

# Results in Affirmative Action

## Introduction

Reports to the Agency in 1998-99 have continued to show incremental improvements to policies and practices making them more equitable for all staff. In response to the recommendation of the Review Committee, the Agency has not accorded a level of assessment using the rating scale applied in previous years. Reports have instead been assessed simply in terms of whether or not they comply with the provisions of the Act. In addition, those organisations whose reports provide sufficient information to demonstrate a high quality program have been identified as best practice organisations. (See Appendix One)

## Progress for all organisations

Developing affirmative action programs in most organisations means acknowledging that aspects of their culture have to change if women's skills and talents are to be maximised by the organisation. Affirmative action involves a conscious and active commitment to make those changes. Like other organisational change initiatives, some sectors and industries have embraced affirmative action/diversity programs more quickly than others.

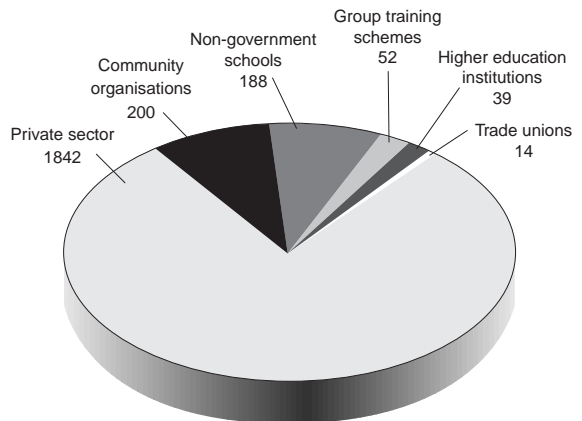
Experience in recent years has shown that larger organisations, typically in the finance, insurance, oil and chemical manufacturing industries, tend to have led the fields in affirmative action. Over the past five years, the Agency's data shows that the number of leading edge organisations is increasing, and that a wider range of industries are represented in the best practice group.

The data analysis in this chapter is based on the 2,335 reports received at the Agency by 9 September 1999. Reports received after this time tend to demonstrate either marginal or non-existent programs, with relatively few initiatives designed to maximise the contribution of women to the organisation.

## Waiving reporting requirements

Section 13A of the Act provides for organisations that have been implementing comprehensive programs, which meet all of the requirements of the Act for three years, to have their reporting requirements waived. In 1996 the Director waived the reporting requirements of 144 best practice organisations, followed by a further 45 organisations in 1997. In 1998 the reporting requirements of an additional 102 organisations were waived. Waived organisations are listed at Appendix One.

**Figure 1:**  
**Types of organisations covered by the Act\***



\*This figure refers to the number of reports received and assessed by 9 September 1999.

## Best practice organisations

The number of organisations implementing quality programs continue to grow each year. In 1998-99, 58 organisations were assessed as having best practice programs. There are now 336 best practice organisations, which represents more than 12 per cent of organisations reporting to the Agency. Of those organisations joining the best practice group in 1999, the best represented industries in the private sector were Machinery and Equipment Manufacturing and Metal Ore Mining. This is an encouraging result in light of the issues facing these industries. Universities were also well represented, with 12 institutions being assessed as best practice, as was the community sector with five programs reaching best practice status. Best practice organisations are listed at Appendix One.

## Reporting on progress

Both private sector companies and universities have been covered by the provisions of the Act since its inception in 1986. In 1994, community organisations, non-government schools, group training companies and trade unions were also required to report to the Agency provided they employed 100 or more staff.

Reports from all organisations except universities were due to be submitted to the Agency by 30 April this year, reporting on the actions and progress taken by organisations over the period 1 February 1998 to 31 January 1999. Reports from universities are based on the preceding calendar year and were due to be submitted by 31 March 1999.

The Agency sends report forms to reporting organisations in January each year. Those that have not submitted a report that meets the requirements of the Act by 30 April, receive a reminder letter in mid-May, offering advice and assistance in reporting on their programs. A further reminder is sent to those organisations that have not met the requirements of the Act, giving 28 days notice of the Director's intention



The Director, Fiona Krautil, visits Ford Motor Co of Aust.

to name them in the Agency's Annual Report tabled in Parliament by the Minister for Employment, Workplace Relations and Small Business. The so called 28 day notices were sent to 426 organisations on 17 August 1999. A final reminder was sent to those organisations whose reports were still outstanding on 17 September 1999.

