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# DIVERSITY & INCLUSION



## Advancing Cohesion through Challenging Leadership Models

- Presented by Lisa Annese, CEO, Diversity Council Australia

# ABOUT US

Diversity Council Australia (DCA) is the independent not-for-profit peak body leading diversity and inclusion in the workplace. We provide unique research, inspiring events and programs, curated resources and expert advice across all diversity dimensions to a community of member organisations.



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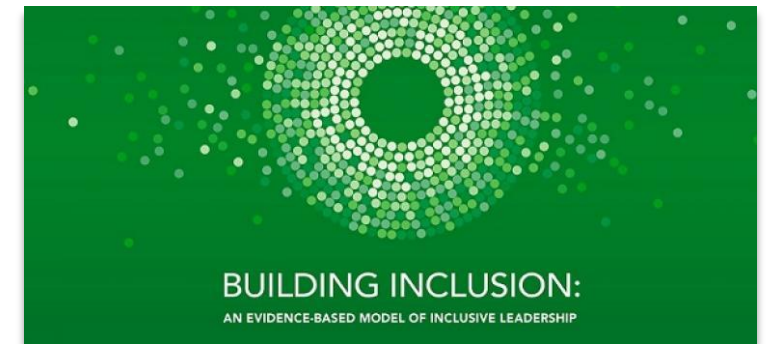


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# OVERVIEW

## *Advancing Cohesion through Challenging Leadership Models*

1. Why?
2. How – methodology
3. What – findings
4. DCA tools



# BACKGROUND

DECEMBER 2011

**Capitalising on Culture:**  
A Study of Cultural Diversity amongst Australian Senior Executives and their Immediate Pipeline

Deloitte.  
ANZ  
MALLESONS STEPHEN JAQUES  
Goldman Sachs

**Cracking the Cultural Ceiling**

Future Proofing Your Business in the Asian Century

Platform sponsor: Deloitte.  
Gold supporting sponsors: IBM, ANZ, MALLESONS STEPHEN JAQUES.  
Silver supporting sponsors: IBM, ANZ, MALLESONS STEPHEN JAQUES.

**Cracking the Glass-Cultural Ceiling**

Future Proofing your business in the 21st Century

**Capitalising on Culture in the ASX 200**

The Cultural Origins of ASX 200 Business Leaders

Sponsored by pwc, Australian Government. Supported by IBM, IBM.

**CAPITALISING ON CULTURE OVER TIME: Trends in ASX Board Cultural Diversity 2004-2013**

**Boards are getting more culturally diverse:**

- 22% INCREASE in culturally diverse Non-Anglo-Celtic Directors
- 16% INCREASE in culturally diverse Chairs
- 28% INCREASE in ASX companies achieving critical mass of 20% culturally diverse Directors (32.0% to 41.5%)

**Asian directors are increasing:**

- 74% increase in Asian Chairs (3.9% to 6.7%)
- 61% increase in Asian Directors (5.9% to 9.5%)
- 14% increase in Asian CEOs (4.4% to 5.0%)

**Southern, Eastern and Central European directors are increasing:**

- 20% increase in Southern, Eastern and Central European ASX 200 Directors
- 63% increase in Southern, Eastern and Central European ASX 200 Directors

**But slower progress in larger companies and among CEOs:**

- 10% increase in culturally diverse ASX 100 Directors vs 22% increase ASX Directors overall
- 5% increase in Asian ASX 100 Directors vs 61% increase Asian ASX Directors overall
- 4% increase in culturally diverse CEOs vs 22% increase in culturally diverse directors

**Boardrooms don't yet reflect cultural diversity in wider community:**

**ASX 100-500 Representation**

- 24% culturally diverse Directors vs 33% culturally diverse Australian community
- 5% Asian Directors vs 8.0% Asian Australians

