



Australian Government
**Equal Opportunity for
Women in the Workplace Agency**

EOWA Industry Verticals

Finance and Insurance



About EOWA

An Australian Government agency, the Equal Opportunity for Women in the Workplace Agency (EOWA) communicates with over 2,700 Australian employers annually regarding their equal opportunity initiatives. EOWA's vision is to create an Australia where women in the workplace can achieve their greatest potential. In addition to the annual reporting process, EOWA inspires companies to advance women in their workplace through various programs. These include training workshops and consultancy services, the EOWA Business Achievement Awards and Employer of Choice for Women citation and the EOWA Australian Women in Leadership Census. www.eowa.gov.au

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Australian Government

**Equal Opportunity for
Women in the Workplace Agency**

Industry Verticals

Finance and Insurance

**Insights into industry trends and issues in
equal opportunity for women in the
workplace**

The EOWA Industry Vertical publication series presents an analysis of data derived from equal opportunity reports submitted by employers to EOWA in 2005, the 2001-2005 EOWA surveys of reporting organisations and over 2000 individual consultations with reporting organisations by EOWA client consultants in 2004-05.

EOWA Vision

To create an Australia where women in the workplace can achieve their greatest potential.

EOWA Mission

To inspire Australian employers to create workplaces where women's contribution is valued and recognised. EOWA will achieve this by:

- Providing unique, leading-edge knowledge and solutions,
- Building strategic alliances and partnerships, and
- Engaging community debate to increase the rate of change.

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Foreword

The EOWA Industry Vertical publication series presents for the first time a comprehensive collection of EOWA data and qualitative insights into the equal opportunity workplace programs of employers reporting under the federal *Equal Opportunity for Women in the Workplace Act 1999*.

Through working collaboratively with these employers to identify the barriers to women's participation and implement effective organisational solutions, EOWA is in a unique position to track the progress of equal opportunity in Australian workplaces.

The current issues in achieving equality for women across all levels of finance and insurance include the recognition of women's distinct employment experiences within the sector as opposed to men's, and the removal of the structural and cultural barriers that continue to limit women's full participation.

Equally crucial to supporting women's advancement—and concurrently business success—are the partnerships which EOWA has been able to form with employers who understand the social and business imperatives to create sustainable, effective and equitable workplaces.

By engaging with the issues and constraints faced by employers and tracking the latest industry developments and workplace initiatives, EOWA is now positioned to deliver industry insights and analysis back to employers which we hope will further strengthen and underpin their equal opportunity initiatives in the future.

Accordingly, I am proud to present this, the third publication in the EOWA Industry Vertical series, on the finance and insurance sector. As the following pages reveal, it is through these companies' committed efforts to advance women in their workplaces that the presentation of this information has been made possible.

Through sharing the equal opportunity initiatives and innovations of employers with their industry peers, we hope that others will not only be inspired to undertake similar initiatives, but will be equipped with the practical knowledge and industry insights needed to realise the full benefits—both for their business and for women.



Anna McPhee
EOWA Director

Industry Profile

Finance and Insurance Demographics

The finance and insurance industry is one of Australia's most important providers of skilled clerical, service and sales employment for women. Comprising some of the largest companies that report annually to EOWA, the sector is considered a leader in equal opportunity initiatives, and provides some of the best employment conditions for its predominantly female workforce.

The 145 finance and insurance companies reporting annually to EOWA employ over 219,000 employees, representing 58% of the industry's total national workforce.¹² They are distributed across three distinct sub-sectors: finance, insurance and services to finance and insurance.

The finance and insurance industry employs approximately 375,000 employees Australia-wide, making it one of the smaller sectors nationwide. As an industry however its workforce is characterised by a high proportion of mid-tier professionals and skilled clerical and service employees, and is the third-most highly paid sector in the country based on average weekly earnings.³

The large size of many companies within this sector means that a higher than average proportion report annually to EOWA on their workplace programs. This may be a factor behind the higher representation of women in reporting finance and insurance companies (60%), as compared with the industry as a whole (53%).

EOWA Compliance Data:

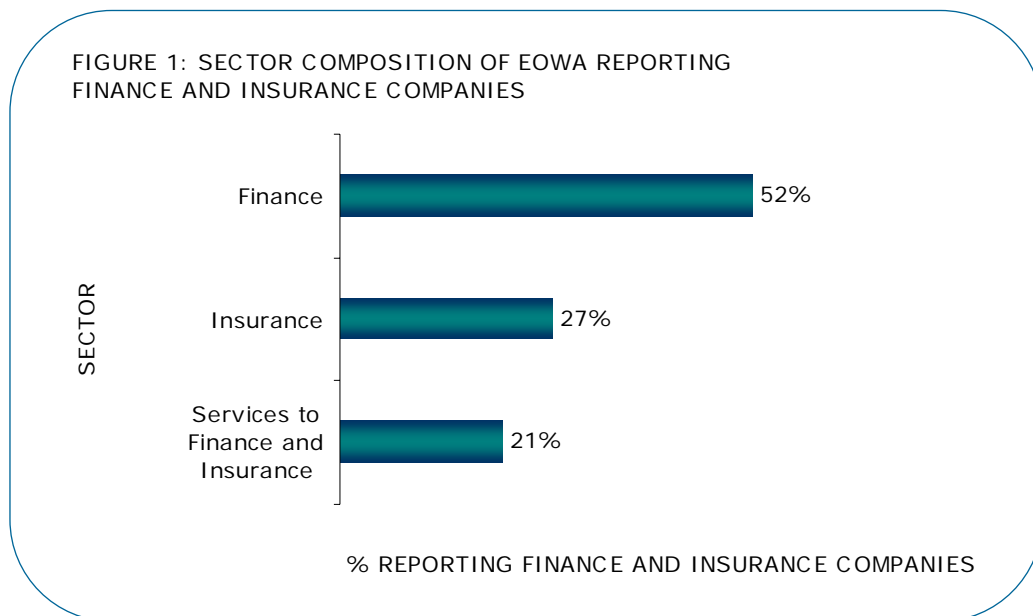
PROFILE OF REPORTING FINANCE AND INSURANCE COMPANIES

- 5% OF EOWA REPORTING ORGANISATIONS
- 219,200 EMPLOYEES IN 2005
- 59% FEMALE EMPLOYEES
- 43% OF COMPANIES HAVE OVER 500 EMPLOYEES
- 1511 EMPLOYEES PER COMPANY ON AVERAGE
- 59% OF COMPANIES ARE LOCATED IN NSW
- EMPLOY 58% OF THE NATIONAL FINANCE AND INSURANCE WORKFORCE

Within the finance and insurance industry there are three sub-sectors, as defined by the Australian Bureau of Statistics:

- Finance, comprising organisations classified as central bank, deposit taking financiers (banks, building societies, credit unions, money market dealers), other financiers and financial asset investors.
- Insurance, comprising organisations classified as life insurance funds, superannuation funds, other insurance, health insurance and general insurance.
- Services to finance and insurance, comprising organisations classified as services to finance and investment, incorporating:
 - Financial asset broking services (stock, share trading or mortgage broking services, trustee investment management and other services such as credit card administration and money changing services), and
 - Services to insurance (insurance agency services, actuarial services and insurance broking services).

The break-down of EOWA finance and insurance reporting organisations by sub-sector is provided in Figure 1.



Women in Finance and Insurance

The finance and insurance sector is a significant provider of employment for women in Australia, providing professional and skilled employment for 200,000 women nationwide and representing the eighth-largest employer of women overall.⁴

In reporting finance and insurance companies, women dominate the workforce at 59%, and are well represented across most occupational categories. In management, they have attained a relatively high presence at 31%, which places the industry fifth amongst other large private-sector industries after the traditional female sectors of education, retail, hospitality and health and community services, but ahead of manufacturing and property and business services.

The majority of women, however, are employed in middle to lower-level occupations, making finance and insurance the third-largest employer of advanced clerical workers and the fifth-largest largest employer of associate professionals in the total female labour force.

The strong presence of women is repeated across employment categories, where they hold a higher than average proportion of full-time positions (52%, compared with 36% overall), part-time positions (91%, compared with 78% overall) and part-time managerial positions (89% compared with 82%).

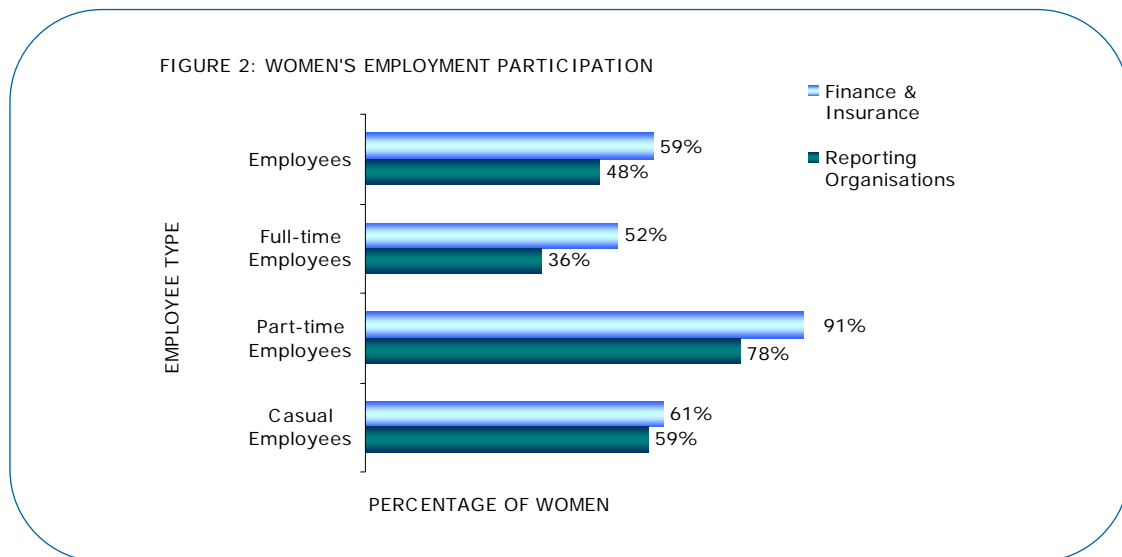
EOWA Compliance Data:

GENDER DEMOGRAPHICS OF REPORTING FINANCE AND INSURANCE COMPANIES

- WOMEN REPRESENT 59% OF THE FINANCE AND INSURANCE WORKFORCE
- 2% OF CEOs ARE WOMEN, COMPARED WITH 9% OVERALL
- 31% OF MANAGEMENT ARE WOMEN, COMPARED WITH 32% OVERALL
- 11% OF FEMALE MANAGERS ARE PART-TIME, COMPARED WITH 8% OVERALL
- WOMEN COMPRISE 52% OF FULL-TIME EMPLOYEES, COMPARED WITH 36% IN REPORTING ORGANISATIONS OVERALL
- 65% OF COMPANIES HAVE PART-TIME MANAGERS, COMPARED WITH 39% OVERALL
- 52% OF COMPANIES HAVE GENDER-BALANCED WORKFORCES (40-60% WOMEN) VS 27% OVERALL

Given these high levels of participation, the proportion of women in finance and insurance management could be considered relatively low when compared with the total proportion of women in the workforce as a whole.

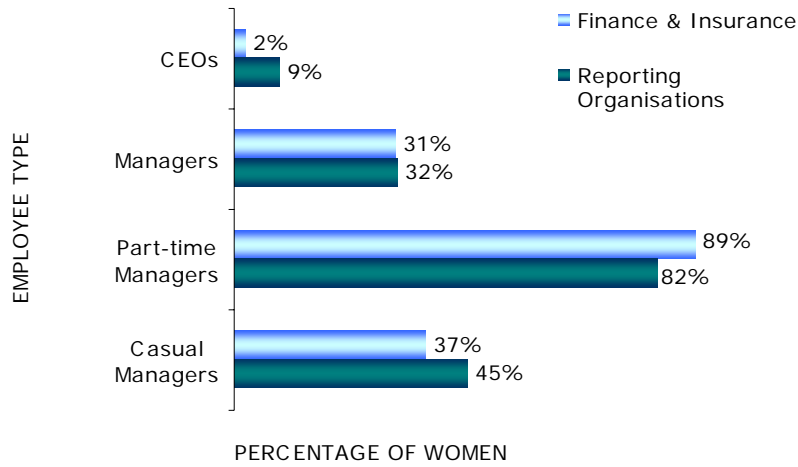
Figure 2 below compares the workforce participation of women in finance and insurance with the average for reporting organisations across all industries.



- Women comprise a higher proportion of the workforce in finance and insurance (59%) than in all reporting sectors combined (48%).
- The proportion of women in the total workforce is not consistent across employment categories, dropping to 52% of all full-time positions, but increasing to 91% for part-time positions.
- Women, however, are significantly more likely to be employed full-time in the finance and insurance sector than they are in reporting organisations overall.

Figure 3 over page compares the workforce participation of women at managerial level in the finance and insurance sector with the average for reporting organisations overall.

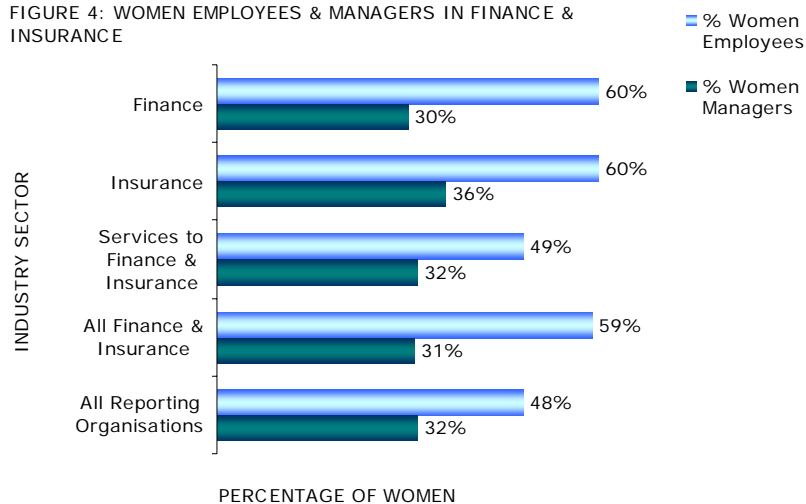
FIGURE 3: WOMEN'S REPRESENTATION IN MANAGEMENT



- Women's representation at managerial level in finance and insurance is similar to that in reporting organisations overall, however there are relatively few female CEOs.
- The employment category of part-time managers is more strongly female-dominated in finance and insurance than in reporting organisations overall, however there is also a higher prevalence of part-time managerial positions in this sector than overall (see Figure 5).
- Casual and/or contract managers are more likely to be male in finance and insurance than in reporting organisations overall.

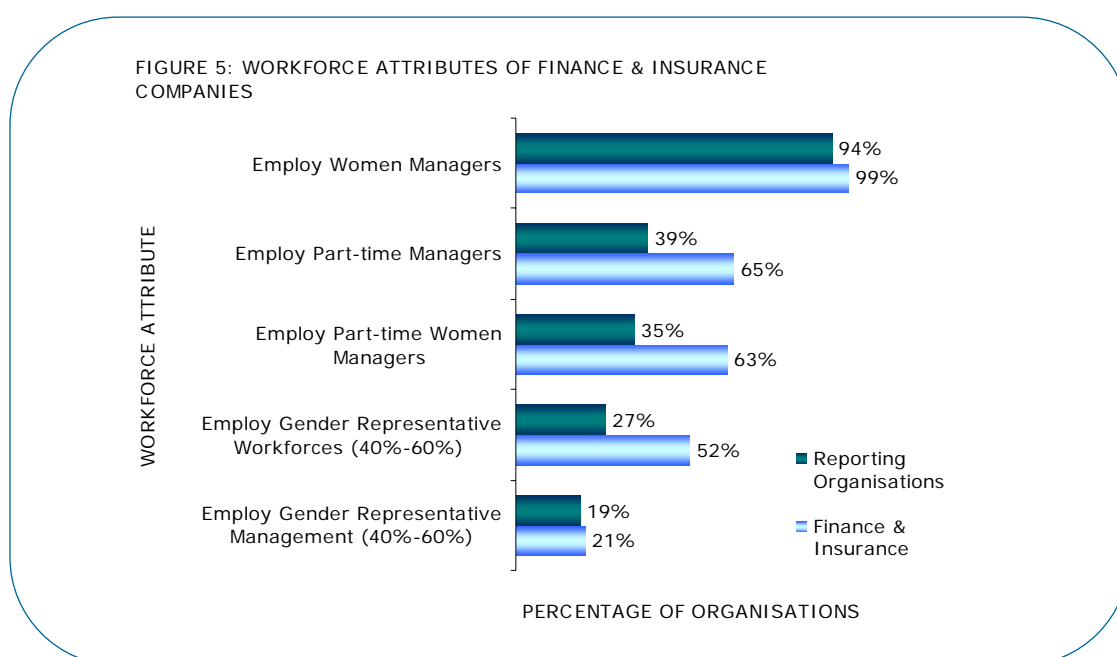
Figure 4 shows the average percentage of female employees and managers in each of the finance and insurance sectors, as well as the average percentage for all finance and insurance organisations and all reporting organisations overall.

