

Accelerating the advancement of women in leadership:

Listening, Learning, Leading

Male Champions of Change 2013

Stephen Fitzgerald
Non-Executive Director

Lieutenant General David Morrison, AO
Chief of Army

Kevin McCann, AM
Non-Executive Director

Alan Joyce
Managing Director and Chief Executive Officer, Qantas Airways Limited

Grant O'Brien
Managing Director and Chief Executive Officer, Woolworths Limited

Simon Rothery
Chief Executive Officer, Goldman Sachs Australia and New Zealand

Gordon Cairns
Non-Executive Director

Mike Smith, OBE
Chief Executive Officer, ANZ

Andrew Stevens
Managing Director, IBM Australia & New Zealand

Geoff Wilson
Chief Operating Officer, KPMG Asia Pacific

Ian Narev
Managing Director and Chief Executive Officer, CBA

Sir Ralph Norris
Non-Executive Director

Glen Boreham
Non-Executive Director

Elmer Funke Kupper
Managing Director and Chief Executive Officer, ASX

Dr Martin Parkinson, PSM
Secretary, The Treasury

Giam Swiegers
Chief Executive Officer, Deloitte Australia

Michael Rennie
Managing Partner, McKinsey & Company Australia & New Zealand

David Thodey
Chief Executive Officer, Telstra

Stephen Sedgwick, AO
Public Service Commissioner, Australian Public Service Commission

Stephen Roberts
Citi Country Officer, Citi Australia

Dr Ian Watt, AO
Secretary, The Department of the Prime Minister and Cabinet

November 2013

Listening, Learning, Leading

Dear colleagues,

The Male Champions of Change collaboration has the ambition to achieve significant and sustainable increases in the representation of women in leadership in Australia.

Established in April 2010 by Elizabeth Broderick, the Sex Discrimination Commissioner, our group comprises 21 CEOs, department heads and non-executive directors from across business and federal government.

In our 2011 letter to you, we wanted to start a conversation about what we could all do as leaders to achieve faster progress on women's representation at senior levels. We were heartened by the response, with many conversations and over 100,000 downloads.

Over the last two years we have shared ideas with each other and focused on taking action within our organisations. We have benefitted substantially from the research and insights of many – none more so than the views of our own people, which we sought as part of this process.

When we step back from this experience, we see four themes for leaders wanting to attract and advance more women and capitalise on the advantages of a gender-balanced organisation. These themes are: 1) stepping up as leaders; 2) creating accountability; 3) disrupting the status quo; and 4) dismantling barriers for carers.

Here we describe what we have tried and how it is going so far. None of us has everything right. We share a frustration that women's representation in leadership hasn't increased as much as we would like. However, we sense that genuine momentum for change, together with focused action, is translating into meaningful progress.

We trust that sharing our experiences widely will help support progress in your organisations and across our community.

Accelerating progress

Tapping into the full talent pool will give us a diversity advantage, creating commercial, societal and economic value. If we want gender balance to be the norm in our organisations, we must create the conditions and cultures that enable both men and women to thrive.

As all the research says, there is no 'silver bullet.' With wide consultation, we have identified an interconnected set of high impact actions that leaders can take to 'change the game.' These actions fall into four key themes.

- 1 Stepping up as leaders
- 3 Disrupting the status quo
- 2 Creating accountability
- 4 Dismantling barriers for carers

[IMAGE: Interlinked 'molecule' diagram of all icons for 'actions to consider']



Actions to consider

Stepping up as leaders

It starts with us. Reflect on your own leadership and whether you are sending the right signals about women and gender balance in your organisation.

Bring your top team with you. Take action to ensure that your team is effective in bringing together different points of view.

End the leadership lottery for women. Actively develop, promote and advance inclusive leaders across your organisation.

Creating accountability

Lead on gender reporting. Take reporting to a deeper level, with consistent reporting standards, to create a more transparent and granular view of the pipeline and progress.

Implement Plus One initiatives. Break entrenched patterns by using a simple commitment to engage managers to add at least one woman to their teams, as roles arise.

Drive a supplier multiplier. Communicate to suppliers how important gender balance is to you. Encourage and support suppliers who build and present more gender-balanced teams.

Disrupting the status quo

Ask '50/50: If not, why not?' Ask 'why not 50/50?' across career lifecycles, from recruitment and talent development to committees and panels. Broaden your searches and challenge results below your objectives.

Raise the bar on women's careers. Understand the types of experiences your organisation requires and broaden the success profiles you consider for senior roles. Ensure women get critical experiences in 'hot jobs.' Personally sponsor talented women and expect your senior executives to do the same.

Mainstream flexibility. Reflect on work patterns and 'what it takes to succeed' in your organisation. Change the presumption – ask what can't be done flexibly, rather than what can be done flexibly.

Dismantling barriers for carers

Get the basics right. Celebrate parenthood and unambiguously encourage return. Stay in touch with parental leavers and make the transitions easy.

Build environments where parents and carers thrive. Get under the numbers to see whether women returning from leave continue to develop their careers. Question deceleration and intervene when needed.

Support an expansive review of caring, including childcare options. The issues are system-wide and need to be addressed at the appropriate level, which our private sector organisations believe to be the Productivity Commission.

‘I will admit that I am very competitive. I care about results. That said, how leaders achieve results is just as important. Mutual respect, thoughtful conversations and collaboration are critical. I have learned over the past five years that when someone is not demonstrating the right behaviours you shouldn’t wait and hope they’ll see the light. You need to step in early to address the problem. You need to be prepared to make tough decisions if those behaviours don’t change.’

Alan Joyce, Qantas Airways Limited

‘You can accept things will change over time and just do your part, or you can grab the nettle and do it. That’s what I am trying to do and I am most proud that we have gone from a sedentary place to a place where momentum is unstoppable.’

Lieutenant General David Morrison, Army

‘In 2001 we had the recruits, we had the role models, we had the infrastructure, so I thought everything was ready to flow through...but it didn’t. I realised the way we worked had to change. I had to address the cultural barriers and address them in a way that suited Treasury – through harnessing the power of data.’

Dr Martin Parkinson, The Treasury

‘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

‘Ultimately, the buck stops with me. I need to make sure that all of the leaders in my organisation are inclusive. I don’t want this to be a diversity project – it has to underpin the way we do business.’

Giam Swiegers, Deloitte

1

Stepping up as leaders

At a glance

Heart of the issue

We know how much our actions create momentum for change. We also know that in the case of increasing the representation of women in leadership, creating momentum means more than we anticipated. It requires stepping up and changing our ways, demonstrating our commitment and prioritising the issue. It means taking action, not just talking about it.

Achieving any major change also takes commitment from every leader in an organisation, not just its most senior. We have found that women's experiences, and their advancement, are often too dependent on whether they are lucky enough to have a manager or sponsor who is supportive and inclusive. We need to end the leadership lottery.

Actions to consider

It starts with us. Reflect on your own leadership and whether you are sending the right signals about women and gender balance in your organisation.

Bring your top team with you. Take action to ensure that your team is effective in bringing together different points of view.

End the leadership lottery for women. Actively develop, promote and advance inclusive leaders across your organisation.

Male or female, there is no substitute for senior leaders who are fully committed to increasing the representation of women in leadership in their own organisation. Our people look to us to set the vision and the norm. We all need to reflect on whether we are truly treating this issue like we would any other strategic imperative and how we can demonstrate stronger leadership from the top.

We need to extend inclusive leadership throughout our organisations too. Leadership from the top is critical, but not enough. Middle managers determine the day-to-day experience in our organisations. When inclusive leadership isn't clearly valued above other styles, we end up with a potluck situation that can adversely and acutely impact the progression of women. We also fail to capitalise on the strength a diversity of perspectives brings our organisations.

We need to change what we think of and reward as great leadership.

It starts with us

Unless we as leaders have a personal belief in the need for change, progress is unlikely. For many of us, there has been a personal conversion. We have moved from an intellectual understanding to full engagement of the heart and mind.

For former IBM CEO Glen Boreham, this conversion came at the intersection of a business revolution and personal circumstances. Glen was running IBM when the shift to global business took off. He says 'It was clear Australia could not compete on scale, so the only way to remain competitive was with skills and innovation – and you just can't do that with only half the available workforce.' On top of this business reality, Glen found the thought that his daughter would have fewer opportunities than her twin brother unacceptable.

For David Morrison, this conversion was influenced heavily by the opportunity to talk to women who had experienced abhorrent gender-based treatment by Army colleagues. While David Morrison had been supportive and proactive in gender balance efforts, speaking to these women following an extensive sex-discrimination crisis transformed his support to personal dedication; 'As a person, as a man, and as Chief of the Army, I had to create momentum for change that was unstoppable.'

We started by asking ourselves whether we were living up to our own aspirations to champion women in leadership. To answer this question we developed, in collaboration with Chief Executive Women and Pine Street (Goldman Sachs' Leadership Development practice), a model for each of us to reflect on whether our commitment to gender balance is demonstrated in what we do, what we say, what we measure and in what we prioritise (Figure 1). We use the metaphor of a Leadership Shadow to describe how deeply and how sharply our leadership is cast through our organisations.

