



# When Good Intentions Aren't Enough

*Getting tangible outcomes from your Diversity & Inclusion efforts*





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# When Good Intentions Aren't Enough

*Getting tangible outcomes from your Diversity & Inclusion efforts*

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June 2019

## AT A GLANCE

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Most large Australian companies care about Diversity and Inclusion (D&I). They commit investment, time and leadership energy into improving various dimensions of D&I. Nearly all employees we surveyed said their company has at least one D&I initiative. Yet very few felt the impact: only 11% of female, 14% of ethnically diverse and 18% of LGBTQ+ employees said they had benefited personally from their company's D&I programs. In addition, more than 30% of employees experienced discrimination in the workplace. This issue compounds for employees from diverse backgrounds and increases with carer responsibilities.

These results, and our conversations with Australia's leading D&I experts, suggest that companies are designing D&I programs without truly understanding what their employees need. Target groups for D&I programs are often considered to be uniform, and the impact of well-designed initiatives can be compromised by poor execution.

To deliver better outcomes, we have designed the BCG employee-centric approach to D&I. Just as involving customers is critical to designing products that work, involving employees is critical to designing and delivering D&I programs that work in different organisational contexts. For measureable results, companies need to engage with diverse employee groups to re-imagine programs, test and iterate new initiatives, and track and share progress.

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**F**OR SEVERAL YEARS, BCG has conducted D&I research projects around the world, including global surveys of more than 30,000 people and interviews with senior executives at some of the world's largest companies. We have shared our research internationally in reports, podcasts and videos.

Our research has largely focused on gender diversity. In this year's Australian D&I report, we broaden our investigation of what is working within workplaces to include ethnicity, sexual orientation and care responsibilities. We surveyed nearly 1,600 people in Australia who work for companies with over 1,000 employees, as a part of a global survey of 16,500 employees. We also interviewed five D&I experts, as well as leaders, from eight major Australian companies and government agencies. Case studies throughout the report highlight how these organisations went beyond to design and deliver employee-centric D&I strategies with demonstrable impact. The case studies are practical examples of how companies drive change.

## The Value Of D&I

The value of D&I is now widely established. According to the Diversity Council Australia, "Diversity makes good business sense."<sup>1</sup> Workplaces that value diversity and are free of discrimination are more productive. According to research by Credit Suisse, investments in companies where gender diversity is an important factor in their strategy deliver excess returns of 3.5% per year<sup>2</sup>.

BCG's 2018 research, *How Diverse Leadership Teams Boost Innovation*, also found a correlation between the diversity of management teams and overall innovation. Companies that reported above-average diversity on their management teams reported innovation revenue that was 19 percentage points higher than in companies with below-average leadership diversity. Our research for this report found that employees who do not believe their company is fully committed to D&I are three times more likely to be seeking a role at another company. And attrition is costly – between 90%-200% of an employee's annual salary<sup>3</sup>.

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Investments in companies where gender diversity is an important factor in their strategy deliver excess returns of 3.5% per year

1. Diversity Council Australia, Business case for diversity [2019] (<https://www.dca.org.au/di-planning/getting-started-di/business-case-diversity-inclusion>)

2. Credit Suisse, CS Gender 3000: Progress in the Boardroom 2016 (<http://publications.credit-suisse.com/index.cfm/publikationen-shop/research-institute/cs-gender-3000/>)

3. Society for Human Resource Management, Retaining Talent: A Guide to Analyzing and Managing Employee Turnover 2008 (<https://www.shrm.org/hr-today/trends-and-forecasting/special-reports-and-expert-views/Documents/Retaining-Talent.pdf>)

## D&I In Australia Today

Most large Australian companies are implementing D&I programs and investing real effort and resources into making them work, but there is still a long road ahead before our workplaces can claim to be truly diverse and inclusive. As D&I becomes a part of people's everyday workplace experience, companies need to do more to keep up with the changing needs of their workforces.

