

Benchmarking Diversity and Inclusion Practices in Australia

Key Findings



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1. PROJECT OVERVIEW

In 2015, The University of Sydney Business School Migrants@Work Research Group, Macquarie University, the Australian Human Resources Institute (AHRI) and Diversity Council Australia (DCA) surveyed Australian Diversity and Inclusion practitioners about Diversity and Inclusion policy and practice in their organisations.

The benchmark findings summarised in this report aim to:

- Establish a comprehensive annual national status report on the nature and extent of Diversity and Inclusion policy and practice in Australian organisations
- Provide Australian organisations with invaluable data to inform their decision making about how Diversity and Inclusion can help them better face Australia's talent and innovation challenges into the future.

The survey was based on the instrument used by the Chartered Institute for Professional Development (CIPD), in a project led by Professor Mustafa Ozbilgin and Dr Ahu Tatli to survey its members, which was rolled out in 2006. The survey was adapted slightly for the Australian context and administered to DCA and AHRI members, generating 280 completed responses. The demographics of the survey sample are provided in the section entitled 'D&I Practitioner Profile'.

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2. D&I PRACTITIONER PROFILE

Location: Practitioners were primarily located in the HR Function, at a middle or senior management level, and did this role as part of other job responsibilities. Their salary band reflected this with most having a salary over \$100,000 (50% over \$120,000).

Motivation: The vast majority were 'committed to the cause', with 93% describing themselves as a *Diversity Champion*, and the two most common reasons given for doing their role was that they believed in the business case and the social justice imperative for diversity.

Opportunity: D&I Practitioners responded least positively about their rate of pay, chance of promotion, recognition given for their D&I work, and level of responsibility allocated for D&I.

Experience: There appears to be either a high turnover in the D&I role and/or limited D&I experienced practitioners – most had been in their D&I role for less than two years, and the most common way of developing their D&I capabilities was through work experience rather than any formal training.

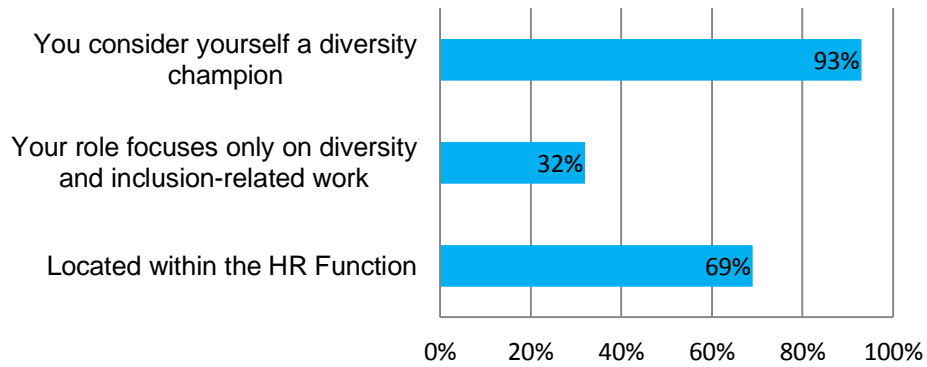
Qualifications: While D&I Practitioners were not formally qualified in D&I-related qualifications, they were generally very well qualified, with most having a university degree and over a third having an Honours, Masters or PhD degree.

Key Capabilities: D&I Practitioners reported that the top three capabilities they required in their D&I role were: Negotiating and influencing skills; Understanding of the perspectives of diverse groups and individuals; and, Knowledge of latest diversity trends and thought leadership.

Demographics: While the majority of D&I practitioners were female, beyond this they reflected the diversity of Australia's general community – 3% identified as being Indigenous Australians, 7% as having a disability, 9% as being lesbian, gay or bisexual, and 23% as being born overseas.

2.1 At what level is your current role in the organisation?	
	%
Board Member	2%
Senior Management	31%
Middle Management	42%
Supervisor	15%
Junior Staff	9%

2.2



2.3 To what extent do you agree with the following statements in connection with your current diversity role?

	Strongly disagree	Slightly disagree	Neutral	Slightly agree	Strongly agree
I do this job for the money	43%	25%	15%	15%	3%
I do this job because I have been trained in managing diversity	30%	27%	17%	22%	4%
I do this job because I believe in the business case for diversity	2%	1%	7%	22%	69%
I do this job because I believe in the social justice imperative for diversity	0.4%	4%	10%	23%	62%
I do this job because the company I work for supports the goals of diversity and inclusion	4%	8%	16%	34%	38%
I do this job to progress my career within the company	20%	18%	28%	25%	9%

2.4 How long (approximately) have you been responsible for diversity-related issues in your current role?

	%
Up to 1 year	30%
1 - 2 years	30%
3 - 5 years	26%
6-10 years	8%
10 - 15 years	3%
15+ years	5%

2.5 How did you gain the expertise required for your current role in diversity management? Please select all that apply.

	%
Work experience	77%
In-house training	46%
Formal education	35%
External training	28%
Other	15%

2.6 Which of the following bands does your annual salary fall into? (full-time equivalent)

	%
Under \$40,000	1%
\$41,000 - \$60,000	3%
\$61,000- \$80,000	9%
\$81,000 - \$100,000	15%
\$101,000 - \$120,000	22%
\$121,000- \$150,000	17%
Over \$150,000	33%

2.7 How satisfied are you with the following?



2.8 Your Age

Under 24	1%
25-34	23%
35-44	34%
45-54	30%
55-64	11%
Over 65	1%

2.9 Do you identify as:

	%
Female	83.9%
Male	15.8%
Other gender	0.3%

2.10 Do you identify as (Please select only one of the following options)

Aboriginal	2%
Torres Strait Islander	0.4%
Both	0.7%
Neither	96%
Prefer not to say	0.7%

2.11 Do you have a disability?

	%
Yes	7%
No	92%
Prefer not to say	1%

2.12 How would you describe your sexual orientation?

Heterosexual	87%
Gay/Lesbian	6%
Bisexual	3%
Other sexual orientation	0.4%
Prefer not to say	3%

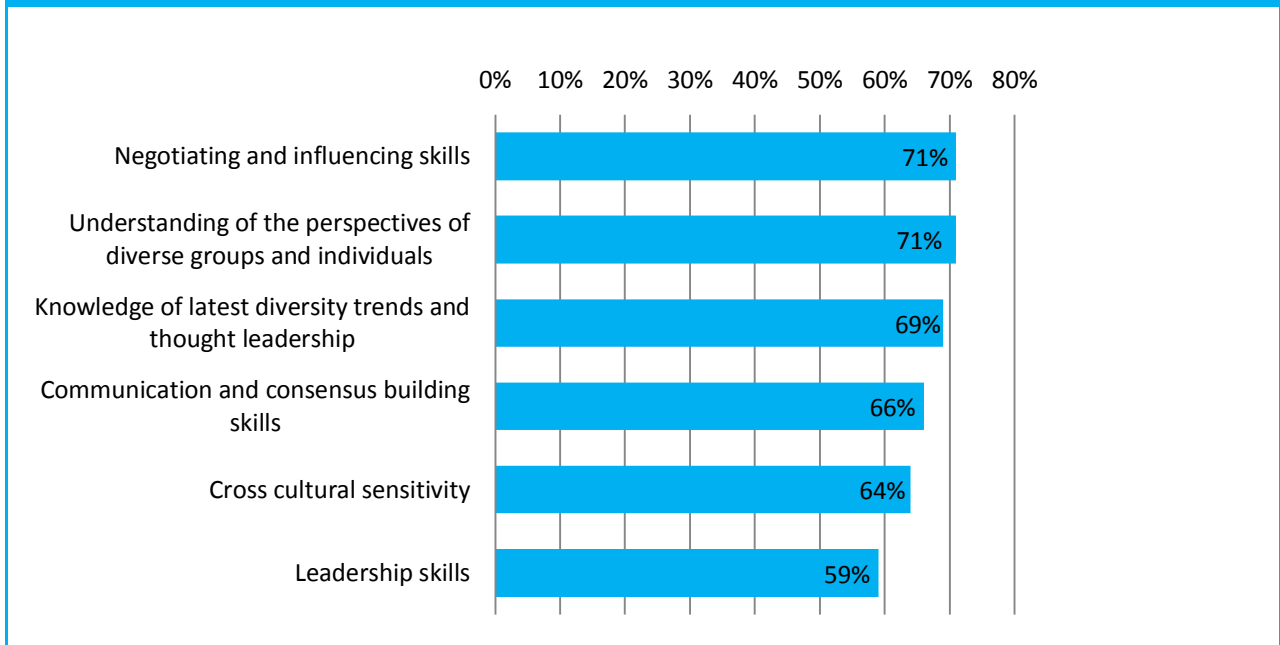
2.13 What is your country of birth?

Australia	77%
Overseas	23%

2.14 Please indicate your highest qualification

High school certificate	6%
Bachelor degree (BA/BSc)	29%
Post graduate diploma	15%
Honours / Masters degree	33%
Doctorate	3%
Professional qualifications	6%
Post graduate certificate	8%

2.15 Which skills do you need most in your job in diversity management? Please select all that apply.



3. D&I INFLUENCE

Over one in four (23%) D&I practitioners indicated that the Diversity Function in their organisation was extremely or very influential. Encouragingly, the level of the most senior person with responsibility for the Diversity Function in practitioners' organisations was high – 62% was at the senior executive level, and only 12% was at the middle manager level or below.