Gordon Cairns, Alan Joyce, David Morrison, Simon Rothery, Giam Swiegers and Ian Watt trialled the model. They each took away something they could do better. For example, Simon Rothery realised he needed to talk about the importance of gender balance more often – as frequently as he spoke about other business priorities. Alan Joyce kept a 'leadership diary.' This included reviewing his calendar to test whether he was actually making time for women mentees and reflecting on how promotions he had made reflected his diversity aspirations. He also reviewed recent speeches, and top 100 and top 500 internal events to identify how much time was focussed on the issue.

Every leader can learn something about themselves by taking time to reflect on his or her Leadership Shadow. Chief Executive Women and the Male Champions of Change will be releasing a comprehensive version of the model in early 2014.

Bring your top team with you

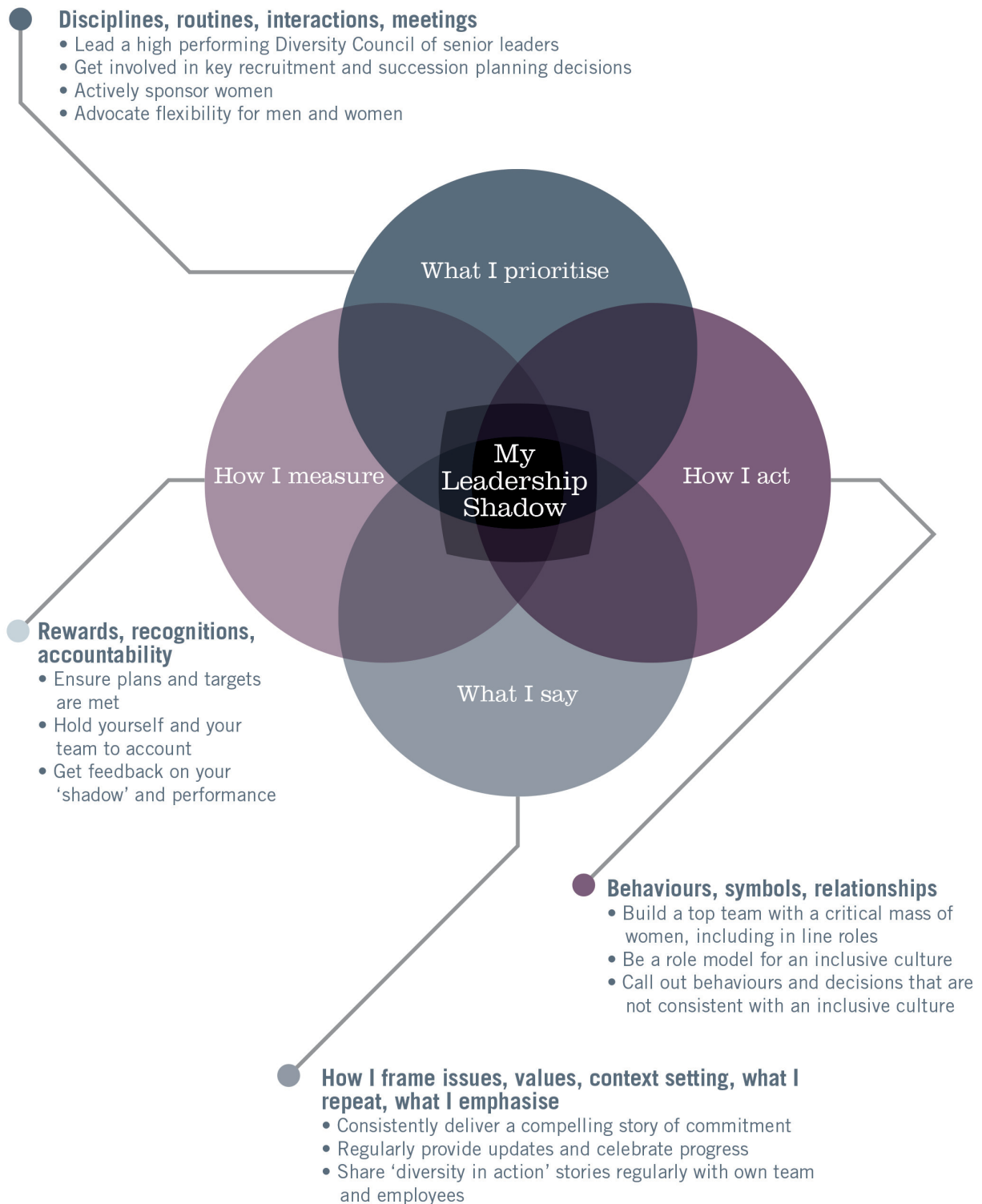
A committed top team amplifies our personal leadership. Says Alan Joyce, 'I have worked hard to ensure that my team is a strong working unit that role models the leadership we want to stand for. When I commenced as Group CEO, I had 11 direct reports, none of whom were women. Of my eight current direct reports, three are women, two of whom are responsible for running half the business units. In an industry dominated by men, this is a significant step change. I see the benefits of diversity every single day, including better risk assessment and decision making.'

A fully committed top team is essential to overcoming resistance. At Treasury, Martin Parkinson says the single best thing he did was engage influential but unexpected leaders as champions.

Shaping a top team that is inclusive and committed can also help sustain progress in the event of a leadership change. A number of our organisations have undergone this transition in recent years. As well as a supportive top team culture, we have found personal advocacy from the incumbent to the incoming leader to be a common thread in successful transitions.

Gender balance in the top team is also relevant at the board level. Women's participation on boards may benefit from a conscious decision by the Chair to ensure women are considered. Says Kevin McCann, 'while there were a number of very talented men

Figure 1. Chief Executive Women – Male Champions of Change Leadership Shadow



Extract from materials to be launched in March 2014. The Leadership Shadow for gender balance has been adapted from a model provided by Pine Street, the leadership development group of Goldman Sachs who could fill the role, two of my boards determined that they wished to appoint a woman as director who had the skills required for the position. Having made that decision, we were delighted with the field of talented and qualified women who were available. They equalled, and in some cases, exceeded the capabilities of some of the potential male candidates.'

End the leadership lottery for women

In our focus groups, women stated that having ‘a great manager’ – variously described as ‘inclusive’, ‘constructive’ or ‘strong on values’ – was the single most important ingredient to advancement. This is clearly the exception rather than the norm. We heard of women calculating that a slower progression was preferable to ‘taking a chance’ on a manager perceived to be less inclusive. Others said advancement opportunities dried up after their inclusive manager moved to another role.

To realise the culture we want, we need to embed our leadership expectations at all levels of the organisation, especially middle management. Qantas has invested in giving people the right skills and tools to be inclusive leaders. Managers came together to describe the ‘Darth Vader’ of a manager and its inverse – the ideal manager profile. Skill development has been supported by comprehensive measurement, including leadership assessments, engagement surveys, 360 degree feedback processes and external reviews of the top team. By role modelling, building the right systems and measuring all dimensions, Qantas has seen progress on its culture, with record customer and employee engagement despite major industrial action (Figure 2).

Some of us have tried unconscious bias awareness programs to better equip our leaders to self-reflect and recognise bias in their attitudes (Figure 3). As Giam Swiegers says, ‘The only way you get inclusive leaders is by talking – actually having an honest conversation about the biases out there.’

Treasury coupled compulsory unconscious bias training for all managers with a broadened accountability for fostering diversity. Leveraging the data-driven nature of Treasury, employees at all levels were engaged in identifying the need for change and finding solutions in their own areas. Each of

Treasury’s five groups presented their analysis and action plan to the Inclusive Workplace Committee, a newly established, senior decision making body. The first group set the tone, bravely exposing their own vulnerabilities. These efforts are part of a multipronged approach to transform the culture of Treasury, engaging all employees (Figure 4).

We need to complement these programs by changing incentives and making inclusive leadership the expectation in our organisations. The Leadership Shadow or an alternative model can be cascaded through the organisation to extend this conversation, or integrated into talent and feedback processes.

Ultimately, we want to see a new standard of leadership for Australian organisations.

‘Women in leadership has to be made personal for men who have influence and a capacity to act to change the status quo...Making it personal means it’s my responsibility.’

Dr Ian Watt, the Department of the Prime Minister and Cabinet

Figure 2. Leadership transformation at Qantas Airways Limited

Context

Alan Joyce commenced as Group CEO in 2008. Since then Qantas has experienced the effects of the burst credit bubble, a global financial crisis, a sovereign debt crisis across Europe, environmental and industrial challenges and low or no growth in many developed economies. Alan Joyce views constructive and inclusive leadership as critical to responding to this challenging environment and creating a major transformation across the Qantas group.

