES Question	Female		Male	
	2012	2014	2012	2014
My manager assigns work to people in my workgroup based on their skills and expertise	75%	75%	73%	74%
My manager ensures fair access to developmental opportunities for people in my workgroup	70%	73%	67%	70%
My manager considers my needs and career aspirations when approving my development plan*	64%	72%	59%	67%
I am satisfied with the opportunities available for career development in my organisation**	53%	55%	49%	50%
My organisation offers practical employment arrangements and conditions to help employees achieve a work-life balance	62%	64%	60%	64%

My manager takes into account the differing needs and circumstances of employees when making decisions	72%	75%	69%	74%
Gender is not a barrier to success in my organisation***	89%	89%	88%	89%

\*2012 wording differs: "My manager considers my needs and career aspirations when approving development plans"

\*\*2012 wording differs: "I am satisfied with the opportunities available for career development"

\*\*\*2012 wording differs: "Gender is not a barrier to success in my workgroup"

Where available, 2014 results were compared with results from 2012. Table 13 in Appendix 1 shows relatively little change in workforce attitudes from 2012 to 2014 in relation to each of the questions in the table which relate to perceptions of managers and career opportunities. There are two exceptions. The first is the small (5 per cent) increase in the percentage of men who agree that their organisation offers arrangements to help work-life balance and who agree that their manager takes into account employees' differing needs and circumstances when making decisions. The second is the 8 per cent increase in female and male respondents who consider that their manager considers their needs and career aspirations when approving development plans. It should be noted that this increase may have come about as a result of the question wording changes in 2014. More broadly, the attitudinal statements in **Table 12** reflect minimal or no difference in opinion between female and male respondents and it should be cautioned that (with the exception of the final statement) most do not seek explicitly to elicit employee opinion on gender-related barriers or enablers to advancement.

### Dependants and caring responsibilities

Over three-quarters of men and women (77 per cent of each) agreed that they had sufficient flexibility to handle family and caring responsibilities, but less than two-thirds of men and women agreed that their organisation offers practical employment arrangements and conditions to help employees achieve a work-life balance (64 per cent of each), suggesting that more attention could be paid to practical employment arrangements and conditions. Further research is needed to determine what practical arrangements and conditions would suit employees, but of relevance may be technological support working from home and child care.

Changes in question wording mean that data collected in the 2012 and 2014 surveys in relation to caring responsibilities is not directly comparable. Nonetheless, the 2014 data indicates that: almost two-fifths (37 per cent) of employees provide care for others outside of work; that more female public sector workers provide care outside of work than male workers; more women are principal carers (the main person in the household providing care) than men (21 per cent of women compared with 6 per cent of men); and near-equal percentages of men and women share caring (16 per cent of men and 15 per cent of women).

The 2012 PMES found that:

- 52 per cent of all survey respondents have dependants<sup>29</sup>
- 60 per cent of male respondents have dependants (9 per cent of all male respondents are the principal carer<sup>30</sup>, and 42 per cent of all male respondents share the principal carer role with their partner)

<sup>29</sup> No definition of dependants is provided in the 2012 PMES research instrument.

<sup>30</sup> 2012 definition: A principal carer refers to the main person in the household who is responsible for providing care, such as child rearing or caring for other members of the household. An additional 8 per cent of all male respondents answered 'no' to the question "If you have dependants, are you the principal carer in your household?". The status of men in this category is uncertain.

- 47 per cent of female respondents have dependants (17 per cent of all female respondents are the principal carer, and 28 per cent of all female respondents share the principal carer role with their partner)
- Women at all salary levels are more likely than men at the same levels to be principal carers.

The 2014 PMES data indicates that:

- 37 per cent of all respondents provide care for others outside of work
- 16 per cent of all respondents are the principal carer<sup>31</sup> and a further 16 per cent of respondents share caring
- 29 per cent of all male respondents provide care for others outside of work (6 per cent of all male respondents are the principal carer, 16 per cent share caring)
- 41 per cent all of female respondents provide care for others outside of work (21 per cent of all female respondents are the principal carer, 15 per cent share caring)<sup>32</sup>
- Women at all salary levels are more likely than men at the same levels to provide care for others outside of work
- There was little difference in the proportions of men and women with caring responsibilities by salary level although men at lower salary levels appeared to be marginally more likely to provide care for others outside work than men at higher levels.

## SUMMARY OF EVIDENCE

- Women represent 32 per cent of the senior officer and senior executive levels, but constitute 62 per cent<sup>33</sup> of the total NSW public sector workforce.
- Women's advancement to senior positions stalls at the 'pipeline' grade, that is, in the pay range \$93,586 - \$140,067.<sup>34</sup> Beyond this point, men hold over two-thirds of senior and executive positions.
- Most (96 per cent)<sup>35</sup> of the public sector workforce consists of people earning under \$140,067.<sup>36</sup> In all clusters and the NSW public service as a whole, there is a higher percentage of women in lower grades (Grade 11/12 and below) than in higher grades (SO1 and above).
- Women make up a majority of the workforce in the two largest clusters of Health (75 per cent, or 99,400 women) and Education (73 per cent, or 92,844 women). They also make up 77 per cent of employees in the Family and Community Services cluster (15,223 women).
- In the five year period from June 2008 to the June 2013 census date, the percentage of women in the NSW public service has remained stable (around 61-62 per cent). The percentage of women at the two highest grade categories has shown a small increase of 5

<sup>31</sup> 2012 definition: "A principal carer refers to the main person in the household who is responsible for providing care, such as child rearing or caring for a family member with a disability, a chronic health condition, a mental illness or who is frail aged"

<sup>32</sup> Another 4 per cent of all female respondents answered 'no' to the question "Are you the principal carer".

<sup>33</sup> Base of N=398,843 including casuals

<sup>34</sup> Grade 9/10-11/12

<sup>35</sup> Base of N=359,843, missing casuals

<sup>36</sup> Grade 1-11/12

percentage points (from 26 per cent to 31 per cent) for SES Band 1 – SES Band 3 and for SES Band 4-SES band 8 (from 23 per cent to 28 per cent) in the same five year period.

- 74 per cent of the NSW workforce is employed permanently, but women comprise around two-thirds of temporary and casual positions in the NSW public sector.
- Women comprise the majority of permanent part-time workers in all clusters and represent 87 per cent of all permanent part-time workers in the NSW public sector as a whole.
- Excluding Health cluster employees, analysis indicates that part-time work is more prevalent among female and male workers at the lowest grade levels (Grades 1-8) than at other grade levels. Just 7 per cent of women and 1 per cent of men work part-time at the 'pipeline' grade levels (grade 9/10-11/12). In each of the three senior grade groups 2 per cent of women and 1 per cent of men work part-time. The highest percentage of women working part-time (23 per cent) is in the lowest grade group, (Grades 1-8, and earning less than \$93,586).<sup>37</sup>
- Women are numerically dominant in all but two<sup>38</sup> of the ten largest occupations in the NSW public service, particularly teaching, nursing and administrative occupations.
- Conversely men form the majority in each of the ten largest groups of occupations held by those earning above \$140,067. The three largest occupational groups in senior officer grades and above are medical practitioners, specialist managers and business administration managers.
- Several of the largest clusters which have majority female workforces (Health, Education and Family and Community Services) also have a low proportion of senior management roles, denoting fewer opportunities for advancement within those clusters.
- As a proportion of all men and women in each grade, there are higher percentages of 55+ men at the highest grades, earning \$140,067 a year and over, (compared with 55+ women at the same grade levels) and higher percentages of 55+ women in the lowest grades, earning below \$140,067 (compared with 55+ men at the same grade levels). That is, older women are concentrated in the lower grades.
- There are slightly higher percentages of female Aboriginal and Torres Strait Islander (ATSI) employees and women with a disability compared with male ATSI employees and men with a disability. This is reflective of the higher percentage of women in the public sector workforce as a whole.
- Percentages of male and female employees with a disability are consistent across clusters, with the exception of a higher proportion in the Office for Services and Finance cluster.
- Several clusters have a higher percentage of ATSI workers than the workforce as a whole. The cluster with the highest percentage of female ATSI workers is Family and Community Services.

## Key messages

The data and analysis provided in this chapter demonstrate that while women constitute two-thirds of the workforce they hold just under one-third of senior positions in the NSW public sector. As noted in the introductory chapter, this is not too dissimilar to other state public sectors and

<sup>37</sup> Grade 1-8 (\$0 - <\$93,586)

<sup>38</sup> These two occupational groups are 1. Defence Force Members, Fire Fighters and Police and 2. Medical Practitioners.

compares favourably with the private sector. Over the past five years there has been modest improvement in the percentage of women in senior positions in the NSW public sector. Importantly, however, the data also demonstrate the very uneven distribution of women in senior positions across the sector. Women are most heavily concentrated in the clusters of education, health and family and community services. The critical juncture, or the pinch-point, for women's advancement to senior positions occurs at Grades 9/10-11/12 (\$93,586-\$140,067). The new capability framework and assessment mechanism introduced for senior personnel shows that women's capabilities score higher than men's on most dimensions, suggesting that capability alone is not a barrier to women's advancement. The workforce data further show that women's employment patterns differ to men's. Women comprise around two-thirds of temporary and casual positions in the NSW public sector and 87 per cent of permanent part-time positions. Part-time work is concentrated at the lower grades, and at senior levels the percentage of either males or females working part-time are minimal.

The analysis also suggests some key areas that need addressing:

- The recruitment, selection and promotion of women at the 'pinch-point' requires careful examination to expose the practices that may disadvantage women progressing beyond Grades 11 and 12. If practices and policies are found that disadvantage women, then interventions are needed to prevent these continuing and to introduce new approaches.
- The limited number of senior roles in some clusters, and the reforms to the senior executive structure, may restrict opportunities for women's advancement. Given this, lateral mobility between clusters may offer more opportunities for women to advance to senior roles, and external appointments of women to senior roles may also increase the percentages of women at senior levels.
- While the capabilities of senior women are generally of a higher standard than men's, senior women may benefit from more development to improve their capability in finance and financial management.
- The combination of low levels of part-time work at senior roles and a senior level workforce nearing retirement age, warrants closer examination of the options for senior level roles to be re-sized, re-designed and to provide increased flexibility.
- Women in the income group \$170,000 - \$229,999 were 17 per cent less likely than men at the same level to agree that senior managers genuinely supported the career advancement of women. This suggests that women in this category have different experiences and expectations of gender equity and managerial response, and further investigation of this specific group of women's career trajectories is needed.
- The PMES indicates that less than two-thirds of both men and women agreed that their organisation offers practical employment arrangements and conditions to help employees achieve a work-life balance. Further research is needed to determine what practical arrangements and conditions would suit employees, but of relevance may be provision of technological support for working from home.

The following chapter reviews the key research literature, which canvasses themes similar to those that have emerged from the data analysis. As well as discussing the barriers to advancement of women into senior roles, the review of research notes strategies for enabling women's progression to senior levels.

### 3 RESEARCH LITERATURE

Increased interest in women in leadership has seen a growth in research from academic and non-academic sources. In this chapter the research literature is reviewed and summarised. Emphasis has been given to the key and the most recent academic and grey literature with the most robust findings. While there is a plethora of literature relating to barriers and enablers to the participation of women in the labour market, there has been less research conducted examining those factors in the public sector. Where there is literature that reflects on the public sector experience, it has been included.<sup>39</sup> The material is organised according to the major themes found in the literature and of most relevance to the NSW public sector. The following themes are examined:

- The business case for diversity
- Unconscious bias and stereotyping
- Flexible work arrangements and work redesign
- Gender quotas and targets
- Evaluations of interventions

#### THE BUSINESS CASE FOR DIVERSITY

Activity associated with seeking gender equality at work has evolved dramatically over the past 40 years. In Australia, equal pay cases from the late 1960s commenced the process of eliminating direct pay discrimination; and statutory protection against discrimination based on attributes such as gender, disability and race were introduced in the 1980s. Human resources and management responses followed, at least in part, to ensure against litigation<sup>40</sup> and organisations established processes aimed at providing equal opportunity at the workplace. Subsequently, in the pursuit of organisational diversity, efforts at the enterprise level broadened out from responses to legally framed definitions of discrimination to strategies that encouraged the employment of employees with a wide variety of attributes – including, for example, hiring for different personality types and experiences.<sup>41</sup>

Advocates for diversity, including those with a focus on the progress of senior women, have increasingly advanced economic and business arguments to support their case. The diversity business case rests upon the conviction that diversity and inclusion (removing barriers to use the full skills and abilities of all employees) provides a competitive advantage based on full realisation of the labour market's human capital<sup>42</sup>, while providing cost savings and increases to business prosperity.<sup>43</sup>

<sup>39</sup> A study of women in the UK civil service released in 2014 came to light after the completion of this study and echoes some of the findings in this report. Hay Group (2014) *Women in Whitehall: culture, leadership, talent*, UK Cabinet Office

<sup>40</sup> Qui, J., Muenjohn, N. and Chhetri, P. (2014) A review of diversity conceptualization: verity, trends and a framework. *Human Resource and Development Review*, Vol 13(2) pp 133-57

<sup>41</sup> Harrison, D.A. and Klein, K. (2007) What's the difference? A diversity construct as separation, variety, or disparity in organisations. *Academy of Management Review*, Vol 32 (4) p 1199-1228

<sup>42</sup> Karpin, D. (1995) *Enterprising nation: renewing Australia's managers to meet the challenges of the Asia Pacific Century. Report of the Industry Taskforce on Leadership and Management Skills* Canberra

<sup>43</sup> Simons, T. & Pelled, L.H. (1999) Making use of difference: Diversity, debate and decision comprehensiveness in top management teams. *Academy of Management Journal*, 42 p 662-673; Chemers, M.M. and Murphy, S.E. (1995) Leadership and diversity in groups and organizations. In Chemers, M.M., Oskamp, S. and Costanzo, M.A. (eds) *Diversity in Organizations: New Perspectives for a Changing Workplace*, pp. 157-88, Thousand Oaks, CA Sage; Lorniecki, A. and Gavin, J. (2000) Critical turns in the evolution of diversity management. *British Journal of Management*, 11,3, p17-31

The Gender Equality project run out of the Melbourne Business School has produced an annotated bibliography of academic and grey literature publications that posit positive effects of gender equity across a range of measures including: economic growth, organisational and market performance, risk management and corporate governance, corporate social responsibility and culture, leadership, team performance and motivation, and better utilisation of human assets.<sup>44</sup>

While the popularity of advancing business case arguments for diversity strengthens, the empirical validity of the diversity business case remains contested amongst scholars, with evidence being put both for and against depending on the methods and contexts of each study.<sup>45</sup> For example Kochan *et al*,<sup>46</sup> reported neither positive nor negative outcomes from a large scale field research project of US firms conducted over five years which examined the relationship between gender and racial diversity on firm performance. In their conclusions they suggest moving beyond the business-case argument for advancing the practice of diversity in industry to better reflect the complexities of diversity and firm performance. It is also apparent from the research that the strength of the business case varies depending on the context in which it is being tested and that in some circumstances it can be weak and/or resistant to measurement.<sup>47</sup>

In addition, the nature of the business model adopted by organisations can impact on the veracity and traction a business case can bring to bear in the pursuit of gender diversity. Piterman (2008), in her study of female leadership in Australian corporations, describes how enterprises commonly rely on a 'narrow business model' based on 'short termism', often at the expense of long term gains. This type of business model entrenches a reluctance to deviate from the established cultural organisational norms and is resistant to the case for gender diversity when it falls outside of those norms.<sup>48</sup> Adapting the business case for diversity to fit within a narrowly defined business model can pose considerable challenges.

There is also ongoing debate about the suitability of the business case as a valid and useful rationale for combating discrimination and seeking gender balance. For example, the pursuit of 'diversity' (broadly conceived) when it replaces the pursuit of 'equity' has been criticised by some scholars and practitioners as watering down and obscuring the need to redress discrimination.<sup>49</sup> A study of diversity practice in Australian engineering firms by Sharp *et al* (2012) concluded that using a gender neutral diversity approach failed to advance women because it obscured the sexual politics of discrimination in those workplaces and so did not deal with the critical issue of women's disadvantage. They caution against employing an 'economically instrumental' and 'gender-neutral'

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<sup>44</sup> Gender Equality Project (2012) *Building a business case for diversity*, Centre for Ethical Leadership, Melbourne Business School

<sup>45</sup>; Bell, S.T., Villado, A.J., Lukasik, M.A, Belau, L., and Briggs, A.L. (2011) Getting specific about demographic diversity variable and team performance relationships: A meta-analysis. *Journal of Management*, 37, p709

<sup>46</sup> Kochan, T., K. Bezrukova, Ely, R., Jackson, S., Joshi, A., Jehn, K., Leonard, J., Levine, D. and Thomas, D., (2003) The effects of diversity on business performance: Report of the diversity research network, *Human Resource Management* Volume 42, Issue 1, pp 3–21

<sup>47</sup> Sharp, R., Franzway, S., Mills, J. and Gill, J. (2012) Flawed policy, failed politics? Challenging the sexual politics of managing diversity in engineering organisations, *Gender, Work and Organization*, Vol 19, no 3 p 555-572

<sup>48</sup> Piterman, H. (2008) The Leadership Challenge: women in management, March, <http://www.dss.gov.au/our-responsibilities/women/publications-articles/economic-independence/the-leadership-challenge-women-in-management?HTML#5.1Section.5.1>

<sup>49</sup> Ainsworth, S., Knox, A., and O'Flynn, J. (2009) 'A blinding lack of progress': Management rhetoric and affirmative action. *Gender, Work and Organization* vol 17 no 6 pp 658-678

approach, suggesting that the best interventions for achieving gender equity confront the existing power relations.<sup>50</sup>

More pragmatic approaches to making a case for gender diversity are also espoused. Robinson and Dechant maintain that the business case is a critical tool for Human Resource Managers to cut through with executives and ensure it is taken seriously and resourced accordingly, and that by contrast the 'it's the right thing to do' argument has been proven to have limited traction.<sup>51</sup> According to O'Leary and Weathington<sup>52</sup>, the business case has the added benefit of 'providing managers with a sense of comfort that distracts them from considering the ethical imperative of creating and maintaining a demographically diverse workplace.' Tomlinson and Schwabenland examined attempts in the non-profit sector to combine business and equity arguments to push through change. They conclude that the most useful approach to building a case for diversity is to confront the day-to-day issues of implementation at the organisational level and respond by using the most relevant arguments within that context.<sup>53</sup>

While scholars continue to debate the benefits and virtues of the business case for diversity, practitioners and influential leaders appear to have fully embraced it. Leading business women's advocacy group Catalyst, the WGEA, Chief Executive Women, the Male Champions of Change and the Business Council of Australia to name a few, all expound and advise others to use the business case to promote the advancement of women into leadership.

## UNCONSCIOUS BIAS AND GENDER STEREOTYPING

Practitioners and applied researchers continue to highlight discrimination fuelled by unconscious bias as a critical factor blocking women from senior roles and leadership. Unconscious bias contrasts with conscious bias, which is openly discriminative. It is argued that unconscious bias is insidious because the discrimination is hidden and is enacted by people without their awareness. It is the result of unconscious cognitive processing where decisions are made automatically and are based on understandings that have been built over a lifetime of experiences and implicit cultural associations and for these reasons are difficult to prevent or stop.<sup>54</sup>

It is understood that humans have this facility for automatic cognition to enable them to make fast and efficient decisions (otherwise known as survival thinking). In this sense unconscious bias may be beneficial - but when based on false information, the 'bias' is misleading. This type of thinking can lead to essentialist beliefs such as 'men are leaders' and 'women are carers'. According to Ross (2008), people have a perceptual lens that,

filters out certain things and lets others in, depending upon certain perceptions, interpretations, preferences and, yes, biases that we have adapted throughout our life.<sup>55</sup>

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<sup>50</sup> Sharp, R. *et al*, Op Cit

<sup>51</sup> Robinson, G. and Dechant, K. (1997) Building a business case for diversity. *Academy of Management Executive*, 11: 21-31

<sup>52</sup> O'Leary, B. and Weathington, B. (2006) Beyond the business case for diversity in organisations. *Employee Responsibilities and Rights Journal*, 18 (4): 1-10

<sup>53</sup> Tomlinson, F. and Schwabenland, C. (2010) Reconciling competing discourses of diversity? The UK non-profit sector between social justice and the business case, *Organisation*, Vol 17, number 1 : 101-21

<sup>54</sup> Genet, A., Wood, R. and Sojo, V. (2012) *Evaluation bias and backlash: Dimensions, predictors and implications for organisations*. Gender Equality Project, Melbourne Business School, Centre for Ethical Leadership

<sup>55</sup> Ross, H. (2008) Strategies for addressing unconscious bias in the workplace. *CDO Insights* Vol 2 (5) p3

As such, day-to-day decisions are informed by a range of automated interpretations, including stereotypes, that an individual is not consciously aware of having.<sup>56</sup>

Gender stereotyping provides a well-established explanation for why women do not progress into leadership roles as frequently as men. A long history of research and theorising continues to explain the intractable nature of stereotypes and how they impact upon human decision-making, manifesting in discrimination and creating barriers to gender equity in workplaces.

Psychologists writing about labour markets have long made the point that workplace discrimination is not merely an outcome of aversion to particular groups. In fact, as Eagly and Mladinic<sup>57</sup> show, women are often more positively portrayed in stereotype than men are but nevertheless are still subject to negative prejudice.<sup>58</sup> This paradox is explained in 'role incongruity theory' whereby workplace discrimination stems from a mismatch between a gender stereotype and the imagined desirable attributes associated with a job role. For example the 'niceness and warmth' stereotypically associated with women is inconsistent with the attributes that are seen as desirable in leaders, which are most closely related to 'masculine' stereotypes of behaviour such as ambition, assertiveness, decisiveness and self-reliance.<sup>59</sup>

This 'lack of fit' is used to explain the prejudice against female leaders.<sup>60</sup> As a result of the expectation of women to perform in a way that is consistent with their group stereotype, they are marked down in their performance as leaders, and as such are subject to 'evaluative bias'. Researchers have also found evidence of 'backlash bias', whereby individuals who display behaviours outside of their stereotype (such as women being assertive or men being carers) are judged harshly and disadvantaged socially and economically.<sup>61</sup>

A range of experiments, quasi-experiments and correlation studies have convincingly established that evaluative bias inhibits human capacity to objectively examine an individual's potential and their performance.<sup>62</sup> In a natural experiment testing for gender discrimination in the hiring of musicians, Goldin and Rouse<sup>63</sup> found that when a screen was used to hide the appearance (and gender) of the players, women were much more likely to be selected than when the screen was not used and their gender was apparent. Riach and Rich (2002), in their review of seven separate field studies exploring gender discrimination in job application processes, found consistently that

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<sup>56</sup> Australian Institute of Management (2011) *Gender Diversity in Management – targeting untapped talent*. AIM Insights Green Paper, NSW and ACT Training Centre

<sup>57</sup> Eagly, A. H., and Mladinic, A. (1994). Are people prejudiced against women? Some answers from research on attitudes, gender stereotypes, and judgments of competence. In W. Stroebe & M. Hewstone (Eds.), *European Review of Social Psychology* Vol 5: 1-35

<sup>58</sup> Prentice, D.A. and Carranza, E. (2002) What women and men should be, shouldn't be, are allowed to be, and don't have to be: The contents of prescriptive gender stereotypes. *Psychology of Women Quarterly* Vol 26: 269-281.

<sup>59</sup> Genet *et al* Op Cit; and Schein, V. E. (2001). A global look at psychological barriers to women's progress in management. *Journal of Social Issues*, 57: 675–688.

<sup>60</sup> Eagly, A. H., and Karau, S. J. (2002). Role congruity theory of prejudice toward female leaders. *Psychological Review*, 109: 573–598.

<sup>61</sup> Rudman, L.A. (1998) Self-promotion as a risk factor for women: The costs and benefits of counter-stereotypical impression management. *Journal of Personality and Social Psychology*, Vol 74: 629-645.

<sup>62</sup> Heilman, M E., and Eagly, A H. (2008), Gender Stereotypes Are Alive and Well, and Busy Producing Workplace Discrimination. *Industrial and Organizational Psychology*, Vol 1 393–398.

<sup>63</sup> Goldin, C., & Rouse, C. (2000). Orchestrating impartiality: The impact of "blind" auditions on female musicians. *American Economic Review*, 90: 715–741.

“women are particularly prone to encounter discrimination in higher status and or hierarchically senior jobs”.<sup>64</sup>

In a survey of senior managers across Australia, Sanders *et al* found that people do not readily recognise unconscious gender bias – and they are more inclined to regard consciously recognisable structural barriers such as a lack of women in the leadership pipeline, taking maternity leave, and having family responsibilities as the key reasons for a lack of women progressing into leadership.<sup>65</sup> They make the point that while these factors have a part to play, they do not tell the whole story. Work by Edwards *et al* examining unconscious bias in six departments in the Australian Public Service<sup>66</sup> confirms the Sanders *et al* study findings that men and women see barriers to women’s progress in different ways. It is apparent in both studies that while women believe competing priorities undermine their progress, men much more frequently nominate those competing priorities as barriers; and women are much more inclined than men to nominate ‘invisible’ barriers to career advancement for women - such as style differences and low confidence - which are more closely associated with gender stereotyping and unconscious bias.<sup>67</sup>

Unconscious biases permeate our cultural norms, legal and social structures and our workplace practices. Turner suggests that bias against women is both systematic (it is inherent in each of the interlinked processes of recruitment, talent management and progression) as well as ingrained in everyday informal interactions and practices in organisations.<sup>68</sup> It leads to practice such as: like-recruiting-like; unsafe assumptions about the aspiration and ability of women; and the use of models and frameworks that embody and institutionalise that bias. If it is to be removed change must take place across all of those domains, requiring many levels of intervention due the complexity of such a task.<sup>69</sup> That is, systemic changes and changes in personal assumptions and behaviours are required.

The consensus among practitioners and experts in the grey literature is that even the most sophisticated human resource accommodations (such as advanced work redesign arrangements, highly responsive recruitment and promotion frameworks and talent support mechanisms) are likely to fall short unless the underlying problem of unconscious bias is tackled. Piterman points out that expecting women to adjust their behaviours to that of the prevailing culture has so far failed to achieve gender balance in leadership in Australia.<sup>70</sup>

Genet *et al* and Vinnecombe *et al*<sup>71</sup> draw from their reviews of literature and their understanding of leading organisational practice in suggesting strategies to expose and counteract unconscious bias.

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<sup>64</sup> Riach, P. A., and Rich, J. (2002). Field experiments of discrimination in the market place. *Economic Journal*, 112: 480–518. From an examination of the same studies Riach and Rich (p 504) also established consistent discrimination against men applying for female stereotyped occupations, such as secretary, and that the rates of discrimination against men pursuing work outside their stereotype were always greater than for women seeking employment in male-identified occupations.

