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Next generation diversity
and inclusion policies
in the public service:
Ensuring public services
reflect the societies they
serve

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PUBLIC GOVERNANCE COMMITTEE****Cancels & replaces the same document of 21 December 2018****Working Party on Public Employment and Management****Next Generation Diversity and Inclusion Policies in the Public Service****Ensuring public services reflect the societies they serve**

Embracing a policy and culture of diversity and inclusion (D&I) is increasingly considered the norm for public services across the OECD. A growing number of countries acknowledge how diversity has the potential to improve service delivery to citizens and boost performance through greater innovation and employee engagement. But, while some improvements have been made over time, progress has remained slow. In most public services, pay gaps for the same positions persist; the representation - particularly at senior levels of women, visible minorities and people with disabilities - remains markedly lower than in the general population; and in employee surveys, levels of perceived harassment and bullying remain higher than average for certain demographic groups. In many OECD member countries, a new generation of D&I policies is being developed to cultivate a culture of inclusion. The present Working Paper examines how public administrations are addressing this challenge, highlighting good practices in areas such as inclusive leadership models, the use of HR analytics and behavioural approaches to design and implement D&I policies. It also identifies governance mechanisms and tools for managers and organisations to help ensure coherence and accountability for D&I goals. The drive for diversity and inclusion will always be a moving target; public services will need to continually assess, adapt, and strive for public services that reflect the changing societies that they serve.

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Note by the Secretariat

This working paper was prepared to inform discussions on diversity and inclusion (D&I) in the public service for the Working Party on Public Employment and Management (PEM), and builds on existing work by the PEM on the importance of diversity for better team and organisational outcomes (OECD 2009, 2015). It is also a contribution to the OECD's 2017-18 programme of work and budget, for which additional funding was provided through the Organisation's Central Priority Fund (CPF) to support a new area of work on the economic impact of diversity, and the appropriate policy responses to making the most of diverse societies.

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1. Towards “next generation” D&I policies in civil services: recognising the need to cultivate a culture of inclusion

Embracing a policy of diversity and inclusion (D&I) has increasingly been considered the norm for public services across the OECD, with a growing number of countries acknowledging the potential for these assets to improve service delivery and performance. Indeed, in 2011, the OECD’s *“Public Servants as Partners for Growth”* recognised the mounting evidence on the ways in which D&I contributed to improved organisational outcomes. It discussed how diversity could increase service quality- since civil servants who are more attuned to the variety of citizens’ different needs and preferences go on to design and deliver more accessible and responsive products. And it made the case for how innovation could flourish more easily by broadening the mix of perspectives and experiences the government workforce, helping keep groupthink at bay, and cultivating a culture where “outside-the-box” ideas could surface. Finally, it shared how increases in employee engagement resulting from a more inclusive workplace culture could also lead to greater efficiency and productivity: satisfied employees who could bring their “whole selves” to the office worked harder and better.

The proliferation of D&I strategies across public sector organisations signalled the growing awareness by public managers. By 2015, a joint OECD and EUPAN survey of EU member countries revealed that the majority of countries had diversity legislation and/or policies in place for their public service, whether stand-alone or as part of a broader public sector or economic strategy (Figure 1.1 below). Common targets of these D&I strategies included women, and people with disabilities, mature workers, members of the LGBTQ+ community and visible minorities (OECD, EUPAN 2015).

Figure 1.1. The proliferation of D&I policies, 2015

Source: OECD, EUPAN, 2015.

D&I policies in the public service continue on the top of the reform agenda for many governments. The 2019 OECD Recommendation of the Council on Public Service Leadership and Capability calls for adhering countries and partners to consider diversity and inclusion as fundamental values that public services should embody. Specifically, the instrument's first pillar sets out the importance of "ensuring an inclusive and safe public service that reflects the diversity of the society it represents, in particular through: (i) publicly committing to an inclusive, and respectful working environment open to all members of society possessing the necessary skills; (ii) developing measures of diversity, inclusion and well-being, and conducting measurement and benchmarking at regular intervals to monitor progress, detect and remove barriers, and design interventions; and taking active steps to ensure that organisational and people management processes as well as working conditions, support diversity and inclusion." (OECD, 2019). Earlier in the field of gender equality, the 2015 OECD's Recommendation on Gender Equality in Public Life called for adherents to "consider measures to achieve gender balanced representation in decision making positions in public life by encouraging greater participation of women in government at all levels, as well as in parliaments, judiciaries and other public institutions." (OECD, 2015b).

However, "next generation" D&I policies look much differently than their predecessors. The D&I strategies of the past- identifiable by such terms as affirmative action or equal opportunity employment- are conceding to different approaches that aim to move diversity away from simply a numbers game, and more towards the recognition of the compounded intersectional consequences of race, gender, gender identity, sexual orientation, ability, and many other dimensions, on individuals' life (and work) experiences (Crenshaw, et al 2013). Through the lens of intersectionality, D&I strategies have become more about creating an organisational culture of inclusion and respect for individuals' differences, rather than on

focusing on those differences in well-intentioned, but unfortunately often counterproductive, ways.

Figure 1.2 below illustrates that many dimensions that influence an employee's identity and specific life (and work) experiences, which are determined by the interplay between all. Indeed, "one size fits all" approaches in D&I initiatives can have limited impact. Not all women in an organisation are the same, for example, and therefore the faulty premise of designing strategies around homogenous groups will have limited impact. Several OECD member countries have renewed their D&I strategies with the broader issue of inclusion at their core (see Box 1.1). By recognising the multitude of facets that ultimately make-up individuals' identities and experiences, D&I strategies that adopt the perspective of intersectionality therefore view their end-goal inevitably as cultivating a culture of inclusion, since it would be impossible to address each employee individually.

Figure 1.2. Intersectionality highlights the complex interplay that can determine individuals' experiences at work

Source: City of Edmonton Diversity & Inclusion Framework and Implementation Plan.

Box 1.1 Towards a greater focus on a culture of inclusion: renewed D&I strategies in select OECD member countries

The region of New South Wales Public Service Commission (PSC) Advisory Board in Australia commissioned research on what diversity and inclusion means for the NSW public sector and why it is important. The report stated that: “A definition of diversity that includes listing all the types of difference will not resonate with the way employees understand diversity. A broad, non-categorical approach recognises the types of difference with which people identify as part of the many aspects of diversity.” Diversity is seen as inextricably linked with inclusion, which is defined in the same document as: “the act of enabling genuine participation and contribution, regardless of seen and unseen characteristics, which results in employees feeling safe to bring their whole selves to work”.

The UK’s Workforce Plan of 2016-2020 sets out a challenging ambition for the civil service to become “the most inclusive employer in the UK by 2020”. The specific D&I strategy for “A Brilliant Civil Service” states that “a more inclusive working culture will help us to deliver better outcomes for the public by engaging all staff more effectively regardless of their background, leading to greater productivity and reduced staff turnover. A more inclusive culture will help us to attract the kind of diverse, expert and dedicated talent we need to recruit and retain in the civil service.”

New Zealand’s D&I strategy explicitly recognises that “developing a more diverse workforce is not just about ethnicity. Diversity involves gender, age, disability, sexual orientation, education, national origin, and religion. Diversity encompasses a broad spread of experience, culture, perspective and lifestyle of those who live in New Zealand. Similarly, developing State services that are inclusive ensures our people and the people we work with and for feel valued, supported, and respected. We are committed to building a culture where New Zealanders can achieve their full potential.”

Sources: New South Wales: <https://www.psc.nsw.gov.au/workplace-culture---diversity/diversity-and-inclusion/a-conversation>

United Kingdom:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/658488/Strategy_v10_FINAL_WEB6_TEST_021117.pdf

New Zealand: <http://www.ssc.govt.nz/diversity-and-inclusion>

The goal is to allow every employee to bring their full selves to work rather than “cover” any aspect of their identities. Indeed, covering is a widespread phenomenon which limits performance. It happens when individuals manage or play down parts of themselves in order to better fit in at work. Covering has been shown to negatively affect individual’s sense of job satisfaction and diminish their commitment to work. The amount of covering varies according to diversity group but Yoshino and Smith (2013) found that 61% of employees cover their identities. The lowest rate of covering was in white males. Yet even among this group, 45% still reported covering at least one dimension of their lives at work such as religion, working class background or veteran status. Indeed, many people fear the potential repercussions of sharing their full identities in the workplace. The perceived threat of bullying or harassment for some groups is real, with tangible effects on their levels of work engagement. For example, respondents to the 2018 Australian Public Service employee census who identify as Indigenous, LGBTI+, or as having a disability, perceived

higher rates of bullying and/or harassment compared to respondents who did not identify as part of a diversity group (Figure 1.3)."

Figure 1.3. Perceived experiences of harassment and/or bullying by APS employees of diversity groups

Source: Australian Public Service Commission.

Furthermore, while it could be argued that while the case for D&I remains relevant, modern-day priorities for D&I strategies are centred also on regaining trust: both that of citizens' and employees'. Indeed, ensuring public institutions reflect the societies they are beholden to represent and serve has become essential to rebuilding confidence following the recent crisis (OECD, 2009, 2011). Demonstrating to citizens that government is serious about instituting the public values of fairness and impartiality within its own ranks has become paramount. And for the many civil servants who faced the brunt of austerity measures following the crisis, D&I policies are also a means to boost engagement and attract and retain top talent (OECD, 2016). In short, governments cannot be regarded as legitimate advocates of equality and integrity if they themselves are not perceived as models of those same policies and values. In today's context, diversity and inclusion need not be justified by a business case, but quite simply because they are the right thing to do for citizens and public employees alike.

Additionally, changing social norms concerning what exactly constitutes a diverse workforce are also behind the renewed push for a more representative civil service and the need for evolving D&I strategies. Groups that may have experienced stigma in the past find greater acceptance today. Ensuring workplaces are reflective of these changing norms should be a constant exercise for organisations, and especially public sector organisations who face a greater onus to lead the way on inclusion and become model employers in the labour market. In 2013, for instance, the World Health Organisation celebrated the first World Mental Health Day- an act that would have been unconceivable decades before, and reflected changing perceptions concerning mental illness. Indeed, OECD research ("Sick on the Job? Myths and Realities about Mental Health and Work", 2012), reported that at any given moment, on average around 20% of the working-age population in the OECD is suffering from a mental disorder that reaches the clinical threshold for diagnosis. Lifetime

prevalence has been shown to reach levels up to 50%: that is, one person in two will have a mental health problem at some point in their lifetime. Concerning people with disabilities more broadly, across the OECD, one in seven people of working age regard themselves as having a chronic health problem or disability which hampers their daily life, rising to more than one in five in some countries (OECD, 2010). While discrimination against people with mental health disorders still exists, today the stigma is fortunately on the decline as a growing number of people feel comfortable coming forward with their conditions in the workplace. D&I strategies must therefore adapt to take into account these groups' specific concerns and needs.