Actions

- Alan Joyce made his leadership values explicit – ‘You can’t do it alone’, ‘Ask the right questions’, ‘Develop the right behaviours’, ‘Bring people on the journey’ and ‘Keep on learning’
- Appointed senior leaders to head the Diversity Council
- Shifted accountability for diversity, talent, flexibility and leadership from HR to senior line roles
- Took a broad view of talent, which had previously focused on technical capability.
- Particular job moves demonstrated the potential for unconventional careers
- Invested in development and support including bias awareness, change leadership and coaching for the Top 500
- Instituted a broad set of diversity performance measures including: LSIs, KPIs, 360 degree feedback, external assessments of the top team and engagement surveys

Impact and Learnings

- Tone of Executive Leadership changed quickly
- Changes were visible to staff who saw different behaviours in their immediate managers – Qantas Engagement Index increased 8 per cent in 2013
- A cadre of diverse senior leaders has been built, with many different career pathways
- Executive Leadership champions can shift the advocacy from the CEO to the broader team and accelerate impact
- Effective feedback mechanisms are required to develop inclusive leadership
- Divisions have different starting points and challenges which require different approaches – one size does not fit all even within one organisation

Figure 3. Deloitte's inclusive leadership program

Context

With a diverse workforce, reflecting Australia's talent pool, inclusive leadership is an expectation and requirement for success at Deloitte. Giam Swiegers was looking for a way to take this to the next level.

Actions

- Launched a pilot and used the feedback and lessons learned to support the business case for board endorsement of a national firm-wide roll-out
- Made inclusive leadership part of partner development programs
- Ensured all communications came from the top
- Built inclusive principles into all initiatives at all levels
- Appointed a champion in each regional office to encourage attendance
- Included learning objectives in the program: understanding the attributes of an inclusive leader, potential 'blind spots,' and the development of a personal improvement action plan
- Followed the national program with Action Planning Workshops to address systemic issues identified

Impact and learnings

- Conducted more than 30 inclusive leadership programs with over 360 partners attending
- Holding workshops can start important conversations
- Embedding inclusive leadership language and approach in all people related workshops can reiterate commitment and build workplace culture
- Developing inclusive leaders supports the achievement of business objectives and broader cultural diversity

Figure 4. Treasury's Progressing Women Action Plan

Context

Treasury has for many years worked to increase the representation of women in leadership. Initiatives addressed recruitment, role models, childcare and flexible work policies. Despite this, progress was too slow and women remained underrepresented in the senior ranks. Recognising the organisation's culture needed to change, Martin Parkinson embarked on a holistic approach to the progression of women.

Actions

- Commissioned an externally-led systematic review of Treasury's culture through a gender lens
- Developed a multi-pronged strategy to build an inclusive culture – Progressing Women was personally launched by Martin Parkinson
- Established an Inclusive Workplace Committee with external members and unique decision-making powers
- Set measurable targets for the proportion of women in senior leadership positions – a first for Treasury
- Broadened accountability with each of Treasury's five groups presenting their own analysis and plan. The first group set the tone, bravely exposing their own vulnerabilities
- Introduced an 'if not, why not' approach to flexible work, which challenges existing biases about working norms
- Made unconscious bias training mandatory for all managers with a view to rolling out to the whole department – Martin Parkinson and the Executive Board undertook the first round of training

Impact and learnings

- There is no substitute for visible personal leadership
- A deep understanding of the views of women and men in the organisation is a critical first step; barriers found were due to subtle attitudes and behaviours
- External expertise can provide credibility and a safe space to explore confronting issues
- Accepting difficult messages strengthens resolve. 'This is not the organisation that I thought we were leading,' remarked one board member
- Engaging unexpected champions can stem resistance and expand conviction
- Making all leaders accountable for inclusiveness in their workplace enables greater momentum
- Buy-in is required from all levels – not just senior management. At Treasury, this was achieved by allowing staff to analyse the data and go on their own journey as well as sharing experiences publicly

‘Having targets and reporting them brings clarity to the vision, sharpens the focus and sets the standard by which we judge performance. No one wants to come back and admit, ‘We promised, but we did not deliver.’

Elmer Funke Kupper, ASX

‘If my Operating Committee does not think that how I measure their performance includes their commitment to and outcomes on gender balance, then they’re simply not going to focus on it like any other business priority. So first I need to make my priorities clear and actually measure performance against the plan as I would any other business priority.’

Simon Rothery, Goldman Sachs

‘I am intent on CBA being a place where both men and women can thrive. I think that the clearer I am with people that this is a basic expectation that they are accountable for, the more change I am seeing. That’s why targets matter.’

Ian Narev, CBA

‘We know balanced teams perform better. It follows that, over time, purchasers will increasingly reflect this in their buying decisions. The magic will be when the broader business system works together to make the change. We will share ideas. We will hold each other to account.’

Stephen Fitzgerald, Non-Executive Director

2

Creating accountability

At a glance

Heart of the issue

We make change happen in our organisations by setting clear goals, working to achieve them and removing things that we find are getting in the way. Yet compared to other business priorities like increasing market share, cost management and safety, we are more likely to leave achieving our gender balance objective to chance. We treat it as a separate type of objective, outside core targets. We fail to integrate it with business processes and still wonder why progress is limited.

Sharpening our focus and bringing our full management system to bear is essential.

Actions to consider

Lead on gender reporting. Take reporting to a deeper level, with consistent reporting standards, to create a more transparent and granular view of the pipeline and progress.

Implement Plus One initiatives. Break entrenched patterns by using a simple commitment to engage managers to add at least one woman to their teams, as roles arise.

Drive a supplier multiplier. Communicate to suppliers how important gender balance is to you. Encourage and support suppliers who build and present more gender-balanced teams.

Lead on gender reporting

In our 2011 letter, we observed that ‘getting under the numbers’ is the prerequisite to treating the representation of women in leadership as a business priority.

We challenged ourselves to ensure that we were using our management systems – such as targets, monitoring and troubleshooting – to drive improvement to best effect in the same way we do other business priorities.

Pooling our data and practices, we identified the issues and actions to resolve them (Figure 5). This work built on the analysis and research of others, including Chief Executive Women, Financial Services Institute of Australasia (FINSIA), Women on Boards and the Workplace Gender Equality Agency (WGEA).

Improve granularity and standardisation of gender reporting

Greater transparency and consistent measurement is required to assist troubleshooting and identify best practice.

In June 2013, a group of us called on the business community to set a new standard for reporting – one that is public, more granular and linked to scorecards. Granularity, to at least three layers of management, improves the quality of the discussion.

Many of our organisations will adopt this approach in our next reporting cycle, as exemplified by the ASX (Figure 6).

Reporting may seem basic but the impact is significant. Says Kevin McCann, ‘On the two boards I chair, I was unable to compare the relative performance in terms of women in senior positions because each company adopted a different definition of senior executive. The MCC initiative has created common criteria, which means comparison will soon be possible.’

Link targets to scorecards

By linking gender balance targets to scorecards, we create the individual accountability that makes gender balance outcomes a standard business priority. We started with ourselves, including gender targets in our own individual scorecards. Some of us are now cascading these to the next two levels.

We are strengthening the link to scorecards in two ways. Some of us are using gender balance or value systems in reward allocations. Others are reflecting this in promotion decisions. At ASX, Elmer Funke Kupper says, ‘Progression is often about leading larger groups. If you can’t achieve balance targets now, that will impact my evaluation of you as a future leader.’

Figure 5. MCC gender reporting recommendations

Context

Male Champions of Change and ASX Corporate Governance Council recognised the need to have a consistent gender reporting framework. In consultation with the WGEA, best practice guidelines have been developed and 14 MCC organisations have signed up

Issues identified

- Limited consistency made comparing progress and identifying best practice difficult
- Individual accountability and pipeline tracking is not possible without granular reporting, disaggregated to business units
- Cultural indicators, such as engagement survey scores, are often overlooked and not integrated into diversity targets

Best practice

- Externally and annually report the gender representation of i) the Board, ii) at least three layers of management, and iii) the overall organisation
- Report progress against numerical representation targets
- Report definitions, inclusions and exclusions to avoid numbers being gamed
- Targets should be included in scorecards of individual senior leaders
- Reporting should specify details including the number of directors/employees, and whether data is for full-time equivalent or headcount

Apply rigour and a fact base to more complex business topics

Robust reporting allows some of the more complex topics to surface. For example, pay equity can only be tackled when the facts are available to discuss it properly.

The WGEA estimates the national pay gap to be 17.5 per cent. Debates about this gap are often side-tracked by caveats around gender skews, role types and not comparing like-for-like. A rigorous fact base enables us to have constructive reviews of our own organisations' pay gaps. While we acknowledge legacy issues in average pay at senior levels, where women are yet to reach critical mass, there should be no pay differences for junior and mid-manager roles. To address this we need credible, fact based processes.

Reviews must build in time to allow for analysis and to influence decisions. At one of our organisations, managers must sign off that there is no gender bias in remuneration outcomes. This creates an early reminder for managers to be aware of the implications of their decisions.

Martin Parkinson now notifies all staff of the Remuneration Committee outcomes by gender. Says Martin, "Treasury is exposing the progression of women, holding ourselves to account."

Beyond representation numbers, there are internal and cultural indicators that can flag current issues and leverage points to increase gender balance. We set out to identify a best practice set of these indicators. This has not been as straightforward as we hoped due to the variation between organisations. ASX are now working with WGEA in an effort to develop this best practice set.

Implement Plus One initiatives

Our conviction and influence can directly improve gender balance on our own teams. However, engagement and commitment tends to fade at other levels of management. But it is the day-to-day promotion and recruitment decisions of individual leaders which, when added up, determine our ability to achieve the shifts necessary for our organisations.

We need simple, practical actions that can make a step forward in winning the hearts and minds of all people managers.