<sup>65</sup> Sanders, M., Hrdlicka, J., Hellicar, M., Cotterell, D. and Know, J. (2011) *What stops women from reaching the top? Confronting the tough issues*. Bain and Co and Chief Executive Women

<sup>66</sup> Edwards, M., Burmester, B., Evans, M., Halupka, M. and May, D. (2012) *Not yet 50/50: Barriers to the progress of senior women in the Australian Public Service*. ANZSOG Institute for Governance, Canberra

<sup>67</sup> Edwards Op Cit p: 17; Sanders *et al* Op Cit: 4-5

<sup>68</sup> Turner, C. (2013) *An exploration of the roles of gendered organisational cultures and talent management processes in women’s career progression in professional service firms*. Working Paper, Cranfield School of Management

<sup>69</sup> Genet *et al*, Op Cit: 18-22

<sup>70</sup> Piterman, H. (2008) Op Cit: 12-13

<sup>71</sup> Vinnecombe, S., Dolder, E. and Turner, C. (2014) *The Female FTSE Board Report 2014: Crossing the finish line*. Canfield International Centre for Women Leaders

Advice from the Male Champions of Change<sup>72</sup> and the Business Council of Australia<sup>73</sup> dovetails with much of their findings on best practice. The suggestions made to remove and limit unconscious gender bias in workplaces are summarised below, in a framework adapted from Genet *et al.*<sup>74</sup>

Type of strategic intervention	Techniques and activities
<b>Raise awareness</b>	<ul style="list-style-type: none"> <li>• Unconscious bias training (as a primer but cannot stand alone in creating change)</li> <li>• Leading public debate and discussion</li> <li>• Measuring, monitoring and reporting</li> <li>• Establish targets – which will focus attention on creating new interventions</li> </ul>
<b>Compensatory interventions</b>	<ul style="list-style-type: none"> <li>• Slow down thinking and enable deliberate decision-making (such as task allocation) which is conscious of potential bias;</li> <li>• Use tools for day to day activities with triggers for slow and deliberate decision making;</li> <li>• Ensure interaction activities (meeting times and processes) are free from bias</li> </ul>
<b>Audit and redesign of systems and processes</b>	<ul style="list-style-type: none"> <li>• Identify bias hot spots through audits, including systems for selection, promotion, pay, development opportunities</li> <li>• Redesign systems to eliminate bias and trigger bias checking/awareness</li> <li>• De-gender merit</li> <li>• Ensure accountability for the application of systems and activities</li> </ul>
<b>Cultural change</b>	<ul style="list-style-type: none"> <li>• Male leaders need to drive culture change - ‘men listen to men’</li> <li>• Have leaders communicate a ‘strong narrative’ and create a new language of diversity and inclusion (this means they may have to learn it)</li> <li>• Use targeted and granulated data to challenge mindsets and attitudes</li> <li>• Confront essentialist gender beliefs whenever they are encountered</li> <li>• Embrace diverse leadership styles and include them in top leadership teams</li> <li>• Have women in senior roles to change culture and speed up change</li> </ul>

## FLEXIBLE WORK ARRANGEMENTS FOR SENIOR ROLES

One of the chief explanations offered by academics and practitioners for low levels of women in senior roles is the constraints women face due to their unpaid work – and how that conflicts with the long working hours and availability often expected of managers and leaders. The utilisation of flexible work arrangements is frequently presented as a key enabler for women to better manage the balance between paid and unpaid responsibilities and thereby be free to take on and retain more senior and challenging roles in the labour market.<sup>75</sup> The broad economic and business benefits

<sup>72</sup> Male Champions of Change (2013) *Accelerating the advancement of women in leadership: Listening, learning, leading*

<sup>73</sup> Business Council of Australia (2013) *Increasing the number of women in senior executive positions: improving recruitment, selection and retention practices*

<sup>74</sup> Genet *et al* Op Cit: 19

<sup>75</sup> Pocock, B. (2003) *The Work Life Collision: What work is doing to Australians and what to do about it*, Federation Press; Spearitt, K. and Edgar, C. (1994) *The family friendly front: A review of Australian and International work and family*

of creating greater use of flexible work and thereby increasing female participation in the labour market are well documented.<sup>76</sup>

Flexible work arrangements can modify when, where and how much work is done. It includes practices such as: flexible attendance, purchased leave, part time work, job sharing, and working from home.<sup>77</sup> By disrupting conventional work practices, it is argued that technological change should enhance opportunities for greater flexibility and remote working; although it appears there is currently low realisation of that potential in Australian workplaces.<sup>78</sup>

Programs for work flexibility are widespread amongst major employers, especially those who are promoted as 'employers of choice' for women. Yet despite the inscription in law and policy of the right to request flexible work arrangements, and the exhortation of their benefits by the human resources and employer communities, there is relatively low take up other than of 'basic' provisions.<sup>79</sup> The academic literature suggests a range of factors that are blocking the use of flexible work arrangements in senior roles. Chief amongst them are: conflict between the 'flexible worker' and the perceived 'ideal worker', leading to adverse career consequences when work is done flexibly; work intensification and long hours cultures that conflict with the work-life balance being sought through flexible work; and mixed messages of support for flexibility in workplaces.<sup>80</sup> These factors result in reluctance to request, adopt and facilitate flexible work.

### Barriers to uptake of flexible work arrangements

Williams *et al* describe the tensions created by the stereotype of the 'ideal worker' where 'work demands and deserves undivided and intense allegiance'.<sup>81</sup> This is manifest both coercively (people feel obliged to comply) and seductively (when work ethic forms a critical part of self-worth). These factors lead to censure of professionals and senior managers who appear to deviate from the traditional model of an 'ideal worker' by working under flexible arrangements. They identify a range of gender implications arising from such work environments. Men who seek flexibility are stigmatised as both unmanly *and* lacking work ethic; and women who seek flexibility do so as part of the natural order, and as such are fulfilling their care obligations, and therefore do not (and should not) show strong commitment to work. At a more superficial level, it means that men are better able to approximate the ideal worker form than women because women have greater need to balance jobs with their unpaid work and family responsibilities. This provides men without care responsibilities with an immediate advantage in the labour market.

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research, Melbourne, National Key Centre in Industrial Relations; Davis, A.E., and Kalleberg, A.L. (2006), Family friendly organisations? Work and family programs in the 1990's *Work and Occupations*, 33: 191-223

<sup>76</sup> Diversity Council of Australia (2010) *Work-Life Flexibility: Business case*. Sydney: DCA

<sup>77</sup> Diversity Council of Australia (2012) *Get flexible: Mainstreaming flexible work in Australian business*. Sydney: DCA

<sup>78</sup> Colmar Brunton Research and Deloitte Access Economics (2012) *NBN enabled telework: The economic and social impact on labour force participation*, Report for the Commonwealth of Australia, Department of Broadband, Communications and the Digital Economy

<sup>79</sup> DCA (2012) Op Cit p 2; Budd J.W. and Mumford, k. (2006) Family-friendly work practices in Britain: availability and perceived accessibility, *Human Resource Management* 45 (1): 23-42; Eaton, S.C. (2003) If you can use them: Flexibility policies, organisational commitment and perceived performance. *Industrial Relations* 42 (2): 145-167

<sup>80</sup> Todd, P. and Binns, J. (2013) Work-life Balance: Is it now a problem for management? *Gender, Work and Organisation* 20(3); Natalie Skinner, Claire Hutchinson and Barbara Pocock, (2012) *The Big Squeeze: Work, Life and Care in 2012 - The Australian Work and Life Index*, Centre for Work + Life, University of South Australia (2012). This report illustrates that in many workplaces getting flexibility is difficult especially where standard working arrangements are dominant, the climate is hostile to flexibility, or workers anticipate a stigma arising from a request for flexibility.

<sup>81</sup> Williams J.C., Blair-Loy, M. and Berdahl, J.L. (2013) Cultural Schema, social class and flexibility schema. *Journal of Social Issues*, Vol 69 (2): 209-234

Research has established that the use of flexible work arrangements frequently leads to adverse career outcomes. Several studies have discovered a correlation between flexible work and wage penalties, lower performance evaluations and fewer promotions.<sup>82</sup> As such perceptions about flexible work truncating careers are well founded.

While work flexibility is introduced by organisations to reduce stress arising from the intersection of work and life, studies have found that with the introduction of flexible work stress can increase for employees availing themselves of these arrangements in a range of ways. Williams *et al* in their work over many years have consistently reported on a culture of long hours that permeates the executive ranks of employment. In some workplaces long hours can be worn as a badge of honour and used as a marker to distinguish between the truly dedicated and the less so. They point out that while such workplaces espouse the 'flexibility' of work available to the autonomous and trusted elite, this does not necessarily lead to work life balance for those workers.<sup>83</sup>

Research conducted by Kelliher and Anderson examines unintended work intensification effects on professional workers who had opted to reduce hours or to work remotely. It found that these workers tend to work more intensively (longer hours than contracted and/or more intensively in each hour) than when they work more standard patterns and locations. Conversely they found that these types of workers had higher levels of job satisfaction and organisational commitment.<sup>84</sup> The following key observations from Kelliher and Anderson highlight that these professionals appear to increase effort as reciprocity for increased flexibility:

Flexible worker group	Impact of flexible work on work intensification and motivation
<b>Reduced hours workers:</b>	<ul style="list-style-type: none"> <li>• Common for hours to reduce but workload to remain the same</li> <li>• Feel the need to be available for business hours even when they are not 'on the clock'</li> <li>• Work from home informally to 'catch up' on work they cannot complete in work hours</li> </ul>
<b>Remote workers:</b>	<ul style="list-style-type: none"> <li>• Work more intensively</li> <li>• Find it more difficult to 'switch off'</li> </ul>
<b>Both groups:</b>	<ul style="list-style-type: none"> <li>• Higher levels of job satisfaction than non-flexible workers</li> <li>• A strong commitment to work more intensively and longer hours in a show of gratitude to employers – as part of the give and take of receiving flexible work options.</li> </ul>

Findings regarding remote work are supported in an Australian study by Dockery and Bawa who conclude from their examination of the Household, Income and Labour Dynamics in Australia Survey (HILDA) data that jobs which offer the possibility to work from home are 'good jobs' for part-time workers and those who work standard full-time hours, but,

<sup>82</sup> Williams Blair-Loy and Berdahl, Op Cit: 210; Munsch, C.L., Ridgeway, C.L. and Williams, J.C. (2014) Pluralistic ignorance and the flexibility bias: Understanding and mitigating flextime and flexplace bias at work. *Work and Occupations*, 41 (1); 40-62; Durbin, S. and Tomlinson, J. (2014) Female Part-time managers: Careers, mentors and role models. *Gender, Work and Organization* 21 (4): 308-320

<sup>83</sup> Williams Blair-Loy and Berdahl, Op Cit

<sup>84</sup> Kelliher, C. and Anderson, D. (2010) Doing more with less? Flexible working practices and the intensification of work. *Human Relations* 63 (1): 83-106

... there is a sting in the tail. Once one works from home, hours are not given. There is reason to believe that working from home facilitates greater intrusion into life's non-work domains in response to increases in workloads.<sup>85</sup>

Correll *et al* in their review of the literature point out the tendency to correlate long hours with an 'ideal worker', and bring into question whether long hours are in fact beneficial to productivity. They wonder whether the business case for flexibility needs to be recast to not just concentrate on reducing the turnover of women but to also highlight how the enactment of 'work devotion' leads to poor quality outputs and can put organisational productivity at risk.<sup>86</sup> They call for additional experimental research work to establish a more robust business case for the benefits of flexible work in terms of productivity – one that tests the business value of extended hours of work.

In their study of four Western Australian public sector agencies, Todd and Binns found that use of work life policies is influenced heavily by local managers and is dependent on: the attitudes of individual managers to flexible work; the potential conflicts with workloads that might ensue; and whether or not managers 'role model' the use of flexible working arrangements.<sup>87</sup> Despite work life balance initiatives being supported by a business case approach in public sector workplaces (to alleviate acute labour shortages due to competition with the high paying resources sector) there was no evidence that flexibility was being taken into account in job design, workloads and project deadlines. They concluded it was not being 'mainstreamed' into operations and was being treated as a case-by-case, individualised human resources matter. Todd and Binns conclude that the actions of managers with regard to flexible work arrangements are shaped by: wider organisational forces such as 'increased insecurity and ever increasing targets'; and social factors such as pervasive discourses of 'individualisation' leading to a tendency to regard caring responsibilities as a matter for the individual rather than as a shared concern.

In a review of research on flexible work arrangements, Putnam *et al*<sup>88</sup> identify a series of tensions relating to implementation of flexible work practices in organisations. The authors characterise the barriers and enablers for implementation of flexible work in the following dichotomies they identified in their meta-analysis of research studies:

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<sup>85</sup> Alfred Michael Dockery and Sherry Bawa, (2014) *Is working from home good work or bad work? Evidence from Australian employees*, Working Paper Series 14/2Bankwest Curtin economics Centre,

<sup>86</sup> Correll, S., Kelly, E., O'Connor T. and Williams, J. (2014) Redesigning, redefining work. *Work and Occupations* Vol 41(3):3-17

<sup>87</sup> Todd and Binns (2012) Op Cit: 227

<sup>88</sup> Putnam, L. Myers, K., and Gaillard, M. (2014) Examining the tensions in workplace flexibility and exploring options for new directions. *Human Relations* Vol 67 no 4 pp. 413-40

Flexibility issues	Barriers to implementation of flexible work arrangements
<b>Variable versus fixed arrangements:</b>	<ul style="list-style-type: none"> <li>• Variable arrangements for flexible work can be constrained by fixed tasks and deadlines</li> <li>• Procedures around requesting and managing flexible work can be seen as rigid and 'inflexible'</li> </ul>
<b>Supportive versus unsupportive work climates:</b>	<ul style="list-style-type: none"> <li>• Supervisors (and organisations) send mixed messages about flexible work, simultaneously offering it and tacitly discouraging it; and co-workers 'chastise' those who use it</li> <li>• This can result in employees not seeking flexible work even if they require it</li> </ul>
<b>Equitable versus inequitable implementation of policies:</b>	<ul style="list-style-type: none"> <li>• Flexible work arrangements can be seen as only appropriate to some work groups (such as single parents or mothers);</li> <li>• Supervisors do not apply policies consistently</li> </ul>

Consistent with Kelliher and Anderson (2010), Putnam *et al* suggest that each of these dualities can lead into the 'autonomy paradox', whereby the more autonomy an employee is given the more they are likely to work intensively and beyond the hours worked by those on more fixed hours arrangements. These tensions result in managers and employees feeling 'damned if they do and damned if they don't' when developing, implementing and deciding whether to use work-life initiatives.<sup>89</sup>

### Ways to increase the use of flexibility to improve work life outcomes

The academic literature offers a range of general solutions for removing barriers and improving the operation of flexible work arrangements for senior managers. They include:

- Developing cultures that explicitly value workplace flexibility;<sup>90</sup>
- Calibrating employees' work and life needs, bringing together the range of flexible options as it suits the individual at different times;<sup>91</sup>
- Negotiating flexibility conditions as part of 'results-only' work environments rather than having fixed rules around work performance and flexibility;<sup>92</sup>
- Making workplace flexibilities a right rather than a benefit, thereby overcoming the need to 'legitimise' its use;<sup>93</sup>
- Treating work and life as 'complimentary' rather than 'contradictory' by using practices such as time off periods rotated between employees, thus enabling them to move between 'immersion in work' and subsequent periods of being free from work;<sup>94</sup>
- Leaders and managers 'modelling' the use of flexibility;<sup>95</sup> and

<sup>89</sup> Ibid: 414

<sup>90</sup> Ibid; Corwin, V., Lawrence T. and Frost P. (2001) Five strategies of successful part time work. *Harvard Business Review* 79:121-7

<sup>91</sup> Putnam *et al* Op Cit;

<sup>92</sup> Ibid

<sup>93</sup> Ibid

<sup>94</sup> Ibid; Corwin *et al* Op Cit

<sup>95</sup> Musch *et al* Op Cit: 40-62 and Corwin *et al* Op Cit

- Developing business plans that better reflect the reality of workplaces.<sup>96</sup>

### **Accommodating individual workplace flexibility or collective work re-design<sup>97</sup>**

Perlow and Kelly (2014) find that organisations respond to requests for flexibility by assisting (rather than resisting) employees to accommodate the demands of work in their lives. They call this approach the ‘accommodation model’ and suggest, along with other researchers, that organisations would have more success overcoming barriers to flexible work arrangements if they responded by implementing change in how work is done and what is valued. However, rather than suggest moving to better legitimise and design individual arrangements, and build better support from managers, Perlow and Kelly argue for pursuing co-ordinated, collective change in a form that they have called the **work re-design model**. They outline two case studies where the latter approach has yielded positive results for both individuals and the performance of the participating work units.

#### **Boston Consulting Group – Predictable Time Off**

Perlow and Kelly conducted an experiment with Boston Consulting Group (BCG) to introduce ‘predictable time off’ (PTO) in response to a lack of scheduled predictability. The experiment commenced with one team that collectively agreed to each set a predictable day off work each week. They reflected as a group once a week in a ‘pulse check’ meeting to discuss the process, issues and outcomes. The initiative was so successful that it has now (four years on) been rolled out company-wide. Firm partners volunteer their teams and are responsible for the initiatives (not HR); and the collective pulse meetings are a critical component of the strategy. Perlow and Kelly identify the main benefits as building trust and transparency within teams, enabling discussion about work and personal lives. Satisfaction metrics for those BCG employees in PTO teams are consistently higher than those for employees who are not.

#### **Best Buy – Results Only Work Environment**

The Results Only Work Environment (ROWE) model was developed in house by two HR managers at Best Buy Co Inc in the United States. It was created in response to survey results showing that employees felt they were not trusted by the company. The model requires that the strategy be implemented across a Department, commencing with the commitment of the Director/Vice President, with orientation training delivered to the next rung of managers and then all employees. The key principle is that employees are ‘free to do whatever they want, whenever they want, as long as the work gets done.’ Three training sessions are delivered by facilitators from outside the department. The facilitators remain actively involved over the next three months as strategies for new ways to work together, which are developed collectively, are trialled and finessed. Evaluations of the program have established benefits for participating individuals and the company maintained that there were also productivity benefits. In 2013 a new CEO abolished ROWE although 30 other organisations have adopted the model.

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<sup>96</sup> Corwin, *et al* Op Cit

<sup>97</sup> Perlow, A.L. and Kelly E.L. (2014) Toward a model of work redesign for better work and better life. *Work and Occupations* Vol 41 (1): 111-134

Perlow and Kelly outline the principal common elements of the two initiatives and use these factors to describe their 'work redesign model' for flexible work. They find that the initiatives:

- were instigated to improve work life balance for employees;
- were framed as focussing on improving work processes, not as work-life balance initiatives;
- required initiation and implementation by line managers and not HR managers;
- targeted whole work groups (collective) rather than individuals;
- were developed and implemented with allowance for group experimentation, reflection and refinement; and
- relied on external facilitators to guide the process and bring together the importance of 'better work' with 'better life'.

## GENDER QUOTAS AND TARGETS

There is a resurgence of interest in quota and target setting to drive increases in the participation of women in leadership. The lead taken by Norway in legislating quotas for women on boards has sparked considerable interest internationally from academics and practitioners. It has led to debate about the introduction of quotas by governments, and the use of gender targets by companies. The slow pace at which progress is being made to advance women into leadership is leading to increased calls for tougher 'pull' or 'demand-led' interventions.

**Gender quotas** mandate that women must constitute a set minimum number or proportion of an identified group to be achieved within a set timeframe. Quotas are generally set by an 'external body' and in most cases non-compliance leads to penalties.

**Gender targets** refer to 'aspirational goals' for achieving a certain number or proportion of women in an identified group, generally to be achieved within a set time horizon. They are managed and set at the organisational level. Penalties and incentives for compliance can vary widely due to the great range of possible targets and company strategies and performance management systems.

The key benefit of setting quotas over targets is their reach and accelerated impact: if they are well constructed and managed, quotas can create changes quickly across many organisations (see the case of Norway below). Targets, on the other hand, rely on voluntarism which may slow down the rate of change and penetration across organisations.

The main challenges associated with quotas for senior management positions relate to the fact that quotas can be too 'crude' to reflect the great range of contexts evident at organisational level. While they may be workable for boards, quotas set for executives or management cadres are unlikely to be nuanced enough to cope with organisational diversity.<sup>98</sup>

### Gender Quotas on Norway Boards

In 2003 Norway introduced non-binding legislation calling for listed, non-listed public limited and state owned companies to increase the representation of women on their Boards. Aggregate representation of women prior to the legislation stood at 7 per cent. The quotas were set at a threshold of 40 per cent for each gender with the balance open to both genders. Failure to reach the quota led the Norwegian government to make it binding in 2005, with non-compliance leading to

<sup>98</sup> WGEA (2013) Targets and quotas, Perspective Paper, Workplace Gender Equality Agency, Australian Government:2.

dissolution of the company. The quota was achieved by 2008 and no companies were dissolved as a consequence. Various studies have been undertaken to examine the impact and effect of the quota system in Norway. Studies have found:

- There has not been a commensurate rise in women in senior executive positions: levels remain low at 12 per cent<sup>99, 100</sup>,
- The qualification levels of boards have improved since the reforms<sup>101</sup>
- Board ‘padding’ did not occur, as board size remained consistent<sup>102</sup>
- Some companies did move to avoid the legislation by becoming private<sup>103</sup>
- Inconclusive and mixed results with regard to the impact on stock prices and productivity<sup>104</sup>
- Negative push back against binding quotas at introduction, however there is now muted opposition, if any.

### Organisation level gender targets

In Australia the Australian Securities Exchange (ASX) Corporate Governance Council has adopted a voluntarist approach by recommending to listed members that they undertake diversity planning and, within that, set targets for gender diversity and publicly report their progress.<sup>105</sup> It is apparent that some major Australian companies are adopting targets for women in senior roles in their companies,<sup>106</sup> perhaps encouraged by the ASX principles. However, there is very limited literature describing how these targets are operating in practice.

It is well understood that targets *per se* are commonly utilised in Australian workplaces to drive business activity and build in accountability for the achievement of goals. Whelan and Wood (2012) observe that,

... the positive effect of specific, challenging goals that are followed up by feedback and accountability on achievement is generally considered to be the most robust finding in the history of management research.<sup>107</sup>

Whelan and Wood reflect on the possibility for studies of the implementation and management of targets more generally to provide important insights into the way *gender* targets might operate successfully. Based on their review of the literature they point out that the more specific the goal - what is to be achieved and by when - the better the outcomes;<sup>108</sup> that ‘stretch goals’ are likely to

<sup>99</sup> Bertrand, M., Black, S., Jensen, S. and Lleras-Muney, A. (2014) *Breaking the glass ceiling: the effect of board quotas on female labor market outcomes in Norway*, IZA Discussion Paper Series, 8266, Bonn: Institute for the Study of Labor

<sup>100</sup> Wood, R., Whelan, J., Sojo, V. and Wong, M. (2012) Goals, goal orientations, strategies and performance. In EA Locke and GP Latham (eds) *New Developments in Goal Setting and Task Performance*, San Francisco: Routledge

<sup>101</sup> Bertrand, Op Cit: 5

<sup>102</sup> Ahern, K. and Dittmar, A. (2012) The changing of the boards: the impact on firm evaluation of mandated female board representation. *Quarterly Journal of Economics* 127 (1): 137-197

<sup>103</sup> Seierstad, C., Opsahl, T. (2011). For the few not the many? The effects of affirmative action on presence, prominence, and social capital of female directors in Norway. *Scandinavian Journal of Management* 27 (1), 44-54

<sup>104</sup> Whelan, J. and Wood, R. (2012) *Targets and quotas for women in leadership: a global review of policy, practice and psychological research*. The Gender Equality Project, Centre for Ethical Leadership, Melbourne Business School :25

<sup>105</sup> ASX (2014) *Corporate Governance Principles and Recommendations*, 3<sup>rd</sup> edition, ASX Corporate Governance Council. Recommendation 1.5, p 11.

<sup>106</sup> Whelan, J. and Wood, R. (2012) Op Cit:12-14 provides a sample of general gender targets set by corporations, many of which are in Australia. Only one of the 32 sampled is identified as a quota.

<sup>107</sup> Latham and Locke (2006); Mento, Steele and Karre (1987) in Whelan and Wood Op cit p 25

<sup>108</sup> Latham and Locke (2007); Latham and Locke, (2006) in Whelan and Wood (2012): 25

produce more pronounced improvements rather than easy to achieve targets; that targets need to be accepted by the person they are assigned to;<sup>109</sup> and that those with targets have to have access to strategies to achieve them.<sup>110</sup> The more challenging the goals in terms of their complexity and novelty, the more support is required to enable their achievement.<sup>111</sup>

Given what is known about the complexity of gender stereotyping, unconscious bias and how those forces shape organisational structures and cultures, it is thought by Whelan and Wood that gender targets might meet resistance. Based on psychology studies into the impact of affirmative action in the United States, Whelan and Wood suggest that one of the greatest oppositions will be people's perception that *merit* will be compromised if specific goals are set for the attraction, selection, development and promotion of women. This perception manifests in managers being concerned that the 'best people' are not recruited or promoted in pursuit of targets, with subsequent negative effects on organisational performance. Women themselves are reluctant to support positive discrimination for fear that beneficiaries will be seen as 'token' and unworthy of advancement. To overcome these perception problems Whelan and Wood advise that gender targets require careful communication, strong leadership support, and should be set collaboratively with the people responsible for achieving them. They also make the important point that there is no evidence that positive discrimination initiatives have led to poorer performance in firms.

Based on common characteristics of organisations with gender targets in place, the Workplace Gender Equality Agency<sup>112</sup> has developed a checklist to determine whether an organisation is likely to have the requisite commitment, resources and systems in place to effectively implement gender targets. Key elements are adapted in the list below:

Key enablers for implementing gender targets <sup>113</sup>
• Overt and demonstrable leadership commitment to gender equality at all levels of management
• Gender equity and diversity are accepted as organisational imperatives
• Gender strategy is in place and is clearly aligned with overall strategic planning
• Stakeholders responsible for achieving targets are closely involved in setting them
• Communication strategies are in place to allow for targets and their rationale to be explained internally and externally
• Accountability for achieving targets is clearly set
• Measurement, monitoring and reporting systems are in place to evaluate change
• Commitment to targets is public
• Commitment to embed gender targets at business unit level and to share experiences and lessons
• Organisational culture and systems have been reviewed and amended

<sup>109</sup> Earley and Kanfte (198) and Kernan, Heiman and Hanges, (1991) in Whelan and Wood *et al* (2012)

<sup>110</sup> Wood *et al* (2012) Op Cit

<sup>111</sup> Ibid

<sup>112</sup> WGEA collects data from private sector companies in Australia with at least 100 employees.

<sup>113</sup> Adapted from WGEA (2013) *How to set gender diversity targets: Guidelines for setting and meeting targets to increase gender diversity in the workplace*. Workplace Gender Equality Agency, Commonwealth Government of Australia

## EVALUATIONS OF DIVERSITY INTERVENTIONS

Rigorous and robust evaluations of interventions to achieve gender diversity in management are rare but those that have been conducted suggest that human resources responses are having a limited impact on increasing female participation in leadership positions. Modelling work based on historical data establishes that even if interventions did work, the break-throughs required for gender balance in leadership would take several generations to be secured.

