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Creating a culture of inclusion

Deloitte Australia's submission to the Australian Human Rights Commission April 2019

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Introduction

Organisations have a legal and social obligation to prevent and eliminate harassment against women in the workplace. Traditional organisational strategies to meet these obligations comprise: the introduction of clear polices setting behavioural expectations (zero tolerance), transparent and effective grievance handling procedures as well as regular and high quality awareness raising training.

In addition to adopting these traditional strategies, Deloitte has gone further, taking into account:

- <u>Research</u> which shows that companies with more women in management encounter less sexual harassment.
- The UN's 2019 SafeSpace report which found that:
 - a culture of civility helps to mitigate the likelihood of a sexual harassment incident; and
 - a culture of inclusion (i.e. one in which people perceive that they are treated fairly and respectfully, and feel like they are valued, belong and are psychologically safe) predicts the likelihood that a person will speak up if they experience or witness sexual harassment.

This evidence base has led Deloitte to focus on:

- setting targets to increase the proportion of women in management,
- undertaking a values refresh program to reinforce a culture of civility, and
- working with leaders to develop their inclusive leadership capability and therefore a culture of inclusion.

In this submission from Deloitte Australia to the Australian Human Rights Commission as part of its inquiry into sexual harassment in the workplace, we highlight:

- 1. key thought leadership on inclusive leadership which underpins our approach;
- 2. examples of approaches to drive inclusive behaviours and creating a culture of inclusion

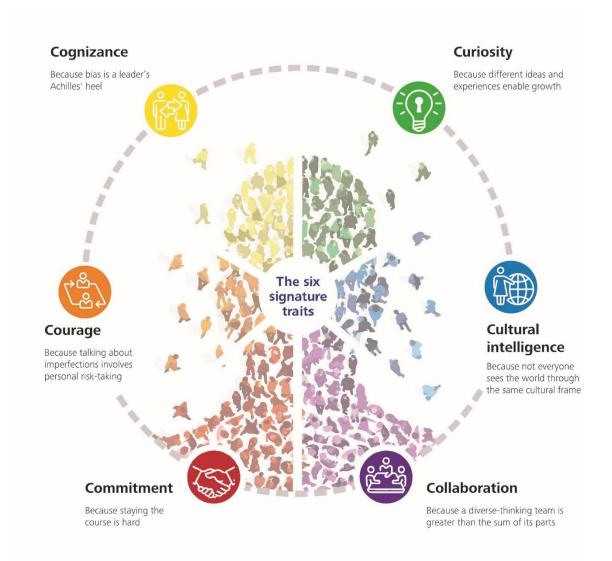
1. Key thought leadership

Extensive thought leadership research has articulated how a focus on inclusive leadership can benefit organisations as a whole, adding to an overall culture of inclusion, which in turn benefits everyone. Key research includes:

The six signature traits of inclusive leadership (Deloitte University Press, 2016)

This seminal research set out to understand what inclusion means; how different people experience it; and how to measure it. The research found that if people feel they are treated fairly, their uniqueness is appreciated, they have a sense of belonging and a voice in decision-making, then they will feel included. These elements of inclusion are articulated as 'fairness and respect', 'value and belonging', and 'confidence and inspiration'.

To achieve this, the research found that inclusive leaders demonstrate six signature traits, which relate to what they think about and do (see figure below). These traits are easy to adopt – in other words, leaders can learn to operate in an inclusive way.



The diversity and inclusion revolution: Eight powerful truths (Deloitte Review, Issue 22, January 2018)

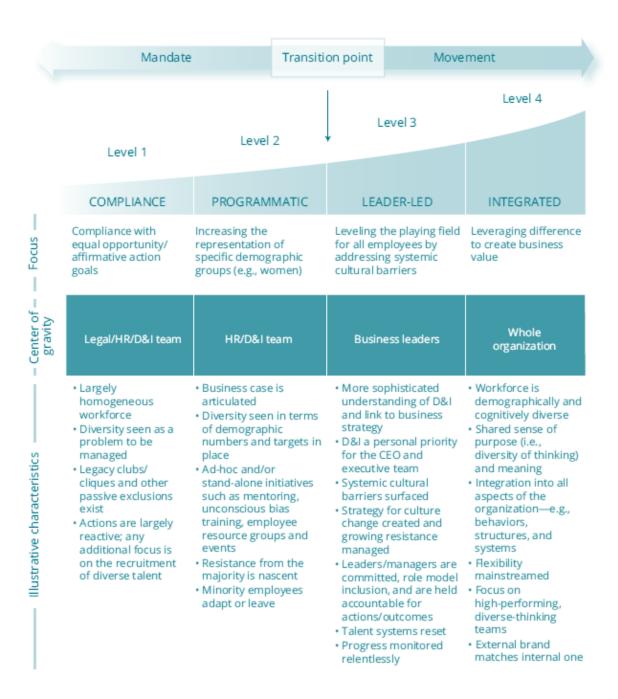
This article calls out the challenge that lies in translating the value of 'inclusion and diversity' into impactful actions, highlighting 'eight truths' that can help turn an organisation's aspirations into reality.

The eighth truth is perhaps the most confronting: perform a culture reset, not a tick-the-box program.

Often organisations get stuck on compliance-based training to address inclusion and diversity, whereas a people-focused approach may be needed to drive more meaningful cultural change.