A successful action trialled by ANZ and Telstra is the Plus One initiative. The inspiration was Citi's 'Just One More' approach where goals were set

Figure 6. Reporting example – ASX

ASX level	# of ASX directors/ employees	# of ASX women (as at 30/06/13)	% of ASX women (as at 30/06/13)	% of ASX women FY16 target
Non-executive directors	8	2	25	33
CEO	1	0	0	n/a
Group Executives (CEO-1)	9	3	33	40
General Managers (CEO-2)	31	8	26	40
Managers (CEO-3)	71	24	34	40
Team Leaders/Supervisors (CEO-4)	25	12	48	50
Professional/technical	394	154	39	40
Administrative	40	33	83	n/a
Entire organisation	571	234	41	45

to hire a minimum of one senior woman into an approved open role. The impact was significant – in 2011, 75 per cent of Citi's business achieved the goal with a 9 per cent year-on-year increase in women Senior Vice President roles and above.

Momentum has continued with a 24 per cent year-on-year increase in 2012. Through the Plus One initiatives, a commitment is made openly by the top leader to increase the number of women direct reports by at least one.

They then ask their direct reports to make a similar commitment; the direct reports then do the same and so on. In the best case, pledges are made publicly and tracked. 'Plus One' offers a simple, non-bureaucratic metric that can be used to create personal engagement and accountability. The aim is to start a conversation with managers about the role they can play in achieving gender balance. Localised momentum and discussion is generated. Mindsets are jolted. Granular insights around resistance and barriers are identified and tackled.

ANZ CEO Mike Smith was looking for a way to inspire his team to help achieve ANZ's target to increase women in management by at least 1 per cent in 2013 towards a long term goal of at least 40 per cent. Despite efforts across the bank's 47,000 staff, recruitment, promotion and turnover trends still favoured men.

ANZ's Plus One initiative was officially launched to all employees as part of International Women's Day 2013, with the majority of Mike's direct reports leading the charge having already 'banked' their pledge prior to the launch. A simple, online sign-up process allowed managers to make their pledge and review the list of colleagues who had also signed up.

More than 500 leaders signed up within six weeks of the launch, with 2,000 pledges to date. Teams with lower representation of women in their management ranks were visibly seen to be making the most pledges. There is evidence that the Pledge has already helped shift representation at senior levels, and momentum is now building amongst mid-level managers who make the majority of hiring decisions within the organisation.

Just as significant was the conversation created throughout the bank around the importance of gender balance, around Mike's and his team's commitment to the targets, and around the need for all managers to actively reverse the trends that favoured men in order to reach ANZ's aspirations.

Telstra recently launched a similar initiative, the Gender Equality POP (Plus One Promise). Telstra initiated its efforts at a meeting of the top team. With in-principle support, the diversity team then met with individual leaders to gain broad and deep commitment. The Gender Equality POP is now being promoted as a voluntary commitment for all Telstra people to achieve the measurable objectives established by the Telstra Board in line with the ASX reporting guidelines. Early sign-ups are promising with 200 pledges in the first two weeks, and a goal to reach 1,000 by the end of 2013.

Drive a supplier multiplier

We are integrated, interlinked and dependent on our business partners and suppliers. Yet our commitment to gender balance is not always clear to them. We believe there is value in being more explicit about this.

Engaging suppliers in the conversation is essential. This means telling our story and listening to theirs. Working with our suppliers, we can build momentum and more opportunities for women, so that together we can be more productive and successful organisations. New ideas and approaches will no doubt result.

Drawing on the expertise of a group of our Chief Purchasing Officers and business leaders, we looked for simple ways to encourage greater conversation and action together with our suppliers. In October 2013, a group of us announced our Supplier Multiplier initiative (Figure 7). In this initiative, some of our organisations committed to ensuring our gender balance aspirations are reflected in policies such as our Supplier Standards and Codes of Practice. This group of MCCs also agreed to focus on one or more of the following areas: recruiters, large suppliers, sectors or organisations known to have low representation of women and women-owned or led businesses.

These commitments have the potential to impact 54,000 suppliers and \$30 billion of procurement spending across the Male Champions of Change group.

Changing supplier requirements can be a significant change to processes. CBA is taking a phased approach. In Phase 1, supplier conditions were changed to include equal pay and parental/carers leave provisions. Phase 2 will develop a database of women-owned businesses to facilitate increased procurement from these businesses.

Our experience has reinforced the value of a two-way conversation. We need to communicate our expectations clearly – relying on the fine print of supplier agreements won't work. We also need to understand the impact of the implicit and explicit

incentives we create. Some suppliers shared efforts already underway, others seemed to step up. Some asked for help.

ANZ conducted 'warts and all' workshops with 150 people representing ANZ's recruitment partners to outline their expectations on gender balance. Recruiters shared their thoughts on potential barriers such as short timeframes, which often made searching beyond their existing male-dominated networks difficult. Overly prescriptive experience requirements could also mean that candidates were less likely to be women. These workshops helped recruiters understand their individual impact on ANZ's business targets.

At Telstra, inspired by a speech by Helen Conway of the WGEA, the Group General Counsel opened a dialogue about gender balance commitments with key partner law firms, requesting feedback on how Telstra could improve and informing them that gender balance would be a factor considered in an upcoming panel review.

'We believe there will be immense benefits to Australia when all organisations actively pursue gender balance. Imagine if the ingenuity of all business partners across our networks could be harnessed. The pipeline will increase, diversity of perspectives will help innovation and better decision making. We can lead the way in capturing the diversity advantage for improved productivity and performance.'

Mike Smith, ANZ

Figure 7. The Supplier Multiplier Initiative

Starting your own supplier multiplier

1. Update your **Supplier Code of Conduct** or equivalent policies/contracts to feature the importance of gender balance
2. Implement **one or more** of the following to effect change:
 - a. **Recruitment providers:** communicate the need for change; put in place more explicit tracking of candidate pools and outcomes; encourage the identification of barriers to recruiting more women. In the medium term, this could also include incentives for meeting gender-balance objectives
 - b. **Most significant suppliers (called Tier 1 in some organisations):** set clear expectations on gender-balance goals, performance measures and make-up of supplier teams
 - c. **Laggard sectors or organisations:** target one sector or 2 – 3 organisations with low representation of women in management and seek to influence and support improved performance
 - d. **Women-led or owned business:** understand, track and set goals around the increase in women's participation in your organisation's supply chains. This might involve direct work with suppliers to ensure they are well positioned to serve your organisation

‘Thinking ‘50/50: If not, why not?’ is like getting a new pair of spectacles and seeing the world differently. You walk into a male-only meeting and immediately notice the difference.’

Kevin McCann, Non-Executive Director

‘Even though only 18 per cent of IT university graduates are women, there are still more than enough talented women for IBM to achieve a 50/50 ratio of male to female graduates. Our priority is to make sure we’re getting the best people and we believe that being seriously committed to gender equality will help us do that.’

Andrew Stevens, IBM

‘Our business model demands flexibility, but one size does not fit all. We need to make it work for our business and for our individual people – we need to be principle, not policy, driven.’

Grant O’Brien, Woolworths Limited

‘In our work together, our people have shared and we have learned about HR-led efforts to encourage flexible work. These initiatives are essential and they are making small changes from a policy or practice perspective. However, we want to force disruptive and bold change. We need to do more if we are to reach our goal.’

David Thodey, Telstra and Ian Narev, CBA

‘We need to start from a presumption that flexible work practices are a positive part of our workplaces, rather than a grudging concession. No position or level should be deemed off limits to someone interested in flexible working arrangements.’

Dr Ian Watt, The Department of the Prime Minister and Cabinet

3

Disrupting the status quo

At a glance

Heart of the issue

The status quo on gender balance can lead to low expectations of women's representation in the workplace. At times, we assume that the obstacles to women's advancement are inevitable or insurmountable. This is not the case, but we do not believe that standard approaches will be enough. We need to disrupt the status quo.

Actions to consider

Ask '50/50: If not, why not?' Ask 'why not 50/50?' across career lifecycles, from recruitment and talent development to committees and panels. Broaden your searches and challenge results below your objectives.

Raise the bar on women's careers. Understand the types of experiences your organisation requires and broaden the success profiles you consider for senior roles. Ensure women get critical experiences in 'hot jobs.' Personally sponsor talented women and expect your senior executives to do the same.

Mainstream flexibility. Reflect on work patterns and 'what it takes to succeed' in your organisation. Change the presumption – ask what can't be done flexibly, rather than what can be done flexibly.

Ask '50/50: If not, why not?'

The historical gender imbalance in our organisations has created a situation in which women are the minority at senior levels (Figure 8). We can't let this set our expectations for what is possible. The default assumption that women will account for less than 50 per cent allows unseen barriers to persist. We see the impact of it everywhere, from the composition of committees and panels, to talent and development programs and recruitment slates.

What if we were to ask the '50/50: If not, why not?' question more often?

In some cases, asking the question has been enough to force us to look more broadly and achieve change. Elsewhere, we have identified systemic biases and structural issues that we must work to address.

The real value is in asking the question and exploring the answer. It is about taking the time to think about whether women are being considered and if not, why not?

