



Equity and Diversity Planning

MAKING USE OF YOUR DEMOGRAPHIC DATA

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DIVERSITY PLANNING IN THE WA PUBLIC SECTOR

The Western Australian Government is committed to developing an equitable and diverse workforce that is representative of the community at all levels of employment and enables employees to combine work and family responsibilities. The Government recognises both the economic and social benefits of a diverse workforce.

By managing diversity, organisations are better placed to improve customer service, maximise the potential of all their employees, and meet their core business goals.

In January 2002 the Government released the *Equity and Diversity Plan for the Public Sector Workforce 2001-2005* (the EDP). The EDP identifies how the Government's commitment will be achieved through incremental progress in the priority areas of:

- Improved distribution of women at higher levels
- Improved representation at all levels for Indigenous Australians, people from culturally diverse backgrounds and people with disabilities
- Increased representation of youth (aged less than 25 years).

These five groups of people are generally referred to in this publication as diversity groups.

Diversity across the Western Australian Public Sector is already measured using workforce profile data provided by agencies in their yearly reports to the Director of Equal Opportunity in Public Employment.

Agencies are now expected to contribute to the sector-wide EDP by developing objectives for their own organisation. The Director of Equal Opportunity in Public Employment collates these objectives, together with the data from the yearly reports, and analyses the results. The centrally pooled data provides an overview of public sector diversity that is reported to Parliament and individual agencies.

The Director of Equal Opportunity in Public Employment uses this information to determine the success of strategies aimed at achieving equality in the workforce (both sector-wide and at agency level).

What we know about the Western Australian public sector

- Indigenous Australians are under-represented in the public sector workforce and their employment is concentrated at the lower salary levels.
- People from culturally diverse backgrounds and people with disabilities are under-represented in the public sector workforce. However, the employment of these two diversity groups is distributed reasonably well across all salary levels.
- Women, who make up more than sixty per cent of public sector employees, are disproportionately represented at the lower salary levels.
- Women are under represented in senior management. Only about one in five of the Senior Executive Service is a woman, and only a third of the second and third levels of management.
- Around five per cent of public sector employees are youth (<25 years). More than forty per cent are mature workers (>45 years).
- Women and Indigenous Australians are more likely to be employed in a non-permanent (casual or contract) capacity.

More detailed information about the diversity of the Western Australian public sector can be found in the Annual Reports of the Director of Equal Opportunity in Public Employment. The Annual Reports (and other information) are obtainable from the Office of Equal Employment Opportunity on their website (www.oeeo.wa.gov.au) or by contacting the Office directly.

A DIVERSE WORKFORCE

Why a diverse workforce?

Equity and diversity are about matching the proportion of people from diverse backgrounds in the workforce as a whole to the proportion in the community. Equity is also about ensuring fair access to employment conditions such as permanency and representation at the higher salary levels.

It is recognising that treating people according to their needs does not mean treating everyone the same.

There are three principal arguments for having a diverse workforce.

Firstly, it is a better way of management. Harnessing all the talent and perspectives in your organisation enhances productivity and increases your competitive edge. Secondly, mirroring your client base leads to improved customer service design and delivery – leading to financial and other value-added benefits. Thirdly, there is a social justice case for reflecting the community in your workforce and for addressing the causes and the symptoms of inequality.

Diversity strategies aim to increase the recruitment and retention of women and diversity group members where they are under-represented in the workforce, and to remove barriers that prevent progression to more senior positions.

Why is your demographic data useful?

Information on the numbers of diversity group members and their place within the organisation gives a starting point for implementing diversity strategies. Individual agencies can use their demographic data as a tool to help plan and evaluate strategies for improving equity and achieving a more diverse workforce. From one year to the next, the success of your strategies may be measured by the increase of women and diversity group members within the organisation.

Over several years, the re-distributive effect of successful diversity strategies will become evident.

Your demographic data can show:

- the distribution of each of the diversity groups by salary or classification levels (number and proportions)
- barriers to progress - illustrated by no change or a sudden drop in numbers
- employment status - level and type, including part-time or casual employees
- changes over time in the employment status of the diversity groups
- a comparison to the sector and the community, and with your customer base - is the diversity of your customers represented in your workforce?
- representation of diversity groups at management tiers and senior executive level.