Box 1.2. Elimination of medical reasons and disqualifiers in Spain to access the public service

Spain's Council of Ministers signed an Agreement on the 28th December 2018 approving Instructions to update the calls for exams for civilian and military officials, health professionals and administrative staff with the aim of eliminating medical reasons and disqualifiers for access to public service.

Thanks to this new Agreement, Spain is advancing in the elimination of the generic exclusions of the selective processes of potential candidates with illnesses that do not prevent the normal development of the tasks entrusted to public employment. Therefore, a person could only be excluded if, on an individual basis, it is determined that his or her health condition affects the performance of the essential functions of the position.

The idea that underlies in this Agreement is that on the basis of existing scientific evidence, there is no reason for disqualification from any area of public employment on grounds of medical diagnosis only, as this would amount to stigmatisation. Disqualification should be based on clinical grounds instead.

The main outputs of the Agreement are:

- Suppressing HIV, diabetes, celiac disease, psoriasis from the list of causes of medical exclusions required for access to public employment
- Limiting HIV, diabetes and psoriasis from the medical exclusion list from selection processes in the Armed Forces and Security Forces
- Reviewing and updating the remaining causes provided for in medical exclusions catalogues for the access to public employment, in line with the scientific evidence available at the time of the call
- Urging competent bodies to amend the regulatory provisions covering HIV, diabetes, celiac disease, psoriasis and other medical conditions which, according to the proposed revisions, should not be causes for general disqualification from public employment.
- Setting up an inter-ministerial working group, to be chaired by the Secretary of State for Public Administration, for the enforcement and follow-up of the provisions in this Agreement

Therefore, a great step is being taken towards equality and non-discrimination in access to public employment, as well as in the recognition of the dignity of people suffering from these diseases. It is also the first European legislation in this direction.

To provide another example, acceptance for the LGBTQ+ community in OECD countries has also been growing on average in the OECD (Figure 1.4). Between 1981-2014, those reporting acceptance in opinion polls increased, and in some countries like Norway almost doubled (OECD, 2017a). By 2015, same-sex marriages were legal in 16 OECD member countries. Acceptance of transgender people specifically has grown in recent years in many countries. In 2016, the U.S. Department of Education Office of Civil Rights and the U.S. Department of Justice Civil Rights Division issued guidance to schools on transgender students whereby no students would be asked to prove or otherwise document their gender identity, a landmark decision for the community. Opinion polls show a similar trend: acceptance of transgender children is growing trend in the OECD- about 40% on average in the OECD. (OECD, 2017a).

Figure 1.4. Diversity strategies need to continually adapt to changing social norms

Evolution of the acceptance of homosexuality in OECD countries between 1981-2000 and 2001-2014

Source: OECD 2017a: <http://www.oecd.org/els/soc/LGBTI-in-OECD-Countries-A-Review-Valfort-2017.pdf>

A third changing social norm concerns working age. While in the past more mature workers may have been expected to retire, today, it is becoming more common to see older workers in the labour force, because either retirement ages have been raised or because they choose to remain to stay active and engaged with their organisations (where retirement is not compulsory at a certain age). Indeed, the normal retirement age will increase in 18 out of 35 OECD countries for people entering at age 20 (Figure 1.5). In the countries where the normal pension age is increasing the average increase is 3.3 years from the pension age of today (OECD 2017b). Furthermore, effective retirement ages remain higher than normal retirement ages in many OECD countries, showing people are choosing to work longer (Deloitte Access Economics, 2012). Even when retired, traditional attitudes about what retirement entails are increasingly becoming obsolete, with many people choosing to continue to participate in the labour force in some way (i.e. part-time or for short periods). Box 1.3 below shares an example from the state of New South Wales in Australia which has in place several strategies to promote the retention of high performing mature workers through various means, as well as to ensure this knowledge is transferred to younger cohorts. Given that “ageing populations” is a trend in many OECD countries, ensuring

more high performing mature workers are enabled to remain in the public workforce can contribute to ensuring the needs of older citizens are reflected in policies and services.

Figure 1.5. Managing diversity of ages to become a greater priority: current and future retirement ages for a man entering the labour market at age 20

Source: OECD (2017b) Pensions at a Glance.

Box 1.3. Leveraging and transferring the knowledge of mature workers: the case of the state of NSW, Australia

The NSW Workforce Profile Report 2016 noted that the ‘NSW Public Sector is an older workforce compared to the broader NSW workforce. There was a higher proportion of NSW Public Sector workers aged 55 and over (24.5% compared with 19.0% in the greater NSW workforce).

Retaining high performing mature workers for longer can provide a greater window to capture and transfer their critical knowledge before they leave the workforce permanently. The 2010 Retirement Planning Survey found that there was an interest among mature workers in flexible work options as they approached retirement. The Survey found that some retention options were more attractive across the board to late career workers than others. In order of attractiveness to mature workers, the options canvassed for flexible retirement were:

Alternative job at the same salary

- Permanent part time
- Transition to retirement
- Temporary part time
- Flexi-time
- Working from home

- Job sharing
- Reduced responsibility
- Purchased leave
- Leave without pay
- Alternative job at a lower salary

Furthermore, the Commission encourages the establishment of Alumni networks, which are viewed as valuable because they allow managers in an agency to remain in regular contact with experienced employees who have retired. These networks sometimes exist informally, though organisational support for more formalised alumni network events can boost participation and facilitate post-retirement knowledge transfers.

Mentoring, coaching and job shadowing are activities which can help transfer knowledge to younger cohorts. The NSW Public Service Commission provides Departments with detailed guidance on how to implement an effective mentoring program is available in the NSW Government Mentoring Made Easy: A Practical Guide booklet. It sets out the responsibilities of both mentors and mentees, as well as sets out steps for establishing mentoring programmes including the importance of mentoring agreements, prior training for mentors and ongoing support and evaluation of participants.

Lastly, restructuring work practices has been recommended to accommodate mature workers. Organisations are encouraged to: undertake job analysis to determine if flexibility exists in any positions amend policies to support health, welfare and work-life balance; investigate and trial options for flexible working arrangements; enhance collaboration and information flow across the organisation; use lateral promotion and position changes to broaden individual skills by providing opportunities for workers to work in new areas; extend the opportunities for workers to become involved in the decision-making process, and ensure that the work is challenging and stimulating.

Sources: <https://www.psc.nsw.gov.au/workplace-culture---diversity/diversity-and-inclusion/age-diversity>
https://archive.dpc.nsw.gov.au/data/assets/pdf_file/0016/19330/Mentoring_Made_Easy_A_Practical_Guide_third_edition.pdf

Finally- and perhaps most importantly- a fourth reason behind the push for renewed D&I policies is growing frustration with the stalled progress that many public services have had over the past decade. Juxtaposed against some of the aforementioned changes in social norms, the sense of urgency to improve is palpable in many countries. Recent scandals involving harassment and assault, and resulting social movements such as the #MeToo campaign and the several global Women's Marches, among others, have only cemented the fact that there is much work to be done on discrimination against women and also against other individuals. The calls for a truly inclusive public service are growing louder.

Indeed, while improvements have been made in many areas, some equality outcomes remain out of reach. For example, while it true that more progress was made in some countries than others (i.e. Iceland, Norway), on average, the share of women in senior central government positions increased only marginally (3 percentage points) between 2010 and 2015, and stubborn wage gaps remain to this day (see Figure 1.6 and Box 1.4).

Figure 1.6. Change of women in senior civil service, 2010 and 2015

Source: OECD (2017c) Government at a Glance.

Progress on achieving greater racial and ethnic diversity, particularly at senior levels, has also been patchy in many OECD countries. Internationally comparable data are unavailable, but country-level results do indeed show much progress remains to be done. In the UK civil service for example, 12% of civil servants who declare their ethnicity are black, Asian, and minority ethnic (BAME). This has increased from 4% in 1988, but is still below the proportion of the whole UK population of 14%, as declared in the 2011 Census. In the United States, the Federal Office of Personnel Management published yearly reports to Congress on the Federal Equal Opportunity Recruitment Program from 2001 to 2016. While progress was made overall during this time in the representation of visible minorities in the federal civil service, their representation at senior levels remained low and stagnant. Between 2015 and 2016, for instance the percentage of minorities in the Senior Executive Service (SES) remained the same at 21.2%.

Wage gaps between different ethnicities have also been found in countries who collect and analyse this data. In New Zealand, where the public service is attempting to tackle this issue, they found that these have recently been worsening. Like the gender pay gap (Box 1.4), ethnic pay gaps can relate to occupational segregation or the occupation profile of a particular ethnic group. Māori, Pacific and Asian public servants are over-represented in occupation groups that are lower paid (Figure 1.7) for example.

Figure 1.7. Ethnic pay gaps still not budging in New Zealand, 2017

Source: New Zealand State Services Commission 2017 Human resources Capability Report.

Box 1.4. Stubborn wage gaps remain in the public service: why?

Several types of wage gaps remain in the public service today. These have been proven stubborn to address despite proactive measures over the past decades to foster pay equality (equal pay for the same work) and pay equity (when the work of equal value, requiring similar qualifications, is paid the same). In general, the economic sector with the smallest pay gap is the public administration, however, even here a median gap of 8.7% exists (OECD, 2017d). This figure however varies widely across member countries who keep statistics on this key indicator (varying methodologies are used). In New Zealand, for example, the gap was 14% (unadjusted) in 2015 while in the UK's public administration it was a mean of 10.7% (ONS) in 2017.

There are several reasons for such gaps in the public service. In many countries with a career-based system in the public service, there is often a tendency to underestimate wage gaps linked to gender or diversity, as in principle, all employees have a wage based on a specific grid of pay and have promotion linked with seniority and experience. Yet the wage gap may persist in the public sector on average despite the pay grid as it also reflects composition effects: women may have fewer promotions, are less often appointed to senior positions and tend to be clustered in specific occupational groups.

