

# EEO Trust Diversity Index 2002 Summary



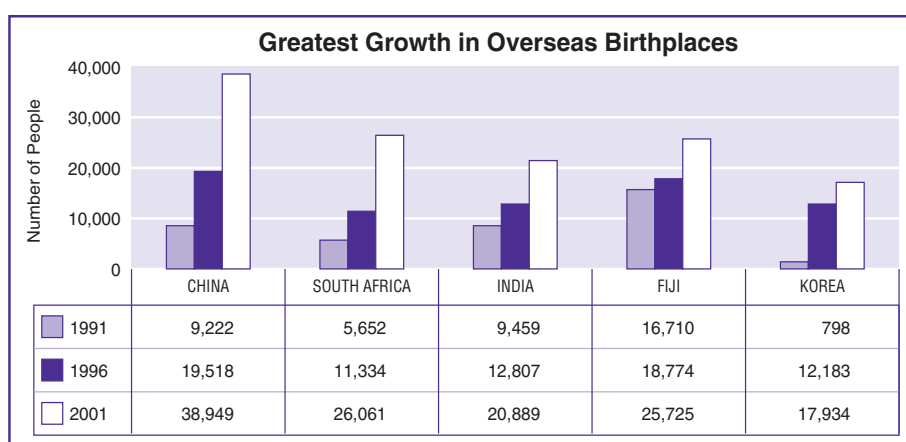
**T R U S T**  
EQUAL EMPLOYMENT  
OPPORTUNITIES TRUST



success through diversity  
*Ahakoā whakaaro kē, ka puta a ihu*

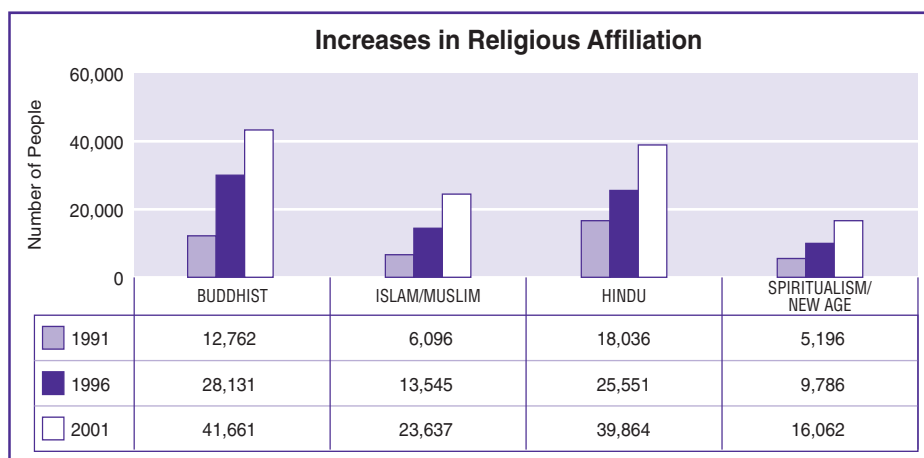
New Zealand's population is changing dramatically. We are becoming a country of more diverse peoples - ethnically, culturally, linguistically and spiritually. The 2001 Census results confirm the trend towards increasing diversity.

The number of people reporting an overseas birthplace increased since the 1996 Census, with the largest increase in those reporting South Africa as their birthplace (130% increase), followed by China with a 100% increase.



Source: Statistics New Zealand, Census 2001.

While more than two million of the people in New Zealand for the 2001 Census identified as Christian, the number of people who follow other religions is increasing.