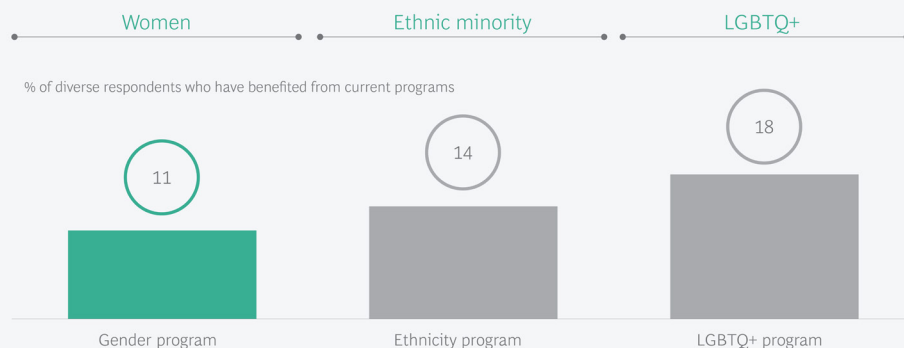
Our research identified three main findings:

1. D&I programs are commonplace in large Australian companies but most employees do not feel like they are benefiting from them.
2. Most employees have limited interaction with D&I programs and often do not understand their goals.
3. Employees see things differently from their colleagues — perspectives matter. People's lived experience and their organisational context shape their view on D&I.

### I. D&I PROGRAMS ARE COMMONPLACE IN LARGE AUSTRALIAN COMPANIES BUT MOST EMPLOYEES DO NOT FEEL LIKE THEY ARE BENEFITING

In Australia and around the world, issues of gender, LGBTQ+, and cultural and ethnic diversity permeate our collective consciousness. In late 2017, the #MeToo movement, the Australian same-sex marriage postal survey, and the lack of gender and ethnic diversity in Australian politics, combined to capture public attention and challenge our expectations. In response, companies launched more D&I programs and increased participation in networks such as Male Champions of Change and the same-sex marriage campaign. Nearly all employees we surveyed (97%) report that their company has at least one D&I initiative, yet these initiatives have yielded surprisingly few outcomes.

EXHIBIT 1 | D&I programs are not delivering outcomes



Note: Ethnic minority defined as respondents who are NOT self identified as Australian only, North-West European only or Australian and North-West European  
Source: BCG Diversity and Inclusion Survey 2018

Our research shows that only 11% of female employees feel they have benefited from their company's D&I programs, despite gender equality being a focus of corporate D&I for more than a decade. In addition, only 14% of ethnically diverse employees and 18% of LGBTQ+ employees feel they have benefited from workplace D&I programs.

## **2. MOST EMPLOYEES HAVE LIMITED INTERACTION WITH D&I PROGRAMS AND OFTEN DO NOT UNDERSTAND THEIR GOALS**

For employees to feel they are benefiting from their company's D&I programs, they need to be aware of the programs and to understand them. Only 32% of employees report direct exposure to their company's D&I programs, and of these, only 59% of employees say they understand the goals of these programs. Now that D&I programs are common, companies need to make sure their employees know about them, understand them, and have every opportunity to engage with and benefit from them.

### **MAKING D&I CORE TO THE CULTURE AT QUEENSLAND INVESTMENT CORPORATION**

The Queensland Investment Corporation (QIC) is a Queensland government-owned investment company with over 1,000 employees. The principles of D&I, with an emphasis on inclusion, form the foundation of workforce culture at QIC. The principles are championed and governed from the top of the organisation and embedded in QIC's people strategy, which aims to "create an environment which is high performing with a caring approach".

Creating a caring culture requires commitment from all employees – senior leaders, middle managers and all team members. It also requires commitment through policy change. To make this happen, QIC added D&I principles and expectations to the employee Code of Conduct, and added additional caring leave allocations for each employee. All

employees at QIC are expected to own their contribution to "an inclusive culture, where every voice is valued and respected", and to embrace the unique talents and perspectives of their team members.

Leaders at QIC conducted a road-show to all of its Australian and overseas offices to communicate the importance of the Code of Conduct and reinforce the intent behind the changes. Visible and passionate support from executives has made it clear to everyone that inclusion is not limited to a series of initiatives, but is a business-as-usual expectation of all employees.

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Glenn Jackson, executive director Human Resources at QIC, notes that, "There is no full stop on diversity and inclusion. As QIC develops so too should its initiatives."