Another recent study found empirical evidence of the gender pay gap (OECD 2017d). It found that the great majority (80%) of the gender pay gap is now driven by harder to measure factors, like conscious and unconscious bias that affects negatively on women's recruitment and pay advancement, and differences in choices and behaviours between men and women.

Source: OECD 2017d, New Zealand SSC (<http://www.ssc.govt.nz/unadjusted-gender-pay-gap>) and UK's ONS (Guide to the Annual Survey of Hours and Earnings (ASHE) gender pay gap tables).

2. Why did D&I strategies stall? Lessons for public employment practitioners

There are several reasons why countries may have fallen behind their D&I aspirations over the past decade. Firstly, it is important to recognise that many contextual factors can have an adverse impact on the success of D&I policies: economic downturns tend to effect minority groups more strongly, for example, and the global economic crisis of 2008-2010 had a disproportionate impact on different groups of workers. Austerity measures in many countries further stalled investments in D&I. Wage and hiring freezes stalled efforts to equalise pay or improve the representation of minority groups in government and senior positions. Furthermore, political priorities shifted in many countries following the crisis with D&I targets falling in relevance.

Second, while social norms are evolving, significant cultural barriers still exist. For instance, a recent OECD study found that- as a social norm- women continue to spend far more hours than men on unpaid childcare and housework, and in most OECD countries, women spend more total time on paid and unpaid work than men do. Women's hours in unremunerated work restrict the time they can spend in paid work, a pattern seen both within households and at the cross-national level. This may be one key factor as to why part-time work remains more attractive to women. Until gender norms change around household responsibilities, pay gaps may remain difficult to fully eradicate. (2017d).

Organisational culture can similarly be challenging to address. Organisational culture is very complex consisting of assumptions, values and artefacts (Schein 1985) of employees at all levels of the organisation. Assumptions are deeply engrained, even subconscious views held by employees; these assumptions can underpin values which are the perceived preferences for certain outcomes over others; assumptions and values can manifest then into concrete traditions and practices. In terms of achieving cultural change, there are two schools of thought, one hypothesizing that one set of organisational values can be substituted by another set of values (integration theory); and another claiming that a more complex ecosystem of subcultures exist in organisations, some which can be more or less dominate- and even compete- during different times (differentiation theory), (Parker, Bradly, 2000). Cultivating a culture of inclusion therefore is a complex challenge which entails tackling attitudes and behaviours, as well as recognising that reconciling those different attitudes and behaviours will be challenging and may even cause conflict.

There is indeed evidence that a “tipping point” might exist in terms of the critical mass needed to begin to change a broader group's assumptions and beliefs. Small groups of people can flip firmly established social conventions, as long as they reach a certain critical mass. What may once have been considered the norm in an organisation can change if a group is sufficiently represented and willing to push for change. Research has varied on the extent to which a minority group must be represented for this shift to occur- this point has varied anywhere from 10% as simulated in some mathematical computer models (J. Xie, et al. 2011), to up to 25% in other social experiments (Centola, et. al, 2018). The changing incentive structure dictated by the critical mass was sufficient to cause behaviours in social coordination and change conventional behaviours.

In reality however, where incentives are less clear, and psychological, and emotional factors make changing behaviours more difficult, tipping points of between 30-40% have been found. Many companies, especially law firms, are increasingly committed to adhering

to the “Mansfield Rule” which, based on the tipping point research, states that 30% of candidates for leadership roles should be minorities. If minorities are insufficiently represented, the impact on behaviour and decision-making is, on average, negligible.

Finally, there are factors related to the design and implementation of the D&I strategies themselves which can limit impact. For instance:

- **D&I strategies are often seen as “window dressing” and fail to address employees’ and employers’ deeply engrained views and assumptions:** Changes in organisational culture cannot be achieved without seeking to modify attitudes and behaviours at all levels of the organisation. This can be an extremely challenging undertaking as many unconscious (and conscious) biases can often work against well-intentioned D&I initiatives. When D&I strategies remain unsuccessful these are instead often viewed as “window-dressing” policies and not considered seriously by leadership and employees alike. Policy interventions based on findings from behavioural sciences have aimed to responsibly “nudge” inclusive views and behaviours in public sector organisations.
- **Inclusive leadership competencies may be lacking across all levels of the organisation:** the role of leaders in bringing about a culture of inclusion is key. Anyone from senior officials to team leaders should display inclusive leadership skills aimed at making employees feel accepted, respected and enabled to contribute at their full potential. Managing potential conflicts arising from growing diversity and inclusion is also a necessary skill of inclusive leaders. Ensuring leaders receive training and development opportunities on inclusive competencies, integrating inclusive leadership skills in existing competency frameworks, and rewarding inclusive leaders through performance evaluations are still emerging policies in the public sector. The quality and communications around the training, however, must be carefully crafted to ensure it is not seen as a remedial measure that discourages managers.
- **Public sector organisations may not be fully leveraging data and evidence to inform and monitor their D&I initiatives:** D&I strategies require ongoing monitoring and assessment to inform their design and ensure implementation and maximise impact. Countries have various resources at their disposal including administrative data, data from employee surveys, or specific analytical tools (i.e. “inclusion indices, diversity trackers, etc.”) to support benchmarking or examine particular groups or processes in greater detail. Emerging methodologies like HR or workforce analytics are being used more frequently to capture intersectionality and better inform policies. A general shortage of data science skills in the public administration, and legal constraints about the types of data that can be collected may hinder some countries more than others. Likewise, employees’ self-reporting and privacy considerations for reporting on these areas remains a challenge.
- **Countries may fail to establish the adequate governance mechanisms for more effective and accountable D&I policies:** To be successful, D&I strategies must be supported by effective governance mechanisms that serve to promote coherence across agencies while respecting the individual inclusion needs of individual organisations. Governance mechanisms that balance a top-down with bottom-up approach help ensure accountability for results while also ensuring that the concerns of employees are continuously reflected in policies. The availability of complaints systems for employees are important to report harassment and/or

discrimination, however those with the option for mediation with managers have been shown to be the most effective over those focusing exclusively on

The following sections will address these four existing limitations calling upon good international practices for successful implementation of D&I policies.

3. Applying behavioural approaches to responsibly “nudge” towards greater diversity and inclusion

As mentioned earlier, one of the key limitations of past D&I strategies has been to underplay or entirely neglect the importance of addressing employees’ assumptions and behaviours, as well as the potential conflicts that can arise from growing diversity in organisations. People’s attitudes and behaviours are a result of two types of thinking: reflective, deliberate thinking as well as automatic, or unconscious thinking- both are imperfect. Concerning the latter for example, individuals may have biases or adopt heuristics (mental shortcuts) in decision-making that discriminate or limit their openness and willingness to accept and include others. As a result, individuals may not only alienate or outright offend colleagues and subordinates- creating a closed organisational culture that may be conflictual and does not foster belonging- but also make important people management decisions such as hiring, promotion or performance assessment in ways that reinforce discrimination and exclusion systematically in organisations. Box 3.1 below features some of the common unconscious biases and cognitive heuristics which can make tackling organisational culture an uphill battle.

These biases are also at the root of conflict arising from diversity, which is also a major roadblock to behavioural and cultural change towards inclusion. Conflict on the job arising from diversity can arise from task conflict and emotional conflict. If work group members differ with respect to a highly job-related demographic attribute, then their divergent experiences and knowledge are apt to be pertinent to the task, and incongruent task perceptions are likely to emerge with respect to their tasks. While task conflict is largely shaped by the job-relatedness of diversity and tenure on the job, emotional conflict is shaped by a more complex set of forces, including biases. These hostile interactions constitute emotional conflict, clashes characterised by anger, resentment, and other negative feelings. As diversity within a work group increases, individuals generally will have more exchanges with those in different social categories. People in different social categories will be directly confronted with each other’s negative stereotypes and self-serving biases, and emotional conflict may become more pronounced (Pelled, L. et al, 1999).

Box 3.1. Who is getting in the way of inclusion? We are. Unconscious biases and cognitive heuristics that affect how we see ourselves and others.

There are several types of unconscious biases or mental shortcuts which can affect how we view ourselves and others. These not only influence relationships with others, but important HRM decisions:

Affinity bias: liking people who are similar to us or remind us of someone we like.

Representativeness heuristic: occurs when decision-makers infer competence of a candidate by looking at a limited amount of information.

Availability heuristic: The representativeness heuristic becomes particularly problematic if recruiters also make decisions based on information that comes to mind most easily. For example, they may be able to call to mind more recent events more easily, and therefore

overweight the performance of a candidate on the last of a series of tests, or may undervalue the performance of the first candidate in a series of interviews.

Confirmation bias: searching for and interpreting information that confirms one's existing ideas and beliefs. When doing online searching, for example, a hiring manager may look mostly for information that confirms their initial impressions of a candidate and which may be irrelevant to their on-the-job performance.

Egocentric bias: considering one's own characteristics more heavily than the characteristics of other people.

Groupthink: occurs among groups of people where dissent and deliberation is side-lined in favour of harmony and conformity; where individuals suppress their own opinions to not upset the perceived group consensus (i.e. social desirability bias).

Halo effect: describes how judgements about some aspects of an object may influence how other aspects of the same object are judged. The halo effect may lead recruiters to base their judgements too heavily on a salient piece of information from a CV for example.

Out-group homogeneity: the perception that everyone from a different group than our own is similar.

Self-serving bias: the tendency to believe that success is linked to people's own characteristics but failure is linked to external factors.

Status quo bias: may cause employers to feel more comfortable to look for candidates who are similar to candidates they have hired before. Equally, the endowment effect may lead managers to value skills and characteristics of current staff disproportionately: possibly blinding them to the benefits of other characteristics.

Stereotype threat: a phenomenon where members of a stereotyped group often perform worse on tests (a naturally stressful situation) when their identity as part of that group is highlighted or they are primed to think about it; a phenomenon that psychologists call stereotype threat.

