

Transforming Cultures to Grow Women Leaders

Case studies of six New Zealand companies' work on gender diversity

Prepared by the EEO Trust for the Ministry of Women's Affairs

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Introduction

Why we did this research

The past four years have seen the reinvigoration, in many developed countries, of long-standing efforts to raise the number of women in positions of corporate leadership. This has been driven by the emergence of a compelling evidence-based business case for gender diversity. It is gaining even greater traction through evidence that 'group-think', borne out of homogeneity, may have played a role in the recent global financial crisis.

Encouraged by the groundswell of activity in similarly-constituted countries like Australia, the UK, the USA and Canada, the Ministry of Women's Affairs was curious to explore what New Zealand companies were doing, so commissioned the EEO Trust to do some further research.

Our approach

Senior personnel from six companies, representing a range of industries selected from the EEO Trust's member organisations, kindly agreed to be interviewed for the study. The companies were:

- Bank ANZ NZ, which has 9000 employees, 61.4 percent of whom are women, and includes the ANZ, National Bank, OnePath, UDC Finance, EFTPOS New Zealand, Bonus Bonds and Direct Broking brands.
- Manufacturer Coca-Cola Amatil NZ, with 1000 staff 38 percent of whom are women, and includes brands such as Coca-Cola, Sprite, L&P and Pump Water.
- Insurer IAG (Insurance Australia Group) NZ, which has 2140 employees, 59 percent of whom are women, and includes the brands of State Insurance, NZI, Mike Henry, Swann Insurance, Lantern Insurance, NAC Insurance, and Drive Tight.
- Supermarket operator Progressive Enterprises, New Zealand's largest private employer with a staff of 18,400 of whom 58 percent are women.
- Fuel supplier Refining NZ, with a staff of 327, 11 percent of whom are female.
- Communications provider Telecom NZ, with 8000 employees of whom 39 percent are women.

Due to their Trust membership it was considered that these companies would be likely to reflect current best practice in New Zealand. The resulting case studies look at what has motivated action to boost the proportion of female leaders, initiatives developed to support gender goals, and the progress that has been made.

In the interviews and in writing up the case studies, we have drawn loosely on the thinking of Avivah Wittenberg-Cox, an internationally renowned consultant who works with companies to help them tap the competitive advantage that comes with gender diversity. Wittenberg-Cox's approach outlines four phases in the journey from corporate gender imbalance to balance. They are:

1. Audit – a stocktake of gender balance, what has been done so far and what has been learned
2. Awareness – ensuring senior leaders understand why gender balance matters and creating an action plan
3. Align – implementation, and
4. Sustain – using clear and effective measures, reward structures and communications approaches to maintain gains achieved and sustain the change process.¹

Our work has also been informed by a report by the Australian group Male Champions of Change, which emphasises the importance of leadership from the top in driving greater gender diversity, and explores practical ways in which member companies have created genuine and lasting change.²

What we learned

Motivation

Generally, change is being driven by concerns around attracting, retaining and utilising talent. Companies are acutely aware that a diverse workforce is critical to creative thinking and reflecting the increasingly diverse customer base essential for long-term sustainability.

As Ellen Jacobson, Telecom's General Manager of Organisational Development says, "There is compelling research over the past 15 years to say companies that have a diverse makeup at senior level make better decisions and get better results. Diversity of thought is what we are after."

¹ For further information see Wittenberg-Cox, A and Maitland, A, (2009), *Why Women Mean Business: Understanding the Emergence of our next Economic Revolution*

² Our experiences in elevating the representation of women in leadership: A letter from business leaders, October 2011, PDF downloadable from http://www.hreoc.gov.au/sex_discrimination/publication/mcc/index.html. The Male Champions of Change group is convened by Elizabeth Broderick, Sex Discrimination Commissioner, Australian Human Rights Commission.

Several companies couch their work to raise women's representation in a broader diversity agenda aimed at leveraging diversity of thought. However, gender is always a key focus, and most of the companies have formal diversity or equal opportunity policies supported by a range of programmes and initiatives.

Audit

All the organisations track gender data, although some are conscious that their employee statistics are not as comprehensive as desired, and are broadening their data collection. The amount they publically report varies. It is clear that new Australian Securities Exchange (ASX) requirements to report on gender diversity and measurable objectives have provided extra momentum to dual-listed companies (like Telecom) or those with Australian parent companies (like Coca-Cola Amatil).