3.1 How much influence do you think the diversity function has within your organisation?

	%
Not at all influential	11%
Slightly influential	31%
Somewhat influential	34%
Very influential	18%
Extremely influential	5%
Not Applicable	0%

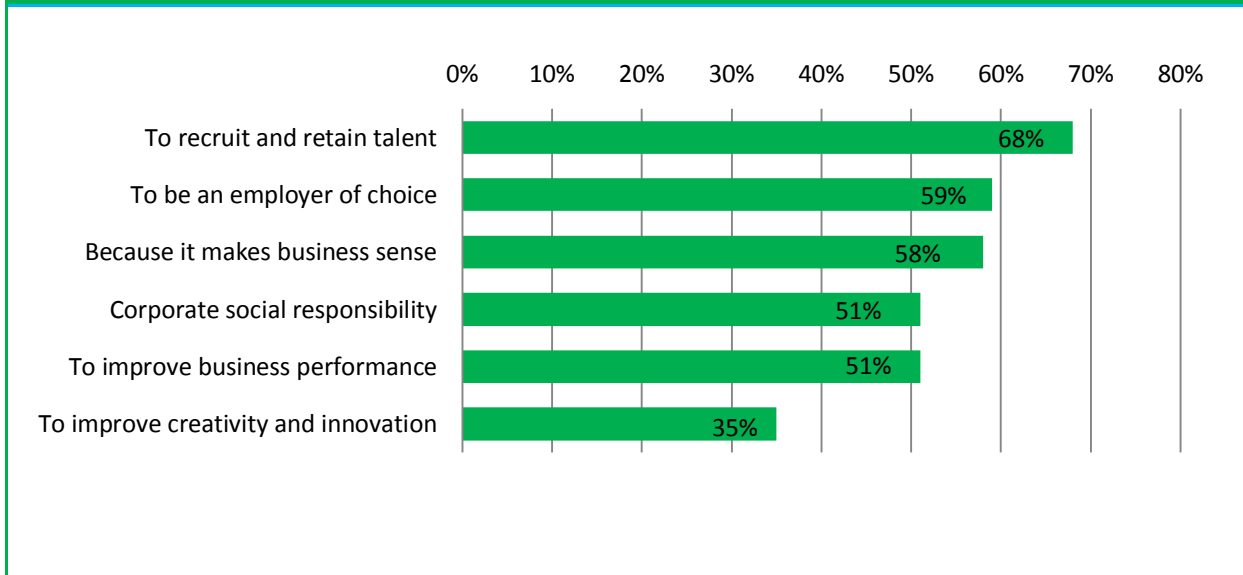
3.2 What is the level of the most senior person with responsibility for the diversity function in your organisation?

	%
Senior executive (ie. CEO/MD or person who reports directly to the CEO/MD)	62%
Senior manager	26%
Middle manager	8%
First line junior manager	1%
Non-managerial staff	2%
Not relevant: no-one has responsibility for the diversity function	1%

4. D&I BUSINESS DRIVERS

The top two business drivers for D&I in practitioner organisations were human resource-related (i.e. to recruit and retain talent and to be an employer of choice). To secure business leader engagement around D&I, DCA and AHRI encourage organisations to emphasise broader business priorities when making the business case internally: that is, emphasising that D&I can improve business performance, increase creativity and innovation, enable organisations to be more flexible and agile, and provide more customer responsive service.

4.1 What are the drivers for diversity in your organisation? Please indicate THE TOP FIVE drivers by indicating your FIVE preferences from the list of options presented.

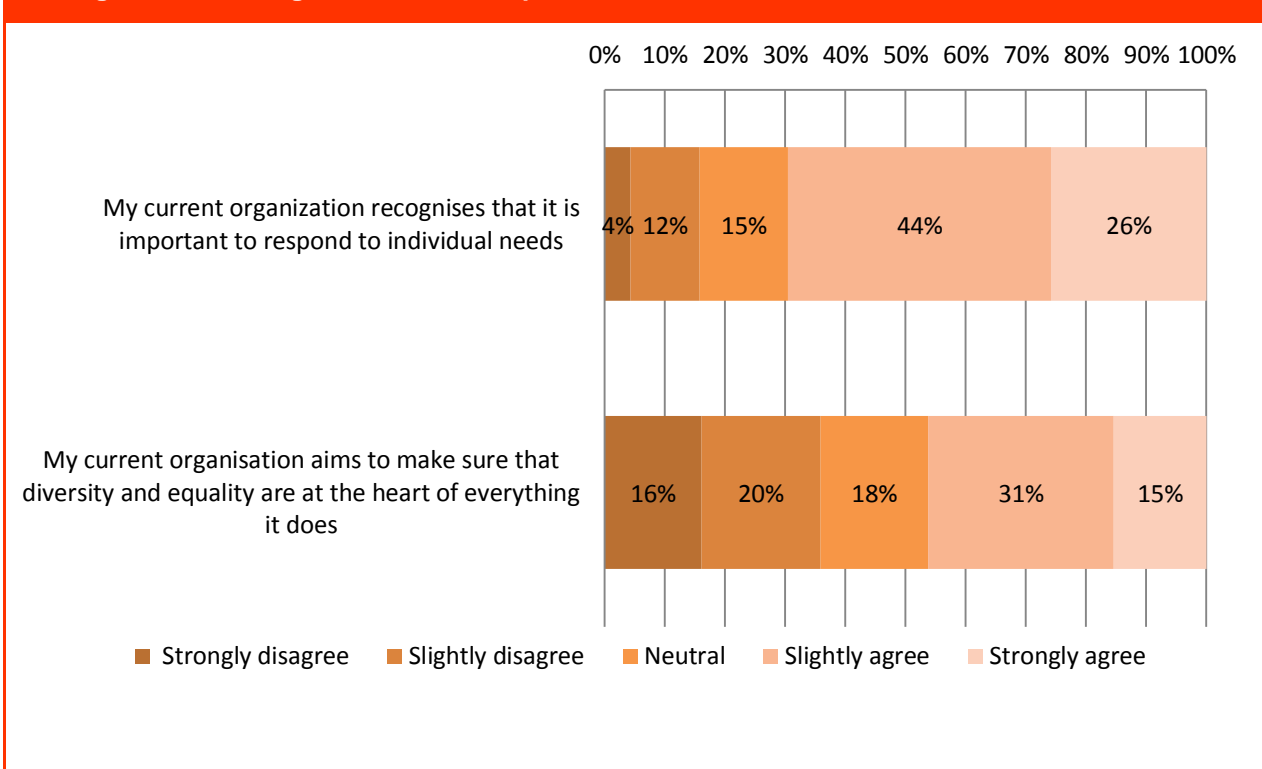


5. D&I COMMITMENT

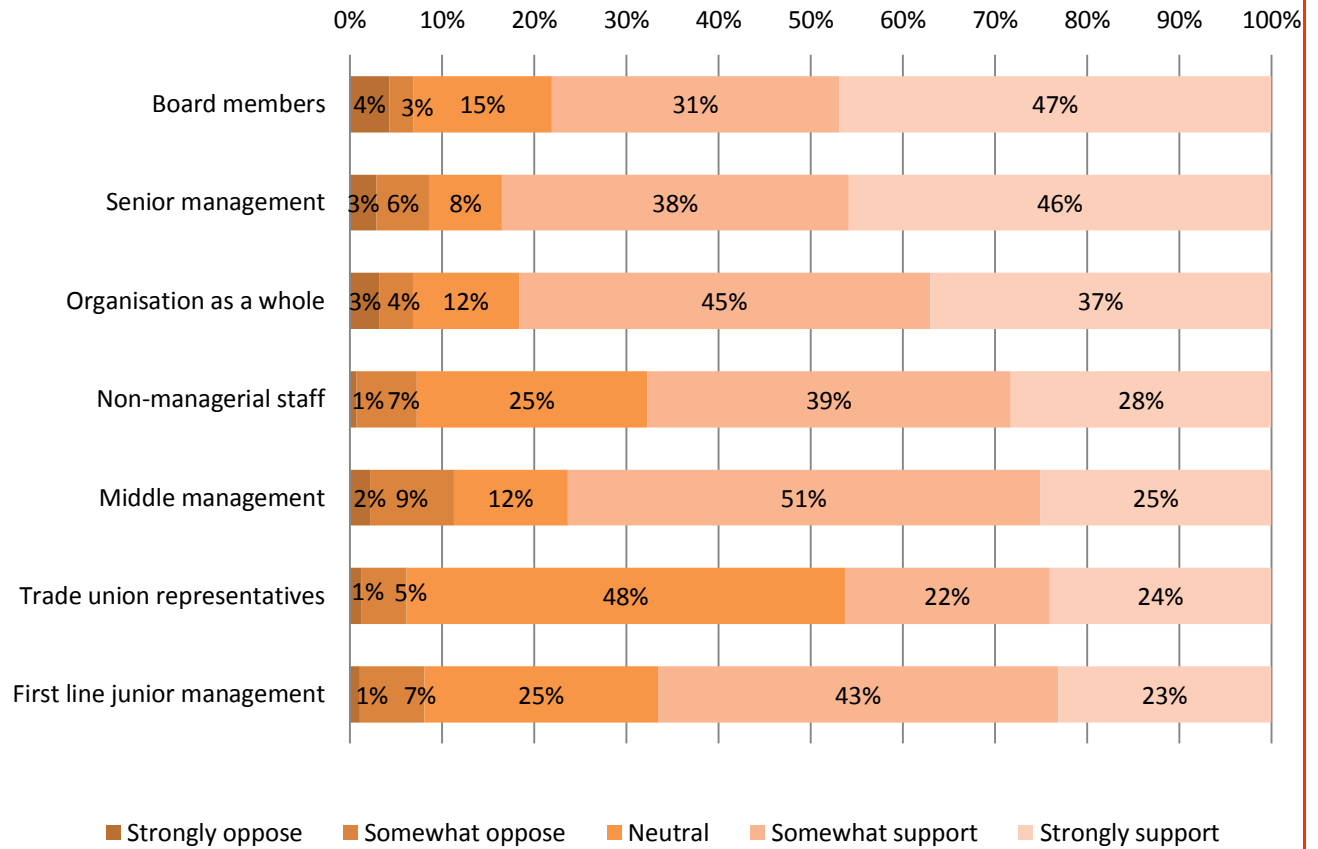
Practitioners were more likely to indicate that their organisation was committed to responding to individual needs (26% strongly agreed), than to the 'higher bar' of making D&I central to everything it does (15%).