FIGURE 4: WOMEN EMPLOYEES & MANAGERS IN FINANCE & INSURANCE



- All sectors of the finance and insurance industry employ a higher than average percentage of women in their workforce when compared with all reporting organisations overall.
- Despite its higher than average proportion of women in the workforce, the finance and insurance industry employs approximately the same proportion of women in its management as in all reporting sectors combined.
- The insurance sector employs a slightly higher proportion of women in management (36%) than in other finance and insurance sectors.

Figure 5 shows a comparison of finance and insurance companies with all reporting organisations based on a number of workforce gender attributes.



- The finance and insurance industry is significantly more likely than other reporting sectors to employ gender representative workforces of between 40%-60%, with 52% of reporting finance and insurance companies having workforce gender profiles within this range compared with just 27% overall.
- The finance and insurance industry is also considerably more likely than other reporting organisations to employ part-time managers and part-time female managers, with only 35% of finance and insurance companies reporting to EOWA not employing any part-time managers.
- This sector however is in line with the average for all reporting organisations in terms of the gender balance at management level, with just 21% of finance and insurance companies employing an approximately even representation of women at managerial level.

Strategic Case for EO

The finance and insurance sector faces unique issues and constraints in ensuring access to equal opportunity for women.

These include a female-dominated workforce which is managed by a predominantly male executive; and an organisational structure that is divided vertically between back and front office functions, and horizontally between administrative and professional career tracks. Companies are increasingly seeking to improve women's representation in management, and yet are confronting a tightening labour market and growing skill shortage.

The benefits to be gained from equal opportunity programs are extensive however and provide a convincing case for their incorporation into an organisation's strategic plan. The business case for advancing women in finance and insurance is outlined below.

A Business Imperative

Women make up 45% of the Australian workforce, and are over-represented in the finance and insurance workforce at 59%, yet under-represented in executive management, front office line roles and non-traditional technical fields.

Organisations are increasingly aware that developing their employees to their optimal potential is essential if they are to ensure an effective staffing base for future sustainability and a diverse range of competent executives for the challenges ahead.

On current trends in demographics and workforce participation, it is forecast there will be a labour shortage of 1.4 million workers by the end of the decade.⁵

AUSTRALIAN NATIONAL TRAINING AUTHORITY

Workplace equal opportunity initiatives aimed at improving the recruitment, training, promotion and retention of women have the potential to address the key workforce imperatives faced by the finance and insurance sector:

- An ageing workforce
- Increasing local skill shortages
- A competitive business environment
- A dynamic and rapidly evolving global context

The following are some of the business benefits that advancing women can have for organisations in the finance and insurance sector.

- **Equal opportunity increases competitive advantage**

Increased diversity in organisational teams through better access and opportunity for all individuals leads to a thorough examination of assumptions and the implications of decisions. Resulting increases in productivity and innovation can lead to the identification of new business opportunities and a better understanding of target audiences.

- **Equal opportunity manages risk**

EO reduces an organisation's legal risk from accusations of unfair treatment or discrimination. Tribunal rulings have determined that an employer can be held liable for the inappropriate actions carried out by its employees unless that employer has taken reasonable steps to prevent such actions. Comprehensive equal employment opportunity policies that are well communicated and widely implemented through appropriate processes and practices can reduce, and even remove, such liability.

By 2016, the number of women in the Australian labour force will have increased by 867,600 to 4.9 million, a growth rate almost double that of men.⁶

- **Equal opportunity helps to attract and retain the best talent**

Staff turnover is expensive. Organisations with effective and transparent HR policies that encourage flexibility and positive work/life balance retain staff and reduce absenteeism. With the shrinking labour market, there is even more incentive for organisations to focus on staff retention. In a reporting finance company, for example, a career aspirations survey of staff found no differences between the career aspirations of men and women at senior levels, with women equally likely to cite promotion as the number one factor that would make them stay. And where the promotions data revealed that women were not being promoted in equal numbers, it also found that they were leaving as a result.

- **EO helps a business to attract more female customers**

Women are a significant consumer base whose disposable income and buying power is growing. In Australia, women buy or influence the purchase of 80% of all consumer goods, including motor vehicles, household goods and financial services, and are the fastest growing lending segment.

- **Equal opportunity builds motivation and engagement**

EO encourages the development of fair and equitable processes and practices which ultimately become embedded within the organisational culture. Increasing objectivity and transparency in decision-making ensures just and reasonable outcomes for diverse individuals and leads to an increase in trust. Research indicates that this trust encourages the development of greater commitment to the organisation and motivation to remain engaged with the organisation, reducing turnover and absenteeism. For example, in a recent staff survey conducted by a bank that has championed diversity

initiatives, female employees recorded levels of engagement 8 percentage points higher than their male colleagues, and satisfaction levels 6 percentage points higher.

Strategic Interventions for EO

Pressure to manage for greater efficiency, satisfy shareholder expectations, attract the highest-calibre talent and maintain business sustainability in the face of changing global and technological forces are just a few of the constraints faced within finance and insurance today.

Despite these challenges, many companies report a wide number of effective and innovative equal opportunity initiatives that have increased the promotion, engagement and retention of women as well as improved organisational culture and performance.

The 2003 EOWA survey of reporting organisations, for example, found that of the companies that employ part-time or job-sharing managers, 99% had experienced benefits to their business, including retention of staff (93%), increased productivity and efficiency (71%) and reduced absenteeism (69%).

The following are some of the range of strategic interventions being undertaken by institutions to realise the long-term benefits of providing an inclusive work environment for all employees.

- **Removing Barriers to Participation**

Includes the introduction of part-time work and job-sharing, encouraging women into non-traditional and technical roles, reorganising work to increase flexibility, targeted recruitment of female applicants, more flexible working arrangements and child-care and parental assistance.

‘We constantly monitor the effectiveness of our policies and have introduced management tools that increase individual and organisational accountability for diversity.’

MAJOR BANK, NATION-WIDE

- **Organisational leadership and capacity building**

Includes the visible involvement of the CEO in championing EO initiatives, the adoption of an industry approach to advancing women, enhanced planning through gender metrics and capacity building in EO and people management.

- **Development of Women’s Skills**

Includes leadership and talent identification programs, mentoring and networking initiatives, support for obtaining qualifications and general training and development.

- **Increasing Opportunities for Advancement**

Includes the review of career structures and the policies and procedures governing appointment and promotion, as well as development programs that assist women to attain the skills and qualifications necessary to advance, such as women in leadership programs and international assignments.

‘Raising employees’ awareness of EEO is a strategic business imperative.’

NSW MONEY MARKET DEALER

- **Improvement to Women’s Employment Conditions**

Includes equal pay targets, work/life balance programs, improved handling of sexual harassment complaints, increased paid parental leave and improved conditions for part-time and casual employees.

- **Creating Inclusive Workplaces**

Includes promoting greater awareness of women’s employment experiences, valuing diversity and gender-balanced teams and fostering culture change to support more flexible and inclusive workplaces.

Information on the specific issues for women in the finance and insurance industry, and the initiatives undertaken by finance and insurance organisations to overcome these issues, are covered in detail in the following sections of the report.

‘The company that helps give women control over their own lives and helps them with the things that are not working for them—by providing more flexibility, more networking opportunities, a better work environment and more challenging work—will see more women stay. It’s not a compliance issue, it’s not a diversity issue, and it’s not a social responsibility issue. Yes, it’s the right thing to do, but it’s also the strategic thing to do.’

MAJOR BANK, NATION-WIDE

EO Success Statistics

The following are just a few of the many successful outcomes for women reported last year by finance and insurance companies:

- **More employers than ever provide paid maternity leave.** In 2005, a record number of finance and insurance employers reported providing paid maternity leave, up from 45% in 2003 to 57% in 2005.
- **Women in leadership.** A national life insurance and superannuation funds company has become the ASX 200 leader in the appointment of women to its board, with two out of seven of its board directors now women.
- **Graduate recruitment success.** One company made a deliberate policy decision to expand its graduate training scheme, with a particular focus on the recruitment of quality, female graduates. As a result, almost 60% of all graduates recruited the following year were female.
- **Return rates maximised.** A large financial services organisation was able to provide part-time working arrangements to 94% of its female employees returning from maternity leave.
- **Gender balance at the top.** A Victorian superannuation fund has achieved equal numbers of men and women at Director level, the senior-most tier in the organisation.
- **Pay equity on track.** A financing company succeeded in reducing its gender salary differential from 14% to 7% in just three years.

Emerging Trends and Issues

In 2005, EOWA reviewed the compliance reports of over 140 finance and insurance organisations and spoke with equal opportunity contacts nationwide on the issues confronting organisations, and the sector generally, in improving outcomes for women in the workplace.

Amongst the emerging trends was a common recognition of the new imperative to maximise workforce retention resulting from the tightening labour market, and the importance of expanding career development opportunities for women to ensure organisations are equipped with the skills and experience they require to create a sustainable business future.

Equal Opportunity Agenda Items

- **Emergence of a coordinated, industry approach to advancing women.** A number of industry-wide collaborations, sometimes in partnership with government, universities or industry associations, are emerging as one means of increasing insights into the barriers to women's participation, and better identifying effective workforce interventions. Such partnerships are addressing a range of issues, from increasing women in management to the collection of better industry statistics.
- **Active workplace EO programs.** Recognising the value of their skilled female workforce, many finance and insurance companies are implementing some of the most sophisticated and well-resourced equal opportunity programs in the Australian private sector. On average, they reported a significantly higher number of EO initiatives than other private-sector organisations, emerging as one of the most advantageous industries in which women can work. Many larger employers in the sector are also taking advantage of economies of scale to develop and deliver large-scale formal programs to achieve their objectives. The latest cycle of EO Compliance reports also indicates that extensive plans are underway for the roll out of future EO initiatives.
- **Gender data analysis enters mainstream business reporting.** Companies are employing increasingly sophisticated approaches to gender data collection and analysis and incorporating the results into their core business planning processes. Gender and diversity reports are now regularly reported to boards and executive management teams, causing positive flow-on effects in the form of gender targets and increased demand for more detailed gender briefings.

- **CEOs increasingly active sponsors of EO.** More and more CEOs are becoming visible champions of their organisations' equal opportunity initiatives, leading by example and communicating the message through direct involvement in EO initiatives.
- **Workplace flexibility offered as an integrated suite of arrangements.** Workplace flexibility is increasingly being provided in the form of a suite of arrangements – to which new and innovative initiatives are constantly being added.

Growing Presence of Women in Leadership

- **Women approaching critical mass in the board room.** A small number of companies are reporting a more than token presence of women on the boards, approaching for the first time significant proportions as high as 30%-45%. Similarly, amongst finance and insurance companies listed on the ASX 200, the EOWA 2004 Australian Women in Leadership Census found that 50% of companies now have at least two female board directors.
- **Increasing women in executive management is the number one issue.** Across the industry, organisations are reporting a commitment at the highest levels to increasing women in senior and executive roles. With the help of progressively more sophisticated data analysis, many organisations are closely monitoring and reporting incremental improvements to their numbers of women at the top. However, the pace of progress varies greatly between companies.
- **Part-time managerial roles are increasingly being seen to work.** Companies are reporting increased numbers of part-time managers, and pioneer promotions of part-time women into executive and senior-executive level positions. Amongst finance and insurance reporting organisations, the proportion employing part-time or job-share managers has increased from 54% in 2003 to 65% in 2005.

Changes in the External Operating Environment

- **An ageing workforce and tightening labour market.** As the ageing workforce begins to impact on an already tight labour market, a number of finance and insurance companies have started to experience reduced candidate pools and talent scarcity. Among the companies that are already taking action to address the issue, a wide range of initiatives are being explored to ensure that valuable experience and expertise is not lost to the workforce. These range from phased retirement options to mentoring systems and strategic succession planning.
- **Organisational transformations are enabling workforce re-engineering.** Restructuring, downsizing and integrations between banking entities have had a major impact on the gender initiatives of affected companies. Such restructures however are also providing some companies with the opportunity for radical adjustments to the management team, with companies almost doubling the numbers of women in their senior management team.

Changing Organisational Dynamics

- **Internal restructures are re-aligning career pathways to maximise retention.**
CEOs are exploiting the opportunities afforded by internal restructuring to create more meaningful – and gender-neutral – career pathways. Initiatives include introducing structured succession planning across corporate entities to improve the merit-based appointment to critical roles, fixing career bottlenecks for women in middle management and creating new grades to make high-attrition service roles more rewarding, while ensuring talented women are considered equally for the new opportunities resulting.
- **Increasing rationalisation of internal recruitment and promotion processes.**
Finance and insurance organisations are employing increasingly sophisticated measures to integrate and rationalise their internal recruitment, transfer and promotion processes, both to maximise the opportunities for staff as well as best manage capability gaps and critical succession pathways. Such measures include labour market analysis to determine the market availability of relationship management skills and talents; on-line application functionality to enable all internal employees, including those on parental leave, to keep abreast of and apply for vacancies; and improved gender data collection policies on short-list candidates, employee promotion rates and performance review outcomes.

Equal Opportunity Issues

EOWA speaks to more than 140 finance and insurance companies annually regarding their equal opportunity programs and the issues specific to women within the finance and insurance sector.

Information gathered from these conversations was collated and analysed to identify the current equal opportunity issues for the employers within the sector, and are presented below.

Barriers to Advancement

- **Low representation of women in senior management.** The workplace profile data indicates low numbers of women in management across much of the industry, including, in many companies, the complete exclusion of women from Director level and above. In the 2002 EOWA survey of reporting organisations' first-priority actions to advance women, 'getting more women into leadership positions' was the highest-scoring response, cited by 41% of finance and insurance companies compared with 33% of all surveyed reporting organisations.
- **Uncertain career paths for part-time employees.** An analysis of workplace profile data reveals that in over 30% of reporting finance and insurance companies, there are no part-time employees at managerial level, and that amongst the 65% of companies that do have part-time managers, the average percentage of management that is part-time is still very low (4.1%). This indicates that for the 26% of women in the finance and insurance sector that work part-time in a non-managerial capacity, there are very limited opportunities to advance upwards.
- **Investment banking remains 'pioneer country' for women.** In a large number of finance organisations, equities and investment banking remains the near-exclusive domain of men, leading to the perpetuation of a male-dominated culture and traditional work organisation practices that can be exclusionary of women. Other companies report no women whatsoever in these positions, or, like one reporting organisation, have just attained their first-ever intake of female graduates to the division in 2005.

Training and Development

- **Gender discrepancies in training expenditure.** Training and development initiatives are among the most popular equal opportunity actions undertaken by reporting organisations, with 92% of finance and insurance companies reporting actions under this employment matter in 2005. Some companies which have conducted an analysis of their training statistics, however, have found inequalities in both the amount spent on men and women, and in the type of training provided.