While there has been a significant (and growing) analysis of the barriers and enablers for progressing women into non-traditional roles and senior management, there has been very little work done to examine the efficacy of the human resources solutions put in place at organisational levels. An exception can be found in work by Kalev *et al*<sup>114</sup> which analysed data from 708 establishments in the US private sector and examined three types of interventions to assess their impacts on managerial diversity. The three types of programs they analysed were:

1. Programs to establish organisational responsibility for diversity (affirmative action plans, diversity committees and diversity staff positions)
2. Programs to moderate managerial bias through training and feedback (diversity training and diversity evaluations)
3. Programs to reduce the social isolation of women and minority workers (networking and mentoring programs)

The study found that white women benefitted from initiatives more than either black women or black men; that structures that establish responsibility led to increases in managerial diversity while those that concentrated on diversity training were followed by no change; and that mentoring and networking led to only modest growth in managerial diversity. Importantly the authors found that in organisations where structures were in place to establish responsibility for diversity, the other programs had better outcomes. In effect they found that,

... remedies targeting individual bias or network isolation may be less effective than remedies that establish responsible parties. (p 591)

A longitudinal demographic study of gender inequality in the United States Federal public sector white collar workforce (1962-1988) was conducted by Stewart *et al*.<sup>115</sup> They examined gender rates of employment by looking at the changes in the degree of inequality over the period. This study offers the following insights:

- To better understand gender outcomes in labour markets it is important to examine both the supply and demand side factors at play – that is, there is a need to understand the demographic composition of the workforce *as well as* the composition and characteristics of jobs and job vacancies.
- Occupational sex segregation has a strong impact on promotional opportunities for women. Organisations that are seeking to correct gender imbalance should examine demand-side factors including internal labour markets (ILMs) and flows between ILMs, to assess the

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<sup>114</sup> Kalev, A., Kelly, E. and Dobbin, F. (2006) Best practices or best guesses? Assessing the efficacy of corporate affirmative action and diversity policies. *American Sociological Review*, 71 (4): 589-617

<sup>115</sup> Stewart, S., Yamagata, H. and Dodge, H. (2000) *A look at equal employment opportunity by gender over a quarter of a century (1962-1988): A demographic analysis of the federal government white collar workforce*. Research Paper, Carnegie Mellon University.

‘opportunity structures’ and how they might differ for men and women. Stewart *et al* found that promotion rates were highest in ILMs with high proportions of men.

- They find that women’s exit rates reduce when they are in ILMs where women are given promotional opportunities; and high exit rates are common where women have low promotional opportunities. This suggests that rather than ‘low commitment’ being the reason for high exit rates it may be that ‘opportunity structures’ are influential.
- After 25 years of gender initiatives they found that in 1988 only 10 per cent of women held the highest jobs in the US public service (Senior Executive Service and three managerial grades below). However, they also found that female promotion rates to the top levels were just as good as, or better than, male promotion rates. Therefore while there is still a glass ceiling in terms of numbers of women in top jobs, there is no glass ceiling in terms of promotion and transfer rates.
- Based on these factors they estimate, using modelling, that gender equality would take several generations, at best, to be achieved if the status quo were to prevail.
- Disaggregating the population of women they also find that while younger women benefit from equal opportunities for advancement to senior roles, the same outcomes were not seen for older women.

Stewart *et al* conclude their study by offering advice on the best ways to expedite the process of reaching equal numbers of men and women in leadership positions in the public sector. They suggest the following four strategies:

1. Increase the rates of promotion of women using positive discrimination strategies.
2. Use strategic external recruitment into middle and upper management to counter existing internal pipeline shortages.
3. Make available flexible work arrangements for vacant jobs as well as existing positions.
4. Build better bridges between the existing internal labour markets to provide access to the full range of promotional opportunities.

## SUMMARY OF LITERATURE

### **The business case for diversity**

- While the diversity business case has become popular with advocates and practitioners, academic researchers have studied the approach and express some reservations.
- Studies on the impacts of diversity upon firm performance indicate mixed results. In many cases the effects of diversity on firm performance have been neither positive nor negative; the case can be weak or strong depending on the organisational context; and ‘economically instrumental’ and/or ‘gender neutral’ approaches might not deal with the underlying cause of women’s disadvantage.
- This suggests that a better way of understanding and progressing gender balance through a diversity framework is to improve the contours of the business case (making it more suitable to the context and better able to reflect the impacts on organisations); coupling it with the pursuit of equity; and ensuring that any argument is responsive to the environment in which it is made.

### **Unconscious bias and gender stereotyping**

- Unconscious bias is the result of automatic cognitive processing informed by the sum of an individual's experience - including culturally inscribed stereotypes. It is unconscious because people are unaware that they are applying bias. It permeates cultural and structural norms in organisations, affecting day-to-day interactions as well as systems such as recruitment and progression. As such, to overcome the negative effects of unconscious bias, interventions need to target each and all of those domains.
- Gender stereotyping leads to 'evaluative' and 'backlash' bias where women are judged more harshly than men when they seek to be, or act as, leaders.
- Strategies to eliminate negative bias include activities to: raise awareness; tackle day-to-day workplace practices and intervene where unconscious bias occurs; redesign organisational systems and processes; and lead culture change.

### **Flexible work arrangements for senior roles**

- Policies for flexible work are widespread but take up is low particularly in senior and leadership roles. Flexible work arrangements are underutilised due to perceptions that they undermine career advancement. The empirical evidence confirms that flexible workers are penalised in terms of earnings and promotions.
- Flexible workers in managerial or professional roles experience greater work intensification but experience greater job satisfaction and work commitment than when they do not work flexibly. Researchers point out that flexible work that leads to the working of extended hours may be contrary to the work life balance that is being sought to enable the advancement of women into senior roles.
- A range of factors at the workplace level have been identified as impeding the use of flexible work arrangements including: the degree of discretion and the attitudes of line managers; difficulties redesigning jobs to facilitate flexible work; and lack of universal access to its use.
- Uptake of flexible work would require explicitly valuing flexible work arrangements and calibrating individual flexibility needs with flexible organisation and job design.
- More embedded approaches to flexible work concentrate on work processes, are managed by work units and involve whole groups rather than individuals within groups.

### **Gender quotas and targets**

- It is argued that while quotas have been successful in increasing the number of women on boards, targets might be more suited for boosting the number of women in senior management roles due to the greater range of organisational structures and the need for more nuanced goals.
- Large organisations in Australia are increasingly setting gender targets for women in leadership roles but there is limited published data about how they operate.
- Researchers argue that targets, as well-used managerial mechanisms, should and can be applied to increasing the number of women in leadership. However they caution that studies suggest that resistance may be experienced – stemming in particular from concerns about the impact on and perception of merit.
- Consequently gender targets should be accompanied by careful communication and strong leadership and organisational support, and set with the involvement of those responsible for achieving them.

## Evaluations of diversity interventions

Two major evaluations of diversity interventions in the United States have found:

- Diversity training and mentoring/networking strategies had limited or no impact on managerial diversity; but programs that established responsibility for diversity in management (such as plans, committees and designated positions) improved managerial diversity as well as the outcomes of associated diversity initiatives.
- To understand barriers to women's promotion into senior roles across the public service it is important to be cognisant of: supply and demand side factors; internal labour markets; and the gendered nature of 'opportunity structures'.
- There is limited research explicitly focussed on women in the public sector. However, in one US study, robust modelling estimates that it would take at least several generations to achieve gender equality in US federal public service employment if the status quo were to continue. Researchers suggest the use of affirmative action, targeted external recruitment, improved flexibility arrangements and better internal mobility as ways to accelerate the advancement of women into senior roles.

## Key messages

The literature reviewed suggests key areas to focus on in recommendations. As will be seen in the following chapter, there are clear overlaps with the views of experts in the NSW public sector.

At the organisational level, the development of a business case to underpin gender equity strategies is acknowledged as being useful. In the public sector, reference to a values case is also beneficial. The application of targets is recognised as a powerful means of driving change when supported and communicated by senior leadership.

At the work unit level, job re-design and changes in the allocation of work are necessary to accommodate flexible work and to encourage the use of flexible work options, which may be more attractive to women. However, ways of overcoming fear from supervisors that flexible working is not productive working need to be implemented. Further, line managers are often the gate-keepers to the uptake of flexible work and they need to be supported to that end.

At the level of the individual, the focus needs to be on the way in which the 'ideal worker' is conceived in the organisation and on the way women are stereotypically perceived in terms of their leadership capabilities, their willingness to take on senior roles and assumptions that flexible workers, and mothers in particular, lack career aspiration and commitment. In this regard, unconscious bias training for all levels of management and developmental support for females can assist in breaking through the 'glass ceiling'. Additionally, explicit focus on women's career trajectories on return to work following breaks and seeking their input into their preferred career options is required.

## 4 NSW PUBLIC SECTOR BARRIERS AND ENABLERS

The following chapter outlines the views and observations of twenty-one NSW public sector experts and practitioners, across the nine clusters, who were regarded as having a panoramic yet detailed view of cluster and/or agency level human resources issues. Most of the experts are senior Human Resources (HR) managers but interviewees include a smaller number of non-HR senior managers identified by cluster HR managers as having expertise and interest in the progress of women into senior roles. In this chapter they reflect on:

- The main barriers to advancement of women into senior roles
- Future opportunities and challenges they foresee
- Views on the use of targets
- The role of the PSC in increasing the participation of women

The final part of the chapter outlines the initiatives currently being adopted in the NSW public sector to achieve greater representation of women in leadership positions. Additional interviews were conducted with experts who had responsibility for developing and implementing leading practice in the NSW public sector.

### MAIN BARRIERS TO ADVANCEMENT INTO SENIOR ROLES

These experts were interviewed to elicit their views on the main barriers to women progressing to, and occupying, senior positions in the NSW public sector. It should be noted that the views of these expert participants were based primarily on their professional and personal observations and experiences. Where participants drew their conclusions from specific empirical evidence, this is noted. Experts stressed that while the structures, cultures and practices they described disproportionately have a negative impact on women, as reflected in lower numbers of women in senior roles in the NSW public sector, men are also adversely affected and the barriers observed are not necessarily exclusive to women in the pipeline to senior positions.

The expert interviewees identified a range of barriers to the advancement of women into senior roles that are evident across the clusters but differ depending upon the operating environment and context of agencies and of occupational groups. HR experts frequently outlined issues that affect women throughout or at different points along the career trajectory, noting that issues of gender disadvantage impacting in lower grade jobs flow-on to affect the proportion of women in the pipeline and then senior roles.

The following factors were identified and are ordered for discussion in this section based on the overall importance they were ascribed, as impediments to women's progression, by the experts and practitioners.

- Patterns of occupational segregation
- Cultural factors
- Flexible work arrangements and job design
- Career breaks and part time work
- Recruitment, selection and retention

- Confidence and motivation of women

### Patterns of occupational segregation

As demonstrated in Chapter 2 on the Workforce Census data, there is a clear and distinct pattern of occupational segregation in the NSW public sector. HR experts and practitioners verify this fact, and describe different patterns of gender balance at the agency level in their clusters. Those patterns are primarily shaped by the prevalence of gender segregated occupations where either men or women dominate within a major occupational group in the agency.

A number of observations were made by experts about the impact of gendered occupational segmentation on women's presence in senior roles in the cluster for which they are responsible. The relative impact of each observation is difficult to discern due to the wide variety of organisational structures across the NSW public sector being discussed by the experts. What is apparent is that the function and impact of internal and external labour markets are important as both barriers and enablers to female progression to senior management.

- It was observed by several cluster experts that large female dominated occupational career pathways are in some cases 'truncated' with limited upwards career advancement and as such lead into fewer senior level jobs, thereby reducing opportunities for progression. Experts identify this as a factor for nurses, teachers, and in corporate roles such as HR and communication. This was also noted in the workforce data analysis in Chapter 2.
- It is also noted by some experts that women tend to enter less lucrative specialist areas often with less status (for example particular medical specialities or technical roles). This propensity to be steered into or pursue careers with such characteristics impacts on their earnings as well as opportunities for advancement into leadership roles.
- In clusters or agencies with major occupations that are male-dominated there are small feeder groups of women for senior roles when compared to men. This results in lower numbers of women advancing into senior positions. This is particularly acute in some operational agencies where internal career paths are largely relied upon for the filling of senior management positions.
- One expert made the observation that the presence of high proportions of women in particular agencies or major occupations does not necessarily correlate with low proportions of men in associated senior positions (as is clear in the Workforce Census data, see Figure 3 in Chapter 2) in clear contrast to the position for women, the presence of small feeder pools of men does not appear to inhibit the advancement of men into associated senior roles. The expert used this as evidence that barriers for women are not simply as a result of small pools of women feeding internal labour markets, inferring that other factors such as assumptions about women's family responsibilities and career orientations were inhibiting their advancement.
- Occupations in some agencies are based on formal internal career structures and do not allow for, or limit, external lateral recruitment from other agencies and clusters. This is the case for sworn members and officers in the police force, and in some areas of Health and Education, notably in teaching and nursing. It was noted by an expert that action for increasing the participation of women in those occupations has to commence at entry level, correcting gender imbalance in these circumstances requires long term and/or 'radical' strategies to enable female representation to 'catch-up' with male levels.
- It was also noted that women who are present in low numbers in non-traditional occupations confront acute barriers to advancement (and retention), including amplified cultural and structural barriers, when compared to women in other occupational groups.

Experts in one cluster related practical challenges such as a lack of female facilities (change rooms, toilets) at work locations. Others believe the absence of female role models in senior positions in non-traditional male dominated occupations discourages women from contemplating and pursuing promotional opportunities.

## Cultural factors

HR managers described a range of traditional attitudes and/or cultural norms that prevail in particular clusters, agencies or occupational groups that contribute to conscious and unconscious gender discrimination and which were viewed as having a negative impact on the advancement of women into senior roles. HR experts highlighted a small number of agencies as having cultures that presented substantial barriers to the advancement of women. These experts argued that culture change strategies were a fundamental first step that was needed to pave the way for increasing female participation in those environments.

Experts described particular **widely held stereotypes** (both inside and outside of workplaces) leading to biased assumptions that blocked women from leadership positions. Views about what a leader looks like are primary amongst them. A 'masculine' view of leadership is believed to be biasing recruitment and promotion outcomes but is also blocking women from putting themselves forward for opportunities. In addition, several experts related experiences of women encountering resistance to their leadership on the basis of their gender.

There are cultural assumptions about leadership and value ... about what a leader looks like. There are assumptions even within the workforce about who people are willing to take direction from ... It's about who we think a leader is. ... Do women see themselves as leaders and supervisors? Are they available for the roles when offered?

Cultural assumptions about women's aspirations, availability and capacity for leadership are also seen as creating barriers for women advancing into senior roles. Interviewees highlighted negative assumptions such as the belief that women are secondary breadwinners who reduce their commitment to work once they have children and are therefore less available or capable to take on senior management roles.

Occupational identities strongly associated with masculinity make attraction and recruitment of women particularly difficult into non-traditional roles, leading to low numbers of female graduates or aspirants. The recruitment of fire and rescue workers is an example of an occupation with such a reputation where the proportion of women remains very low despite concerted efforts at the agency level to attract women to those jobs.

Several experts pointed out that the cultural context for women in leadership positions has improved markedly over the last decade and there is a new 'openness' from some leaders about their own responsibilities outside of work. For example two senior managers related how, in the past, they consciously avoided mentioning their family responsibilities to co-workers for fear of negative stereotyping. However they now no longer feel such a need to be circumspect.

Experts described a range of **workplace cultures** that were impeding the advancement of women.

Workplace cultures that privilege 'visibility over results' is regarded as a key problem by HR experts. This is seen as a particular barrier for women given their higher use of flexible work options and the perception that senior roles require greater visibility and long hours of work. Several experts noted that this culture is often driven or tacitly supported by senior leaders. Examples of this culture included situations where executives remain in the workplace until late at night and communicating with staff about work matters over weekends and after hours.

Overtly masculine or ‘blokey’ cultures were identified as deterring women from entering, remaining and advancing within some agencies. This is seen as an entrenched problem in work areas where workforce populations have remained stable over time. These environments are considered highly resistant to attempts at culture change. There are also reservations from some experts about the impact of those cultures on ‘outsiders’ and whether retention of women was realistic without concentrated efforts to support female staff.

In some agencies there continues to be a high regard for ‘seniority’ or ‘time served’ as a key measure of competence, disadvantaging people who take career breaks or who spend periods working reduced hours. This is despite systems changes to decouple time-based seniority from career advancement.

### Access to flexible work arrangements and job redesign

According to the experts interviewed, the NSW public sector has a reputation as a flexible employer. In some clusters and agencies HR managers believe that women actively choose particular public sector job roles because they provide better opportunity for work-life balance. However, despite the perception that the sector provides flexible work arrangements, almost all HR cluster and agency level experts cited a lack of flexibility as a barrier to women advancing out of feeder groups into senior roles, or as a barrier to retaining women during peak caring periods until they are able to seek advancement.

We talk the talk about them being flexible, but I don't think that we walk the walk. ... I don't think that we're as flexible as we say we are in a lot of cases. At a policy level, we are. We say we offer flexible working arrangements - but at the top line when you have a manager - managers can't see a way to make it work.

Echoing findings from the literature discussed in the previous chapter, this lack of flexibility is regarded more as **a failure to implement policies rather than policies being unavailable**; and appears to be more acute in clusters with lower proportions of women, and in workplace environments with strong cultural values ascribed to visibility and long working hours. Barriers to the use of temporal (working time) and locational flexibility are sometimes structural (due to the design of particular jobs) but appeared to be primarily cultural (incompatible with workplace norms) which results in a failure to re-design jobs accordingly. It is important to note that experts regard lack of flexible work options as problematic for men as well as women.

HR experts related the following factors about the perception and management of flexible work practices that are understood to inhibit access to and use of flexible work arrangement policies.

First, there is variation in the acceptance of flexible work arrangements which reflects gendered workforce patterns. Within some clusters there are cultures of ‘unspoken unacceptability’ with regards to working from home and ‘not *being seen* to be working’. Examples given are: setting senior management meetings at times that were difficult for people with caring responsibilities – such as 8.30am in the morning or 6pm in the evening. In other clusters and agencies (those with higher proportions of women in senior roles) this is not the case, and flexible work practices are regarded as ‘common and completely acceptable’ with scheduling meeting times and the allocation of work dealt with accordingly.

In all clusters and agencies it was stated there are pockets of managerial resistance to the use of flexible work arrangements. Resistant managers regard the arrangements as creating an additional operational burden and as such should only be used in special circumstances. These attitudes about

flexible work are thought to be driven by widely held myths and assumptions about the impact of flexible work which act to discourage requests and approvals.

Experts noted that there is a pre-disposition to see flexibility as synonymous with part-time work, and reported a lack of understanding of the full range of flexible work options available amongst some groups of managers and employees. This is regarded as limiting the use of flexible work arrangements in some workplaces. One HR expert described needing to 'change the mindset' of local managers to all the possibilities associated with flexibility – and the potential this had to improve work practices for everyone and thereby improve the delivery of services to the community.

HR managers noted the difficulties in implementing flexible arrangements even in environments where flexible work is a common feature of employment. They described challenges for managers in balancing the different demands for flexible work arrangements from staff at the local level. This includes practical problems of ensuring coverage of tasks across a team, particularly where there is a high proportion of flexible workers; the difficulties inherent in designing particular jobs for flexibility; and in some cases difficulties dealing with heightened expectations of staff that 'every individual has a right to the pattern of work that they most desire'.

In one agency the use of 'headcount' based staffing<sup>116</sup> is creating difficulties for local managers in balancing requests for reduced hours with work and task coverage. This is particularly difficult in environments that also have staffing ratios that require a prescribed number of staff to be available for particular tasks. While this does not stop the use of flexible work in the agency, it does constrain its use and uptake. It is also worth noting that local managers in this agency are actively assisted by HR representatives in their efforts to accommodate flexible work requests.

HR experts described rigidity in some industrial arrangements which make it difficult to redesign jobs to enhance flexibility. An example cited separately by two senior managers is the difficulty associated with allowing employees to work compressed weeks (such as working 5 days over the course of 4) because those arrangements conflict with daily and weekly hours provisions set in industrial agreements.

In clusters with longstanding traditional pools of employment there is a perception that 'new flexibilities' are not required and that current patterns of work (which are designed for workforces that lack diversity) remain adequate and sufficient. Experts pointed out that this view operates to exclude employees with flexibility needs that diverge from existing employees, thereby perpetuating the lack of diversity.

Several HR experts described a growing demand for flexibility given the increasing requirement for employees to provide elder care. It was also noted that aging workforces would benefit from creative and accessible staged retirements with a full range of flexible working options to choose from and that this is likely to become increasingly important. An interviewee suggested that elder care responsibilities had not yet entered the thinking of many in the public sector, describing the current, prevailing view:

So we've got our heads around that maybe you do have to go to the childcare centre and pick up your kid. But if you have to do something with your mother who's 85 and got dementia, that's maybe not really what you should be doing in work time.

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<sup>116</sup> Headcount staffing is when staffing levels are fixed based on headcount and not Full Time Equivalents. This means that reduced hours cannot be backfilled with an additional staff member - as this would push them over their local staffing allocation.

## Flexibility at senior levels

A matter raised by HR experts is that some women in their agencies (principally those in senior officer grades) hold the view that employment in senior executive roles results in a loss of work flexibility. HR managers believe it is likely that there are well-qualified women who are not seeking promotion into senior executive jobs for fear of losing their work-life balance. Given the pending restructure of senior officer roles and senior executive grades, this is considered by some experts as a matter warranting immediate attention if they are to avoid a reduction in the proportion of women in SES roles.

Some HR managers regard a lack of flexible working arrangements at senior executive level as a 'perception' rather than a 'reality'. Others see it as a pragmatic decision made by women to avoid demanding roles that are hard to balance with competing claims on time outside of work. In almost all cases experts believe that there is more capacity for flexible work arrangements at senior levels within their clusters.

Several experts consider a lack of visible role modelling of flexible work by current cohorts of senior managers creates a 'psychological barrier' for women considering advancement into senior jobs. They cannot see managers ahead of them using flexible work options and so they assume they are not available or viable.

It is apparent that some senior roles are regarded as more conducive to different types of flexible arrangements than others. For example media jobs are better suited to mobile work (such as briefing journalists on the phone) but require fairly consistent patterns of availability; and jobs that require desk-based work, such as report writing, are more constrained by location and fixed technology. Accordingly this limits the range of senior jobs that people with specific caring responsibilities are likely to put themselves forward for and remain in. Other roles are deemed difficult to render flexible while retaining work-life balance. Several experts nominated jobs that are required to be responsive to political demands as examples of this.

It was evident that in agencies with higher proportions of women in senior ranks flexible work arrangements are more frequently and seamlessly utilised. It was difficult for HR managers to identify the cause of this greater access to flexibility. They speculated that it could be driven by a greater need for such arrangements due to higher proportions of employees with caring needs (traditionally female occupational groups for example); or the presence of women in leadership positions using flexible work arrangements and demonstrating their viability which led to the breakdown of myths associated with flexible work.

## Impact of career breaks and part time work

HR managers and experts also noted that there may be negative impacts on the career progression of people utilising flexible work practices in environments where negative perceptions about flexible work are strongly held. Their observations are supported by academic studies, in particular the finding that flexible work often impacts adversely on career outcomes. In particular the taking of career breaks and working part time are mentioned by experts as having the potential to 'put a handbrake' on career advancement. HR experts described a range of discernible attitudes that impact on the career advancement of women with caring responsibilities.

In some work environments there continues to be a cultural perception that career breaks and part-time work signal the individual's lack of commitment to work. This can lead to bias from local managers in allocation of tasks and higher duties, resulting in key developmental opportunities not going to people working part-time or newly returned from career breaks.

I think some women think, and quite rightly so, is that if you work part-time, they're not going to think about you for promotion, they might not send you on courses. We're trying to make sure that managers aren't thinking that way. Obviously it's discriminatory but some of the women do think that that happens. No doubt it happens in pockets ....

One HR manager described an environment where absences from work environments that undergo continuous and fast paced change can be a disadvantage, limiting the time available for returnees to absorb and adapt to daily developments. In this case it was noted that the fewer hours you worked as a part-timer and the longer the career breaks, the greater the disadvantage individuals face.

Another senior manager believed that, in occupations that rely heavily upon development 'on-the-job', career breaks and part-time work lead to a slowdown in career progress. However, it was also conceded that with careful and thoughtful work redesign, this might be ameliorated at least to some degree.

Several experts feel that the pressures associated with balancing life with leadership roles are such that many people consciously elect to slow the pace of their career progress over any period of peak caring responsibility; and that while all efforts are made to ensure equal access to development and opportunities, there is also a need to better support career breaks and part-time work options to improve employee retention. This enables women (and men) to remain 'as happy as possible' within those jobs until they are free or ready to seek new challenges.

### Recruitment, selection and retention practices

HR experts identified gender bias as having a negative impact within recruitment processes, which is contributing to the lack of diversity in leadership roles. It was noted that recruitment practices vary within clusters. Those agencies that continue to rely more on the discretion of panels (such as impressions from selection criteria-based interviews, rather than behavioural or scenario based processes) are far more likely to end in 'like-recruiting-like', reflecting the prevailing characteristics of current leaders which favour 'white men of a certain age'. Lack of turnover in senior roles and recruitment freezes are also seen as slowing down efforts to change gender balance in some pockets of the workforce, particularly where longevity of tenure is a feature.

HR experts with coverage of agencies with a lack of gender balance in leadership feel that cultural assumptions (including stereotypes relating to leadership and to the role of women) held by recruiters result in men being more likely than women to win senior roles. In circumstances where candidates are fairly evenly matched it was felt that decision makers are likely to select the candidate that is more like them and which may then have a better 'cultural fit'.

Investigations of recruitment procedures and outcomes in one cluster suggest that while women are making it through short listing to interview stage in either equal or greater numbers than men, this is not converting into similar rates of job offers. This pattern suggested that either bias was having an impact at the face-to-face interview phase or that women as a group are not doing well at interview<sup>117</sup>.

Other cultural assumptions associated with 'ability' are thought to impact on recruitment decisions at the workplace level. For example, in agencies where 'time served' has been a strong feature of progression systems, the vestiges of those values (technical experience being privileged over diverse

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<sup>117</sup> Subsequent work by HR experts in the cluster has shown that extremely low numbers of women are applying for vacancies in senior roles.

experience and potential) continue to affect promotional opportunities and recruitment decisions. These traditional attitudes about measuring merit tend to disadvantage women given their greater likelihood of taking career breaks and working part time. Experts expressed the view that changes being introduced in the NSW public sector Capability Framework and associated reforms to recruitment (discussed in more detail later in this chapter) may assist in rectifying these disadvantages.

Several experts noted that some pockets of the NSW public sector workforce have been very stable, with low turnover, over a long period. It is more difficult in these environments to improve gender balance using recruitment strategies, particularly where performance management and development systems have not taken a strong hold and there are consequently fewer systemic means available to senior managers to drive culture change internally.

A senior manager related difficulties in attracting women out of the private sector into senior public sector roles due to the comparatively low remuneration. While this is understood to affect recruitment of men as well, when coupled with a lack of flexibility in performing senior roles and the impact being a flexible worker might have on career opportunities, it is seen as limiting the diversity or breadth of external labour pools from which they can hire.

### Impacts on the confidence and motivation of women

The structures, cultures, and practices described as creating barriers to progression for women are seen by experts as operating to curb confidence and motivation in women, including in women who are regarded as particularly well-suited for leadership roles. Experts related anecdotal accounts of talented women needing to be actively convinced and coached to apply for more senior job roles, and observed that women they fully expect to take steps into leadership, are 'hanging back'.