## SHARING PERSONAL STORIES TO PROMOTE D&I AT THE AUSTRALIAN FEDERAL POLICE

In the first 18 months of the 'Triple I' program an AFP D&I initiative, the AFP trained around 1,500 employees – just under a quarter of the entire workforce. In a post-program survey, more than 90% of participants felt that the program was effective. This

positive outcome has had a ripple effect, and participants are taking what they learned from the program back to their teams by sharing sharing personal stories from the initiative to spread Triple I in the workplace.

### 3. PERSPECTIVES MATTER — PEOPLE'S LIVED EXPERIENCE AND THEIR ORGANISATIONAL CONTEXT SHAPE THEIR VIEWS ON D&I

It is not surprising that people see things differently from their colleagues, but it is surprising just how differently they see them. The difference in views and experience is significant when considering who makes decisions about D&I programs.

BCG research in 2017, *What's Working to Drive Gender Diversity in Leadership*, found that senior managers tend to have a more positive view of gender diversity in their companies than the broader employee base. One year later, we found that seniority is just one of many drivers of different views on D&I.

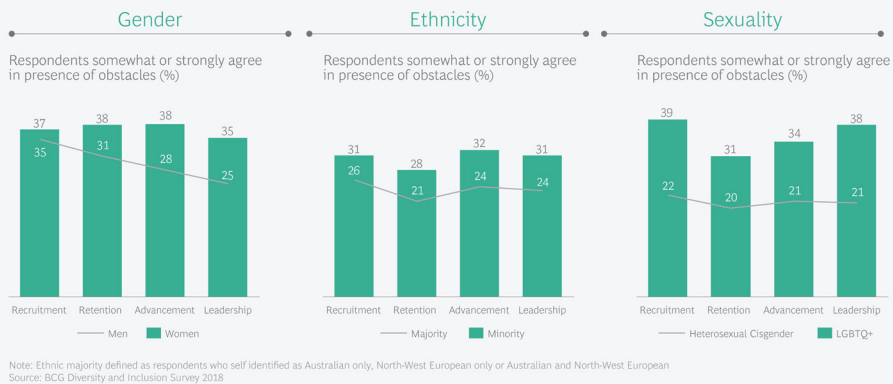
Age also determines how people view D&I. Our 2018 research, *How Millennial Men Can Help Break the Glass Ceiling*, found that male employees under the age of 40 have far greater awareness of the obstacles facing women than their older colleagues.

Another determinant of how people view D&I is their inherent diversity in gender, ethnicity and sexuality. In Australia, these differences make it difficult for employees to recognise obstacles that their colleagues may be facing across the employment life-cycle. Employees who report the greatest difference are heterosexual cisgender, who struggle to see the obstacles faced by their LGBTQ+ colleagues.

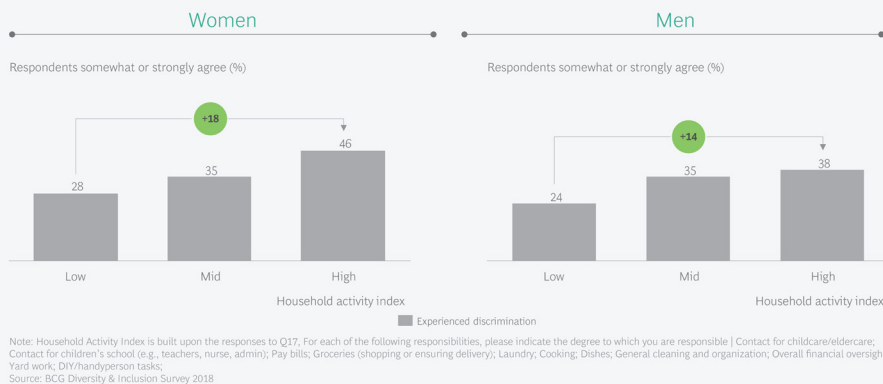
Employees at different life stages, who care for children or who have other household responsibilities, also have different experiences of discrimination and obstacles. Women and men who care for children experience discrimination at a higher rate than those who do not. Forty-one percent of women with children report that they have experienced discrimination compared with 34% of women without children. Thirty-nine percent of men with children report that they have experienced discrimination compared to 27% without children. Employees with household responsibilities such as childcare, regardless of their gender, sexuality or ethnicity, are exposed to more discrimination in the workplace.