Source: "A head for hiring: the behavioural science of recruitment and selection (2015)": <https://www.cipd.co.uk/knowledge/culture/behaviour/recruitment-report#>; https://www.cipd.co.uk/Images/a-head-for-hiring_2015-behavioural-science-of-recruitment-and-selection_tcm18-9557.pdf

Modern diversity strategies acknowledge these biases and mental shortcuts, and the potential for conflict arising from diversity. Some are experimenting with initiatives based on behavioural sciences to try to overcome them. The application of behavioural insights to policy has its origins in the relationship between cognitive science, psychology and economics and the use of methods imported from experimental psychology. It often involves the use of experiment and observation to identify patterns of behaviour and use these findings to inform policies and regulation. It is about taking an inductive approach to policy-making, where experiments replace and challenge established assumptions based on what is thought to be the rational behaviour of citizens and business. In this way, behavioural insights inform decision makers with evidence of "actual" behaviours for policy making and implementation, while not substituting their role or competence to make decisions with models and calculations. They can therefore learn how to better "nudge" towards more impactful policies (OECD, 2017e).

Inclusion nudges, for example, mitigate unconscious bias and bring about change in organisations. Inclusion nudges can take several forms: they can consist of exercises to

raise awareness of implicit biases, they can constitute changes in processes in order to help make inclusion the default or norm, or they can target communications to ensure they are neutral and inclusive. See Box 3.2 below on some types of inclusion nudges currently used in organisations from both the public and private sectors which include awareness-raising interventions, process changes, and framing nudges.

Box 3.2. Inclusion Nudges and the Inclusion Guidebook

Inclusion nudges are designed interventions based on behavioural and social science insights. These mitigate unconscious bias and make inclusion the norm and default in systems, cultures, and behaviours.

The “Inclusion Nudges” organisation was founded by two experts in 2013 as an online initiative. It is a non-profit peer-to-peer exchange connecting people on nudging to make impact for increasing inclusion. The organisation releases annual Inclusion Nudge Guidebook containing examples of good practices. The 2016 Guidebook featured three categories of inclusion nudges:

- **Feel-the-need nudges (raising bias-awareness):** These link directly to people’s emotions and desire to do what’s right by bringing their attention to unconscious biases that they can immediately see as unfair. Such exercises serve to reveal to leaders hidden patterns where bias can crop up and interfere with their objectives for fairness and equity. For example, individuals might be asked to list all the famous leaders they can think of, as a way to see if their lists are diverse or if they reflect a limited worldview. Other feel-the-need nudges might involve showing employees pictures of their organization’s executive committee or partners to highlight a lack of diversity. In another “feel the need” inclusion nudge, senior leadership were brought together and shown a photo of the 130 male and female employees who would be at the sponsorship level. They were asked, how many did they know? They responded with the names of many of the people pictured. Then, they were shown a photo that pictured only the women. The comparatively silent room inspired greater support for the programme.
- **Process nudges:** these interventions focus on decision-making. For example, instituting ongoing real-time performance feedback rather than conduct annual performance reviews helps avoid “recency bias,” in which supervisors take into account only their employees’ most recent work. Other process nudges include removing identifying information regarding a job applicant’s name and gender until later in the interviewing process, or holding “blind” interviews (where at least one interviewer is present via telephone).
- **Framing nudges:** encourage people to reframe the way they look at the world by changing the language they use. “Flipping the default” is one example of reframing decisions. Within committees deciding which employees in an organisation deserve promotion, for example, the Guidebook suggests that instead of making a list of candidates ‘who are ready’ and discussing why the committee thinks so, committees can choose the default stance that that ‘all are ready’ and then discuss why each candidate is not. This simple switch in mind-set removes at least some bias from the process because it ensures that everyone is considered for advancement, not just a select few. To provide another example, when building their pipeline for international assignments, companies might use standard

questions in career planning like ‘Will you take an international assignment?’ or ‘Are you international mobile?’. The authors explain that men and women do not perceive these questions the same way and suggest to rephrase them, e.g., to ‘Will you consider an international assignment at some point in the future?’. They report that this nudge actually led, in one year, to a 25% increase of women saying they would consider an international assignment. A similarly strong impact can be reached by changing 30% women in leadership target to a maximum 70% homogeneity target (by gender, generation, race, ethnicity or education).

The Inclusion Nudges Handbook is a free online resource for practitioners.

Source: <http://inclusion-nudges.org/>

One specific application of behavioural approaches concerns hiring and promotion. In the UK (see Box 3.3 below), the behavioural insights unit of the prime minister’s office incorporated findings from its research on unconscious biases in the recruitment process to develop a new software application for assessing candidates. The Applied tool has yielded interesting results: of the successful candidates chosen through the Applied platform, 60% would not have been hired with a typical CV. Similarly, the Behavioural Insights Unit in the state of New South Wales, Australia, provided advice to the state Public Service Commission on how behavioural insights could be used to increase public sector workforce diversity. It published an informational note that outlines behavioural biases that can affect decision-making in the attraction, selection and promotion of employees and evidence-based interventions to combat these unconscious biases (see also Box 3.4)

Box 3.3. Behavioural approaches to remove biases from hiring: the case of Applied in the UK Civil Service

Mental shortcuts often help us to make quick decisions in a busy world, but in the context of recruitment, they can perpetuate race, gender, and socioeconomic inequality. Applied was developed by the UK Behavioural Insights Team (BIT) – or ‘nudge’ unit – the world’s first government institution focused on applying behavioural science to policy. Applied is the first tech product spinout of the ventures arm of the BIT. The platform was designed using behavioural science to help organisations find the best candidates based on their talents. The system has key features to remove bias including:

- Gendered language detection: The platform uses text analytics to find and remove bias and stereotype threat from job descriptions, and also links the final hiring outcome with that job description so future improvements can be made with machine learning.
- Readability scorings on job descriptions: allows users to craft more open and inclusive job descriptions.
- Bias-free review process: Once people have applied for the job, the technology is used to: anonymise the applications, break them into chunks, randomise the order for review, and share them across the hiring team. Applications are then scored by question, not by candidate, with each question being given a weighted points score.
- Real-time diversity data: The platform also provides real-time diversity data and analytics on who is applying for the job and who is dropping off at each stage of

the application, so that organisations can identify which stage of their hiring is preventing greater diversity.

The platform has been used for hiring by several organisations in the UK Civil Service It is also being piloted in the Australian government in the Department of the Prime Minister and Cabinet, and by the Singaporean government, in the Ministry of Manpower. Thus far, more than 16,000 applicants and 6,000 managers have used the platform. Graduates hired through the platform have so far been completely gender equal.

Source: <https://www.beapplied.com/>; https://apolitical.co/solution_article/nudge-equality-platform-fighting-bias-behavioural-science/

In addition to behavioural interventions focused on the employee lifecycle (i.e. attracting, recruiting, promoting, etc.), the behavioural lens has also proven valuable in influencing the adoption of policies related to working conditions, which have been proven as equally essential drivers to attracting and retaining a diverse and inclusive workforce. Flexible working schemes are common in diversity and inclusion strategies; however, the issue is adoption and acceptance of these schemes as part of organisational norms has traditionally been a limitation to maximising their impact. Employees are often reluctant to take-up of such policies, either due to perceived repercussions to career opportunities and development, or as a result of signalling from managers. Behavioural interventions in such cases (see Box 3.4) have proven to help change norms in favour of adoption. The uneven adoption by certain groups (in this case, women), imply that such interventions served to legitimise and foster greater acceptance in the organisation of flexible working schemes.

Box 3.4. Promoting flexible working hours through behavioural interventions: the cases of Australia's State of New South Wales

Driving diversity in the NSW public sector is a key priority of the NSW Government. The NSW Government has committed to: doubling the number of Aboriginal and Torres Strait Islander peoples in senior leadership roles increasing the proportion of women in senior leadership roles to 50% in the government sector in the next 10 years. The NSW Government also has strategies to increase the participation of mature workers and people with a disability in the public sector.

The BIU conducted trials with the various Departments to encourage staff members to modify their habitual commuting behaviours and avoid travelling to and from work in the peak hours. They did this by encouraging take-up of existing flexible work policy. The trial involved changing workplace defaults that had encouraged employees to work the standard 'nine to five', by disrupting informal workplace culture and norms on workplace flexibility. Researchers also incentivised teams to try either arriving earlier and leaving earlier, or arriving later and leaving later. Three interventions were used:

- Outlook calendars: Normally, Outlook calendars show staff as available or 'active' from 8 am to 5 pm. The trial adjusted the default settings for 'active hours' on all staff Outlook calendars to reflect the standard core hours of 9.30 am to 3.30 pm.
- Manager messages: staff normally entered the building through electronic turnstiles, which recorded each person's entry and exit times. Data from the turnstiles showed that employees tended to match the working hours of their directors, over and above their line managers and the rest of the senior executive.

Directors were shown this data, and were prompted to speak to their teams about flexible work. The BIU used behavioural insights to improve existing corporate resources, making them easier to access and understand, and thereby reducing frictions and information asymmetry.

- **Competition:** the BIU ran a team-based competition in the workplace to encourage staff to avoid peak-hour travel. The aims were to encourage them to adjust their commuting behaviour and try other forms of flexible work such as working remotely. The competition incorporated several behavioural insights elements, including social comparison, social norms, and incentives through competition points and a competition prize. There was performance feedback through a competition leader board that showed each team's ranking in comparison to other teams.

Six months after the trial ended, the BIU found that the proportion of work arrivals outside peak hours had increased 8.6 percentage points and that the proportion of work departures outside peak hours had increased by 3 percentage points.

Most interestingly, the results were more noticeable among women. Although both women and men were responsive to the trial's interventions, the impact was particularly pronounced with female staff. It is likely the competition had a legitimising effect on women's preferences for flexible work behaviour.

Source: NSW BIU 2018 report: <https://bi.dpc.nsw.gov.au/assets/dpc-nsw-gov-au/files/Behavioural-Insights-Unit/files/67b0800ebf/2018-Behavioural-Insights-Report.pdf>

But while approaches based on behavioural sciences show promise, it is important to note the results are still mixed, particularly on unconscious bias training. For example, some have shown that such trainings may unintentionally encourage more biased thinking and behaviours. By hearing that others are biased and that it is 'natural' to hold stereotypes, individuals may feel less motivated to change. Some studies argue in favour of procedural or framing nudges since any patterns around bias persist even when they were discussed, reflected and composed over series of events and through informational tools. Indeed, it follows that behaviours should change in response to attitude change. But often the opposite is the case- attitudes change after changing first changing behaviours. Countries should take note of such trends in the choice and design of their inclusion nudges, selecting interventions based on evidence and following-up by evaluating their impact.

