
Re-thinking merit

Why the meritocracy is failing Australian businesses



“Let’s not pretend that there aren’t already established norms that advantage men. Men invented the system. Men largely run the system. Leaders must confront their behaviour, overcome the biases and focus on true merit and inclusion.”

Gordon Cairns
Chairman, Origin Energy

Contents

1	Foreword	3
2	Re-thinking merit: Why the meritocracy is failing Australian businesses	4-5
3	Merit and non-merit factors: Why Australian workplaces and structures are not meritocracies	6-8
4	Why do we persist with the concept of merit?	9-10
5	Why does it matter? The business case for diversity	11-12
6	Recommendations	12-13
7	Putting recommendations into practice: Company examples	14-15



Foreword

1

Over many years, we have been discussing and debating the barriers to gender equality in the workforce. It concerns us that consistently when you talk to men and women about why there are so few women in leadership roles in Australia, they will cite 'merit' as the reason.

We, like many other leaders in Australia and globally, refuse to believe that women have less merit than men. We believe the merit process is flawed. We suggest those who view Australia as a functioning meritocracy are failing to understand the limits of our own conceptions of merit, which involve a range of biases that discriminate against women and other diverse groups in employment practices in Australian business.

McKinsey recently republished gender equality recommendations it made in 1976. Their similarities to recommendations made today, including in this piece, are cause for some serious concern. Why are we still having the same conversations in 2015 that we were having nearly 40 years ago? Business leaders then called for change so their daughters would not experience the same limits the women of their day did. Many of their daughters are now retired and the statistics around women's advancement have made little headway. Despite having graduated from university in higher numbers for more than two decades, women comprise less than 20% of board directorships in ASX200 companies, and account for only 5% of CEO positions.¹

Overcoming our false belief in a meritocracy has perhaps been a missing piece in the diversity conversation to date. Forward-looking companies striving for diversity have policies that try to

introduce diversity into the merit process. We argue here that this is the cart pulling the horse. Forming the highest performing teams through diversity means that merit is instead part of the diversity conversation. We see merit as an element of a process that seeks to achieve optimum performance not through a flawed model of merit, but through facilitating the best possible team.

We commend those leaders in the business community who have spoken out about these issues and who have in their own businesses made good on commitments to gender equality and women's empowerment. We also want to highlight the unsung heroes of this conversation, the tireless work of HR professionals in developing the diversity agenda. These advocates are critical to progress in practice, and need to be at the decision-making table of every business.

Through this paper, we hope to start a new conversation about our overly simplistic view of 'merit' and its impact on women's access to leadership roles. We call on business leaders and managers at every level of every organisation in Australia to boldly seize on these words, these policies, and the recommendations in this piece and across the diversity discourse to ensure another generation doesn't slip by with insignificant change.

We believe equality is possible to achieve, but if we shy from the challenge our sisters, daughters and granddaughters will continue to face the same disadvantages their mothers and grandmothers did.



David Wakeley
Chief Executive Officer
Autopia



Julie McKay
Executive Director
UN Women National Committee Australia

¹ Australian Institute of Company Directors, 30 November 2014, available online: <http://www.companydirectors.com.au/Director-Resource-Centre/Governance-and-Director-Issues/Board-Diversity/Statistics>, accessed 19 December 2014 and Business Insider, This is What You Need to Become a CEO of an ASX200 Company, 29 October 2014 available online: <http://www.businessinsider.com.au/this-is-what-you-need-to-become-a-ceo-of-an-asx-200-company-2014-10> accessed 19 December 2014.



Re-thinking merit: Why the meritocracy is failing Australian businesses

2

Australian businesses are functioning under the pretense of a false meritocracy. As long we continue to assume the meritocracy exists and works, businesses are missing opportunities to improve their performance through capitalising on the full talent pool available, which includes a diverse set of experts who can maximise the performance of their teams.

Australian culture and law fundamentally value the concept of a level playing field through anti-corruption and insider-trading laws, the ACCC and competition laws, anti-discrimination laws and so on which are designed because we value equality. None the less, the unequal playing field and pay gap persist in the gender space.