They also reported that Board Members and Senior Executives were most likely to strongly support D&I (47% and 46% respectively), while First Line Managers, Middle Managers and Trade Union Representatives were viewed as being least likely to strongly support D&I (23%, 25% and 24%).

5.1 Organization recognises that it is important to:



5.2 On balance, how would you evaluate support for diversity initiatives at different levels within your workplace?



6. D&I RESOURCING

Close to two out of three (62%) of the practitioners have a D&I-related budget and 38% out of all (280) respondents have an adequate D&I budget. Out of those who reported having a budget, 61% reported that this budget was sufficient to adequately fulfill their role.

6.1 Does your organisation have a budget for diversity and inclusion-related strategies and initiatives?

	%
Yes	62%
No	38%

6.2 Does your budget allow you to adequately fulfill your role

	%
Yes	61%
No	39%

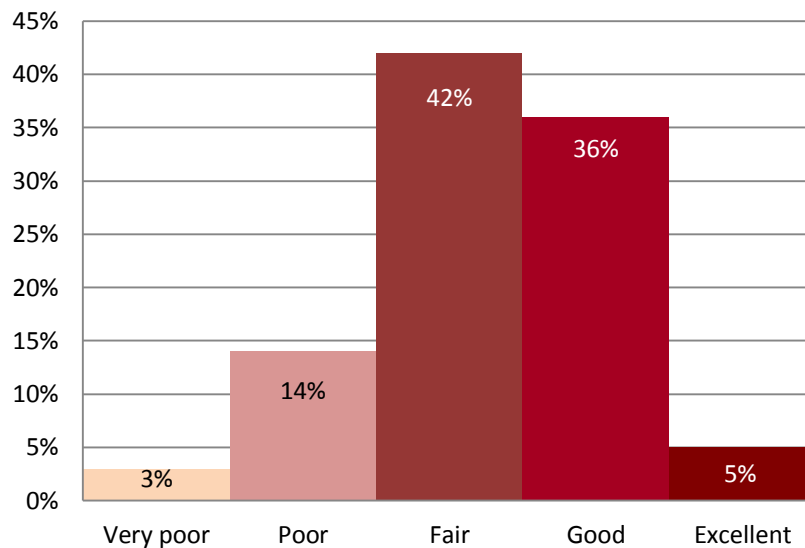
7. D&I CAPABILITY (PRACTITIONER, MANAGER & ORGANISATION)

Organisational Capability: While only 5% of D&I Practitioners reported that their organisation was 'excellent' at managing diversity, an encouraging additional 36% reported that their organisation was 'good'.

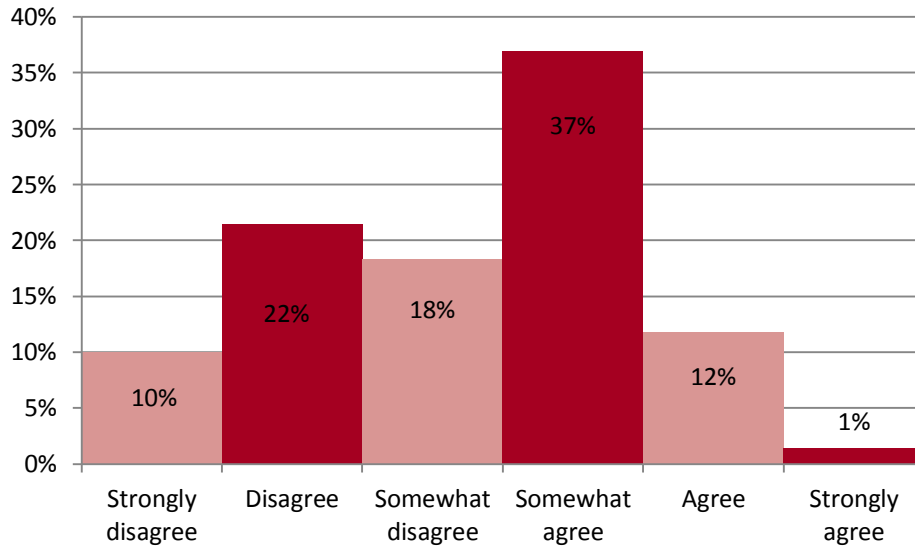
Managerial Capability: D&I Practitioners were much more likely to disagree than agree that managers in their organisation had adequate skills to deal with equality issues than agree – 32% disagreed compared to 13% agreeing.

Practitioner Capability: One proxy for capability is experience. On this measure, D&I Practitioners did not score particularly highly, with most having less than two years experience in their current D&I role (60%).

7.1 In summary, what is your overall perception of how good your organisation is at managing diversity?



7.2 Managers are equipped with adequate skills to deal with equality issues



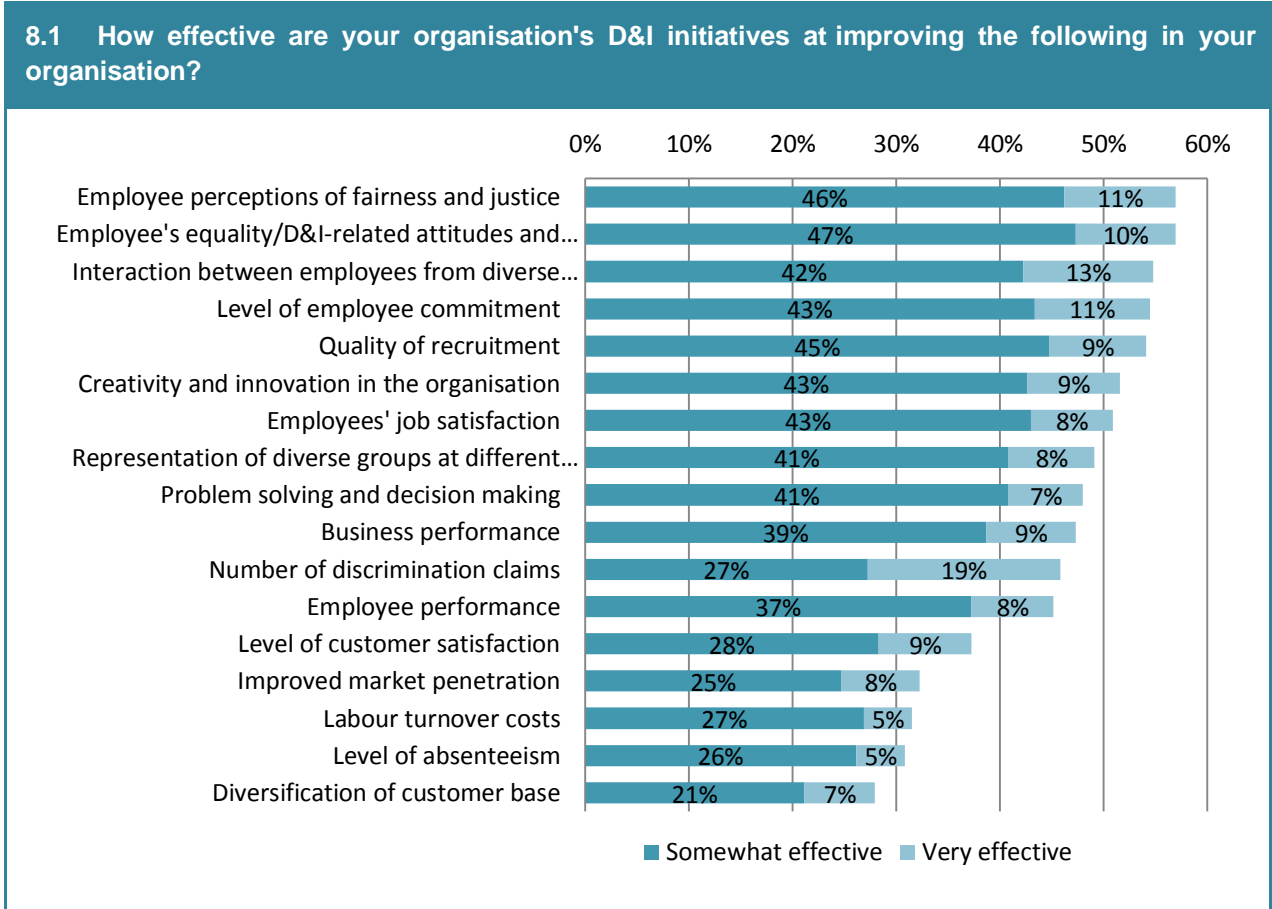
7.3 How long (approximately) have you been responsible for diversity-related issues in your current role?