Most of the companies have invested in internal demographic and qualitative research to inform their diversity planning, including exploring employee attitudes to workplace diversity.

Awareness and leadership

Like their Australian counterparts, all six companies emphasised the importance of visible leadership from men and women in the top jobs, and stress that all leaders have to be accountable for creating cultures that support women's aspirations. Jacki Johnson, CEO of IAG NZ, says, "There needs to be strong leadership from the top, setting an expectation that everyone needs to behave inclusively. If you can't do that, then this isn't the place for you."

All the leaders interviewed emphasise the importance of frequently and consistently communicating the business case for gender diversity to reinforce the value of initiatives being undertaken. Says IAG's Jacki Johnson, "Diversity conversations have to be linked to business success, otherwise you get the cynics coming out and saying 'this is a fad'."

Aligning processes and practices with gender diversity objectives

Practices to support culture change include flexible working arrangements, targets for the representation of women in senior management of between 25 percent and 40 percent, ensuring that role models are visible and telling stories about women's success through internal and external communications. One company introduced 12-month career breaks as a long-term retention tool. Several leaders emphasise the importance of keeping in touch with "the front line" to ensure any barriers to women's success are detected and dealt with. Companies are increasingly taking an individualised approach to surmounting difficulties that might lead to an avoidable resignation.

Awareness-raising initiatives, programmes, and events that engage people at every level and ensure they genuinely understand the barriers to equal opportunity are also important. For example, one leader, having learned about the different ways in which men and women approach work, now raises the issue in coaching; another company uses a learning activity that asks staff to imagine they are of a different gender, culture or background, and respond to common work-related scenarios.

Pay equity is also regarded as important, as it demonstrates that women's contributions are valued. Most of the companies examine male-female pay ratios and make adjustments where necessary.

All the companies offer high-level leadership development; mentoring, either formal or informal, is seen as particularly useful for developing women's confidence and networks. There was also recognition that systemic barriers to the progress of capable women need to be addressed. "If I can fill the pipeline with a good mix of men and women, the rest takes care of itself," says Gillian Davie, General Manager of Human Resources for Progressive Enterprises.

Sustaining progress

Although some companies have made rapid progress in a number of areas, most report that they are in the early phases of their gender diversity journeys. Felicity Evans, ANZ NZ's General Manager Human Resources, says there is "no quick fix. You have to be vigilant and keep going. These are big shifts and it takes a long time." Interviewees were confident that concerted effort will deliver further significant business pay-offs over time.

Looking to the future

Diversity of thought is key to building and maintaining competitive edge in today's global economy. It is encouraging to see that the companies represented here are beginning to address gender diversity, but widespread action on gender diversity is necessary for New Zealand to keep pace with international trends.

New Zealand's market operator, NZX, is about to introduce gender diversity reporting rules along the lines of those introduced by the ASX in Australia. While companies will benefit from greater diversity, introduction of the rules is largely driven by the need to enable investors to evaluate company performance and make informed investment decisions. From an investor perspective, gender diversity provides a key indicator of a company's vigour, resilience and future prospects. Investors see companies with diverse leadership as:

- Forward thinking, innovative, flexible, and able to adapt to a dynamic business environment.
- Making good use of available human capital in the face of a world-wide talent shortage.
- Likely to provide good financial returns to investors.
- Less likely to expose investors to unacceptable risk.

It is no surprise then that investors are increasingly seeking better diversity performance from companies they currently invest in and examining diversity performance when evaluating future investment opportunities.

Introduction of the diversity reporting rule, together with increasing pressure from investors, is expected to stimulate New Zealand companies to increase their efforts to improve gender diversity, especially at senior management and board levels.

The companies included in this research are already well on the way. The business case for gender diversity at leadership and decision-making levels is well understood, particularly by dual-listed entities, and a range of actions is being taken to improve gender diversity. We hope that other companies looking at improving their gender diversity will find inspiration and practical advice from the case studies provided.

ANZ NZ Exploding myths and building springboards for change

ANZ NZ took action when it saw too few female staff rising to management positions.

In 2006, ANZ Group set the stage for change. Its chief executive officer and 12 other senior business leaders created the bank's Diversity Council to promote diversity – invisible and visible – as a strategic asset across the company's Australasian companies, with business leaders responsible for leveraging it.