Smart businesses will recognise this issue and change the conversation from seeking the best on-paper candidates to considering which candidates will make for the highest performing teams. Diversity then becomes part of the merit process: companies seeking diverse experts will create the best teams. Involving more women at all levels of business

and decision making is integral to successful growth, better decision making and remaining competitive in the face of Australia's productivity challenges, skills shortages and the growth of markets in Asia.²

Countless academic, social and business studies have proved that our conception of meritocracy is a myth, in a myriad of social settings. While often conflicting explanations attempt to decipher between cause and correlation, there is general agreement that humans have strong in-group bias, and this bias plays out in a number of ways across social, racial, gendered and other groups.

² Diversity and gender: Realities for growth in the global economy, Dr Hannah Piterman in Women in Leadership: Understanding the gender gap, June 2013, Committee for the Economic Development of Australia



The meritocracy myth is exposed in many ways:

- Several studies have explored the concept of ‘aesthetic capital’ and the ‘ugliness penalty,’ the effect that better looking people have more success in a range of endeavors, including job interviews and loan applications.³
- Similarly, a growing number of studies overseas and in Australia point to the ‘height premium,’ the tendency for overrepresentation of tall men in positions of leadership. In Australia, ASX CEOs are, on average, 7cm taller than the average man (94% of ASX50 CEOs are men). Men 190cm or taller make up 3.2% of the Australian population, but almost 20% per cent of ASX50 CEOs.⁴
- Women who were told that women performed worse than men on a math test performed less well than women for whom this negative stereotype was not activated.⁵
- The Heidi versus Howard study, which has now been replicated across business schools and workplaces, saw participants ranking the same resume more favorably when Howard Roizen was the candidate rather than when Heidi Roizen was the name on the resume. Participants acknowledged that Heidi was obviously well-accomplished and highly competent, but were less likely to want to work with her or for her.⁶
- In a similar vein, many female authors continue to take on male pseudonyms, or use ambiguous initials, due to studies that show men are more likely to read fiction written by male authors.⁷
- The introduction of blind auditions for major symphony orchestras in the US, where the player is hidden from the judges by a screen, increased women’s chance of advancing through preliminary rounds by 50%. The New York Philharmonic, for example, saw the proportion of women rise from 10% to 45% of new hires once blind auditions were implemented, ensuring judgment was based on sound, not gender.⁸
- A recent study on the financial and other rewards given by businesses who view themselves as meritocracies indicates that when an organisation is explicitly presented as meritocratic, individuals in managerial positions favor male employees over equally qualified female employees by awarding them larger monetary rewards. This phenomenon has been dubbed the ‘merit paradox’ whereby a focus on merit results in more biased outcomes.⁹

Academics and business people have time and again disproved the functioning of ‘pure merit’ in workplaces and other settings. Yet the concept that businesses recruit, pay and promote based on a person’s merit persists.

The reality is there are a variety of non-merit factors that negate the intended effects of merit. These act as barriers to women’s advancement in the workplace; and to business’ ability to capitalise on Australia’s talent pool.

³ ‘Is Lookism Unjust? The Ethics of Aesthetics and Public Policy Implications.’ Louis Tietje and Steven Cresap; Journal of Libertarian Studies, Volume 19, No. 2 (Spring 2005): 31–50 ⁴ Top 50 CEOs head and shoulders above the rest, Edmund Tadros, Australian Financial Review, 22 Sep 2012 ⁵ Stangor, Charles; Carr, Christine; Kiang, Lisa, Activating stereotypes undermines task performance expectations. Journal of Personality and Social Psychology, Vol 75(5), Nov 1998, 1191-1197 and Victor Sojo and Robert Wood 2012, Resilience: Women’s Fit, Functioning and Growth at Work: Indicators and Predictors, Melbourne Business School, Centre for Ethical Leadership. ⁶ Frank Flynn in Gender-Related Material in the New Core Curriculum, to attendees at the WIM banquet, 2007 from Prof. Joanne Martin, The Stanford Graduate School of Business, 2007, Available online: <https://www.gsb.stanford.edu/stanford-gsb-experience/news-history/gender-related-material-new-core-curriculum> ⁷ Stefanie Cohen, Why Women Writers Still Take Men’s Names, Wall Street Journal, Dec. 6, 2012 ⁸ Behind the Scenes, Behind the Screens, Lisa Frattare and Meg Urry, January 1999; Orchestrating Impartiality: The Impact of ‘Blind Auditions’ on Female Musicians, CLAUDIA Goldin and Cecilia Rouse, The American Economic Review, 2000 ⁹ Castilla, Emilio J., and Stephen Benard. ‘The Paradox of Meritocracy in Organizations.’ Administrative Science Quarterly, 55 (2010): 543-576.