## EXHIBIT 2 | It's hard to recognise obstacles we haven't faced



## EXHIBIT 3 | Men and women are more likely to experience discrimination as their household activities increase



### Household responsibilities

Our survey asked people to indicate the level of responsibility (primary, secondary, shared, some, outsourced, none) they have for household activities. These activities include being the contact for childcare or elderly care, grocery shopping, doing the laundry, cooking, cleaning, managing the household budget and gardening. We aggregated the responses into an index that grouped people into high, medium and low levels of household activity based on the number of activities they had primary responsibility for.

## 4. HOW TO DESIGN D&I PROGRAMS THAT WORK BETTER

To see real outcomes, we need to approach D&I differently. D&I strategies and programs need to be designed and delivered with the principles of D&I at the heart, followed by rigorous execution. Just as involving customers is critical to designing products that work, involving employees is critical to designing and delivering D&I programs that work. Drawing on high-impact customer-centric design principles, we have developed an employee-centric approach to designing and delivering D&I programs.

Our employee-centric D&I approach has four steps:

1. Understand your context: Run diagnostic exercises to understand your company's D&I baseline, and design a scorecard to set your aspiration for progress.

2. Re-imagine your D&I program: Involve a broad and diverse group of employees to find the right solutions for your company's environment and people.
3. Test, learn and iterate: Test and learn to find out what works and how you can continue to improve. Do not put D&I programs on the shelf.
4. Track and share: Track progress and share it widely.

**Step 1.** Understand your context by establishing your D&I baseline

The first step for companies is to understand their organisational context and establish their D&I baseline and scorecard. The importance of organisational context was clear in BCG's 2017 research, *Dispelling the Myth of the Gender Ambition Gap*, which demonstrated that company context is the most important driver of employee ambition.

Rigorous D&I baselines include qualitative and quantitative data to help companies understand the needs of their employees and the value of their D&I programs. Establishing a D&I baseline is not easy and requires commitment. In many cases, companies will need to collect and analyse new data. Identifying, collecting and analysing the right data requires time, resources and money – a commitment that goes beyond words to significant action.

**EXHIBIT 4 | An employee-centric approach for designing and delivering D&I**



In our global report, *Measuring What Matters in Gender Diversity 2017*, we suggested five key metrics – pay, recruitment, retention, advancement and representation – to provide a snapshot view of a company's gender diversity.

To provide a snapshot that is broader than only gender, companies need to consider data from across four categories:

- Representational data: who are our employees?
- Performance data: who are we recruiting, retaining and advancing?
- Attitudinal data: how are our employees feeling?
- Process data: where are the D&I problems in our processes, and what's causing them?

### Representational data

Representational data can provide more information about who employees are, to understand diversity features that are typically more visible, like gender, and typically less visible, like sexuality. By asking employees to share this information, companies need to demonstrate that they will protect and anonymise the data received. Sometimes we assume that employees do not want to share representational data, when in fact they want certainty that their privacy is protected and that they will not be subjected to perceived or real unconscious bias at any stages of their career. Capturing representational data helps companies to better understand their employees, and provides the basis for performance data that can be used to set and measure stronger diversity targets.

### Performance data

Most companies track performance and remuneration data, but often with a D&I focus solely on gender. Considerable progress in gender inclusion programs has stemmed from understanding the differences in recruitment, advancement and remuneration for men and women. To track and measure progress towards more detailed D&I goals, companies will need to analyse their performance and remuneration data using more robust representational data.

### Attitudinal data

People surveys and pulse checks to understand workplace experiences are common in large companies. Surveying employees about what they think and how they feel helps leaders to identify issues, assess the impact of decisions, and evaluate past and present D&I initiatives. These surveys are important for the data they collect and because they make employees feel heard. The data has added richness when it is cut and analysed along more diversity dimensions to understand and compare the responses of different groups of employees.

### Process data

Companies can collect process data to provide an end-to-end view of employees' experiences. Mapping processes also identifies issues, behaviours and sentiments toward the company overall and its D&I programs.