COLLECTING DEMOGRAPHIC DATA

Getting the Right Information

A requirement of the *Equal Opportunity Act (1984)* is that public sector agencies report annually to the Director of Equal Opportunity in Public Employment (s. 146). This report is in the form of a summary of the demographic data for your agency. It usually shows all employees in your agency, by gender and diversity group status, for each salary level, employment type, management status and age. The current format is available from the Office of EEO. It is sent to Chief Executive Officers in June each year for response by the 8th August.

The Western Australian Government has specific definitions for diversity groups.

- **People from Culturally Diverse Backgrounds** (this is a **new definition**):

People born in countries other than those categorized by the Australian Bureau of Statistics as Main English Speaking countries (ie Australia, United Kingdom, England, Northern Ireland, Wales, Scotland, New Zealand, South Africa, Canada, United States of America). If unable to provide data based on this new definition, please use the **old definition**: People born overseas in non-English speaking countries whose first language is a language other than English.

- **Indigenous Australians:**

Persons of Aboriginal and Torres Strait Islander origin.

- **People with Disabilities:**

This includes anyone with an ongoing disability who has an employment restriction due to their disability and:

- is restricted in the type of work they can do, or needs modified hours of work (either a restriction in hours, different time schedules or flexible hours of attending); or
- requires an employer to provide adaptive equipment, a modified work environment, extra time for mobility or to perform certain tasks, or to make other special work-related arrangements; or
- needs to be given ongoing assistance or supervision to carry out their duties.

SURVEYING YOUR STAFF

Privacy

Demographic data is usually obtained by asking questions through a written or verbal survey, and needs to be conducted sensitively and appropriately. During the induction process is often a good time to ask these questions.

While data on gender and age are compulsory employee information, reporting of other information (such as indigenous status or disability) is usually through self-identification. Some people may choose not to identify themselves as members of a particular diversity group. If you are responsible for setting up personnel files or updating employee information, you need to be sensitive to the privacy and confidentiality of people revealing this information.

Specific wording to collect this data is available on sample survey forms from the Office of EEO.

Let your employees know why you are conducting the survey or asking the questions, and assure them the information will be confidential and not available in a way that identifies them personally.

Accuracy

As you collect your data, think about your organisation's general approach to the use of data for decision-making. Again, be careful not to compromise the sensitivity and confidentiality provisions of the organisation.

Respecting confidentiality will also help to ensure the data you gather is accurate.

There may be annual reporting requirements that cause your organisation to collect and record data in a certain way. If data is systematically collected (often this is done during the induction process), check when and how the database is updated (eg when employees leave the organisation). Consider if the forms being used to collect the data are relevant to current circumstances.

Improving your response rate

If you are using a survey, find out what percentage of employees responded and check if the information gathered gives a comprehensive enough picture of the organisation.

If employees are not responding to your requests for information, you need to find out why. Follow up and, if necessary, adapt your process so you can more successfully capture the information you need.

Encourage responses, but (again) be sensitive to issues that might affect peoples' willingness to provide this personal information.

USING YOUR DATA

Your workforce profile

Careful analysis of your demographic data will determine where barriers to equality exist in your organisation. The data may show, for example, that Indigenous Australians in your agency are mostly employed on a casual basis or that female employees are poorly represented in positions above Level 2.

This type of information focuses attention on the organisation's employment policies and practices. Further investigation may highlight policy and practices that have an adverse effect on diversity groups.

You may find that the data for your agency reflects a situation similar to that of the public sector as a whole, or more specific problems may be evident. For example, you may have a higher than usual employment rate for people with disabilities or culturally diverse people, however, they may all be employed at the base grade.

Interpretation of data needs to be considered within the context of the organisation and may require more sensitive analysis. For example, is the workforce predominantly female or male due to the gender segmentation of the workforce? Is the workforce blue collar or white collar, or a combination? Do you need to consider the representation of women and diversity groups in different parts of your organisation – in different regions, divisions or occupational groups?

By carefully considering the range of variables that affect the data, more targeted strategies to address the issues can be developed.