Duration	%
Up to 1 year	30%
1 - 2 years	30%
3 - 5 years	26%
6-10 years	8%
10 - 15 years	3%
15+ years	5%

8. D&I EFFECTIVENESS

D&I Practitioners reported that their organisation's D&I Initiatives were most effective at minimising discrimination claims (19%), improving interactions between employees (13%), and boosting employee commitment (11%).

Interestingly, while D&I initiatives are often introduced to increase the representation of diverse groups at different levels of the organisation and/or reduce labour turnover costs, few D&I Practitioners indicated that D&I initiatives were very effective in these regards (8% and 5%).

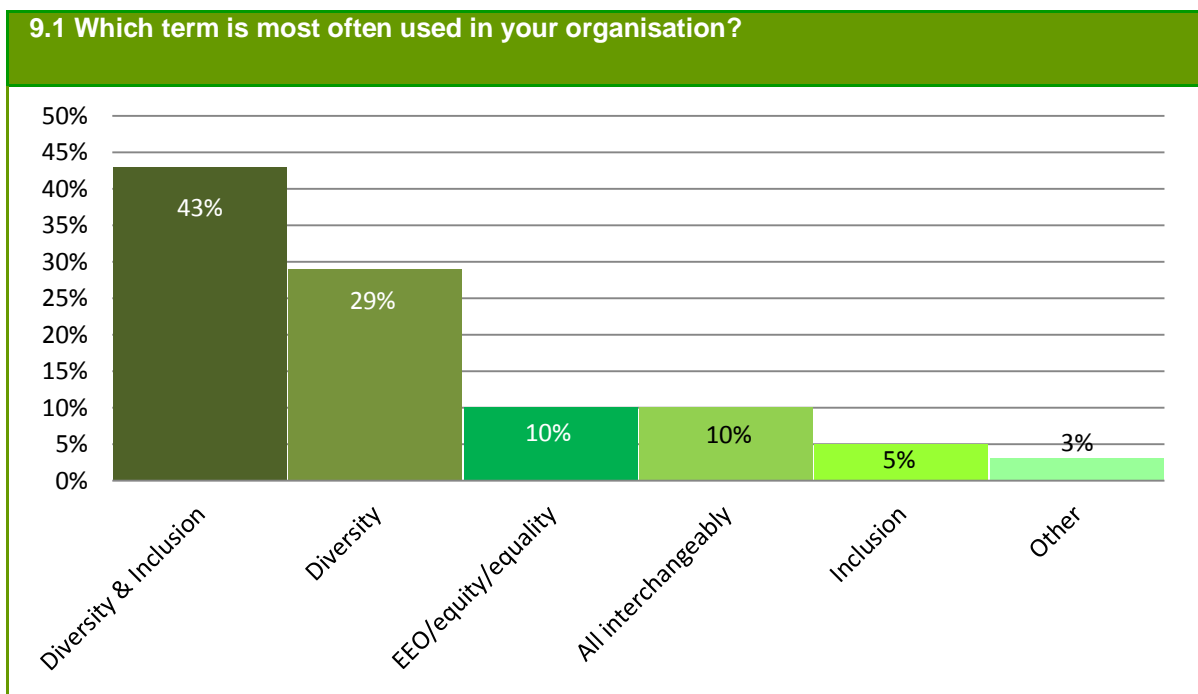


9. D&I POLICY and PRACTICE

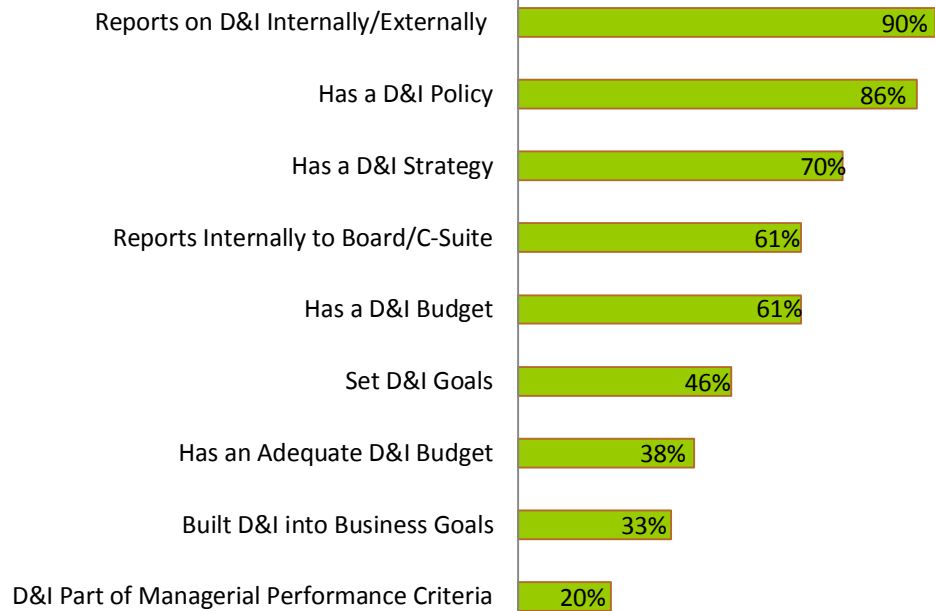
How D&I is practiced was captured in an examination of the terminology used around D&I practices, the strategic approach to D& I and a snapshot of the main initiatives employed to drive diversity and inclusion. Almost 50% of respondents noted that they use the term D&I in their organisation to convey the initiatives employed, followed by 'Diversity' (29%). EEO/equity and equality initiatives or policies were terms used significantly less (10%). If we reflect on the terms used in the past, this is a striking change where EEO/equality and equity were far more popular. This change in terminology captures the important shift of practices to the organisational level, compared with EEO which was an externally driven policy approach.

A striking 90% of practitioners note that they report on D &I initiatives both internally and externally. This is a striking response rate. Of concern is that only 20% of the D&I practitioners reported that D&I was part of managerial performance criteria.

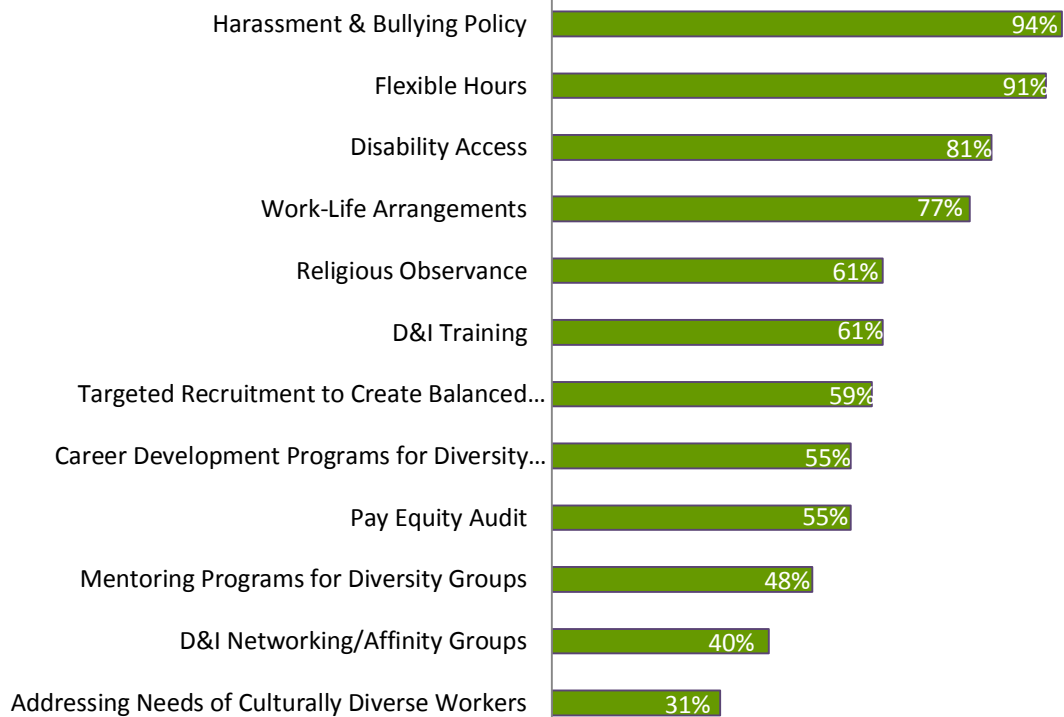
Bound to the Strategic Approach are the initiatives undertaken to drive D&I. While practitioners reported positive initiatives around harassment and bullying policies (94%), flexible hours (91%) and, disability access (81%), more work needs to be done on addressing the needs of culturally diverse workers with practitioners reporting that less than a third had initiatives supporting and promoting the interests of these workers.



