14 March 2016

Committee of Experts on Public Administration
Fifteenth session, 18-22 April 2016
Item 3 (a) of the provisional agenda
Ensuring prioritization and decision-making that is fair, responsive, inclusive, participatory and accountable at all levels

---

Promotion of diversity in employment and an inclusive workplace culture

This conference room paper was prepared by Committee member Meredith Edwards. The content of and the views expressed in the paper are those of the author, and do not imply any expression of opinion on the part of the United Nations.

This paper aims to complement the valuable paper by Najat Zarrouk for item 3(a) on *Diversity and non-discrimination in public administration: strategic enablers of sustainable development.* Her paper is particularly valuable for two reasons: it outlines the many facets of challenge faced by public administrations if they wish to improve organisational performance; and it shows how diversity concerns permeate the seventeen sustainable development goals and their targets. The focus of this paper is narrower: (a) using recent empirical findings, its focus is on the state of play within public service organisations on diversity and inclusiveness, and (b) it provides plausible and practical measures that public administrators can undertake if the benefits of a more diverse and inclusive workforce are to be gained. What follows places considerable emphasis on the critical role of 'changing attitudes, climate and organizational culture at all levels' (Zarrouk 2016).

After clarifying relevant concepts, the paper summarises the main reasons why we need to pay attention to a more diverse and inclusive workforce. A brief case study is then presented on diversity management to provide a salutary lesson in what can happen, despite the best intentions, if attempts are made by management to encourage more diversity in its workforce but without dealing also with underlying issues. A summary of findings from two recent surveys or 'cultural audits' of Australia's public service perceptions and practices is provided before the paper concludes with possible directions for change.

1. *Clarifying Concepts*

Relevant concepts are well described in Najat Zarrouk's paper, especially the difference between diversity and discrimination. Najat emphasizes how complex the term diversity is. It also needs to be emphasized that there is an important distinction to be made between achieving a more 'diverse' workforce and achieving one that is 'inclusive'. *Diversity* includes both visible and invisible differences among people that shape their perspectives; inclusion is more about valuing and accommodating differences. An *inclusive culture* is where people consciously adapt their behaviours, responses and practices to include others, rather than expecting others to fit into the

prevailing culture. Diversity has been likened to putting some different players on a football or soccer team whereas inclusiveness is more about passing those players the ball (Makhlouf 2014). Whether differences are in terms of nationality, gender, race, religion, ethnicity, age, sexual orientation, disability or educational background, an inclusive culture and its practices recognizes value and harnesses 'what makes every individual unique in the broader sense of acknowledging and respecting differences '(World Bank 2015).

There is another related concept that is relevant and important to clarify: that of *unconscious bias*. Conscious biases in behavior are easy to identify; much harder is unconscious behavior. Unconscious bias refers to the perceptions or hidden beliefs that influence an individual's behaviour but without the individual's conscious knowledge. We all have unconscious biases as our brains automatically make judgements based on our experience or culture. For example, unconscious bias assumptions are often made about the impact family responsibilities may have on the work performance of women (but not of men).
In the workplace, therefore, the danger is that unconscious bias in relation to others' behaviours can lead to unconscious discrimination and exclusion.

Many studies have shown clear biases in recruitment based on differences, for example, gender (Wittenberg-Cox 2014). When equally qualified male and female candidates apply for a job, managers are much more likely to hire the man for the job. Male candidates tend to boast of their abilities while women tend to downplay their talents. However, managers do not tend to compensate for these differences when making hiring decisions. So, until hiring and promotion practices change, women can 'lean in' all they like but are still much less likely to make it to the top. Wittenberg-Cox writes: 'The corporate world is led by men confident that they are identifying talent objectively and effectively. The reality, underlined by this and many other reports, is that decision making about talent is rife with unconscious assumptions and personal biases' (2014). While much is claimed for the benefits of the 'merit principle' in recruitment, whether merit in fact operates in practice needs to be carefully scrutinised (UN Women 2015).