- **Lack of progression pathways between administrative and professional career tracks.** The workplace profiles of most organisations show a predominance of women in administrative, clerical and services roles, with women's representation diminishing progressively as the occupational level increases. Initiatives aimed at improving career paths are often focused exclusively at employees in one of either the professional or administrative career tracks. For women who have had fewer educational opportunities or a history of seeking work that is compatible with family responsibilities, however, there may be few chances to progress from the 'female ghetto' of clerical work into potentially more rewarding and certainly better remunerated work in professional roles. Few organisations however have devised the necessary programs of initiatives needed to successfully overcome these participation hurdles.

Career Impediments

- **Unequal access to essential profit-and-loss experience.** In the finance sector, industry data indicates that women are recruited unevenly to retail advisory and broking roles, but in much lower numbers to the still highly-male dominated front office areas of funds management, wholesale broking and structured finance. And while substantial progress has been made in increasing women's representation in the retail areas of the business as well as in funds management and corporate advisory, women form a minority at levels above senior associate level. The opportunities for women to advance into the senior-most ranks is generally limited to roles in back office functions such as HR, accounts and other support services, but in front office functions the numbers of women at Associate Director level and above drop sharply. Access to international assignments is also steeply uneven, though with HR the exception.

‘We continue to experience difficulty with attracting external female applicants for senior management and sales roles.’

FINANCIAL ASSETS INVESTOR, NSW

- **Scarcity of external female applicants for senior and non-traditional roles.** A number of organisations reported difficulties in sourcing suitable female candidates for senior management and non-traditional or technical roles. This is consistent with the findings of the 2002 EOWA survey of reporting organisations' principal challenges in advancing women, which found that the 'supply of women' was the third-most commonly identified barrier, cited by 18% of finance and insurance companies as the number-one challenge. Given the predominantly female workforce of the sector, this suggests that both the high degree of occupational segregation in finance and insurance, as well as the bottlenecking of women at lower-to-middle management levels, are preventing women from attaining the necessary expertise and experience to apply for senior managerial and non-traditional roles.

Organisational Constraints

- **Inadequate analysis of gender metrics.** Evidence of inadequate data analysis was widespread across the finance and insurance sector, with many companies unable to track women's participation in key areas such as recruitment to non-traditional roles or transfer between line and support functions, while others were unable to conduct detailed analyses due to fragmented corporate structures or the lack of a centralised HR department. Conversely, some organisations which had collected adequate data lacked either the expertise or commitment to identify gender issues, with many reporting obvious disparities in promotion or pay rates but omitting to identify these as equal opportunity issues for women.
- **Low awareness of and engagement with persistent structural and attitudinal barriers to women's advancement.** Structural barriers, in the form of job sizing, long hours and performance recognition systems that reflect an obsolete model of the full-time, external responsibility-free and 110% committed male worker continue to impede women's serious advancement in representative numbers. Attitudinal barriers are also in evidence in business groups and smaller companies where the workforce has until recently been predominantly men.

Cultural Barriers

- **Inhospitable and male-dominated workplace culture.** In the 2002 EOWA survey of reporting organisations' principal challenges in advancing women, 'workplace culture' was the second-most common barrier cited by finance and insurance companies, identified by 20% compared with 16% for all survey respondents. In 2005, companies from across all sectors of finance and insurance reported that in many business groups and especially at senior levels, traditionally male workplace practices continued to be the norm. Such norms included a wide spectrum of indirect discrimination and non-inclusive practices, ranging from relatively harmless 'joshing' of peers together with an expectation of 'toughness' and resilience to sexual banter, at the unsanctioned end of the spectrum, to approved workplace practices such as scheduling meetings after hours and setting performance standards that can only be met by ignoring private responsibilities at the other.
- **Attitudinal barriers to women's advancement.** In the 2002 EOWA survey of reporting organisations' principal challenges in advancing women, 'women's perceptions of themselves or lack of interest in advancing' was the foremost barrier, cited by 26% of finance and insurance companies compared with 17% for all survey respondents. For some women this may indeed be true, but overall it is unlikely that women in this industry are less interested in advancing than in other sectors, and this is supported by the evidence of staff aspiration surveys. The perception however that women are not interested in advancing is likely to impact on promotion and development opportunities, and even on evaluations of performance, and could therefore be a contributory factor to women's relatively low representation in management. Other contributing factors to the survey result may include the male-dominated workplace culture in some organisations or business groups, and the culture of long hours, both described below.

Unequal Conditions of Employment

- **Persistence of pay inequities.** The workplace profile data provided to EOWA by reporting finance and insurance companies indicates widespread inequalities between men and women's average salaries at the same occupational level. Where this occurs, however, many companies either fail to acknowledge it as a potential area of discrimination, or report inadequate processes of analysis to determine the cause. In companies where such pay discrepancies have been properly analysed, most companies are satisfied to explain these inequities as due to differences in experience, role complexity, performance assessments or qualifications, without recognising that discrimination and a lack opportunities may both play a central role in women's achievements in these areas. Earnings data from the Australian Bureau of Statistics indicates that in the finance and insurance sector, the gender pay gap in full-time adult ordinary-time earnings has grown from 29.1% in 1994 to 36.8% in 2004, compared with a decrease for Australia as a whole from 18.2% to 15.2 over the same time period.⁷

‘Men continue to be higher salary earners
across all categories.’

GENERAL INSURANCE COMPANY, VICTORIA

- **Lower pay and conditions in female-dominated roles.** Workplace profile data from the finance and insurance sector shows a clear predominance of women in the lower-level and lower-paid areas of administration, retail sales and service, who have been likely drawn at least in part to these roles because of the higher availability of part-time positions. Research into occupational segregation has shown however that female-dominated occupations are more likely to be undervalued than equivalent male-dominated roles, with data from the finance and insurance sector indicating that the offer of better pay and conditions is one of the main reasons that women resign from retail advisory positions. Other issues in relation to employment conditions include access to career development and training; job quality, autonomy and variety; and the quality of supervision.

Work Organisation

- **A culture of long hours and output-driven performance.** Where bonuses and promotions are based on a visible commitment to 'doing whatever it takes', women with external responsibilities will continue to be disadvantaged in both remuneration and advancement opportunities. This is likely to have been a contributing factor in finance and insurance reporting organisations, where the ratio of women's representation in management compared to their standing in the workforce is just 52%, compared with 65% for all reporting organisations. Similarly, average remuneration data from the Australian Bureau of Statistics reveals that, in 2004, the gender pay gap in full-time adult total earnings for the finance and insurance sector stood at 37%, compared with 19% for the country as a whole.⁸

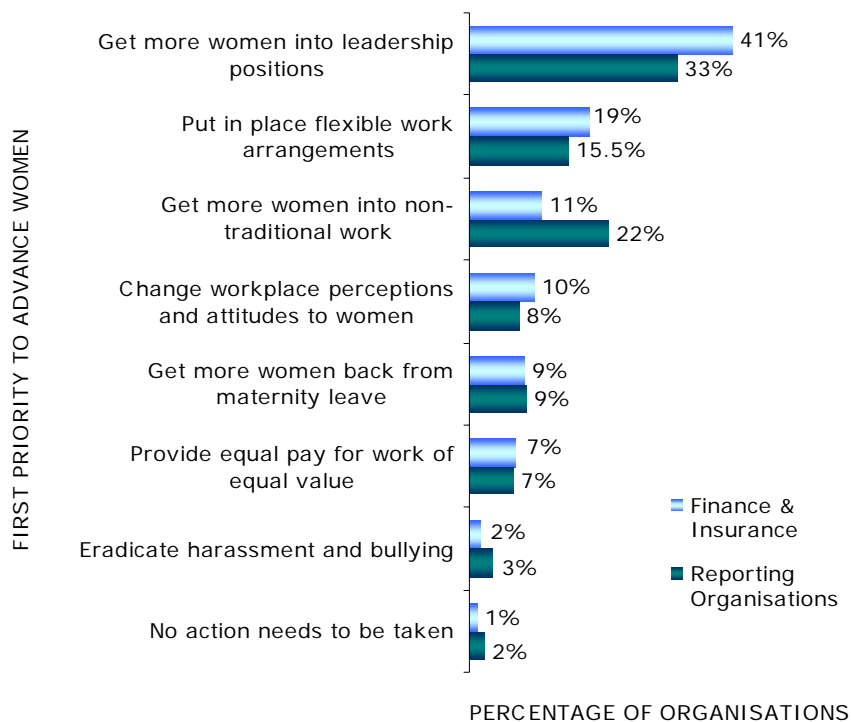
EOWA Equal Opportunity Survey insight

Employers' First Priority Actions to Advance Women

The 2002 EOWA survey of reporting contacts asked respondents, 'If you had the resources and support from senior management, what are the three things that you would do to advance women in your workplace?'

Figure 6 below shows the first priority actions (by weighted average) of surveyed finance and insurance companies to advance women in their workplace, compared with all reporting organisations surveyed.

FIGURE 6: EOWA SURVEY 2002 - REPORTING ORGANISATIONS' FIRST PRIORITY ACTION TO ADVANCE WOMEN



Please see the Equal Opportunity Survey Insights section for further results from EOWA surveys of reporting organisations.

- Few opportunities for senior women to work part-time.** Despite women holding 31% of managerial positions in finance and insurance in 2005, organisations' workplace profile data reveals that just 11% of women in a managerial or executive capacity work part-time. This indicates that the opportunity to work part-time remains a rare exception to standard business practice, and creates a clear potential for work/life

conflict for women and men working at these levels. According to EOWA data, just 4% of all managerial roles in finance and insurance are currently filled in a part-time capacity, though this is slightly higher than the average of 3.2% for all reporting organisations.

- **Retention of women from maternity leave.** With such a large female workforce, getting women back from maternity leave is a major priority for many finance and insurance companies. This may be heightened by indications from the 2003 EOWA survey data that a higher proportion of the total female workforce (6.5%) take maternity leave than in all reporting organisations overall (2.0%). Both the EOWA survey data and compliance reports show however that this sector experiences higher rates of return from maternity leave than other sectors, though a significant number of women do still not return, and a number of companies also report that return rates drop sharply for returns after one year or less.
- **Ageing workforce.** As the workforce ages and the attraction of suitable candidates for highly-skilled roles becomes gradually more difficult, increasing numbers of companies are starting to recognise the potential risks that loss of experience and expertise could pose to their ongoing business operations. Amongst finance and insurance companies, the 2005 EOWA survey found that 52% of surveyed companies believed the ageing workforce will create staff or skill-shortage issues for their organisation in the next 5-10 years. This indicates a potentially high need for flexible work practices that are supportive of phased retirement, and which maximise the participation of all segments of the labour force.

Initiatives to Advance Women

Finance and insurance institutions are undertaking a range of initiatives to address the equal opportunity issues that impact upon women's participation in the workplace.

In 2005, the initiatives most widely reported to EOWA include the appointment of greater numbers of women to senior positions, targeted programs to assist women to develop their careers, additions to employer parental assistance and improvement to part-time and flexible working arrangements. These and other initiatives are outlined below.

Improving Women's Participation

- **Targeted recruitment practices to increase senior and non-traditional female applicants.** To increase the number of women in core front-office roles, including in sales and financial markets as well as in technical divisions such as IT, a number of companies have introduced tailored recruitment strategies. These include modifying recruitment advertising methods to attract more women, targeting female recruits for specific parts of the business and setting minimum female graduate targets.
- **Education of recruitment companies to employ equal opportunities practices.** Companies are actively monitoring the equal opportunity practices of their recruitment suppliers to ensure that recruitment and selection processes remain free from gender bias. One financial asset investment company has addressed the issue by educating its preferred suppliers on gender issues, and requiring the compulsory inclusion of women on interview shortlists for senior roles.

‘More part-time roles may mitigate recruiting costs, help maintain and build [the] talent pool, and eventually lead to greater gender balance at more senior levels.’

FINANCIAL INSTITUTION,
VICTORIA

- **Initiatives to target male-dominated workplaces.** Male-dominated business groups are being identified as high-priority areas for the increased representation of women, with a range of initiatives employed including proactive recruitment drives, gender targets, gender-inclusive advertising, career development programs, graduate intake targets, EO guides for recruitment suppliers, and compulsory short-listing of women.

- **Adoption of a coordinated, industry approach to advancing women.** Companies are expanding their equal opportunity programs to include involvement in industry and government-sponsored initiatives to address equal opportunity issues, including business women's forums, the NSW Office for Women Mentoring Program and the IBSA Women in Investment Banking Group, as well as other forums.

Accommodating Work and Family

- **New or improved flexible working arrangements.** The finance and insurance industry provides some of the most flexible and work/life compatible working arrangements of the private sector, with the 2005 EOWA survey finding that both managers and staff access a greater range of flexibility provisions than all other reporting organisations on average. (See the Equal Opportunity Survey Insights section for details.) Types of arrangements offered include part-time work and job-sharing, including for managers, virtual working, compressed hours, flextime, flexible start and finish times, working from home, phased retirement, family-friendly and flexible shifts, core hour meeting times, and uncapped use of sick leave for caring purposes. In common to all sectors, however, is greater access by staff than by managers to work/life balance and flexibility arrangements.

‘More part-time roles may mitigate recruiting costs, help maintain and build [the] talent pool, and eventually lead to greater gender balance at more senior levels.’

FINANCIAL INSTITUTION,
VICTORIA

- **Increased paid parental leave provisions.** Many organisations are increasing the length of their paid parental leave provisions for both primary and secondary carers, including in many cases up to 14 weeks for primary carers. Some companies are offering an additional payment of return from maternity leave, or providing the benefit in a number of flexible formats. In one bank, the payment can be taken in three ways - as a lump sum, as an allowance over 12 weeks or as an allowance at half pay over 24 weeks, with this flexibility intended to assist families according to their individual circumstances. In one organisation, paid parental leave for the primary carer has now been made available to all full-time and part-time employees, irrespective of their length of service, backing up the organisation's policy that they are open to hiring women who are pregnant.
- **Child-care assistance.** Finance and insurance organisations are extending forms of assistance with child-care, augmenting currently widespread referral services with other types of more formal assistance, including financial subsidies, salary sacrifice options, holiday and after-school care, reserved places in child-care centres and, in a small percentage of organisations, on-site childcare centres. In one example, after consultation and an analysis of what was most relevant to staff demographics, a credit union has introduced a payment of up to \$450 per annum for the registered care of primary-aged children of staff during vacations.

- **Improved facilities for breastfeeding.** A number of companies report improved arrangements to support women returning to work while breastfeeding. These include increased flexibility arrangements to facilitate breastfeeding breaks, as well as improved facilities. In one example, a survey of employee dependent-care needs undertaken by a bank to determine staff satisfaction levels with the milk expression facilities found that the need for a private space to breastfeed had influenced the return to work of 72% of respondents.

Utilising Women's Talents

- **Appointment of women onto boards.** Finance and insurance companies are expanding the scope of the equal opportunity programs into the realm of the boardroom, and are reporting increases in the number of women on their boards. These range from pioneer appointments of the first female board director in some, to important third and fourth appointees and beyond, lending women's presence critical mass and above-token representation.
- **Strategic development of women's talents.** Finance and insurance companies are increasingly investing in talent management programs to ensure that, in a tightening labour market, women's talent doesn't walk out the door. Initiatives include talent identification programs, targeted alignment of individuals' assessed leadership competencies with strategic human resourcing plans, management training in dealing with diversity, and individually-allocated development funds to maximise talent growth.
- **Increasing appointment of women to senior management.** Many finance and insurance companies have committed themselves to increasing women's representation in senior management, and are active in tracking women's numbers across business units and management tiers. A large number of companies reported small but steady increases, and in some cases achieved dramatic improvements to as much as 50% of executive management. Across all reporting finance and insurance companies, however, the improvement in the overall proportion of women in management was slight, increasing from 30.6% in 2004 to 31.2% in 2005.⁹

Increasing Opportunities for Advancement

- **Career development and leadership programs for women.** Significant numbers of finance and insurance companies are implementing leadership and career development programs to ensure that women are able to develop their careers to their full potential. One financial asset investment company has used a six-month leadership program to promote opportunities for women, which is aimed specifically at issues relevant to female executives as they develop their careers. Other companies have used the public Xplore program to help senior female employees to develop greater career focus, confidence and networking skills. Other initiatives include mentoring, career planning programs and one-on-one coaching.
- **Career pathways for administrative, clerical and service employees.** A number of companies are seeking to address the limited career prospects for staff in clerical and administrative roles, where women continue to predominate. Initiatives include internal advertising of all career opportunities, tailored training delivery for these specific groups, mentoring programs for female adviser trainee positions, targeted appointment of women to supervisor and team leader roles and accredited traineeships.