**Culturally Diverse Directors in ASX Overall (Non-Anglo-Celtic origins), 2013**

ASX Chairs	24.1
ASX CEOs	24.4
ASX Directors	28.2
Australian Adults	32.6

**Asian Leaders in ASX Overall, 2013**

ASX Chairs	6.1
ASX CEOs	5.0
ASX Directors	9.5
Australian Adults	8.5

**LEADING IN THE ASIAN CENTURY:** A National Scorecard of Australia's Workforce Asia Capability



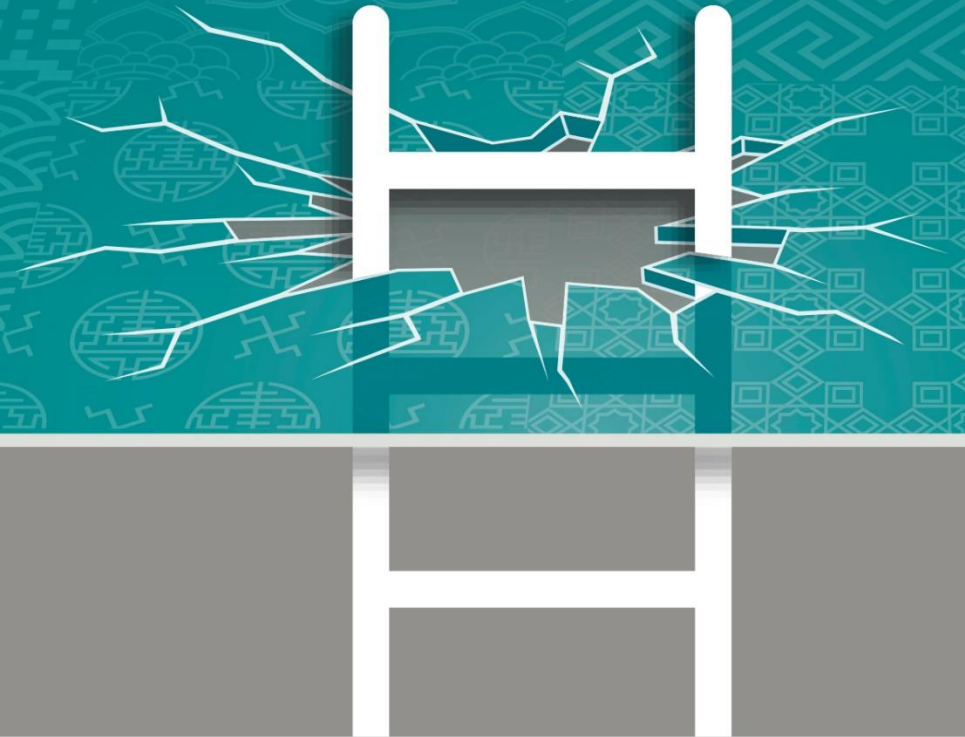
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# 2 KEY RESEARCH PIECES





# Cracking the Glass-Cultural Ceiling



Future Proofing Your Business  
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# WHY THIS? THE BUSINESS CASE

## INNOVATION

**37% of culturally diverse women** we surveyed had a bi/multicultural identity – a key marker of creativity and product and process innovation.

## MARKET SHARE

The Australian 'multicultural market' has an estimated purchasing power of **over AUD\$75 billion per year**, while the global buying power of women is estimated to reach **\$40 trillion** by 2018.

## PROFIT

Companies in the top quartile of cultural diversity in leadership are **35% more likely** to have financial returns above their national industry median, while for gender diversity, the figure is 15%.

# WHY THIS? THE STATE-OF-PLAY

In 2015, if ASX directors were **100 people**, approximately<sup>1</sup>:

- **2** would be culturally diverse women
- **6** would be Anglo-Celtic women
- **28** would be culturally diverse men
- **64** would be Anglo-Celtic men





# WHY THIS? THE STATE-OF-PLAY

## Very small numbers:

- 15 of 1500 CEOs
- 44 of 2300 senior executives
- 55 of 1300 CFOs
- 188 of 7500 directors

## Unlikely to change soon:

- In past 10 years, women in ASX Leadership increased by 4% at most
- In past 2 years, % culturally diverse women in ASX Leadership has plateaued