2.   *Why Does Diversity Matter?*

Why should there be concern at a lack of diversity in any organization? In most if not all countries, there is an under-representation of minority groups in employment – that is, the proportion of minority groups in employment is lower than in the general population. This is particularly the case for people with disability. For women, the proportion in more senior roles, compared with men, is much lower than the proportion employed at lower levels. Low representation and few role models can lead to hostile work places. In Australia, for example, public sector employees with disability have been found to be almost twice as likely to report feeling bullied or harassed in the last 12 months than other groups (APSC 2014). Minority groups perceive many more barriers to their employment progress than more mainstream employees. This is a matter of fairness and basic human rights enshrined in so many UN instruments and decisions. It is a moral imperative to place value on an inclusive culture and to empower rather than exclude such groups. Further, without

impartiality in employment decisions in the public service then there will be less representativeness of the population whom public servants serve.

In addition to the above observations is the business imperative for a diverse workforce accompanied by an inclusive culture or 'smart economics' as the World Bank calls it (World Bank 2006). There is much evidence to suggest that where there is a lack of diversity and inclusion, then capability, productivity and performance are hindered, especially in leadership teams (e.g. see Deloitte 2011; McKinsey 2015). The evidence shows that organizations with greater gender and race diversity, for example, perform better in revenue, customer and market share and hence organizational performance. There is also evidence that organizations that provide more flexible work practices significantly improve their productivity (see, for example, Ernst and Young 2013).

What accounts for these findings? The broader the base of recruitment means a greater capacity to recruit the best talent, to get stronger customer orientation, to increase employee satisfaction and enhance capability in decision-making.

3.   *A Salutary Case Study in Diversity Management*

Soni (2000) provides an instructive case study based on a diversity management strategy in the United Sates Environmental Protection Agency. The agency declared diversity as an organizational priority. It therefore devised a diversity management program and went on to include diversity initiatives in its five year strategic plan. As part of its monitoring of this program the agency measured the perceptions and attitudes of its employees and managers to determine the extent of receptivity to diversity.

What were the findings? It found that its diversity management program had minimal effect. There was a lack of 'cultural competence' or understanding by staff of what constituted diversity and why the diversity initiatives were needed. It also found a big difference in perceptions in treatment by minorities (especially race) and women when compared with the perceptions of white males. In fact it found that their diversity practices had led to a backlash and concern about 'reverse discrimination' especially by white males. This group experienced a form of 'cultural shock' arising from the changes that had not been anticipated up front. As for the minority groups; they found that they were expected to 'fit in' with the existing culture rather than the culture adapting to their needs.

What this experience taught the organization was the importance at the outset of such an exercise of understanding the existing state of awareness and attitudes and how unconscious biases might be manifesting themselves. In other words, the importance of obtaining a baseline measure, upfront, of the 'diversity climate' or undertaking a cultural audit. Had the agency done this, they could have gauged the extent of organizational readiness and employee acknowledgement that there was a problem and whether there was a need to experiment with solutions.

Soni's salutary conclusions are reflected in more recent assessments of why, despite best intentions, public sector organizations across several countries have failed to

achieve their diversity management objectives (see, for example, Canada 2011; NAO 2015; Ospina 2001; United Kingdom 2015).

4.   *Empirical Findings on Perceptions of Diversity in the Workplace – gender and disability findings on barriers to employment in the Australian Public Service.*

The Institute for Governance and Policy Analysis at the University of Canberra has recently undertaken two studies or 'cultural audits' of the Australian Public Service with the aim of exploring the main cultural and systemic factors perceived to affect career progress. The studies were specifically about the perceptions of senior men and women about the barriers to the career progression that senior women face; and the perceptions of people with and without disability of the employment barriers people with disability face. The studies aimed to be a first step toward taking effective policy action. In both cases, quantitative and qualitative focus group data were collected and analysed, involving around 250 contributors to focus groups in each case, with the data underpinned by an extensive literature survey. Six departments were involved in the gender study and eight in the case of disability with departments selected displaying a variety of characteristics, including size and portfolio (for more detail, see Edwards et al 2015; and Edwards 2016). One of the motivating factors for undertaking these studies was because as yet so little is known about employee perceptions on the barriers to employment progress of minority groups in the public sector in Australia and elsewhere.