9.2 Strategic D&I Approach



9.3 D&I Initiatives

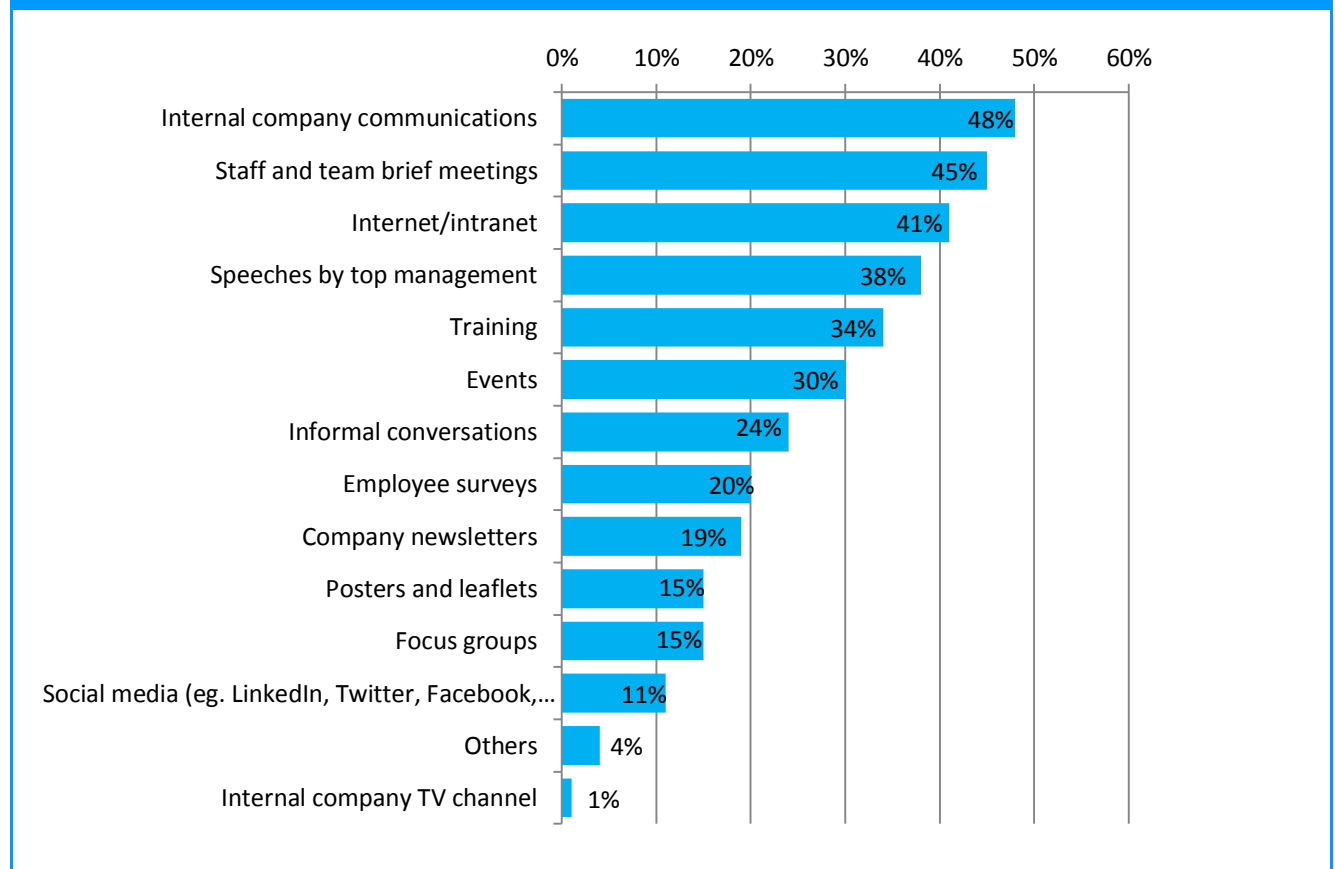


10. D&I COMMUNICATION

Conventional communication vehicles were identified by D&I Practitioners as being most influential and effective ways of communicating information about D&I policies in their organisations: namely, internal company communications (48%), the internet/intranet (41%), and staff and team briefings/meetings (45%).

Interestingly, D&I Practitioners were much less likely to indicate contemporary social media communication were influential (11%).

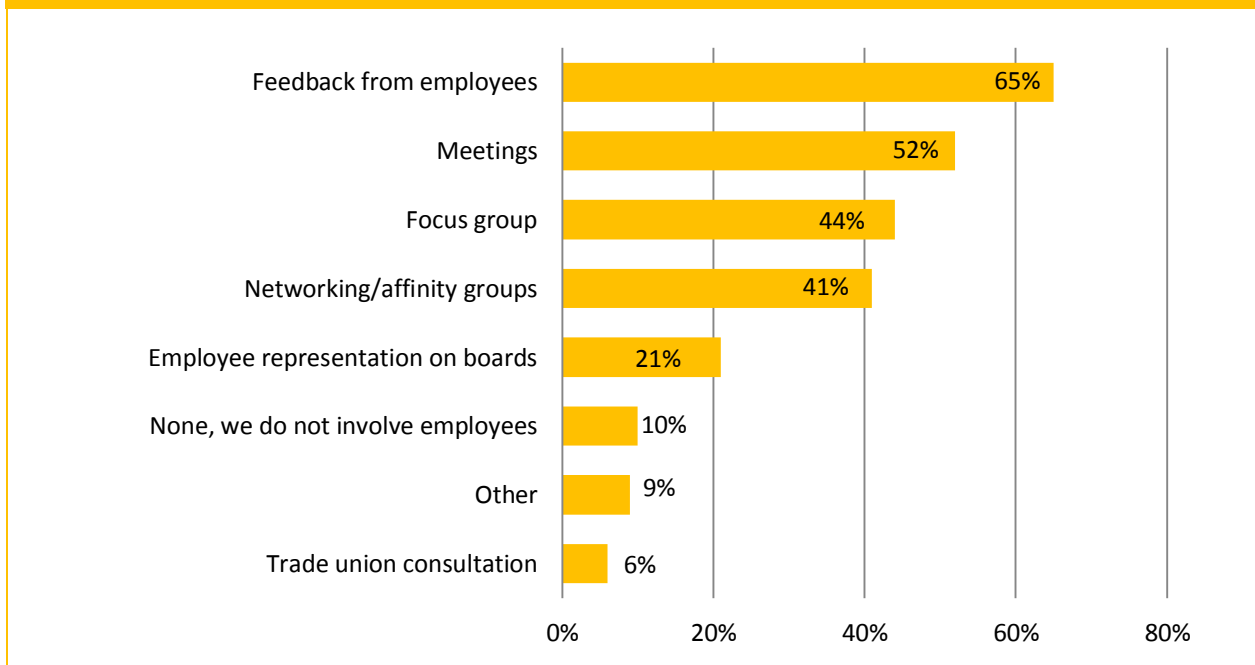
10.1 Which of the following are the most influential ways of communicating information about policies on diversity in your organisation? Please select up to THREE options



11. D&I EMPLOYEE INVOLVEMENT

The vast majority of D&I Practitioners (90%) indicated that employees in their organisations were consulted/involved in the design and implementation of D&I Policies and Initiatives – most commonly through collecting feedback from employees (method not specified, 65%), meetings (52%), focus groups (44%) and networking/affinity groups (41%).

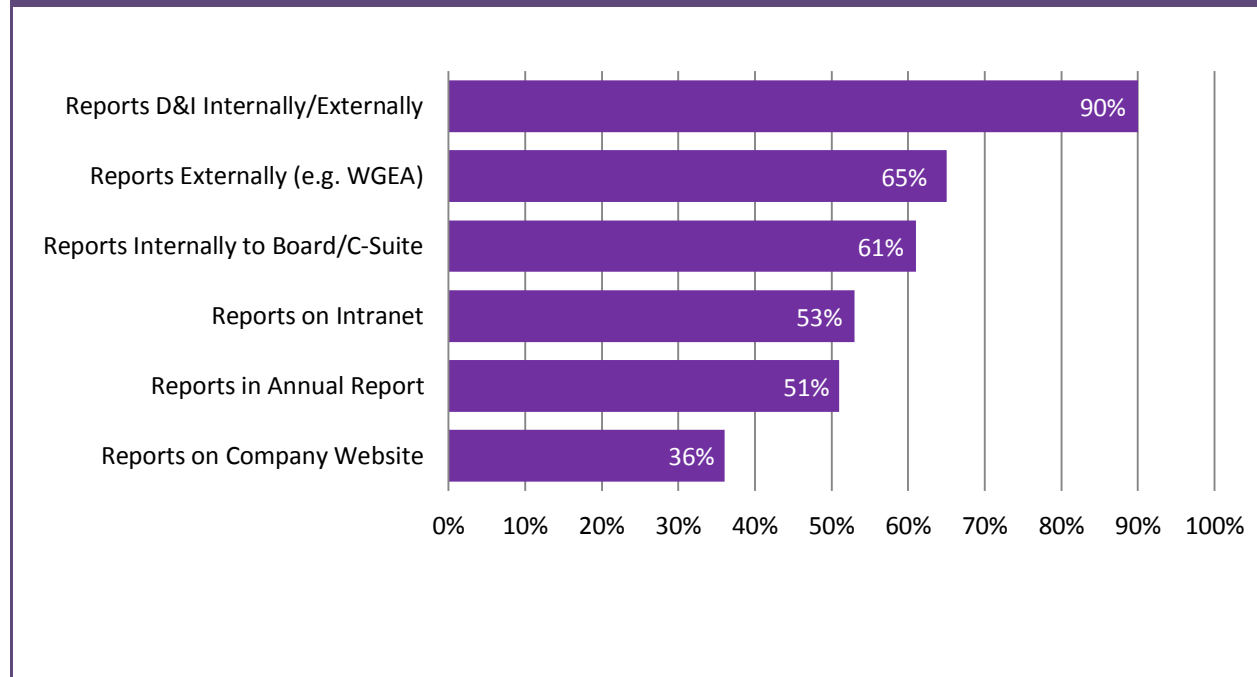
11.1 In which ways (if any), do you involve employees (from all levels of the organisation) in the design and implementation of diversity policies and practices? Please select all that apply



12. D&I REPORTING

The vast majority of D&I Practitioners (90%) indicated that they reported internally and/or externally on D&I-related issues. Encouragingly, reporting internally seemed to occur most commonly at the Board and/or C-Suite level (61%). Other common forms of reporting included reporting externally to other organisations (e.g. WGEA, ASX) (65%), reporting on the intranet (53%) and in the Annual Report (52%).