Representation

To develop a workforce profile you need to look at both the representation and the distribution of diversity group members in your organisation.

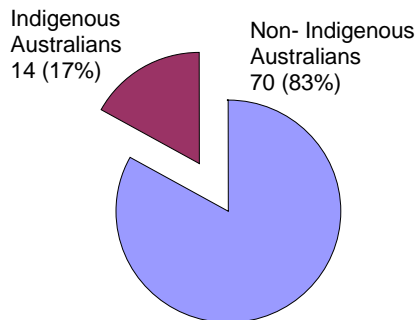
Representation is usually measured as the percentage of the relevant diversity group in the total workforce. You can then compare this percentage to the percentage of the same group in the population, community, your organisation's customer profile, or the occupation or industry.

For example, the percentage of women in the Western Australian public sector at June 2002 was 62%, compared with a population estimate of 50%.

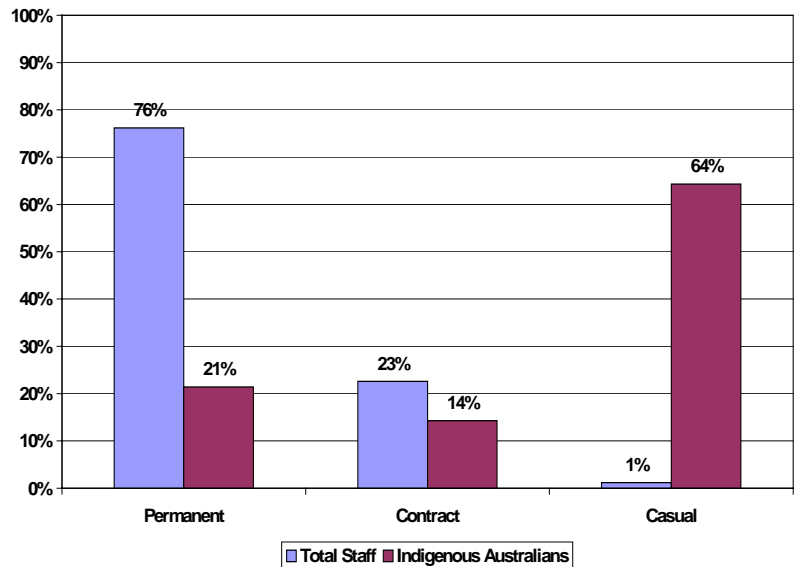
Again, it may be useful to compare the representation of the relevant group in different parts of your organisation. This will be especially helpful if you are in a large organisation with different regions, divisions or occupational groupings.

Interpreting data on employee representation

Graph 1: Proportion of Indigenous Australians



Graph 2: Employment Type – Indigenous Australians and All Employees



Agency XYZ employs 84 people, 14 of whom are Indigenous Australians (Graph 1). This equates to 17% of the organisation's workforce, far exceeding the average rate of 1.9% for the public sector. It would be useful for this agency to consider how this profile matches its customer profile. If the majority of its clients are Indigenous, it might be worth developing a workforce with more than 17% Indigenous Australians.

Assuming that 17% is a good match to the agency's customer profile, it is also important to establish if any group is treated less favorably than another (ie. indirectly discriminated against). Closer analysis reveals that only 21% of all Indigenous Australians employed by the organisation are permanent, and 14% are on fixed term contracts (Graph 2). Over 64% of the Indigenous Australians in this agency are casual employees. For all employees, the situation is quite different with 76% permanent, 23% on contract and 1% casual.

Research has clearly indicated that the career opportunities and development of contract and casual employees are limited in comparison to permanent employees.

Not much data?

What if you do not know the diversity group status of all your employees? You can estimate the representation for your whole workforce quite simply. Simply divide the known number of your group by the number of employees who have provided you with the information. For example, you have fifty employees and forty have responded to a demographic survey. Three of those forty respondents have identified themselves as Indigenous Australians. Therefore your total workforce estimate of Indigenous employees will be three divided by forty, or 7.5% (note it is not three divided by fifty).

More useful measures of representation

Other important ways of measuring equity and diversity are to look at:

- the proportion of diversity group employees in each different type of employment classification (eg full time, part time, permanent, fixed term)
- the representation at management levels.