The bank's Diversity and Inclusion Strategy followed in 2007, with three main planks:

1. Diversity in Leadership - aimed at boosting the representation of women.
2. Flexibility - helping staff achieve work-life balance.
3. Respecting and Connecting with the Community - building affinity networks, including a women's network, volunteer days and language and cultural events.

Dismantling roadblocks

In New Zealand, says Felicity Evans, General Manager Human Resources, there was concern that high female representation at lower levels was not flowing through to management. Research company, The Providence Report, was commissioned to find out why.

The Providence Report recommended that the bank:

- Explode the myth that the number of women in senior management would increase naturally over time, by providing the research, experts and context to show why action was necessary. "So gender balance became a consideration for key HR activities including recruitment, talent selection and succession planning," says Evans.
- Humanise and simplify job descriptions. "Some had been more than six pages long and quite specific – and we know that research shows that if a male can do 10 percent of a job description they'll apply, whereas if a woman can't do at least 90 percent they won't. Each job description is now one or two pages with key responsibilities outlined. We also highlight who the direct reports are and the team surrounding the position – it's about people, not just the position."
- Re-frame the language around diversity and inclusion to encompass diversity of thought and diversity as a driver of innovation, not just gender and ethnicity. "We changed our vocabulary in our communications and talked about diversity as both the visible and invisible dimensions of people."

- Continue to profile female role models. “Female employees discuss their careers on our intranet and in staff magazines, as well as in global ANZ publications,” says Evans.
- Focus on leadership rather than gender. “While ‘Women in ...’ courses work, they also irk,” says Evans. “We’ve moved away from running gender-split development – men and women need to learn to speak each other’s language.” The bank’s leadership training programme is tailored to individual needs and covers issues like networking, career planning, negotiation and selling, profile-building, presentation skills, searching for a mentor, broadening skills and managing people.
- Emphasise the financial power of women. “We wanted our female staff to really understand the power each of them has and the power of female customers,” says Evans. The bank developed a workshop on building wealth for women, piloted it through its women’s network, then made it available to female staff in four cities.

An important adjunct is the bank’s extensive suite of flexibility provisions, available to all staff.

Adding inspiration to the mix

The bank added new momentum to its gender work in 2011 by bringing in gender-balance expert Avivah Wittenberg-Cox to speak before 800 of its leaders. One of her key messages was that women and men have different work styles and approaches; managers need to work with these differences. Another message was that women who have children in their 30s hit their career stride in their 40s, a decade later than men; managers need to seek female talent among women in their 20s and 40s as well as in their 30s.

Role models are important, says Evans, and she felt a shift among women at the bank in 2008 when the 11-member executive team gained its third woman. “Having three women on the executive team was the turning point for us – we finally had a good number of role models at the top.”

Kerri Thompson is one of that trio – as Managing Director Retail, she oversees 4,000 people in branches and call centres, 75 percent of them female. Ensuring that women are not prevented from achieving requires a pro-active approach. She keeps in touch with ‘front line’ workers and if, for example, she comes across a refusal to consider flexibility for a working mother, she can restate her expectations regarding flexibility.

All the bank’s senior leaders are responsible for gender diversity goals, with achievements reported annually to its executive committee and board. Targets “have to drive the first stage of change,” says Evans. “Of course, I’d like to get to the point that we don’t have to do that anymore.”

Tracking the numbers

ANZ NZ analyses all its employee statistics through a gender lens, including tracking new graduate staff for their first five years by gender and progress, and benchmarks against other banks. Pay equity is examined annually.

The company reports its gender figures in its annual report, in line with Australian Securities Exchange (ASX) requirements and also to EOWA, the Equal Opportunity for Women in the Workplace Agency (all Australian companies with more than 100 staff are required to report gender statistics).

ANZ's gender diversity goals for 2012 are to:

- Reach at least 40 percent representation of women in management (currently 35 percent). There are no specific goals for senior management.
- Achieve gender balance in key recruitment, talent development and learning programmes.

There is, says Evans, "no quick fix" to achieve gender balance. "You have to be vigilant and keep going. These are big shifts and it takes a long time."

Coca-Cola Amatil: ASX gender rules spark action

CCA thinks outside the square to fast-track its senior women.

For manufacturer Coca-Cola Amatil New Zealand (CCA), recent Australian Securities Exchange (ASX) rules requiring listed companies to set gender-representation targets and report on them spurred leaders into action.