A common application of '50/50: If not, why not?' is in graduate recruitment. With over 60 per cent of university graduates being women, gender imbalance should be simple to address at the graduate level. If we don't, we start behind. This includes balance in business units that are traditionally skewed towards men. A granular view requires granular reporting – at Qantas this meant redesigning systems to understand the gender split from applications through to offers. Now in 2013, 57 per cent of the Qantas graduate cohort is women. We share some of our various approaches to 50/50 graduate recruits in Figure 9.

Beyond graduate recruitment, experienced hires remain a challenge. IBM identified that role checklists were appealing more to men. Now IBM's job advertisements feature a value proposition that appeals to both men and women. As discussed in Supplier Multiplier, we are also working with recruiters to achieve balanced slates.

Many of the pools that we source candidates from are male-dominated. We need to look more broadly. There are other ways, beyond time in a role, that people gain capabilities, skills and experience.

As well as broadening our searches and being aware of inherent biases, some of our organisations have faced more structural problems in attracting women.

Figure 8. 'Gender Jaws' – Representation in ASX 200 companies

Percent women

- University graduates – 62 per cent
- Entry-level professionals – 45 per cent
- Executive committee – 10 per cent
- Executive committee (line roles) – 6 per cent
- CEO – 4 per cent

Percent men

- University graduates – 38 per cent
- Entry-level professionals – 55 per cent
- Executive committee – 90 per cent
- Executive committee (line roles) – 94 per cent
- CEO – 96 per cent

Reference: McKinsey, Women Matter: An Asian Perspective (June 2012); WGEA, 2012 Australian Census of Women in Leadership; Graduate Careers Australia, Australian Graduate Survey 2012

Figure 9. Getting to 50/50: Graduate recruitment

Organisation	Percentage of women in intake			Challenges and opportunities
	2012	2013	2014	
CBA	31	34	48	<ul style="list-style-type: none"> From 2011 to 2013, CBA's graduate intake sat at around 34 per cent women The 50/50 question acted as a jolt to leaders who looked to unpack causes A new goal of balance spurred action. This would require making up lost ground as the male-dominated intern cohorts acted as important feeder groups Using deliberate strategies, the goal was achieved in just one recruitment season
Goldman Sachs	26	52	62	<ul style="list-style-type: none"> There was a persistent male skew in graduate profiles, and concerns about a 'like hiring like' effect Engaging Managing Directors directly in the challenge, and then in CV screening and campus recruitment provided the breakthrough Any suspicions that barriers had been lowered to meet a target were quashed by the high quality of the recruited women
Woolworths Limited	50	29	47	<ul style="list-style-type: none"> Gender balance had been a focus and graduate recruitment had been balanced for many years. In the 2013 intake Woolworths took its eye off gender balance For the 2014 intake, Woolworths refocused on gender balance, including targeted advertising and campus recruitment campaigns A granular view of results was critical and enabled troubleshooting. When one senior executive found the graduate intake in his division was 14 per cent, he took personal action
ANZ	45	53	50	<ul style="list-style-type: none"> Prior to 2010, the ANZ graduate program was not consistently gender-balanced 50/50 was first set as the aspiration and became a non-negotiable target When the expectation is clear, recruitment teams innovate
IBM	32	43	48	<ul style="list-style-type: none"> Gender balance in the IT industry is a challenge, with women comprising only 18 per cent of feeder degrees, such as Computer Science and IT The position was taken that this is no excuse. The team must look expansively and should win a disproportionate share of talent Not slipping into self-limiting thinking is critical
Telstra	30	29	40	<ul style="list-style-type: none"> A perception existed that male-dominated feeder degrees in some disciplines made gender balance an unrealistic goal A detailed analysis was conducted to understand technical requirements for Telstra graduate opportunities Myths were debunked when it was found that a much smaller number of roles than originally thought would actually require a technical degree This removed excuses, challenged mindsets and enabled a broader applicant pool

David Morrison set a public target of increasing the proportion of women in the Army from 10 per cent to 12 per cent between 2012 and 2014 (Figure 10). This involved a radical rethink of how the Army presented itself and attracted people to its team. The Army developed a number of initiatives including activity camps for young women in high school, reducing the minimum period of service to one year and launching the 'Join with a Friend' program. Over the past 12 months, these initiatives have seen an 84 per cent increase in the number of new women recruits.

Beyond recruitment, we must relentlessly fuel the pipeline. The 'gender jaws' diagram shows the rapid drop-off in women's representation. To stem attrition and stagnation, we need to remain vigilant, asking '50/50: If not, why not?' through the full career lifecycle.

At ANZ, Mike Smith challenged the 40/60 split of women to men on a new enterprise talent program, asking his team to take another look at the pool. The team identified a number of women who met the criteria for inclusion but, with a cap on participants, did not make the first cohort. When 50/50 was set as the expectation, it was achieved and the program cohort was later assessed as more balanced in experience, leadership styles and capabilities.

Citi found application-based development programs disproportionately attracted men. Citi has become more proactive – increasing education and awareness of the regional development opportunities available, reviewing the local talent, identifying women who are eligible for programs and requesting them to apply. As a result, key programs over the last two years have had 50 per cent representation of women from the Australian business.

Increasing gender balance in meetings and committees improves the quality of conversation, actions and decisions. In this spirit, we have committed to the Panel Pledge – an initiative to increase women's representation on public panels (Figure 11).

Figure 10. Recruiting women into the Army

Context

Concerned that structural barriers prevented the representation of women, David Morrison set out to address the low recruitment of women and masculine culture in the Army.

Actions

- Visibly made the recruitment of women one of his top 5 priorities
- Publicly set a target to increase representation of women from 10 per cent to 12 per cent between 2012 and 2014, an effective doubling of women recruits
- Reallocated resources to create teams dedicated to women's recruitment
- Addressed structural barriers:
- Reduced the minimum period of service from four to one year
- Established the 'Join with a Friend' program, which allows two women to undertake the same recruiting and employment training and then be posted to the same location
- Conducted adventure camps for young women in high school to expose them to Army life

Impact and learnings

- Number of women recruited in the past 12 months increased 84 per cent above average over the past decade
- Increased women representation from 10 per cent to 11.1 per cent in 2013, on track to reach 12 per cent by 2014
- Only 9.6 per cent of women leave the Army annually, compared with 12.3 per cent of men
- Publicly setting a target was a call to action and established the scale of the challenge
- Questioning the status quo has changed mindsets – recruiting teams are widening the pool of candidates considered

Raise the bar on women's careers

If your organisation is like ours, you may well have formal leadership courses and high potential programs. You may identify your talent's development needs and match them with skills training. You may do succession planning. Yet you may have found, as we have, that your talent approach is not equally effective in advancing women as it is men.

In particular, women are far less likely to get 'hot jobs', for example: mission-critical roles, influential projects, international assignments or other capability and profile-building opportunities. Hot jobs like these provide critical experiences that facilitate career progression.

Fully understand the critical experiences and profile you require for advancement in your organisation

For most of our organisations, succession planning is part of our talent management processes. However, comparing patterns of success with numbers of women who do not progress in the pipeline raises concern.

In some cases, we find unnecessarily narrow criteria have restricted women's representation. An example was where the focus on 'international experience' as a threshold requirement for senior leadership was creating a male-dominated pipeline; long-term local employees with partners and/or caring responsibilities were less likely to have had significant experience working overseas. This unintended consequence was resolved by expanding the requirement to 'international mindset.' The outcome increased the pool of women candidates and meant that many women were not unconsciously 'written out' of executive aspirations by the organisation or by themselves.

Take an expansive view of success profiles

If the only profile we think of as successful is direct and unbroken experience, then we will bias selection. We may overlook people with other equally valid backgrounds and capabilities. When we weigh all the things that need to be weighed – skills, experience, fit and potential – we have discovered that a revised profile is required in many cases.

For a number of years, Woolworths has been challenging the operational experience criterion for senior advancement. As a result of earlier interventions by both current CEO, Grant O'Brien, and former CEO, Michael Luscombe, the status quo at Woolworths has shifted. Women now represent over 30 per cent of senior leadership positions and are routinely considered and appointed in promotions. As Grant O'Brien

Figure 11. The Panel Pledge

Context

Many high profile conferences, events and task forces lack gender balance, despite there often being no shortage of qualified women. The absence of women feeds unhelpful gender norms.

A lack of diversity limits the quality of the conversation. As Simon Rothery says, 'Conferences and panels provide a platform to share experiences and perspectives. When you limit the range of perspectives, you limit the quality of the conversation'

The Pledge

- The MCCs, who are often in demand for high-profile panels, agreed to respond to requests with an inquiry about whether gender-balance has been considered
- A pledge is simple to implement and highly effective. It serves as a reminder at an opportune moment of influence

In Action

- ASX. Upon learning that an event lacked women panellists, Elmer Funke Kupper identified a replacement for himself that would improve gender balance
- CBA. Ian Narev has cascaded the Panel Pledge to his leadership team, and it is now applied to all internal forums as well.
- Telstra. Speaker request forms on the Telstra website now state: Our CEO David Thodey is a member of the Male Champions of Change. As part of this, we are committed to ensuring that events we participate in are gender balanced. Please take this into consideration when submitting your request.

explains, this has been achieved by closely linking development of female talent with business strategy; says Grant, 'the momentum to appoint more women is linked to our strategy. We need the best retailers, who will put customers at the centre of our business. In the past two years, with this in mind, we have recruited and promoted more women.'