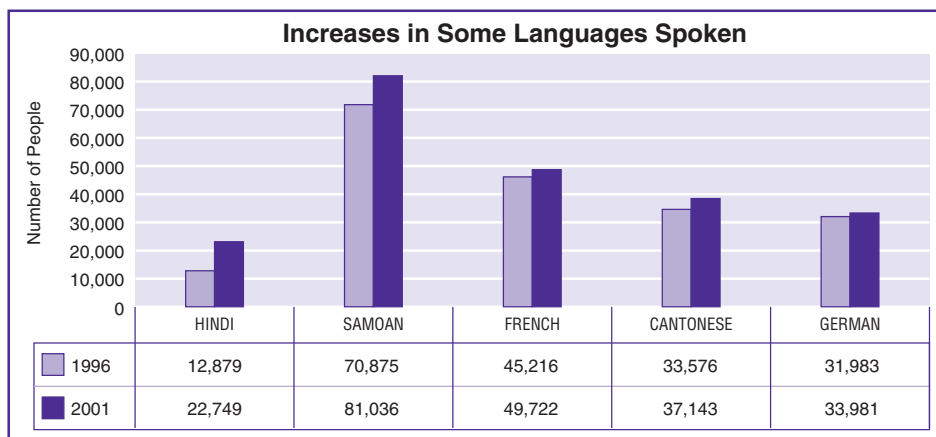


Source: Statistics New Zealand, Census 2001.

**November  
2002**

The *EEO Trust Diversity Index* is an annual measure of diversity in New Zealand workplaces and places of influence. For five years it has provided New Zealand and international data against which organisations can benchmark their progress in achieving success through diversity. Janice Burns, a partner with Top Drawer Consultants, carries out independent research for the *EEO Trust Diversity Index*, drawing on material from a wide variety of sources. These include the results of the EEO Trust's annual Diversity Survey, which was completed by 487 organisations this year.

The numbers of people who speak languages other than English and Maori is also growing quickly.



Source: Statistics New Zealand, Census 2001.

We can celebrate the diversity of New Zealand's people in many ways. We can enjoy the sounds, tastes and customs of the variety of people living here. We can also think about how New Zealand can tap the full potential of all its people.

New Zealand is still internationally significant for the number of women leading our country, although following this year's general election there has been a drop in women in Parliament and female Ministers of the Crown.

However, Maori and Asian people are better represented in Parliament, with Maori MPs increasing from 16 to 19, and the election of one more Asian MP.

The number of women on city councils increased by three percent in last year's local body elections, although the number of women on district and regional councils decreased slightly.

## Earnings far from equal

Women continue to earn less than men regardless of how earnings are measured. And Maori and Pacific women experience both a gender and an ethnic pay gap. In the February 2002 quarter, women earned only 84.3% of men's average ordinary time hourly earnings.

A Ministry of Women's Affairs discussion document on pay equity acknowledges that the earnings difference can be partly attributed to differences in education, years in the workforce and childcare responsibilities, but direct discrimination cannot be discounted, nor can the continuing influence of past discrimination or barriers to women's employment.

## Diversity at work

Given that our population is becoming increasingly diverse, it is worthwhile asking ourselves whether the ways we operate in our workplaces are appropriate and effective. Do our workplace policies and practices prevent us from finding and using the people with the skills and attitudes that will make our organisations creative, productive and harmonious? Do they encourage recruitment and reward on the basis of merit?

In this year's EEO Trust Diversity Survey we have taken a close look at New Zealand organisations to see what value they put on a diverse workforce.

A diverse workforce:

- indicates that the entire talent pool is being effectively tapped and recruitment is based on merit, not on existing organisational culture or pre-conceived ideas about "fit"

- can best serve the needs of a diverse customer base
  - enables people to bring more of their lives to work and thus be more creative, energetic and committed to their work
  - retains workers by helping them meet both their work and personal commitments.
- Changing demographics mean Maori, Pacific and Asian people will make up a larger proportion of the workforce in the future, more women will return to work after having children and the population will tend to be older and more ethnically and culturally diverse.

## How to be the best of the best?

What will increase the chances of an organisation being an employer of choice that recruits and retains a diverse workforce?

In this year's EEO Trust Diversity Survey we looked at three characteristics to see if they predisposed organisations to having the formal policies and practices that would encourage a diverse workforce.