12.1 Does your organisation report in any of the following ways/outlets on issues relating to workplace diversity? You can choose more than one option

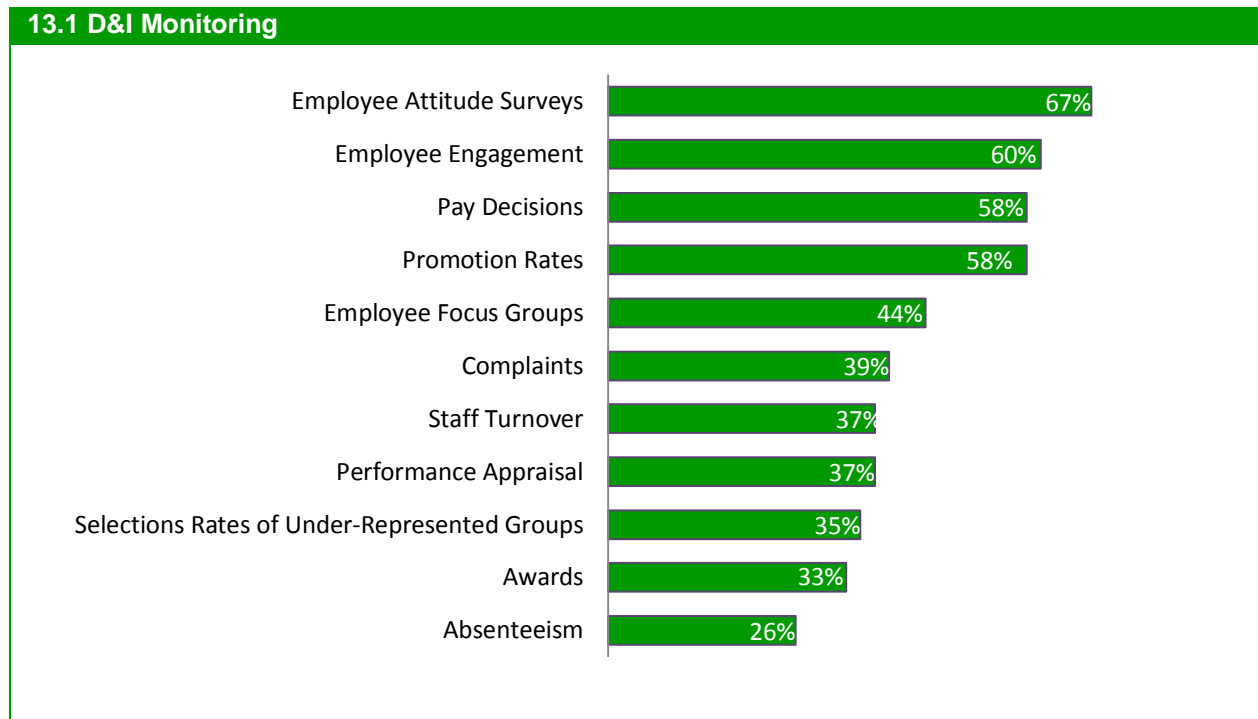


13. D&I MONITORING and EVALUATION

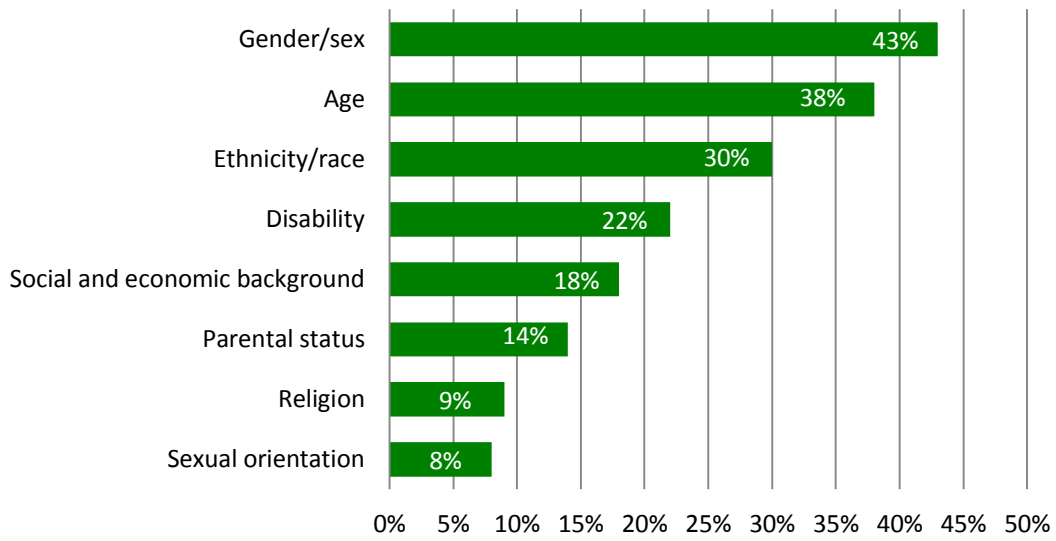
Direct Evaluation. The most striking finding was that only 41% of D&I Practitioners indicated that their organisation actually measured the outcomes of their its D&I initiatives.

Monitoring Diversity Profile: D&I Practitioners' organisations were much more likely to monitor the diversity of their workforce profile than their customer profile – though the diversity demographic that were most commonly considered were consistent, these being gender (87% workforce profile, 57% customer profile), age (80% workforce profile, 38% customer profile), cultural background (51% workforce profile, 30% customer profile), and disability (47% workforce profile, 22% customer profile).

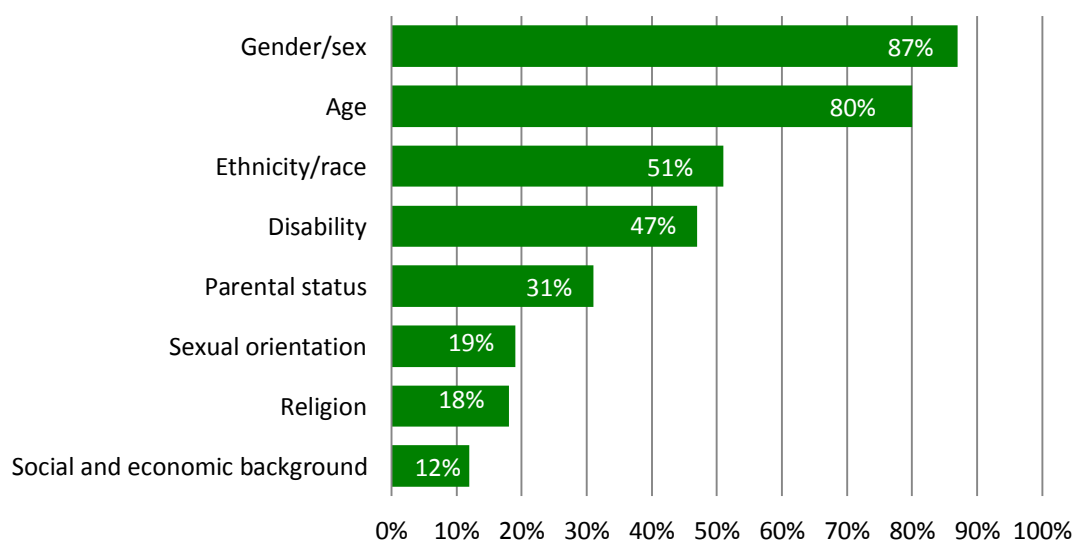
Other Monitoring: The most common indicators, which were monitored, were incidents of harassment, bullying, and discrimination (90%), employee engagement (61%), pay decisions (58%), promotion rates (58%) and employee perceptions of the organisational culture (53%). Where diversity-related complaints were monitored, the most common types of complaints 'monitored' were (in order of commonality): gender, age, Indigeneity, cultural background, disability, and caring responsibilities.