Merit and non-merit factors: Why Australian workplaces and structures are not meritocracies

There are two major reasons Australian businesses are not meritocracies:

First

The way merit is used in the recruitment and retention of candidates is not definitive, neutral or objective. In fact, significant cognitive bias exists which introduce subjectivity into the processes.

Second

Women and men do not start from an 'equal playing field' with regards to the access to opportunities to build networks and enhance their careers.

1 Merit is subjective

Merit is, by definition, not a neutral and objective test but a fluid idea involving informal and value-laden criteria, susceptible to bias.

In the business world, merit can be thought of as using the following formula:

Merit = Past Performance + Potential

Past performance is relatively easy to determine; it looks at years of experience, type of experience, formal qualifications, and measured outputs.

Potential is where entirely subjective measures are used. Factors such as 'fit' for the team, leadership potential, 'suitability' for the job and likelihood to 'stick around' are considered as part of judgments of potential.

When qualitative measures are used, there is a decision making process whereby those seeking merit set the parameters for what they're seeking. This process enshrines a definition of merit which reflects the values and biases of the decision makers, those already in power.

"There is a tendency to promote people who look like me, whoever the 'me' is, and in an organisation like Treasury, that treats the merit principle as sacrosanct, you can hide a lot of things behind merit."

Treasury Secretary **Martin Parkinson**



The challenge then is divorcing ‘actual’ merit from ‘perceived’ merit. Our culture values so deeply certain characteristics of merit, particularly in regards to leadership, that we fail to see past the veil of apparent merit characteristics to the substance of the individual being evaluated, or to the merit in those that don’t conform to decision-makers’ pre-defined perceptions of merit.

That the meritocracy purports to be objective hides this implicit, value-laden and biased decision making process. The result for women is too often that they’re excluded based on informal criteria masquerading as merit.

“Given a plethora of candidates, all with perfect CVs, selection committees continue to look for the ‘X’ factor and find, strangely enough, that it resides in people who look remarkably like themselves.”

The Economist

If merit refers, for example, to those most suitable for the job, but ‘suitability’ involves being available round the clock, those with caring responsibilities – disproportionately still women in modern-day Australia – will be judged to have less merit.

So far, businesses have been unable to divorce merit from unconscious bias, notions of the ‘ideal worker’ and deeply held gender norms. Narrowly defined notions of merit impact our perception of who has merit, and all too often, it is women, and other less-privileged groups, who do not fit.

2 The playing field is not level

Women and men do not start the day from an equal playing field in our workplaces. Women who remain responsible for the majority of unpaid care work in our country, are less likely to be offered formal training and development and are often excluded from the informal networking which later leads to opportunities arising for men.

In a culture where the majority of unpaid caring responsibilities still fall to women, it is a mistake to view an unbroken career trajectory or round the clock availability as having more merit. Moreover, managers often cite ‘other priorities’ as a reason not to give women opportunities on major projects. Evidence shows that women working part-time are in fact the most productive group of workers in Australia, this would suggest we are missing out on significant talent by allowing this to continue.

In a business world where informal networking opportunities lead to career advancement, women are often excluded by virtue of networking events being held in venues where women may feel unwelcome, such as the golf course or pub. The relationships that are built at these types of informal work activities often become ‘sponsorships’ where men open the door for each other. When women are not able to participate equally in these opportunities, they miss out on the sponsorship benefits as well.

“Over the years, I have learned that formal sponsorship for women may be required, by senior leaders and by me, to mitigate unofficial opportunities that are often more readily available to men. Unless you are conscious of the unequal access, and ensure that processes truly reward merit, women will ‘leak’ out of the pipeline when they shouldn’t.”