It is felt that women, particularly those with peak caring responsibilities, actively make career-family trade-offs and are reluctant to risk moving out of jobs that provide them with a workable balance – and into jobs where it might be harder to achieve. In the words of one senior HR practitioner, *"...women are sensible; they'll make pragmatic choices about having lives that are worth living."*

This reluctance to risk work-life balance is further perpetuated by: a lack of role models in more senior positions that would offer evidence that balance is possible and acceptable in leadership jobs; and in some cases witnessing the difficulties senior managers with caring responsibilities face in particular workplace cultures.

Many women, say, in their 30s, they are child-rearing and are putting off career advancements until later, that's the feedback we get. But there's also, I think, a psychological barrier to women advancing when they see that there are no women ahead of them. So I think that we create psychological barriers by not demonstrating that we're open to women in senior ranks. I think we are open to it. But you wouldn't know by looking at us.

Several experts expressed the idea that men and women have different levels of self-belief in their capacity for leadership. This was seen as particularly apparent in environments with multiple cultural and structural gender barriers – and where women might be working in isolation from supportive colleagues – but is also seen as a more general and pervasive phenomenon. This manifests in women being much less likely than men to put themselves forward for senior roles despite being equally competent and capable – and in some cases, more so.

## FUTURE OPPORTUNITIES AND CHALLENGES

This section summarises the views of cluster and agency experts relating to the opportunities and the challenges they see for increasing the participation of women in senior roles.

They all identified a series of structural reforms taking place in the NSW public sector that have the potential to improve advancement if they are accompanied by conscious efforts to shift aspects of workplace culture.

A major challenge for some was prioritising women in leadership within the range of reforms unfolding across the sector. These experts see opportunity for progress if NSW public sector leaders prioritise the use of diversity and inclusion strategies, including those focussed on gender, as a means of improving the performance of the public sector.

The cluster and agency experts actively involved in developing or rolling out current initiatives agree that mainstreaming gender diversity and inclusion initiatives is critical – and this requires, as a threshold, the commitment of sector, cluster and agency leadership.

### Positive structural reforms

HR managers identified a range of structural reforms that have the potential to enable improvements in the advancement of women into senior roles in the NSWPS. They include:

1. the introduction of the Capability Framework
2. the restructuring of the senior executive service, and
3. the introduction of the Human Capital Management System.

While the details and impact of those changes remains untested it is envisaged that overall they will provide better systems and structures for increasing gender diversity in senior roles.

### **The Capability Framework – recruitment and performance management**

The cluster and agency experts agree that a recruitment system based on the capability framework lays a good foundation for removing bias from hiring decisions and provides the potential for greater consistency in recruitment principles and practices across the sector. They believe that ‘in theory’ it should create ‘a more even playing field’ for candidates and lead to ‘more diversity of talent’ in hiring outcomes and expose the ‘quiet achievers’. The positive features they identify include:

- The shift away from relying on previous experience in a commensurate role as a key measure of ability. It is commonly held that this disadvantages people in labour pools not traditionally associated with those roles but who may bring a different range of suitable experiences and skills.
- Greater reliance on more ‘objective’ measures of capability and movement away from ‘cultural fit’ as a criterion which reduces ‘like recruiting like’ and thereby encourages diversity in hiring outcomes.
- The requirement to consider behavioural attributes and a more diverse set of leadership qualities in the hiring process rather than relying on role-specific technical criteria.

New requirements for selection methodologies are also regarded as likely to facilitate greater objectivity and reduce bias in hiring decisions. The use of psychometric testing, assessment centre processes and activity-based assessments are all regarded as providing more ‘science’ in the system. In the NSW Police Force, where there has long been an assessment centre-based system of pre-

qualification for promotion, it is apparent that women are doing better in promotion processes than men.

There is already anecdotal evidence from some agencies that movement to a capability focus in recruitment has broadened the pool from which applicants are being sourced for senior level jobs. This has manifest in an emphasis on seeking managerial/leadership skills rather than a concentration on technical ones. The expert interviewees were unsure, however, whether this had translated into an increase in women applying for and/or winning senior roles.

The cluster and agency experts also have some reservations about the new capability system and its value in recruitment:

- It is already apparent to some HR managers that the new systems are more time consuming than the previous more ad hoc procedures. There is concern that the greater objectivity brought by the new system might be compromised by the local operational propensity to expedite the filling of vacancies.
- One HR manager summarised a view held by several others that while the system holds out great promise for levelling the playing field for female and male applicants, the biggest challenge to the system working is the 'mindset and culture' of those doing the hiring. For the framework to deliver greater capability/merit-based recruitment there needs to be training in the new recruitment processes including in recognising unconscious bias.
- The new capability based recruitment processes alone will not change the proportions of women in senior leadership. Other strategies are regarded as critical for supporting the new system if it is to lead to greater numbers of women in leadership roles. They include initiatives to attract and target women to apply for positions, and structured performance and talent management to prepare the feeder groups for vacancies when they arise.

### **Restructure of the Senior Executive Service**

Cluster and agency experts anticipate a range of issues emerging out of the pending reform of the Senior Executive Service. They regard the restructure as having the potential for gender diversity renewal but also foresee some challenges. Several HR managers articulated the need to have a sharp focus on retaining and gaining diversity through a coordinated approach to the restructure – including a cohesive management position on the importance of diversity in the SES, as well as having in place a suite of enabling structures, including activities to change existing 'mindsets' about what constitutes leadership.

- Some HR managers presiding over agencies with what they described as 'longstanding' management personnel feel that the restructuring of the Senior Officer and Senior Executive levels might open up opportunities for 'diversity renewal'. In concert with unbiased application of the new recruitment and performance management frameworks they believe that this might facilitate an increase in the number of women in senior roles. The results from an analysis of senior executive performance mapped to the capability framework, as outlined in Chapter 2, indicate that women have the capability to compete successfully with men for senior roles.
- However this benefit may be offset by other factors. One such factor identified by a number of the experts is the perceived reluctance by current Senior Officer Grade women (where there are higher proportions of women than in the current SES grades) to seek advancement into the new positions due to concerns over loss of formal flexibility and the impact this might have on work life balance (as also noted above).

- HR managers also see real opportunities in the new mobility provision being introduced for the Senior Executive Service in opening up greater opportunities to progress laterally between agencies and clusters in ways that have not happened in the past. This might have particular benefits for women in agencies and clusters with flatter structures.
- Conversely, some HR managers did express concern that women might be disadvantaged if opportunities are lost due to the need to relocate – venturing the observation that relocating family, or commuting away from families, can create greater difficulties for women, particularly if they are the secondary earner in the household and the primary carer.

### **Introduction of the Human Capital Management System**

There is very strong support amongst HR practitioners and experts for the introduction of the Human Capital Management System. Interviewees regard the collection and reporting of robust and refined data as central to strategic HR management. Armed with granulated and targeted metrics they will better understand gender patterns and be able to track the operation and impact of specific initiatives for change. While they currently use information it is regarded as fairly rudimentary and difficult to retrieve which inhibits their capacity to identify problem areas and to propose suitable solutions. HR experts identified the following benefits of the Human Capital Management System (HCMS) for better managing the strategic advancement of women into senior roles.

- In the short term HR managers recognise the ‘power’ of having good data to tell the gender story to senior managers, informing them of the patterns and pinch-points for women reaching leadership positions.
- In the medium term they envisage the capacity to use the HCMS to efficiently monitor more granular details such as the rate of use of flexible work arrangements – for example where they are being used, how many men and women are using them, how many carers are accessing them, and how many senior managers are carers. This disaggregated level of data collection also opens up the possibility for more refined and targeted metrics in formal diversity reporting. Several HR managers noted that this as a powerful tool for encouraging action on diversity.
- In the longer term the HR experts want to be able to track impact – both in terms of the evaluation of particular strategies to advance women (and other diversity groups) and the impact that gender diversity and inclusion strategies have on business outcomes. This evidence could in turn be used to encourage broader activity and change in areas of resistance.
- Beyond the benefits to cluster-level HR strategy development they also saw that data needs to be accessible to local managers and this would, down the track, enable them to make efficient decisions at the workplace level that have a direct impact on task allocation, performance management and development, and recruitment, through a ‘diversity lens’. This was regarded as being a critical tool for embedding diversity in everyday practice.

There was some concern expressed by HR experts that enthusiasm for HCMS is not shared by the non-HR senior managers making resourcing decisions. It was reported that while senior managers outside of HR can see the benefits, they found it difficult to justify the spending required – particularly if it meant making cuts in other areas. One HR expert suggested that the HCMS needed to be seen as an investment - rather than being viewed on the basis of a ‘system replacement business case’.

A handful of other structural changes were cited by cluster and agency experts as having a positive impact on gender initiatives and the capacity and propensity to advance women into non-traditional areas and senior roles.

They included:

- Movement to a 'nine cluster' configuration means that benchmarking and tracking activity between clusters has been made easier and provides greater incentive to improve in areas highlighted by the PSC. This has been their experience with recent moves by the PSC to reduce bullying and harassment. It was thought this 'competition and exposure' might work as well with efforts to increase the participation of women in senior roles.
- Previous statutory reforms that opened up recruitment to external labour pools are also thought to have had a positive impact on the numbers of women in some leadership positions. For some agencies the small numbers of women in external feeder pools limits their capacity to increase the proportion of women in senior roles using external recruitment. It was also noted that staffing freezes can create barriers for improving the representation of women by limiting the capacity to seek recruits externally, particularly in agencies with small numbers of women in internal feeder groups.
- The move to increasingly recruit based on qualifications (in contrast to 'growing their own' and using internal career paths and development processes) is assisting in redressing the balance of women in some non-traditional occupations. This is driven primarily by the increasing number of women enrolling in and graduating from associated degrees rather than focussed efforts in those agencies.

### The impetus for change

Cluster and agency experts expressed awareness of the business and equity benefits associated with having greater gender diversity in their respective workforces. However, it was also apparent that the leaderships in different clusters are at different points in relation to prioritising action on issues of gender balance. There is currently no universal or unifying position on the prioritising of gender strategies or policies for the NSW public sector.

In two clusters where there are near equal percentages of women and men in leadership positions (Education and Family and Community Services), advancing more women into senior roles is not a priority. In all other clusters it was recognised by experts that specific efforts are necessary if changes are to be made in gender balance in the senior ranks. But this did not necessarily translate into active strategies. In five clusters there is no cluster-wide strategy to increase the proportion of women in senior roles. Targeted diversity and equity strategies are in the early stages of development and implementation in the Transport cluster and in the Office of Finance and Services<sup>118</sup>; and the NSW Police Force is in the process of developing its second formal women's strategy (described later in this chapter).

Cluster and agency experts put forward a range of factors at the cluster level that shaped the relative importance given to the issue of women in leadership.

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<sup>118</sup> The Office of Finance and Services, previously a cluster in its own right, since machinery of government changes in April 2014 now forms a part of the Treasury and Finance Cluster.

### Prioritising gender and/or diversity and inclusion initiatives

According to cluster and agency experts there is a wide variety of positions taken by senior managers on the issue of gender balance and women in leadership and where it sits within the broad range of issues being dealt with at the cluster level.

- While executive and senior managers are sympathetic to equity issues they did not always consider them to be a business priority. In the words of one HR manager, increasing the proportion of women in leadership is seen as a ‘nice to have’ but is not seen as a ‘need to have.’ Executive and senior managers are focussed on ‘business outcomes’. As one HR manager explained, leaders in the cluster don’t see it as their role to lead a discussion on diversity and gender – they see this as the responsibility of HR.
- Executive and senior managers appeared to approach the question of balance in a range of ways. Some conceptualised a gender balanced workforce at 50 per cent male and female across the cluster; while others regarded a good balance was reached with 35 per cent of the leadership being women.<sup>119</sup>
- Experts were universally of the belief that culture change of the type required for sustainable reform to gender diversity in leadership needed to be led by the executive and all business unit leaders, who are more able to ‘change the mindset of their direct reports’.

While it was apparent that not all of the HR managers interviewed are currently in a position to carry forward gender initiatives in their clusters due to lack of prioritisation, they are thinking about ways in which to increase diversity and inclusion in their cluster. While achieving gender balance in leadership is clearly a key component of achieving diversity, some HR managers articulated diversity in much broader terms - as a means of ‘better reflecting the community we serve’. This included workforce planning to increase the representation of people from across the Australian demographic in public sector jobs, including leadership roles.

The value of having a diverse workforce and leadership group was not simply discussed as achieving a ‘demographic’ goal. Some HR experts talked about their aim to increase ‘diversity of thought’ and transform existing cultures that are limiting performance and innovation. In some cases women are being seen as the ‘vanguard’ of diversity and culture change. It was apparent from discussions with HR managers that changing the demographic characteristics of the workforce, the structures of employment and management, and transforming the culture of organisations are part of an overall strategy to adopt the key values of the NSW public sector, and thereby provide the basis for greater public sector performance and delivery of quality outcomes to the community. In effect, many of the interviewees saw diversity and inclusion in public sector workplaces as a central element in the delivery of good public service. They made the following observations about diversity and inclusion.

- The conceptual framework and language of ‘diversity and inclusion’ is regarded as very helpful by HR experts currently having discussions about gender representation and culture change with cluster management groups. Embedding those discussions in a business case is considered critical by some, while an equity/ethical argument is considered just as important by others. They also noted that in some contexts it was better to introduce the issue in general rather than gendered terms to avoid initial ‘kneejerk pushback’.
- In clusters where concerted efforts are being made to elevate the issue of women in leadership (and diversity more generally) HR managers feel that mindsets are changing and

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<sup>119</sup> It should be noted that 35 per cent was the target set across the NSW public service in 2008 (see Department of Premier and Cabinet NSW (2008) *Making the public sector work better for women: A new approach to making NSW public sector a preferred employer for women*, 2008-2012. NSW Government).

that there is a latent receptiveness for 'diversity and inclusion'. Various 'light bulb' moments were described, where during discussions with operational managers their thinking on the issues shifted. In active clusters and agencies HR managers are reporting that senior managers are coming to them to find out about ways to increase the participation of women in senior roles.

- Where there are high proportions of women already in management roles within a cluster it is apparent that HR managers are also keen to pursue diversity and inclusion in other ways. In some cases they felt a stronger focus was needed to be placed on other EEO groups, as well as needing some calibration of existing cultures to move further away from 'hierarchies of control' and towards 'diversity of thought' thus opening the way to greater innovation.
- Some HR managers in those 'gender balanced' clusters also identified other gender equity issues that they felt deserved attention – such as unequal work value, gender wage gaps and the high proportions of women in lower paid and more precarious work.

### **Competing and shifting priorities**

While the views and perspectives of cluster leaders are critical to efforts to advance women in senior positions, it was apparent that there is a great volume of change and reform taking place across all clusters. This is over-shadowing the pursuit and adoption of new strategies to build greater gender diversity. Cluster and agency experts described the following issues associated with pursuing multiple goals in such 'busy' environments.

- They described the difficulties of adding to the current list of HR priorities that have been generated by sector-wide reform as well as major cluster level changes. HR managers can see the virtue in progressing strongly with a gender diversity and inclusion agenda but need the strong endorsement of the leadership to do so. It is apparent that the process of convincing a leadership group requires time that many HR managers feel they do not have. That 'making the argument' does indeed take time and focus is apparent from discussions with HR managers who have been undertaking the task.
- Change to and reconfiguration of cluster leadership groups was also discussed as being a considerable hand-brake on building momentum for establishing new priorities. One HR manager described having nine different Secretaries while in the same job over a ten year period; another had worked in the same role for nine years but in eight different agencies, explaining that the cluster had only just reached structural 'maturity' due to several recent 'machinery of government' changes.
- Receptiveness to change within clusters was a topic discussed by several HR experts in the context of achieving gender balance in leadership. They see both challenges and opportunities depending on their recent level of exposure to change, and the nature of those changes in agencies. One HR manager from a cluster of agencies with a history of considerable transformation described employees as being 'change fit' and felt they were well equipped to adapt to new ways of operating. Another HR manager felt that many people in their cluster were 'change weary' and when new proposals were raised they encountered 'passive-resistance' as a matter of course. Another HR manager described agencies that had been insulated from change for many years and vigorously defended their traditional structures and processes. These different workforces are likely to receive reform, such as strategies designed to advance women into leadership, with different degrees of willingness. Each context therefore warrants a different approach to the management of change.
- The two clusters and the agency that have taken action in the pursuit of improving gender balance in leadership, appear to have been able to do so for two main reasons: the issue has

been strongly pursued by individual senior HR managers allied with senior operational management ‘champions’ using well-developed arguments; and there has been either a consistency in the HR personnel pursuing the change or a stable cluster environment in which to influence priority setting.

## VIEWS ON TARGETS AND QUOTAS

Experts were asked about their views on the use of gender targets or gender quotas to help drive increases in the numbers of women in senior roles. There was consensus that targets are appropriate and more useful than quotas. As described in the academic literature reviewed in Chapter 3, quotas are seen as being particularly vulnerable to claims of ‘damaging the perception of merit’. Targets, on the other hand, are seen as an accepted mechanism for increasing and measuring the participation of EEO groups. Several HR experts cited the Aboriginal employment targets as an example of sector-wide target setting.

I do think it's targets, not quotas, but they have to be seriously communicated and with consequence.

It is worth noting that very few HR managers invoked the 35 percent target set in 2008 for senior women in the NSW public sector. Only those people actively involved in developing Women’s Strategies referred to them. One HR manager suggested that perhaps the 2008 targets ‘got lost’ in translation to the new PSC and other machinery of government changes.

The very limited application of gender targets in the NSW public sector currently is borne out by the results of a recent survey of agency initiatives, which found that few agencies had put in place targets for the different employee categories.<sup>120</sup> Where targets were used, they were most often set for senior manager level, but this was in just ‘18 per cent of cases and with only 3 per cent of agencies implementing those targets to a highly developed extent’. Furthermore, ‘[F]or all employee categories, 55%-60% of agencies indicated that the need for implementation was not recognised.’

One expert interviewed spoke against the use of binding gender targets. They expressed concern that gender targets would work to marginalise the issues, create a backlash against gender strategies and divert attention from the work that needed to be done.

I think we’re much better to focus on things that are actually changing the culture rather than targets and quotas. Targets and quotas can continue to marginalise. We’ve put our efforts into trying to change the culture of an organisation in a positive way, that’s what creates a healthy workplace, not targets and quotas.

Whilst no other experts spoke directly against their use, they did have different views about how they should be managed and set, depending on the environments of their respective clusters and agencies. Among the experts, the following two main sets of views on setting and managing general targets for women in senior leadership roles were expressed.

1. Sector-wide targets should be set for clusters and/or agencies. Without this kind of ‘serious show’, senior executive will continue to ‘wait’ and not take action on gender balance in leadership. Sector-wide targets, it was argued, will operate to move women in leadership up the priority action list in clusters.

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<sup>120</sup> *The 2014 State of the NSW Public Sector Agency Survey Report*: 30.

2. Targets should be set at the agency or business unit level. In this way they can be nuanced, relevant and achievable. There was considerable concern that if targets are 'imposed' at unrealistic levels for a business unit this would lead to frustration and a lack of commitment in workplaces that were most in need of change.

...if one per cent of your workforce are women and there's an external or centrally given target of 50 per cent, there is no way that you'll be able to reach that. There's not only pushback but over a period of time it's just ... frustrating. You can't reach it, so our approach is look, if you're one per cent now let's aim for two per cent and a target that will make sense to you...

### **Use Targets – but not in isolation**

In line with the scholarly evidence reviewed earlier in this report and mirroring the advice from gender equity practitioners in the leading practice organisations (see Chapter 5), all HR managers and experts were emphatic that gender targets could not work on their own and, in the interests of achieving sustainable change, should be accompanied by linked accountability measures, supporting mechanisms and an effective and tailored communication and consultation process. HR managers made the following qualifying observations in their support for targets:

- Targets need to be set in a way that retains both the practice and principles of merit. Otherwise there is the danger that senior managers will react against them, particularly in environments *where fewer jobs are likely to be in the system* and there are acute concerns about having the best people possible in the remaining jobs.
- The perception of merit is important for the women themselves, *'senior women genuinely want to be there based on merit and do not want to be put in a position where their credibility is questioned'*. Several senior women interviewed expressed their personal view that they did not want to be seen as 'token', appointed to satisfy a target.
- Others were of the view that there is a point where accountability in the form of targets is needed to *'focus the minds of the less converted'*, recognising that some backlash is inevitable and that an education and consultation process is critical to any change process.
- The rationale for specific numerical targets needs to be logical and defensible, with several experts believing it should be expressed in terms of the benefits of diversity and inclusion.
- Targets need to be set in consultation with the managers who are charged with their management and success.
- Targets need to be set in environments where there is capability and resourcing to achieve them. Managers need to be educated and supported in implementing targets.
- Targets need to be accompanied by accountability mechanisms. Tailored KPIs should be used to drive the achievement of targets.
- Agency and cluster heads need to report their gender diversity targets, activities and results centrally.
- Incentives based on public reporting with recognition and reward for good outcomes was favoured as means of driving activity and accountability.

## THE ROLE OF THE PUBLIC SERVICE COMMISSION

The Public Service Commission is regarded as playing a key role in elevating the issue of women in leadership across the NSW public sector by: leading the discussion; providing sector-wide frameworks for action and accountability; and supporting clusters and agencies to adapt and work to instil reform.

Several experts conveyed the benefits of a sector wide strategy for gender balance, explaining that this would give legitimacy to efforts at the cluster and agency level to prioritise the issue of women in leadership. A strategy articulated strongly from the PSC *'gives us something to hang a strategy on and it helps to focus the gaze of the executive'*. Two HR managers made the point that while central agencies are critical in setting sector-wide priorities they have little advantage when it comes to the actual delivery of programs at the workplace level – and that this is best left with the clusters and agencies to enable better mainstreaming.

In line with the PSC's role as the central body leading the development and management of the sector, the PSC was regarded by the experts as being in the position to provide the following elements of leadership on the matter of women in senior positions. They believe the PSC can:

- Lead the conversation about women in leadership across the sector by outlining the benefits of gender diversity and inclusion strategies and how they reflect the stated values and objectives of the public sector.
- Build communities of practice to develop experience and share lessons between the clusters and agencies.
- Play a leading role in designing a framework of accountability measures and reporting mechanisms, while allowing clusters and agencies the freedom to set appropriate tailored goals that reflect their circumstances.
- Provide generic tools for clusters and agencies to further tailor for their own use. Specific mention was made of practical assistance on: best practice for recruitment methods; assistance in the elimination of bias in job criteria; advice on unconscious bias training and leadership curriculum; and a list of preferred providers of effective human capital management systems and assessment centre services.
- Lead discussion on target setting both at sector-wide level and at cluster and agency level.
- Develop a library of diversity metrics that are useful for monitoring and reporting at the cluster and agency level.
- Consider aligning with the Male Champions of Change initiative and thereby create an external partnership for collaborative benchmarking and continuous improvement.

## INITIATIVES FOR IMPROVING GENDER BALANCE IN LEADERSHIP

Across the clusters some HR managers spoke of ad hoc initiatives evident in pockets that supported women seeking advancement into senior roles. In some cases these programs have been discontinued. They include women's networks, the Spokeswoman's Program, and the Springboard Program. While feedback established that these arrangements have been beneficial to individuals it was evident that they were not leading to changes in the proportion of women in leadership roles. When asked why this was likely to be the case experts offered two key rationales for the failure of past strategies to shift the numbers:

- **A focus on individuals rather than drivers:** Strategies such as mentoring, development and networking have not led to *systemic changes* and, operating in the absence of other supporting initiatives and/or a holistic strategy of change, tended to focus on women as the problem rather than responding to the systems and cultures that required reform.

...It was all targeted toward women and I think that's the problem, because I don't think the problem is with the women. I think that they've probably been of value to individuals, but my prerogative is to make a system wide change, not an individual change.

- **Removed from mainstream operations:** Initiatives based on achieving EEO policies, targets and plans have been relegated as 'HR projects' outside the core operations of business units and considered secondary to other operational imperatives. As a consequence, they have not been sustained.

...we've had programs that I think have been HR projects - is how I'd describe them - that they don't gain traction in the business, that don't lead to a sustainable change in practice'.

### Early adopters of leading practice in the NSWPS

Several groups within the NSW public sector were identified during interviews as currently leading the way in relation to women and leadership strategies:

- The NSW Police Force is moving into its second 'Women in Policing' Strategy,
- Transport for NSW has completed a draft of its new Diversity and Inclusion Plan, and
- The Office of Finance and Services is in the community consultation phase of a project to develop a Gender Equity Strategy

The following section looks at lessons that can be drawn from those strategies based on interviews from a range of people involved in their development and delivery. Many of those lessons share common elements with leading practice cases as outlined in the next chapter of this report. The tables below summarise the main features of each strategy by outlining the key characteristics of the workforce, the initiatives undertaken, the key challenges and successes and the three main pieces of advice that HR managers and experts wanted to pass on to others about to embark on similar programs of change.