“It’s the right thing to do and it makes sense for business,” says Martin King, General Manager HR, adding that Managing Director, George Adams, is “passionate and committed” to making sure female talent emerges in leadership roles.

“Our view is that New Zealand businesses such as ours should be leading on this so we can improve women’s representation in a way that makes sense for our business, rather than having some sort of regulation imposed.” And, he adds, “Having senior male advocates who are creating those conversations is powerful for us”.

Challenging the usual mind sets

The multi-national company, whose Australian parent company is ASX-listed, wants the number of women in its 40-strong senior leadership team to rise from 25 percent to 35 percent. King says the key to this is having “really robust conversations that challenge preconceived ideas about people” and encouraging managers to think outside the box.

Like many large companies, CCA has its top leaders arrayed in an organisational capability matrix that identifies high-potential talent; it aims for the top stream to be around 50 percent female “to ensure that we are fast-tracking female talent”. King encourages managers to look at people at different levels and in other business units whose skills may be highly transferable.

“I want managers to ask who might have cross-functional and transferable skills that can be brought across,” he says. “It’s about challenging that paradigm of ‘I need someone with 10 years of sales experience as a manager to do that job.’ Actually, that might not be the case.”

This broader view is particularly critical, he says, as women may have less linear career paths than men. “Women are more willing to take sideways steps and move cross-functionally to build their careers, whereas men often won’t because it doesn’t offer the salary progression they want.”

This approach has led to “some real growth in talent”, and the company is building on it by inviting women with leadership potential to meetings where they have a chance to build relationships with senior people to whom they don’t report. “It’s a chance for these women to see what it’s like at that level and grow their profile,” says King. The visibility-building “breaks the mould”, he says, and ensures talent isn’t overlooked.

Nurturing tomorrow's leaders

Employees identified as future leaders take part in a 12-month development initiative called Excel, which includes a range of classroom activities, projects and experiential learning. Each person has a one-on-one career discussion with the managing director, external coaches or internal mentors, and can attend CCA's emerging leader programme in Australia.

One of Excel's rising stars is National Contact Centre Manager, Annaliese Atina, who started at CCA 14 years ago as a telephonist. "I've been supported here in every element of my professional life, and that's why I have stayed," she says.

That support extends to work-life balance: Atina has three children, two born while she has been at CCA, and makes use of the company's flexibility provisions and work-from-home tools. "We have a trusting culture and you are measured on output. If I need to work at home, that is supported and understood."

Helping new mothers achieve

CCA's approach to maternity leave and the return to work facilitates staff retention. The company already offers flexibility and six weeks of paid maternity leave above the mandated provision – "that's a good attraction tool", says King. At salary review time, women on maternity leave are included so that their absence doesn't lead to a loss of relativity. "They get a full review while on leave."

A recent survey found that women on leave often felt they had dropped out of the loop and that on coming back to work they no longer fitted in. In response, the company set up a process that sees managers reminded to make regular contact with employees on leave, and confirm return-to-work arrangements six weeks before leave ends.

Once women come back to work, says King, "we're committed to making the return work, finding a balance between business and their needs. At all levels, we have successfully utilised a four-day week option, role-dependant. That's probably the most common arrangement for women coming back, and it works really well."

He adds, "We are quite often in a situation where a person doesn't want to come back to a high-stress role, so we will consider sideways moves to roles that may be less pressured. We've got a great HR infrastructure and we are proactive with managers, saying 'what are the options?'"

Crunching the numbers

The company analyses its gender statistics by level, performance rating and bonus payments. It has examined pay parity in 'bulk' roles – job categories with anywhere from 20 and 200 people in each, such as sales representatives, sales managers and contact centre staff – and addressed disparities.

Future plans, says King, involve checking that there "are no holes in the pipeline" to senior roles and addressing any causes of attrition.

The focus on gender runs alongside a recently launched diversity and inclusion programme. Organisational Development Consultant, Lee Bosson, says teams are learning to think more broadly about what diversity means at work through exercises such as the Diversity Walk, which involves participants taking on a character, such as a single mum with two young children, or someone with a disability, and making decisions in response to a series of workplace-related questions. “The idea is to uncover some of the subconscious blocks we might have”.

The programme, Bosson says, aims “to make sure we don’t prevent people being able to make the most of themselves at work. We’re removing unnecessary obstacles - and that enables women”.