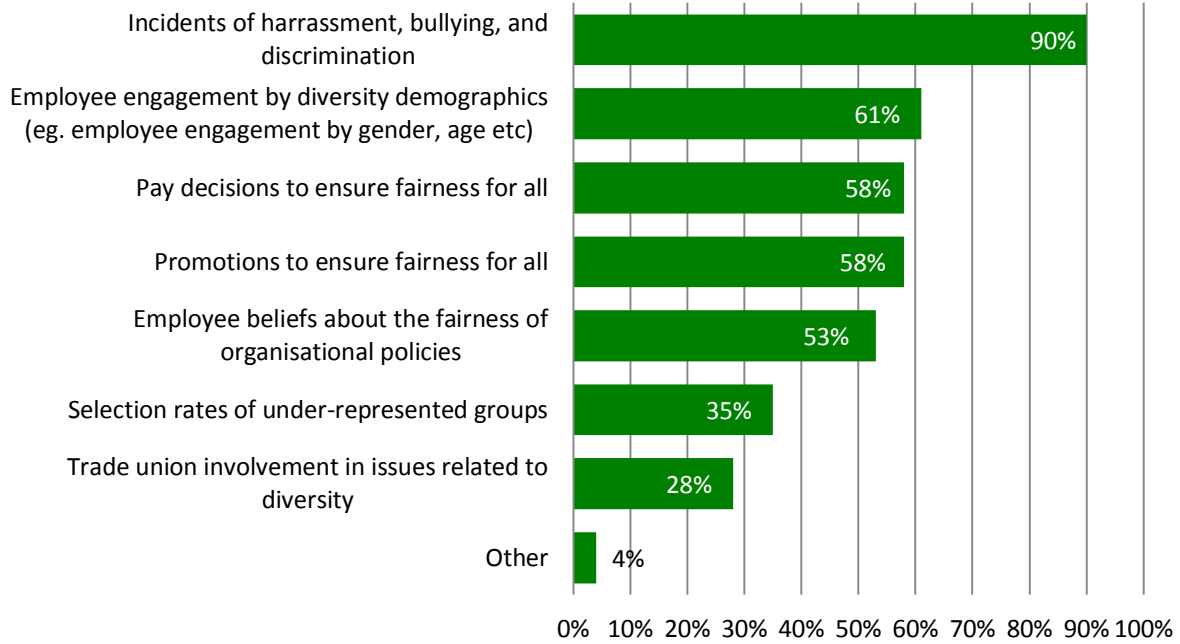
13.2 Monitor the diversity of your customer profile



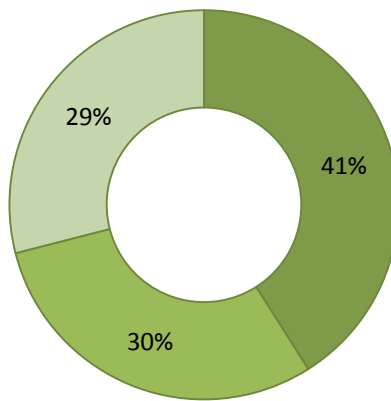
13.3 Monitor the diversity of your staff profile



13.4 Does your organization monitor:

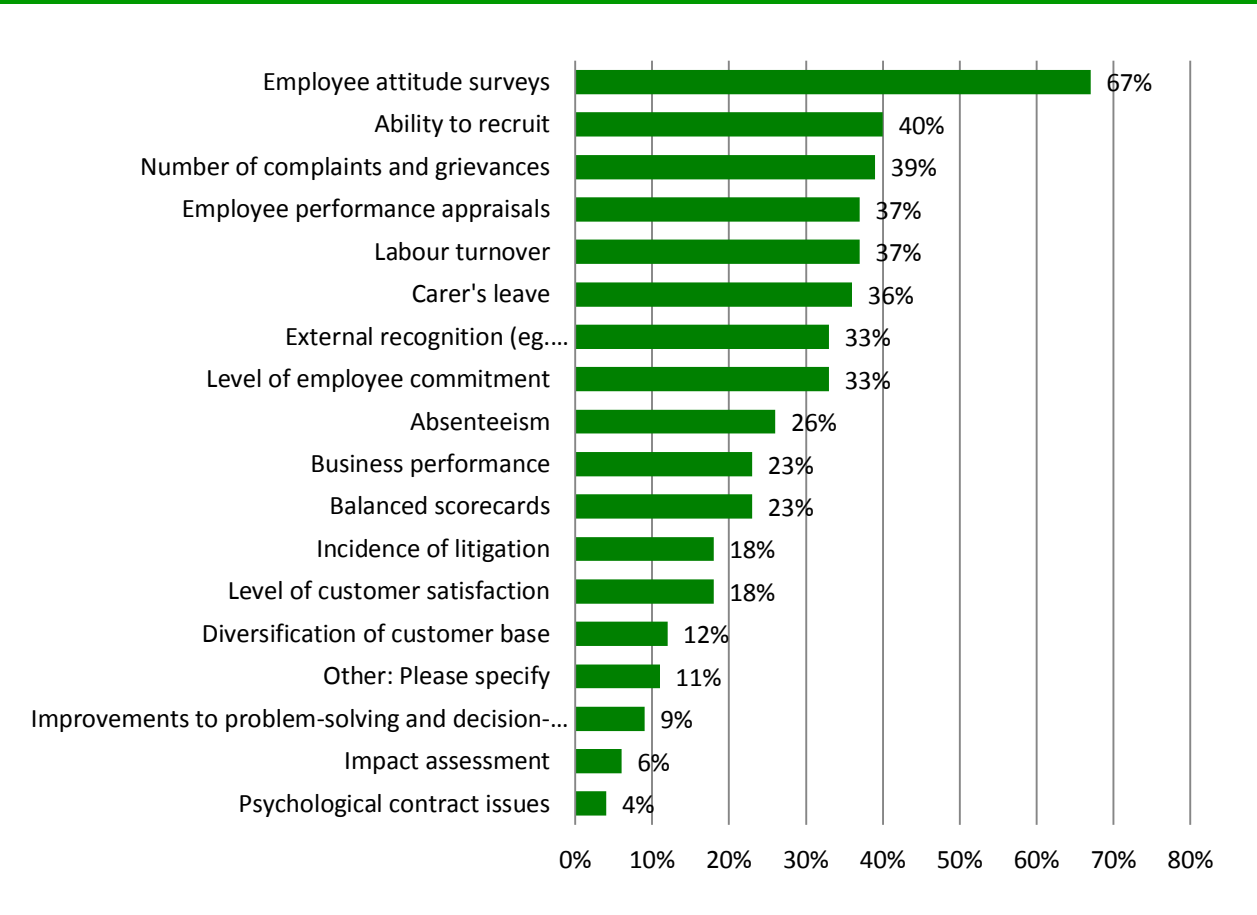


13.5 Does your organisation measure the outcomes of diversity management initiatives? (I.e. evaluate the impact D&I initiatives have had)

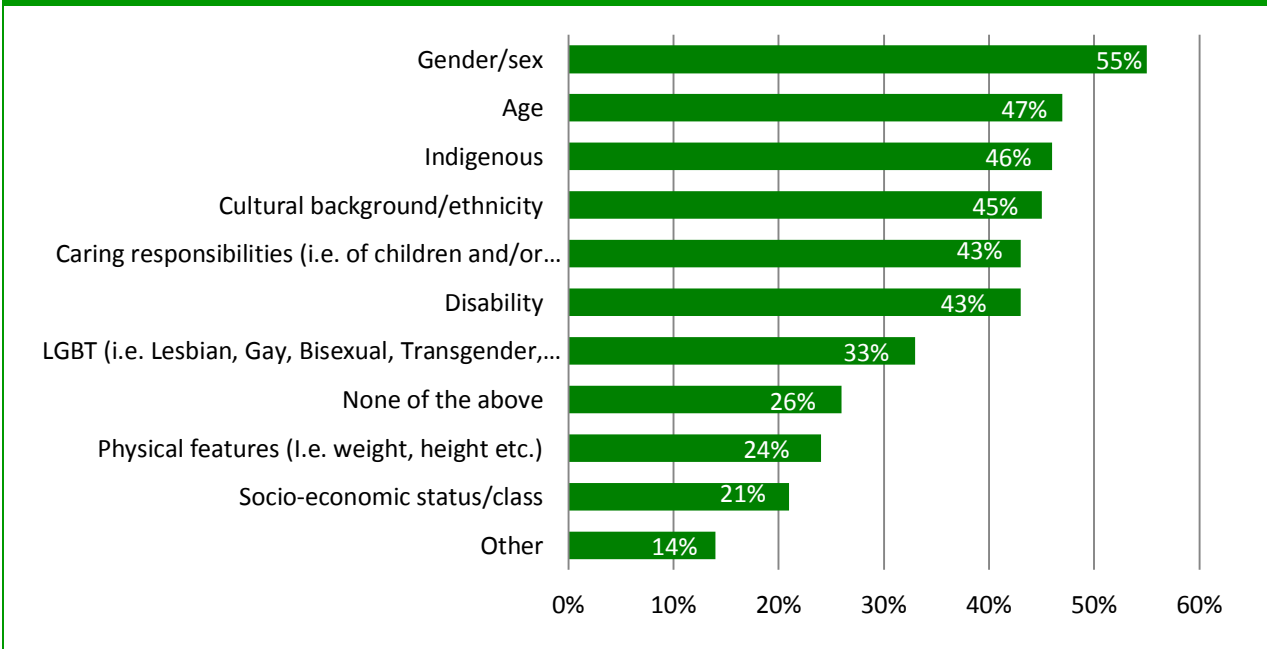


■ Yes ■ No ■ We are investigating the option

**13.6 Which of the following measures do you use to monitor diversity in your organisation?
Please select ALL that apply.**



13.7 Which of the following types of EEO/diversity-related complaints does your organisation monitor? Mark as many as apply.