Moreover, the design and application of behavioural interventions in the field of D&I may require that HRM departments invest in the relevant expertise. Behavioural interventions should be founded on data and rigorous prior experimentation, often an additional expense that agencies cannot burden. A centralised approach therefore could help scale-up results if certain policies are proven effective. Lastly, the long-term results of behavioural interventions should be monitored, as effects can often dissipate with time requiring new approaches to be considered (OECD, 2017e).

4. Valuing and developing competencies for Inclusive Leadership

The emerging concept of Inclusive Leadership (IL) relates to and refers to particular mixes of traits, soft skills and competencies that should be embodied and practised by leaders so that employees feel included and valued in their workplace. “Leaders” in this context therefore can refer to almost any person in an organisation, especially senior managers, but it can also refer to project or programme leads or equivalent functions (OECD, 2001; Deloitte, 2018). The underlying premise of inclusive leadership frameworks is that the set of socio-economic and workplace challenges facing leaders requires a different mind-set and skill set than in the past. For governments and organisations, this conceptual shift implies structural realignment of key business process such as recruitment, performance management and leadership development programmes.

Several frameworks for inclusive leadership have been developed in the field of people management. One of the most recognised originates from a Deloitte study (see Box 4.1), which has mapped six specific traits associated with inclusive leadership. The traits individually are not innovative, but their combination in the context of cultivating a culture of inclusion is important as a missing component of past D&I strategies. Catalyst Research Group, a US non-profit organisation focussing on the empowerment of women in the workplace, presents a smaller list of competencies, arguing that the presence of four traits in leaders – empowerment, humility, courage, and accountability – are indicative of an inclusive workplace. Mercer, a HR consulting firm, writes that inclusive leaders should reflect on their own judgements and biases; engage in constructive conversations; think and listen before talking; deepen self- and other-awareness; and provide individual feedback and coaching to hedge against exclusion behaviours (Janakiraman, 2011). Korn Ferry, a HR consultancy, cites cultural agility, openness to diverse points of view, the ability to motivate and inspire diverse teams and serve underrepresented groups is the way to facilitate and manage such business.

Box 4.1. Mapping out inclusive leadership competencies

In 2018, the in-house research arm of Deloitte, an accountancy and consulting firm, published a paper called The six signature traits of Inclusive Leadership. The paper examines four mega-trends related to diversity that they expect to impact on business priorities: the growing diversity of markets, of customers, of ideas and of talent. To capitalise on these trends, Deloitte advises leaders of organisations to develop Inclusive Leadership. It frames the concept as “a new capability that is vital to the way leadership is executed.” The study suggests that Inclusive Leadership is about treating people and groups fairly, understanding and valuing different points of view, and making the most of diverse thinking to make good decisions.

Table 4.1. The six signature traits of Inclusive Leadership

Trait	Behaviour
Commitment	Leaders become Inclusive leaders when their belief Diversity & Inclusion aligns with their personal values around fairness and equality of opportunity. This commitment is underscored by an “authenticity” in matching verbal commitment with resource allocation to address inclusion.

Courage	Inclusive leaders need to be courageous in challenging entrenched attitudes or ways of doing things. This type of courage operates at three levels: with others, with the system and with themselves.
Cognisance of bias	Inclusive leaders are aware of their natural biases. However, more than challenging themselves, they take active steps to confront entrenched attitudes by re-tooling policies, processes and structures to mitigate bias at an organisational level.
Curiosity	Inclusive Leaders have an open mind, are aware of their limitations, and are able to tolerate ambiguity in the pursuit of innovative solutions to complex problems.
Culturally intelligent	In a globalised world, working across cultures and boundaries has become the norm for many industries, including the public sector. Being culturally intelligent is about “managing the stress imposed by a new or different cultural environment as well as situations where familiar environmental or behavioural cues are lacking.”
Collaborative	Effective collaboration in today’s workplace means that leaders no longer control the flow of ideas. For many, this is a striking cultural shift as it implies encouraging employee autonomy.

The underlying concepts of inclusive leadership can easily be reconciled into existing leadership frameworks. Indeed, inclusiveness as a public sector value is particularly well aligned with existing leadership models focused on values-based leadership and the notion that public managers can lead by instilling and promoting a series of fundamental values (Crosby & Bryson, 2018). Although there is no commonly agreed definition, most academic and mainstream publications that discuss value-based leadership focus on a set of core traits, characteristics, principles or pillars. Value-based leaders usually display a high degree of self-awareness, and are able to draw on and leverage the values of their colleagues as a motivating factor for both themselves and their teams. Inclusiveness can be perceived as one of the values that leaders must embody.

Box 4.2. Linking inclusive leadership traits to competency frameworks for senior civil servants: country examples of an emerging practice

Australia

The Australian Public Service Commission (APS) has embedded a focus on diversity in its Senior Executive Leadership Capability framework. The framework’s five components include: (i) achieving results; (ii) shaping strategic thinking; (iii) exemplifying personal drive and integrity; (iv) communicating with influence; and (v) cultivating productive working relationships. Valuing individual differences and diversity is a core component of this final element, where senior leaders are called to specifically display the following traits:

- Supporting and respecting the individuality of others and recognising the benefits of diversity of ideas and approaches;
- Recognising different skill areas and levels of expertise.
- Understanding others and responds to them in an appropriate way.

Canada

In late 2016 the Canadian Government set up task force to examine the state of diversity and inclusion across the federal public service. The Joint Union/Management Task Force on Diversity and Inclusion in the Public Service acknowledges the critical role of leadership in promoting diversity and cultivating a culture of inclusion. One of the earliest recommendations has been the integration of Inclusive Leadership competencies into its existing competency and evaluation frameworks for leaders. Specifically, recommendation 43 of the Task Force urges the updates of public service employees' competency profiles to include the following as essential qualifications and asset criteria:

- intercultural effectiveness behaviours
- cultural awareness
- skills related to diversity and inclusion

Additional OECD member countries are following suit with similar initiatives, implementing changes to systems and processes to bring about a more diverse workforce headed by leaders who see inclusion as an imperative and asset. Austria, for example, launched a cross-mentoring programme in 2005 to help staff at various levels of ministries link up with more senior and experienced mentors from other line ministries to share experiences and challenge received wisdom. The Public Service Management Commission in Denmark has published a series of toolkits aimed at developing the soft skills of managers in the public service, particularly with a view to enhancing competencies to facilitate inclusion and diversity of thought. The competency framework for top civil servants in Estonia emphasises many of the traits often found in Inclusive Leaders, such as 'empowerer', 'value-builder', and 'innovation booster'.

Sources: <https://www.canada.ca/en/treasury-board-secretariat/corporate/reports/building-diverse-inclusive-public-service-final-report-joint-union-management-task-force-diversity-inclusion.html>

Australia Public Service Commission : <https://www.apsc.gov.au/senior-executive-leadership-capability-framework>

As mentioned earlier, one of the often neglected aspects of implementing D&I strategies is mitigating the potential conflict that can arise as a result. While certainly there are economic and operational performance benefits to be gained from growing diversity, there can also be some costs that leaders must pre-empt and address effectively. Indeed, research shows that while there are benefits to heterogeneity in groups and organisation, more homogenous groups do have the advantage of avoiding the process loss associated with poor communication patterns and excessive conflict that often plague diverse groups (Jehn, Karen A., et al., 1999).

What's more, the links between inclusion and better performance are more nuanced than often presented in D&I strategies. Research has shown that while generally, there are benefits to diversity in terms of performance, diversity associated with values, and not social category, causes conflict in groups and has the greatest potential for enhancing both workgroup performance and morale. For group members to be willing to engage in the difficult and conflictual processes that may lead to innovative performance, it seems that group members must have similar values.

Therefore, in order to maximise diversity and inclusion, inclusive leaders must be equipped to manage this conflict effectively and to manage diversity in ways that yield positive results (Jehn, Karen A., et al., 1999). Few of the aforementioned inclusive leadership

frameworks address these key functions explicitly, and conflict management training is often not prioritised for leaders. Future leadership competency assessments and development programmes may wish to explore how these aspects could be strengthened in the context of maximising the benefits of inclusion in teams and organisations.

The emerging challenge rather is integrating inclusive leadership frameworks into existing competency frameworks and learning and development programmes. This serves to engrain values of inclusivity in the top echelons of public organisations, and create a sense of accountability for adhering to these values.

Research however tells organisations a cautionary tale about diversity and inclusion training. If mandatory is often used as a remedial measure for “problem” groups or areas, specific D&I training for managers can backfire. Voluntary training on the other hand was shown to increase representation of minorities (Dobbin, Kalev, “Why Diversity Programs Fail”, 2016).

5. Leveraging data and evidence to inform, monitor and assess D&I strategies

One of the reasons past D&I policies may have had limited impact is due to the lack of available data to identify barriers to inclusion and monitor implementation. However, more and more countries are realising the benefits of leveraging data and evidence to the benefit of their D&I policies, and are making the necessary investments to move forward on this front. Such measures can “piggy back” on the broader trend of public sector organisations increasingly adopting HR or people analytics which- under the D&I lens- can better capture the complexities of diversity challenges and their potential solutions. HR analytics (also known as HR metrics or people analytics) is a practice whereby people-related datasets are analysed thoroughly to generate new insights. This usually involves merging different datasets (such as staffing, benefits, staff survey responses and performance metrics) to allow for more nuanced analyses. This marks a departure from linear approaches (regression analysis, correlations) which failed to consider the dimension of intersectionality which greatly influences the success rates of diversity initiatives.

Firstly, existing traditional HRM performance indicators, using data analytics, can be interpreted in vastly different ways depending on what specific groups are being analysed (see Box 5.1 below). These “deep dives” allow managers to focus efforts more precisely and effectively.

Box 5.1. Using traditional HRM administrative data to assess inclusion

Existing HRM performance indicators, assessed from the point of view of diversity, can offer telling insights on potential barriers to inclusion. The following standard indicators, dissected in terms of gender, race, socio-economic background, sexual orientation or other factors, can help managers identify issues or better target policies.

Turnover rates: combined with exit interviews can lend further insights into the reasons why certain groups may disproportionately be voluntarily leaving the organisation and help inform policies to counteract or address inclusion or discrimination issues.

