Levelling the Playing Field

SEPTEMBER 2018

CDW

CULTURALLY DIVERSE WORKFORCES

THE UNIVERSITY OF
MELBOURNE

Executive Summary

The aim of this report is to provide insights and practical advice for both CALD women, leaders and organisations to change the poor representation of CALD women in leadership.

The aim of this report is to provide insights and practical advice for CALD women to advance in corporate Australia. It also aims to engage senior Anglo-Celtic leadership in changes that need to be made on an individual leader and organisational level. The approach of the study involved interviewing 18 CALD women to understand their journeys and what they did to achieve success. To further bolster this study, we conducted a survey of 40 senior Anglo-Celtic men (regarded as decision makers in Australian corporates) to understand what leadership traits they considered important to recruit and promote talented employees.

Definition

We acknowledge the subjective nature of defining diversity. For the purposes of this report:

'Culturally and Linguistically Diverse' (CALD): refers to anyone with non-Anglo Celtic cultural origins. This recognizes Indigenous peoples and the successive waves of migration across history. Culturally and linguistically diverse includes people with Indigenous, European (Greek, Italian etc.), Asian, African, Middle Eastern and Pacific Islander cultural backgrounds[2]. Adapted from Diversity Council Australia, 2017.

'Anglo-Celtic': refers to anyone with British or English descent who has generations in Australia.

Background

Despite Australia's reputation as a multicultural nation, the cultural diversity found across Australia does not appear to be equitably reflected in the country's senior corporate management. With as many as 1 in 4 Australians born overseas[5], there is significant under-representation of diversity, particularly CALD women in senior leadership roles in Australia. Various initiatives in place have been primarily awareness and training related, causing little movement in actual progression of CALD women. Between 2004 and 2015, the proportion of CALD women in Senior Executive roles has increased by a marginal amount from 1% to 1.9%[2]. These low numbers in senior leadership positions reflect the 'double jeopardy' or intersectionality (the adverse effect of the combining two or more biases) that CALD women face. Further revealing the problem, 81% of 149 CDW Masterclass participants (2017-2018) felt that they missed out on a raise, promotion, key assignment or opportunity as a result of bias against their perceived age, gender and culture.

Business Case

McKinsey and Company identifies a statistically significant correlation between gender and cultural diversity in the workplace and increased financial returns[1]. The research highlights that firms in the upper quartiles of gender and cultural diversity are more likely to generate profitability above their respective industry medians.

According to the report, firms with greater gender and cultural diversity have:

- Enhanced customer acquisition and retention.
- Higher employee satisfaction.
- Increased likelihood of acquisition and retention of top talent.
- Increased financial performance and a sustainable competitive advantage.

11 of 18 of the CALD women we interviewed emphasized that their multicultural upbringing influenced how they think about and approach business problems. This variety of perspectives facilitated by people with different backgrounds is especially useful when operating within a marketplace of Australian consumers who are diverse themselves.

It also highlights how diversity facilitates enhanced organisational problem solving and reasoning through its capacity to overcome the concept of 'groupthink' (best described as a collective mindset where individuals facilitate agreement and limited assessment of alternative courses of action in a desire for social conformity [6].

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Summary Analysis

The analysis of the data identified both barriers and success factors (external and personal) to CALD women. The major findings that are useful to both CALD women and Anglo-Celtic leaders are summarised below.

Cultural and Leadership Differences

Women shared that the way they naturally behaved (considering their dual or multiple cultural identities) clashed with expectations in Australian business culture. They felt that this in some part, impacted progression and advancement.

CALD women and Anglo-Celtic men were also asked to identify necessary traits for leadership in Australia. While there were some overlaps, e.g. the focus on team and emotional intelligence, there was also a distinct difference in what CALD women and Anglo-Celtic men identified as necessary for leadership in Australia. For example, while only 10% of Anglo-Celtic men and no CALD women identified characteristics like 'charisma' or 'gravitas' as a requirement for leadership, approximately 40% of Anglo-Celtic men did identify one of these areas as necessary, for CALD individuals, to develop in leadership. This incongruence, of what is required to progress in leadership, is a major difference.