The employee experience begins when potential employees first encounter the company brand during recruitment. It continues to include the employee's current

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## INCREASING ENGAGEMENT BY RETHINKING FLEXIBILITY AT LENDLEASE

Lendlease is a global construction and project management company with 13,000 employees. D&I is one of Lendlease's core operating principles, alongside Health & Safety, Sustainability and Customer Focus. According to Michael Vavakis, Chief People Officer, "Diversity and inclusion sits at the heart of the people strategy. We use every opportunity to reinforce aspects of D&I. It is not linked to one leader, but to all of our leaders. It's authentic to who we are".

Making flexibility work has been a focus for Lendlease to enable a thriving, diverse workforce. Yet the complexity of construction work meant that Lendlease needed to rethink traditional approaches to flexibility. Initially, it found employees were not using established programs because they were required to fit into "flexibility categories" such as working part-time. To address these issues, Lendlease asked employees to define what flexibility meant to them, instead of setting formal categories. More recently, Lendlease has increased the number of days per week that some construction sites are open from five to seven. A site can be open seven days and employees can

work any five of those days. Site managers have been trained in ways to support flexible work scheduling. Requirements to formally document flexible working arrangements have been removed, and Lendlease offers a childcare subsidy to all working parents.

To embed these changes, Lendlease places the same importance on D&I communication as it does for health and safety communication. It is leadership-driven, consistent, ongoing, and makes use of all communication channels. To understand what is and is not working, Lendlease surveys its employees every three to six months. Today, 60% of Lendlease employees describe themselves as having a flexible working arrangement. According to employee engagement data, employees working flexibly are 9 percentage points more likely to feel engaged at work.

Lendlease is sharing its success with other project management businesses to demonstrate that flexible working arrangements can work in the context of the construction industry.

experience (including D&I initiatives), and on to exit and alumni programs. Including a broad range of employees in the mapping process will make sure all cohorts are covered.

Once a company understands its context and baseline, it can use this information to build a scorecard to set the D&I vision and track progress against this baseline and target metrics.

**Step 2.** Re-imagine D&I programs with a broad group of employees



Engaging employees to re-imagine the design and delivery of D&I programs will give companies more certainty that their programs will meet their employees' needs.

To re-imagine D&I programs, ask employees what their vision for their company is from a D&I perspective. One way to approach this is to take the process map from Step 1 and ask employees to re-imagine the main processes – such as recruitment – to uncover obstacles. Obstacles can be cultural, motivational or behavioural and, once understood, can be addressed with targeted D&I initiatives.

Involve employees from different genders, ethnic backgrounds, LGBTQ+ statuses, organisational levels, age groups, and levels of family responsibilities, in the re-imagining of D&I programs. Involving more employees in the consultation phase also improves employee engagement with subsequent D&I programs – one of the gaps revealed in our research. When employees are familiar with D&I programs from the start, they are more likely to understand them, engage with them and ultimately benefit from them. Industry research shows that all employees, not only senior leadership, need to drive the D&I agenda. D&I expert Dr Jennifer Whelan

## UNDERSTANDING DIVERSE CONTEXTS AT UNILEVER

FMCG company Unilever Australia and New Zealand is a diverse organisation operating across a number of business functions. To ensure the values of diversity and inclusion (D&I) are embedded across the organisation, Unilever ANZ's D&I Strategy underpins various initiatives and is adjusted depending on context; for example, initiatives that work for the sales teams may not work for the supply chain business.

To design its D&I Strategy and understand specific barriers that employees face, Unilever runs an annual company-wide diagnostic – an internal D&I survey which gathers feedback from all levels and functions across the business and is centralised by a representative committee.

A recent organisation-wide push for an “if not, why not?” approach to

flexible working required its application to be nuanced. While these changes were applied quickly in the corporate offices, more tailoring was required at other sites. In the Unilever Foods factory at Tatura, Victoria, widespread changes were needed to support flexible working, including changes to the Return from Parental Leave program, forums to support new parents, an onsite mothers' room and structural changes to job design. Taking a context-specific approach has seen employees at the Tatura factory working flexibly, both in rostered roles and executive roles, with 50% of the leadership team working flexibly.

By revisiting and refreshing its D&I strategy and adjusting it to fit within the context of different business areas, Unilever is driving results in the D&I space.

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According to Shruti Ganeriwala, HR Director – Supply Chain & Culture Lead at Unilever ANZ, “Understanding our context enables us to achieve tangible outcomes for all our people”.

notes that mid-level managers are especially important: “It is only by achieving a critical mass of leaders – the middle managers – that D&I programs will be understood and engaged with by the whole organisation.”