- **Creation of new networking opportunities for women.** Many companies are active in supporting attendance of female staff at women's network functions where they can hear from, meet and be inspired by a range of other women. In one company, feedback from women who had completed development programs lead to a series of networking lunches for senior women, at which participants were publicly encouraged to provide a mentoring role to others.
- **Mentoring by senior male executives of high-potential female employees.** A range of both formal and informal mentoring processes are in place across the sector, helping high-potential women to gain access to the important career insights and tacit managerial knowledge needed to break through into senior management and beyond. Initiatives including role modelling, formal mentoring programs and buddy systems. In one bank, a group-wide mentoring program for women has been set up to introduce female managers to senior leaders who have made a commitment to become mentors. The bank reports that establishing mentor relationships allows women to learn from the experience of senior leaders and accelerate their development, gain exposure to a broader network in the organisation and foster collaboration across business units. These benefits are in turn generating new opportunities for the female participants.
- **Sponsorship of higher qualifications.** Support for staff to obtain higher qualifications is providing an essential bridge for women to advance beyond supervisor, junior management and senior associate level and into middle and senior management. This is particularly valuable for women who may have entered the organisation at lower levels, but whose career advancement has subsequently stalled.

Strengthening Organisational Leadership and Capacity

- **CEOs increasingly active champions of EO.** More and more CEOs are becoming public sponsors of their organisations' equal opportunity initiatives, communicating the message by participating in public debate, such as through public speaking engagements and media announcements, and by direct involvement in the EO initiatives of their organisation. Other CEOs have gone further still, setting gender targets for their organisations and holding line managers accountable.

‘We constantly monitor the effectiveness of our policies and have introduced management tools that increase individual and organisational accountability for diversity.’

MAJOR BANK, NSW

- **Capacity building in EO and people management.** While equal opportunity policies are widespread in the finance and insurance sector, many companies are refining these policies and elevating the relevance of EO programs to central strategic planning processes. HR managers are being appointed at increasingly senior levels, often working in collaboration with specialised EO, diversity managers and talent development managers. Gender metrics reports are increasingly included in board reports, while wider personnel processes, such as managerial capability development,

key performance indicators and international transfer programs are being extended to include consideration of equal opportunity objectives.

- **Enhanced strategic planning through development of sophisticated gender metrics.** Companies report more sophisticated and detailed levels of gender data collection and reporting, including on a regular basis to the executive and board. Banks in particular are utilising the resources of their centralised HR departments to cross-analyse their gender profile data to identify the distribution and progress of women according to occupational sub-classification, business line, back office/front office divisions, line/support function, years in the company, part-time and or/flexible status, access to international assignments, use of parental leave and representation in the graduate intake.

Improving Women's Retention

- **Retention initiatives for women.** Finance and insurance companies are undertaking a wide range of retention initiatives as a means to retain valuable skills and knowledge and combating a tightening labour market. Amongst finance and insurance companies surveyed by EOWA in 2005, more than three-quarters of organisations cited increased flexibility, formal training and career development as effective in improving women's retention (99%, 84% and 79% respectively), with further large proportions of organisations also finding improvements to pay and conditions, culture change initiatives and paid maternity leave to be successful strategies.
- **Steps to address the ageing workforce.** As awareness of the ageing workforce increases, small numbers of companies are starting to take steps to reduce the risk of losing valuable experience and expertise, and to ensure a sustainable workforce for the future. The 2005 EOWA survey found that, of surveyed finance and insurance companies, 11% had introduced flexible or part-time working arrangements and 7% had provided formal training or re-skilling to assist in the retention of mature-aged employees. Other initiatives which companies reported had been effective in retaining the expertise of mature-age employees included job redesign, improvements to pay or conditions, succession mentoring or 'buddy systems' and phased retirement.
- **Enabling transition from full-time to part-time.** The finance and insurance sector is an industry leader in facilitating women's return from maternity leave to part-time working arrangements. The 2003 EOWA survey of reporting organisations found that, amongst finance and insurance companies, 67% of full-time women who departed for maternity leave returned in a part-time capacity, compared with 55% for reporting organisations overall.

Improving Employment Conditions

- **Action to address pay discrimination.** A small number of companies are taking direct remedial action to reduce the extent of gender pay inequity within their organisation. Generally preceded by extensive pay analysis and costs, these committed organisations are adopting a variety of approaches to the problem, including setting pay differential reduction targets, and phasing increases in over time to maintain and gradually increase the average female salary up to that of men's in identified occupational categories.

- **Transitioning of casuals to permanent part-time.** Enabling casual employees to transition to permanent and permanent part-time status continues to be an important means by which companies are able to improve the conditions of service of its casual staff, of whom in the finance and insurance sector 61% are women. In one credit union, all casual staff have been converted to part-time status, with the exception of specific contract and fixed term, with a guaranteed minimum of 15 hours per week.

‘Remuneration differences will continue to be monitored to ensure that the company’s remuneration policy and process is fair and objective, while ensuring that our high performance culture is maintained.’

MAJOR INSURANCE COMPANY REPORTING SIGNIFICANT SALARY DIFFERENTIALS

- **Improved handling of sexual harassment complaints.** Employers are continuing to find ways to refine and improve their arrangements for dealing with sex-based harassment. A credit union, for example, is in the process of investigating and implementing a whistle-blowing program that houses a specific section for employees to make anonymous complaints around sexual harassment and other areas of concern.

Sector Profiles

Finance and insurance organisations reporting to EOWA comprise three different sectors, each with distinct demographic profiles and unique industry constraints and issues for advancing women.

This section highlights the issues experienced by the finance, insurance and services to finance and insurance sectors through a closer analysis of EOWA compliance data and reports, and outlines a selection of the initiatives being undertaken by employers to advance women’s participation equitably throughout the industry.

Finance

	FINANCE SECTOR	ALL FINANCE AND INSURANCE	ALL REPORTING ORGANISATIONS
NO. OF EOWA REPORTING ORGANISATIONS.....	76	145	2719
% OF EOWA FINANCE & INSURANCE COMPANIES.....	52%	100%	N/A
TOTAL NO. OF EMPLOYEES.....	157,114	219,156	2,187,100
AVERAGE NO. OF EMPLOYEES.....	2067	1511	939
% WOMEN EMPLOYEES.....	60%	59%	48%
% WOMEN MANAGERS.....	30%	31%	32%
% PART-TIME MANAGERS THAT ARE FEMALE.....	91%	89%	82%
% ORGS WITH ANY PART-TIME MANAGERS.....	53%	65%	39%
AVERAGE NO. OF EMs ACTIONED PER ORG.....	6.4	5.8	4.3
% ORGS WAIVED FROM REPORTING IN 2005.....	13%	12%	8%
% NATIONAL WORKFORCE REPORTED ON TO EOWA.....	79%	58%	22%

The finance sector consists of organisations classified as central banks, deposit taking financiers (banks, building societies, credit unions, money market dealers), other financiers and financial asset investors.

The equal opportunity issues faced by the sector are diverse, and vary according to the type of business. Banks, with large workforces, face different issues to credit unions and smaller financial asset advisors. These differences notwithstanding, a numbers of similar issues emerged for many of the companies in this sector, and these are outlined below. Similarly, the examples described below of strategic interventions to advance women are likely to have relevance for other finance sector organisations.

In 2005, 76 finance sector organisations reported to EOWA, covering 79% of the national finance workforce. The workforce is female dominated at 60% women, with 52% of full-

time positions held by women, and is characterised by relatively high access to part-time employment, including in 65% of organisations at managerial level. Despite this, the sector has just 30% women in management, indicating that significant barriers or disincentives remain to women's equal contribution at all levels of the organisation.

Equal Opportunity Issues

- **Low retention of women from maternity leave.** Some companies expressed concern that, despite generous leave entitlements and flexible work arrangements, the proportion of women returning from maternity leave after one year was not as high as they could wish, while in others, concerns were expressed at the proportion of women that did not return at all. This indicates that potential may exist to facilitate more graduated returns, including extending the period of time for which roles are kept open beyond the legislated one year, and well as providing more flexible, and smaller job-sized, part-time return to work options.
- **Less access to profit-and-loss experience.** "Access to core business line roles and profit-and-loss experience continues to be a serious impediment to women's career advancement in the finance sector. A career aspirations study undertaken by a major bank found that the majority of women were not in revenue generating roles, but that nor did they perceive the importance of having P&L experience for career development. In many companies, this lack of awareness by women also extends to management, and is resulting in the unconscious assignment of higher profile work, transfers and promotions to men over women. This is evidenced in part by men's much higher access to international assignments, women's unequal recruitment to the core business units of wholesale broking, trading and treasury, and, where data is available, the faster promotion rates of men despite no better average performance assessments.

‘There are no differences between the career aspirations of men and woman at senior levels – but women’s aspirations are not fulfilled as frequently as men’s.’

REPORT CONTACT AT A MAJOR BANK, VICTORIA

- **Few women in senior management.** Despite a majority female workforce, in some finance companies, women have only attained Director level for this first time in 2005, with other companies reporting extremely low levels (5% or less) of women at executive Director level. This indicates that barriers may persist to women's advancement into management. In some companies, this has also been exacerbated by low turnover at managerial level, while elsewhere the requirement to decrease the total headcount had limited the opportunities to increase women's representation.
- **Inadequate gender data collection.** Some companies with dispersed corporate structures, such as financial asset investors, reported difficulties in conducting adequate statistical analysis of salary differentials and other key gender data. Even large organisations, such as banks, also identified data shortfalls in recording the percentage of women that were recruited or transferred into non-traditional roles, or line and support functions, making these equity goals difficult to set targets for.

- **A culture of long hours.** The finance sector's practice of unusually long hours, particularly in broking and trading roles, continues to have a major impact on women's abilities to participate equally in core areas of business. In one bank, for example, a new clause has recently been introduced which specifies the span of ordinary working hours as 7am to 9pm week days. Where companies have introduced policies to address this problem, however, workplace cultural norms and tacit expectations do not always permit the working of fewer hours. One finance company reported that, despite offering a suite of flexible working arrangements, including compressed hours, varying start and finish times, working from home and part-time and job-share options, the take up rates are still very low.
- **Male-dominated culture in some business groups.** Finance industry exit data indicates that culture is more often a factor in resignations in traditionally male-dominated work areas, such as wholesale broking, than in other, more female-friendly areas of the business. Some finance organisations reported that the effects of historically male-dominated workplace cultures have now become less visible, but that there remains much work to be done to make the working environment less toxic to women. In some other companies, however, discriminatory practices continue to occur, such as after-work social events being held at strip clubs.

Initiatives to Advance Women

- **Increasing gender balance on boards.** The appointment of women onto boards is gathering momentum, particularly as increasing community value is placed on Board representativeness and diversity. This is evidenced by the case of a Western Australian credit union whose board is determined by member votes, and which has achieved 45% women on its board as a result. Among larger finance organisations, however, the EOWA Australian Women in leadership Census finds a less positive picture for women. Only 16% of the board directorships of ASX 200 banks and diversified financials were held by women in 2004. This compares favourably with the ASX 200 average of 9%, however, placing these two industry divisions in the lead after telecommunications.¹⁰
- **Introduction of pay equity targets.** A small number of finance companies have commenced initiatives to assist in reducing large gender pay inequities in some business groups. These include, in one financial company, the introduction of salary differential targets in order to decrease overall gender salary differentials. Starting with a 14% gap in 2001-02, the company this year achieved its salary differential goal of just 7%.

‘An Executive Director returning from primary carer’s leave was able to incrementally increase her hours over a period of time to assist with her return from work and associated childcare arrangements.’

FINANCIAL ASSET
INVESTOR, NSW

- **Targeted recruitment practices to attract female applicants.** Finance companies seeking to increase female applicants for non-traditional and technical roles are actively targeting their recruitment practices to encourage women to apply for jobs they might not have previously considered. One financial investment company now includes profiles and photos of some of their top-performing female sales consultants in

recruitment advertisements in newspapers and mortgage industry magazines to increase the number of applicants for these roles.

- **Increased women in senior management.** Large numbers of finance companies are monitoring and reporting steady improvements to women's representation in management, including in part-time managerial roles. A financial asset investor, for example, was able to increase its female Associate Directors from 21% to 28%, and female Directors from 9% to 14% over the course of one year.
- **Talent management programs.** Finance companies report the widespread use of talent identification programs to increase high-potential women's access to career advancement opportunities, and maximise their potential contribution to the company. In one bank, all staff on talent programs receive 'grow accounts' up to \$7,000 to spend on any training and development needs identified. Other programs, targeting specific levels of the organisation, have been designed for managers to assess upcoming talent against identified leadership competencies, which have been aligned with strategic human resourcing plans. By developing these individuals to their optimal potential, the bank believes it will be assured of a diverse range of competent executives for the future.
- **Improvements to flexible working conditions.** Many finance companies are progressively extending the scope of their often already extensive flexible working arrangements to further enable women and men's full contribution. Some are using their EBA negotiations with the Financial Sector Union to introduce increased flexibility in work practices, such as a nine-day fortnight, to better support work/life balance and family commitments. Smaller investment firms are reporting that it is now common practice for women returning from maternity leave to work part-time and to include working from home within their part time hours. Other organisations are encouraging telecommuting, with one bank having especially designed its new Sydney office to integrate space and technology to facilitate working from home.

‘Women returning from maternity leave have flexibility to work part time and to include working from home within their part time hours.’ FINANCIAL ASSET INVESTOR, NSW

- **Improved parental leave provisions.** The finance industry is a private-sector leader in extending the provisions and assistance available to employees taking parental leave. In a typical example, a financial asset investing company reported that women returning from maternity leave have the flexibility to work part time and to include working from home within their part time hours. One bank has introduced a policy where an employee can apply for up to six months leave without pay following their 52 weeks maternity leave, while a financier conducted a focus group for women on maternity leave – and was surprised at how easy to accommodate the women's requests and ideas were, many of which revolved around 'stay in touch' initiatives.
- **Improved career paths for clerical and administrative employees.** Some organisations have found that establishing visible career paths for employees in administrative and services roles has been beneficial in encouraging the internal promotion of women and an increased uptake of training opportunities. In one credit union, public recognition of high-performing female loans officers - a role that was

previously male-dominated - has resulted in a large increase in the number of female loans officers and greater interest amongst sales, administration and service staff in applying for these positions. In another finance organisation, each business unit has identified a training 'roadmap' that lists the recommended courses for each role.

- **Job redesign for part-time work.** A number of finance institutions reported bank reported making significant progress in creating part-time positions to capture women returning from maternity leave, and have developed structures and guidelines to support this. In a credit union, all new positions are now reviewed for job-share potential as vacancies arise, while in other organisations, job-redesign is seeing the re-allocation of duties to create effective yet smaller job sizes that can be performed in fewer hours.

Leading Practice Case Study:

Advancing Pay Equity for Women in Finance and Insurance

As a result of the significant difference in the average salary figures between male and female employees identified in its workplace profile data, one finance company decided to conduct a detailed pay equity analysis in the second half of 2004. The process followed was very similar to that recommended by EOWA in its pay equity tool launched in 2005.