Helen Silver

Chief General Manager Workers Compensation,
Allianz Australia



In a society that views the same behaviour traits that are penalised in women as positive in men, it is a mistake to think our judgments of merit are based on the same criteria for everyone.

The recruiting landscape often uses masculine wording in job descriptions and gendered selection criteria that are unrelated to the skills required to do a role, but instead relate to the 'type' of person being sought. Women may not apply for these roles, not because they lack the skills to do the job, but because they pick up on social cues, deliberate or unintended, that deter them from applying. Yet again the playing field tilts in favor of the status quo.

These are but a suggestion of the wealth of non-merit factors at play in the merit conversation. The meritocracy assumes a level playing field ignores the non-merit factors that can set women behind when merit is defined by those who are already perceived to have it.

To top it off, the playing field seems to be least level where workplaces specifically focus on merit. This is the merit paradox, whereby an emphasis on merit in decision-making activates the stereotype that men and women differ in their degree of competence or capability.¹⁰

“The 18 per cent gender pay gap is not there because women are less competent at work than men.... The number of older women retiring with less superannuation than men is not because they are worse savers.”

Tanya Plibersek

Were the majority of men subjected to the same social constraints and expectations as women, and were women freed of the biases in perception of performance and capability, the playing field might begin to level. Until then, to assume career advancement is based purely on individual merit is to be blind to the realities of a playing field that continues to present barriers to women.

“Gender equality will be achieved when we have as many incompetent women in senior leadership roles as we do incompetent men.”

Jane Caro

It's who you know

Rhetoric around the necessity of networking for career progression is perhaps the most open instance of the discord between career progression and merit. Women and men are openly encouraged to seek mentors and sponsors to aid in their advancement. Part of this is about seeking advice. Part of it is about gaining access to people and opportunities. Connections are less about merit and more about other forms of advantage: social and cultural capital.

The hypothetical and actual manager

New studies have challenged the Heidi vs. Howard Study. In one meta-analysis, researchers found that while gender bias was alive and strong in hypothetical evaluations of female and male bosses, the same phenomenon was not observed when people were asked to evaluate their own bosses.¹¹ This is consistent with research that indicates bias is reduced with exposure.

Nevertheless, the study revealed that a high level of bias prevails when subjects imagined the ideal manager, with men and women more likely to indicate a preference for a male boss.¹²

Unfortunately, when it comes to decisions about recruitment and promotion, the hypothetical is at work. Decision-makers must imagine the ideal candidate, meaning gender bias is evoked.

¹⁰ <http://theconversation.com/the-myth-of-merit-and-unconscious-bias-18876> ¹¹ Kim M Elsesser and Janet Lever, Does gender bias against female leaders persist? Quantitative and qualitative data from a large-scale survey, Human Relations November 2011 64: 1555 ¹² Ibid



Why do we persist with the concept of merit?

4

There is a raft of explanations for the persistence of merit in the national and business psyche. Explanations operating at a systemic, social and individual level have been addressed by psychologists, social scientists, organisational behaviorists and business experts.

At a systemic level, deeply entrenched gender norms and expectations mean that bias, both conscious and unconscious, continue to exert a power on decision making that perpetuates current power structures and acts as a barrier to entry into the in-group.

At a social level, organisations have a stake in the merit principle. To accept that merit processes are flawed is to accept that appointments based on merit are flawed. This would be to undermine the process through which leaders got to their positions. Their deservedness to lead is at stake, as is the validity of their previous decisions. This threat to the status quo, and to current power structures, is not something organisations or societies are willing to accept.

Cultural narratives around success being the result of individual talent and effort are the basis on which our educational and workplace structures rest. The Australian national narrative is based on 'a fair go' and 'the level playing field.' Australians want these narratives to be true, we believe society should be egalitarian, and are not always prepared to accept this is more illusion than reality.