Deloitte's 'diversity and inclusion maturity model' below* identifies four levels as a pathway to perform a culture reset.

*Extract from Eight Powerful Truths, page 13.



2. Approaches to creating a culture of inclusion

The frameworks identified in this paper explain what we need to do but how do leaders contribute on a day to day basis to creating an inclusive culture?

Inclusive Leadership

The following points outline ways to develop and embed inclusive leadership:

- A reminder of our obligations through respectful workplace behaviour training and consistent communication, leaders can help their people understand where the responsibility and accountability lies to ensure workplaces are inclusive.
- Skills development through inclusive leadership workshops, it gives leaders the opportunity to reflect on their own behaviours, values and leadership style, while learning how they can adapt and flex their approach.
- **Tone from the top** by witnessing an authentic inclusive leader in action and experiencing deliberate inclusive behaviours, it gives others a chance to learn from the top.

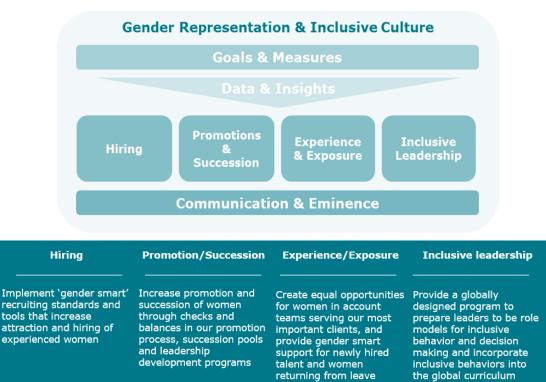
 Assessing impact – leaders are answerable to those they lead. Tools such as 360 Inclusive Leadership Assessment and feedback are ways to gain a measure of inclusion, but are only effective if those completing them feel safe to provide an honest response.

Inclusive Talent Management

In addition to this, a focus on inclusive talent management to remove barriers to gender equality across the employee lifecycle is a critical step in embedding inclusive practices in all that we do. An example of this includes:

 Deloitte's 'Gender Smart' Talent Management

 to be recognised as the undisputed leader in professional services, it starts with whom we attract. Recruitment processes are critical to identifying experienced women in the talent market, as well as our ability to develop innovative and rewarding career paths. See the below visuals on how we go about these processes.



These are current and specific actions taken by Deloitte to ensure we create and nurture an inclusive, safe and respectful workplace.

• Respect in the Workplace Training (2019 implementation)

Deloitte is in the process of refreshing our 'Respect in the Workplace Training' to relaunch in mid-2019.

The mandatory e-learning module is designed to help our people learn *how*, *when* and *where* they can help, or seek help, as well appreciate their role and responsibilities in ensuring our firm is always inclusive.

Incorporating both compliance and cultural expectations, the module will actively engage all our people in the importance of:

- being respectful and inclusive at all times
- feeling able to call out behaviours that are counter to our values and policies, and
- making sure there is always someone to speak to and escalate any issues with, whether they occur in our office, at social events or at our clients' premises.

• Inclusive Leadership

Deloitte has embedded inclusive leadership as a core competency within the firm's leadership curriculum.

Drawing on the subject matter expertise of Human Capital Consulting Partner, Juliet Bourke, we deliver a range of training as follows:

a) Inclusive Leadership Workshops (Global mandate)

Leveraging Deloitte's '<u>The Six Signature Traits of</u> <u>Inclusive Leadership'</u> framework, we deliver compulsory Inclusive Leadership Training for our senior leaders. It is delivered via immersive scenario-based workshops and labs.

b) Inclusive Leadership Assessment Tool

We are in the process of developing a tool to assess the inclusiveness of our leaders, based on Deloitte's Six Signature Traits research.

It will be deployed via an online platform which includes psychometric measurement as well as observational assessment, similar to '360 Feedback'.

• Partner Expectations

Partner Expectations sessions are mandatory and are regularly conducted for all current and new hire

Partners. Each session covers in detail our firm's expectation of Partners, specifically in relation to:

- Inclusive leadership
- Deloitte's policies
- Current legislation
- Behaviours and support options regarding sexual harassment in the workplace.

• Enabling Disclosure of Issues

Deloitte provides multiple channels and options for employees and Partners to raise or escalate issues within the workplace. These are communicated clearly to our workforce and the channels include:

- Whistle-blower hotline
- Ethics Officer
- HR Business Partners
- Legal Team
- People Partners

• Gender Equality

Closing the gap for gender equality is considered to have a positive impact in minimising sexual harassment.

Ensuring a strategic approach to gender equality across the employee lifecycle is a priority. Deloitte has a global commitment to achieving greater gender equality, driven by our Global CEO, and the key actions include:

- 'Gender smart' talent acquisition
- Inclusive talent management framework
- Quarterly scorecards across a range of gender equality indicators
- Global Member Firm standards to drive accountability and positive change.

• CEO Leadership

Deloitte Australia has over a decade of CEO sponsorship of diversity and inclusion, making this a critical and explicit component of the Firm's business strategy.

When Deloitte Australia CEO Richard Deutsch began his tenure in September, he created a new 'Ask Richard' mailbox for people to email any questions, queries or feedback. This has contributed to the creation of a safe, inclusive and accessible environment for all.

Richard has set the tone from the top with his <u>video</u> message on inclusion and gender equality at Deloitte.

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