#### New South Wales police Force (employment headcount 20,269)

Key characteristics of the organisation	<ul style="list-style-type: none"> <li>• Main employment group male dominated sworn police officers;</li> <li>• Unsworn employment group has gender balance;</li> <li>• Strong internal culture;</li> <li>• A legislated highly defined promotions process with set requirements for entry into specialist areas.</li> </ul>
Key initiatives	<ul style="list-style-type: none"> <li>• Women In Policing Strategic Plan 2011-2013 (second plan in draft)</li> <li>• Targeted Recruitment of women into the Force (longstanding)</li> <li>• Making workplaces more inclusive and diverse, including improvements to flexibility</li> <li>• Supporting individual women, including networking, leadership development and mentoring</li> <li>• Understanding diversity and inclusion issues through research</li> </ul>
Key successes	<ul style="list-style-type: none"> <li>• Demonstrated corporate commitment including governance and accountability measures</li> <li>• Better understanding of the 'business case' across the Force</li> <li>• Greater interest in gender from the men and women in the units</li> <li>• A more supportive and inclusive workplace culture</li> <li>• Mentoring and leadership programs that build confidence in women</li> </ul>

	<ul style="list-style-type: none"> <li>• A rank rather than position based promotion system with demonstration of competency and merit through a pre-qualifying process - already reflects the principles of Governmental reform relating to capability and mobility.</li> </ul>
Key challenges	<ul style="list-style-type: none"> <li>• Initial buy-in from commands and business units; resolved by advancing business case for gender equity</li> <li>• Promoting more gender balance in specialist policing roles.</li> <li>• Encouraging women to engage in a career plan and understand and mitigate career barriers ; research underway</li> </ul>
Key lessons	<ul style="list-style-type: none"> <li>• Need corporate commitment and accountability</li> <li>• Take men on the journey to achieving an inclusive and supportive workplace culture</li> <li>• Continue the momentum using 'show-casing' and reinforcing the business case</li> </ul>

### Transport for NSW Cluster (employment headcount 29,948)

Key characteristics of the organisation	<p>Integrated cluster with Transport for NSW setting strategic direction and operating agencies (Sydney Trains, NSW TrainLink, State Transit Authority and Road and Maritime Services)focussing on the delivery of services to customers.</p> <p>Major occupations male dominated, including pathways into leadership</p> <p>Traditional workforces with long industrial histories</p>
Key initiatives	<ul style="list-style-type: none"> <li>• Draft Diversity and Inclusion Plan includes gender focus on non-traditional and senior roles</li> <li>• Alignment with Diversity and Inclusion framework including Global Diversity and Inclusion benchmarks</li> <li>• Mainstreaming Diversity and Inclusion strategies by using tailored business cases at agency/directorate level including Diversity and Inclusion focus for business planning</li> <li>• Embedding Diversity and Inclusion in attraction, recruitment, development and retention strategies</li> <li>• Active movement away from using a 'compliance' led strategy</li> </ul>
Key successes	<ul style="list-style-type: none"> <li>• Development of the business case approach in contrast to a compliance approach</li> <li>• Obtaining senior management commitment</li> <li>• HR working directly with business units to have Diversity and Inclusion in business plans</li> <li>• Business Executive and Managers now coming to HR for assistance</li> </ul>
Key challenges	<ul style="list-style-type: none"> <li>• Recently commenced the D&amp;I journey</li> <li>• Buy-in from business unit level – some headway but significant work to be done</li> <li>• Data collection, monitoring and reporting – headway but significant work to be done</li> <li>• Culture change to enable diversity and inclusion</li> </ul>
Key lessons	<ul style="list-style-type: none"> <li>• The importance of crafting a relevant and practical business case</li> <li>• Getting buy-in from the senior management group through face to face effective communication</li> <li>• Providing training for recognising unconscious bias</li> </ul>

### Office of Finance and Services

Key characteristics	<p>Part of a cluster of non-integrated and highly disparate agencies</p> <p>Pockets of male-dominated technical occupations</p>
Key initiatives	<ul style="list-style-type: none"> <li>• Developing a new equity strategy (to be launched in November 2014) linked to a broader Diversity and Inclusion Strategy currently under development</li> <li>• Movement away for 'individualist' strategies to a whole of organisation strategy tailored to meet individual Divisional equity challenges.</li> </ul>

	<ul style="list-style-type: none"> <li>• Engaging with decision makers on the importance of diversity and inclusion</li> <li>• Developing a business argument – but also pursuing an ethical/equity argument</li> <li>• Researching the key issues including analysis of metrics, community consultation, surveying staff and reviewing best practice</li> <li>• The Executive Performance Agreements include a gender equity target<sup>121</sup></li> </ul>
Key successes	<ul style="list-style-type: none"> <li>• Buy-in from Senior manager ‘Champions’ from outside of HR</li> <li>• Local initiatives by champions to try new ‘gender’ recruitment strategies</li> <li>• HR Metrics and survey data valuable for pinpointing and interrogating focus areas for equity policy and practice</li> </ul>
Key challenges	<ul style="list-style-type: none"> <li>• Continuing to get buy-in across the cluster</li> <li>• Cultures that distrust gender-targeted strategies</li> <li>• Collection, monitoring and reporting of data (lack of a Human Capital Management System)</li> <li>• Improving access and use of flexible work arrangements and linking this to organisational and job design</li> <li>• Equity results across the organisation are mixed thereby requiring a ‘tailored’ strategy to address specific issues and challenges in individual pockets of the organisation.</li> <li>• Attracting female candidates to executive job vacancies</li> <li>• Linking equity goals with corporate planning documents so equity is embedded in organisational strategy</li> </ul>
Key lessons	<ul style="list-style-type: none"> <li>• High quality, granulated gender workforce data is critical to understanding the issues and raising awareness</li> <li>• Winning the hearts and minds of senior managers and the executive is essential</li> <li>• Focus on ‘equity’ for men and women, changing cultures and systems, rather than problematizing ‘women’</li> <li>• Apply the ‘equity lens’ to all aspects of workforce planning and organisational development and design</li> </ul>

A range of lessons can be identified across the three cases. One observation is that all of the cases have adopted a diversity and inclusion framework and language to scaffold and express their respective strategies. In the Police Force and Transport (both at a point in their strategies where this was possible) this has assisted them in putting forward business arguments that can resonate with non-HR managers and business units – as well as providing a framework that is based on achieving changes to encourage improved performance and innovation. In all three cases, strategies aim to engage with both men and women and with men in leadership roles in particular. A second observation is that in all cases it is highly motivated individuals in HR (or a series of them) who have paved the way for broader organisational commitment.

Elements utilised in one or all three of the current strategies (remembering that they are each at different stages of development and maturity) can be summarised as:

#### **Committed and accountable leadership**

- One-on-one conversations between HR champions and key ‘allies’ in senior management. Then working with them to expand interest and understanding across the agency/cluster, recruiting more allies/champions.

<sup>121</sup> KPI is now in OFS Executive Performance Agreements 2014/2015: *Demonstrate your contribution to your team, division or the Office in building diversity and inclusion through one or more of the following strategies: Increasing the representation of women in senior and non-traditional roles.*

- Involving senior leaders in public events and activities focussing on women in leadership (for example International Women's Day events).
- Ensuring that men (as the majority of senior leaders) are central to the strategy as they 'hold the key' to prioritising, enacting strategies, and making accountable the people who report directly to them.
- Publicising equity statistics at every chance to raise organisational awareness of equity issues.
- Making clear the business case and how it will operate at workplace level – but not forgetting the importance of an ethical argument and the need to expose and shift 'unconscious biases' that disadvantage women and other groups subject to stereotyping.

#### **Researching and understanding the key issues using a range of evidence bases**

- Using workforce data to understand patterns of gender balance across all units and all grades and occupations through a gender and diversity lens.
- Conducting diversity and inclusion surveys that provided a more granulated illustration of employee satisfaction on a range of Diversity and Inclusion measures
- Benchmarking gender balance and/or diversity and inclusion against external measures, for example NSW Police as a member of the Australian and New Zealand Policing Advisory Agency participate in benchmarking around diversity and Transport HR look to Diversity and Inclusion best practice in Global Standards for Diversity and Inclusion.
- Undertaking consultation with employees about issues of importance to them. A feature of receiving more in-depth qualitative data was being able to test assumptions that had been driving thinking. For example, focus groups conducted by the NSW Police indicated that a number of male and female participants were not attracted to promotion into some senior roles due to the 24/7 hours commitment that was perceived as necessary.
- Making links with research bodies, such as Workplace Gender Equality Agency and the Melbourne Business School Gender Equity Project, and partnering in research were considered useful. It gave them access to deep information and advice from external experts. In another cluster advice was sought from external experts and this too was considered useful to the development of their strategy.
- Police and Transport both mentioned difficulties associated with current data collection systems and the associated limitations on granulated reporting and tracking of trends and information. Both HR units are working on strategies to improve this aspect of their systems and hope to be able, in the future, to improve strategic HR as well as measure the impact of initiatives in terms of organisational performance and outcomes.

#### **Embedding and mainstreaming practice and Diversity and Inclusion (D&I) solutions'**

- Holistic, integrated and multi-faceted strategies that are integral to the planning framework
- Placing the focus of activity on the operational areas and business units rather than retaining responsibility in HR units – but with their support.
- A focus on showing business units how diversity and inclusion and increasing the representation of women can provide business solutions.
- Building understanding that diversity and inclusion is not an additional cost but a better way of achieving core business outcomes and enhancing performance. For example a diversity and inclusion approach to management can reduce conflict at the workplace by equipping local managers with more inclusive management strategies.

- The diversity and inclusion unit in Transport have concentrated energies on introducing diversity and inclusion principles into business planning at the local level – they attend planning meetings and respond to the business issues as they are presented. To diffuse diversity and inclusion capability beyond the Diversity and Inclusion Unit they are upskilling Human Resources and Organisational Development business partners across the cluster so they can also work with senior managers in business planning. At the same time they are positioning Human Resources as a Centre of Excellence in diversity and inclusion capability.

#### **Building awareness of unconscious bias and or D&I through all layers of management**

- Training for the executive, senior management teams and people involved in recruitment in unconscious bias.
- Intention to further diffuse training, in one case, via e-learning.
- Embedding diversity and inclusion capabilities into leadership training and development and inductions

#### **Changing mindsets about flexibility and job design**

- Support at workplace level to overcome barriers in flexibility via a process of ‘upskilling’ local managers and employees in creative ways to develop solutions – for example, by modelling problem solving around flexible work options in addition to easy to follow guides relevant to the work context.
- Pockets of good practice being led by senior manager ‘champions’ such as advertising vacancies as ‘flexible’ to attract more diverse candidates; and commitments to short list at least one women in every recruitment process.

#### **Improving structures of support for women**

- While systemic and cultural change were central to each strategy it was also apparent that Women’s networks, leadership training and mentoring were highly valued by women in the agencies in which they operated. Evaluations in the NSW Police Force of their women’s leadership courses and mentoring programs have established that women experience greater confidence through their involvement.
- There are active performance development systems in the NSW Police, supported by a defined and competency based promotions process. NSW Police has strategies to increase the participation of women in the promotional process – but when they do engage on average women perform at a higher level than male counterparts.

#### **Responding to the context in which strategies are to operate**

- This included tailoring business case discussions to the circumstances of the business unit as well as developing cluster wide strategies that were communicated in ways most likely to have impact. For example it was suggested that in some instances the use of diversity and inclusion language or characterising an issue as one about an aging workforce was a better way to commence a conversation than starting with a discussion of gender equity. While it was important to nuance the pitch to business units, it was also regarded as critical to have strong and public positions on equity.
- In Transport in recognition of the need to reflect and incorporate the different divisional and occupational contexts in the process, a group to develop the strategy was established. This group itself which had a relatively diverse membership, including all the relevant senior managers and representatives from train and bus drivers.

## SUMMARY OF FINDINGS

### Main barriers to women advancing into senior roles:

- *Occupational segmentation:* Occupational characteristics and structures were highlighted as leading to a range of barriers in some clusters and agencies. Some structures have the effect of limiting promotional opportunities for women as well as options available for correcting gender imbalance in senior roles.
- *Cultural factors:* HR experts identified aspects of culture held across the broader community that impact in workplaces such as gendered stereotypes of what a leader looks like; and workplace cultures such as extended working hours, high visibility, 'blokey-ness', and privileging of 'time-served' as presenting disadvantages to women and which can impact their advancement into senior roles.
- *Access to flexible work arrangements and job redesign:* Experts believe that despite there being a plethora of flexible work arrangement policies in place and a growing need for employees to use them to balance work and life responsibilities, there are barriers to senior managers accessing those arrangements. Experts recounted a range of attitudinal and structural barriers that limit their use generally and for senior managers specifically.
- *Career breaks and part-time work:* It was thought by some experts that the use of career breaks and reduced hours of work slowed down career advancement for both cultural (perceptions that users lack commitment) and structural reasons (lack of access to development).
- *Recruitment, selection and promotion:* HR experts identified gender bias as having a negative impact within recruitment processes, which is contributing to the lack of diversity in leadership roles. Agencies that continue to rely more on the discretion of interview panels are far more likely to end in 'like-recruiting-like', reflecting the prevailing characteristics of current leaders. Lack of turnover in senior roles and recruitment freezes are also seen as slowing down efforts to change gender balance in some pockets of the workforce.
- *Impacts on the confidence and motivation of women:* The structures, cultures, and practices described as creating barriers to progression for women are seen by experts as operating to curb confidence and motivation in women, including in women who are regarded as particularly well-suited for leadership roles.

### Future opportunities and challenges:

- *Positive structural reforms:* Experts identified structural reforms taking place across the sector that have the potential to improve advancement if they are accompanied by conscious efforts to shift aspects of workplace culture that present barriers to the advancement of women. These included the introduction of: the capability framework; the new senior executive structure; and the human capital management systems.
- *The impetus for change:* A major challenge in some clusters was prioritising the pursuit of better gender balance in leadership within the range of reforms unfolding across the sector. If sector leaders prioritise the use of gender diversity and inclusion strategies as a means of improving the performance of the public sector, experts see opportunities for progress. They agree that mainstreaming gender diversity and inclusion initiatives is critical and that this needs the commitment of sector, cluster and agency leadership.

**Views on targets and quotas:**

- Experts did not support gender quotas but did support the use of gender targets. Two main views (not mutually exclusive) were that sector-wide targets will illustrate sector-wide commitment to progressing women into leadership; and agency level targets will enable the tailored setting of goals and accountabilities relevant to the work-level context.
- All HR managers and experts were emphatic that gender targets could not work on their own and, in the interests of achieving sustainable change, should be accompanied by linked accountability measures, supporting mechanisms and an effective and tailored communication and consultation process.

**The role of the Public Service Commission:**

- Experts saw a critical role for the PSC in promoting the issue of women in leadership by leading the discussion, providing sector-wide frameworks for ensuring activity and accountability; and coordinating clusters and agencies to roll out and refine best practice strategies.

**Initiatives for improving gender balance in leadership:**

- Experts believe that previous gender initiatives have not substantially improved the numbers of women in senior roles in the sector because: they have tended to be focussed on individuals and have consequently not dealt with underlying systemic issues; and programs have been relegated to the status of HR 'projects' rather than mainstream matters.
- *Early adopters of leading practice:* Leading practice is evident in the NSW sector. Elements of those initiatives that aim to increase the number of women in senior roles include:
  - Committed and accountable leadership
  - Researching and understanding the key issues using a range of evidence bases
  - Embedding and mainstreaming practice and Diversity and Inclusion (D&I) solutions
  - Building awareness of unconscious bias and or D&I through all layers of management
  - Changing mindsets about flexibility and job design
  - Improving structures of support for women
  - Responding to the context in which strategies are to operate

**Key Messages**

The expert interviewees expressed views about the barriers and enablers to advancing women that largely paralleled the research literature. However, the benefit of having their expert input was their unique insights into the NSW public sector. Key messages from them were as follows:

- The need for a unifying message about and position on gender equity and of the role of the PSC in providing this.
- The need to tailor recommendations for change to suit the specific context of the workplace, agency or department, recognising the variation of workplace activities, behaviours and cultures across the sector.

- The need for gender targets supported by NSW public sector leadership, but set at the local level. The data suggest that there is very limited attention to gender target setting at present.
- The need for more innovative approaches to work design and flexibility to benefit both men and women at senior levels.
- The need to ensure recruitment and selection practices do follow objective principles based on capability rather than seniority or past practice.
- The need to monitor and evaluate changes brought about by the restructuring of the senior executive levels to ensure that women are not disadvantaged in seeking or gaining new roles and that formal flexibility arrangements are not lost.

## 5 WOMEN AND LEADERSHIP: LEADING PRACTICE ORGANISATIONS

### THE LEADING PRACTICE ORGANISATIONS

Eight leading practice organisations were studied to establish key practices and lessons in relation to improving the advancement of women into senior positions. The key criteria employed in selecting organisations for study included: that the organisation had implemented innovative and successful strategies to improve the representation of women in senior positions, as measured by performance against targets; that the organisations represented different stages of program implementation; and they were drawn from the private and public sectors. As noted in the Introduction, each of the private sector leading practice organisations has a higher percentage of women in leadership positions than the norm for the private sector and/or has introduced innovative strategies to advance women. Similarly, the public sector leading practice organisations have employed deliberate strategies to improve gender equity and women's positions at senior levels. The leading practice organisations were:

- Qantas: currently 32 per cent women in senior executive roles, target 35 per cent. Introduced a gender diversity program.
- Telstra: currently 25.9 per cent women in executive management, target 30 per cent by 30 June 2015. Has a company-wide focus on diversity and inclusion, with initiatives such as All Roles Flex.
- Deloitte: currently 22 per cent women in leadership roles. Target 25 per cent by 2015. Introduced the Inspiring Women Program.
- Australian Treasury: currently 33 per cent women in SES positions. Short term target of 35 per cent, long term target of 40 per cent. Introduced 'Progressing Women' strategy.
- The Australian Department of Defence: currently 28 per cent women in SES positions, no targets. Introduced a range of workforce-wide and divisionally-focussed initiatives.<sup>122</sup>
- The Australian Public Service Commission (APSC): currently 39.5 per cent women in SES across the entire Australian Public Service (APS). Introduced diversity initiatives across the public sector and brokers change to improve gender representation at agency level.
- The South Australia Department of Premier and Cabinet (SA DPC)<sup>123</sup>: currently 43.8 per cent women in executive roles. In 2006, introduced target of 50 per cent of executive roles by 2014.
- Justitia: leading practice employment law firm founded on principles of workplace flexibility and collaboration.

Six of the case study organisations are part of the Male Champions of Change (MCC) Program initiated and led by the Sex Discrimination Commissioner.<sup>124</sup> Justitia and the SA DPC are not part of the MCC program. Membership of MCC has led to considerable cross-fertilisation or diffusion of

<sup>122</sup> The case study examines only those initiatives aimed at Defence's APS workforce (and not its ADF workforce).

<sup>123</sup> Now re-named the SA Office of Public Employment and Review.

<sup>124</sup> See [www.humanrights.gov.au/male-champions-change](http://www.humanrights.gov.au/male-champions-change)

approaches across the organisations, allowing them to ‘leverage’ and learn from each other’s work, often at minimal cost. The timing of this study for the NSW PSC is fortuitous: the case study organisations profiled have been trailblazing approaches and have achieved a critical mass of experience which the PSC may draw upon.

The impetus for introducing initiatives in the leading practice organisations was the desire to increase the participation of women in senior leadership positions. In each case, this forced a re-think of practices and policies in relation to recruitment, retention, promotion and flexible working and led to the introduction of cultural and structural change programs encompassing a range of initiatives.

Consistent with program aims, participants identified increases in the proportion of women in senior leadership/executive positions as the key outcome of programs. They also described other non-measurable benefits such as greater diversity of thought and innovation. Other benefits include becoming an employer of choice for females (an advantage in an increasingly competitive market), and, in Deloitte’s case, a ‘supplier of choice’. The program at Deloitte has improved their capacity to win work where government or other clients stipulate that suppliers ‘demonstrate the right behaviours’.

Analysis of each of the leading practice case studies reveals a list of common and essential elements. These are:

- Top leadership commitment and action
- 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
- Engaging men
- Resourcing and sustaining interventions

## TOP LEADERSHIP COMMITMENT AND ACTION

Top leadership support, in terms of both providing the initial impetus for change and for providing sustained, consistent commitment at all stages of program delivery is essential.

All case study participants described how the success of gender initiatives was firmly predicated on top leadership support. This involved, in the early phases of programs, CEOs and senior leadership teams shaping and championing the program agenda by chairing and staffing bodies charged with overseeing program development and delivery (described in the Governance section following). This sent an early and clear message to the organisation regarding the importance of cultural and structural change in support of gender initiatives.

Top leadership support manifested in multiple ways: through internal and public advocacy of programs; through role modelling behaviours; by communicating the case for change; and by committing resources to change initiatives and holding others accountable. Senior leader commitment operated alongside program delivery structures at the business unit or divisional levels of each organisation. As such, leadership governance bodies overseeing program development and coordination provided on-going advocacy of the program both internally and externally (the latter as Male Champions of Change).

Membership of the Male Champions of Change initiative proved to be highly useful for the CEOs, Secretaries or other-named heads of the case study organisations (excluding Justitia and the SA DPC). Their commitment to advancing women was delivered through role modelling of behaviours and public advocacy of gender initiatives.

A Treasury participant expressed the view that the MCC program had led to 'collegial and mutual support' among the CEOs and senior executives involved, and that this had been important in establishing informal networks between MCC organisations and in learning from one another. A Qantas interviewee reported that the 'peer pressure' and 'internal competition' at play within the MCC program had worked effectively in convincing male CEOs to replicate the approaches steered by CEOs in other MCC organisations.

Under the Australian Public Service Act 1999, employment related powers are devolved to an agency head and, within certain constraints, they act autonomously. The APSC has a dual role - as an individual agency in its own right and as the central coordinating agency for human capital related matters for the APS. In regard to this second role, the Australian Public Service Commissioner (Commissioner) was able to use his role as a Male Champion of Change (MCC) to complement his existing APS wide role. In this way he was able to further promote the need for, and benefits of, gender initiatives in the APS. This includes, where appropriate, having conversations about specific agency gender profiles.

In several cases the appointment of a new leader committed to advancing women served as the impetus for the program and led to cultural change being driven from the top of the organisation. In such cases, metrics including the percentage of women in leadership positions were shown to have tracked upwards from the date of the CEO's or Secretary's appointment. In Qantas, the newly-appointed CEO role-modelled his expectations by appointing women to some of the highest positions in the organisation soon after his arrival in 2008. According to our interviewee, this led to 'a different mind-set about who might be appropriate for very senior appointments' and 'opened the floodgates', with more women advancing to senior positions from this point in time.

Participants in Treasury and Defence described the crucial role played by change agents in the development and delivery of programs. These were external consultants who conducted internal reviews and research, educating senior leadership teams about the benefits of the diversity agenda, and helping senior leaders to finesse the messaging or communication so that they were able to explain and justify the case for diversity internally. In Treasury, a consultant was engaged who built the understanding and confidence of the senior leadership team to communicate the need for, and benefits of, change:

... part of what the senior leadership has learned was how to talk about this. So you have a very strong leadership group, who are highly expert in their own field, highly articulate, who were having to talk about something where they were learning the language and the background.

In Defence, the point was made that internal change agents were provided with the tools for making change interventions by external consultants and that the McGregor Review<sup>125</sup> had provided advice on how to identify and get change agents involved.

Within multi-divisional public sector organisations such as Defence and the SA public service, the commitment of agency and division heads was seen as necessary in order for resources to be allocated to program delivery. In the case of South Australia, a participant from the SA DPC noted that "... where agencies were able to dedicate resources to women in leadership initiatives they would have needed the support of their chief executive and other executives to do that".

## GOVERNANCE STRUCTURES AND DELIVERY OF PROGRAMS

The establishment of a senior level council proved to be a powerful springboard for women in leadership initiatives in many of the case study organisations and these bodies continued to play a program monitoring and governance role once delivery of programs was devolved to the business unit or departmental level.

The governance and delivery mechanisms used in each of the case study organisations are described below.

**Qantas** has a group-level Diversity Council of 10 Senior Executives (business segment leaders) which is chaired by the CEO of Qantas. Diversity initiatives are coordinated by the Executive Manager, Human Resources and the Diversity and Inclusion Manager, in conjunction with business segment leaders. The presence of the most senior business leaders on the Diversity Council signals that the diversity program is 'a business issue, not an HR issue' (Interviewee). This structure gives authority to the program, because, in the words of the interviewee:

... if your people on your Diversity Council don't actually employ large numbers of people you haven't really got that advocacy. But when you've got people on that Council who have all of the people within their organisation, it's much quicker to get things implemented.

Further, the authority invested in the Council and the business language used by leaders to frame discussion gives greater weight to the program. These factors are believed to have assisted in bringing about culture change, as has the capacity for operationally-focused Council members to hasten the program's delivery or provide a testing-ground for new initiatives.

Qantas is now introducing business segment-level diversity councils as a means of gaining greater traction on gender initiatives and culture change throughout the business. Segment-level diversity councils will develop segment plans, with initiatives tailored to the varying drivers and issues facing each business unit.

At **Telstra** the program is overseen by the CEO Leadership Team (the Telstra Diversity Council) and implemented through Business Unit Diversity Councils with subject matter expertise provided by a Diversity and Inclusion Practice function.

**Deloitte's** Inspiring Women (IW) Strategy is championed by the CEO and led by a senior partner who is a Deloitte board member and the Inspiring Women's Champion. IW is focused on "getting our unfair share of female talent" through supporting, developing and advancing talented women across

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<sup>125</sup> See Commonwealth of Australia (2011) *The Review of Employment Pathways for APS Women in the Department of Defence*. Canberra: Commonwealth of Australia. This review examined why, in terms of the progression of women, Defence has not kept pace with the gains made in the broader APS, and recommended actions to improve representation rates at all levels.

the entire span of their career. Several events are held nationally, supported by a team of male and female senior partners located across regional offices and service lines in addition to the National Diversity Team.

In **Treasury**, a senior level council was in place and accountability was broadened with each of the groups presenting their own analysis and plan. Treasury established an Inclusive Workplace Committee to oversee its Progressing Women Program. The Treasury Secretary is chair of the Committee, which includes all board members (at the time of the establishment of the Committee all of whom were male), as well as three (non-board) senior female representatives from within Treasury. The Committee also includes two female external members who were specifically recruited as ‘disruptors’: individuals who challenge the board members to critically reflect on how things are done in Treasury. Program delivery is overseen and coordinated by staff from Treasury’s People and Organisational Strategy Division.

In the **Department of Defence** the program for improving the position of Defence’s APS women is overseen by the Defence Civilian Committee, chaired by the Secretary of Defence. Every quarter they report to the Civilian Committee which is comprised of heads of all Defence non-Service groups and which deals with civilian workforce matters. This committee is the most senior structure relating to APS employment within Defence. Quarterly reporting involves presenting workforce data to assess progress against the McGregor Review recommendations (which function as program KPIs) and refine approaches. Program delivery is increasingly devolved to group heads – (for example, the head of Intelligence and Security, and the head of Science and Technology) who implement group-specific initiatives.

In the **SA DPC**, the program to meet the 2014 target of 50 per cent women in executive roles was overseen by two project officers from the SA DPC from 2010 to early 2012. In addition, a Champions Group was established, comprising a representative from every SA public sector agency, as a vehicle for generating initiatives and sharing ideas. Members of the Group were predominantly female HR practitioners, although in late 2011, chief executives (agency heads) were invited by the Group to nominate a male champion to sit on the Group. This structure was disbanded when the program to reach the target lapsed in late 2011. The view among Group members was that they had little influence on the executive group and this left them unable to pursue initiatives. In those agencies where Champions Group members participated in executive team meetings they had greater influence. This highlights a key difference between the governance and delivery structures employed by the SA DPC, which were steered by HR staff, and those of leading practice organisations, where decision-making and delivery is the responsibility of senior-level business unit or operational leaders.

## COMMUNICATING THE RATIONALE: BUSINESS CASE, CAPABILITY AND MAINSTREAMING DIVERSITY BENEFITS

The importance of clearly communicating to the whole organisation the rationale for change initiatives was emphasised in the majority of the leading practice organisations. Often the programs were anchored in ‘business case’ or ‘capability’ arguments.

In the leading practice organisations:

- business case arguments were successfully used to make the initial case for change to senior leaders;
- initiatives to promote women and leadership were frequently framed in diversity policies and language
- diversity initiatives were integrated with business planning and strategy processes; and

- communication and education around the rationale for developing diversity programs was adapted to the operating circumstances or exigencies of specific organisational divisions.

In the **SA DPC**, the program to reach the 50 per cent target began with the Public Service Commissioner conducting 15 presentations to all chief executives (agency heads) and the senior management teams in each agency where he outlined the business case for increasing the employment of women at executive levels.

**Deloitte** formalised their approach to gender diversity in early 2000 and developed a business strategy, supported by the partnership, with the clear aim as noted above of “getting our unfair share of female talent” from the marketplace. The phrase “unfair share” represents Deloitte’s goal of attracting disproportionately more female staff than their competitors, and being an employer of choice. The overall cost to Deloitte of female staff exiting included the costs of recruiting new staff, the loss of continuity on jobs (particularly problematic in annuity work), and the loss of substantial investment by Deloitte in staff development in the early career phase. A participant from Deloitte summarised the impetus for improving the retention of female talent as:

...it makes one's life and the quality of your service so much better if you have continuity in your workforce.’ Particular emphasis was placed on the integration into the firm’s overall strategy, not a standalone initiative, to ensure longevity and broader leadership commitment.