Also in the cultural vein is the threat that by turning from our current system of defining merit to a system that prioritises diversity means boardroom and workplace culture will have to change. While this fear is often dressed up as the desire to avoid tokenism or prevent unqualified people from gaining positions of power, the reality is there isn't a strong will for



cultural change. Cultural change of this nature takes not only recognition that one is part of an in-group, but subsequent buy-in that this needs to be dismantled for businesses to flourish through diversity. For many men, the fear is they will experience diversity as a loss to their current status.

At the individual level, we have a stake in merit. We want to feel like we deserve what we have, and that we have opportunities to progress through hard work. We do not want to feel limited by factors beyond our control, it goes against everything we are taught about individual agency and having control over your fate.

Often, this attitude is useful. Employees unwilling to take responsibility for their successes and failures, rather blaming external circumstances, are the notorious foil to the proactive, problem-solving ideal management literature expounds.

Nevertheless, ‘denial of personal disadvantage,’ in which people typically imagine themselves as being exempt from prejudices they acknowledge apply to their membership or reference groups, compounds the belief that women aren’t getting ahead due to personal failures. Accusations, particularly in the media, that women victimise themselves when calling out gender discrimination in the workplace can exacerbate this, as women distance themselves from this negative labeling.

*“I refuse to acknowledge [the glass ceiling].
I’m not saying it doesn’t exist. But the
approach I’ve taken is that if I want something
I’ll work hard and set my mind to it and it
comes off that’s great. If it doesn’t I’m not
going to blame the fact I’m a woman.
I’m not going to look at life through the
prism of gender.”*

Julie Bishop

Preaching to the converted

On top of these factors, research into the way the human brain assimilates information is illuminating. Cognitive factors can render misinformation resistant to correction.¹³ For example the backfire effect, whereby factual evidence that contradicts people’s beliefs actually acts to strengthen those beliefs, goes some way to explaining the persistence of strong belief systems that are not backed by evidence.¹⁴

Those who believe a meritocracy functions in Australia are therefore likely to use evidence to the contrary to bolster rather than challenge their beliefs.

The bold and vocal support of male and female advocates in this conversation is paramount. As Sex Discrimination Commissioner Elizabeth Broderick explained, in setting up the Male Champions of Change program, ‘If we are to get significant change in this area it [requires] men taking the issue of gender equality to other men.’

“Men who have a track record of hiring, developing and advancing women are actually quite rare. We celebrate them as exceptional. If we want more women in our senior ranks, such leaders should be the norm in our businesses rather than the exception. Let’s end the lottery and unlock the potential of all our people.”
Mike Smith, ANZ

¹³ Stephan Lewandowsky et al. Misinformation and Its Correction: Continued Influence and Successful Debiasing. *Psychological Science in the Public Interest*, 13(3) 106–131 ¹⁴ Brendan Nyhan and Jason Reifler. When Corrections Fail: The persistence of political misperceptions. *Forthcoming Political Behavior*, 2014. Available online: <http://www.dartmouth.edu/~nyhan/nyhan-reifler.pdf> and Maria Popova. The Backfire Effect: The Psychology of Why We Have a Hard Time Changing Our Minds. *Brain pickings*. 13 May 2014. Available online: <http://www.brainpickings.org/2014/05/13/backfire-effect-mcraney/>





Why does it matter? The business case for diversity

5

Our convictions around merit and the ways it functions recognising and rewarding talent, fail to serve businesses as a useful means of achieving the highest performing workforce. Smart businesses are starting to rethink the notion of the ideal worker and move to focusing on creating smarter, more diverse teams.

Our current use of the term ‘meritocracy’ breeds homogeneity. If we take the best and the brightest, according to a narrowly prescribed view of what best and brightest mean, we exclude diverse perspectives and opportunities for radically new ideas.

The business case for diversity is now extremely well documented. There is a significant evidence base demonstrating that diverse teams make better decisions and weather crises better than teams which lack diversity. This has been studied in the context of the Global Financial Crisis (GFC): companies who weathered the GFC best were those with more women on their boards. Diverse organisations better understand customers, better engage employees, make more informed, lower risk decisions, and gain a competitive advantage.

Martin Reuf, a Princeton sociologist, researched over 600 entrepreneurs. The main point he makes is:

“Business people with entropic networks were three times more innovative than people with predictable networks. Because they interacted with lots of different folks, they were exposed to a much wider range of ideas and ‘non-redundant information.’ Instead of getting stuck in the rut of conformity – thinking the same tired thoughts as everyone else – they were able to invent startling new concepts.”