IAG NZ: Leading from the top key to transformation

Understanding differences between men and women part of culture change

Brian Schwartz, chairman of leading Australian and New Zealand insurance group IAG, says he talks about the business benefits of diversity – and gender diversity in particular – every time he speaks to staff. He joined the board of the Sydney-based company in 2005, and since becoming chair in August 2010 has put the business benefits of diversity firmly on the agenda.

He's surrounded by like-minded people, he says: Australia-based group CEO and Managing Director Mike Wilkins "is absolutely with me on this topic and has run with it". And so is Jacki Johnson, IAG's New Zealand CEO and one of three women in the eight-member New Zealand executive team.

Johnson says creating pathways for women in the New Zealand company is part of a broad, concerted effort to leverage the value of diversity in its widest sense. "Diversity of thought, skill and experience is really important for business success," says Johnson. "And we need a diverse workforce to reflect our diverse customer base."

Setting the scene

Since 2008, the group's Code of Ethics has outlined expected values and behaviours, among them an appreciation for equal opportunity.

IAG's New Zealand business has reported its gender figures for some years, including salary and seniority ratios by gender. In September 2010, IAG convened a 10-member Diversity Working Group in Sydney, chaired by Wilkins. It included Schwartz and senior representatives from each of the key businesses. The task: to map out a group-wide approach to diversity. Three areas chosen for special attention were gender, age and ethnicity. A diversity policy followed, carrying the clear message that a talent-driven, inclusive and diverse culture is the key to IAG's prosperity.

When Australian Securities Exchange (ASX) guidelines were introduced in 2011, requiring listed companies to publish their diversity policies and measurable objectives, the company pledged to improve the group's percentage of women in senior management to 33 percent by 2015 (New Zealand currently sits at 25 percent).

Making change real

To achieve this target, managers are expected to ensure women are present in talent pipelines, and future leaders get individualised development programmes that might include on-the-job development, further study, or participation in IAG's Advanced Leadership Program, run out of Australia. Female staff have also been sponsored onto Global Women's BreakThrough Leaders Programme, a year-long course for senior women.

In July 2011, a leaders' conference was held to focus on how leaders were expected to leverage diversity. Jo Mason, NZI's General Manager of Corporate and Niche, was a member of the Diversity Working Group and went to the conference. It opened her eyes, she says, to the differences between men and women in the workplace and also the impact of gender and culture on communication styles. These insights have changed the way she communicates when coaching and in the subjects she raises: "People are often completely unaware that there are differences ... I used to think that we women just needed to work twice as hard as men to get noticed, and that was our lot."

Says Johnson: "You can't lose sight of the fact that the first step is awareness; some people are not aware of the impact they have on others." Such insight and leadership is critical in developing women's leadership talent. "There needs to be strong leadership from the top, setting an expectation that everyone needs to behave inclusively. If you can't do that, then this isn't the place for you."

The business reasons for increased diversity must also be clearly and frequently communicated. "Diversity conversations have to be linked to business success, otherwise you get the cynics coming out and saying 'this is a fad'."

Creating opportunities to shine

IAG offers senior women formal and informal mentoring; Johnson sees this as particularly important for encouraging women to step outside their comfort zone and build confidence in articulating their results and ambition. "Women need to be able to talk about what they can contribute and why."

Managers are also responsible for raising "the visibility of women and what they are capable of ... such as sending them on overseas secondments where they will be able to shine, and asking, 'have you thought about applying for this role?' You have to have these sorts of approaches embedded throughout the organisation."

The value of surveys

IAG ran an online survey in February 2011, completed by 80 percent of its New Zealand staff, to collect baseline data. The survey gathered demographic statistics and asked about people's lives outside work, such as whether they were parents or caregivers, whether they had lived and worked overseas, and their perceptions of diversity and inclusion at IAG.

IAG followed up with focus groups in Auckland, Wellington and Christchurch, with staff elsewhere teleconferencing in, to find out what support would help working parents and caregivers, those returning from parental leave, new immigrants, people in their first job and seniors.

Among the feedback particularly pertinent to working mums was better communication on work-life support and benefits, with more flexibility wanted. Women returning from parental leave wanted more communication during their absence so they didn't get out of touch.