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For D&I to become embedded in companies, programs also need the support of employees who may not benefit directly from them. If employees understand the intent and goals of a D&I program and are involved in the design process, they are more likely to be champions for change even when they are not a target beneficiary of the program. Diversity Council Australia board member and former Investa Office Fund Group Executive Ming Long notes that, “Just as the Male Champions of Change movement provides an opportunity for senior male leaders to participate in the gender equality movement, organisations need to include all employees in the D&I process to ensure organisation-wide buy-in.”

## DRIVING THE D&I AGENDA THROUGH EMPLOYEE ENGAGEMENT AT ANZ

ANZ is one of Australia’s largest banks, employing 40k full-time equivalent employees across Australia, New Zealand, Asia Pacific, UK, Europe and the United States. ANZ senior leaders are extremely passionate about D&I, and ANZ CEO Shayne Elliott often talks about D&I goals and successes when he communicates with employees and the market. ANZ has a wide range of diversity employee networks, and resource groups, all of which play a key role in driving ANZ’s D&I agenda.

ANZ’s LGBTQ+ Pride Network started its journey in 2007 as an informal social group which decided to march in the Sydney Gay & Lesbian Mardi Gras under the ANZ banner. While the Pride Network was formed and driven organically by employees, ANZ is now the Principal Partner of Mardi Gras, and more than 200 staff march in the parade each year due to the support of senior leadership for LGBTQ+ inclusion.

ANZ communicates the bank’s ongoing support for diversity,

inclusion and respect through the ANZ and Sydney Gay and Lesbian Mardi Gras Community Grants Program, which provides community grants of up to \$10,000 to support LGBTQ+ community projects around Australia and marketing campaigns like #HoldTight.

ANZ’s Pride Network provides a voice, contact point and support for LGBTQ+ employees, allies, customers and community through active engagement in internal and external activities that support the community. The Pride Network supports ANZ to achieve LGBTQ+ inclusion best practice and in 2017 ANZ won the Pride in Diversity award for Transgender Inclusion, following changes to make policies and procedures more inclusive of non-binary people.

Today, ANZ’s Pride Network is known as one of the most sophisticated employee networks in Australia, and ANZ was named Australia’s Employer of the Year for LGBTQ+ inclusion in 2017.

## INVOLVING A BROAD GROUP OF EMPLOYEES IN D&I AT ASIO

Recent organisational transformation at the Australian Security Intelligence Organisation (ASIO) has required changes to ASIO's people strategy, in part to address the challenges that the organisation faces with engaging diverse talent across the employee lifecycle. As part of these changes, ASIO's HR function was divided into day-to-day HR teams for areas such as workforce management and recruitment, and a People Strategy team with responsibility for ASIO's approach to D&I.

To understand employee needs and make sure that the needs of diverse employees are being met, ASIO developed employee networks of diverse groups from different parts of the organisation. The organisation provided the framework, governance and a small amount of funding, and

invited employees to build their own networks with colleagues who faced similar obstacles, or who wished to offer support, and to share information back with the D&I team to set priorities and goals. Each network has a senior leader sponsor and includes members of the central D&I team. Senior sponsors bring issues to the attention of other senior leaders and cascade messages to middle managers and operational staff. The D&I team then works to make sure specific initiatives reflect employee needs, and maintains a central resource of D&I information for the organisation. Involving a broader group of employees – from members of diverse groups and those who support them, to senior leaders and D&I program managers – in the D&I process has accelerated the impact of ASIO's employee networks.

## CREATING SPACE AND SUPPORT FOR NEW D&I INITIATIVES AT BCG

In 2017, junior employees at BCG proposed a new D&I initiative – Champions of Change – to engage junior cohorts with BCG's inclusiveness agenda and to tackle unconscious bias at an operational level. COC was launched in 2018 and delivers its agenda across offices and in project teams by running events and training sessions. Junior

employees have a clear role in driving day-to-day change to make sure everyone can thrive in BCG's workplace.

COC is run by local junior teams. Events are designed to 'upload' input from junior employees, rather than 'download' program information to them.