The company commissioned an external remuneration consultancy to analyse data and recommend a methodology to identify and rectify any issues. The report concluded that salary differences were not as large as first thought when controlled for factors such as length of service in the role, experience and other legitimate characteristics. However, over 400 anomalous cases were identified (of which 39% were male and 61% female), which the company undertook to investigate further. Of these, it was determined that just 7% of these were in fact true pay anomalies.

The salary for the large majority of the 400-plus employees was found to be market competitive and no further action was required. For those where a pay anomaly was found, however, an average salary increase of 6.1% was granted. Females in this group, on average, received an increase of 6.4% and males an average of 5.7%. As a result of this review, the company considered statistically every single role in the organization and only needed to amend the pay for 32 employees, or below 1% of the total employee population.

In 2005, the same pay equity analysis was incorporated into the company's standard annual remuneration review process. A new remuneration-reporting tool has been developed and is now used to analyse the results of each year's salary review and bonus allocation process. On average, female full-time employees now receive salary increases of within one percentage decimal point of men's. Going forward, the new tool developed by the company will allow pay equity analysis to be integrated into normal procedure and reporting mechanisms.

Insurance

	INSURANCE SECTOR	ALL FINANCE AND INSURANCE	ALL REPORTING ORGANISATIONS
NO. OF EOWA REPORTING ORGANISATIONS.....	39	145	2719
% OF EOWA FINANCE & INSURANCE COMPANIES.....	27%	100%	N/A
TOTAL NO. OF EMPLOYEES.....	42,461	219,156	2,187,100
AVERAGE NO. OF EMPLOYEES.....	1089	1511	939
% WOMEN EMPLOYEES	60%	59%	48%
% WOMEN MANAGERS	36%	31%	32%
% PART-TIME MANAGERS THAT ARE FEMALE	87%	89%	82%
% ORGS WITH ANY PART-TIME MANAGERS	67%	65%	39%
AVERAGE NO. OF EMs ACTIONED PER ORG	5.2	5.8	4.3
% ORGS WAIVED FROM REPORTING IN 2005	10%	12%	8%
% NATIONAL WORKFORCE REPORTED ON TO EOWA.....	56%	58%	22%

The insurance sector comprises organisations classified as life insurance funds, superannuation funds, other insurance, health insurance and general insurance.

As with the finance sector, the workforce is female dominated at 60%, though with an above average representation of women in management at 36%. High salary differentials indicate that many female managers are located in lower-paid support functions, with opportunities for women to move into core line roles exacerbated by a low availability of part-time roles at managerial level, which in this sector were reported in only 53% of companies compared with 65% of all finance and insurance organisation.

Companies in this sector were more likely than other sectors to cite the historically male-dominated nature of the insurance industry as a factor in overcoming workforce inequalities. A number of insurance companies that are making slow progress in the appointment of part-time senior managers are often breaking new ground for their organisation's advancement of women.

Equal Opportunity Issues

- Insufficient female applicants for senior and non-traditional roles.** The insurance sector continues to be highly male-dominated in professional and technical positions, and as a result, the selection pool of external candidates for these positions usually includes a higher ratio of male applicants. A number of insurance companies reported experiencing difficulties in attracting external female applicants for senior management and traditionally male-dominated sales roles in particular, while others are finding that traditional recruitment practices are not sourcing equal numbers of female candidates. Perceptions that certain male-dominated roles were unattractive to women, such as in broking, was also cited by some companies as a contributing factor. When recruiting new entrants to the industry, however, companies report much higher rates of female applicants.

- **Inadequate analysis of gender issues.** Some finance organisations have collected adequate data but lack either the expertise or willingness to identify gender issues, with many reporting obvious disparities in promotion of pay rates but omitting to identify these as equal opportunity issues for women.
- **Low engagement with persistent structural barriers to women's advancement.** A number of companies report significant inequalities in pay, unequal inclusion of women in succession planning and unequal access to performance-based rewards, while maintaining the strengths of their merit-based processes. Some companies evidence a lack of awareness of the potential for gender bias to enter into performance review processes, or of how family responsibilities may impact on some employees' ability to achieve seemingly objective performance criteria. In one insurance company, for example access to a networking and development conference had to be competitively earned based on sales figures, potentially excluding time-poor employees. This inexperience of equal opportunity issues leads some companies to be unquestioning of apparent inequalities or, worse, complacently attribute them to historical or social factors beyond their control.

‘[The company] has found it has less choice available in selecting suitable staff for vacant positions than in previous years.’

LIFE INSURANCE COMPANY, VIC

- **Unequal pay for women.** A number of companies report the persistence of pay inequities, caused in part by the distribution effects of women clustered disproportionately in lower-paying roles and divisions. Where significant pay disparities exist within occupational levels, however, it is common practice to attribute this to the distribution of women in lower grades or less complex roles without acknowledging the potential equal opportunity factors that may be at play. One insurance company cited 'historical factors' as the reason for significant pay inequalities, whereas another attributed such gaps to performance-based remuneration, but did not report that the potential for gender bias in the assessment processes, or opportunity issues affecting women such as lack of access to profit-and-loss roles, had been investigated.
- **Unequal access to line management roles.** While there is little data reported by the insurance sector on the distribution of women in line versus support roles, the frequency of major salary differentials of up to 40% between male and female managers, indicates that many women in management are in non-core roles. In addition, just 53% of insurance companies reported having part-time managers, compared with 65% for finance and insurance companies overall. These factors combined are likely to be having a significant impact on women's abilities to acquire the necessary profit-and-loss experience to enter senior managerial and executive ranks.
- **Ageing workforce imperatives.** As the effects of the ageing workforce begin to take hold, the insurance industry in particular reports experiencing a tightening labour market and difficulties in attracting candidates to highly technical roles and to locations on the periphery of major metropolitan centres. Companies without equal opportunity practices may find themselves losing valuable expertise and industry experience if senior employees are unable to transition to part-time status, or missing out on highly-qualified recruits if the company is unable to attract and retain female talent.

Initiatives to Advance Women

- **Visible involvement of the CEO in sponsoring EO initiatives.** A number of companies are improving the uptake and impact of equal opportunity initiatives for women through the active support and involvement of the CEO. One insurance company gained the explicit commitment from the CEO to participate in the implementation of or personally sponsor a range of initiatives, including a CEO-chaired women's forum, inclusion of diversity statistics in Executive Talent matrix sessions, diversity training activities with senior management group, CEO distribution of "One Leader Can..." presentation, launch of a leadership development program for women, and participation in a quarterly and national Work-Life-Diversity speaker series.
- **Training of recruitment companies in EO practices.** Companies reported a range of initiatives to ensure that recruitment suppliers understood equal opportunity principles, and were actively implementing these in selection processes. One general insurance company conducted face-to-face presentations with 24 preferred recruitment suppliers nationally, with the aim of engaging them in a structured discussion around recruiting for diversity and partnering with the company to deliver the best candidates from 100% of the pool.
- **Targeting female graduates to increase women's representation.** Some companies are addressing the scarcity of female applicants for senior level roles in non-traditional areas by seeking to increase their female graduate intake in these areas. In one insurance company where a deliberate policy decision was made to expand its graduate training scheme with a particular focus on recruiting highly talented female candidates, almost 60% of all graduates recruited as a result were female.
- **Groundbreaking appointments of women onto boards.** Insurance companies comprise one of a small number of sectors that are taking the lead in increasing women's representation on boards, with one national life insurance and superannuation fund topping the ASX 200 field with the appointment of two women to its seven-person board. Across all ASX 200 insurance companies, the EOWA 2004 Australian Women in Leadership Census found that women hold 15% of all board directorships, comparing favourably with the albeit low average of 9%.

‘We hope to be able to look at ways of setting up buddy systems where a senior employee is teamed up with a junior employee for coaching and mentoring purposes therefore passing on valuable business and industry experience that will remain in our company.’

GENERAL INSURANCE COMPANY, NSW

- **Support for higher qualifications.** Sponsorship of staff to obtain formal higher qualifications is enabling a number of insurance companies to increase the skill levels and advancement prospects of their female staff. In one example, a superannuation company has partnered with the Association of Superannuation Funds of Australia (ASFA) and Macquarie University to offer a nationally-accredited superannuation qualification, PS146, articulating to Certificate IV in Financial Services, with further units leading to a Diploma in Superannuation Management and Advanced Diploma in

Financial Services. This qualification enables employees to have nationally-recognised academic qualifications which are recognised throughout the industry. The company also offers an internal Trainee Program which enables participants to obtain other nationally-accredited qualifications, designed to enhance their longer-term employment prospects within the company and support the personal growth and development of participants of the program.

- **Direct action to reduce pay inequity.** A number of insurance companies reported specific actions to reduce pay inequities. A large life insurance and superannuation fund, for example, contracted an external remuneration consultancy to conduct a detailed pay equity analysis and identify and rectify any anomalous cases identified. Of the over 400 such cases identified, 32 were identified as true inequities, resulting in pay increases averaging 6.1%. This pay equity analysis has now been incorporated into their yearly remuneration review.
- **Leadership programs for women.** Insurance companies committed to increasing women's representation in management are Ensuring that women are well represented in company leadership and development programs. One life insurance company has developed three leadership programmes, a strategic leadership program, a business leadership program and a front-line leadership program, developed for senior, middle and first time managers, with women representing 45% of participants.
- **Enhanced EO management capacity.** In some smaller insurance companies, the centralisation and elevation of HR functions to become an integral part of business planning is increasing the organisational capacity to development and implement new EO policies. As a result, in one company, the HR team now has greater leverage to encourage the appointment and promotion of women to more senior positions within the organisation.
- **Steps to address the ageing workforce.** As insurance companies confront the ageing workforce, a wide range of initiatives are being implemented to ensure that valuable experience and expertise is not lost to the company. These range from phased retirement options to mentoring systems and strategic succession planning. One company reported that it was exploring setting up buddy systems where a senior employee would be teamed up with a junior employee for coaching and mentoring purposes, thereby passing on valuable business and industry experience that will remain in the company.
- **Improved reporting of gender data.** In a growing number of insurance companies, workplace profile data is now presented to the Board of Directors on a regular basis, facilitating an increased understanding of and commitment to EEO. Other organisations are starting to supplement their regular board updates with more in-depth quarterly or annual analyses.

Services to Finance and Insurance

	SERVICES TO F&I SECTOR	ALL FINANCE AND INSURANCE	ALL REPORTING ORGANISATIONS
NO. OF EOWA REPORTING ORGANISATIONS.....	30	145	2719
% OF EOWA FINANCE & INSURANCE COMPANIES.....	21%	100%	N/A
TOTAL NO. OF EMPLOYEES.....	19,581	219,156	2,187,100
AVERAGE NO. OF EMPLOYEES.....	653	1511	939
% WOMEN EMPLOYEES	49%	59%	48%
% WOMEN MANAGERS	32%	31%	32%
% PART-TIME MANAGERS THAT ARE FEMALE	82%	89%	82%
% ORGS WITH ANY PART-TIME MANAGERS	89%	65%	39%
AVERAGE NO. OF EMs ACTIONED PER ORG	5.1	5.8	4.3
% ORGS WAIVED FROM REPORTING IN 2005	10%	12%	8%
% NATIONAL WORKFORCE REPORTED ON TO EOWA.....	21%	58%	22%

The services to finance and insurance sector is a relatively small category of organisations within the finance and insurance sector, comprising 30 businesses from classifications including services to finance and investment, incorporating financial asset broking services (stock, share trading or mortgage broking services, trustee investment management and other services such as credit card administration and money changing services); and services to insurance, incorporating insurance agency services, actuarial services and insurance broking services.

The sector is distinguished from other finance and insurance sectors by a lower average proportion of female employees, though with a comparable representation of women in management at 30%. Companies are also on average smaller, and comprise many leading practice employers for women, evidenced by the very high proportion of organisations that report having part-time managers, 89% compared with 39% amongst all organisations reporting to EOWA.

Certain core professional occupations within the sector however remain highly male-dominated, with major structural barriers remaining to women's full participation in line and executive management. Similarly for administrative and other support employees, there are often limited opportunities for women to access development and advancement opportunities within these highly professionalised and traditionally male-run companies.

Equal Opportunity Issues

- Low numbers of women in senior management.** While a number of companies providing services to finance and insurance report significant progress in increasing women in professional and middle management tiers, women's representation in senior and executive management remains largely static. This may be an outcome of other EO issues, such as access to career development opportunities, or may indicate that specific intrinsic characteristics of companies' most senior positions are presenting barriers to women's equitable advancement.

- **Line roles remain inaccessible women.** In many financial services organisations, stockbroking, share trading and other core professional and advisory roles remain highly male-dominated, with one leading financial management and advisory company reporting that women had only been included in the graduate intakes for entry-level roles in the key business areas of Equities and Investment Banking for the first time in 2005. This has the effect of perpetuating extremely long hours and working organisation practices that are unsustainable for employees with external commitments or who need flexible working arrangements. Anecdotal evidence indicates that few if any female stockbrokers have children, making this an unsustainable career for many women.
- **Lack of engagement with EO issues facing support staff.** While EOWA compliance data indicates that the financial and insurance services sector performs well compared with other finance and insurance sectors in advancing women, with 32% female managers relative to a workforce that is 49% women, the lack of these other sectors' very large, female-dominated administrative and clerical workforces means that there is lower engagement and understanding in this sector of the issues confronting the 'average' working woman. As a result, the sector reported fewer training and development initiatives, 67% compared with 88% for all finance and insurance companies, and is more likely to employ women in a casual capacity. This may be exacerbating a perception of two career tracks, one professional and one administrative, leading to fewer initiatives in this sector to develop career pathways for support workers and address work organisation and qualification barriers to talented women currently confined to these roles.

‘An ongoing need to attract candidates with specialist skills from more diverse backgrounds due to an ever shrinking talent pool has been identified.’

FINANCIAL ASSET BROKER

- **Difficulties in attracting female applicants for senior and non-traditional roles.** Financial services companies reported difficulties in attracting sufficient female applicants for core business roles, making it difficult to increase women's representation in core broking and advisory roles. While this could indicate insufficient numbers of qualified women in the labour market, it may also reflect barriers to development and advancement within organisations, where high-potential women are not being given the opportunities to acquire the experience to apply for higher roles due to uneven access to high-profile clients and assignments, or have their talents diverted laterally into more traditional support roles such as HR and corporate advisory. Difficulties are also being experienced in recruiting women to entry-levels positions, with one financial management and advisory company reporting that they are still not getting equal numbers of female applicants even at graduate level, implying that traditional recruitment methods, and perceptions of the industry amongst graduates, may need attention.
- **Inadequate analysis of gender metrics.** Some organisations in the services to finance and insurance sector were without a centralised HR department or function, with essential personnel services provided by the finance department, and so lacked the capacity to properly analyse and track women's progress within the organisation. In-

depth gender metrics analysis, including of performance data and progression rates, as well as comprehensive staff consultation data, is not widely available, making it difficult for many companies to correctly identify the impediments to women's further workforce participation.

Initiatives to Advance Women

- **Improved support for women taking parental leave.** The financial services companies are introducing innovative new parenting initiatives to maximise women's retention, and provide assistance once they do return. In an example of an increasingly widespread practice, a financial asset investing company reported that women returning from maternity leave have the flexibility to work part time and to include working from home within their part time hours. More innovative initiatives include offering a 'Return from Parental Leave' workshop to employees due to commence or return from parental leave, to address issues around planning for a workplace absence and organising childcare, and the provision of dedicated parking spaces in the main building complex for employees' use in the first 3 months after they return from maternity leave.
- **Targeted recruitment of women to male-dominated business groups.** Companies are actively targeting the recruitment of women to male-dominated business groups to reduce men's dominance, employing methods ranging from compulsory short-listing to career development programs and setting gender targets for graduate intakes. One financial services organisation, for example, established a summer internship program to encourage female students to consider careers in investment banking. In order to be able to recruit an even gender balance, the company sought an exemption from the state Anti-Discrimination Board to allocate half of the places on the program to women. The resulting program received such positive qualitative feedback from participants and business groups that the company plans to continue the initiative in 2006.