In 1998-99, 97 per cent of reporting organisations complied with the legislation. Organisations that have not met the requirements of the Act in 1999 are listed at Appendix Two.

Not included in this list are a number of other non-compliant organisations which have not been able to meet the requirements of the Act because of extenuating circumstances. For example, organisations may have suffered significant redundancies or experienced a major corporate change/takeover or be facing severe

economic problems. In the circumstances the Director can exercise her discretion not to name organisations. In 1999, this discretion was extended to 55 organisations.

Private sector companies constitute the overwhelming majority of organisations reporting to the Agency, comprising almost 80 per cent of the Agency's clients. The private sector continues to improve at the best practice level, where 12.4 per cent of reports demonstrate strategic programs which are increasingly integrated into all human resource and workplace relations management practices. In 1999, only 3.8 per cent of private sector companies have not complied with the requirements of the Act.

Whilst many reports indicate that organisations are still in the initial stages of developing and implementing active affirmative action/EEO programs, some are demonstrating a greater awareness of their equity needs and the ways to meet these through a more strategic focus on human resource management. Whilst fewer reports demonstrated outstanding initiatives during 1998, the trend towards implementing more equitable human resource policies and practices continued slowly upwards, suggesting that more organisations are recognising the need to attract and retain the best staff available, regardless of gender.

## **Benchmarking human resource policies and practices**

As organisations compete to recruit and retain the best possible staff, the workplace practices and benefits offered to staff have become increasingly important. Considering equal opportunity issues as part of every human resource decision not only helps to remove barriers for women, but in many instances it provides opportunities to introduce improvements that benefit all employees, often at little or no cost to the organisation. These policies

and practices help to shape organisational culture and in turn greatly influence productivity. Organisations are increasingly recognising the bottom-line benefits of fair and flexible workplaces as they seek to become the employer of choice for the best applicants in the market. Most organisations are seeking to maintain a standard with their closest competitors.

The most effective policies and practices enabling an organisation to become more efficient and equitable, vary considerably, depending on the type of workplace, workforce and culture that exists in the organisation. During the 1998-99 reporting year, organisations have continued to review and change policies and practices in light of their impact on women in the workplace. The following human resource practices continue to be addressed by organisations.

### **Recruitment, selection, promotion and transfer**

Equitable policies and practices relating to recruitment, promotion and separation ensure that organisations select the best person for the job and that the skills and abilities they bring to the job meet the needs of the organisation. The equity of recruitment and promotion practices determines the access that women have to contribute their skills in different occupations and areas within an organisation.

One of the greatest impediments to the career progression of women is a break in employment to start a family. Organisations are increasingly recognising this and aim to minimise the impact of a career break by implementing stay in touch programs which keep employees, both women and men, informed about developments in the workplace when they are on extended leave. Seventy seven per cent of organisations that report to the Agency have a policy of notifying staff of vacancies and other opportunities while they are on maternity and other forms of leave. This is a significant increase from 1994 when only 45 per cent of organisations had a stay in



The Commonwealth Bank talks with Agency staff about family-friendly policies.

touch program. Ninety per cent of non-government schools, which have a majority of female staff, have these programs in place. The largely female-dominated community sector is also addressing this issue with 80 per cent keeping employees informed of vacancies.

Transfer opportunities provide important means of developing skills and experience, and providing flexibility for the changing needs of both employees and the organisation. Women are given equal access to transfer opportunities in over 90 per cent of organisations. However, only 66 per cent of non-government schools give women the same access to transfer as men. Further, only 60 per cent have transfer opportunities available to part-time and fixed-term staff, the majority of which are women.

Ensuring that those responsible for selecting staff have sufficient information and training on EEO and discrimination issues, increases the potential to identify the best person for the job. The proportion of organisations providing this training has increased substantially. Whilst in 1994 only 50 per cent of organisations conducted such training, this has increased to 83 per cent in 1998.

Best practice interviewing processes aim to have an interview panel of equal numbers of men and women. Such a policy, although more resource intensive, ensures that the chance of gender bias in the selection process is minimised. All higher education institutions have a policy of ensuring that both sexes are represented on selection panels, as do over 80 per cent of community organisations and non-government schools. Whilst only 45 per cent of private sector companies have both sexes represented on interview panels, this is a significant increase from 24 per cent in 1994.