Make sure women get the critical experiences required for advancement

If we believe some experiences are critical for advancement, we need to make sure that we find ways to get women those experiences, particularly in the early stages of their careers.

In some cases we found that gender skews in the roles people are channelled into have later created an experience gap for women. For example, Treasury found it was creating a pipeline issue with early inadvertent streaming. At the graduate level, women were perceived to be more capable of taking on stakeholder engagement and networking roles. As a result, more men were directed to analytical roles.

Then, at more senior levels women were penalised for having insufficient time in analytical roles.

When KPMG began to map and plan for succession in all senior leadership roles in the Australian office, critical experiences and natural successors were identified. Gender balance was essential in the discussion. The perceived or actual gaps in female talent were identified. Consensus was achieved about what might be required to close real gaps.

As Geoff Wilson, COO Asia Pacific, remarked, 'We needed to get intentional. Without a gender lens in our succession planning and talent management, we would have wondered five years from now why our pipeline had not delivered. Now that we have a clear plan we are less likely to have a discussion about why there are not enough women in our talent pipeline when the time comes to make appointments.' This approach has been embraced by KPMG CEO Australia, Gary Wingrove who says, 'Using a gender lens needs to be business as usual for us. This is about being diverse in our thinking, diverse in our backgrounds and diverse in the capability we bring to our clients.'

We have also found accelerated rotational programs are critical, as is encouraging and sponsoring women to pursue lateral career moves on their pathway to senior roles. Participants quickly translate and apply their capabilities to different businesses.

This in turn can add new insights and perspectives to teams – particularly those that are traditionally male-dominated. This works against the common streaming of women into non-operating roles that occurs in some of our businesses.

Senior advancement often relies on sponsorship, which women are less likely to have than men. In our organisations, we have a great deal of mentoring.

Figure 12. IBM's sponsorship program

Context

Despite increased numbers of women in the graduate intake, IBM's promising pipeline was not translating into the desired increases in the representation of women in leadership.

IBM has taken a structured approach to addressing this gap, implementing a formal sponsorship program with a single goal – getting the sponsored women their next promotion.

Actions

- Identified high-potential women and paired them with influential leaders
- Made sponsors accountable for next promotion
- Focused feedback on personal impact, visibility and career planning, not just technical experience
- Explicitly integrated sponsorship with Talent Management Program

Impact and learnings

- 40 per cent of women in the original program cohort have been promoted into executive roles
- Programs should be reviewed at least on an annual basis as business needs change
- Sponsors should be executive members who can advocate for the candidate effectively
- Sponsoring must have a purpose – assignments must match executive turnover to ensure advancement is possible in the right time frame

Coaching women to conform is not the answer. Creating opportunities for women to perform and showcasing results is.

IBM has a sponsorship program in which women are paired with senior executives who then act as their advocate (Figure 12). The sponsors are accountable for successfully advancing women into executive roles, as well as opening up opportunities for international assignments and development programs, which provide critical experience. As Andrew Stevens says, 'Sponsorship will get you to your new role. Not advice, but advocacy.'

Mainstream flexibility

More flexibility in our mindsets and the ways we work will drive productivity and agility; mainstreaming flexibility will transform our workplaces for the better. Flexibility will also increase the diversity of employees that our organisations cater to. Flexibility shifts the focus to outcomes rather than processes and presenteeism, making our businesses more agile and enabling employees to shape a balance that suits them.

Many of our organisations have experienced false starts with flexibility initiatives. We have concluded that HR-led efforts relying solely on process and policy are never going to be enough. Interventions from senior leaders are required to jolt the organisation and provide new impetus for flexibility. Ongoing conviction in the face of sceptics is vital.

Challenge the idea that flexibility is not possible

An idea generated in one of our meetings was to hold conversations with our leadership teams around what roles could NOT be done flexibly. We think that positioning flexibility as the expectation will help surface initial biases. It also serves to reinforce our commitment to change.

Elmer Funke Kupper of the ASX decided to reverse the burden. Instead of employees having to prove the need for a flexible arrangement, managers bear the onus to show a clear business reason that flexible work is not possible.

As David Thodey of Telstra states, 'The challenge is figuring out what can't be done flexibly. But you need to start with an open mind. You begin with the assumption that everything can be.'

In September 2013, David announced that by March 2014 all roles in Telstra would be advertised as flexible. Announced as part of Telstra's launch of its new Purpose and Values, 'All Roles Flex' (Figure 13) was one of six symbolic announcements made. The initiative has evolved from a pilot program in the Telstra Customer Sales & Service Business Unit, which saw the share of women in the applicant pool grow by more than 15 per cent and the share of women in job placements increase by 35 per cent, when roles were advertised as 'flexible'. Says David, 'You must place trust in your managers. If you open the dialogue, they will figure out how it can be done. If you wait until everyone agrees, then it will never happen. In the end, it's up to leaders to take a stand.'

An intentional change that CBA has made is changing the physical and virtual workplace of 6,500 people. With the infrastructure in place, every day is about flexible work. The objective has been to increase employee satisfaction and productivity. A recent work-from-home pilot has also shown promising results with a 27 per cent increase in productivity and a 21 per cent decrease in sick leave. The pilot, together with a broader move towards activity-based working, where no-one has a permanent desk and people can choose where and how they work, has led to high levels of engagement and a focus on outcomes versus visible time in the office.

At Woolworths, Grant O'Brien is developing multiple approaches to build flexibility across his large and diverse workforce. Says Grant, 'The relentless pursuit and development of the best people must become part of everyday life for us. Flexibility is both a productivity and people imperative.'

To better understand how to enable flexibility across Woolworths, Grant ran a focus group with a number of his senior leaders. The group spoke about the barriers to flexibility and potential solutions. The message from Grant was that the assumption should be that all jobs had the potential to be flexible. The conversation acted as a catalyst for change. Policies were reviewed and relaunched. All employees now have access to additional leave unpaid, or at half-pay.

David Morrison has set a target for the Army's Flexible Work Program. Starting from a platform where few individuals are enlisted in formal flexible schemes, the Army aims to quadruple participation rates from half a per cent to two per cent by the end of 2016.

David personally led the initiative and oversaw workshops for all commanders to work through the implications of flexibility for their units (Figure 14). The Army will track participation in flexible work and the promotion rates and career progression of those who do take up this action.

At the Department of the Prime Minister and Cabinet, there is already strong representation of women in

Figure 13. Telstra's 'All Roles Flex' initiative

Context

Telstra has worked for several years at expanding flexible options at work. In mid-2013, David Thodey piloted 'All Roles Flexible' in Telstra Customer Sales & Service. By March 2014, flexibility will be considered the 'starting point' and available for all roles in Telstra.

Actions

- Repurposed online recruitment forms to show roles as flexible – 'We work flexibly at Telstra.'
- 'Talk to us about how this job could be flexible for you'
- Held training workshops for recruiters and managers to help them lead teams that include flexible workers
- Began role modelling, with visible flexibility amongst executives
- Included flexibility as one of the six symbols supporting Telstra's new Purpose and Values, which include values like 'Show You Care' and 'Trust Each Other to Deliver'

Impact and learnings

- Applications from women rose. Offers accepted by women increased by 13 per cent
- More men are working flexibly, breaking previous perceptions
- The feared 'backlash' around the initiative did not eventuate – recruiters and managers worked together to accommodate challenges
- Employee engagement of flexible workers higher than company-wide score

leadership. Ian Watt believes the next objective is to expand flexibility. Working in flexible arrangements other than part-time feels like a new idea because of the need for high-level and daily interactions with politicians. Applying creative thinking to the idea, Ian challenged job designs. A job-share register has enabled matching of flexibility requirements with a view to engineering a win-win for the Department and its flexibly working employees.

We know there are further barriers to be addressed. One that is front of mind for many of our organisations is ensuring we remain responsive to client demands. It is often claimed that client-facing roles cannot be flexible. Michael Rennie from McKinsey says, 'I often wonder if we are our own worst enemy. We are so client-oriented that we overlook the potential to meet client needs in different ways. At the very minimum we should not be assuming on behalf of our clients. We also need to become better at serving our clients via those who aren't available 24x7.'

As Stephen Sedgwick of the Australian Public Service Commission outlined, 'We have a number of job-sharing senior public servants who brief Ministers. The Ministers are very demanding, but our people always make it work.'

Address the stigma that flexibility signals low career ambition and commitment

Despite our efforts, working flexibly often presents as a career penalty. Flexible workers are far less likely to advance through our organisations. Part-timers are rare on our executive teams.

Some flexible workers describe being 100 per cent accountable but taking home 80 per cent of the wage, trading salary for flexibility so they can manage professional and personal commitments. This means some women will, in effect, take home 20 per cent less pay just so they can construct a work week that is different to the standard business working hours.

We need to address the progression barriers that make flexible jobs rather than careers. Many of our organisations have had flexible options in place for years, but we have not redesigned jobs and workplaces to suit. At one of our organisations we were shocked to hear a young employee in a focus group state, 'I know it's bad, but if I just wait around until after the flexworkers and those with caring responsibilities leave, that's when all the good work gets handed out.'