Application/selection rates: can help managers identify entry barriers to the organisation, whether these are branding/image issues amongst certain groups that reduce attractiveness to qualified applicants, or whether existing recruitment channels are insufficiently varied or inadequate.

Promotion rate: diversity efforts targeting entry into the organisation are insufficient if these effects are erased following some time. Disaggregated by different groups, differing rates of promotion could help uncover bias within the organisation, and may help managers target diversity strategies to counteract these issues (i.e. additional training, changes to performance appraisal systems, flexible working arrangements, etc.)

Salary differentials: holding position, experience and performance equal, stark differences in salaries amongst groups (“pay gaps”) warrant further examination and correction.

Source: OECD.

Second, perception data sourced from employee surveys is often also included in HR analytic tools, and is a crucial input to capture dimensions that traditional quantitative indicators may miss. Employee surveys for instance can allow managers to assess key outcomes related to employee engagement, harassment, discrimination or other factors that can affect an organisation's inclusive culture. Box 5.2 below features the case of the Australian Workplace Equality Index which benchmarks specifically LGBTI inclusion in organisations, including in the public sector. The 2017 results showed some concerning findings for participating public sector organisations. While the majority of respondents were 'neutral' on whether or not being 'out' had had any impact on their career progression, the percentage reporting that it had had a negative effect was much higher in the public sector, with 10% reporting this in the public sector, compared to 5% in the private sector, 3% in Higher Education and no one working in the NFP sector. The percentage of those who reported the bullying was at its highest in the public sector (39% compared to a low of 28% in the Private sector).

Box 5.2. Participation of public sector organisations in the Australian Workplace Equality Index (AWEI) to benchmark LGBTI inclusion

The AWEI is a well-known national benchmark on LGBTI workplace inclusion in Australia and comprises the largest and only national employee survey designed to gauge the overall impact of inclusion initiatives on organisational culture as well as identifying and non-identifying employees. It sets a comparative benchmark for Australian employers across all sectors, including public sector organisations. In 2017, for example, 27 public sector entities participated in the Index including (at federal level): the Department of Human Services, the Federal Police, the Taxation Office, the Department of Defence, the Department of Environment, Land, Water and Planning, the Department of Social Services, the Australian Competition and Consumer Commission, the Attorney General's Office, the Australian Bureau of Statistics, Australia Post, the Department of Agriculture and Water Resources, the Department of Education and Training, the Department of Foreign Affairs and Trade, the Department of Health, the Department of Immigration and Border Protection, the Department of Industry, Innovation and Science, and the Department of Prime Minister and Cabinet.

To participate in the Index, organisations are asked a series of very specific questions in relation to areas that directly impact inclusion or the perception thereof and are required to provide evidence for all responses. The current AWEI measures practice in terms of seven components (below):

- HR Policy & Practice (34.5% of submission value): inclusion of anti-discrimination clause in the HR policy with regard to sexual orientation, gender identity, gender expression, intersex status and relationship status; as well as Staff benefits explicitly inclusive of LGBTI families; measures to prevent and manage incidences of bullying and harassment; and support to gender diverse employees.
- Strategy & Accountability (11% of submission value): presence of clearly defined strategy and/or documented action plans, targets and accountability to further our work on LGBTI inclusion within the workplace.
- LGBTI Training & Education (11% of submission value): LGBTI inclusion or awareness training conducted within the last 18 months.

- LGBTI Employee Network/Ally initiatives (21.5% of submission value): includes people within the organisation that champion LGBTI inclusion, LGBTI employee networks/social groups or ally initiatives and recognition of a significant achievement in this area.
- Visibility & inclusion (10.5% of submission value): celebration of LGBTI days of significance, visible signs of inclusivity within the workplace, readily identifiable allies, managers who are openly supportive.
- Community engagement & advocacy (9% of submission value): support for LGBTI charities, community groups and/or employer endorsed participation in LGBTI community events.
- Survey & Additional (2.5% of submission value): Participation in the optional Employee Survey.

As part of the annual AWEI benchmarking, employees are invited to complete an optional survey about their organisation's LGBTI inclusion initiatives. The survey is open to all employees regardless of their sexual orientation, gender identity or intersex status, and examines respondents' along 6 key themes: personal beliefs on LGBTI inclusion initiatives; on LGBTI inclusive culture; on communications and visibility of LGBTI initiatives and their external impact; allies; and bullying and/or negative commentary in the work place. Finally the survey includes questions specifically for LGBTI respondents called "lived experiences".

The 2017 results showed some concerning findings for the public sector. While the majority of respondents were 'neutral' on whether or not being 'out' had had any impact on their career progression, the percentage of those who felt it had had a positive impact was lower in the public sector (18%), compared to over 32% of respondents in the other sectors. The percentage reporting that it had had a negative effect was also much higher, with 10% reporting this in the public sector, compared to 5% in the private sector, 3% in Higher Education and no one working in the NFP sector. The percentage of those who reported the bullying was at its highest in the public sector (39% compared to a low of 28% in the Private sector). Survey results are not published according to organisation.

Source: 2017 AWEI report: http://www.pid-awei.com.au/content/uploads/2015/08/AWEI_Report_2017_Digital.pdf ; 2017 Employee Survey Analysis: http://www.pid-awei.com.au/content/uploads/2015/08/AWEI_Survey_2017_Digital.pdf; UK Stonewall Workplace Equality Index: <http://www.stonewall.org.uk/workplace-equality-index>

Employee surveys can also help countries identify the drivers of a more inclusive workplace culture. The United States and Germany (Box 5.3 below) are examples of countries which have constructed diversity indices from their employee surveys aimed at evaluating perceptions of inclusion and pinpointing the key catalysing factors that D&I policies should target- whether they be leadership/supervisors, the communication and perceived effectiveness of D&I objectives and policies, or the types of interpersonal interactions with co-workers, among others.

The benefits of such data are not just to gauge existing perceptions of inclusion by employees directly, but to also benchmark results across organisations, teams, and even targeted groups of D&I policies, allowing HRM bodies to identify bottlenecks and areas for continued improvement. The United States' Office of Personnel Management (OPM), for example, publishes the results of the Federal Viewpoint Surveys (the annual employee

survey of federal employees) according to agency. These AMRs (Agency Management Reports) are designed to help agency directors and managers identify what they can do to improve management in their agencies- including for D&I objectives- and include a series of sections that display scores, rankings, and trends government wide and by agency size for the Employee Engagement Index and the New IQ Index (featured in Box 5.3 below). The OPM also produces “Demographic Reports”, so managers can assess the particular views of specific groups targeted in D&I policies on a question-by-question basis.

In the US, scores on an overall basis have been increasing since 2014 (by 5 percentage points), with differences however between agencies. Typically, scores for Very Small Agencies are higher than other agency categories; with the exception of the Supportive component of the index. While Very Small Agencies have the greatest increases in their scores, it should be recognised that for larger agencies, increases of a few percentage points are often indicative of meaningful change

Figure 5.1. Government-wide NEW IQ results 2014-2017 by agency size

	G'wide	Very Small (<100)	Small (100-999)	Medium (1,000-9,999)	Large (10,000-74,999)	Very Large (>75,000)
New IQ	60	66	65	65	64	59
Fair	47	56	53	51	51	46
Open	59	66	64	64	63	59
Cooperative	57	62	60	63	62	56
Supportive	77	80	82	82	81	76
Empowering	59	66	64	62	62	59

Source: https://www.opm.gov/fevs/archive/2017FILES/2017_FEVS_Gwide_Final_Report.PDF

Similarly, the UK’s Civil Service Survey presents results by various groups. The annual survey asks respondents various questions to ascertain perceptions of inclusion and fair treatment. Results reveal that, compared to the government-wide result of 77%, some segments of the civil service (specifically mixed, black and other ethnic groups, those identifying as neither a male nor female gender in the survey, those of Buddhist, Jewish, Sikh and other faiths, as well as those reporting themselves as bisexual or of another category of sexual orientation) all reported less inclusion relative to the government-wide rate (Figure 5.2). Compared over time, these results can be analysed to monitor the progress of targeted D&I initiatives under the new “Brilliant Civil Service” strategy.

Figure 5.2. Inclusion and fair treatment, by demographic group, sexual orientation and religious identity, 2017

Source: Civil Service People Survey 2017: results by demographic group

Box 5.3. Inclusion Indices using perception data

United States' New Inclusion Quotient (NEW IQ) Index

The United States Office of Personnel Management, using available time-series data, is able to produce an inclusion index dating from 2013. The New IQ index was built on the concept that individual behaviours, repeated over time, form the habits that create the essential building blocks of an inclusive environment. These behaviours can be learned, practiced, and developed into habits of inclusiveness and subsequently improve the inclusive intelligence of organizational members. The New IQ consists of 20 items from the Federal Employee Viewpoint Survey (FEVS) that are related to inclusive environments. These 20 items are grouped into “5 Habits of Inclusion”: Fair, Open, Cooperative, Supportive, and Empowering.

Specific survey questions used for the index are indicated below:

Fair: are all employees treated equitably?

In my work unit, steps are taken to deal with a poor performer who cannot or will not improve.

In my work unit, differences in performance are recognised in a meaningful way.

Awards in my work unit depend on how well employees perform their jobs.

Arbitrary action, personal favouritism and coercion for partisan political purposes are not tolerated.

Prohibited Personnel Practices are not tolerated.

Open: does management support diversity in all ways?

Creativity and innovation are rewarded.

Policies and programs promote diversity in the workplace (for example, recruiting minorities and women, training in awareness of diversity issues, mentoring).

My supervisor is committed to a workforce representative of all segments of society.

Supervisors work well with employees of different backgrounds.

Cooperative: does management encourage communication and collaboration?

Managers promote communication among different work units (for example, about projects, goals, needed resources).

Managers support collaboration across work units to accomplish work objectives.

Supportive- do supervisors value employees?

My supervisor supports my need to balance work and other life issues.

My supervisor provides me with constructive suggestions to improve my job performance.

My supervisor listens to what I have to say.

My supervisor treats me with respect.

In the last six months, my supervisor has talked with me about my performance.

Empowering- do employees have the resources and support needed to excel?

I have enough information to do my job well.

I feel encouraged to come up with new and better ways of doing things.

My talents are used well in the workplace.