Early reports from McKinsey and Catalyst on the financial benefits of diversity continue to be added to by major companies. Deloitte Australia recently published findings continue to add to the literature calling for greater diversity. McKinsey, Bain, and Boston Consulting all have reports affirming this, as do the big four accounting firms, major banks and other major institutions.

Greater diversity impacts the business bottom line. Failing to embrace diversity through continued reliance on flawed principles of merit are holding businesses back from stronger economic outcomes.

Additionally, Australia's skills shortage and productivity

challenges will necessitate a fundamental shift in our thinking around merit as it applies to recruitment, retention, employee satisfaction and promotion. Businesses will need to contend with a changing landscape, and greater focus on flexible work practices. A narrowly defined notion of merit cannot accommodate these changes; and businesses that fail to adapt will be outmaneuvered by their competitors.

This rethink involves breaking down the traditional nine-to-five working week to facilitate employees' responsibilities and priorities outside of work, and recognising that an unbroken career trajectory doesn't necessitate greater capability or job performance.

Recommendations

6

1 Change the goalposts: diversity is of more merit to business

Understand the limits of employment practices based on merit and seek diversity as a better means of realising economic growth and success.

Reframe the employment conversation from seeking and developing the 'best candidates' to seeking and developing the best teams. Make merit part of the diversity conversation, rather than diversity being part of the merit conversation. This means merit can no longer be an excuse for lack of diversity. It opens businesses up to a broad talent pool, a more useful concept of what it is to have merit, and a better way of achieving the highest performing teams.

This will be a difficult shift in thinking. Businesses must open their minds to non-traditional career trajectories and broaden the success profiles they use to consider candidates.

Businesses convinced that their decision making process is unbiased will have the hardest time. Those that value non-merit factors such as 'cultural fit' and 'suitability' will lag in the war for talent. Those that recognise these as euphemisms for employment practices based on cultural ideals will accelerate the diversity agenda.



2 Deliver on diversity targets

Set targets for women at all levels of your organisation, share them publically and develop strategies to meet them.

This includes linking targets to senior leaders' scorecards and tying at risk executive remuneration to the organisation's success in achieving its targets. It also includes having a no excuses, no 'next time' attitude.

There is little appetite in Australia for the use of gender quotas. Businesses fear they will be forced to accept less qualified people in order to fulfill a quota. A system which truly valued

diversity as a better indicator of success than merit, and was able to disregard non-merit factors in employment, would not shy from quotas.

However, more needs to be done on this topic before quotas can become culturally acceptable. More successful female leaders and more diverse teams, attained through 'targets with teeth'¹⁶ will pave the way for this.

3 Use bias interrupters

Introduce bias interrupters at all stages of the employment process: recruitment, performance reviews, promotions, remuneration and bonuses.

Biases will be perpetuated unless they're intentionally interrupted. Further, people who think they work for meritocracies are less likely to do what it takes to interrupt them. Businesses must replace non-meritocratic business processes with bias interrupters that are based on objective metrics and are iterative, allowing companies to start with pilots then scale up.¹⁵

- In recruiting, use gender-blind resumes, or, ensure equal numbers of male, and female applicants are reviewed for all positions
- Conduct organisational pay audits and use this data to eliminate any gender pay gap within your organisation

- Commit to building internal awareness of unconscious bias through training and self-awareness testing
- Use gender neutral words in job descriptions and KPIs and remove irrelevant selection criteria that describe non-merit performance factors
- Monitor employee take-up of flexible work options and development of networking opportunities to ensure access is genuinely equitable, rather than equitable in policy only
- Conduct gender conscious performance reviews

4 Charge managers with staff buy-in for diversity initiatives

Diversity initiatives are only as successful as the staff buy-in they receive. All levels of the organisation need to be supportive of change. Managers must play a role in dispelling the merit fallacy, drawing attention to the ways in which unconscious bias manifests in employment practices, and illustrating the business case for diversity.

