

ReThink *The Gender Diversity Series 03*

# Re-thinking Culture

How to drive gender diversity in the workplace

Sneak preview...



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*“The onus is on the private sector workplaces themselves to take the lead in changing the mentalities that hold women back. We need to turn this cultural enigma on its head - we need to challenge the status quo ... Only then will men and women be able to make the choices they want to make, not the choice they feel they have to make.”*

Michaelia Cash  
**Minister for Women**



## Achieving inclusion through organisational management and culture

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*Merely hiring women is not enough to reap the gender dividend. If women are not fully included, organisations will continue to realise the losses associated with the opportunity cost of a homogeneous team.*

*Preventing these losses means maintaining concerted effort to achieve a diverse organisation including ‘fully integrat[ing] women’s experiences, perspectives and voices into the fabric of an organisation, [which] will not happen on its own’.<sup>34</sup>*

The change we need is one of workplace culture, and this change needs to be led by organisations and their leaders. Organisations need to be active and accountable in driving a shift to inclusiveness, and leaders at all levels need to buy in and lead by example to ensure that diversity and inclusion policies are implemented and internalised by staff.

### 1 Launching gender aware workplace policies

Organisations should embark on gender aware policies to drive diversity and inclusion. Such policies include: conducting pay audits and using the data to eliminate their gender pay gaps; conducting gender aware performance reviews; and monitoring employee take up of flexible work options and networking opportunities to ensure that access is genuinely equitable.

It is critical that organisational policy is clear on diversity initiatives, for without strong organisational support, and structural change, there is little impetus for cultural change to occur – and it is cultural change that is more important, because gender inequalities are most strongly entrenched by attitudes and cultural narratives.

*“The future belongs to those of us, female or male, who can adopt and embrace the feminine archetype ”*

John Hagel III, cofounder Deloitte Centre for the Edge, Deloitte US<sup>35</sup>

<sup>34</sup> Greg Pellegrino, Sally D’Amato, and Anne Weisberg, ‘The gender dividend: Making the case for investing in women’ (White Paper, Deloitte, 2011). <sup>35</sup> Ibid.



## What follows are four key organisational strategies to drive change.

### 1. Assessing and addressing the gender pay gap

The gender pay gap in Australia is 17.9 per cent.<sup>36</sup> At a senior executive (key management personnel) level, however, this widens to 28.9 per cent and persists at varying levels for all occupation levels.<sup>37</sup> In part, this disparity is due to aforementioned gender biases that not only lower the perceived women's work but penalise women who assertively negotiate their salary.

*“Recognising performance and rewarding it in an equitable manner is fundamental to creating a high-performing organisation.”*

Steven Sewell, CEO, Federation Centres

Combating the gender pay gap requires organisations to analyse their payroll data, undertake a like-for-like pay gap analysis and take steps to mitigate the disparity based on the findings. Action on this issue is remarkably rare in Australia: three in four employers have never conducted a pay gap analysis.<sup>38</sup>

For those organisations that have undertaken pay equity audits, there is an almost universal reaction of surprise at the results. Once the gender pay inequities that exist in your organisation have been identified, strategic steps can be taken to address it. The Workplace Gender Equality Agency provides a range of useful tools, including a *Gender Pay Gap Calculator*<sup>39</sup> and a *Pay Equity Toolkit*,<sup>40</sup> to assist in both identifying gender pay gaps and eliminating them.

*“Addressing pay equity underpins our diversity success, and understanding and addressing unconscious bias is a critical component.”*

Wayne Spanner, Managing Partner Norton Rose Fulbright

Dealing with the gender pay gap is essential to undermining the notion that women are less valuable than men in the workplace. As such, it is a key factor in driving a cultural change to a workplace that more fully embraces the contributions and voices of women.

#### Recommendation:

*All organisations should conduct a thorough pay audit in order to determine where their ‘bias hotspots’ lie, and take strategic action to remedy any pay inequities uncovered.*

### 2. Making workplace flexibility a real option – for women and men

The division of labour at home remains deeply gender-based. Women perform more unpaid work than men, spending over double the time performing childcare labour, and even more than that (almost 2.5x) the amount of time spent caring for a person with a disability.<sup>41</sup> This provides a significant practical barrier to women engaging to their fullest potential in the workplace and acts as a disincentive for them to do so.<sup>42</sup>

Flexible working is absolutely necessary to combat this issue, and it should not only make it easier for women to participate in both work and family responsibilities, but should allow men the opportunity to take on dual roles as well. It is critical that flexible working policies be framed in gender-neutral terms – for example, ‘parental leave’ rather than ‘maternity leave’.<sup>43</sup>

A very clear and accepted flexible workplace policy is needed. However, merely making flexibility an option on paper does not mean that it will be taken up. Indeed, in some cases it is considered a career-detractor, and as a result there is an inherent reluctance of employees to take up flexible work.<sup>44</sup>

<sup>36</sup> Australian Bureau of Statistics, ‘Average Weekly Earnings, Australia’ (Cat No 6302.0, May 2015). <sup>37</sup> Workplace Gender Equality Agency, ‘Gender pay gap biggest in management ranks’ (Media Release, 17 February 2015). <sup>38</sup> Workplace Gender Equality Agency, ‘CEOs call for focus on equal pay as gender reporting data exposes widespread inaction’ (Media Release, 29 September 2015). <sup>39</sup> See also the resources made available at <<http://inyourhands.org.au/improve-pay-equity/>>. <sup>40</sup> Workplace Gender Equality Agency, ‘Guide to Gender Pay Equity: Practical steps to improve pay equity between women and men in your organisation’. <sup>41</sup> Australian Bureau of Statistics, ‘Gender Indicators, Australia’ (Cat No 4125.0, August 2015). <sup>42</sup> Francine D Blau, Mary C Brinton and David Grusky, ‘The declining significance of gender?’ in Francine D Blau, Mary C Brinton and David Grusky (eds), *The declining significance of gender* (Russell Sage Foundation, 2008) 3. <sup>43</sup> Scott Holmes and Michael Flood, ‘Genders at work: Exploring the role of workplace equality in preventing men’s violence against women’ (Research Series Paper, White Ribbon, 2013). <sup>44</sup> Chief Executive Women, ‘The Treasury’ (Case Study, 2015).



## UN Women National Committee Australia

Working to protect women's rights around the world, UN Women focuses its efforts on ensuring women's access to leadership and decision making roles, economic security and ability to live free from violence. The Australian National Committee supports this mandate through fundraising and advocacy, ensuring that women can reach their potential at work, at home and in their communities.



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