A common barrier we find is that flexible workers are less likely to be assessed as high performing than full-timers. We heard one senior executive say, 'I would not expect part-timers to achieve the highest performance ranking because their job is obviously not their priority.'

Given that women are more likely to be on flexible work arrangements, these attitudes create a systemic gender disadvantage. Moreover, it is often assumed that 'hot jobs' cannot be flexible, thus disproportionately excluding women.

At KPMG, the Annual Performance and Pay audit has a particular focus on gender and part-time workers. Processes were changed and tools were provided to minimise bias before sign-off. Says Geoff Wilson, 'We all think we are making fair and equitable decisions. It is only when we step back and look at the data that we realise we can do better.'

A recent 'Agile Working' pilot at KPMG aims to challenge the mindsets that get in the way of flexible work. The pilot will provide models of leadership behaviour for managing flexibility, which are scalable throughout the firm. An approach that seeks multiple perspectives has been adopted involving client interviews, individual and manager coaching, team workshops and focus groups. Leaders will develop deeper insights about how to manage flexible workers and flexible workers will learn new techniques for success. This will enable new client service models to be developed.

Ultimately, we want to help debunk the myth that flexible working impedes productivity and signals low career aspirations. As Mike Smith said, 'In the end this is about trust in our people and integrity. When flexibility is afforded, the trust is taken seriously and it is usually rewarded with strong performance and high discretionary effort. Our employee survey shows our flexible workers are more engaged and more positive on every aspect of our business.'

Beware the signals your top team sends. Is flexibility really possible?

As leaders, our own behaviour and expectations can sabotage efforts to build a flexible culture. Choices around how we personally fit with the 24 hour/7 day worker stereotype are critical. Some of us have realised that we need to be more vocal and visible in how we make time for our personal commitments. Unfortunately, visible individuals who have made choices across the spectrum of flexible work appear to be rare, particularly at senior levels.

The starting point for CBA's Ian Narev was to lead a discussion around how his executive team might be able to work more flexibly. He also met with men and women from across the organisation to better

Figure 14. Flexibility in the Army

Context

Army life has historically been considered incompatible with flexibility. In 2012, David Morrison set a goal of quadrupling the number of flexible workers by 2016.

Actions

- Released the Flexible Work Arrangements guide, outlining a commitment and plan to mainstream flexibility
- Held workshops for commanders to discuss flexible options and manage flexible teams
- Purchased IT equipment to enable flexible work, e.g. laptops, remote access tokens, 3G cards
- Instituted policy requiring commanders to consider Flexible Work Applications with expectation of approval

Impact and learnings

- Increased acceptance and understanding among commanders of the benefits of a flexible workplace
- The combination of centralised policy and localised solutions is beginning to address some of the particular challenges of Army operational requirements
- Creative solutions are being found that would never have been contemplated before

understand what he personally might do to break down barriers.

We know that we need to be outspoken. Says Stephen Roberts of Citi, 'I've had a number of people say the most important thing I can do is talk to managers and change their attitudes. This was brought home to me when an employee wrote to me about a manager who had not been understanding when a colleague had occasionally requested to work from home. Following a 'Thought Leadership over Lunch' session that I regularly hold, that manager gathered his team to let them all know that working from home or other flexible arrangements was something he supported and was willing to look at such working arrangements, on a formal or informal basis.'

'Let's not pretend that there aren't already established norms that advantage men. Men invented the system. Men largely run the system. Men need to change the system. Without intervention to ensure that our systems are really focused on merit, we will continue to see a lag in women's advancement into senior roles.'

Gordon Cairns, Non-Executive Director

‘We need to make parents feel great and want to return, and then ask how they would like to accelerate their careers. I worry when I see so many brilliant young people whose careers plateau after parental leave.’

Grant O’Brien, Woolworths Limited

‘There is a generational shift upon us. Enabling men across our organisation to better support women and share the ‘double burden’ may serve as one of the less obvious, but more transformational actions we can take to advance women into leadership.’

Stephen Sedgwick, Australian Public Service Commission

‘There were way too many people involved in the parental process – so many emails, so many handoffs. It was too easy for women to become out of sight and out of mind. We need to make parental leave processes hassle-free.’

Geoff Wilson, KPMG

‘At Citi, we were losing far too many fantastic women who didn’t return after having children. We asked ourselves ‘what are we doing to contribute to this pattern?’ We realised that there is no substitute to me setting and enforcing high expectations of the managers responsible for those taking leave. What are they doing to be clear that they want the women back on their team? How are they keeping in touch? Are they communicating their plans for the women when they return which will support their career?’

Stephen Roberts, Citi Australia

4

Dismantling barriers for carers

At a glance

Heart of the issue

Traditionally, the most common route to professional success has not included career breaks and visible caring responsibilities. Many women's career trajectories plateau following parental leave events – people often assume women are more interested in a job, rather than a career. Jobs and career paths need to be redesigned with consideration to people with caring and career responsibilities, or the 'double burden.'

The Australian context, including childcare, transport options, travel distances and societal norms, make the 'double burden' even heavier. But there is a generational shift underway, with men wanting a greater role in caring. We need to support this for true gender balance.

Actions to consider

Get the basics right. Celebrate parenthood and unambiguously encourage return. Stay in touch with parental leavers and make the transitions easy.

Build environments where parents and carers thrive. Get under the numbers to see whether women returning from leave continue to develop their careers. Question deceleration and intervene when needed.

Support an expansive review of caring, including childcare options. The issues are system-wide and need to be addressed at the appropriate level, which our private sector organisations believe to be the Productivity Commission.

How we approach parental leave is pivotal. It can undermine or support many of our other efforts.

Many of us still do not have acceptable return-to-work rates. Even those of us who have good return rates acknowledge there is still much to do to ensure advancement continues after leave, if that is desired by the parental leaver. While we understand the decision to lead at work is deeply personal, we strive to remove every roadblock. We see too many examples of talented women who return, but whose careers stall or go sideways.

From our discussions, it is clear that no 'silver bullet' can address the myriad of challenges around parental leave. We must change the policies and processes that determine the success of a parental leave event and address the cultural blockers that make the experience great or terrible. Again, supportive and inclusive leaders are essential. All this is easier said than done!

We know we have not yet cracked the code on preventing parental leave from stopping or stalling careers. However, there are some ideas and actions that appear to be working.

Get the basics right

A positive parental leave experience, with clear enthusiasm for a woman's return, ought to be a certainty. Countless people go on leave every year. It should be both well-communicated and run like clockwork. Sadly, examination of our own organisations revealed this is not always the case.

There must be no ambiguity on the encouragement to return. We can't say this too often. And we need to understand that it is here, in the execution of our foundational leave arrangements, that our commitment is demonstrated. This implies more than a clean-up of policies and support mechanisms. We need to find a way to follow through on the values, promises and context-setting that we framed as the Leadership Shadow in Figure 1. With parental leave, what we prioritise, measure and how we act needs to resonate with what we say. This is because the reality of parental leave is as much a result of the mindsets we allow to flourish as it is a result of the package of policies we offer parents.

In 2010, Citi introduced a suite of parental leave programs, policies and processes to increase return rates and the level of engagement employees felt on their return. While the return rates increased, the level of engagement was not as strong as hoped. Citi identified low utilisation rates in some programs and low levels of awareness across the entire suite. Citi is now engaging managers throughout all parental leave transitions with a view to increase awareness, uptake and support for both existing and new programs.

Many of us have undertaken initiatives across the life of parental leave with promising improvements (Figure 15). We encourage you to check your own workplaces.

We need to be particularly vigilant to ensure that jobs and opportunities remain current while women are on parental leave. Organisations ensure they are compliant with legal obligations during restructures and downsizing, but parental leavers can often be overlooked for promotions and development opportunities, and over-represented in layoffs.

One idea we like is for changes to the roles of women on parental leave to be monitored at an aggregate level and approved by the head of Human Resources, or relevant senior leader. This encourages managers to think twice.

This change was enacted at CBA. Says Ian Narev, 'We want to make sure we retain our talented women while they are on leave. It is understandable that when managers are asked to reduce costs, some might look to the person who isn't there. But ultimately that will work against both our gender balance goals and our performance in the long run. For now, a centralised measure will guard against this.'

Build environments where parents and carers thrive

Ensuring that parents thrive after their return from long-term leave requires active commitment from managers. It involves encouraging women to pick up where they left off in their career progression. We also need to recognise that if now is not the right time for them, it doesn't necessarily follow that it will never be so.

CBA recently introduced parental leave return workshops for employees and their managers. These workshops deepen the conversation, bringing women and managers together to develop a sustainable ramp-up plan. Such workshops should be standard procedure.

At Telstra, David Thodey is using the power of a simple reminder. Each manager receives an email from their group head reminding them that a direct report is soon to come back, and that they are expected to ensure that person has a positive return, emphasising the resources available to support.