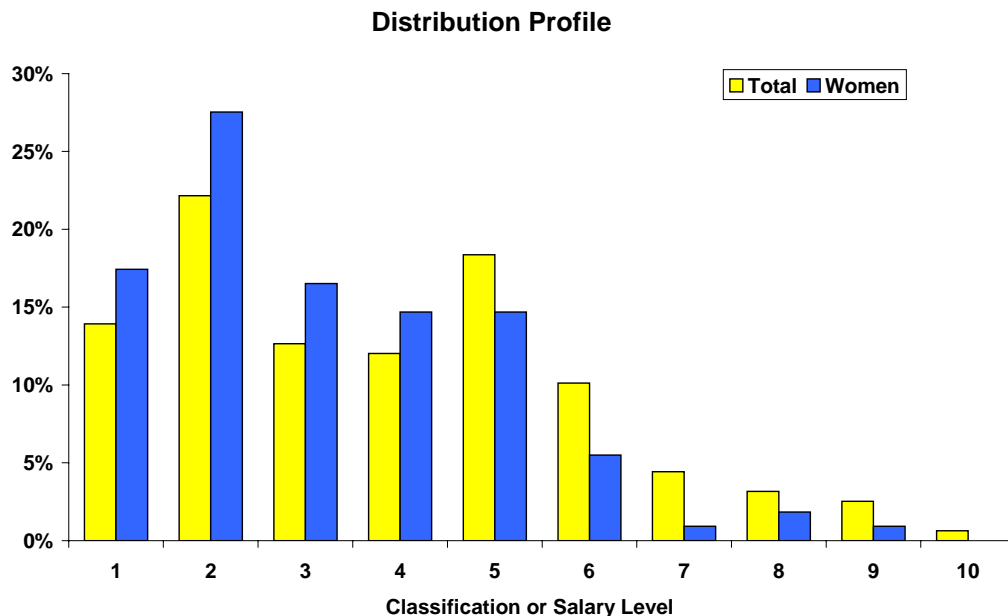
Distribution

The **distribution** of group members across the range of classification and/or salary levels in your organisation needs to be also considered. For representation to be equitable, the employment of group members should be at the same level of representation across all levels.

For example, from the representation of women in the public sector workforce noted above it appears that women are actually not a minority group (62% of the workforce, compared to 50% of the total population). However, if we look at the distribution of women across salary levels we find that women make up just 20.2% of the senior executive service.

A salary distribution profile chart can show the impact of distribution clearly. In Graph 3 below, it is clear that women represent the majority of employees at salary levels 1-4, but are under-represented at more senior levels. In this organisation the total **representation** of women is 69% of all employees, but the **distribution** shows the lack of female representation at management levels.

Graph 3



The Equity Index

The Equity Index measures the **distribution** of all employees in the workforce across all levels and compares it to the distribution of the diversity group under consideration. The levels used may be any meaningful structural or promotional levels in the organisation (such as classification levels or salary ranges).

If the distribution of the diversity group is the same as that for all employees, the Equity Index is 100. On Graph 3 this would show the blue and yellow columns the same height for each level.

An Index of less than 100 means that staff from the diversity group are more likely to be concentrated, or compressed, at the lower levels of the organisation. An Index of more than 100 means that the staff from the diversity group are more likely to be found at the higher levels.

To calculate the Equity Index you will need data showing the total number of employees at each classification or salary level, and the total number of people in the particular diversity group at each of the levels.

The Office of Equal Employment Opportunity can provide, free of charge, a tool for easily calculating the Equity Index of diversity groups in your organisation. This tool (a simple Excel spreadsheet) also provides further details on the formula for calculating the Equity Index. It allows you to enter your demographic data and will automatically generate charts like Graphs 2 and 3.

Contact a consultant at the Office for assistance.

A tool for change

Detailed analysis of an organisation's human resource data, along with qualitative analysis, can lead to an unraveling of workplace myths, realities and culture. For example, the salary profile above illustrates the distribution of women across each of ten salary bands. In this particular organisation there is clearly a marked drop in the proportion of women from salary level 5 to salary level 6.