What did we find? In essence, we found much unconscious bias related to employment and career progression. The main barrier perceived by men affecting the lack of progress of senior women was their 'commitment to family responsibilities'. In fact more than half of the men did not identify any other major barrier. On the other hand, women saw the barriers somewhat differently and in a more nuanced way. While family responsibilities were perceived as important to women, interestingly lack of self-confidence was an even more important factor for the majority of women, especially for women in male dominated departments. These women commonly felt *excluded from networks* and suffered from *male stereotyping*. They also felt that their employment progress was impacted because their *personal style* differed from the senior men around them. One senior male from a department with mostly men in its senior ranks had this to say about the exclusive culture of his organization:

> 'This place is rife with unconscious bias. It's very homogenous, with few diverse people, few indigenous people. It is a conservative, male-centric Anglo-Saxon dominated workforce.'

In a broader context, it is worth noting that until recently there has been no attempt to pursue global mechanisms for tracking the progress of gender equality, especially the proportion of women in leadership positions in public administrations. However, UNDP has embarked on a global stock-take tracking the numbers and progress of women in public sector leadership positions. It has been examining a range of strategies, including targets and quotas, capacity building and advocacy with the aim of discerning which strategies are yielding the best results (Clark 2012).

Our second study, yet to be fully analysed and completed, focuses on people with disability (PWD) and perceptions about their employment barriers. This study is finding distinct differences between PWD and those without disclosed disability about the barriers faced, but basically both groups have identified individual, organizational and cultural barriers. Some of the overlapping barriers identified include the following:

(a) Cultural
- unconscious bias in language, behaviours and preconceptions of capabilities;
- raised expectations, given departmental policy statements, but
- at times an inhospitable culture, including in human resource areas
  - this was frequently due to lack of knowledge and awareness, but
    - also at times an absence of committed leadership.

(b) Organizational
- the definition of disability used can disempower employees (especially if it focuses on achieving target numbers alone and measures are not also taken to empower employees in line with capabilities);
- unclear management roles and responsibilities;
- an absence of senior role models;
- limited human resource experience which tended to be compliance oriented;
- the impact of resource constraints; and
- a gap (sometimes quite large) between policies and implementation

(c) Individual
- a lack of empowerment, leading to low confidence;
- assigned work not matching capability;
- unreasonably slow adjustment practices;
- inability to access flexible work arrangements; and
- uninformed performance review processes.

In summary, whether a study is of the barriers faced by senior women, PWD or any other minority group, many of those identified above could be expected to be perceived to be occurring, adversely affecting inclusivity and also organisational productivity which should demand comprehensive analysis and resolution.

5.   *Directions for Change*

We asked our survey participants for suggestions about what their departments and the public service more broadly could do to reduce the barriers to employment they had identified. Interestingly, despite differences in departmental cultures and individual backgrounds, the responses were surprisingly uniform across the departments surveyed as well as being in tune with academic and best practice literature (see for example, Department of Defence 2011; Edwards et al 2013). It appears that action is required across a number of fronts – a comprehensive suite of measures rather than a piecemeal approach to reform. However, two strategic themes that stand out as most relevant to all or most perceived barriers to employment progression are:
- *Committed, inclusive leadership*, such as:

- holding managers to account in performance agreements; setting targets (with teeth); showcasing successful diversity leaders; and
- *Support and development* , such as:
  - unconscious bias and diversity awareness training, mentoring/sponsorship programs; diversity networks with champions; human resource teams with relevant skills.

For a comprehensive attack on lack of diversity and inclusiveness, other complementary areas for policy action include:
- *Talent management and succession planning, such as:*
  - challenging roles or empowering role allocation in line with capabilities; effective performance feedback; targeted recruitment;
- *Workplace flexibilities*, such as:
  - better practice guides with peer review across agencies; websites on success stories; focus on bridging the policy/practice gap;
- *Attraction, recruitment and selection,* such as:
  - easy to understand recruitment guides; eliminating bias in job descriptions; selecting recruitment panels with external representatives
- *Governance and infrastructure*, such as:
  - whole of government dissemination of annual data on progress; over-sighting executive committees with external membership; monitoring and evaluating with learning embedded in culture.