Some of us worry that career deceleration is a result of 'out of sight, out of mind.' To address this, Andrew Stevens of IBM has introduced a new initiative where women on parental leave are included in each business unit's monthly Development and Opportunity Review. This encourages managers to take ownership for staying connected with women on leave to ensure

Figure 15. Policies, processes and mindsets across the parental leave cycle

Phase of parental leave	1	2	3	4
	Preparing for leave	Staying connected	Reintegration	Career acceleration
Standard expectation	Leave and return should be clearly planned out, appropriately setting expectations for both employees and managers	Parents should feel connected to the organisation during leave and the encouragement to return should be clear	Parents should be able to pick up where they left off, while being able to balance work and family commitments	Career planning and development opportunities made available – placing returning parents on same successful career trajectory as all other employees
Mechanism to support	Manager and employee checklists; discuss ‘staying in touch’ expectations; plan expected return dates	Formal catch-up dates that are not cancelled; access to laptop and mobile; inclusion in development reviews; business update newsletters	Return to work workshops and seminars; flexible working options; childcare services	Career planning; sustainable flexible program; removal of any unconscious or systemic bias
Mindsets that need challenging	‘Oh, you’re pregnant! You must be stepping back from your career for a while’	‘She won’t want to be bothered with what’s happening in the business during leave’	‘Have you had a good holiday?’	‘She won’t want that opportunity, and I don’t want to load more work on her when she already has a family to balance’

Organisation	Initiative	Phase impacted by initiative described Organisations’ parental leave initiatives are not limited to phases highlighted			
ANZ	Childcare allowance. Introduced a \$4,000 childcare allowance for all returning parents. Positive feedback that parental leavers felt the bank supports them returning and understands some of the pressures. Return rates increased from 67% to 89% between 2010 and 2013			3	
CBA	Online portal & resources. Consolidated policies and toolkits into a high traffic portal. Changed tone of language from bureaucratic and detached to congratulatory e.g. removed the system classification of parents on leave as ‘over quota, unattached’	1	2	3	
Citi	Manager engagement. Actively engaged managers through life of leave. Used regulatory days (paid days of work within parental leave period, created in the Parental Leave Act 2010) to bring parents up to speed and ease transitions. Return rates rose from 50% to 80% from 2009 to 2013	1	2	3	
Deloitte	Transitional coaching. Finding poor retention in the 24-36 months post parental leave, Deloitte established a one-on-one customised service for individuals preparing to return to work. Recognised individual needs and circumstances vary. Coaching involves team and clients			3	
IBM	Development reviews. Parents on leave are included in monthly ‘Development and Opportunity Reviews’ to ensure career plans are understood and to identify opportunities to reignite career plans upon return		2		4
KPMG	Case management. Currently moving from managing parental leave as a series of individual tasks to a case management approach. A single contact and point of accountability will create an improved connection with each parent and leverage an already high return rate of 93%	1	2	3	
Qantas	Career coaching. Parents@Qantas pilot program has established a career coaching service including information portal and seminars. Leveraging an already high return rate (97%) to maintain career momentum	1	2	3	4
Telstra	Integrated support. To maintain return rates of 92%, Telstra have instituted coaching sessions for parents, “Staying Connected Guide” for before, during and after leave, Webex sessions for managers on their role, SMS/e-mail alerts about staying in touch	1	2	3	

that career plans are understood and encouraged, and to identify opportunities for their return. Additionally, parental leavers are included in IBM's annual salary review program.

Importantly, each parent and parental leave event is different. One size does not fit all. However, we have found success stories to have a recurring theme; the organisation asks the woman in question, 'what do you need to make this work?' and then works to make that a reality.

We know we will have succeeded when parental leave is a special time for families and an unremarkable absence from the workplace, which occurs as part of a large proportion of long-term and successful careers. This is still too far off for most, if not all of us. We will continue, however, to make this a focus in our organisations.

Support an expansive review of caring, including childcare options

We hear from our employees over and over again that childcare is a major challenge in pursuing their careers and leadership ambitions.

Some say that current childcare options make continuous employment almost impossible. Many parents say they can manage the day-to-day juggle, but reconciling 12 weeks of school holidays per year with four weeks of annual leave forces many – often women – out of the workforce, or to reduced roles.

An aspiration we share with many is that parents have access to quality, affordable and flexible childcare choices – from early years to secondary school. But we know this is far from the reality.

This issue is more complex, multi-faceted and multisectoral than we imagined. Interventions for childcare such as onsite centres and flexible working arrangements go some way to helping employees. However, the full spectrum of childhood must be addressed – before and after school and during school holidays.

This is a system-wide challenge and we understand that there are implications for caring beyond childcare. The private sector organisations in our group believe the Productivity Commission Review under consideration is a robust, pragmatic and much needed next step. We look forward to contributing and we encourage other leaders to give voice to the caring challenges faced by people in your business as part of this process.

'Our challenge is that we have had a rigid progression timeline that clashes with the time that women often have children. One thing that has helped is creating a vocabulary about on-ramps and off-ramps around parental leave to reset expectations about what success looks like relative to uninterrupted careers.'

Michael Rennie, McKinsey & Company

[IMAGE: Interlinked 'molecule' diagram of all icons for 'actions to consider']



Developed by Male Champions of Change Australia, 2013

Where to from here...?

We have a bias for action. Our focus is now squarely on leading and achieving change within our organisations, and collectively where required. We are using the approach set out in this letter as our guide.

We know that no one size fits all and even between our own business units we have needed to adapt our approach. We know that there will be future hurdles, but that not to act is to accept the current state – which we are not willing to do. We trust that the concrete proposals we have shared can be adopted in whole or selectively by many others.

We welcome the wide distribution of this letter and the ideas and case studies within. We trust they help to build momentum and create inspiration for leaders at all levels – in private and public sector organisations – who are intent on advancing more women into leadership and capturing the diversity advantage.

The Male Champions of Change would like to thank the following who continue to assist us as we deepen our knowledge of gender balance and look for actions to implement: Avivah Wittenberg Cox, The Australian Human Rights Commission, Australian Women Chamber of Commerce and Industry, Catalyst, Chief Executive Women, Diversity Council Australia, Financial Services Institute of Australasia (FINSIA), WEConnect, Women on Boards, Workplace Gender Equality Agency (WGEA) and the group of women who developed the 50/50, If Not, Why Not? initiative.

We thank McKinsey & Company who have supported the MCC pro bono since 2011. This has included helping write both this and our first letter and providing ongoing counsel.

Thank you to KPMG for supporting our focus groups pro bono in 2012.

We also thank Janet Menzies, of the MCC Secretariat, for her leadership.

Elevating women's representation in leadership – a journey

In our 2011 letter we identified a 3-phase journey organisations tend to go through. The set of actions we have been working on will help us progress to capture the diversity advantage. Our full 2011 letter is available at www.humanrights.gov.au/male-champions-change.

Source of impact	Phase 1	Phase 2	Phase 3
	Getting in the game	Getting serious	Capturing the diversity advantage
	We become aware of the issue and build conviction to act	We are good at identifying barriers and intervening to offset their impact	Diversity is a part of our DNA. It's the way we do things
Leadership culture		<ul style="list-style-type: none"> • Surface barriers and biases 	<ul style="list-style-type: none"> • Develop inclusive leaders who harness talent • Weed out entrenched biases • Take flexibility from marginal to mainstream
CEO/Senior leadership commitment	<ul style="list-style-type: none"> • Get under the numbers • Set up a diversity council • Make it personal 	<ul style="list-style-type: none"> • Make the leadership team the diversity council • Signal change with the appointment of women to key roles • Shift from diversity maths to measuring and managing KPIs 	
Skill-building and collective enablers	<ul style="list-style-type: none"> • Ensure well-functioning women's skill-building and networks • Ensure hygiene factors are in place 	<ul style="list-style-type: none"> • Intervene on talent <ul style="list-style-type: none"> – Zero-in on top talent pools and high performer programs – Bet more on leadership intrinsic in appointments – Transition to sponsorship, not mentorship – Ensure your attraction engine is delivering 	
Centre of gravity	HR	Senior Leadership	Whole system
Impact	Low impact despite investments	Good progress before plateauing	Impact is on business performance not just gender representation
Risks	Over-programming and lip service	Perceived or actual violation of meritocracy	Execution risk and mindsets too entrenched

Accelerating the advancement of women in leadership: Listening, Learning, Leading
Male Champions of Change 2013

© Australian Human Rights Commission 2013.

All materials provided in this publication with the exception of images and logos, are provided under a Creative Commons Attribution 3.0 Australia (<http://creativecommons.org/licenses/by/3.0/au/deed.en>) licence. For the advocate of doubt this means this licence only applies to material as set out in this document. The details of the relevant licence conditions are available on the Creative Commons website (accessible using the links provided) as is the full legal code for the CC BY 3.0 AU licence (<http://creativecommons.org/licenses/by/3.0/legalcode>).

ISBN 978-1-921449-48-2

This publication can be found in electronic format on the Australian Human Rights Commission's website at:
www.humanrights.gov.au/male-champions-change

This letter is an initiative of the Male Champions of Change which is convened by Elizabeth Broderick, Sex Discrimination Commissioner, Australian Human Rights Commission

Image credits:

Page 11: Qantas, Brett Winstone

Page 12-13: CBA, Nic Long Photography

Page 28: KPMG, Rob Henderson

Page 30-31: Courtesy of The Department of Defence

Page 36-37: McKinsey & Company, Val Titov

Page 40-41: MCC, Nic Long Photography

Icons designed by Elmwood. Report design by McKinsey & Company. Thank you also to Donald Simpson.