All voices are given an opportunity to be heard and all employees are made aware of biases that exist in the workplace. COC is deliberate in its inclusion of employees from both the business services and consulting teams, to involve multiple perspectives in shaping the program. COC also publish a bi-monthly newsletter with personal stories of diversity from BCG people, including

experiences of ethnicity, parenthood and gender, and how they shape our work environment and performance.

COC leader Amanda Neilson reflects that the program has been “an opportunity to drive diversity and inclusion in a way that is relevant and empowering for my peers and myself.”

### Step 3. Test, learn and iterate

Identifying D&I initiatives that are working and not working is critical across the design and implementation stages. Once a D&I program has been designed, it needs to be tested before full-scale implementation. Testing early identifies initiatives that are not working so that they can be stopped or adjusted, limiting the cost to the company and its employees. Additionally, initiatives that are working can be scaled to extend their impact.

Test programs by piloting with a small group, and use the lessons and insights to update the program. Learning can be captured formally (e.g., with surveys) or informally (e.g., ad hoc feedback) and at regular intervals (e.g., monthly or at appropriate initiative milestones). By consistently capturing what they learn from D&I programs, companies can make sure their programs are well-designed and deliver the right outcomes.

## TESTING, LEARNING AND ITERATING TO DELIVER D&I INITIATIVES THAT WORK AT QANTAS

Qantas has developed a systems approach to delivering ongoing, sustainable change in diversity & inclusion. When seeking to understand barriers to the advancement of women in their organisation, unconscious bias and backing yourself were identified as two areas of opportunity to provide purposeful and structured intervention-style learning to address these barriers.

With clear learning outcomes defined, a unique women’s leadership program was designed with the intention of providing practical tools for mitigating bias and using a strengths-based approach to performance. The concepts were tested with a small group of Qantas’ most senior female leaders, their feedback taken on board, before being rolled out to a further 155 women in senior leadership.



Participants were surveyed before and after, to identify learnings and opportunities to improve, and also to provide data around the impact and effectiveness of the program and specific program content.

Following positive feedback from the initial pilot group, attendance at the program was almost 100%, exceeding all expectations. Again, a survey was conducted in advance of the program to tweak content to suit the needs of attendees. Following the program, the follow-up survey was circulated and found that 80% of program attendees reported it to be highly effective.

The program has since been replicated for over 200 executive women in four, day-long sessions, adapting to improve and tailor content to participants needs. Since the program launch, feedback has come from a number of leaders across the organisation that there has been a significant ripple effect, with strategies from the program widely shared and adopted.

By testing and learning, Qantas was able to ensure that their female leadership training program maximised effectiveness and tangibly benefitted attendees, providing tools that could be applied more widely to entrench change across the company.

#### Step 4. Track and share progress

As with all top business priorities, progress towards D&I goals needs to be tracked and shared. Communicating progress and results drives awareness of D&I programs and generates broader support for D&I goals. The cycle of tracking and communicating progress promotes regular engagement and keeps D&I in the company's collective consciousness.

## EMBEDDING D&I IN PERFORMANCE FRAMEWORKS IN ASHURST'S COMMITTED TO CHANGE PROGRAM

Earlier this year, global law firm Ashurst introduced a new initiative to increase the number of partners engaged in driving the firm's diversity agenda. The Committed to Change (C2C) program was introduced by managing partner Paul Jenkins to build senior support and commitment to the firm's D&I agenda.

Participating partners are visible role models for D&I, with responsibility for reflecting and demonstrating behaviours in the business. They work with their teams to create a more diverse and inclusive workplace culture, participate in D&I activities and take part in reverse mentoring.

Dr Jane O’Leary,  
research director at  
Diversity Council  
Australia, says,  
“Ineffective communi-  
cations can be as  
problematic as  
ineffective programs  
– many times the  
initiative might be  
right for the organisa-  
tion and the people,  
but the organisation  
may not have the  
right communications  
in place to propel it.”

The C2C initiative is embedded in the firm’s systems and processes, with detailed roles and accountabilities and quarterly progress reports. Initiative-based KPIs have been written into partner job descriptions and linked to the partnership’s performance framework.

About one-third of Ashurst’s partners are participating in the initiative globally and the Melbourne office is on track to achieve 100% participation.