‘We present the workplace profile to the Board of Directors on a monthly basis which is enabling them to have a greater understanding and commitment to EEO.’

SERVICES TO FINANCE AND
INSURANCE COMPANY, WA

- **Career pathways for sales and support staff.** "Recognising that limited career development opportunities existed for its support staff, a number of financial and insurance services companies are instigating training and development programs specifically oriented towards fostering career progression at these levels. One financial services company implemented an integrated program of initiatives, including a new policy promoting the internal advertising of all career opportunities, a tracking system to monitor their success in filling advertised positions internally, a new framework for the delivery of training and development to this group, and a public identification of the key leadership roles within the organisation. Elsewhere, a superannuation company has established a mentoring program for female superannuation adviser trainee positions, to increase the pipeline of women into these core front-line roles.

Leading Practice Case Study:

Arrangements for Dealing with Parenting, Pregnancy and Breastfeeding

A NSW general insurance company has introduced a suite of new arrangements to its Work & Family Program:

- An information pack is sent to all employees about to depart on parental or childcare leave, which includes a 'preparing for leave' checklist for both the employee and the manager and provides details on the 'Preparing for and Returning from Parental Leave' seminar offered to staff and the dependant care referral service.
- Employees about to go on leave are encouraged to explore the Work & Life site on the company's intranet, including the Work & Family Kit which includes information on how to source child care, tips on how to effectively transition back to work and a guide on how to negotiate flexible work practices.
- All employees applying for parental and childcare leave are invited to attend a 'Preparing for and Returning from Parental Leave seminar' before leaving or on return to work. Utilisation rates of the seminar are high - approximately 50 employees attended in 2004 (16 in 2003).
- All employees are able to access a dependant care (including child care and elder care) referral service. Utilisation rates are high - approximately 74 employees accessed the service in 2004 (31 in 2003).
- All new parents (male and female) automatically receive a 'Gift for New Parents' to congratulate them on the birth of their child. Approximately 100 mugs are sent out per quarter.
- The 'Stay in Touch' process is available to all those going on parental or child-care leave, and the application form is part of the parental/child-care leave form. As part of the program, employees are able to request a range of information including updates on internally advertised positions and the company newsletter).
- There are now fully fitted out Carers' Rooms, containing a change table, steriliser, refrigerator, sink, workstation, PC and telephone.

The new initiatives have been well received, with utilisation rates increasing exponentially since the program began in 2003.

- **Significant new appointments of women into management.** A number of financial services companies reported significant increases in the proportion of women in executive management positions, increasing by as much as 20 percentage points in one company in a single year. Other companies reported significant successes in appointing greater numbers of women to professional and middle-management ranks, though had less success in improving women's representation at higher levels.

- **EO Guidelines for Recruitment Suppliers.** Financial and insurance services companies are increasingly recognising the crucial role that external recruitment suppliers play in determining women's recruitment, and are taking actions to ensure these suppliers are well briefed in EO principles. One financial asset broker has set equal opportunity KPIs for its preferred recruitment supplier as part of the agreement terms and conditions, and assesses the supplier annually on how they promote diversity & EEO during the recruitment process.
- **Capacity building in people management.** Some companies are seeking to improve their people management processes and capabilities to ensure that EO and merit-based principles are internalised throughout the organisation. In some organisations, this has involved appointing dedicated HR, EO or diversity managers, while in others, the policies and procedures around recruitment, selection and promotion are being redefined to reduce the potential for gender bias. One financial services company decided to focus specifically on developing people management capability, with a comprehensive management development program offered to all managers of staff in the business.

EOWA Compliance Data

EO Compliance Reports

In accordance with the *Equal Opportunity for Women in the Workplace Act 1999*, employers submit an annual Equal Opportunity Compliance Report to EOWA on the progress of their workplace programs for women. Detailing employers' actions under each of the seven legislated Employment Matters, the reports provide extensive qualitative information on current workplace initiatives to advance equal opportunity for women.

Each compliance report is assessed by an experienced EOWA Client Consultant and the salient details under the legislation recorded. The collated report assessment data enables EOWA to benchmark industry progress and identify new trends in workplace programs.

In addition to reporting, employers are surveyed by EOWA annually on their specific workplace initiatives for women.

The EO report assessment and survey data for the finance and insurance section is presented below, with the equivalent results for reporting organisations from all industries included for comparison.

EOWA Compliance Data:

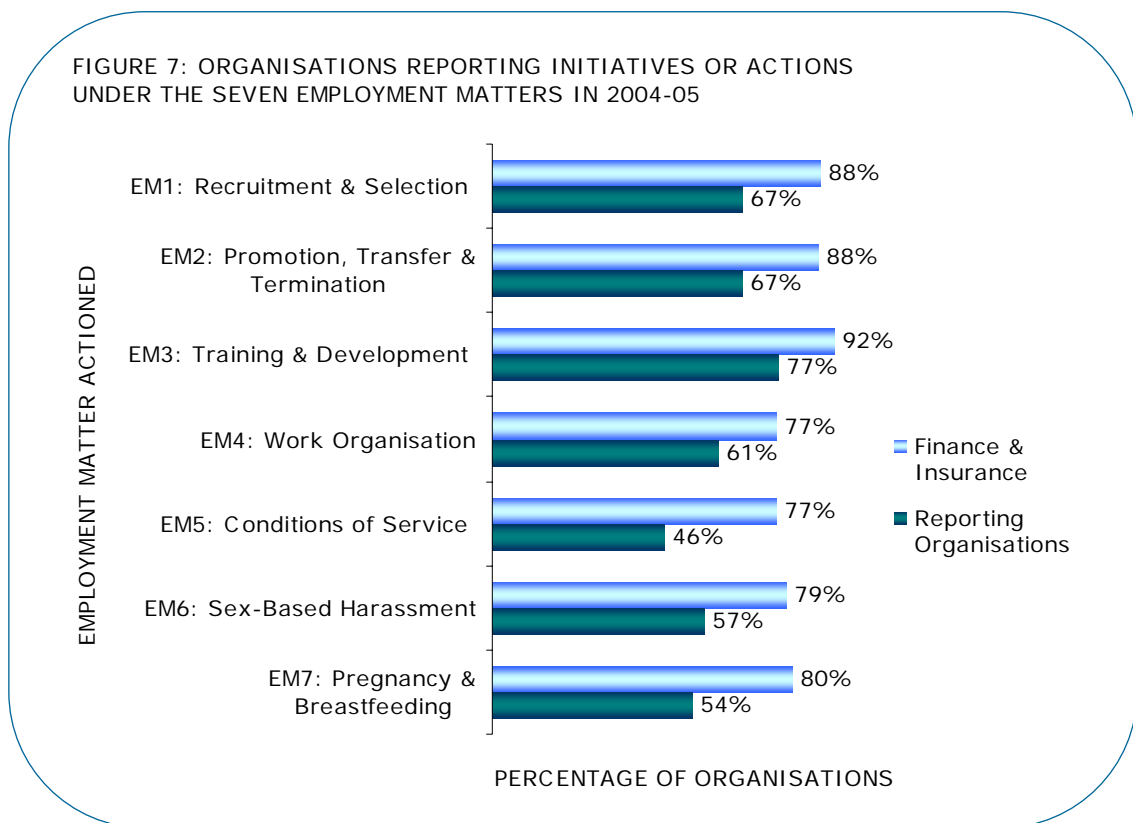
SUMMARY REPORT DATA ON FINANCE AND INSURANCE COMPANIES

	FINANCE & INSURANCE	ALL
NO. OF EOWA REPORTING ORGANISATIONS	145	2719
% OF EOWA REPORTING ORGANISATIONS	5%	100%
% OF COMPLIANT ORGANISATIONS	100%	99.5%
NO. OF NON-COMPLIANT ORGANISATIONS	0	14
% OF ORGANISATIONS AWARDED WAIVED STATUS IN 2005	8%	5%
% OF ORGANISATIONS WAIVED FROM REPORTING IN 2005	12%	8%
AVERAGE NO. OF EMs ACTIONED PER ORGANISATION	5.8	4.3

EOWA analyses organisations' compliance reports for actions taken under the seven Employment Matters listed in the EOWW Act. These are:

- EM 1 Recruitment and selection criteria
- EM 2 Promotion, transfer and termination
- EM 3 Training and development
- EM 4 Work organisation
- EM 5 Conditions of service of employment
- EM 6 Arrangements for dealing with sex-based harassment in the workplace
- EM 7 Arrangements for dealing with pregnant and potentially pregnant employees and employees who are breastfeeding

Figure 7 below shows the proportion of organisations that reported taking action under each Employment Matter (EM) in 2004-05.



- Finance and insurance organisations reported a higher number of actions against each of the seven Employment Matters compared with reporting organisations overall.
- Finance and insurance organisations were most likely to undertake EO-related actions in relation to *Employment Matter 3: Training & Development*, and least likely to take action in relation to *Employment Matter 4: Work Organisation* and *Employment Matter 5: Conditions of Service*.
- A significantly higher proportion of finance and insurance organisations reported taking actions under *Employment Matter 5: Conditions of Service* than reporting organisations overall.

For more information on EOWA compliance data, see the Technical Notes in the Appendices.

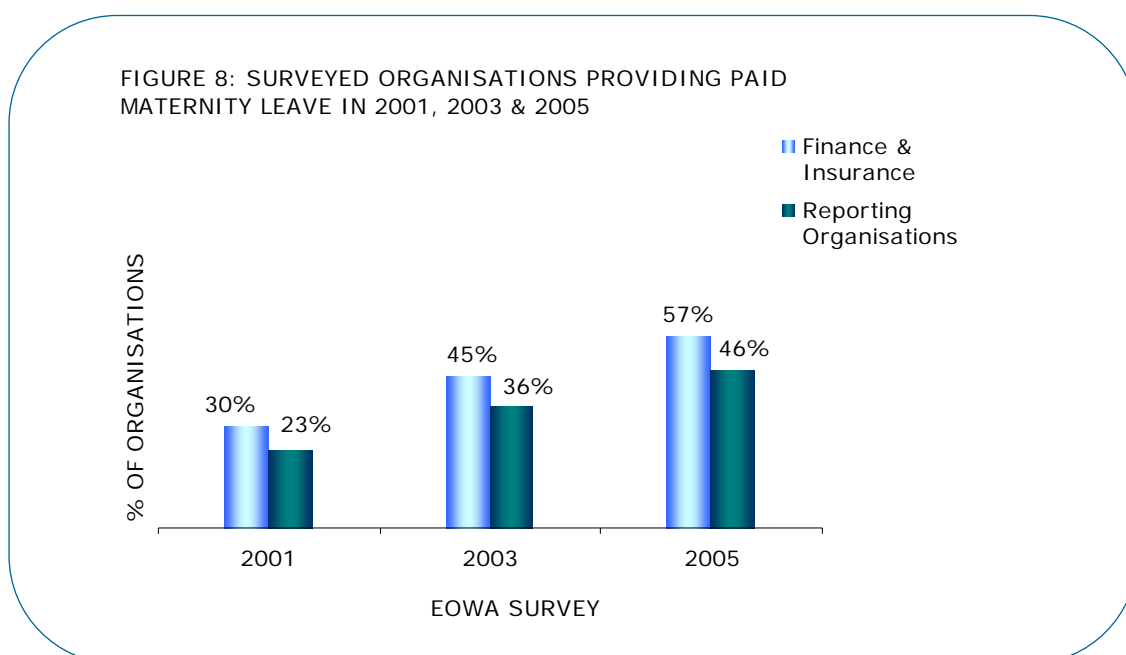
Equal Opportunity Survey Insights

With a large and traditionally female-dominated workforce, the finance and insurance sector faces unique challenges in promoting equal employment outcomes for women. Ensuring access for women to non-traditional areas and removing barriers to advancement into an often male-dominated management are central among these, as is the creation of opportunities for part-time work and flexible hours, particularly on return from maternity leave. Solutions must also accommodate the needs of students and the need to structure work around timetables.

Each year, EOWA conducts a survey of reporting organisations to assist in identifying some of the major issues for employers in implementing equal opportunity for women in the workplace. The results of recent surveys of organisations in the finance and insurance sector are given below.

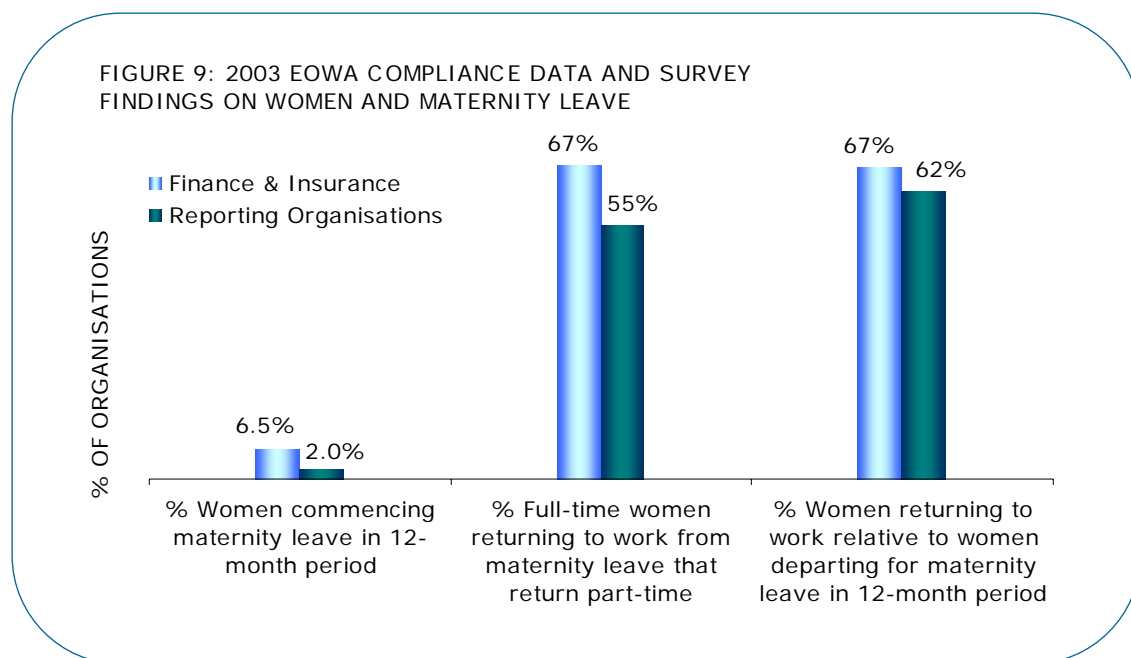
Paid Maternity Leave

Figure 8 below shows the results of the 2001, 2003 and 2005 EOWA surveys on paid maternity leave for the finance and insurance sector and for all reporting organisations overall.



- 57% of surveyed reporting finance and insurance institutions in 2005 said that they provided paid maternity leave, compared with 46% for all reporting organisations overall.
- Since 2001, the percentage of finance and insurance institutions that provide paid maternity leave has increased from 30% in 2001 to 57% in 2005.
- The proportion of reporting finance and insurance institutions providing paid maternity leave has increased at a consistent rate with that of reporting organisations overall.

Figure 9 below shows the 2003 EOWA survey findings on the average proportion of the female workforce that left for maternity leave within a 12-month period, the full/part-time capacity in which full-time women returned from maternity leave during this period, and the average point-in-time retention rate of women who had left to take maternity leave, based on the numbers of women leaving and returning within a 12-month period.