Employees have a feeling of personal empowerment with respect to work processes

Most of the above question items have six response categories: Strongly Agree, Agree, Neither Agree nor Disagree, Disagree, Strongly Disagree, and No Basis to Judge/Do Not Know. Sub index scores are calculated by averaging the unrounded percent positive of each of the items in the sub index. Averaging the five unrounded sub index scores creates the overall New IQ score. Index and sub index scores were rounded for reporting purposes.

New IQ Index results are presented by agency on the OMB's website both in terms of final index score as well as by the 5 subcomponents. While results for individual survey questions are also presented by demographic group (sex, race, age, education level, disability and sexual orientation, etc.), final inclusion index scores according to these groups are not calculated.

The German Employment Agency's (proposed) Diversity Index

Germany's Federal Employment Agency (the Bundesagentur für Arbeit, or BA) views diversity as a means to inclusion, with the ultimate objectives being to build an organisational culture where differences are perceived as normal and are appreciated; where the competences and skills of all employees are included naturally and

comprehensively; and where there is equal participation, equality for women and men and equal opportunities are realised.

In order to assess these dimensions, the Agency has developed a proposal for an inclusion index utilising nine questions from the Equal Opportunities Survey. The proposal for the index's four components and corresponding survey questions are indicated below:

Equal opportunities and equal status:

Equality between women and men is implemented within the BA.

Freedom from discrimination:

In the BA nobody is discriminated against based on gender, age, origin, disability, belief or sexual identity.

Appreciation and acceptance

In the BA, employees are appreciated as people and not just for the work they do.

My work environment is characterised by a positive working atmosphere, in which the employees can "be themselves" and do not have to pretend.

There is a culture in my work environment where employees value the individual differences of team members.

Utilising competence

In the BA, the variety and diversity of employees with regard to good work results is seen as a gain.

Diversity and equal opportunities are used in the BA to meet diverse customer needs.

Of course, the managers in my working environment include the potential and competences of all employees.

On the subject of equal opportunity and diversity, information and measures (such as qualification) are actively offered in my working environment.

If adopted, the index scale would range from 1-5 and would be used to monitor inclusion across agencies over time (every four years) with a view to encouraging implementation of policies and promoting greater discussion at senior levels over diversity and inclusion.

Source: materials provided by Germany's Federal Employment Agency.

Source: United States Office of Personnel Management (2017) Governmentwide Management Report: <https://www.opm.gov/fevs/reports/governmentwide-reports/governmentwide-management-report/governmentwide-report/2017/2017-governmentwide-management-report.pdf>

And 2016 technical report for further methodological information on the index: <https://www.opm.gov/fevs/reports/technical-reports/technical-report/technical-report/2016/2016-technical-report.pdf>

Finally, while quantitative data is extremely valuable, good practice methodologies include a balance of quantitative data with information from interviews or focus groups. Interviews and focus groups, for example, provide useful information that is not always captured through a standard questionnaire instrument. Box 5.4 below, for example illustrates the case of how the UK conducted a thorough analysis, combining quantitative and qualitative

data, to identify barriers to achieving greater socio-economic diversity in its Fast Stream Programme. In order for the Fast Stream to maintain its reputation as a valued pipeline of qualified candidates for future leadership positions, it was seen as essential that the group of selected individuals reflect national demographics. However, little evidence existed as to the extent to which the group was representative, as well as to which elements in the recruitment and selection process were potentially presenting barriers. Therefore, in 2016 the Cabinet Office commissioned the Bridge Group- a charitable policy association researching and promoting socio-economic diversity and equality- to examine specifically potential barriers to socio-economic diversity in the Fast Stream programme. Socio-economic background (SEB) was defined in the analysis as “the set of social and economic circumstances from which a person has come, and socio-economic status (SES) is a person’s current social and economic circumstances.” The evidence from this study allowed managers to identify exactly where the bottlenecks resided for applicants of lower SES scores to be aware of, apply to, and succeed in the Fast Stream Recruitment process.

Box 5.4. Barrier Analyses: Using evidence to identify barriers to inclusion: The United Kingdom’s Bridge Report on Socio-economic Diversity in the Fast Stream Programme

The United Kingdom’s Fast Stream is the Civil Service’s graduate development programme, designed to equip some of the brightest graduates with the knowledge, skills and experience they need to be the future leaders of the Civil Service. It is an investment in talent, intended to ensure that present and future governments are supported by an efficient and effective civil service with the right skill set and the versatility to respond to changing priorities.

The Report examined the entire recruitment process from intake, to offer, assessment centre, e-tray exercises, online tests and registration. Researchers adopted both quantitative and qualitative methods. Quantitative analysis included examination of Fast Stream recruitment data to assess the potential effect of applicants’ socio-economic characteristics upon different outcomes at each stage of the recruitment process. Qualitative analysis was conducted on primary source data from key stakeholders, particularly in relation to the attraction and marketing of the Fast Stream, through the application of semi structured in-depth interviews. By cross-referencing these data against the outputs of targeted focus groups, a sharper focus was established on the impact of the Fast Stream recruitment stages on social mobility. Over 100 interviews and Focus Groups were undertaken with senior civil servants, the Fast Stream team, Fast Stream candidates (successful and unsuccessful), and prospective student applicants.

Researchers found that the SEB profile of applicants to the Fast Stream was much closer to the profile of students from elite universities rather than that of the wider student population. Two factors that contributed to this were - candidates from highly selective universities were much more likely to apply to the Fast Stream (institutional selectivity and SEB diversity are negatively correlated); and - within every university group, including the most selective, students with higher SEB were more likely to apply to the programme. Researchers found a low level of awareness of the Fast Stream programme amongst lower SEB students, who also reported finding various elements of the programme intimidating (candidates’ pre-existing notions and impressions; the limited diversity of assessors; the testing Centre; the length/perceived complexity of the application process; for example).

The Report concluded that “for significant and lasting change to be achieved there are clear implications for strategic leadership, resourcing, the nature and extent of outreach, data

collection, the development and application of equitable selection practices, and ongoing monitoring and tracking.” Specific recommendations were grouped into four categories:

- Accountability and measuring success: the report recommended improvements to the way data were collated, coded and reported within the new Applicant Tracking System, and also called for establishing clearer senior leadership responsibility over diversity objectives;
- Attracting applicants: the report called upon the government to mobilise those already on the Fast Stream programme to be involved in attraction activities to a greater extent; to deliver more curriculum-based interactions with universities, and to leverage data insights, for example to investigate SEB in the dropout rate.
- Selecting candidates: researchers recommended a critical review of the way in which the Fast Stream defines and identifies ‘talent’, working towards more inclusive methods of identifying potential that have a clearer link to the strengths required to perform in the job; it called for shortening recruitment process, adding regional assessment centres, and other changes to the sequencing and tests used in the assessment process.
- Lessons for the wider civil service: the Report suggested expanding the approach for monitoring SEB diversity for entry to Future Leaders Scheme, Senior Leaders Scheme, High Potential Development Scheme and Senior Civil Service; it called for a Civil Service wide SEB workforce census, and that individual departments put in place a strategy and targets for improving socio-economic diversity, with accountability at Permanent Secretary level.

A two-year action plan, with resource implications, was developed in conjunction with the Bridge Group researchers to implement recommendations.

Source: Socio-economic diversity in the Fast Stream: the Bridge Report (2016):

<https://www.gov.uk/government/publications/socio-economic-diversity-in-the-fast-stream-the-bridge-report>

Other countries, such as France, have developed comprehensive frameworks for managers to evaluate their organisations’ in terms of key dimensions of D&I. The long-term goal is for every French ministry to obtain the Diversity Label. As of January 2019, 32 public bodies including four ministries, five major cities or grouping of cities and other French institutions had received it.

Box 5.5. The Diversity Label in France

The French Government, in order to prevent discrimination and promote diversity in both public and private sectors, created the Diversity Label in 2008. The label is granted by the French national organisation for standardisation (AFNOR) after having assessed the structure’s human resources processes related to diversity and the prevention of discrimination. Following the discrimination definition of the French law, it focuses on age, disability, country of origin, sexual orientation and identity, trade union activity and religion, among others.

Attaining the label follows a well-defined path ensuring compliance with best practices on the matter and continuous improvement. The process starts with the structure realising a risk mapping and setting up actions plans to solve any potential issue, before applying to AFNOR and being audited. The audit is then presented to the Bureau in charge of the

Diversity Label, and later on passes in front of a commission. Once the label has been granted, a follow-up audit is realised every two years to ensure the organisation is still complying with the label's expectations.

Sources: Ministère de la Fonction Publique (2019). Le Label Diversité dans la Fonction Publique. <https://www.fonction-publique.gouv.fr/label-diversite-dans-la-fonction-publique>

While improving, the use of data and evidence is yet generally under-utilised to inform and evaluate D&I strategies in the public sector. This is not surprising as it is a challenging- and often costly- endeavour. Several steps are needed to collect or generate useful data and evidence to be used in decision-making. Organisations must firstly collect demographic, socio-economic and even perception data systematically, and central HRM bodies must additionally ensure it is valid and comparable across different institutions if they are interested in benchmarking performance. This can be more complicated than it could seem- even collecting data on gender and sex require counties revising statistical guidelines and definitions (see Box 5.6 below featuring the example from Canada) and change the ways they currently collect data.

Box 5.6. Collecting accurate statistics on gender and sex in Canada

On May 17, 2016, the Canadian Parliament added gender expression and identity as protected grounds under the Canadian Human Rights Act. Stakeholder consultations among people who identify as transgender and non-binary across Canada, as well as representatives from transgender organizations and academic experts led the Government to update its statistical concepts to better reflect how Canadians self-identify.

On April 13, 2018, Statistics Canada released its new Standards on Gender and Sex providing for more inclusive data on gender and sex and improved evidence for policy and program development. These new standards are based on a non-binary gender spectrum that covers the many gender identities of Canadians, including cisgender, transgender and non-binary identities. They will help the agency address information gaps on Canada's gender diverse population. Statistics Canada has already incorporated the new standards into several surveys, and will continue their implementation them going forward.

Furthermore, the federal government has formed a working group on gender identity to explore how we can be more inclusive when gathering information about gender. The recommendations of the Statistics Canada Gender Identity Working Group have been taken into account in the wording of the gender question in the 2017 Public Service Employee Survey (PSES), and as a result, the gender question in 2017 PSES included a third gender option.