Staff selection based on merit depends largely on the use of relevant and objective criteria to assess skills. Eighty-seven per cent of organisations have a process of removing irrelevant or out-of-date skill prerequisites and establishing objective criteria in order to distinguish between candidates for a job. In 1994, 70 per cent of private sector companies had these practices in place and this has increased to 87 per cent in 1998.

Ensuring that implementation of equal employment practices is a shared responsibility throughout an organisation, greatly improves the

outcomes achieved. Line management responsibility for AA/EEO is a feature of leading edge employers. Almost 60 per cent of organisations include support for AA/EEO as a criterion for promotion in their organisation. Since 1994 there has been a 25 per cent increase in the number of private sector organisations introducing this criterion for promotion, with 57 per cent reporting this in 1998.

Increasing the number of applications from women for all positions in organisations is the first step to the recruitment of women to non-traditional roles. Whilst organisations that report to the Agency are developing more equitable recruitment processes overall, specialised advertising to encourage women to apply for jobs where women traditionally are not employed, remains an under-utilised strategy. Just over 45 per cent of organisations target their advertising specifically to attract women in areas where their representation is low. However, 87 per cent of group training schemes specifically encourage women to apply for apprenticeships and traineeships in non-traditional trades.

Ninety per cent of organisations routinely provide feedback to internal applicants regarding their performance in the recruitment process. This provides the opportunity for all employees to identify areas for development and is important to further encourage women to gain the skills necessary to win positions in non-traditional roles.

The overwhelming majority (94 per cent) of organisations recognise skills acquired both within and outside the workforce. This is important for women, who are more likely to have longer career breaks and develop different skills outside the workforce, and will further assist them when they re-enter the workforce. Organisations also benefit by identifying all the skills and abilities of their current and future employees.

## Conditions of service

Conditions of service that recognise work and life balance are important to both female and male employees. However, these issues are particularly important to women, who are still much more likely to carry primary care-giving responsibilities. Family-friendly policies provide women with the flexibility to meet their family responsibilities and to continue to contribute productively to the organisation. Family-friendly organisations gain the benefits of attracting and retaining women's skills, reducing turnover, training and absenteeism costs, and increasing productivity.

Building flexibility into workplace agreements and awards, and considering the needs of women in workplace organisation, are critical to gender equity. Overall, 66 per cent of organisations examine workplace agreements and awards for their possible impact on women's conditions of employment. Private sector companies are showing an increasing awareness of this issue in agreement making, with 71 per cent reporting that this occurred in 1998, having increased from less than 65 per cent in 1997, and just 48 per cent in 1994.

Permanent part-time work with pro-rata conditions continues to be an increasing feature of employment practice across all sectors, with almost 86 per cent of all organisations utilising part-time employment. Ninety-six per cent of community organisations and 92 per cent of non-government schools have part-time work available. The private sector has also increased the utilisation of part-time work by more than four per cent since 1997, with 84 per cent now employing part-time staff.

An organisation's ability to retain women's skills by ensuring their return to work after having children is increasingly recognised as a business issue. The provision of paid maternity leave continues to show a wide disparity across sectors, with the private sector continuing to indicate low provision rates at less than 17 per

cent. Private sector companies have continued the one to two per cent annual trend increase which has occurred since 1995, showing a two per cent increase in this area during 1998. Schools, with 61 per cent, and higher education institutions, with 97 per cent, have much better availability of paid maternity leave. Community organisations are also providing this condition at more than twice the rate of private sector companies.

Access to flexible work arrangements such as job-sharing is another means of enabling employees to balance their work and family commitments. All sectors are increasingly implementing job-sharing with four per cent more private sector companies implementing job-share than in 1997. At 67 per cent, this represents a significant 23 per cent increase in private sector job share opportunities since 1994.

An integrated AA/EEO program requires the proactive support and commitment of managers and supervisors. Organisations are increasingly recognising the importance of ensuring that supervisors support the objectives of the program. Seventy-five per cent of group training schemes now include support for affirmative action as a criterion in performance appraisal for line-managers, as do over 50 per cent of companies. In the private sector there has been a 20 per cent increase in this area since 1994.

## **Training and career development**

Training and career development is an important aspect of employment for all staff to enable them to contribute to the organisation as productively as possible. It is especially critical for women, who tend to occupy lower paid and less secure positions in the workforce. The provision of equitable training and development opportunities assists them to improve their skills and qualifications to gain access to different positions and promotional opportunities within organisations.