The insights are all going into the mix that IAG hopes will increase the number of women in its talent pipeline, says Johnson. “If you want to compete, you do it by making your culture an enabling one.”

Progressive Enterprises: Making sure women are in the race

Supermarket company tackles women's career 'off-ramps'

For supermarket operator Progressive Enterprises, a drive to make the most of women's talents is further fuelled by plans for rapid growth. Progressive, which owns Countdown supermarkets, is New Zealand's largest private employer with more than 18,400 staff. While women make up 58 percent of all staff, they drop to 52 percent of department managers, 20 percent of store managers and 16 percent of the 87-member executive group.

Gillian Davie, General Manager of Human Resources, calls this drop-off the 'stupid' or 'wastage' curve and says action was prompted by concern about the large number of women who were leaving or weren't progressing beyond their current roles. "The question we have to ask is 'why are women off-ramping? Why are they leaving and what can we do to on-ramp them back into our company?'" She says a senior resignation is always viewed as potentially salvageable, with a line manager sitting down with an employee to explore what might help retain them.

Career breaks

One solution to women off-ramping has been instituting 12-month career breaks. "Some people have needed time to care for sick spouses or have wanted a break to do something different. We say 'don't resign', because that off-ramps people. We say 'have a career break, take 12 months off' and we'll keep in contact."

That contact is important to keep people connected, says Davie, and got a boost in December 2011 with the launch of a password-protected employee website called "All Yours". It holds information on employee benefits and wellbeing, career opportunities, and company news and activities.

Progressive's gender figures are reported to the Australian Securities Exchange through its parent company, Woolworths. The goal for both countries is to boost the representation of executive women to 30 percent.

Senior leaders are accountable for making progress on gender diversity. Davie encourages managers to shoulder-tap women to apply for higher-ranking jobs, aware from research that women tend to underestimate their preparedness for a role compared to men.

Progressive Managing Director Dave Chambers observes that women may not feel comfortable blowing their own trumpets. "There are differences between men and women in terms of pushing themselves forward, and in this business we have to look for the quiet achievers, not just the noisy achievers. The quiet achievers are a bit harder to find, but people have to work harder to uncover them."

Informal mentoring exists within Progressive; Davie is investigating training for women around confidence building using external coaches. Progressive has also started targeting senior women in creative ways – it recently netted a senior executive through an advert in a glossy food magazine.

Performance reviews and career planning are essential to help bring out people's full talents, says Chambers. He says eyeballing the talent pipeline often is critical: "If you look at it only quarterly, maybe on people metrics, then it's historical and you're missing a chance to influence."

Keeping tabs on talent

Chambers has instituted a 'talent council'; the heads of operations, logistics, HR, buying, marketing and finance meet with him every six weeks for no more than an hour to look at "how things are working, what gaps we've got, who's performing well, why that is and what else we need to do."

Davie has also mandated that an equal number of men and women from New Zealand attend an 18-month leadership programme run by Woolworths in Sydney, and expects internal training courses to be reasonably gender-balanced.

"My role is to ensure that we have the right people on the starting line ... by mandating an even representation, I know we are looking harder at talent. If I can fill the pipeline with a good mix of men and women, the rest takes care of itself."

Leaving group-think behind

Women are making good progress in Progressive's senior logistics team, headed by Orlando Rodriguez. Six of the 14-strong team (43 percent) are female, says Rodriguez, a great improvement and the result of a concerted effort to seek a broader and more creative talent pool. (Around 21 percent of New Zealand's logistics managers are female, according to February 2012 Department of Labour estimates).

Rodriguez says that the increase in female staff is the result of hiring for attitude and ability to learn, rather than just for logistics know-how. In his experience, homogenous groups tend to suffer from 'group-think'; a more gender-balanced team brings with it a greater variety of ideas and approaches.

"We're looking for people with complementary skills and all sorts of experience. That means we may be hiring women, younger men, people who are going into a second career ... we have a much broader talent pool these days."

Measuring progress

Progressive's approach is about creating a level playing field for women, Davie says: "The best people will always win the race. I have to make sure we have the right candidates on the starting line." She adds, "I am not a fan of quotas – as a female executive, I would want to get a job because I was the best candidate. But it's paramount to monitor your gender mix – what gets measured gets done."

The company examined gender pay ratios for the first time in 2011 and found a few areas warranting further attention; the exercise was repeated in 2012. “If you don’t ask questions, you don’t realise what pay inequity looks like,” says Davie. “If you don't have pay equity, what message does that send to women?”