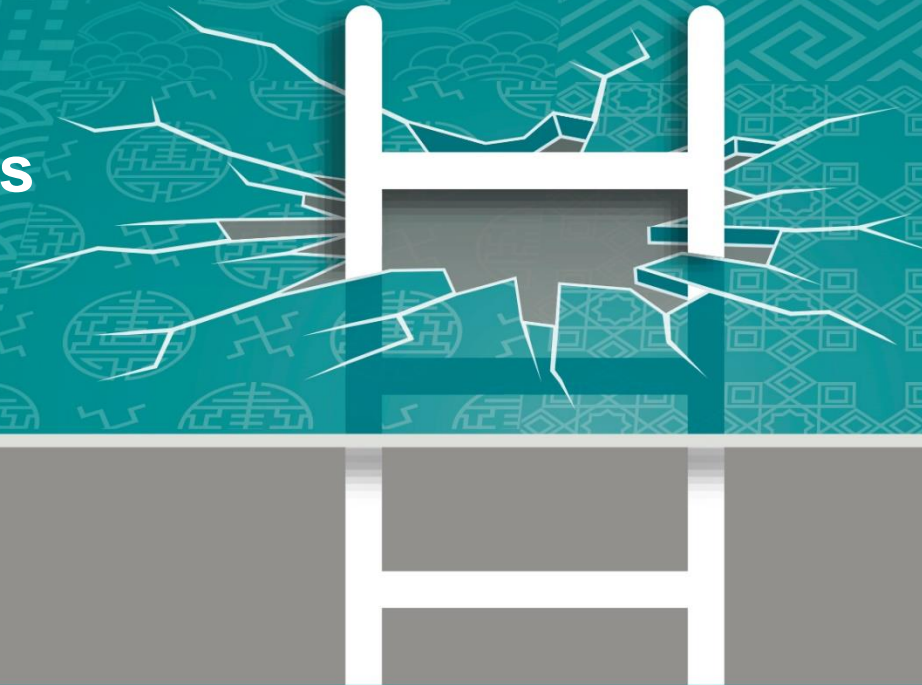


## **“Double Jeopardy”**

- Gender + Cultural Background combine
- Make it ‘doubly’ difficult to access leadership

## **Glass-Cultural Ceiling**

- Invisible and visible organisational barriers which lock out culturally diverse women from leadership



## OUR FOCUS

1

Why do so few culturally diverse females reach top leadership positions in Australia?

2

What can Australian organisations do to better recognise the skill and ambition of culturally diverse female talent?

*'Culturally diverse' refers to any woman who identified in part or in whole in this research as being from a non-Anglo-Celtic or a non-Main English Speaking Country cultural background.*

# OUR METHODOLOGY

## 1. On-Line Survey

- 366 aspiring or current female leaders (168 culturally diverse women)

## 2. Think Tanks

- 54 aspiring or current culturally diverse female leaders

## 3. Individual Interviews

- 14 culturally diverse women in C-Suite roles



We talked with over 230 culturally diverse women who are leaders or aspiring leaders in Australian-based organisations.

This is what they told us...



# CULTURALLY DIVERSE WOMEN: AMBITIOUS, CAPABLE & RESILIENT

## Ambitious

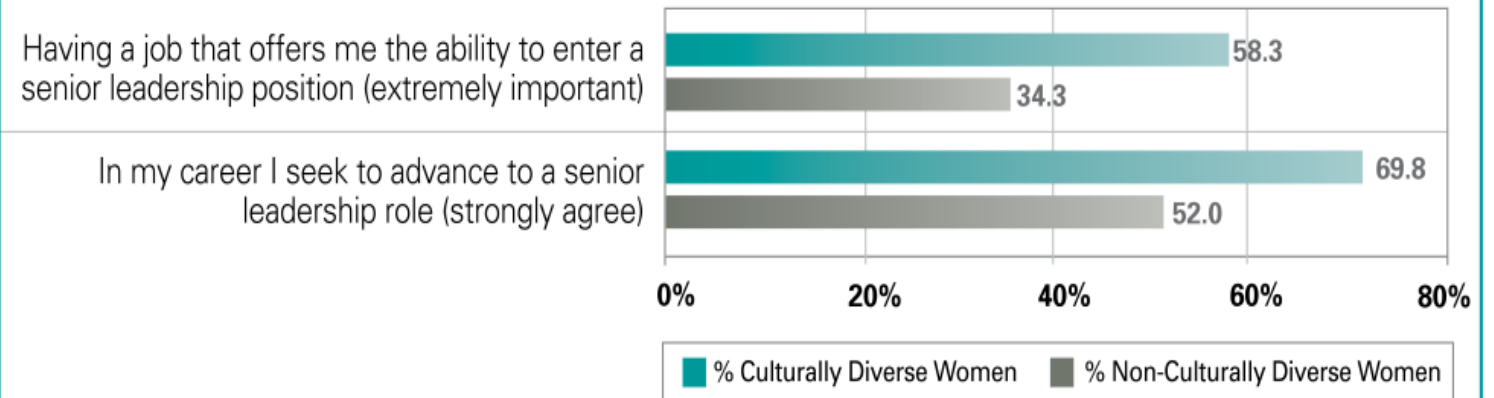
## Capable

- 2 out of 3 are multilingual
- 37% cultural brokers and innovators (bicultural identity)