This profile suggests a barrier at level 5 and provides a starting point for more detailed analysis. A number of public sector and private sector organisations have gone on to investigate more thoroughly what similar drops in figures within their workforce may represent.

Action taken includes research into:

- the barriers perceived by women
- the access to part time work at higher levels
- family friendly work practices
- career break schemes
- the number of women applying for senior positions and their success rates compared to men
- minimising bias in selection
- access to acting opportunities
- organisation of developmental opportunities and who applies
- the assumptions held about people in the diversity groups.

This type of specific research, focused on areas where barriers appear to be, can lead to the introduction of a range of effective strategies to address specific barriers to the career progress of people from diversity groups.

Other advantages of undertaking detailed analysis include allowing you to concentrate limited resources on areas where real progress can be achieved. It allows you to focus strategies, and provide proper evaluation, rather than a hopeful "scatter-gun" approach to identifying issues.

The Office of EEO has a useful strategies document, *Smart Strategies*. It includes ideas for considering when you are undertaking agency planning, and gives possible strategies for achieving equity and diversity objectives in your agency. Contact the Office for more information.

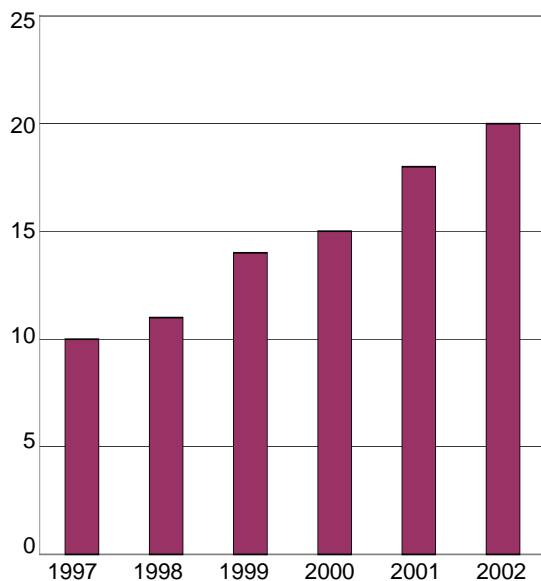
A WORD OF CAUTION!

“There are three kinds of lies - lies, damned lies and statistics”

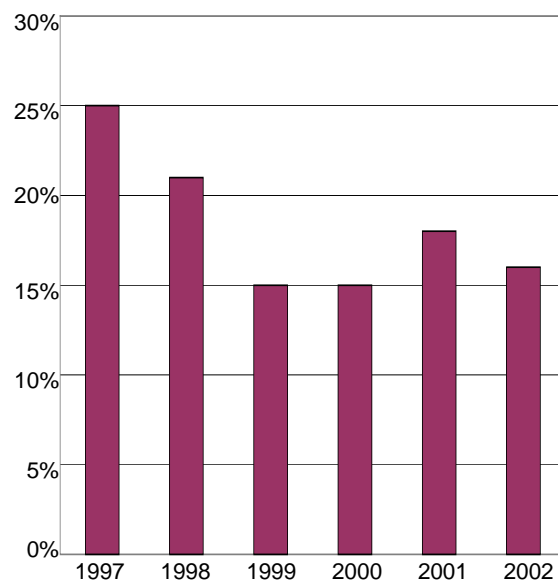
-Benjamin Disraeli

Care must be taken to ensure that data is not misinterpreted and is explained in sufficient detail. The following graphs highlight the need for caution when analysing your EEO statistics.

Graph 1: Number of Female Employees at Salary Level 5, 1997-2002



Graph 2: Percentage of Female Employees at Salary Level 5, 1997-2002



Graph 1 shows an increase in the number of women at Level 5 in this organisation over the last five years.

What Graph 1 does not show is that the number of Level 5 positions has also grown over the same period.

In fact, the number of Level 5 positions tripled over the five years whereas the number of women at Level 5 only doubled.

Shown more realistically as percentages of the total, the proportion of women at Level 5 has actually decreased quite significantly (Graph 2). In smaller agencies, percentages may also be misleading. It is often desirable to refer back to the whole numbers as well as the percentages.

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