Organisations must commit to training and supporting managers to fulfill this role; and incorporate measures to both incentivize and penalize diversity outcomes in performance review processes. Managers must be equipped to manage in a flexible, diverse and inclusive work environment.

¹⁵ Harvard Business Review, 'Hacking Tech's Diversity Problem', Joan C. Williams, <https://hbr.org/2014/10/hacking-techs-diversity-problem> ¹⁶ EY Press Release 26th March 2014



Putting recommendations into practice: Company examples

Aurizon

Aurizon, acknowledging solid commercial reasons for having a diverse workforce, has developed a Diversity Action Plan that has been in place for only a few years and is already reaping rewards:

'The diversity programs have also uncovered a number of 'heroines' within our business; those who may have previously gone unnoticed. The programs have given women the opportunity, as well as the confidence, to shine.'¹⁷

Other key improvements include:

- Between March 2012 and 2013, female participation in Senior Management jumped from 12% to 26%
- Women in middle management increased from 29% to 33% and
- Female employee turnover rates have reduced from 13% to 7.2%

Aurizon's suite of measures to promote gender diversity include a CEO Office rotation program which provides development opportunities for women to work as Associate Executive Officers with the Managing Director & CEO; and recently, Aurizon has launched an internal Male Champions of Change initiative which engages male leaders in promoting gender equality.

The Bank of Queensland

The Bank of Queensland has introduced gender-blind resumes for senior and executive roles. Identifying factors such as name, age, gender and address are removed from resumes in a move to address unconscious bias in candidate selection.

The Bank acknowledges this strategy alone will be insufficient to combat unconscious bias in the recruitment process. Interviews and internal recruitment will not be gender blind. However, the initiative is part of a broader acknowledgment of the ways in which gender bias influences organisational decision making.

¹⁷ Case Study: Gender Diversity at Aurizon. Available online: <http://www.aurizon.com.au/Downloads/Aurizon%20Diversity%20Case%20Study.pdf>



TNT

TNT saw greater gender diversity as having important benefits to customers, internal culture and its own recruitment practices. It embarked on a program designed to increase the number of female drivers and dockhands and has been thrilled with the results, citing improved internal culture and customer satisfaction as a result of the increase in female employees.¹⁸

Commonwealth Bank

Commonwealth Bank is one of many major organisations to have set gender targets at senior levels and across the organisation, accompanied by a suite of other diversity initiatives and strong leadership on gender diversity from the CEO, board and senior leadership, such as diversity KPIs being embedded in the performance management plan of the senior leadership team.

To date it has reported not only the success of the targets in achieving greater female representation at higher levels of the organisation, but also the success of increased diversity in terms of impact on staff retention and satisfaction; customer service outcomes, company culture and financial outcomes.

Autopia

Acutely aware of the benefits and importance of gender diversity, particularly, in the traditionally male dominated automotive industry, Autopia management ensure there are male, and female applicants for all positions. This has resulted in a year on year increase in the percentage of female employees. A gender equity pay review is also performed every year.

Gender reporting and pay audits

Many major businesses are now reporting against gender measures and conducting pay audits to comply with ASX and the Workplace Gender Equality Agency’s guidelines. The big four banks, the big four accounting firms, Telstra, Qantas, Woolworths and BP are among many large companies now submitting annual gender reports in Australia. This growing body of data helps these companies internally to understand and target inequality, and in the Australian economy more broadly to better measure and understand the extent and nature of gender inequality.

UN Women National Committee Australia

As the United Nations Entity for Gender Equality and the Empowerment of Women, UN Women Australia brings together experts in the gender sector to progress gender equality and empower women to reach their full potential in contributing to our communities at work, home and in public life.

¹⁸ CEDA Women in Leadership, Understanding the Gender Gap, June 2013





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Autopia

Autopia is a financial services firm that specialises in novated leasing for Australian employers, and vehicle-related finance & tax solutions for member-based associations. Through specialisation, consultation and technological innovation, Autopia delivers “Intelligent Car Ownership” to thousands of drivers all over the country. One of our founding values is ‘Giving back’, and one of the ways we do that is by supporting UN Women in its important work around Gender Diversity – a subject we’re passionate about.