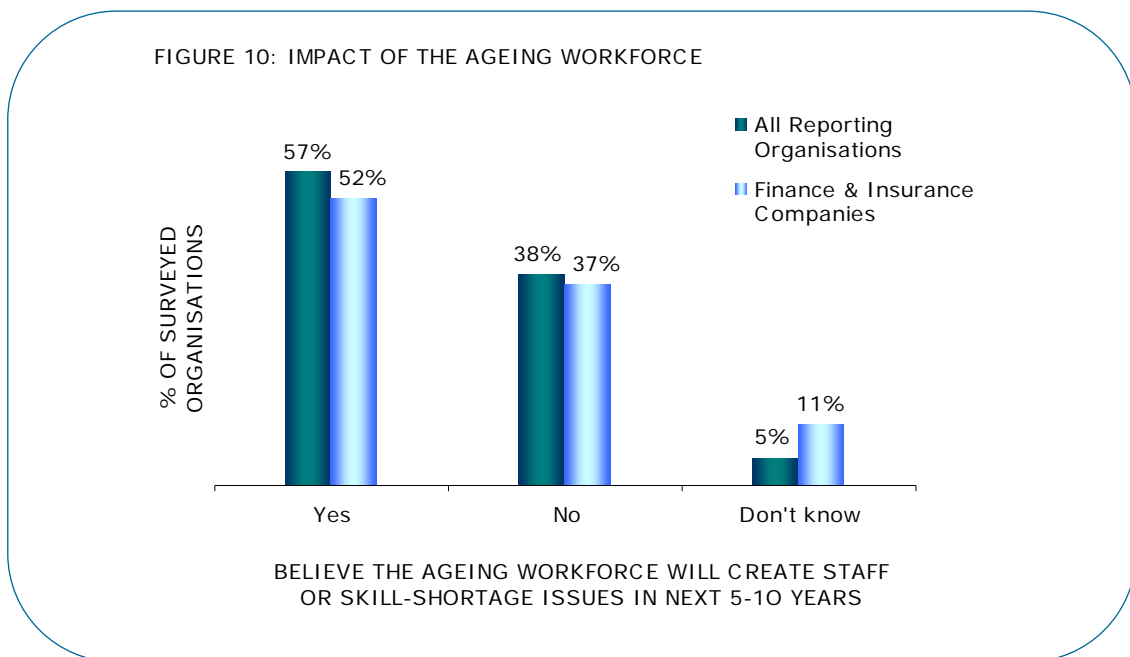
- A higher than average proportion of the female workforce had taken maternity leave in the finance and insurance sector than in all reporting industries combined. This may reflect differences in workforce characteristics between women working in finance and insurance and the female workforce in general, such as demographic and socio-economic differences.
- The survey findings on the capacity in which full-time women returned to work after maternity leave show that more full-time women work part-time on their return from maternity leave in finance and insurance than in reporting organisations overall (67% compared with 55% overall). This may reflect greater opportunities within the sector for women to return to work part-time, or alternatively that women are proportionately more likely to be distributed in lower level positions where part-time work options are more available.

- As well as a higher proportion of women departing on maternity leave, surveyed finance and insurance organisations also indicated higher point-in-time retention rates of women returning from maternity leave than in reporting organisations overall.

Implications of the Ageing Workforce for Equal Opportunity

2005 EOWA Survey Results

Figure 10 below provides the results of the EOWA 2005 survey of reporting organisations on the proportion of companies that believe the ageing workforce will create staff or skill-shortage issues for their organisation in the next 5-10 years.



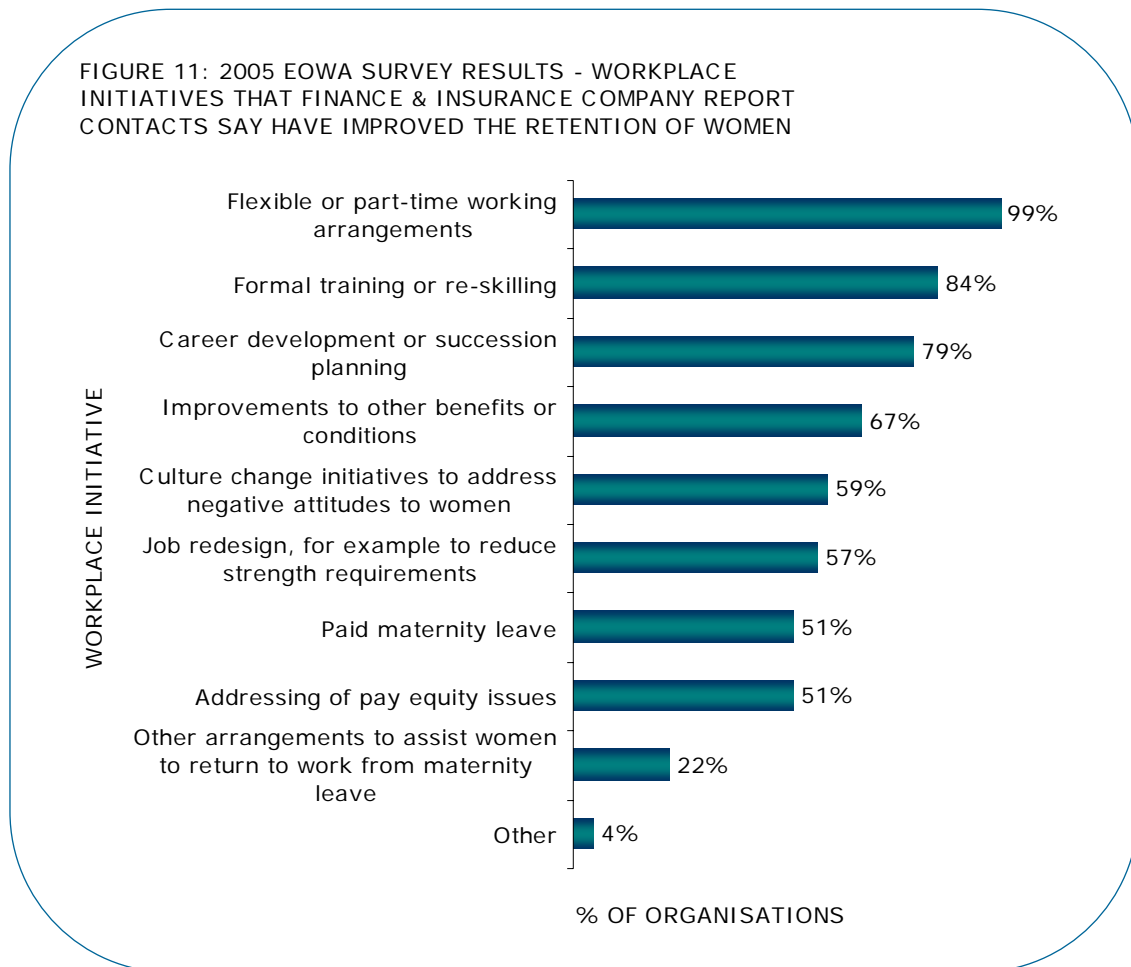
- The report contacts of surveyed finance and insurance companies were slightly less likely than all reporting organisations overall to believe that the ageing workforce will create staff or skill-shortage issues for their organisation in the next 5-10 years, with 52% of respondents believing this as opposed to 57% overall.
- 37% of finance and insurance respondents did not believe that the ageing workforce will create staff or skill-shortage issues for their organisation in the next 5-10 years, consistent with the average for all reporting organisations.

Access to Work/Life Flexibility Arrangements

2005 EOWA Survey Results

In 2005, EOWA surveyed reporting organisations on whether they had found specific workplace initiatives which they had undertaken to be successful in improving women's retention.

Figure 11 shows the proportion of surveyed finance and insurance organisations for each initiative that said that the initiative had improved their retention of women.



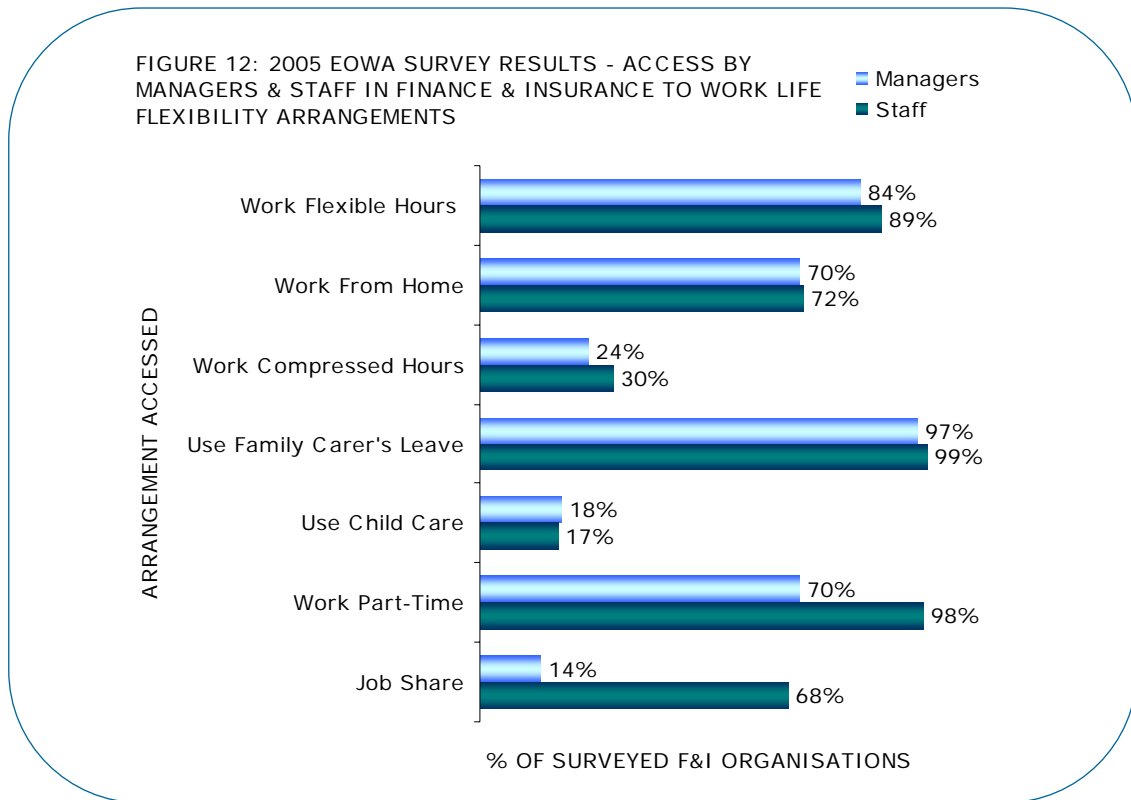
- Overall, high proportions of surveyed finance and insurance organisations had implemented the listed workplace equal opportunity initiatives and found them to be effective in improving women's retention.
- 'Flexible or part-time working arrangements' were the most widespread amongst effective measures to improve women's retention, followed by 'formal training or re-skilling' and 'career development or succession planning'.
- Amongst the listed initiatives, 'paid maternity leave' and 'addressing pay equity issues' were the least commonly implemented of effective measures for improving retention.

Access to Work/Life Flexibility Arrangements

2005 EOWA Survey Results

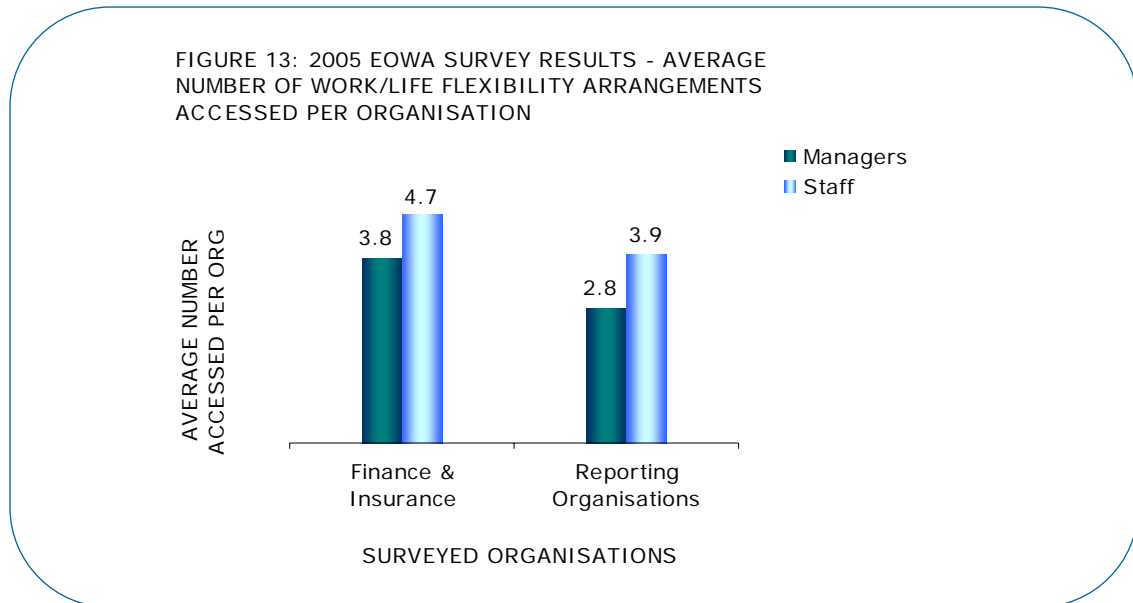
In 2005, EOWA surveyed reporting organisations on the work/life balance and flexible work arrangements that employees currently make use of in their workplace.

Figure 12 below shows the results on access by staff and managers to different types of work/life balance and flexible work arrangements in the finance and insurance sector.



- Surveyed finance and insurance organisations reported that staff access on average a greater number of work/life flexibility arrangements than managers.
- The difference between staff and managerial access was greatest for part-time work and job-share positions, with a much smaller proportion of surveyed organisations making this available to managers than to staff.
- The types of work/life flexibility arrangements most commonly accessed by any employees were family carer's leave, part-time work and flexible hours.
- The arrangements least accessed by staff were child care and compressed hours, and by managers, job-sharing and child care.

Figure 13 below shows the average number of different work/life flexibility arrangements accessed by staff and managers in finance and insurance institutions and in reporting organisations overall.¹¹



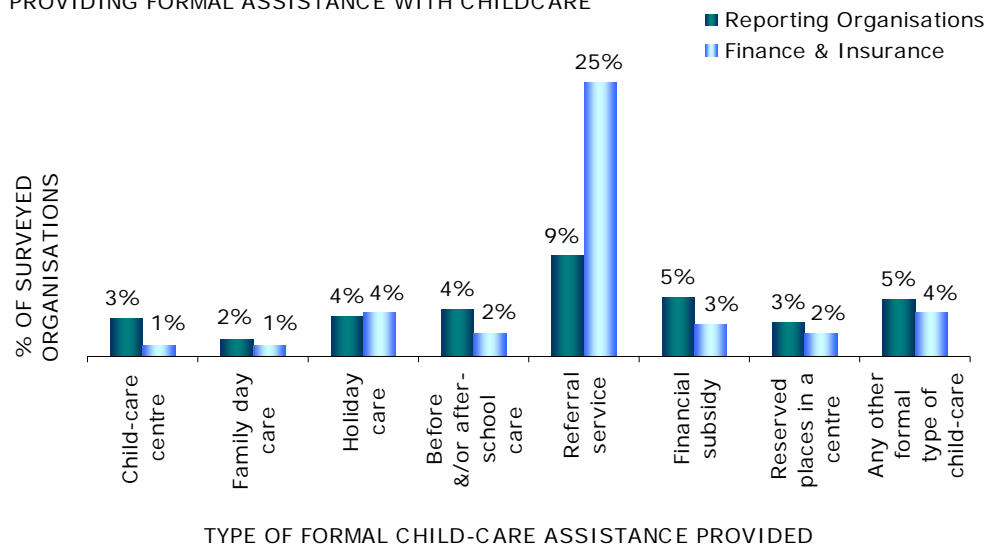
- The difference between staff and managerial access to work/life and flexible work arrangements is pronounced in both finance and insurance institutions and reporting organisations overall.
- Both staff and managers in finance and insurance companies however access more work/life and flexible work arrangements on average than in reporting organisations overall.

Employer Provision of Child-care Assistance

2004 EOWA Survey Results

The 2004 EOWA survey asked employers what types of formal assistance with child care they provided to employees. The results are presented in Figure 14 over page.