## Resilient

*“It takes immense resilience to swim against the very strong tide and still maintain who you are.”*

Figure 1: Leadership Ambitions of Culturally Diverse v Non-Culturally Diverse Women



# BUT UNDER-LEVERAGED AND MOVING ON

## Under-Leveraged

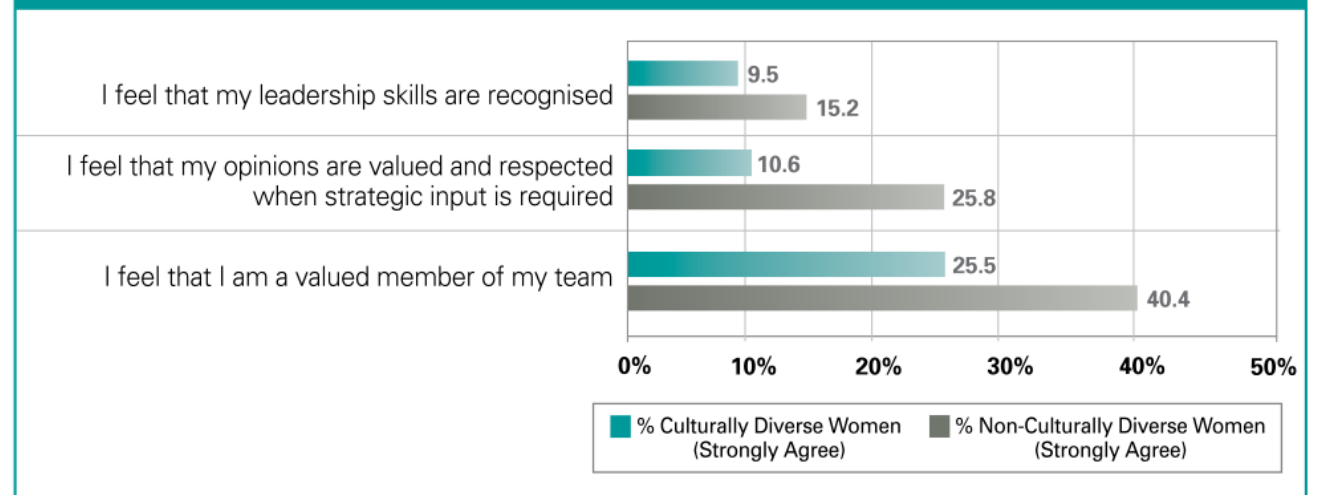
- Only 15% of culturally diverse women strongly agreed their organisation takes advantage of workforce diversity to better service clients or access new markets

## Under-Valued



## Moving On

- 28% seeking new employer in next year



Figure 5: Culturally Diverse Women v Non-Culturally Diverse Women's Perceptions of Value