In **Qantas**, diversity initiatives were consistently positioned as ‘*good for business* and not just a *nice to have*, or the right thing to do’. Participants stressed the importance of explicitly aligning diversity goals with business strategy and outcomes, for example via the Qantas vision statement.<sup>126</sup> The point was made that ‘If it (a diversity agenda) stands alone, it won’t happen.’ In Qantas, business unit or segment leaders worked with Diversity and Inclusion staff to analyse segment-level workforce data and understand the issues emerging from the data. The same process was used for reaching diversity goals as for reaching business goals, with data modelling used to estimate (for example) how many new female hires was needed to reach the 35 per cent target. A participant described how diversity issues were addressed using a business strategy model:

...So it's really getting into and understanding your data and what that means, that's the bit that really illuminates it for senior managers who may not understand in that level of detail what they need to do as recruiting managers. It's making the diversity challenge, just positioning it in exactly the same way as we position any business challenge: ‘okay, if we need to get sales to this level what do we need to do in order to get that, who are the customers we need to target?’ It's a very familiar approach for our leaders, which is helpful.

A research participant from **Telstra** was equally emphatic that gender equality or diversity initiatives must be firmly grounded in the organisation’s strategy:

...So, work out what it is that your company is doing, and who it's doing it for, and how this (diversity) can help that.

By contrast with the private sector, in public sector organisations, the case for gender initiatives was made on the basis of values and capability, together with the business case. There were two public sector agencies - the Department of Prime Minister and Cabinet and the Treasury - that were individually represented by Male Champions of Change (in addition to the dual role of the APSC as previously outlined). The APS is a values based organisation and a key driver of its culture are the APS Values as set out in its legislation, and its capability requirements. APSC staff talk with SES leaders and agency-level staff about the business case for a values-based organisation. In summary

<sup>126</sup> Qantas’ diversity statement states ‘Qantas sees leveraging the diversity of our workforce (including the Board and senior management) as delivering a key competitive advantage to the business.’

the message is about identifying and supporting the type of workplace needed to deliver public service outcomes:

...that is, a workplace that's inclusive, positive, productive, where people are willing to give discretionary effort.

The business case for gender initiatives is a combination of attracting and retaining the necessary capability wherever it is (and whoever has it) and alignment with the Values.

This approach aligns with the Values of many public service workers who are attracted to the sector in order to 'contribute in a different way to the traditional a profit based organisation'. However the APSC also emphasises the productivity and efficiency gains of a flexible and diverse work environment and 'mainstreams' this message:

We strongly stress that this is the business case which is for all of our workers, it's not just for women. ... This is positive for everyone.

A similar approach was taken in the Department of Defence, which, by contrast, had a majority male workforce. At Defence, an explicit decision was made to promote flexible work as available to both men and women. There had been some resistance from Defence employees to diversity initiatives - such as gender equality - on the basis that they were 'not meritorious'. Those steering the program had endeavoured to counter these perceptions by explaining that public service merit selection processes were inherently subjective. Consequently, processes such as those ensuring equal representation were required to provide balanced access to opportunities for men, women and other diversity groups.

In the Department of Defence the 'capability argument' was the primary lever used to build commitment to diversity initiatives. This refers to the capability of the workforce to deliver services effectively. An example was given of ADF frontline capability, and how this is improved in peacekeeping roles during conflicts by having women in the armed forces. Capability is improved where female armed forces staff are deployed in parts of the world where women are not allowed to talk to men because of their religion or beliefs, as female ADF staff are then able to communicate with women in these areas. Although this example relates to armed forces staff, it resonated with APS Defence staff, many of whom had worked in the armed forces. A participant noted that a corollary in the NSW public service could be the improved capability flowing from having female doctors to attend to Muslim women patients.

A critical lesson is that it is imperative that the capability argument is understood and accepted in order to engender leadership commitment to a program. Capability is improved both by 'tapping into' diversity but also through greater diversity of thought. The observation was made that it was more difficult to make the capability argument than it was to make the business case argument. Although improved capability can lead to better business outcomes, it was felt that standard business case arguments in relation to improved market share or profits were more compelling. However these measures were not as relevant to the public sector. One participant explained:

...We don't have those two (profit or market share) to measure, so it becomes difficult to make the argument ... So it's about the capability, it's about the diversity of thought, it's about the ability to innovate.

In Defence, communicating and educating about the benefits of gender representation was tailored to the operating circumstances of its various internal groups (for example, Defence Science and Technology, and Intelligence and Security). This was done by making an argument for change anchored to the language, business model and context of the division. It was then up to divisional

senior operational staff to consistently communicate how the diversity program contributes to organisational outputs and outcomes.

## SEQUENCING ACTIVITIES AND MAINTAINING FOCUS

Maintaining an explicit focus on gender and careful sequencing of activities were critical to the success of the initiatives in the leading practice organisations. Up to here

While most case study organisations had broad-ranging diversity programs that focused simultaneously on raising the representation of (*inter alia*) women, Indigenous, ethnic and workers with a disability, the advice from a participant in Deloitte was that dedicated resources and attention must be consistently applied to increasing female representation and the advancement of women within the firm:

You have to remain focused on women. It's very easy to make the goalposts 'diversity', however my mandate remains focussed on a sustained commitment to the advancement of women. Our strategy focuses on three key areas underpinned by a focus on creating an inclusive culture, being gender, culture and LGBTI. As leaders we support each strategy; however my focus will remain focused on identifying, developing and advancing women at Deloitte.

A number of participants from the leading practice organisations related the importance of carefully sequencing activities and the demonstration effect. That is, starting small and 'getting runs on the board', on the basis that initial successes provided a demonstration to the rest of the organisation of how diversity initiatives provide beneficial outcomes. Interviewees noted that those embarking on change programs were often keen to deliver multiple diversity programs or interventions simultaneously. However the experience of some leading practice organisations suggests that some programs take longer to embed, and that it is harder to make changes in certain areas of organisations than others, particularly with limited resources. The length of time taken to embed initiatives, or their lack of success in light of these circumstances, has the potential to disappoint.

The advice from participants in Qantas was to sequence activities so that those with the greatest likelihood of success were implemented first:

...Don't try and boil the ocean in the first year. Get your data right, figure out what problem you're trying to solve, start to get a sense of what success might look like and then build a modest program. Don't feel like you have to do 56 different things. You're better off doing a small number of initiatives really well ... and get women involved and engaged and the thing will grow, rather than try to build an all-encompassing perfect strategy in year one. (Qantas)

## DATA GATHERING

The importance of conducting research, understanding workforce data and setting and targets as a means of bringing about change to improve gender representation at senior levels was stressed by all leading practice organisations.

'What gets measured gets done' was frequently stated by participants from the leading practice organisations. Research, data and gender analysis were used for a number of purposes such as:

- 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)

- To make the business case for change (through analysis of where ‘fixes’ were needed)
- To assist in setting targets, goals or guidelines for gender representation
- To 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
- To evaluate initiatives mid-term, to refine future endeavours
- To provide an impetus for devolving responsibility or accountability for program delivery to group, agency or divisional level leaders
- To allow for benchmarking against other organisations

### **The APSC: using data to benchmark and improve gender representation**

The APSC has oversight of all SES appointments and promotions (which are signed off by the Public Service Commissioner) and oversees the continuous collection, monitoring, and reporting of diversity-related data (including gender representation) in the 100,000-strong Australian Public Service workforce. Data from the APS Employment database (APSED) and, more recently, the State of the Service agency survey, is used to benchmark agency performance in regard to gender representation at all grade and salary levels (in comparison with the APS more broadly). The APSC focuses efforts on working with male dominated agencies, as majority female agencies tend to have proportional gender representation at all stages of the pipeline. Where data indicates that gender representation is deficient, APSC staff analyse data to establish where pinch-points are occurring in the pipeline and identify areas for intervention. They also consider other sources of information such as the complaints management or review systems, to identify any recurrent patterns or trends. The importance of using multiple sources of data was emphasised, with APSED data able to provide a ‘reality check’ for agency survey data (which is completed centrally within agencies).

This year (2014), where analysis indicated scope for improvement in the participation of women at each stage of the pipeline, the Public Service Commissioner asked agencies to explain the trends observed, and discuss what they might do to improve gender representation. The Public Service Commissioner uses strong influencing and networking skills to work in partnership with Secretaries and leadership teams to improve gender representation at agency level.

### **Use of data to establish the case for, and focus of, change programs**

In the SA DPC and Treasury, exploratory research was conducted as the first stage of change programs. In the SA DPC, this research was carried out to establish the primary barriers to female representation at senior levels and thus allow the development of strategies to enable change. In Treasury, exploratory research was conducted in 2010, collating available data on the nature of the Treasury workforce through a gender lens.

In the SA DPC, a consultant was engaged in 2008 to conduct internal research to examine barriers to the progression of women into senior roles in the SA public service. Subsequently, in 2011 the Champions Group leading the program to reach the 50 per cent target commissioned a survey of 1,400 employees (male and female) in the two classification levels below the executive group. The results showed that despite equal levels of aspiration to executive level roles among male and female respondents, women perceived the main barriers to progression as a lack of access to flexible arrangements at SES level, and were less confident than men of performing well at the executive level. The data assisted in pinpointing areas for change:

... we get a lot of anecdotal evidence around this stuff and it just gave us something to have a bit more hard data. ... I think it's often easy for people to have assumed reasons and assumed barriers for why women aren't progressing and we wanted to test out some of those assumptions so that then we would have been able to focus our initiatives more clearly.

In Treasury, the Treasury Secretary engaged a consultant to conduct a 'Women in Treasury' Review in 2011. This involved discussions with staff members (female and male), who provided candid information. This data, which was both quantitative and qualitative, served to convince Board members that change was necessary:

The Board sat back and said 'This is not the department I thought I was leading, and we need to do something about this'. ... Treasury needed the data, because otherwise people weren't going to pay any attention to the issues. But it was the feedback from the Women in Treasury focus groups that really drove the message home to the Board. Some of the direct quotes that were reported, I think shocked the Board.

A follow-up cultural audit is currently underway in Treasury.

## TARGET-SETTING

Six leading practice organisations set a range of targets, both hard and soft. The data collected was used to set, track, and allocate accountability for targets.

Targets were typically preferred over quotas, primarily because of concerns that quotas worked against the 'merit principle', and targets were regarded as important levers for change:

...The main thing has been from having [the target] is the whole 'what gets measured gets done' thing. ... agencies were required to show they were doing something and were held a bit more accountable. (SA DPC)

The table below lists the principal targets set by the leading practice organisations.

Organisation*	Current status (mid 2014)	Primary target
<b>Qantas</b>	Female representation 32 per cent of senior executives	Female representation 35 per cent of senior executives by 2015; 40 per cent women by 2018
<b>Telstra<sup>127</sup></b>	Female representation 30.1 per cent of total Telstra workforce; 25.9 per cent executive management	By 2015: Female representation 32 per cent of total Telstra workforce; 30 per cent executive management
<b>SA DPC</b>	43.8 per cent female executives at July 2013 (from 29.4 per cent in 2003 – the baseline year)	Women comprising 50 per cent of public sector employees in the executive levels (including Chief Executives) by 2014
<b>Treasury</b>	33 per cent female executives (SES) (from 20 per cent in 2009)	35 per cent female executives (SES) by 2016; long term target of 40 per cent
<b>Deloitte</b>	Female representation of 22 per cent of leaders	Female representation of 25 per cent leaders by 2015
<b>Defence</b>	36.8 per cent women in graduate programs	40 per cent women in graduate programs

\*Justitia and APSC did not set targets

In the six organisations using targets, an overarching organisational target was for increasing the percentage of women in senior leadership positions. Separate targets were also set for business units, clusters, divisions or reporting agencies, to reflect the circumstances of the business unit or division (for example, the gender composition of their total workforce and senior leadership or management team). In Deloitte, for example, the target

... varies, because some of our clusters would have majority women [in their leadership team]. Some of our clusters would have none. So if you're starting base is low, your targets need to set accordingly.

The approach of using individualised targets and data reporting obligations to assign responsibility for action to the unit or divisional level was also used in most other case study organisations. Each group in Treasury has responsibility for data monitoring and annual reporting of Progressing Women initiatives to the Inclusive Workplace Committee. This approach not only levers off the Treasury culture of 'internal competitiveness', but also seeks to broaden accountability:

...It was a way of pushing it down through the organisation, because I think the Board got to a point where they thought, this is all being driven from the top. I think it needed to be driven from the top initially. Still does. But you then also need to have people throughout the organisation ... being able to take some ownership for it. They've been very effective, those reports, in terms of focusing attention.

A view expressed by both Qantas and Defence was that once a certain proportion of women achieved senior positions, cultural change was made easier. In Defence, this was the 35 per cent mark. Defence staff had drawn on research which identified a 'tipping point' where female representation reached 35 per cent. At this point it was found that enough momentum had been achieved that the 35 per cent (minority) was able to influence others to the point where change became widespread. This metric had been applied internally, with divisional performance

<sup>127</sup> The full range of targets employed by Telstra can be found at [www.telstra.com.au/diversity](http://www.telstra.com.au/diversity)

benchmarked against the 35 per cent figure in order to identify those where change interventions were necessary. For example, in those divisions of the organisation where fewer than 30 per cent of women were in leadership positions, pilot confidence building courses were provided for women in feeder groups to senior positions.

In Qantas, it was 30 per cent female representation at executive committee level (three of ten committee members), at which point it was felt that there were greater opportunities to shape the organisation's culture in support of policies to assist the advancement of females.

As well as the top-level targets described in Table 13 above, some of the case study organisations set other, informal targets that were not publicised, or were named goals or guidelines. These are described below.

### **Use of data to track gender representation at all stages of the pipeline, including recruitment and retention**

Almost all of the case study organisations also had goals and targets or reported statistics relating to the gender proportions of graduates recruited, applicant pools, recruitment shortlists, selection pools and selection decisions at each stage of the pipeline.

The Deloitte 'Inspiring Women' Champion described the most successful element of their approach as being the 'granular approach ... identifying (female) talent in each of the clusters, monitoring and maintaining a focus on each individual and their respective career plans'. This strategy involves members of the People and Performance and National Diversity team working with business leaders to monitor female representation data at every stage of the pipeline, from graduate recruit to partner, to identify pinch points and develop strategies to increase female representation. The Inspiring Women Champion reports this data and subsequent progress annually to the Board.

**Telstra** tracks and reports data to monitor targets in relation to: the percentage of women at board level; female representation in graduate intake; promotion rates for women; engagement scores for women (including perceived access to flexibility); female representation in the total workforce and among executive management. It was emphasised that in the 'All Roles Flex' environment, metrics relating to the proportion of workforce working part-time did not tell the full story, given the wide variety of flexible arrangements used.

Telstra has also adopted a '50/50, if not why not approach' to developing employees, where they 'put a lens of 50/50 gender split over the top' of development programs (for example for high potential middle managers), to ensure that at least 50 per cent of program participants are female.

**Qantas** likewise has implemented 50/50 (female/male representation) guidelines for candidate shortlists and recruitment panels for senior roles.

The focus of the **SA DPC's** efforts between 2008 and 2011 was the achievement of the target of 50 per cent female representation in executive positions by 2014. As well as analysing trends in gender representation data at agency level, the SA DPC developed an online exit survey and recruitment database.

**APSC** collects, analyses, monitors and reports data from the APS Employment Database and the State of the Service agency survey. This data is used to track the percentage of women in feeder groups and SES level. It is also used to track patterns across agencies (with data findings reported in State of the Service reports). The most recent analysis of this data indicates, for example, that there

is a higher proportion of senior female leaders in small and medium sized agencies.<sup>128</sup> Smaller operational agencies and those with policy functions are more likely to have a female agency head than other agency functional groups. Specialist agencies had the lowest representation of women across the three leadership categories, while larger operational agencies (with the exception of agency head) had the highest (almost 60 per cent of the agency head minus two staff in larger operational agencies are female).<sup>129</sup> The data also indicates that if an agency head is female, their direct reports (agency heads minus one and two) are also more likely to be female than are direct reports of male agency heads: of the 26 female agency heads, 49 per cent of their direct reports were women. The proportion of women reporting directly to male agency heads was 38 per cent.

A key lesson from the APSC's experience is that the data that is collected and monitored must be robust and credible so that there is no resistance to the data findings:

...You have to have your evidence to support your case. And that evidence or that data needs to be credible and robust as you don't want to be having discussions about whether or not the data is correct. You want to get past that, you want to get into what's the data... telling you.

The **Department of Defence** set divisional goals relating to proportions of women, persons with a disability and Indigenous graduates recruited to their graduate programs. There is an overall goal of 40 per cent female recruitment across all four of Defence's graduate recruitment programs, but the goal for female intake for programs in science, technical and information technology stands at 50 per cent in order to establish a pipeline of women for senior positions.

### **Benchmarking**

Most of the Male Champion of Change case study organisations now report gender representation data in a format consistent with Australian Stock Exchange (ASX) and Workplace Gender Equality Agency (WGEA) reporting conventions (reporting by CEO/Agency Head minus 1, 2 and 3 levels, or in the case of Treasury, Secretary, and SES bands 3, 2, and 1). This means that the percentage of female representation in these organisations is (for the most part) directly comparable with other organisations.

An interviewee in Telstra felt that the gender diversity program reached critical momentum following the introduction of changed gender reporting conventions in the company. The introduction of ASX gender reporting rules was the impetus for Telstra to introduce business unit-based targets and tracking of female representation in executive management in 2009. The new reporting conventions required managers to have an awareness of the targets and to be 'forensic' in tracking progress against them on a monthly and quarterly basis. Combined with the appointment of a new CEO committed to gender equity, in 2009, this focus on monitoring representation was felt to have been the catalyst for Telstra's gender diversity program to reach another level.

### **Implementing targets**

Potential barriers to achieving targets relate to first, an organisation's operating environment or second, an aversion to targets among internal stakeholders.

<sup>128</sup> See Australian Public Service Commission (2013) *State of the Service Report. State of the Service Series 2012–13*. Commonwealth of Australia.

<sup>129</sup> A participant from the APSC made the observation that women with areas of specialisation in smaller APS agencies were more likely to be identified, sponsored, mentored and 'pushed through the system' (promoted), as they were more visible.

- The achievement of targets in some private sector case study organisations was affected by changing business environments, with divestment, merger and acquisition activity and organisational restructures reducing their capacity to meet targets.
- The experience of the SA DPC indicates that the target must also be prioritised, especially when there are many business targets:

...I think whether or not they (Agency heads) would be concerned about being seen as lagging (in terms of not meeting the target) depends on what priority is given to it. So it would almost need to be politically driven - because there's a whole heap of targets in our strategic plan ...'

- A recognised internal barrier to achieving targets is antipathy towards targets among staff who adhere to beliefs that targets undermine merit-based decision-making. In the SA DPC, for example, staff had questioned whether the target was fair or necessary. It was felt that this resistance may have been mediated by clearer communication with the workforce that the target would not 'interfere with the merit principle'. Qantas, on the other hand, provided an example of an organisation where there had been little negative reaction from staff towards targets because all communication from the CEO about targets emphasised that Qantas was 'still a meritocracy',

... it's still all about merit, and that's still absolutely crucial and something he [the CEO] talks about. I suppose it's trying to level the playing field so that women get a chance in the first place. I think one of the reasons why we've not had as much of it [resistance] as you might expect, is that (the CEO) is seen as someone who's really tough on performance ... and nobody would ever think he would make a decision just to make some sort of diversity point.

## RECRUITMENT, RETENTION AND PROMOTION

Targeted and systematic recruitment, promotion and retention practices were all recognised by the leading practice organisations as critical to ensuring and maintaining the flow of women to leadership positions. Common strategies used in the leading practice organisations to encourage and promote the recruitment of women include:

- Setting targets or guidelines for the proportion of women in initial candidate lists, short lists, and on selection panels
- Tracking and reporting metrics in relation to the proportion of female applicants, short-list candidates, and successful applicants
- Broadening the selection criteria for senior positions away from technical skills towards a diversity of non-technical business management or leadership skills

### **Targets, panels and tracking metrics**

The leading practice organisations varied in relation to whether they mandated gender representation in recruitment and selection processes.

Deloitte and Defence set targets for the total proportion of women coming through graduate recruitment programs (40 per cent in Defence; 50 per cent in Deloitte). Deloitte also set targets for the proportion of women recruited in service lines with existing low proportions of women and

ensured balanced gender representation in selection pools and shortlists (where possible). Both Defence and Deloitte ensure gender balance on selection panels.

Defence has gone further in delivering mandatory training 'with a gender lens' to all those sitting on recruitment panels, and producing fact sheets and guidance for panel members. Panel chairs are required to sign off to confirm that panels are gender balanced and that all members have undertaken the mandatory training. Efforts have also been made to improve the positional power of women who sit on panels as the third member. The point was made of these panel members that, '... unless she happens to be particularly bolshie, she's not empowered to be that voice. The empowerment of those people who are the balance is key'.

Treasury and Qantas do not have targets for candidate or short lists but actively review membership of both. Qantas has guidelines for 50/50 gender ratios for candidate and short lists and equal numbers of men and women on recruitment panels for senior executive roles (job grade 5 and above).<sup>130</sup> In Qantas, informal review of shortlists was felt to be just as effective as guidelines:

...I find ... often just asking the question is all you need to do. You don't have to browbeat people; you just have to say 'Gee I think it's interesting that we've managed to come up with a short list that doesn't have any women on it'. And a lot of people go 'You know what, that's really weird, we should have, and in fact why didn't Sally Smith apply because she'd be really good'.

Recruitment metrics (such as gender breakdowns of applicants and successful applicants) were widely reported in a number of leading practice organisations. The SA DPC developed (albeit, not to completion) an executive database for recording and tracking the number and gender breakdown of applicants, successful applicants and panel members. Defence conducts detailed analysis of data, comparing applicants against short-listed applicants, and have found that more women get shortlisted proportionately than apply. This was viewed as a sign that systemic change is occurring.

### **Changing the selection criteria**

In several leading practice organisations, a change in selection criteria was felt to have positively impacted on women in senior positions. In Qantas the focus shifted from following the traditional promotion trajectory (for example, from apprentice through to engineering manager) towards recruiting 'more rounded business leaders that have across-the-business experience ... who can bring their leadership skills to new areas'. This shift is felt to have contributed to collaboration and culture change across the organisation.

In several leading practice organisations, a change in selection criteria was felt to have positively impacted on women in senior positions. For example, one public sector agency implemented a policy of recruiting women 'outside the box', that is, they did not necessarily have the usual specialist background, but had previously worked on significant issues in other agencies, and this had led to a greater diversity of thought. It was noted that having an open mind in considering the way that people's careers or their experiences have developed, had a number of benefits.

It's about taking people who have got the smarts, who are open to new experiences and bring them in and support them in an organisation. Because they will be your icebreakers, your

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<sup>130</sup> It was noted that as recruitment is solely drawn from an internal pool at present, the guidelines have relatively little impact in terms of improving female representation. However it was envisaged that they would have greater impact once positions began to once again be advertised to external applicants.

ground breakers and getting people to think about things in a different way. So... look at the skills that people have, rather than the particular career path.

For other public sector agencies, the incentive to reconsider the composition of the SES has been externally driven. For example, Machinery of Government changes (through amalgamating or disaggregating agencies) were viewed as providing opportunities for change. Restructuring processes require agency heads to examine how they might develop new ideas, new processes, and this might involve a new mix of capability and skill requirements.

### **Graduate recruitment programs – changing the pool**

As with the NSW public service, many of the leading practice organisations have gendered occupational patterns of employment. In Defence, the majority of graduate positions to be filled each year are technical: scientific, engineering or IT-based. Defence tackled the challenge of recruiting female science, engineering or IT graduates using a number of strategies. The first involved identifying the universities that offer courses in these technical disciplines and the percentage of women completing study in those fields. Defence then builds relationships with these universities, for example by Defence staff who formerly studied at these institutions visiting them and presenting lectures or sitting on panels.

A second strategy involves placing profiles of Defence-employed graduates on their website. In the past year they have ensured that the majority of these are 'female faces', particularly those who studied in technical/scientific disciplines. More than 150,000 students studying in these fields were sent an SMS with a link to the profiles. The number of applications from female engineering students increased by a small margin following this campaign. Scholarships for women in science are also provided.

### **The impact of restructuring and recruitment restrictions**

In three leading practice organisations, programs aimed at targeted recruitment of female staff were developed but were subsequently not executed, due to recruitment restrictions or freezes brought about by reduced budgets or market contractions. Where this occurred, the focus of programs shifted away from external recruitment to ensuring promotion opportunities for women or making workplaces more inclusive to improve the retention of female staff.

Particular agencies of the Australian Public Service remain traditional in nature and there is little chance of change in the composition of the SES occurring. In such cases, Machinery of Government changes (through current moves to streamline agencies) were viewed as providing opportunities for change. Restructuring processes require agency heads to examine how they might develop new ideas, new processes, and this might involve training staff or moving some staff on.

A similar situation was evident in areas of Qantas such as engineering where the majority of the workforce is men of long tenure and where labour turnover is low. As such, there are few opportunities for women to seek recruitment or promotion and the focus of gender diversity initiatives is on changing the work environment to promote inclusivity and thus retain existing female workers in these areas.

Conversely, acquisitions may provide a means of increasing the number of women at senior levels. Deloitte have boosted female representation at partner level through lateral hires, both directly and through acquisition through the 'Getting our unfair share of female talent' initiative, and are careful to ensure fair representation of women during both direct recruitment and acquisition processes.

### **The leaking pipeline: retention and promotion and a focus on the individual**

Strategies for the retention of potential or incumbent female leaders focussed on improving the circumstances of women in their current role or assisting their advancement through promotion. In Justitia and Telstra, the retention of staff whose circumstances changed was realised by re-allocating work or redeploying them in new job roles and by providing flexible work arrangements tailored to their needs. A participant from Justitia provided an example:

...One of our lawyers decided that she didn't want to work as a lawyer any more. She wanted to go off and do some writing. So we said, 'well, we need writing done', so she changed her job contract and became a law editor for us and then after a while she decided that she wanted to be a lawyer after all. So we changed her contract back again. So good staff, you hang onto ... and it's very much worth it.

#### **Deloitte: Retaining female staff by using a granular approach**

The primary objective of Deloitte's Inspiring Women Strategy is to identify, develop and advance female talent. The highest proportion of new recruits within Deloitte are graduates, 50 per cent of whom are female, however the firm identified a higher proportion of staff leaving Deloitte were female. In response, Deloitte developed a strategy in the year 2000 which was centred on a 'granular approach' to identifying and developing around 500 women, with the aim of advancing them through the pipeline from graduate intake to partner level. To achieve this, the Inspiring Women's Champion works closely with all business leaders to monitor implementation of career plans, mentoring and advancement.