FIGURE 14: 2004 EOWA SURVEY RESULTS - ORGANISATIONS PROVIDING FORMAL ASSISTANCE WITH CHILDCARE



- A significantly greater proportion of finance and insurance companies (25%) provide child-care referral services to their employees than surveyed reporting organisations overall (9%).
- In relation to most other types of formal employer assistance with childcare, however, finance and insurance companies are less likely than reporting organisations overall to provide assistance.

Benefits of Part-time Managers

2003 EOWA Survey Results

The 2003 EOWA survey asked employers about the benefits their organisation had experienced from having managers work part-time and/or job-share. If the organisation had no part-time or job-share managers, the respondent was asked to nominate the reasons for this.

Figure 15 shows the proportion of surveyed organisations citing specific benefits experienced as a result of having managers work part-time and/or job-share.

FIGURE 15: EOWA SURVEY 2003 - BENEFITS EXPERIENCED BY FINANCE & INSURANCE COMPANIES FROM PART-TIME &/OR JOB-SHARE MANAGERS



- Of the 58 respondent finance and insurance organisations with part-time and/or job-sharing managers, 100% said that they had experienced benefits as a result of managers working in these arrangements.
- The most common benefits cited by surveyed organisations were good staff relations (97%), higher morale and job satisfaction (95%) and retention of staff members (93%).
- The average number of benefits cited by surveyed finance and insurance companies was 5.0, compared with 4.9 for all reporting organisations overall.

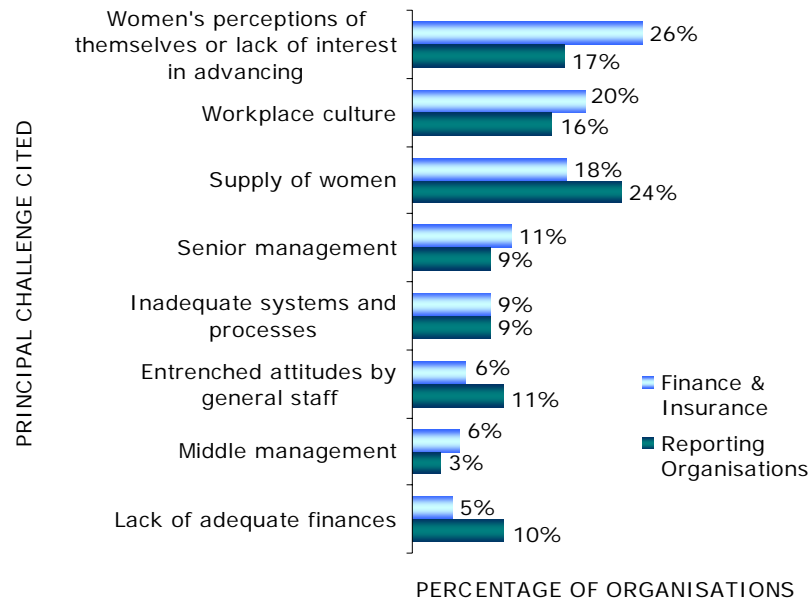
Principal Challenges in Advancing Women

2002 EOWA Survey Results

The 2002 EOWA survey of reporting contacts asked respondents, 'If you had the resources and support from senior management, what are the three things that you would do to advance women in your workplace?', followed by the question, 'What are your biggest challenges in achieving these outcomes?'

Figure 16 below shows the principle challenges faced by surveyed finance and insurance companies in advancing women in their workplace, compared with all surveyed reporting organisations overall.

FIGURE 16: EOWA SURVEY 2002 - REPORTING ORGANISATIONS' PRINCIPAL CHALLENGE IN ADVANCING WOMEN



- A significantly higher proportion (26%) of surveyed finance and insurance companies cited 'women's perceptions of themselves or lack of interest in advancing' as their principle challenge in advancing women than all surveyed organisations overall (17%).
- The second and third-most cited challenge by finance and insurance organisations were 'workplace culture' (20%), scoring higher than the average, and the 'supply of women' (18%), scoring significantly lower than the average.
- A lack of adequate finance was the least-cited challenge faced by companies in finance and insurance, though this was the fifth-highest response by all surveyed organisations overall.

For more information on EOWA surveys, please see the Technical Notes in the Appendices.

Appendices

References

¹ All Australian non-government employers with 100 or more employees are required to report to EOWA under the Equal Opportunity for Women in the Workplace Act 1999. The majority of such organisations are registered with EOWA.

² ABS Australian Labour Market Statistics, cat. No. 6105.0, Table 2.2, April 2006.

³ ABS Average Weekly Earnings, Cat. No. 6302.0, Table 10, November 2004.

⁴ ABS Australian Labour Market Statistics, cat. No. 6105.0, Table 2.2, April 2006.

⁵ Australian National Training Authority, Increasing The Vocational Education And Training Participation And Achievement Of Mature Age Workers, November 2003,
<http://www.anta.gov.au/publication.asp?qsID=575>

⁶ ABS, Australia Now 2002, Labour Force, Australia, 6203.0 - Oct 1999, Special Article - Labour force projections: 1999-2016 (Oct, 1999).
<http://www.abs.gov.au/ausstats/abs@.nsf/Lookup/6CB978B9C9A0B299CA2569DE0021ED2F>

⁷ ABS Average Weekly Earnings Cat No. 6302.0, timeseries data, November 2004.

⁸ ABS Average Weekly Earnings Cat No. 6302.0, table 10 and timeseries data, November 2004.

⁹ Note: These figures should be treated with caution as the definition of occupational categories are not consistent across all reporting organisations' workplace profiles.

¹⁰ Based on the Global Industry Coding System (GICS) employed by Australian Stock Exchange and utilised in the EOWA Australian Census of Women in Leadership. For further information on the Census, please see the EOWA website at www.eowa.gov.au.

¹¹ Based on the number of arrangements currently accessed by employees out of a total of eight options: work flexible hours; work from home; work compressed hours; use family carers leave; use child care; work part-time; job-share; and other.

Technical Notes

The *Equal Opportunity for Women in the Workplace Act 1999* requires private-sector organisations with 100 or more employees to provide an annual report on the equal opportunity programs within their workplace. The Equal Opportunity for Women in the Workplace Agency (EOWA), a Commonwealth statutory authority, is responsible for receiving and assessing these reports.

Equal Opportunity Compliance Data

In accordance with the Act, EOWA assesses organisations based on whether they are Compliant with the Act, eligible to be waived from reporting requirements for a specified period or Non-Compliant with the Act. Employers report to EOWA on:

- The composition of their workforce
- Staff consultation processes
- Issues for women in their organisation across the seven Employment Matters
- Actions taken
- Evaluation of the actions taken
- Planned future actions

This provides EOWA with the opportunity to observe and collect data on the actions and initiatives being undertaken by reporting organisations to promote equal opportunity for women in the workplace.

The total number of organisations registered with EOWA in 2004-05 was 2718. Of these, 92% (2508) were due to report to the Agency in 2004-05. The remaining 8% (211) were exempt from reporting that year as they had been waived in previous years.

In 2004-05, employee data was available for 2711 of the 2719 organisations registered with EOWA. These 2711 organisations employed 2,544,561 people. Employee gender data was available for 2381 reporting organisations.

Survey Methodology

The Act allows for EOWA to collect information from reporting organisations in addition to that supplied in their annual Equal Opportunity Compliance reports.

Survey data is collected as part of the annual report assessment process for each reporting year, 1 April – 31 March. The data is collected through a telephone survey of organisations'

report contacts and is conducted by EOWA report assessors between the months of May and September each year.

The 2003-2005 EOWA surveys have been approved by the Commonwealth Government Statistical Clearing House. The approval number is 01186-02. You may phone the Statistical Clearing House on (02) 6252 5285 to verify the approval number.

2005 Survey

The 2005 survey asked reporting organisations about their paid parental leave provisions, other initiatives to assist women to return from maternity leave, the impact of the ageing workforce, staff turnover costs, effective retention initiatives, including for mature-aged employees, initiatives success factors and access to work/life flexibility arrangements. It was conducted during the course of report feedback calls to organisations from May to September 2005.

As at 28 November 2005, 2,720 organisations were registered with EOWA for the 2004-05 reporting cycle, with 2,508 organisations due to submit Equal Opportunity Compliance reports to EOWA in May 2005. In total, 1,443 organisations participated in the survey, comprising 57% of all reporting organisations in 2005. Amongst reporting finance and insurance companies, 90 companies took part in the survey out of a possible total of 145.

The survey results contained in this publication represents extracts from the results published on the EOWA website at http://www.eowa.gov.au/Information_Centres/Media_Centre/Media_Releases/2006%20Mother's%20Day/2006_Mother's_Day.asp as well as previously unpublished data which will be published in full later in 2006.

2004 Survey

The 2004 survey asked reporting organisations about their paid maternity leave provisions, including access; formal employer assistance with child care; reasons for not providing child care assistance; pay equity reviews; and the key drivers of organisations' EO programs. It was conducted during the course of report feedback calls to organisations from May to September 2004.

2,535 organisations were registered to report to EOWA in 2004. In total, 1,744 organisations participated in the survey, comprising 69% of all reporting organisations in 2004. Amongst reporting finance and insurance companies, 100 companies took part in the survey out of a possible total of 141.

The survey results contained in this publication represents extracts from the results published on the EOWA website at http://www.eowa.gov.au/Information_Centres/Media_Centre/Media_Releases.asp.

2003 Survey

The 2003 survey examined issues of work/life flexibility, and was conducted during the course of report feedback calls to organisations from June to September. A total of 1595 organisations were surveyed on their paid maternity leave provisions, maternity leave retention rates, flexible-working arrangements and attitudes to managers working part-

time. This response rate represents 63% of all organisations due to report to EOWA in 2002-03. The published results of the 2003 survey can be viewed in full on EOWA's website at: http://www.eowa.gov.au/Information_Centres/Media_Centre/Media_Releases.asp.

2002 Survey

The 2002 survey examined what Australian organisations believed were the critical EO issues facing women in the workplace. 783 of EOWA's reporting contacts, the majority of whom are HR practitioners, were posed the following two questions and asked to answer from a list of response options:

- 1 If you had the resources and support, which three things would you most want to do to advance women in your workplace?
- 2 What are your biggest challenges in achieving these outcomes?

Due to the small sample size for the Finance and insurance sector, the 2002 survey results have been omitted from the EOWA Finance and insurance Industry Vertical.

The full questions and published results of the 2002 survey can be viewed on EOWA's website at: http://www.eowa.gov.au/Information_Centres/Media_Centre/Media_Releases/Business_Blind_To_Womens_Talent.asp.

2001 Survey

In 2001, 1935 reporting organisations were surveyed on their paid maternity leave and paid paternity leave provisions. The full questions and published results of the 2001 survey can be viewed on EOWA's website at: http://www.eowa.gov.au/Information_Centres/Media_Centre/Media_Releases/Maternity_Leave_Survey.asp.

Glossary

Equal Opportunity for Women in the Workplace Agency

The Equal Opportunity for Women in the Workplace Agency (EOWA) has been established to administer the Australian *Equal Opportunity for Women in the Workplace Act 1999* (the EOWW Act).

EOWA's primary role is to:

- Administer the *Equal Opportunity for Women in the Workplace Act 1999*
- Provide information, advice, finance and insurance and communication to reporting organisations and members of the broader community to achieve equal opportunity for women in the workplace

Equal Opportunity Compliance Reporting

Employers covered by the Act are required to report annually on their equal opportunity workplace program to EOWA. EOWA Client Consultants review these reports and work with employers to ensure compliance with the legislation, strategic development of EO policies and practice and improvement in employment outcomes for women.

Using this information, EOWA identifies:

- Organisations that comply with the legislation
- Organisations that do not comply with the legislation
- Organisations eligible to be Waived from reporting for a limited number of years

Employers Covered by the Act

Employers covered by the Act include private-sector companies, community organisations, non-government schools, trade unions and group training companies with 100 or more employees. Higher finance and insurance institutions, as defined by the Act, are also covered.

Employment Matters (EMs)

The seven Employment Matters listed in the Act are:

- The recruitment procedure, and selection criteria, for appointment or engagement of persons as employees

- The promotion, transfer and termination of employment of employees
- Training and development for employees
- Work organisation
- Conditions of service of employment
- Arrangements for dealing with sex-based harassment of women in the workplace
- Arrangements for dealing with pregnant or potentially pregnant employees and employees who are breastfeeding

Equal Opportunity for Women in the Workplace

Equal opportunity is generally implemented through a workplace program of policies and initiatives. Equal opportunity has been achieved when women have fair and equal access to employment opportunities and benefits, and are not inhibited or prevented from taking up those opportunities and benefits by any gender-related barriers. It means that all employees have an equal chance to compete for employment opportunities on merit.

Waiving

Section 13C of the Act provides reporting organisations with the opportunity to apply for Waived status. This means that the employer is not required to submit a report to EOWA for a period of up to three years. Under the Act, Waived organisations are required to continue to develop their workplace program during the Waived period.

Workplace Program

A workplace program means a specific program designed to ensure that:

- Appropriate action is taken to eliminate all forms of discrimination by the employer against women in relation to the seven Employment Matters,
- Employers have analysed the issues relating to the seven Employment Matters that would need to be addressed to achieve equal opportunity for women in the employer's workplace,
- Measures are taken by the employer to contribute to the achievement of equal opportunity for women in relation to the seven Employment Matters, and
- An evaluation is conducted by the employer of the effectiveness of the actions and measures taken in achieving equal opportunity for women in the employer's workplace.

Under the amended Act, employers are required to develop a workplace program by:

- Preparing a statistical workplace profile of employees
- Consulting with staff
- Analysing the issues for women in the workplace, considering each of the seven Employment Matters to identify the priority issues
- Taking action to address the priority issues
- Evaluating the effectiveness of the actions
- Planning future actions

Further Information

EOWA was established by the Australian Government to assist employers to improve equal opportunity outcomes in the workplace.

Each year, the Agency identifies the leading equal opportunity practices of over 2700 organisations through an assessment of their workplace programs and by assisting them to improve outcomes for both women and the business. This puts EOWA in a unique position to understand the challenges and constraints for organisations across all sectors of the economy.

Our Services

Consultancy Services

EOWA expert consultants can tailor a program that is appropriate to your business needs and help you achieve an effective, ongoing EO program. The range of consultancy services available include:

- Advice and assistance on how to become a leading organisation
- Analysis of your current workplace program including a review of, and recommendations for future actions on, the seven Employment Matters
- Motivational presentations
- Advice and assistance with industrial agreements
- Industry-specific reports, including industry-specific data and case studies
- Internal training workshops

Workshops

EOWA runs a series of tailor-made workshops throughout the year. Workshop topics include:

- How to develop a workplace program and prepare a compliant report
- How to position your organisation for Waiving, EOWA Employer of Choice for Women and the EOWA Business Achievement Awards
- How to make diversity work in your team
- How to get more women into management
- How to get more women into non-traditional employment
- How to create a harassment-free workplace
- How to prevent sex-based harassment in the workplace (tailored in-house workshop)

Research

EOWA carries out research each year into the issues confronting women and business and on how to fully utilise talented staff to improve business outcomes. A key EOWA initiative has been the EOWA Australian Census of Women in Leadership, which measures the exact status of women in senior management and on the boards of Australia's top 200 ASX organisations.

EOWA Publications

EOWA's recent book, *Chief Executives Unplugged* was listed among the *Australian Financial Review's* Top 100 Management books. It reveals the tools and techniques that Australia's most prominent CEOs have employed to advance women in the workplace and enjoy parallel business success.

Regular newsletters with the latest news on equal opportunity and leading EO practices are available on EOWA's website or by email subscription to eowa@eowa.gov.au.

EOWA Website

EOWA's website offers an extensive range of online tools and practical resources, including leading organisations' policies, practices and case studies, provided to assist employers to enhance the development of successful EO workplace programs.

Contact Us

For more details on EOWA's services, please visit the EOWA website: www.eowa.gov.au or contact EOWA on (02) 9448 8500.

For more information on this publication, please contact the EOWA Research Officer on (02) 9448 8500 or email eowa@eowa.gov.au.

women + men = business success

www.eowa.gov.au