The three characteristics were:

- commitment at a senior level to EEO/diversity
- holding management accountable for EEO results
- having women well represented in senior management.

We looked at the relationship between these characteristics and a range of practices. These included general EEO policies and also initiatives which help women return to work after having a baby, such as topping up the Government's paid parental leave scheme, assistance with breastfeeding at work and flexible work options.

Gaining senior management commitment, creating management accountability for the diversity programme and leading the organisation with a mixed gender team seem to create the pre-conditions for success in attracting and retaining diverse talent.

We found that organisations with these three characteristics were much more likely to be actively advancing a diversity agenda within the organisation and to be proactive in supporting and retaining talented people after the birth of a child.

## The diversity infrastructure

The most fundamental components of the diversity infrastructure are a policy endorsing EEO and a plan for implementation which together spell out the organisation's commitments to EEO and the practical steps being taken to achieve it.

In total, 24% of respondents to this year's EEO Trust Diversity Survey did not have an EEO policy and 69% did not have an EEO plan. This is similar to previous years and indicates a continued lack of recognition of the importance of these basic tools in order to gain from diversity.

In response to these findings, the EEO Trust is launching a web-based Employers of Choice Action Track to give employers ready access to the information and tools they need to successfully build their diversity infrastructure. Based within the EEO Trust's existing website, the free Action Track will enable organisations to:

- identify their own pressing workplace issues
- audit their EEO/employer of choice status
- develop an action plan
- access resources and advice to improve their performance.

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## Who are the best?

The EEO Trust Diversity Survey showed that members of the EEO Employers Group were more likely to have the building blocks in place, and consequently more likely to encourage and achieve diversity with formal policies and practices. While members of the EEO Employers Group are not perfect, they are more committed to EEO and diversity than non-members. And they act on that commitment.

For example, the EEO Trust Diversity Survey gathers a range of information on how organisations help their employees achieve a balance between their personal and working lives. Enabling people to work flexible hours, providing assistance with childcare or keeping in touch while people are on parental leave are all ways of helping people balance their lives and encouraging diversity in the workforce. The ability to continue to breastfeed can be a key factor in the choice facing women when they contemplate returning to work after having a baby. In this year's survey we found that EEO Employers Group members were more than twice as likely to provide a breastfeeding area or facilities for expressing and storing milk as non-members.

This year's survey also found that 27% of EEO Employers Group members intend to top up the Government's paid parental leave scheme, compared with nine percent of the non-members who responded to the EEO Trust Diversity Survey. About 20% of both groups had not decided whether to top up the scheme.

## Keeping within the law

Another area in which EEO Employers Group members outperformed non-members was in ensuring compliance with the Human Rights Act. More than 65% of members audit their policies and practices to ensure compliance with the Act, compared to 51% of non-members.

Given that an increasing number of employers are facing claims to the Human Rights Commission (twice as many as last year), ensuring compliance with the Human Rights Act is a key business issue.

Another proactive way to help prevent legal action and to encourage all staff to effectively contribute at work is by adopting anti-harassment provisions to help ensure harassment does not occur and that it is dealt with effectively if it does.

More than 86% of respondents to this year's EEO Trust Diversity Survey had anti-sexual harassment policies, compared with 81.5% last year. A slightly increased number of respondents also had trained contact/liaison people, but the number of organisations providing anti-sexual harassment training to staff and managers had dropped.

With the introduction of the EEO Trust's new on-line Action Track, New Zealand organisations will be able to assess their employer of choice status and determine how they can enhance their profile to job seekers, employees and clients.

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This publication summarises the key findings of this year's EEO Trust Diversity Index. The full EEO Trust Diversity Index 2002 is available as a free download from the EEO Trust website [www.eeotrust.org.nz](http://www.eeotrust.org.nz) to all EEO Employers Group members. Hard copies are available for \$30 from the EEO Trust.

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