A CALD female interviewee described how her behaviour, as moulded by her culture, was perceived as "subservient and accommodating". She felt the failure to show the 'right' leadership ambitions inhibited her progression in corporate Australia.

Champions and Sponsors

CALD females shared that despite the barriers experienced, they still obtained success (senior organizational and board roles) by finding, engaging and influencing, the right champions and sponsors.

Other barriers and success factors (both external and personal) commonly mentioned during the interviews are tabled below.

SUCESS FACTORS

MAJOR SUCCESS FACTOR CHAMPIONS & SPONSORS
PERSONAL 1. Resilience 2. Emotional Intelligence (EQ) 3. Identity and Branding
EXTERNAL 1. Targets 2. Networks 3. Mentors

BARRIERS

MAJOR BARRIER CULTURAL AND LEADERSHIP DIFFERENCES
PERSONAL 1. Language and the Effects of Accents 2. Self-confidence 3. Lack of Personal Support
EXTERNAL 1. Bias (In Selection, Promotion & "Pigeonholing" 2. Australian Networking Culture 3. Lack of CALD Female Role-Models

"Most of the time, people from diverse backgrounds have had to break ceilings in their own cultures, before they start to break ceilings in Australian culture"

Sadhana Smiles (CEO, Harcourts Victoria)

Inter-relationships of Factors

Further analysis of these barriers and success factors found inter-relationships amongst these concepts (pictured below in Figure 1). This demonstrates that no single factor is responsible for success for CALD women, but a varied combination of factors dependent on individual circumstance. The interrelationships also demonstrate links between barriers and successes, for example when a barrier is overcome, it can lead to success.

Figure 1 below serves as a framework of understanding for CALD women and organisation leaders. The inter-relationships (denoted by matching colours) shows how improving one factor can impact one or multiple factors. The challenge for individuals, leaders and organisations is to understand the levers they can pull with these factors to cause change. Leaders can use the framework as a practical guide when considering the impact and ease of implementation of initiatives.