In Treasury and Deloitte it was recognised that the allocation of work (for example project-based opportunities) can act to help or hinder women's advancement. The 'Women in Treasury' Review found that males were more likely to be considered for conceptual or analytical work assignments, and that, conceptual or analytical skills were key advancement criteria in Treasury's performance management system. By contrast, females were more likely to be given 'coordination'-style work. Unconscious bias training has raised awareness of this stereotyping and has resulted in greater monitoring and review of how work is allocated between female and male staff. Similarly, in Deloitte, senior level sponsors are careful to allocate, to the female staff they sponsor, assignments which offer the potential for promotion.

Reviews conducted in the public sector leading practice organisations identified a reluctance among women in feeder groups to seek promotion to SES level. This research uniformly found that women are more successful in obtaining promotion than men when on shortlists, but needed to be persuaded to apply. This was because they were found to be less confident of their abilities to perform in SES jobs and under-rated their capability for the job. A Treasury participant described a widespread view held by female staff '... that women want to be able to tick every box, plus more, before they'll even put themselves in the running for promotion. Whereas the men were 'Oh I'm halfway there, I'll give it a go.'

In Defence and Treasury, these research findings met with a concerted effort by senior leaders to personally encourage individual women in Executive Level (EL) feeder level positions to apply for promotions to SES level. As described below, Defence has also conducted confidence training for women in feeder groups, instituted a talent management program that has equal numbers of men and women and introduced processes to ensure gender representation in promotions panels and promotion applicant pools. More broadly, there was now widespread 'cognisance in the hearts and minds of the senior management' that the promotion of women from EL to SES grades in Defence

was a key aim. It was felt that these initiatives had led to the seven per cent increase in the number of women in SES Band One roles that had occurred over the past two years.

Research in the public sector leading practice organisations also revealed a reluctance among female EL staff to seek promotion to SES roles because of a fear that they would not be able to access flexible working arrangements at Executive level. It was reported that in both Treasury and Defence, women moving into SES roles would often make arrangements with their partners, where their partner took on flexible work or a career break to enable the female partner to take on the SES role.

Finally, two case study organisations attempted to assess why female staff left the organisation through exit surveys. The SA DPC developed an online exit survey (which was not completed to the point of delivery) for agencies to use when SES staff left, to gather information on what had driven staff to leave. In Deloitte the Inspiring Women Champion and other senior leaders conduct exit interviews with women who have moved to new organisations, after a certain period, to assess 'whether and why the grass is greener' for female staff in other organisations. They use this information to identify what can be done to improve female retention at Deloitte.

## DEVELOPMENT, PERFORMANCE MANAGEMENT AND KEY PERFORMANCE INDICATORS

### Development

The leading practice organisations provided a range of development opportunities as a means of increasing the participation of women in senior positions. Most common among these were programs that were offered to female and male participants in equal numbers. A snapshot of some of these initiatives is presented in this section.

**Qantas** has a partnership with the *Women on Boards* organisation, which conducts thrice-annual workshops for senior women in Qantas on 'creating your board brand and CV'. This assists women to think about their careers and their branding differently, and to communicate their capabilities and experience confidently. Feedback suggests that the workshops have been successful in providing support to women and encouraging many to take on board roles.

In response to research findings that women in the **Department of Defence** lacked confidence to apply for executive promotions, Defence has recently conducted pilot confidence building workshops for APS6, EL1, EL2, and some SES women in those parts of the Department with lower female representation in senior ranks. Participants in the training have since set up network groups (a 'second order benefit' of the program). Defence has also established an EL1 and EL2 talent management program. Running over the course of a year, this involves development activities such as assessment centres, mentoring, and 360 feedback. Senior leaders in the Defence Civilian Committee decide the nominations for men and women for the program, with the 10 top-ranking women and 10 top-ranking men selected for the program. The expectation is that these senior leaders will now assess potential in their workforce for EL2 and SES positions 'through a gender lens'.

**Telstra** has in place a number of programs to develop managers currently at the level below executive level and seeks to ensure that 50 per cent of all participants are female. One example is a program called 'The League', which is aimed at developing high-potential middle managers for executive-level roles.

Launched in 2003, **Deloitte** Business Woman of the Year (DBWY) is the flagship program of the Inspiring Women's Strategy. Participants in the program are provided with tailored development opportunities across an 18 month period, supported by mentoring to enhance their profile and

advance their careers at Deloitte. In addition, Partners deliver the workshop content for the 100 DBWY participants to showcase Deloitte strategy and the role each individual plays to support it, presentation or negotiation skills, or strategies for enhancing profile. Deloitte also provides development sessions conducted by motivational speakers and other external experts.

The APSC runs programs to assist both men and women to increase their chances of getting into the SES (for example, focusing on interview technique and writing curriculum vitae). It no longer runs gender specific development programs but provided an example of a training program aimed at women that was unsuccessful. In the 1990s, it ran two concurrent programs: the Senior Women in Management (SWIM) program and the Executive Development (EDS) Scheme. They were the same in all aspects of content and delivery, although the SWIM program was exclusively for women, and the EDS program was a mixture of men and women. People self-selected into either of the programs, with the result that it was perceived that EDS attracted a higher calibre of participants than the SWIM program. The SWIM program was quite significant in terms of numbers with between 20 and 30 participants per year, over its ten year duration. However, because it did not have the same status as the EDS program it became marginalised and came to be seen as a 'women's clique group'.<sup>131</sup>

### **Performance management and KPIs**

In several of the case study organisations there had been a shift to behaviour-based performance management systems. While they were seen to have facilitated female advancement to senior positions by reducing gender bias and encouraging inclusive behaviours, they were also seen as critical to bringing about culture change. However, KPIs linked to achievement of gender targets were relatively uncommon.

#### **Addressing gender bias in performance management systems in Treasury**

Over the last two years in Treasury, six-monthly performance appraisal outcomes have been subjected to gender analysis and have indicated systemic gender bias in Treasury's performance management system. Bias becomes evident six months after male and female graduates are first recruited, with male graduates consistently appraised more highly across criteria than female graduates from this point on. In some groups there were no criteria where women were rated higher than men at the same classification level, which was not a realistic representation of on-the-job performance. The performance management system comprised a work-value matrix of seven criteria that all staff were assessed against, at every level, via a face to face performance appraisal discussion between the staff member and their manager. Initially it was assumed that there was no inherent bias in the criteria used and therefore the bias must occur in relation to how the criteria were understood and applied.

Treasury 'refreshed' the performance management system to address bias issues in the application criteria. However, two years later, bias was still apparent. In response, following a discussion at Treasury's Inclusive Workplace Committee, the Board made a decision to change the criteria used in the performance management system. The criteria will be those used more broadly across the Australian Public Service (the Integrated Leadership System) which encompasses extensive detail about the various behaviours that are required under each of five broad headings. Treasury staff are hopeful 'that when both managers and staff reflect on the broad nature of the criteria, they'll be less likely to be bringing in some of the biases that came in to play (under the former system)'.

<sup>131</sup>Described in Still, L. (2006) Where are the women in leadership in Australia? *Women in Management Review*, 21:3 pp. 180-194.

Performance management systems in the **APS** generally include both 'what' and 'how' requirements in their assessment criteria. As such, some agencies specifically include processes to identify both the outcome and the approach that an individual has made to support the progression of women (and diversity) in their area of responsibility. This has the effect of making individual officers at all levels accountable for delivery of the diversity initiative rather than this being a high level organisation indicator.

Other agencies have reconsidered the way they communicate to ensure that there isn't an unconscious bias towards public debates and discussions and those people with a 'profile'. These agencies acknowledge that some women – and some men – may not feel comfortable with that mode of communication and by offering a wider range of ways to communicate and contribute have tapped into both a broader base of potential ideas and talent; in turn, this has opened up access to development opportunities:

...people who before, may have been seen as wallflowers or not people that you would want to invest in or support and develop, they're actually coming out. So they're getting a broader pool of people that they can then support to come through the talent pool, it is not just the dominant few.

The cultural change program in **Qantas** led to a shift in focus on leadership behaviours and expectations, reflected in Qantas' performance management system and KPIs. Qantas KPIs now measure (inter alia) collaborative and inclusive behaviours, using a 360 degree feedback process, with the individual's managers, peers and direct reports rating their performance against each behaviour, which is taken into account in the individual's overall performance assessment. A view was expressed that the introduction of this system, where performance is based on behaviour - rather than exclusively on outcomes - has brought about cultural change relatively quickly. While it was not introduced specifically to improve outcomes for women, it has resulted in a more inclusive culture:

...In years gone by it was probably enough just to deliver the numbers. Now that's not enough. You've got to deliver the numbers and behave in the right way, and if there is a conflict between the two and you've only got the numbers, you might have to leave the organisation. ... A good side benefit of that is some of the behaviour changes that have been implemented tend to work better for women. They were designed to make working at Qantas better for everybody, but I think they're particularly better for women and I think women feel more comfortable in the culture that we now have than they may have once done. I'm saying that as a woman who's had almost 14 years' experience at Qantas.

In relation to KPIs, **Deloitte** does not impose standardised KPIs, but rather takes the approach of tailoring gender based KPIs for each individual partner, taking into account (amongst other factors) the partner's specific industry focus and leadership capability.

## FLEXIBILITY

Flexibility has become a central feature of debate in the modern workplace for a variety of reasons, not least of which is the ability for women to combine work and care and succeed in higher level jobs.

Key findings from the leading practice organisations include:

- While most leading practice organisations have longstanding flexible working policies, female staff have not accessed these due to cultural barriers and inconsistent application within organisations.
- In the public sector leading practice organisations, efforts have been directed at ensuring consistency of access to flexible working arrangements and consistency of messaging from leaders regarding their availability.
- Key to encouraging use of flexible arrangements is breaking down cultural barriers to their use and encouraging senior and middle managers to consider what flexible arrangements might work in each individual case (bespoke solutions to fit individual needs).
- Role modelling of flexible working arrangements by senior men and women is widespread and considered critical to increasing the uptake of flexible working.
- The 'if not, why not' approach pioneered by Telstra has gained widespread currency and application, as has the notion of flexible arrangements encompassing a variety of arrangements (not just part-time work, but 'where you work, when you work, how you work').
- In professional services organisations there was no evidence of client dissatisfaction with professional services staff working flexibly. On the contrary, clients recognised the need to retain female staff as many faced the same challenge, or they saw job-sharing arrangements as advantageous to their needs.

#### **Justitia: A flexible culture and structure**

Justitia is a law firm established in 2005 by two female founding partners and is primarily staffed by eight senior women lawyers. It was founded on values of flexibility and collaboration, with all senior staff having access to flexible working arrangements including home working and flexible hours (with six of eight lawyers accessing flexible arrangements on a weekly basis). The partners have designed the firm around the premise that all jobs can be flexible, and Justitia's partners model working flexibly. There is also a team of legal research assistants who roster their own hours within two shifts (allowing flexibility around university commitments).

Flexible work arrangements are designed to fit the particular needs or non-work commitments of individual staff members. This is done through varying the employment contracts, job roles and work flows of staff, on an as-needs basis. In addition, all new work is carefully allocated to fit individual lawyers' working arrangements and their return to work circumstances. Job-sharing or 'sharing files' is commonly used to accommodate the needs of senior lawyers who do not work full-time hours. This arrangement is aided by all senior lawyers having the same level of knowledge and matching expertise.

#### **Telstra's All Roles Flex initiative**

The All Roles Flex approach was introduced in all business units at Telstra in early 2014. Diversity Councils in each business unit managed its implementation and led manager education locally. Telstra have pioneered the 'If not, why not?' approach to flexible work arrangements which starts from the presumption that all jobs can be flexible jobs. Flexibility can include part-time work, different working hours, or working from different locations. Flexibility in a scheduled work environment (such as a Telstra store) could mean the ability to express a preference to work certain scheduled shifts. Flexibility in a non-scheduled work environment could mean different working hours (for example, later starts or earlier finishes depending on the employee's situation); working at other locations (from home or another Telstra office); being open to hiring candidates in different

locations; and reduced hours (for example, part-time). Flexible arrangements are tailored to employees' individual requirements and are extremely diverse, depending on the nature of jobs, locations, family circumstances and lives: 'all the ways that people might need flexibility'.

In the most recent Telstra employee engagement survey 84 per cent of employees (83 per cent of males and 85 per cent of women) agreed that they were able to access the flexibility they needed to do their work and live their life (up from 80 per cent), which is seen as the result of the All Roles Flex approach. Telstra is well placed to institute a whole-of-company flexibility approach due to its technological capabilities but some managers were challenged by the approach and this has led to the introduction of new leadership values that reinforce All Roles Flex (described below). Since its introduction, the 'If not, why not' approach has gained currency across the corporate and public service landscape, with almost all of the leading practice case study organisations profiled in this report considering or adopting it as an approach.

### **Addressing cultural barriers to use of flexible arrangements**

The leading practice case study organisations have had flexible policies in place for many years, but in most cases these were not accessed by many women workers. In each of the leading practice organisations, organisational culture was the main barrier to uptake of flexible arrangements. Participants described cultures that discouraged their use, and women respondents to survey research indicated that organisational cultures were such that working flexibly was perceived as impeding their chances of promotion or led them to be seen as 'less committed' or 'not taken seriously'. Leading practice organisations have now focused their efforts on publicising and encouraging their use and ensuring their consistency of availability. A Qantas senior manager described the experience of many leading practice organisations, where focused initiatives within cultural change programs had led to greater use of previously-unused policies:

...It's not like our policies were particularly lacking ... the culture didn't necessarily support the proper implementation of those (flexibility) policies. Whereas I think now with some of the cultural changes that (the CEO) and others have been able to lead, you've got more of a chance of the policies being effective.

The point was made by a case study participant from Telstra that the senior leadership team, who work full-time, would 'probably describe themselves as flexible workers because they become more time and location independent'. However, those lower down the hierarchy may have less access to flexibility as they do not have the leverage or positional power to make choices regarding how, where and when they work. A Telstra executive described how the establishment of the 'All Roles Flex' policy has dismantled cultural barriers and unleashed the technological advantage that Telstra has to facilitate flexible working:

...I think that we hadn't quite been taking advantage of our (technological) advantages, because we were stuck in that old idea of flexible arrangements are for people who are less committed to their careers ... and who have to do other things that are less important than working. Now, we say, well real life is what happens, and flexibility is our starting point.

The issue of flexibility in the APS is an interesting one as there are a range of flexible policies and procedures supporting maternity, paternity and family friendly arrangements. There are however, also anecdotal accounts that individuals (male and female) do not consider that they can access those arrangements (unpublished Monash University study). The issue therefore is more likely to be that of:

...a mindset ... The public service has had supportive policies and procedures for a long, long period of time. ... So that's not the issue, the issue is culture: what's acknowledged, what's reported and what are the subtle and the unsubtle messages that come through from your leadership team?

In the public sector organisations studied, the key barriers to use of flexible arrangements related to inconsistency in women's access to them, with individual managers acting as gatekeepers. It was the experience of public sector women that while the 'enabling' policies were in place, flexibility was not 'guaranteed', and that access 'depends on the supervisor you have and the organisation you work within'.

Additionally, women in the leading practice public sector organisations were reluctant to seek promotion to SES level for fear of loss of flexible arrangements. The ANZSOG study of Barriers to the progression women in the APS, including interviews with, for example Defence APS SES and EL2 staff, suggested that flexibility was harder to find at more senior levels.<sup>132</sup> Likewise, internal research conducted by SA DPC indicated that a perceived inability to access flexible working arrangements was a key reason women at EL1 and EL2 grades chose not to seek executive positions.

The Department of Defence has a range of policies to support flexible work but minimal uptake of flexible arrangements. Despite 68 per cent of APS Defence staff reporting that their manager supports flexible work, it was felt that a barrier to use in this context was cultural. The perception among staff that part-time arrangements are not favoured by managers because they cause headcount numbers to increase and constrained staffing budgets do not permit this. To encourage the use of flexible arrangements, Defence are developing an education and awareness campaign including guidelines, eLearning training, and a 'myth-busting' guide to negate myths (for example that those who work flexibly are not as productive as other workers).

Another barrier was the assumption among workers that flexibility is synonymous with part-time work, rather than encompassing a broad range of arrangements. However, information technology has widely enabled flexible full-time work from home or other locations through secure online access (although not in the intelligence and security agencies, which are security network dependent).

### **Use of flexibility arrangements by Senior Executive Service staff**

In the APS, while only a small percentage of SES staff formally worked part time, many SES staff made use of informal flexible arrangements. These individuals had the autonomy to work flexibly, and provide their staff with the environment to also work flexibly: for example, by managing their work priorities ('juggling things around') and working remotely when required, or granting staff the discretion to do likewise. The benefit of this approach (providing staff with access to flexible working) was the positive effect it had on improving employee engagement:

...there's a great deal of loyalty and discretionary effort that you get from saying, "If you need this (flexibility), that's fine. And the *quid pro quo* is this - these are the outcomes I expect you to achieve".

It was noted that this may be easier to achieve in smaller agencies where the agency head was able to personally and visibly role model a culture in favour of flexible working. In larger agencies, there was greater potential for disparate messages to be sent by a number of senior leaders, leading to inconsistent application of flexible working.

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<sup>132</sup> Edwards, M. Burmester, B. Evans, M. Halupka, M. and May, D. (2013) *Not yet 50/50: Barriers to the progress of Senior Women in the Australian Public Service*. ANZSOG Institute for Governance, at the University of Canberra

You can do something within your division for which you are responsible, but if you've got people who have a different view or a different way of operating in another division, then there may be conflicting messages that are sent in an agency.

It was stressed that the leadership or executive group needs to be consistent in its messaging around the use of flexible working. Potentially the middle group in the APS – EL1 and 2 – may be less able to access flexible arrangement than other levels. That is, SES staff and those working at APS levels 1-6 had greater scope to use flexible arrangements due to both the discretion afforded to SES-level staff, and access to formalised flex-time arrangements in levels 1-6. For an EL1 or 2 officer however:

... They don't have the autonomy per se to be able to make their own calls on things like the SES (do) and they don't have access to those flex time arrangements, which is – “I put these hours in, I get this (flex time)”. That middle group ... is potentially the most squeezed ...

### **Role modelling flexible working by senior leaders – a new norm emerging**

In most leading practice organisations the proportion of senior-level managers (both male and female) accessing flexible working arrangements was reported by participants to have increased as a result of change programs and their flexible working arrangements were increasingly made visible within the organisations. This contrasted with past practice in many of the organisations, where senior level staff (both men and women) worked flexibly on an informal basis but did ‘everything they could to make sure people didn’t know’.

All leading practice case study participants emphasised the importance of role modelling flexible working arrangements by both male and female senior managers. None of the participants reported having conducted research that established the positive impact of role modelling. However they felt that it had led to a shift towards greater visibility of flexible working and caring responsibilities (both of which were ‘normalised’ within an organisational context) and had increased awareness of the availability of flexible arrangements across the organisation.

Examples were given of CEO-level and other senior women leaders in Qantas bringing their children into the office or working from home during school holidays, and how this was seen as ‘normal’ at Qantas now (‘whereas five or six years ago you just wouldn’t have done it’). This role modelling had had flow-on effects throughout management ranks:

...(Female CEO) has always been extremely transparent around, if you want to meet with me at that time it'll have to be a phone meeting because I need to be in the car by that time, or I need to dial in from home because I need to be at the swimming carnival in the afternoon or something. ... it's now made women at my level reporting into people like (the CEO), we now feel accountable for really being obvious with the role modelling. In the past if I'd needed to do something flexible, I wouldn't have lied about it, but I would have done it really quietly.

Both Treasury and Deloitte facilitate employee forums where senior level women have the opportunity to discuss combining senior roles with parenting. Moreover Deloitte actively profiles female partners and directors who have had children and returned to the workforce (many of whom were made partner while on maternity leave) as a means of demonstrating to staff more broadly that having a family and continuing to advance their careers at Deloitte is possible.

In Telstra and Treasury flexible working was role modelled by *male* senior managers as well:

...There were probably senior people working flexibly anyway, but now inviting those senior people to show other people, and to be visible about their caring responsibilities or the stuff

they do outside of work means that it becomes more acceptable, and we've had a number of very senior men as well, become quite visible about that. (Telstra)

... sharing those experiences, and having male SES officers talk about ways they've worked flexibly. Whether it's by taking career breaks at particular points, to maybe help out with a young family ... or male SES officers (who) work part time or from home for a range of reasons. So I guess it's part of mainstreaming flexibility. We've certainly talked about what women are doing, but also what men are doing too. So it's not just a women's issue. (Treasury)

Several leading practice organisations publicise female role models or flexibility success stories, most commonly as a means of encouraging women to seek employment or promotion. This publicity material is targeted at both internal and external audiences.

- Broadsheet newspapers profiled Telstra senior male executives with families who worked flexibly and the [careers.telstra.com/women](https://careers.telstra.com/women) webpages include summaries of Telstra female staff at all levels of the business.
- The Defence intranet carries profiles of a number of men (and one woman) who work flexibly, demonstrating the diverse array of flexible working arrangements utilised and the variety of reasons why people work flexibly.
- A partner at Justitia instigated an initiative where the back page of every Victorian Law Institute Journal contains a profile of a legal practitioner working flexibly.
- The SA DPC provided profiles of 48 executive women on their website (no longer accessible) which described their career journey and advice they would give to aspiring executives. The SA DPC encouraged women to read these profiles.

### Initiatives designed to facilitate access to flexibility

Leading practice organisations provided insights into mechanisms used to increase the use of flexible arrangements, within broader cultural change programs. In **Telstra**, a 'values-led' approach was being used to encourage local management behaviours that promoted flexibility. Telstra had introduced five new values, some of which related directly to flexible working. A manager explained their relevance to the All Roles Flex approach:

...One of (the values) is *trust each other to deliver*, which means not only do we have to trust each other, but we also have to be clear about what it is we're doing together: what's the work, how is it going to happen, how are we going to do it, what do you need, et cetera? There's a *show we care* value, which is where we bring in the human side of our relationships - and *find our courage*, which is, if you're a manager who is completely freaked out by the prospect of two people job sharing in your business unit, you just might need to get courageous about that and step into the unknown. If you're choosing not to step into the unknown, well that means you're probably not living our values, which would have some consequences for how we might view you as a leader.

#### **South Australia Public Service: Improving access to flexible working arrangements**

Research conducted within the South Australian Public Service indicated that low proportions of women in executive roles were accessing flexible arrangements. The SA Equal Opportunity Commission, in conjunction with SafeWork SA, were (at the time of research) in the final stages of

developing a program to increase flexible work across the public sector. This is aimed at both employees and line managers, as the latter are often gatekeepers in terms of permitting flexible arrangements.

Program outputs include a Guideline aimed at addressing the inconsistency of access to flexible working arrangements - where some managers grant workers access to flexible work arrangements, while others in the same agency do not - and which encourages public sector workers to use the arrangements currently available to them. The Guideline document describes a range of flexible options (for example part-time work, job share arrangements, re-designing jobs and compressed weeks) and encourage managers to consider the potential for flexible arrangements when designing new roles or vacancies or when approached by employees seeking flexible arrangements. This was described as reinforcing “a ‘why not?’ (flexibility) approach, rather than a ‘why?’ approach.” The Guidelines are accompanied by a Determination which serves the purpose of clarifying industrial arrangements as they relate to flexible working arrangements. This is accompanied by an electronic request tool that records requests for flexibility, managers’ decisions as to whether or not to grant flexibility, and the reasons for their decision.

In **Treasury**, there was a past culture of ‘this is the way we do things, flexible work won’t work here ... it was always up to the person who wanted the flexibility to argue the case as to how they were going to make it work’. In addition, internal research found that managers at the SES and EL2 level were often afraid to discuss, with part-time staff, whether or not they could accommodate a particular task or role. As a result of the Progressing Women program, there is now an ‘if not, why not’ policy in relation to flexible work. It requires managers and staff to meet to discuss what they want to achieve and whether there are alternative means of achieving the end results for the team. This has led to an expectation that conversations about flexible working will take place as a matter of course, whereas before, due to the culture that prevailed, ‘people in some situations were too afraid to even raise the issue’. This shift had led to a greater number of staff working flexibly and to more conversations in the workplace about how flexibility can benefit individual staff and the organisation.

### **Career breaks and return to work initiatives**

The leading practice organisations offered a range of flexible work and other arrangements for women having children. These included

- In Treasury, onsite childcare facilities for staff use and a ‘Keeping in touch’ policy in relation to staff on long term leave
- Deloitte, extended maternity leave arrangements, and return to work on a flexible or part-time basis. The organisation had also ‘experimented’ with job redesign, for example job-sharing, which was found to work better in some pockets of the organisation where work was not project-based. They had found that ‘leveraging the team’ was often a more effective approach to managing project based work. Where female managers take maternity leave, for example, Deloitte will bring others in to support them and work on the project in their absence. This approach ensures that Deloitte does not lose the manager’s knowledge of the client, while providing the manager with enough support to enable their ongoing contribution with minimal time commitment. In 2014 Deloitte introduced ReConnect, a one on one coaching program to support female directors and partners making the transition back to work from parental leave.
- Qantas has established a Parents at Work online portal for parents to be, or existing parents, which provides them with information and support. They also provide

executive-level women with access to a career coach during parental leave, or before they return to work.

## MENTORING, SPONSORSHIP AND NETWORKING

Mentoring, sponsorship and networking programs for female staff are not common in the leading practice organisations.

Qantas was the only leading practice organisation to run formal **mentoring** programs for female staff; in one program women receive mentoring from external mentors and in a second 'internal program' women who receive external mentoring then provide mentoring to other women in Qantas. In the 2012-2013 year, mentoring from external mentors was provided to 24 women, and internal mentoring was provided by 42 mentors. The Qantas Diversity Council also recently 'mandated' that all executive committee members become mentor to identified 'high potential women' within Qantas.

Those provided with mentoring have given consistently positive feedback on its benefits in terms of improving their capacity to deal with day to day challenges, improving personal performance and confidence, and securing promotion or increasing responsibilities within current roles. It was felt that the two programs built a strong sense of reciprocity among participants, reinforcing a prevailing culture of 'a strong sense of women at the top of the organisation feeling a commitment to bring other women through'. The Qantas Diversity Council also plans to introduce tailored mentoring to support female staff in new roles following promotion.

Deloitte was the only leading practice organisation which had a formal **sponsorship** program as part of its Deloitte Business Women of the Year (DBWY) Award. Award winners from within Deloitte embark on an 18-month development program which serves as a means of profiling female talent to the partners who act as the program's judges, mentors and coaches. The observation was made that, as in Qantas, networking is an area of focus within the development program for some women. DBWY serves as a means of raising the profile of talented women at Deloitte ('the partners are getting visibility of talented females that they wouldn't otherwise have ever seen in the job.') Partners sponsor female talent, with male sponsors outnumbering female sponsors, although women who win the Business Women of the Year Award are also encouraged to 'pay it forward' and become sponsors to female staff.

Some sponsors receive training in how to provide sponsorship support, while others are naturally adept. The sponsorship activities undertaken include the sponsor working with the female employee to understand their skills and expertise and the contribution they can make within Deloitte, and then create opportunities to ensure that those women receive a higher profile or are supported to identify opportunities to advance their careers. Sponsorship activities can involve anything from 'just putting them on the right assignment' to sponsors taking female employees to a networking event or to a client meeting. Where women are identified as having the potential to become partners, sponsors work with them to raise their profile within the firm and externally.