# FRAMEWORK FOR ORGANISATIONAL ACTION



 TALENT LOCK 1: AMPLIFIED BIAS	<i>"Your work is questioned as a woman in a man's world and as a culturally diverse person in an Anglo world."</i>	 TALENT KEY 1: DISRUPT BIAS
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 TALENT LOCK 2: DIVISIONS IN DRIVING CHANGE	<i>"You have this very small number of culturally diverse female staff trying to engage and influence everyone, and address fears about difference, and encourage leaders to take a risk on the unfamiliar – there's this view that 'You're the one who stands to benefit so you get out there and do it.'"</i>	 TALENT KEY 2: PARTNER TO INCLUDE
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 TALENT LOCK 3: LACK OF RELATIONSHIP CAPITAL	<i>"Currently, who you know and who you 'click' with will find you the next job/ promotion. It's not merely based on merit/ performance."</i>	 TALENT KEY 3: BOOST RELATIONSHIP CAPITAL
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 TALENT LOCK 4: MASCULINE WESTERNISED LEADERSHIP MODEL	<i>"I challenge people in power to value a diversity of styles. The louder aggressive masculine style is rated more highly than someone who is respectful and collaborative. The words 'Energy, Drive and Intensity' make me feel cold – it doesn't inspire me when thinking about contributing to the leadership team."</i>	 TALENT KEY 4: RECRUIT LEADERSHIP MODEL
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 TALENT LOCK 5: LACK OF FLEXIBILITY	<i>"I'd be house bound if it weren't for my parents who have come over from China to live and help me here in Australia. In China child care costs are so low it's very easy to return to work but here it is just too expensive."</i>	 TALENT KEY 5: GET FLEXIBLE
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 TALENT LOCK 6: LACK OF ACCOUNTABILITY	<i>"What gets measured gets done – we need measures like we have for gender."</i>	 TALENT KEY 6: NUMBER CRUNCH
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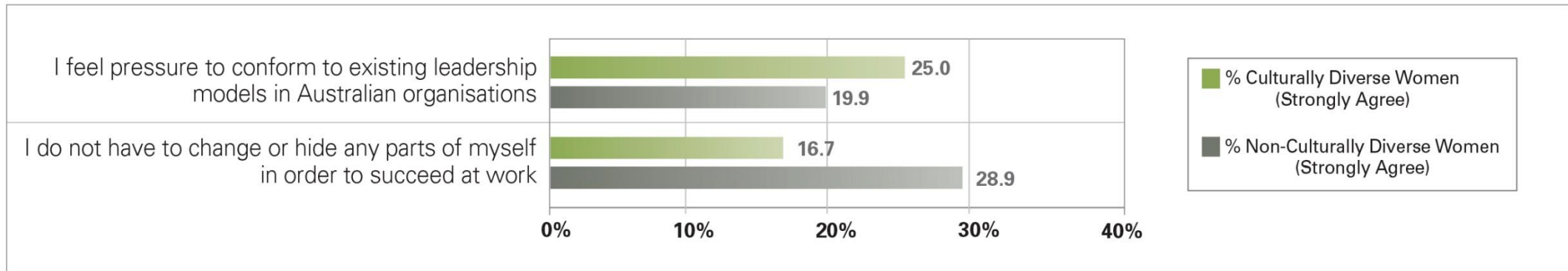


**TALENT LOCK 4:  
MASCULINE  
WESTERNISED  
LEADERSHIP  
MODEL**

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**TALENT KEY 4:  
RECREATE  
LEADERSHIP  
MODEL**





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TALENT KEY 4:  
RECREATE  
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## LOCKS

- Extroverted self-promoting leadership overvalued
- Introverted considered leadership undervalued

## KEYS

- Promote broader view of 'the effective leader'
  - Extroverted *and* Introverted
  - Full-time/Face-Time *and* Flexible
  - Local Experience *and* Cultural Experience



LEADERSHIP

# Why Introverts Are Better Leaders

Having either an extremely introverted or extroverted personality will hinder a leader's ability to hold trust and

Building Your Team • Leadership

# 5 REASONS INTROVERTS MAKE BETTER LEADERS

It's no coincidence that some of our greatest leaders have been introverts, from Bill Gates to Abraham Lincoln and Albert Einstein. Here's a peek at the introvert's guide to success.

by [Bruna Martinuzzi](#), President and Founder, Clarion Enterprises Ltd.



Forbes

Editors' Picks

11/30/2009 @ 3:39PM

# Why Introverts Can Make The Best Leaders

"Most people don't know that I'm an introvert."



DIVERSITY  
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AUSTRALIA

# BUILDING INCLUSION:

AN EVIDENCE-BASED MODEL OF INCLUSIVE LEADERSHIP

# WHY INCLUSIVE LEADERSHIP MATTERS

Inclusive leaders possess capabilities which can make their organisations inclusive.  
Inclusion at work drives performance, by delivering a range of positive organisational, team and individual outcomes.



# FIVE MINDSETS OF THE INCLUSIVE LEADER

## 'Build' Model



# USING THE INCLUSIVE LEADERSHIP MODEL

- Assess Current State
- Engage Your Leadership Team
- Communicate Expectations
- Integrate Inclusion Into Your Leadership Framework
- Identifying Talent
- Learning & Developing
- Measuring Success

THANK YOU