Figure 1.
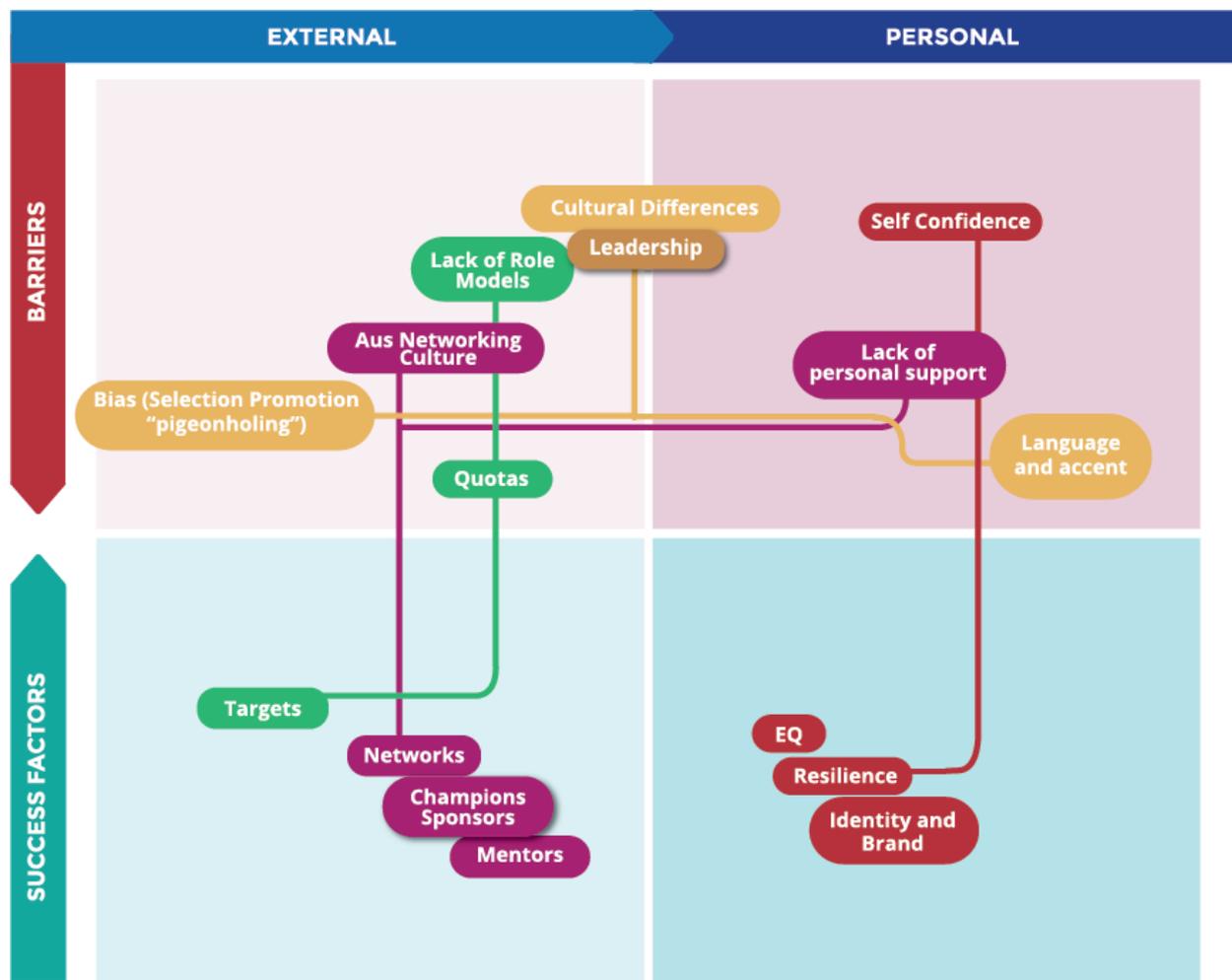
INTER-RELATIONSHIPS EXPLAINED

The major barrier of "cultural and leadership differences" is both an external and personal barrier. CALD women cope internally, with their own cultural awareness and adjustment to Australian workplaces. CDW Masterclasses work in this area to support CALD women to navigate these barriers. Women also face barriers externally from leader bias and workplace climates, especially the incongruence in what traits are required to progress in leadership. Examples shared by women are "biases in recruitment, promotion and pigeonholing". Biases were also influenced by an individual's "use of language and accents". These latter biases are harder to effect and needs deliberate action to change e.g. organisation talent processes and a more inclusive work environment that values people who are bi or multilingual.

"Champions and sponsors", the major success factor mentioned unanimously by both CALD women and non-CALD men, are often sourced through networking whether inside or outside the individual's organisations. Our participants found that the predominantly male dominated "Australian Networking culture" (an external barrier) hinders the ability of CALD women to form "authentic networks". Furthermore, the opportunity to attend networking events (sometimes after work hours); to connect with potential champions and sponsors, is dependent on a personal support network (to balance for e.g. children, personal circumstances after hours). Personal support networks were identified as an individual barrier, often as a consequence of being a migrant. Organisations should consider changing this networking culture, to allow these pivotal relationships to develop.

The major barrier of "cultural and leadership differences" is both an external and personal barrier.

Martha, Head of IT and Supply Chain, Target, expressed her frustration that a CALD women who was more than capable for the role was not confident in her own abilities and allowed the position to be given another candidate that did not have the valuable internal knowledge or expertise, *"I can't champion you if you're going to give up on yourself."* Martha further explained that this shows *"people are putting up barriers around themselves"* in addition to facing existing organisational barriers…

In order to develop an identity and brand women need self-confidence and emotional intelligence which women reported, is being eroded by various barriers. Resilience is a success factor that successful CALD women have identified as a trait to face and overcome barriers. CDW Masterclasses works with women to improve the above two factors.

The historic lack of targets or quotas and long-term biases, have led to a lack of CALD female role-models. Organisations need to make deliberate attempts to change the representation of CALD women in leadership pathways.

Suggested Pathway

Overall, there was a strong emphasis from interviewees that the biggest impact women can have on their careers, is by first focusing on barriers and success factors most within their control. i.e. by:

1. **Addressing factors related to themselves; then,**

2. **Identifying advocates (leaders) to support their advancement and**

3. **Influencing the systemic top-down organisational changes, required.**

"The mentor you look for, their values should align with yours"

Wai Tang (Non-Executive Director for Vicinity Centres Ltd; JB HiFi Ltd; PMP Ltd; Board member of Visit Victoria Ltd; Melbourne International Arts festival)

It is also noted that, for the last few decades, the reverse approach (organisational level to individual focus) has made little progress to advance CALD women. From 2004 to 2015, less than 2% of CALD women are in senior executive roles in ASX companies [4].