Qantas also run **networking events** for female staff. At Qantas men have traditionally placed more importance on networking than women and have been more able to attend events outside of work hours than female staff. To improve the capacity for women in Qantas to network, there is a regular program of networking events for women leaders (four or five per year) held during the work day, with guest speakers from within and outside the company. Speakers from within Qantas have often been senior women who have participated in the mentoring programs and who have spoken

candidly about the challenges they have faced and mistakes they have made. It was felt that the events had helped to create a community at Qantas, and

... a bit of a sense of 'Gosh I'm not the only one who's running around like an absolute maniac trying to pick my child up from childcare and get to the board meeting and do all of that at once'. ... It's helped people feel a little bit less alone because it can be really lonely being a female leader in a big blokey organisation. I think it's really easy to underestimate the huge impact of something very small like that.

Deloitte facilitates similar programs including 'Speed Mentoring' events, where male and female senior leaders talk to other women at workshops about (for example) core skills such as sales and marketing, how they combine parenting with a professional career, or networking tips. Deloitte also has an Inspiring Women Graduate Committee (which includes men), which organises networking functions for graduate recruits.

## UNCONSCIOUS BIAS AWARENESS TRAINING

Unconscious bias awareness training was seen as pivotal to unlocking cultural change in all leading practice organisations. Most of the leading practice organisations have introduced training of this nature; initially for senior leaders (primarily workshop based), with ongoing rollout to staff at other levels and incorporation within graduate induction programs for new recruits. In some organisations, unconscious bias training was provided 'where needed': for example in areas of organisations where issues occurred that indicated a need for training among management teams.

Participants described how unconscious bias training was highly successful in encouraging staff to subject their implicit thinking to scrutiny and consider how their implicit thinking impacted on others:

...Implicit thinking can be fantastic. We all use it every day. The world couldn't run without it, but where the implicit thinking runs into stereotyping about how women work, what work is appropriate for women, what work is more highly regarded or not, I think that's when we have to say to ourselves, this is actually an unhelpful stereotype. In some cases it's an unlawful stereotype. And so what interventions can our organisation design to ensure that this doesn't happen? (Justitia)

### **Unconscious bias training in Treasury**

Treasury first piloted workshop-based unrecognised/unconscious bias awareness training at board level, run by an external consultant who had delivered other elements of their Progressing Women program. Extra women (non-board members) were brought in to attend this training to counter-balance the all-male composition of the group. Training was extended to all SES and EL2 staff, and subsequently to those at EL1 level.

Feedback from SES/EL2 participants was largely positive, with the majority reporting that it had improved their ability to recognise and manage their own biases. EL1 staff were enthusiastic about receiving the training, and the same program was delivered to these staff. Negative feedback was received from the first groups of EL1 participants. It became evident that the training must be adapted to the characteristics of the staff it is being delivered to. SES and EL2 staff often had more experience to draw on and had no difficulty engaging in a 'deeply self-reflective process' while EL1 staff struggled with the training content as they had less sense of internal hierarchies (natural, formal and imposed) or of insider and outsider groups:

*It's getting you to identify situations where you felt like you were an outsider or trying to get you to recognise being an insider. Some of those social dynamics, our EL2s and SES just had more depth and experience to draw on, and were conceptually more able to make those connections. Whereas for a highly analytic, pretty young EL1 cohort ... for some there just was not that depth of experience. Certainly not that level of self-awareness, which is of course part of what we're trying to address.*

The training has had a number of beneficial impacts. First, it sent 'a very strong leadership statement' of recognition that biases exist. Second, it led to a number of discussions about issues at the heart of the Treasury culture, including communication styles (those that men feel more comfortable using than women), and third, it was a catalyst for considering how work is allocated, particularly around the opportunities that are provided to women who work part time, or confining 'hard policy' (analytical) assignments to men only.

## ENGAGING MEN

A key piece of advice from most the leading practice organisations was that it was important for men to be actively engaged in initiatives to advance the position of women in organisations. According to these organisations, change programs worked best when their implementation and success was seen to be a shared responsibility of women and men. While several leading practice participants had faced resistance to equality programs from a small number of men in their organisations, most had found male staff willing to be engaged in programs, either as participants or in their execution. A number of leading practice participants noted that they had drawn from the successes of the Male Champions of Change program in their efforts to ensure that senior male leaders role modelled the behaviours and practices they were seeking to instil throughout the organisation.

- **Deloitte** designed its Inspiring Women Strategy to encourage maximum male participation; for example, in development programs and on organising committees. This was described as 'a mechanism to raise awareness of the opportunities and challenges women can experience in an informal environment'. Participation in such events had opened the eyes of the men involved to some of the barriers their female colleagues faced.
- Those heading up the **Department of Defence's** program found that male leaders are highly committed to supporting the agenda and progressing change. The program is in its early stages but consideration is being given to the potential for establishing a Male Champions of Change model internally; for example by pairing male leaders from different sections of the organisation, who are keen to progress programs in their areas and to develop initiatives.

## RESOURCING, SUSTAINABILITY AND STALLING

All of the leading practice organisations had initiated large scale cultural change programs, or, in the case of Justitia, had established an organisational culture from scratch. A key lesson from all leading practice organisations was that lasting cultural change takes time, and that there must be an acceptance or recognition of this when initiating programs. Conversely, cultural change programs are at risk of dissipating where the focus becomes 'quick wins', or where individuals acting as program champions or advocates move on.

The leading practice organisations show that for gender initiatives to yield results, constant championing, auditing and tracking of program processes and outcomes are required. In some cases it appeared that the programs were the personal crusade of proponents who derived considerable satisfaction from spearheading change. These individuals led programs through their work as internal consultants or knowledge brokers and persuaders. However the level of expertise

centralised within these individuals has implications for program sustainability if these individuals leave the organisation, taking their know-how and commitment to the program with them.

The implementation and sustainability of programs is also contingent on sufficient resourcing. In the public sector, constrained resources had impacted on diversity programs in several ways.

The implementation and sustainability of programs is also contingent on sufficient resourcing. In the public sector, constrained resources had impacted on diversity programs in several ways both positively and negatively. For example because 'we don't have the resources or the time to start from scratch with everything' there was a greater willingness to collaborate and share information and experiences with others across the Public Service.

Defence and Treasury had emulated successful programs developed within other Male Champion of Change organisations in a context of increasingly straitened circumstances. The point was made that private sector MCC organisations are better funded to develop and pilot innovative approaches, but that an organisation like Treasury could leverage off the research and best practice developed by these organisations and implement similar programs.

The leading practice organisations were at varying stages of the program implementation life cycle. Most of the private sector organisations and Treasury were in a relatively stable mid-course phase, having reached a critical mass of activity and support following initial implementation. Defence was in the early stages of implementation in many respects. While the SA DPC project had started in advance of the other case study programs (in 2006), it had stalled since early 2012 when the two staff heading the program had moved to other jobs and their roles were not filled.

The SA DPC program offers lessons in relation to the sustainability of initiatives. The broader context of lean resources in the SA state government, a reduction in SES positions (resulting in fewer opportunities to recruit or promote women), and the disruption caused by a state election had the effect of halting the momentum this project had built. The monitoring of agency-level initiatives ceased, meaning that agencies were no longer accountable for outcomes. It may be that these factors contributed to a decline in momentum for achieving the 50 per cent target.

The suggestion was made that a stocktake of activities conducted by SA Public Service agencies to date, and analysis of current female representation data, might reignite momentum by identifying current 'gaps' in practice at the agency level and areas where the SA DPC could add value to existing initiatives. It was also noted that the DPC had not attempted to measure the direct impact of particular program elements (for example, profiles of women leaders on their website) due to the challenge of establishing a causal link between specific initiatives and increasing proportions of women executives.

The SA program also differs in two crucial ways from programs in the other leading practice organisations, which may shed further light on factors influencing sustainability. First, the program was overseen by HR staff, rather than involving top leadership and senior operational staff in program development and delivery (as in other case study organisations). Second, the program was seen as additional to standard business or service activities. This contrasted with the experience of those in the other leading practice organisations where it was emphasised that diversity initiatives must be anchored or embedded within business strategy to have any chance of success.

## SUMMARY OF FINDINGS

### Foundations for change:

- Top leadership commitment was considered crucial to the success of promoting women into

leadership: in terms of providing the initial spur for change, and providing sustained, consistent support and guidance at all stages of program delivery.

- In all case study organisations, initiatives to increase the representation of women at senior levels were described as cultural change programs – but were accompanied by structural changes or new structures.
- The most common structures for program governance and delivery were senior-level committees running alongside business unit/department-level delivery mechanisms, with overall coordination provided by small teams of diversity and inclusion or HR staff.
- Change programs were often called diversity programs but in most cases had a predominant focus on women
- To be successful, diversity initiatives must be seen as a business or organisational capability ‘fix’, rather than simply an HR issue: the diversity agenda needs to be integrated with business planning and business strategy, rather than an over-laying program or parallel stream of activity.
- Communicating the rationale for improving gender representation was most effective when it reflected the operating circumstances or exigencies of individual organisational divisions or units.
- Successful programs are those in which a small number of initiatives (those with the greatest likelihood of success) are implemented first, to demonstrate success to internal stakeholders.

#### **Data and targets:**

- The leading practice organisations stress the importance of conducting internal research, monitoring workforce data and setting and measuring targets as a means of facilitating change.
- Targets (but not quotas) are used to advance women into senior leadership positions. High-level targets and divisional or agency-level targets are set and progress is measured against both levels.
- Impediments to achieving targets may result from changes in an organisation’s operating environment (divestment, merger and acquisition activity, organisational restructures) or scepticism about targets among internal stakeholders. Internal resistance to targets was mediated by communication from leaders that merit remained the key criteria for selection and promotion.
- Leading practice organisations commonly set targets or guidelines for, and tracked data relating to, the proportion of women in candidate lists, short lists, and selection panels.

#### **Recruitment and promotion:**

- In several leading practice organisations, a wider pool of candidates – with increasing female representation – was achieved through broadening the selection criteria to encompass a more diverse range of non-technical business management or leadership skills
- In public sector organisations, machinery of government changes provided an opportunity to change the complexion of leadership structures, while recruitment restrictions meant that internal appointments and promotions were the subject of greater efforts to ensure gender representation.
- Public sector research found a reluctance among women in feeder groups to seek promotion to SES level due to poor confidence or a perceived lack of flexible arrangements. In

response, leaders now model flexible working arrangements, they personally encourage individual women in EL (feeder level) positions to apply for promotions, and they allocate assignments to women to improve their promotion potential; and organisations provide confidence building training and talent management programs.

- Formal mentoring, sponsorship and networking initiatives were used in only a few organisations.
- Several organisations had introduced behaviour-based performance management systems which assisted female advancement to senior positions by reducing gender bias and encouraging inclusive behaviours, and more broadly, facilitated culture change. KPIs linked to achievement of gender targets were relatively uncommon.

### **Flexibility:**

- Most organisations have longstanding flexible working policies, however female staff have not accessed these due to cultural barriers and inconsistent application within organisations. In public sector organisations, efforts have been directed at ensuring consistency of access to flexible working arrangements and consistency of messaging from leaders regarding their availability.
- Key to encouraging use of flexible arrangements is breaking down cultural barriers to their use and encouraging senior and middle managers to consider what flexible arrangements might work in each individual case (bespoke solutions to fit individual needs).
- Role modelling of flexible working arrangements by senior men and women is widespread and considered critical to increasing the uptake of flexible working.
- The 'if not, why not' approach pioneered by Telstra has gained widespread currency and application in most if not all of the leading practice organisations as has the notion of flexible arrangements encompassing a variety of arrangements (not just part-time work, but 'where you work, when you work, how you work').

### **Success factors:**

- Most organisations conducted unconscious bias awareness training; initially for senior leaders, with subsequent rollout to staff at other levels. This training was seen as pivotal to unlocking cultural change.
- All case study organisations had found that change programs worked best when their implementation and success were a shared responsibility of women and men: efforts were made to actively engage men in all aspects of programs.
- For gender initiatives to yield results and be sustainable, they require constant championing, auditing and tracking of program processes and outcomes, and hard work. Most programs were spearheaded by one or more highly committed individuals and there was considerable diffusion of ideas and initiatives between organisations (such as those in the Male Champions of Change program).

## **Key messages**

The leading practice organisation studies provide a wealth of insights and suggestions for advancing women. They are important exemplars because they demonstrate gender equity strategies in action.

The key messages from the leading practice organisations resonate with much of the literature and the NSW expert views. In this way, the evidence has been validated both conceptually and empirically and provides a sound basis for the recommendations that follow.

Three areas that stand out as new lessons from the leading practice organisations because they did not receive the same level of attention in the literature review or the NSW public sector expert interviewees were:

- the importance of governance and gender equity leadership structures,
- the use of change agents or 'disruptors' (either an internal person or an external appointment) to shake up thinking and action, and
- the importance of signalling, through modelling flexible work at senior levels and appointing women to senior positions.

Other areas that were highlighted in the leading practice organisations as leading to the success of gender equity and gender advancement strategies and which reinforce the lessons from the previous chapters are as follows:

- The importance of developing a business case 'plus' in the public sector – the 'plus' being capability and values;
- The need to set gender targets -- at the local work unit level;
- The need to collect, keep and use granulated gender data;
- The importance of job re-design strategies;
- The need to develop more flexible work patterns for senior level roles;
- The recognition that line managers are the gate-keepers for access to flexible work and the need to provide support for line managers;
- The need to combat 'ideal worker' stereotypes;
- The need to recognise that career breaks do not mean a woman's commitment to work has diminished; and
- The need to provide confidence building development and activities for women in the 'pipeline'.

## 6 CONCLUSIONS AND RECOMMENDATIONS

### CONCLUSIONS

The report has provided evidence from the academic and grey literatures, from the NSW public sector workforce profile data and employee surveys, from interviews with experts in the NSW public sector and from interviews with expert practitioners in organisations regarded as leading practice in advancing women into senior and leadership positions. There are clear synergies and lessons in the findings from all data sources used for this study.

The first lesson is that organisational and workplace cultures are regarded as significant impediments to progressing women into senior positions. Most interviewees stressed the need for culture change in their organisations, but in doing so referred to the need for interventions aimed at changing structures, policies and practices. Thus, cultural and structural changes are interdependent and both require attention.

The second is that while it is evident that more women are entering the paid workforce, their progress to senior management or executive positions remains slow and limited. This is more prevalent in the private sector in Australia, where women represent approximately just 9 per cent of senior roles. In the public sectors around Australia, women represent in the order of 30-40 per cent of senior roles. In the NSW public sector women currently hold 32 per cent of senior positions. While this is high when compared to the private sector, there has been very little improvement over the last five years and without strategic interventions it is unlikely that the situation will improve significantly. There is also no guarantee that the rates of women currently in senior positions in the NSW public sector will be sustained without active attention to the issue.

The third is that occupational segregation exists in Australia and in the NSW public sector. This is very marked in the NSW public sector with women dominating the 'caring' and 'nurturing' occupations of teaching, nursing and community sector jobs in the Health, Education and Family and Community Services clusters. The data shows that these majority female clusters have lower proportions of senior roles, limited internal career paths and broad bases of lower paid employees. As a result the opportunity structures for women to progress to senior roles are not as available as in other, male dominated clusters.

The fourth is that women in Australia carry more of the caring responsibilities and this is carried over to the workforce in both real and assumed ways. This is evident from the NSW public sector PMES results where 41 per cent all of females reported providing care for others outside of work and 21 per cent of all females, compared to 6 per cent of males, are the principal carer. Against this backdrop is the knowledge that the number of women taking on the primary breadwinner role in Australia is increasing. The latest HILDA estimates show that a female breadwinner heads 24.5 per cent of couple households. Assumptions, therefore about a woman's need to and capacity to have a career may not take such trends into account and should therefore be avoided when assessing women for senior positions. 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.

The fifth is that more women than men seek flexible work. The NSW public sector workforce data showed that many more women than men work part-time in the NSW public sector, but this is at the lower grades. Only two per cent of women work part-time in the higher grades. The interview evidence revealed that managers regard women as making decisions about taking on senior roles based on their responsibilities and perceptions of the workplaces they work in, which are often

regarded as inflexible at senior levels. In the leading practice organisations similar patterns were apparent. This has led these organisations to introduce some radical strategies to make more roles flexible, and to send a very different message about the acceptability of working shorter hours, in different locations or at variable times, enabling both women and men to combine their work and caring responsibilities. Furthermore, as the NSW public sector workforce ages, demand for increased flexibility will most likely increase from both men and women.

The sixth is that leadership commitment and stewardship is essential to changing the structure and the cultures referred to above. All interviewees in the leading practice organisations stressed this point and most argued that governance and policy changes in their organisations were required to support gender diversity initiatives. In addition, leading by example, role modelling and overt support for advancing women and working flexibly was common practice within leading practice organisations.

The seventh lesson is that experience to date has demonstrated that waiting for change to occur organically is not viable. The need to set targets to increase the number of women in senior positions was favoured by the overwhelming majority of interviewees. This strategy is supported by material from the academic and grey literatures, and from the leading practice organisations.

The eighth lesson is that the business case rationale dominates the justifications for advancing women to senior positions and for diversity and inclusion strategies. The literature, however, is more equivocal about the validity and sustainability of business case arguments. In the not-for-profit and public sectors, the business case justification is often teamed with the “social justice” and “capability” case, and acknowledges that the public sector workforce must reflect its community and public sector values.

The ninth lesson is that organisational restructuring offers both opportunities and challenges. This was the view of NSW public sector interviewees (with respect to the GSE Act 2013 changes) and representatives of public and private leading practice organisations. Restructuring programs, combined with behaviour-based capability and performance development frameworks, offer women the potential for greater access to senior level jobs. However a perceived lack of access to flexibility at senior and executive levels, noted above, constitutes a critical barrier to women’s willingness to progress.

Finally, the tenth lesson from the leading practice organisations is that to achieve change in culture and structures that will advance women into senior positions requires sequenced strategies, starting with focussed and ‘winnable’ interventions. These lessons provide important principles for consideration in developing the recommendations presented below.

As with all studies, there are limitations to the research undertaken. While this study was innovative and provides critically relevant insights into the barriers and enablers to women’s increasing participation in senior levels, one group of voices is not included – that of aspiring and senior women themselves. The original research scope called for high-level analysis of literature, data and expert within and outside the sector views, and this was undertaken. The group of women who currently sit in the pipeline category, at the ‘pinch-point’ where numbers of women rapidly decline, and the smaller group at senior levels, is an invaluable source of further information. We urge that they receive direct attention as the strategies to progress women’s roles are enacted.

## RECOMMENDATIONS

### 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.

### 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.

### 3 Prioritise flexible work options

The Public Service Commission should provide guidance on flexible working arrangements throughout the public sector.<sup>133</sup>

### 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.

### 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.

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<sup>133</sup> Appendix 2, 'Possible Initiatives to Support the Recommendations' provides examples of strategies to facilitate flexibility.

**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.

## APPENDIX 1: PMES DATA

Table 13: Percentage who strongly agree/agree with attitudinal statements in the 2014 PMES survey, by gender

	Women							Men						
	Less than \$95,000	\$95,000 - \$109,999	\$110,000 - \$139,999	\$140,000 - \$169,999	\$170,000 - \$229,999	\$230,000 or more	All females	Less than \$95,000	\$95,000 - \$109,999	\$110,000 - \$139,999	\$140,000 - \$169,999	\$170,000 - \$229,999	\$230,000 or more	All males
1. My manager assigns work to people in my workgroup based on their skills and expertise	74%	75%	79%	81%	87%	84%	<b>75%</b>	71%	75%	80%	82%	85%	85%	<b>74%</b>
2. My manager ensures fair access to developmental opportunities for people in my workgroup	72%	74%	79%	80%	83%	79%	<b>73%</b>	66%	70%	76%	79%	82%	86%	<b>70%</b>
3. My manager considers my needs and career aspirations when approving my development plan	71%	72%	77%	76%	80%	77%	<b>72%</b>	62%	68%	72%	77%	79%	80%	<b>67%</b>
4. I have a strong desire to advance my career	78%	82%	84%	86%	91%	88%	<b>79%</b>	80%	80%	83%	84%	89%	91%	<b>81%</b>
5. I am satisfied with the opportunities available for career development in my organisation	54%	55%	59%	62%	63%	72%	<b>55%</b>	47%	49%	55%	59%	66%	74%	<b>50%</b>
6. Senior managers in my organisation genuinely support	77%	75%	75%	77%	73%	80%		84%	86%	87%	89%	90%	89%	<b>86%</b>

the career advancement of women							<b>77%</b>							
7. My organisation offers practical employment arrangements and conditions to help employees achieve a work-life balance	65%	58%	62%	66%	68%	71%	<b>64%</b>	63%	63%	67%	68%	71%	69%	<b>64%</b>
8. My manager takes into account the differing needs and circumstances of employees when making decisions	74%	74%	79%	81%	85%	82%	<b>75%</b>	71%	75%	81%	84%	84%	84%	<b>74%</b>
9. I have enough flexibility at work to handle my own family and caring responsibilities	77%	73%	76%	78%	77%	83%	<b>77%</b>	76%	77%	80%	82%	82%	80%	<b>77%</b>
10. Gender is not a barrier to success in my organisation	90%	86%	85%	86%	79%	86%	<b>89%</b>	88%	89%	91%	93%	94%	96%	<b>89%</b>
11. In my organisation women are able to lead just as effectively as men	94%	93%	92%	93%	88%	92%	<b>94%</b>	92%	94%	95%	95%	95%	95%	<b>93%</b>
12. Women and men are given the same opportunities to take the lead on important work in my organisation	88%	83%	80%	82%	76%	84%	<b>86%</b>	85%	87%	90%	91%	92%	94%	<b>87%</b>

## APPENDIX 2: POSSIBLE INITIATIVES TO SUPPORT THE RECOMMENDATIONS

The following list of suggested initiatives have been collated based on the evidence collected in the interviews with NSW public sector experts, leading case study practitioners and the leading practice literature.

### Initiatives to build the case for gender equity

- Develop a case for gender equity in senior roles that is responsive and suitable to the context in which the initiatives need to be undertaken. For example, tailored business cases for diversity in management at the business unit level that explicitly align gender goals with business goals.
- Demonstrate the benefits of gender equity initiatives through disseminated case studies to reinforce the business case and to broaden support and activity across the public sector.
- Establish gender equity councils of agency and or divisional heads that develop appropriate strategies and monitor gender equity programs.

### Initiatives to introduce gender targets

#### Communicating targets

- Publicly demonstrate leadership commitment to gender equality and the use of targets to achieve it.
- Reinforce the importance of merit and how it continues to be central when using targets

#### Setting targets

- Targets are to be attainable and suitable to the context (which requires robust and granulated data collection)
- Set in consultation with those responsible for achieving them
- Set general targets for the number/proportion of women in senior roles at the agency level based on modelling and analysis of 'hot spots'
- Set business unit targets at more refined levels suitable to the operational context
- Targets should be expressed as a number/percentage to be achieved by a set time.
- Gender targets can be set for:
  - Graduate recruitment
  - Applicant pools
  - Selection pools
  - Recruitment shortlists
  - Training and development positions for pipeline and leadership

### Data collection and monitoring

- Undertake data modelling to better understand where activity needs to take place, and to assess the most appropriate target mechanisms and levels.
- Business unit and agency level data collection and reporting for benchmarking and to monitor movement against targets
- Monitor the impact of the GSE reforms on the positions available to women at senior levels.
- Collect and report gender data to enable internal and external benchmarking. For example ASX and WGEA report the gender breakdown for CEOs, minus 1, minus 2 and minus 3 levels.

### Initiatives to facilitate flexibility

#### Improving access

- Publicly demonstrate leadership commitment for the use of flexible work arrangements.
- Role model flexible work options by men and women in senior roles.
- Introduce 'if not why not' principle to the management of flexible work arrangements.

### Supporting business units

- Develop and circulate practical guides for diverse models of flexible work being used across the sector – showcasing the options and practices that are possible in a range of contexts.
- Develop HR capacity to advise on flexibility options – build a community of practice across HR divisions relating to flexibility.

### Pilot innovative solutions at agency or business unit level

- Pilot accommodation and work redesign models of flexibility. For example pilot Results Only Work Environments (ROWE) at business unit or agency level.
- Pilot advertising all management jobs as flexible.
- Pilot All Roles Flex approach.

## **Data gathering, monitoring and reporting**

- Track and report, by gender, the use of flexibility policies and working hours in all clusters and at all grade levels.
- Investigate issues of flexibility and intersection with work life balance and long hours of work at senior levels. A ‘voices project’, involving interviewing women at the pipeline and senior levels, would be a useful mechanism to hear first-hand concerns about working hours and flexibility at senior levels.
- Share the results of flexibility pilots across the sector

## **Initiatives relating to recruitment, retention and advancement**

### Systems

- Conduct gender sensitive job evaluations
- Review all job descriptions to remove gender specific language and assumptions
- Explicitly state in all senior level job advertisements that women are encouraged to apply.
- Directly target women for senior positions –in the internal labour market and/or through external pathways
- Ensure selection criteria and methods are unbiased and designed to encourage gender diversity. For example check that criteria do not privilege technical expertise and seniority/experience over leadership potential and capacity.
- Introduce gender blind CVs and job applications where name, age, gender, address are removed from resumes submitted for senior roles.
- Ensure women get opportunities in jobs roles that facilitate their advancement into ‘hot jobs’ or non-traditional areas. For example use mobility provisions in the GSE Act to facilitate secondments, rotations and acting opportunities.

### Selection panels

- Have gender balance on recruitment panels
- Provide training ‘through a gender lens’ to all recruiters
- Provide information to selection panels of senior positions of the gender of the last 5 people appointed

### Data gathering, monitoring and reporting

- Gather, report and review gender metrics across the recruitment process at all levels (concentrating on pipeline and senior roles) including applicants, shortlisting, recruitment, promotions, and acting opportunities.
- Conduct exit surveys to better understand turnover amongst women in the pipeline and in senior roles.
- Undertake a cluster by cluster audit of career paths – for better understanding of internal labour markets into senior roles and external recruitment into senior roles (investigating patterns such as frequency of lateral movement at senior and/or feeder group levels)

## **Initiatives to counter unconscious bias in workplace cultures**

- Identify bias hot spots through audits, including systems for selection, promotion, pay, development opportunities

- Redesign systems to eliminate bias; and to trigger bias checking/awareness
- Ensure accountability for the application of systems and activities
- Use targeted and granulated data to challenge mindsets and attitudes
- Undertake a systematic evaluation of the unconscious bias training delivered to date – alter as necessary
- Deliver unconscious bias training down the hierarchy
- Deliver unconscious bias training to people on recruitment panels

#### Other Initiatives to consider

- In clusters where women make up less than 30 per cent at SOG and SES levels, introduce **'disruptors'** – external people with authority/expertise to act as change agents within cluster/agency decision-making bodies.
- Partner with the Male Champions of Change Initiative
- Establish NSW public sector-wide **Prizes and Awards for Gender Advancement** – in order to recognise promoters of women's advancement; to introduce an element of competition; to promote culture change, and to profile best practice across the sector.
- Examine need for and establish child care facilities or places at commercial centres
- Ensure breastfeeding rooms, amenities for women, are appropriate and available in all workplace sites – especially in non-traditional work areas for women
- Examine need for elder care rooms to assist with short-term visits to doctor, specialists etc