Communication about D&I is critical to drive progress and to broaden awareness and cultural commitment. Communicating frequently and using a number of channels – employee forums, company-wide emails,

presentations and training – embeds the principles of D&I in company culture.

Leaders can also use what Chief Executive Women call the Leadership Shadow<sup>1</sup> to share D&I organisational priorities indirectly. A progressive D&I leadership shadow can be cast across a company by encouraging leaders to have a positive impact with what they say, how they act, what they prioritise and how they measure.

Communication from company leaders at all stages of a D&I program lifecycle is fundamental for employees to understand program goals and embed D&I in the company fabric.

## Where To From Here?

D&I programs are becoming commonplace in large Australian companies. Their expansion to include diversity dimensions such as sexual orientation, ethnicity and disability is a great step. But our research shows that it is time to start making sure that D&I programs deliver more outcomes at an organisational and personal level.

D&I programs require an investment – of commitment, and of financial and human resources. However, in many organisations, returns from programs have been lower than expected and desired. Employees have low levels of awareness of the programs that are in place – programs they are meant to be using – and the impact the programs are having on the diverse groups they are designed to support is even lower.

The employee-centric D&I approach is a response to our research findings, and aims to give companies a practical way to design D&I programs that work better. **Understanding the context** and D&I baseline will set companies up to set the right D&I goals and targets. **Re-imagining D&I programs** with a broad group of employees will create solutions that meet the needs of the company and different employees. **Launch, learn and iterate** will determine what works, and what does not, and keep D&I programs relevant. **Tracking and sharing progress** will drive a focus on outcomes and create a collective sense of awareness and responsibility to reinforce the value of D&I for the company and for the organisation.

<sup>1</sup>. Human Rights Australia, It starts with us – the leadership shadow, 2014 ([https://www.humanrights.gov.au/sites/default/files/document/publication/MCC-LeadershipShadow\\_210314.pdf](https://www.humanrights.gov.au/sites/default/files/document/publication/MCC-LeadershipShadow_210314.pdf))

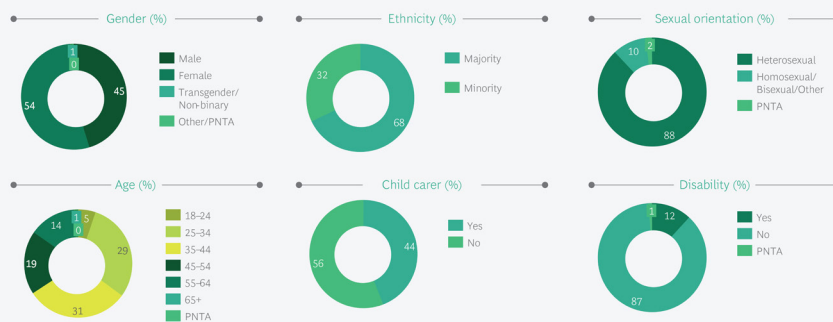
For most large companies, changing the status quo and achieving better outcomes requires a shift in mindset towards their employees. Matching this with a tighter approach to execution and a commitment to tracking and reporting, will turn good intentions into desired D&I outcomes.

## Methodology

BCG's Australian research is part of a global BCG study of around 16,500 employees of large companies in 14 countries. Our global study, *Fixing the Flawed Approach to Diversity* was released in early 2019.

For our Australian D&I study, we surveyed nearly 1,600 people who work for companies with over 1,000 employees. We asked questions about discrimination, obstacles, and the prevalence and effectiveness of D&I initiatives. The data was analysed for several groups based on gender, sexuality, ethnicity, age and disability. We then tested our analysis in interviews with senior executives, senior HR professionals and D&I program coordinators at eight large Australian companies, five D&I peak bodies and with expert D&I consultants.

### EXHIBIT 5 | Who we surveyed



Note: Ethnic majority defined as respondents who self identified as Australian only, North-West European only or Australian and North-West European  
Source: BCG Diversity & Inclusion Survey 2018

## Acknowledgements

Thank you for the contributions from our BCG leaders in Women@BCG, Diversity & Inclusion, our Pride Network and our Champions of Change

## List of companies

Ashurst; Australia and New Zealand Banking Group (ANZ); Australian Federal Police; Australian Security and Intelligence Organisation; Lendlease; QANTAS; Queensland Investment Corporation; Unilever

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