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The diagram below, illustrates the approach, resulting from the study.

03

+ Bias
+ Networking Culture
+ Targets
+ Female role models

02

+ Champions, sponsors
+ Mentors
+ Networks

01

+ Language & Accent
+ Self Confidence, Resilience, EQ, Identity & Brand
+ Lack of Personal Support

SELF   ADVOCATES   ORGANISATIONS
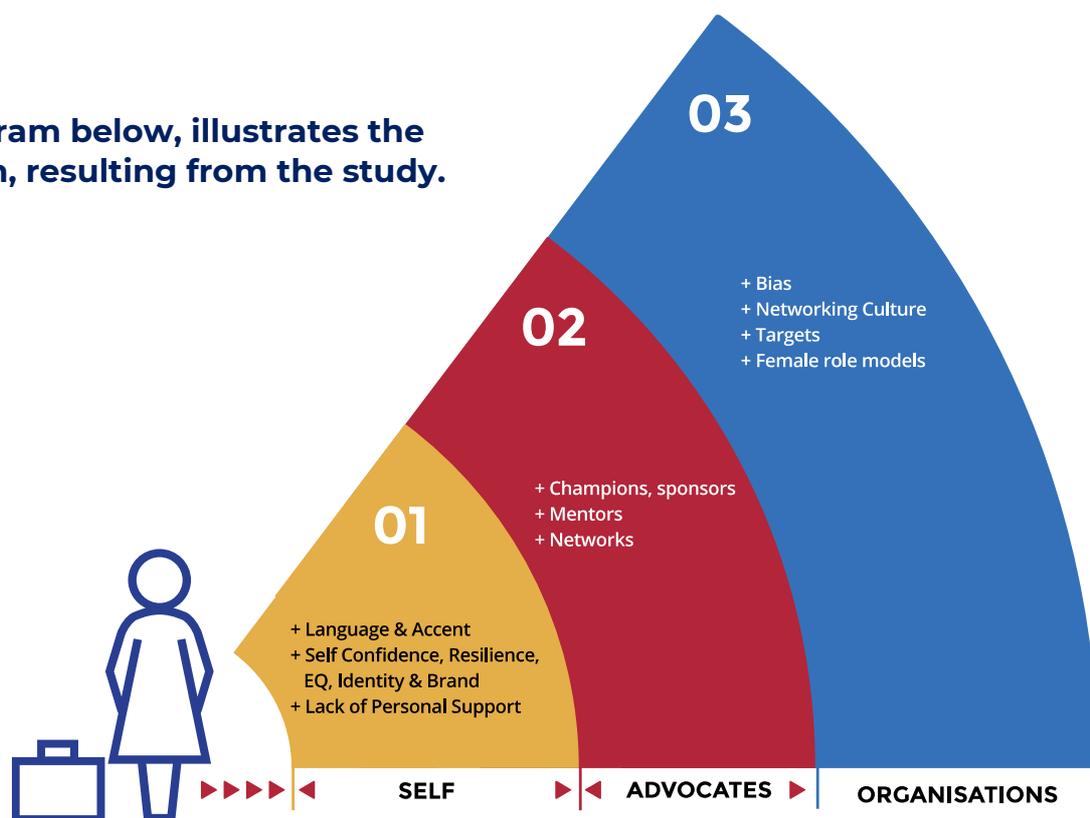
Figure 2.0

"You need a strong manager that will help you to deal with pigeonholing. This is to prevent attitudes such as 'you're good at what you are doing, so we will leave you here'."

Jason Henshaw (General Manager of Logistics, Origin Energy)

The following summary of Playbook tactics (suggestions of practical actions) is compiled for CALD women and organisations to identify ways to improve their progress in Australian business.