Sources: Canadian government and <http://www23.statcan.gc.ca/imdb/p3Var.pl?Function=DEC&Id=24101>
<http://www23.statcan.gc.ca/imdb/p3Var.pl?Function=DEC&Id=410445>

Furthermore, ideally data is stored, collated and organised in a manner which is valuable for the organisation and facilitates analysis and decision-making (such as in indices, dashboards, etc.) Developing such tools, as well as recruiting and training data scientists and staff takes time and financial resources. A shortage of data scientists across many public administrations is a common barrier to better leveraging data for D&I analysis and evaluation. Additionally, until now many public sector organisations did not pursue such initiatives for privacy/data protection reasons and in compliance with non-discrimination

legislation. HR managers however should also be wary of the dangers of workforce analytics, where unconscious biases can be introduced and reinforced to the detriment of diversity objectives. Algorithms designed to select candidates for recruitment or promotion, for instance, though well intentioned, could incorporate factors that discriminate against qualified individuals.

Canada's Treasury Board has developed a Centre for Wellness, Inclusion and Diversity (see Box 5.7 below) to aid managers in conducting "deep dives" in their organisations to identify barriers to inclusion.

Box 5.7. Treasury Board of Canada Secretariat's Centre for Wellness, Inclusion and Diversity

The Centre for Wellness, Inclusion and Diversity is a government-wide approach to the issues related to wellness, inclusion, diversity and harassment prevention. It has been launched in 2019 by the Treasury Board Secretariat of Canada, the administrative branch of the Treasury Board of Canada, in charge of advising Treasury Board ministers on management and administration of government matters.

The Centre for Wellness, Inclusion and Diversity is organised around a collaborative web platform where both employees and managers can exchange best practices and suggest new ideas. Exchanges are organised around "Smart Dives", specific questions around a topic of interest to the public service, to which every employee or manager can answer. By combining engagement, collaboration and a sense of community, the Centre's web platform collects existing initiatives as well as potential tools and solutions to face the challenges met by the public service on these matters.

The Smart Dives are shaped by the advisory council, a body consisting of senior agents, academia, industry leaders and deputy ministers, which therefore establishes the priorities of the public service in this area. The Centre also works closely with networks working on related topics, reinforcing its legitimacy to tackle issues surrounding wellness, inclusion and diversity.

Sources: Government of Canada (2019). Centre for Wellness, Inclusion and Diversity, <https://www.canada.ca/en/treasury-board-secretariat/corporate/organization/centre-wellness-inclusion-diversity.html> (accessed on August 26th 2019)

6. Ensuring good governance mechanisms for consultation and accountability around D&I

To be successful, D&I strategies must be supported by effective governance mechanisms that clarify the lines of responsibility and ensure some level of accountability for results. Often times, central/federal governments may set targets for individual organisations or agencies to meet. These can be effective in getting D&I policies on leaders' agendas and to promote greater attention to organisations' specific inclusion barriers. In Norway for example, the Government launched a new initiative in June of 2018 whereby it set a target: 5% of new civil service recruits would be people with disabilities or having been unemployed for a set period of time. This initiative was launched in June 2018, and made effective in all agencies. The overall goal is to develop a more inclusive perspective in recruitment and personnel practices. Agencies are instructed to report in their annual report the percentage achieved in relation to the 5 % goal and to describe which measures have been implemented, and a trainee program for the target groups mentioned will receive a larger number of participants.

D&I policies however are challenging because they are the responsibility of everyone from all levels of the organisation. However, the result is that often then no one single entity is assigned the responsibility for diversity goals, and these objectives may fall to wayside as managers juggle competing demands. Research by Dobbin and Kalev (2006, 2016) on the impact of establishing "diversity committees" and hiring "diversity managers" showed positive results: creating a diversity committee increases the odds for white women, across the period of the committee's existence, by 19 percent. The odds for black women rise 27 percent, and the odds for black men rise 12 percent. Employers who appointed full-time diversity staff also see significant increases in the odds for white women (11 percent), black women (13 percent), and black men (14 percent) in management. These diversity managers brought not only a level of accountability but also specialised expertise that was beneficial to the implementation of D&I policies.

Effective governance mechanisms support not only accountability for results but also coherence across agencies while respecting the individual inclusion needs of individual organisations. Indeed, the specific diversity and inclusion challenges of public sector organisations can vary greatly- some agencies, due to their specific functions and the prevalence of certain job roles, can face greater difficulties in recruiting for instance: the profile of candidates for IT, transport, engineering and other STEM (Science, Technology, Engineering, and Mathematics) jobs has been stubbornly dominated by white males for instance. It is extremely difficult for such agencies to match the same equality targets as others when the labour market statistics reflect a similar reality. Such agencies may require more ambitious or specifically tailored D&I initiatives (such as working directly with Universities to secure a more diverse pipeline of candidates) than others. As such, the common trend in OECD member countries has been for a whole-of-government D&I strategy or directive, with more specific action-plans for individual agencies.

Second, governance mechanisms that balance a top-down with bottom-up approach help ensure accountability for results while also ensuring that the concerns of employees are continuously reflected in policies. Box 6.1 highlights some of the governance arrangements in Australia and Canada. A high-level presence from the centre of government and/or

ministers is balanced with opportunities for employees to provide bottom-up feedback through specified groups.

Box 6.1. Top-down and bottom-up accountability mechanisms around D&I strategies

Canada's Table on Diversity and Inclusion, Equity Groups, and Diversity Champions

The Canadian federal government has put in place a governance structure in place to ensure the coherence of its D&I strategy and to ensure accountability for results. The Clerk of the Privy Council as Head of the Canadian federal public service established a pan-Canadian group of experts on diversity and inclusion to provide strategic advice to the federal public service. The Clerk's Table on Diversity and Inclusion serves as an informal advisory forum to bring together external experts from a broad range of sectors to provide advice on improving diversity and inclusion that could be useful for the Public Service. More specifically, the Table will provide external advice and views on: how to foster diversity and inclusion at all levels; how to institute a culture of inclusion that is embedded in the Public Service's practices, processes and systems; and how to measure diversity and inclusion and their impacts on the organization.

Furthermore, as a governance model of senior leadership on employment equity and diversity, the Clerk of the Privy Council appoints a Deputy Minister to champion networks for Indigenous peoples, persons with disabilities and for visible minorities from across the federal public service. In each of these networks, departmental employee representatives work with the deputy minister champion to advance ideas, address diversity and inclusion issues and provide solutions to improve the public service workforce and workplace.

The Persons with Disabilities Champions and Chairs Committee developed the Federal Accessibility Action Plan with success measures to assess and report on implementation results, for example, The Champions and Chairs Circle for Aboriginal Peoples influenced strengthening of awareness of Indigenous Peoples' history and cultures, and advocated for a public service-wide training curriculum through the Canada School of Public Service on Indigenous awareness. This training is proposed to be mandatory, particularly for middle and senior management. The Visible Minorities Champions and Chairs Committee identified three key priorities for action in support of diversity and inclusion across the federal public service: career development, inclusion and respect, and harassment and discrimination.

Lastly, in the Employment Equity Act, the four designated groups are defined and meet periodically to inform specific D&I policies and provide ongoing feedback on progress and continued challenges faced:

- Women
- Aboriginal peoples: persons who are Indians, Inuit or Métis
- Persons with disabilities: persons who have a long-term or recurring physical, mental, sensory, psychiatric or learning impairment.
- Members of visible minorities: persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour

Governance of diversity and inclusion in the Australian Public Service

The Public Service Act 1999 and the Australian Public Service Commissioner's Directions 2016 provides the legislative authority for workplace diversity and inclusion in the Australian Public Service (APS).

In 2016, the Secretaries Equality and Diversity Council (Council) was established. The Council comprises all APS departmental secretaries, and two external members who provide insights and experience from outside the APS.

The Council is committed to delivering an APS workplace culture that builds respect, fosters inclusiveness and promotes diversity. It has undertaken in-depth consideration of workplace experiences by hearing first-hand from APS employees who identify with specific diversity groups. A common theme that has emerged from these discussions is the need to continue building inclusive workplaces. The Council has also commissioned research into women in senior leadership and job-sharing arrangements in the APS.

The Council launched the APS Diversity and Gender Equality Awards in 2017 to recognise the outstanding contributions that agencies, employee networks and individual employees make towards fostering workplace diversity and inclusion. The awards attracted many high-quality nominations from across the APS.

The Council's future work will focus on continuing to develop inclusive workplaces, talent programs supporting a pipeline of middle managers, inclusive management practices, and ongoing monitoring of diversity strategies.

To support Indigenous employment and retention initiatives in the APS, an Indigenous senior leaders Network was established. The Network offers cultural and strategic advice to the Secretaries Equality and Diversity Council.

An emerging trend is for D&I focal points to work more closely with non-governmental organisations to ensure their policies are tailored and designed in responsive ways. These organisations also often are at the forefront in terms of having developed valuable instruments for managers, organisations and members of their respective communities. The previous example of the Australian Workplace Equality Index (AWEI) to benchmark LGBTI inclusion is one instance of government adopting an external tool. New Zealand's State Services Commission has collaborated with Workbridge (a not-for-profit organisation) to help recruit people with disabilities. The Organisation provides agencies advice and support on recruitment and follow-up support after hiring. They also administer Support Funds which can help with additional costs.

Finally, the availability of recourse mechanisms (i.e. formal and informal complaints and grievances systems for employees) offer an additional layer of accountability over the implementation of D&I policies. Research on the effectiveness of such mechanisms however has shown a mixed picture in terms of their impact on employees. If such systems were overly legalistic in nature for example, they were seen as having an adverse impact on diversity since managers were more likely to take retaliatory action against filers. "Among the 90,000 discrimination complaints made to the Equal Opportunity Commission in the United States for example in 2015, 45% included a charge of retaliation". Employees then face additional fear of reporting harassment or discrimination and this can give the illusion that these issues do not exist. In some cases the mere existence of grievance mechanisms was used as a legal shield against lawsuits, one that was often accepted by the courts. Other research from the United States demonstrated for instance that the managerial

ranks of white women and all minority groups except Hispanic men declined by 3-11% in the five years following adoption of a grievance system.

A more flexible approach which allows the opportunity for mediation and conflict management between managers and employees, with the existence of formal mechanisms for the most serious cases and as an additional recourse, have proven to be more impactful.

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