More remains to be done; Davie would like to see the need for gender diversity better communicated across the company. Chambers adds that consistent messages from the top are important: “My role as MD and Gill’s role as GM HR must be in sync so we are not saying different things to a business of 18,000. We have to have clear expectations and communicate those clearly.”

Refining NZ: Changing the face of the oil industry

Refining NZ is 89 percent male – but it's led by a 43 percent female leadership team.

The oil industry knows it's seen by many as being blokey and mucky, says Anna Meyer, Refining NZ's People & Environment Manager – and that perception problem, she says, is one of the reasons why just 11 percent of the 327 people working at New Zealand's only oil refinery are women. They tend to work in professional areas like engineering, finance, IT, HR and procurement, rather than operations.

But in the past five years, since a shake-up in approach that came with British-born CEO Ken Rivers, the company, whose staff range widely in age and ethnicity, has been embedding a new culture that values diversity in thinking, continual learning and inclusive behaviour.

Rivers sums up the thrust of the culture change as “it's not who you are that matters, but the quality of what you are saying. In a workforce like this, there are some inbuilt prejudices and my job has been about breaking the myth that only certain people can do certain things. It's all about unlocking potential in individuals and our whole organisation.”

Early successes

By the beginning of 2012, three of the seven people at the top table were female (43 percent), the highest it has ever been, and women make up 20 percent of all line managers. The “rising star pipeline” below that is 25 percent female, says Meyer. “The most high-impact thing we do is stand here as a 40 percent female leadership team. If people see that 40 percent of the leaders are women, then women must be important.”

She adds, “We would like to increase the proportion of women in the company – 11 percent is a pretty pitiful number – but I don't want to get stuck in the idea there is some magic formula in that having a certain proportion of women means you're done. For the leadership team, what matters is overall diversity. Homogeneity doesn't work for us; it doesn't get you quality thinking or different perspectives.”

Accelerating action

On the hiring front, says Meyer, there is “probably a little bit of affirmative action going on under the radar. If we had two equal candidates, one male and one female, we would tend to choose the woman, because we know she'll bring experiences and thinking that are different from the male majority.”

She says that key moves to bring talented women into leadership include:

1. Attracting more female engineering graduates. To combat the perception that refining is an unattractively masculine environment, Refining NZ has female engineers front its career road shows at universities. “In engineering disciplines, we have a large number of brain workers, and women can compete equally in that space,” says Meyer. Job adverts often feature pictures of female engineers.
2. A new development programme for the people identified as rising stars. The programme, started in 2012, includes modules that examine personal values and leadership style; how to lead high-performance teams; coaching; building and leveraging relationships; strategic planning; and how to lead organisational change. “Our antennae are quite finely tuned to female talent in the business because we want to bring women through to senior roles,” says Meyer.
3. A leadership development programme aimed at the 22 managers in the second-to-top tier, two of whom are female. It has a different focus annually; in 2012 the spotlight is on leaders as teachers. A subset of this group also has external mentoring.
4. Organisational practices that support women, such as flexibility and job-sharing. Denise Jensen, who rose through the ranks to become Chief Financial Officer, job-shared an earlier post and enjoys flexibility to help her juggle work and home life with her husband and three children.

Jensen says she also enjoyed excellent mentoring from former CFO Dennis Martin – “he really positioned me for this role” – and now acts as an informal mentor to others. She’s conscious that she’s a role model: “The fact that I came to this role as a woman and an internal appointment proves it’s achievable.”

She openly shares her experiences with female colleagues, and says she is occasionally approached by younger women who want to understand how she achieves balance between work and family. “I don’t pretend that it’s ever an easy ride [finding balance].”

Teaching new ways of thinking

Part of the company’s cultural overhaul has involved all staff learning new skills for quality thinking and decision-making, and an exploration of personal values and how these link to company values of honesty, integrity, respect, leadership and winning together. Rivers says some people had never considered their values and motivations, and linking them to the behaviours expected to drive the company was an eye-opener for many.

Performance reviews, he says, are now weighted 50 percent on what has been achieved and 50 percent on how it has been achieved, “which includes behaviours displayed in the execution of your work. If you are not living up to our expectations, in terms of behaviour, there is a consequence.”