Providing employees with access to training and development opportunities ensures that all staff have the necessary skills and experience with which to compete for jobs. Lack of access to these opportunities has been a source of indirect discrimination for many women. The great majority of organisations (96 per cent) are actively encouraging women to participate in training and over 90 per cent of all organisations offer formal training courses available for all occupations and levels.

Over 80 per cent of organisations have a process of advertising training internally and encouraging staff to self-nominate for these training opportunities. Community organisations and non-government schools have this practice in place in over 90 per cent of cases. Almost 80 per cent of private sector companies also encourage staff to self-nominate for training.

As the Agency has noted in the past, the proportion of organisations conducting training audits remains low at 37 per cent. Whilst a clear majority of organisations indicate that training is available at all levels and occupations, women's access to training is not actually being measured through training audits to determine whether this is the case. Training audits can provide valuable information on the availability and uptake of training by all employees. Although the use of training audits remains a minority practice, there has been an increase in the percentage of private sector companies undertaking such audits from 17 per cent in 1994 to 35 per cent in 1998.

Providing access to forms of training that will assist women to gain new skills and abilities is integral to women's career development. The proportion of organisations making management/supervisory training available to women has remained consistently high at almost 92 per cent.

Typically, women are clustered in a narrow range of jobs that are still generally characterised as 'women's jobs'. Group training schemes lead all other sectors, with 85 per cent providing training for women in non-traditional jobs. Their role in

matching employers with apprentices and trainees, often in non-traditional areas, makes them key instruments in breaking down historical gender segregation. The private sector has, over the past four years, made training in non-traditional areas available at an increasing rate, from 56 per cent of companies in 1994 to 73 per cent in 1998. Companies are increasingly seeing the benefit of cross-training women to do a variety of jobs in non-traditional areas of work.

Providing women with the opportunity to gain work experience at higher levels will assist them to compete equally for senior positions. Research has shown that men are more likely to be given these opportunities. Ensuring that women get access to these types of opportunities is one way of breaking down barriers for women progressing to senior management positions. An overwhelming proportion of organisations that report to the Agency (almost 90 per cent) provide women with such opportunities.

Ensuring women have access to developmental opportunities such as job rotation and special projects, as well as formalised training programs, is an important means of enabling career progression. Eighty eight per cent of organisations have included women in job rotation and special projects.

Training for all staff to eliminate sexual harassment from organisations has increasingly been used to reinforce formal policies adopted by organisations. Seventy five per cent of organisations conduct such training. Whilst only 62 per cent of non-government schools conduct training to eliminate sexual harassment, this is not surprising given that sexual harassment is usually a less significant issue in heavily female-dominated organisations. The private sector in particular has significantly increased the implementation of this type of training from only 38 per cent of companies in 1994 to 77 per cent reporting that they are training staff in these issues in 1998.

Educating managers and supervisors about EEO and sexual harassment is particularly important, as the responsibility of implementing AA/EEO initiatives often rests with these staff members. The proportion of private sector companies including segments of AA/EEO and sexual harassment in management training, has increased further from 73 per cent in 1997 to 78 per cent in 1998.

Whilst a substantial proportion (88 per cent) of organisations provide paid study leave or other arrangements for their employees, this leave is only available at all levels in 68 per cent of organisations. Private sector companies and community organisations are more likely to offer paid study leave at all levels. Private sector companies in particular have increased the availability of paid study leave. In 1994, only 57 per cent of companies offered paid study leave to all employees. This has risen to 70 per cent in 1998.

Three-quarters of organisations covered by the Act provide those employees who receive study leave with financial assistance. The private sector has shown a 10 per cent increase in companies providing financial support, in addition to study leave, from 68 per cent in 1994 to 78 per cent in 1998.

One of the barriers to women's progression in organisations is a lack of mentors and network relationships. Organisations that report to the Agency have not placed as much emphasis on mentoring as on other training and development opportunities. Only 43 per cent of organisations have a mentoring program. While non-government schools (70 per cent) and group training schemes (62 per cent) are far more likely to offer a mentoring program, the overall proportion of organisations establishing mentoring programs remains relatively small. Of private sector companies only 38 per cent have a mentoring program. However, this represents an increase from 20 per cent in 1995.