14. D&I CUSTOMER CONNECTION

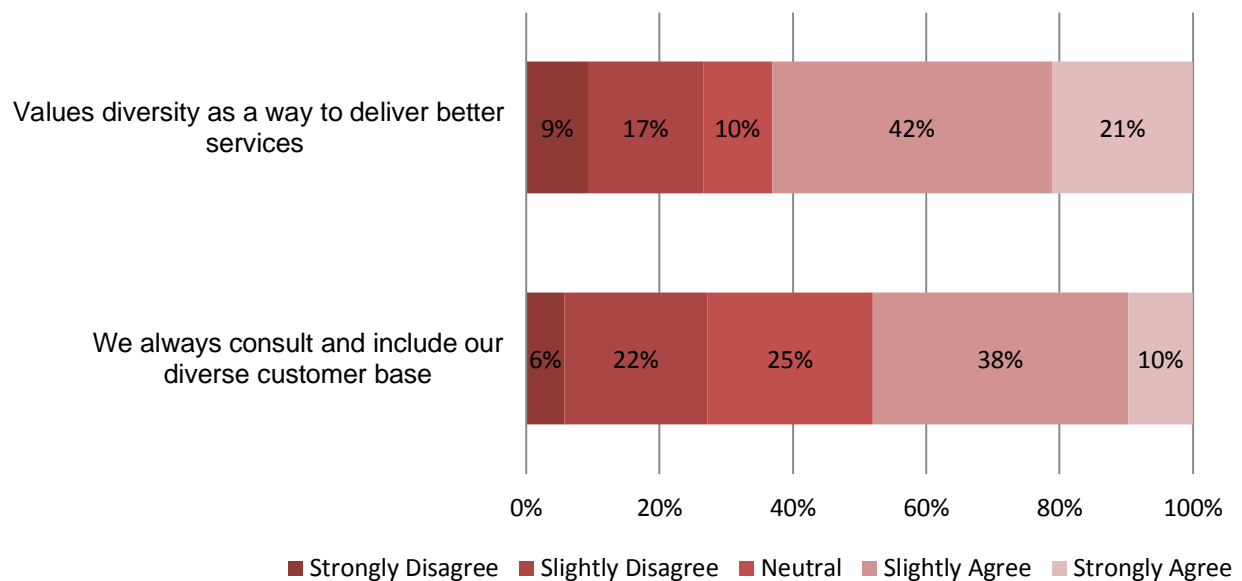
In most organisations, D&I seemed to be viewed primarily as a human resource management rather than customer issue. Where D&I was considered in relation to customers, initiatives tended to focus on monitoring the diversity of their customer profile rather than initiatives beyond this.

Business Drivers: None of the top business drivers for D&I related to customers. Customer-related business drivers featured much lower down the lists – for example, 23% ‘To improve customer relations’, 18% ‘To improve corporate branding’, 16% ‘Desire to reach diverse markets’ and 12% ‘To respond to the competition in the market’.

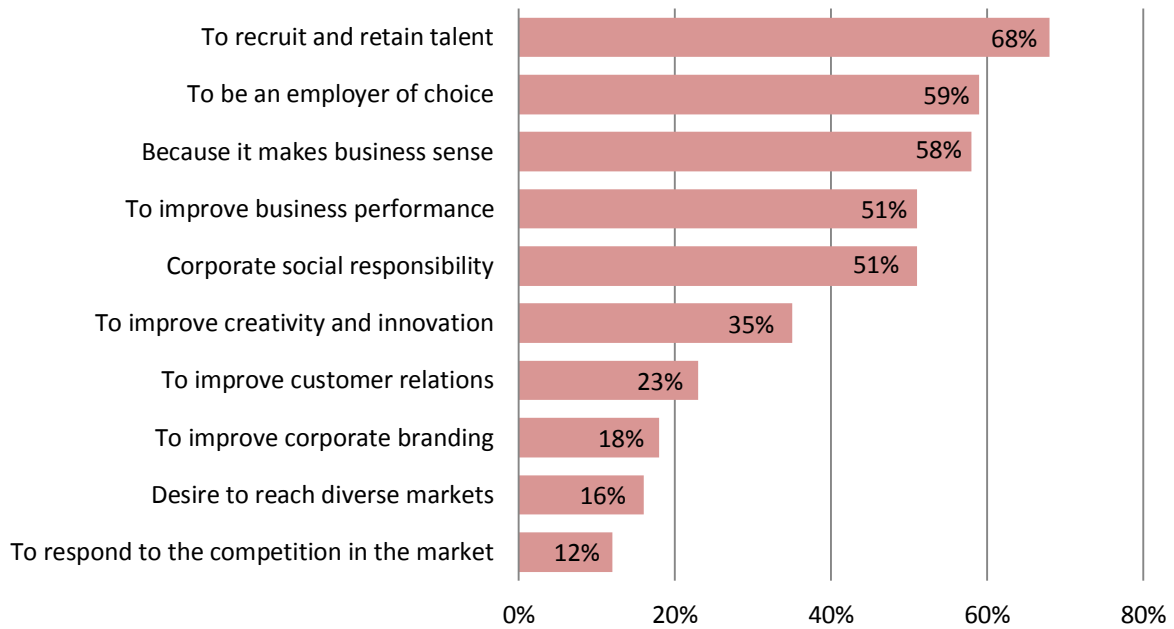
Monitoring Customer Profile: As noted in the previous chapter, D&I Practitioners’ organisations were much more likely to monitor the diversity of their workforce profile than their customer profile – gender (87% workforce profile, 57% customer profile), age (80% workforce profile, 38% customer profile), cultural background (51% workforce profile, 30% customer profile), and disability (47% workforce profile, 22% customer profile).

Customer Inclusion: Only 10% of surveyed D&I Practitioners strongly agreed that their organisations always consult and include their diverse customer base.

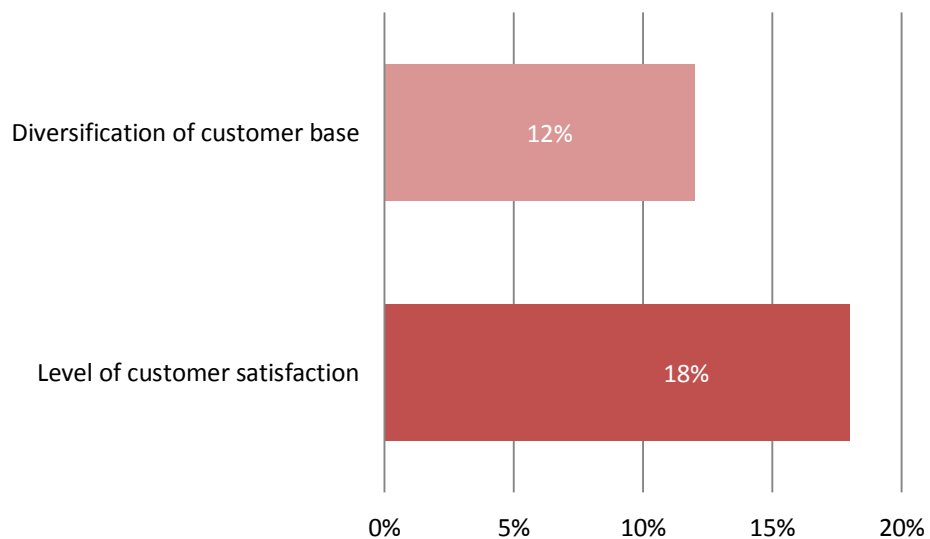
14.1 To what extent do you agree with each of the following statements



14.2 What are the drivers for diversity in your organisation? Please indicate THE TOP FIVE drivers by indicating your FIVE preferences from the list of options presented.



14.3 Which of the following measures do you use to monitor diversity in your organisation?



15. D&I CLIMATE

15.1 To what extent do you agree with each of the following statements?

	Strongly Disagree	Disagree	Somewhat Disagree	Somewhat Agree	Agree	Strongly Agree
Colleagues listen to and respect each other	3%	5%	6%	41%	34%	12%
Formal and informal networks in my organisation enable diverse people to talk to each other	3%	8%	10%	38%	29%	13%
Flexible working arrangements are encouraged in this organisation	6%	12%	7%	32%	25%	18%

15.2 To what extent do you agree with each of the following statements?

	Strongly Disagree	Slightly Disagree	Neutral	Slightly Agree	Strongly Agree
I always feel comfortable about networking with different groups of people in my organisation	0.4%	6%	9%	38%	47%
My organisation sets out to encourage all employees to reach their full potential	3%	13%	15%	42%	27%
My organisation is always prepared to make adjustments to assist with different employee needs	5%	14%	15%	42%	25%
In my organisation all employees feel able to request different work-life arrangements as the need arises at different points in time	7%	20%	12%	39%	22%

16. OPPORTUNITIES

16.1 To what extent do you agree with each of the following statements?					
	Strongly Disagree	Slightly Disagree	Neutral	Slightly Agree	Strongly Agree
All vacant positions within my organisation are advertised internally	5%	11%	8%	29%	47%
In my organisation ALL staff are encouraged to develop their skills	4%	13%	13%	31%	39%
Information on career development is offered to ALL employees	6%	19%	14%	29%	32%
There is good communication about internal job opportunities in my organisation	5%	15%	17%	39%	24%
All vacant positions within my organisation are advertised externally	13%	24%	20%	29%	14%
There are many opportunities for progression within my organisation	8%	21%	20%	38%	12%
Jobs tend to be given to people "in the know"	20%	22%	19%	31%	9%
In my organisation there are many opportunities to develop new skills at all levels	3%	7%	4%	14%	8%

16.2 Please rate your level of agreement with each of the following statements. My current organisation:					
	Strongly Disagree	Slightly Disagree	Neutral	Slightly Agree	Strongly Agree
Encourages the career progression of both men and women	5%	9%	7%	39%	39%
Encourages the career progression of people of different cultural and ethnic backgrounds	5%	11%	18%	33%	33%
Encourages the career progression of people at all ages	10%	14%	16%	33%	28%
Encourages the career progression of lesbians and gay men	9%	9%	31%	24%	27%
Encourages equal numbers of men and women in all management positions	14%	18%	15%	27%	25%
Encourages the career progression of people with disabilities	8%	17%	30%	25%	19%