Looking ahead, Meyer says “our next big milestone will be a New Zealander as CEO. That would be a first. And the next big milestone a woman as CEO – and a female New Zealander would be even better. But whoever is appointed we’ll look forward to their different views and hope they’ll challenge ours. We really believe that making space for diverse perspectives is a way to ensure we have better conversations, and ultimately get better business decisions.”

Telecom New Zealand: Flexibility key to tapping top talent

Senior women are flourishing, thanks to flexibility, targeted leadership training and a leader who promotes an inclusive team culture.

Michelle Kong's career at Telecom has soared in the seven years she has been there – a period in which she has had three children. Currently the GM Portfolio Strategy and Business Development, she leads a team of 18 that devises tactics on key products and markets.

Kong says that she achieves because she enjoys complete flexibility, “awesome” leadership development training that focuses on her individual needs, and a supportive manager who ensures team culture allows people to be themselves.

“You don't lose career aspirations because you have kids, but your priorities change” says Kong, who has degrees in law and mathematics and a background in strategy in the United States and Australia.

Stepping up the pace

Ellen Jacobson, General Manager of Organisational Development, says senior people like Kong are too valuable to lose. Australian Securities Exchange (ASX) requirements that listed companies like Telecom report on their gender figures has added momentum to the company's women-in-leadership work.

Telecom's strategy for developing female leadership talent involves:

- Monitoring recruitment processes to ensure candidates are drawn from a wide talent pool. This includes monitoring gender across all programmes (including those for graduates), monitoring pay by gender, and educating hiring managers on how to identify diversity in thinking.
- Running a survey in 2012 to document overall workforce diversity.
- Establishing initiatives to increase the proportion of women in senior leadership roles.

Kong is part of the company's in-house Accelerate leadership initiative, which provides targeted development, including mentoring and challenging on-the-job opportunities. The initiative started two years ago and 28 percent of the participants to date have been female.

Filling the pipeline

Telecom last year targeted other female employees with the launch of a practical, inspirational programme, Telecom Women in Leadership. It had an unexpected genesis – Telecom is a founding partner of Global Women, which offers mentoring and high-level development to senior women, and three of its employees were in the first intake. They returned to work fired up and keen to do something for women in the tier below, says Jacobson.

“We have recognised that women have unique development needs, including understanding personal values and building self-belief,” she says. “So we collaborated with the Global Women graduates and put together the Telecom Women in Leadership programme.”

Inspiring speakers and opportunities to build networks are part of the offering; another is locally designed ‘Jolt’, an intense nine-week self-awareness programme. Jacobson says the first 12 women who completed the course reported that it made a big difference – it made them think about what they needed to put in place for their lives, and created a bond between them. “For a lot of people, the Jolt programme was a big breakthrough.”

Toning down the ‘blokey stuff’

Kong says her manager, Chief Product Officer Rod Snodgrass, is a critical enabler of her work, who sees flexibility as a given. Snodgrass, in response, says he is simply “very greedy on talent – when you find good people you want to keep them [in the company].”

“You don’t start with females, it’s just you end up there. The truth of the matter is when females are in the room, the testosterone comes down a notch, there is less chest-beating and more considered thinking.”

He’s also alert to workplace “pain points” – things about organisational culture that may negatively affect employees’ ability to contribute. “For example, if you are brought up as a Kiwi bloke, some stuff that may be funny socially can be quite offensive professionally; that sort of thing can make women uncomfortable.” Snodgrass says these moments are rare, but will prompt an “offline conversation” about thinking before speaking.

It’s all a part of a team culture that really wants to help its senior women achieve, says Kong. “I feel incredible loyalty and gratitude to Telecom for giving me the opportunity to work in my own style. It’s very output-driven work – it’s not driven by need to conform to certain rules and tick boxes. And if I want to wear jeans to work, or have to go and pick up the kids from school, I can – as long as I hit deadlines.”

Making the most of company restructuring

Telecom has also seized the opportunity to increase the numbers of women on its boards during its recent restructuring. Following its split into two companies, women directors made up 25 percent of the new Telecom board and 50 percent of the new Chorus board.

Maury Leyland (on the Telecom Board), and Anne Urlwin (on the Chorus Board) were two new women directors appointed through this process. Telecom avoided the traditional ‘who knows who’ approach for identifying potential board members. Neither woman had telecommunications experience, but they met the objective capability requirements specified for the role.