



Australia's leadership ranks still lack gender and cultural diversity, while significant barriers to employment participation persist for other diverse groups. More than ever before, Australian employers must rethink what they're doing on diversity and inclusion, according to Diversity Council Australia (DCA).

28 December 2014. DCA's CEO, Lisa Annese, said employers can't expect to get the most of their people talent or harness the benefits of a diverse workforce if they don't put adequate resources or strategies in place to drive change.

"Recent Australian data published by the Workplace Gender Equality Agency found employers are continuing to fail to maximise their talent pool by insufficiently supporting the needs of their diverse workforce. It's clear that a diversity policy alone isn't enough. What's really needed is for organisations to properly resource and support their diversity function, as well as develop a comprehensive strategy with clear objectives and accountabilities.

"There's no quick fix here – employers need to do the hard yards. Strategies like actively sponsoring women and other diverse talent into leadership positions, addressing bias at every level, adopting broader definitions of what leadership looks like, and public accountability via reporting on measurable outcomes will actually deliver results," said Lisa.

In 2015, Australian employers can expect continued scrutiny of their diversity efforts from internal and external audiences including employees, regulators and the broader community said Lisa.

Employers should prepare New Year diversity resolutions

Written by Diane Falzon

“In light of the recent decision in Germany to draft a law that leading listed companies must allocate 30% of seats on non-executive boards to women from 2016 onwards, and other countries undertaking similar actions, the pressure will be on for Australian companies to show more progress.

“Failing to deliver better outcomes on diversity is not an option for those organisations wanting to access the best talent, retain an engaged and productive workforce, or indeed be seen as an attractive employer.

“In our experience, organisational strategies such as harnessing cultural diversity, rethinking the leadership model, mainstreaming flexible careers, and a better resourced diversity & inclusion function are key to making progress. During 2015, we look forward to supporting employers’ diversity & inclusion efforts to achieve better outcomes,” added Lisa.

What employers need to tackle in 2015:

Harness cultural diversity

- Asian talent in Australia is significantly underutilised. DCA’s [Cracking the Cultural Ceiling](#) report found that while 9.3% of the Australian labour force is Asian born, only 4.9% make it to senior executive level. In addition, 30% say they are likely to leave their employer in the next year. As Australian organisations increasingly navigate the Asian Century, harnessing cultural diversity becomes imperative.

- DCA’s [Capitalising on Culture](#) research found a lot of cultural diversity amongst board members and senior executives of ASX 200 companies. However, when you adopt a narrower definition of cultural diversity – i.e. exclude people from NW European origins – levels of cultural diversity drop by half. People from Anglo Celtic and NW European origins are

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overrepresented in leadership, and other cultural origins are underrepresented when compared to the general population.

Rethink the leadership model

- Despite some positive trends for female leaders amongst Australia's largest listed companies, there remains a long way to go before women reach equal representation with men. Many [existing approaches](#) are not working and current leadership models are based on male stereotypes that must be redefined.

Mainstream flexible careers

- The ['motherhood penalty'](#) or the impact that bearing and raising children has on women's wages is continuing to have a major effect on their participation in the workforce. Raising children accounts for a 17% loss in lifetime wages for women. Many return to work that is lower-paid than what they had been doing prior to having children and that also frequently does not reflect their abilities, education levels or work experience.

Better support your diversity and inclusion activities

- The [Diversity & Inclusion Study](#) which surveyed more than 100 diversity managers and HR leaders in Australia and New Zealand revealed a significant lack of strategic engagement. A lack of commitment to full-time, experienced diversity leaders was evident, with 60% of respondents having limited or no background in diversity.