SELF	ADVOCATES: SELF	ORGANISATIONS
Identify personal barriers, considering cultural difference.	Identify a range of advocates related to your goal.	Address bias in selection, management and promotion of CALD women.
Make considered decisions to change cultural behaviours where beneficial.	Plan a 'pitch' to gain the support of advocates and be clear on expectations.	Make changes to the networking culture to improve inclusion.
Lead personal brand improvements aligned with identity and goals.	**ADVOCATES ORG. LEADERS**	Decide on targets for all diversity categories that are aligned to employee & customer demographics.
	Understand and commit to the role of an advocate.	
Acknowledge and seek personal support required.	Actively promote CALD women and assess these efforts every 6-12 months. Is advocacy working?	Measure the increase in CALD female role-models as a result of targets and position them as advocates.

"If it's not measured and no one is held accountable, it is hard to move forward"

Zione Walker (President and Co-Founder, Incubate Foundation and Change Architects)

Part of the reason I wasn't ambitious enough early in my career was because there were no role models.

Cynthia Chung (Acting Commercial Director, Nandos)

Demographics of participants

The first phase of the research interviewed senior successful CALD women

18
CALD SENIOR FEMALES
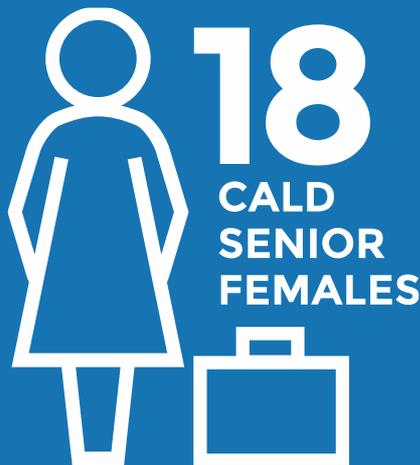
- From Indian, Asian, African and European (migrant) descent
- Representing property, finance, banking, telecommunications, STEMM, logistics and education in the private and public sectors.
- Hold role titles: CEO, Vice President, Executive Director, Director, General Manager, Senior Manager, Department Head, Function Head, Commercial Director
- Median age range: mid forties

Further to the interviews, a survey was conducted to bolster the qualitative interview research completed by The University of Melbourne. The primary aim of the survey was to understand from an Australian male, Anglo Celtic leader's perspective, what leadership qualities and capabilities, their staff require for promotion; and to assess their views on what specifically CALD women can do to improve their prospects for advancement.

40
MALE SURVEY PARTICIPANTS
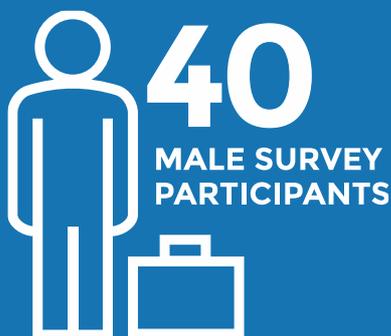
- From Anglo-Celtic backgrounds
- Representing aged care, the rail industry, property, AFL, banking, energy, NFP, BPO, government, airline, telecommunications, engineering, IT, and Logistics.
- Hold role titles of CEO, COO, COO Country Manager, CTO, CIO, CFO, Partner, Directors, Heads of, General Manager, Special Counsel, Regional Head, Senior Financial Controller.

About
the Authors

Culturally Diverse Workforces (CDW) is a social enterprise, joint venture between MindTribes and Advancing Women in Business & Sport established to address the under-representation of culturally diverse women and men in senior leadership roles in Australia. The initiative started with a Masterclass for culturally diverse women, to capture the attention of the market focused on gender. CDW has supported 149 participants from over 25 cultural heritages in 2017-2018. Video testimonials can be viewed via:
https://www.mindtribes.com.au/culturally-diverse-women/

MindTribes works with both Australian and multinational corporates to develop intercultural capability by focusing on the business impact of cultural inclusion. Their market is both local and offshore in shared services, contact centres and multicultural workforces.

Advancing Women is a firm focussed on improving gender balance in both business and sport, through strategic advisory and implementing change programs.

This report is written in partnership with the students of The University of Melbourne with the aim of promoting change through empowering culturally diverse women. We acknowledge that this is a multi-faceted issue and change is required at all levels; from individual Australians including culturally diverse women, organisations and society.

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