While a comprehensive set of measures is needed to achieve diversity objectives, the salutary conclusions Soni (2000) and others have come to need to be taken into account: as Ospina (2001) has indicated an effective diversity management strategy should start with the tasks of *considering* and *pursuing* diversity in such a way that those within the organization are involved in the tasks 'that help them become aware of the benefits of increased diversity' (2001:16) Only once there is some motivation and awareness of why diversity is being pursued, that managers can then look to creating a more diverse workforce by developing a strategy for *managing* diversity. Finally, managers can 'use the workforce strategically to add value to the organization strategv goals by supporting the unique contributions each organizational member brings…. thus *maximising* diversity' (2001:16).

Endnote

The evidence presented above would suggest that public sector agencies need to reframe organizational statements and discussions towards valuing diversity of thought and viewing diversity as a resource or capability rather than as a liability. The case study also highlighted the real possibility of backlash from affected groups and that needs to be anticipated up front by building an awareness of the performance benefits from the creation of an inclusive culture (Soni 2000: 400,403). There is also a need to counter the belief that the concept of a merit-based assessment already exists. There is an important role for organizational champions to provide leadership about the need to share power and ensure people are accountable for their actions. In an effective system, diversity initiatives would be integrated into both human resource and business strategies. Only when an organization has taken seriously the importance of diversity and combined it with an inclusive culture and a comprehensive set of safeguards, will trust grow and all employees have the chance to realize their full potential.

References

- Alcazar, F.M et al (2013) 'Workforce diversity in strategic human resource management models', *Cross Cultural Management,* v.20, no.1.
- APSC (2014) *State of the Service Report,* 2013-2014.
- APSC (2015) *State of the Service Report 2014-2015.*
- Canada, Public Service Commission (2011) *Recruitment of Persons with Disabilities: A Literature Review,* Government of Canada, May.
- Clark Helen (2012) *Inclusion and Equity: Why Women's Leadership Matters'* April.
- Deloitte (2011) *Only Skin Deep? Re-examining the business case for diversity,* September.
- Department of Defence (2011) *Review of Employment pathways for the APS: Women in the department of defence,* Australian Government.
- Ernst and Young (2013) *Australian Productivity Pulse, Wave 4,* May
- Edwards, Burmester, Evans, Halupka and May (2013) *Not yet 50/50: barriers to the progress of senior women in the Australian Public Service,* University of Canberra.
- Edwards (2016) *2016- Its' Time for Diversity: Concepts, Facts and Findings*, Presentation to Canberra Evaluation Forum, March.
- Makhlouf, Gabriel (2014) 'The Diversity Advantage', speech to the Trans-Tasman Business Circle, June 4.
- May, Deborah (2014) 'Cultural audit as a means of uncovering unconscious bias and other barriers to diversity within organisation', *Government Directions,* May.
- McKinsey (2010) *Women Matter 2010; Women at the top of corporations: Making it Happen, McKinsey and Company.*
- McKinsey (2015) *Diversity Matters, February.*
- National Audit Office (2015) *Equality, Diversity and Inclusion in the Civil Service,* Report of the Comptroller and Auditor General, HC 88, Session 2015-16, June.
- Ospina, Sonia (2001) 'Managing Diversity in Civil Service: a conceptual framework for public organizations', UN Expert Group Meeting on Managing Diversity in the Civil Service, UN Headquarters, New York, May.
- Soni, Vidu (2000) 'A Twenty-First Century Reception for Diversity in the Public Sector: A case study, *Public Administration Review,* September/October, v.60.no.5.
- United Kingdom, Civil Service 2015, *Refreshed Talent Action Plan: Removing the Barriers to Success,* Cabinet Office, March.
- UN Women (2015) *Re-thinking merit: why the meritocracy is failing Australian businesses,* UN National Committee, Australia.
- Wittenberg-Cox, Avivah (2014) 'In Search of a less Sexist Hiring Process' *Harvard Business Review,* March 17.
- World Bank (2006) *Gender Equality as Smart Economics,* A World Bank Group Gender Action Plan (Fiscal years 2007-2010).
- World Bank (2015) *Staff diversity and inclusion.*
- Zarrouk Najat (2016) *Diversity and non-discrimination in public administration: strategic enablers of sustainable development*, CEPA, UN January.