



Governance Institute of Australia Journal: Cultural audit: a means of uncovering unconscious biases and other barriers to diversity within organisations.

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Introduction

An increasing number of Australian organisations recognise the commercial, societal and economic value to be gained by creating gender balanced, diverse workplaces. This includes:

- The need to attract the very best talent to remain competitive. Organisations don't want 50% of the talent pool going elsewhere so they need to be seen to provide full and equal opportunity to all staff.
- Women and people from diverse backgrounds offer complementary leadership skills and perspectives that strengthen business decisions.
- Demographics demand that organisations represent the market place. Women, in particular, are a powerful consumer group and organisations need to have women's views represented in decision making.
- Cost of turnover can be enormous. People leave if the environment is hostile to their needs and it costs money to both replace them and to recover from lost productivity and output.
- Creating an inclusive workplace improves an organisation's ability to respond, adapt and innovate. A responsive workplace is a productive workplace.

Harnessing the full pool of diverse talent requires providing all staff with equal and full opportunity to contribute, participate and progress across all functions and at all levels. This has proven exceedingly difficult to achieve. Women are still significantly under-represented, particularly at the highest levels and cultural diversity at the most senior levels is strikingly rare.

This is primarily because cultural change initiatives, whilst well-intentioned, rarely focus on identifying and ameliorating the impact of unconscious bias and discrimination that informs decisions and judgements about the allocation of work, opportunities, appointments and promotions – and we are all biased.

We all have inclinations, leanings and unconsciously held beliefs that have been internalised over a lifetime and inform our decisions, behaviour and actions.

Bias is reinforced and perpetuated through cultural, social and gendered norms and expectations that inform behaviour, decisions and the options we think we have; It is inherent in diversity dynamics and influences how we relate to people 'like us' and people not 'like us'; It exists in organisational systems, process, practices and structures that reward certain behaviours, people and outcomes. It is a barrier not only to women but to anyone who does not conform to 'how we do things around here'.

Organisational Transformation: Creating an Inclusive Workplace

*'You need to get the vision off the walls and into the halls.'*¹

Organisational transformation requires executive leadership. However, the articulation of an organisational vision to become inclusive, harness diversity or achieve gender balance is an important but insufficient first step in achieving it.

Sustained behavioural change happens when people understand, accept and act. It is only through their actions that change to support a new vision or strategy becomes real.

Most organisational leaders have little understanding of what it means to create an inclusive workplace. They may recognise its importance and understand it conceptually, but because they've benefitted from the existing norms and practices that perpetuate bias, they are unlikely to recognise or understand how these norms don't serve everyone.

The first step in achieving cultural change, therefore, is to help organisational leaders see how unconscious bias manifests within their own organisation. Once this insight and awareness has been catalysed, they are fully engaged, responsive and equipped to lead the change.

An effective cultural audit achieves this.

The findings from a cultural audit reveal familiar norms and practices through the eyes of others. They provide an opportunity for organisational leaders and staff to see themselves through a different lens. For those who have benefitted from existing practices, it can facilitate insight, recognition and understanding: it assists them to see what they have not seen before.

For those who have been impacted by unconscious bias, it assists them to understand and externalise the experience, rather than personalising it and thinking that they must be somehow inferior.

In these ways a cultural audit accelerates understanding and acceptance and creates a credible and meaningful platform for staff engagement and change.

Additionally, because a cultural audit reveals the blind spots specific to that particular organisation, it is possible to identify change interventions and strategies that will have the greatest impact, ameliorate bias and reinforce the desired culture.

How does a cultural audit identify bias?

Diversity and gender bias is embedded in organisational systems, structures, informal and formal practices and works to the advantage of the dominant group. Additionally, the principle of social similarity, proven by extensive social science research,

¹ 'Leadership and the New Science' Margaret Wheatley (1994) San Francisco: Berrett Koehler

demonstrates that most of us, including those in management positions, naturally tend to appreciate, support and advance 'people like me.'

A cultural audit is essentially a qualitative diagnostic process that reveals how bias manifests within an organisation's informal and formal practices and cultural norms by assessing bias through eight key organisational 'systems' that support diversity:

- Training and education
- Performance management and reviews
- Career development processes
- Work assignments and allocation of roles
- Mentoring and coaching
- Flexible work practices
- Recruitment and hiring
- Managerial accountability

It does this by firstly soliciting feedback from staff in focus groups that are split according to gender, hierarchy, operational areas, and/or other demographically relevant groups, and executives in one-on-one interviews, to around twenty broad, open ended questions about their experiences and perspectives of their workplace. Questions include:

- What do they perceive as going well/not well within their organisation?
- How do they access information required to do their work?
- How would they describe their last performance review?
- Are they in roles that allow them to contribute fully?
- How would they describe their career opportunities? What is required to progress?
- Do they perceive everyone as having equal opportunity to progress?
- How would they describe the recruitment process?

Additionally all participants are requested to respond to two questionnaires: one that seeks their feedback about perceived barriers to career progression and another that is related to how inclusive they perceive their workplace to be.

The experiences, perspectives and feedback from staff are collated, compared and contrasted across gender and other diversity lines, functional areas and hierarchical levels.

The cultural norms and practices that exist within and across the organisation are identified; discrepancies, inconsistencies and their impact between different functional areas and demographic groups are revealed and consistently confirm that the criteria by which 'merit' is assessed and appointments are made are varied and subjective.

Most revealing, with typically the highest impact when presented back to the executive are the striking differences in perception between men and women of the barriers to career progression and how inclusive they view their workplace. Invariably, men view their workplace as more inclusive than their female colleagues. Similarly, the barriers identified to career progression vary distinctly between men and women.

These striking differences, like an ultra violet light in a crime scene, reveal the blind spots (unconscious bias). The feedback, experiences and perspectives shared by staff in interviews and focus groups explain them.

How unconscious bias manifests:

Career progression

Findings consistently reveal that regardless of the organisation, the particular role or articulated statement of requirements, career progression into an executive position requires:

1. **Developing a reputation:** It is easier for men to develop a reputation. Men are typically provided with more high profile opportunities because they are more visible (particularly in male dominated organisations) and are unconsciously regarded as more credible and competent;
2. **Having an executive champion:** People unconsciously champion and mentor people like themselves which means those in the majority are advantaged;
3. **The ability to 'fit-in':** It is clear that diverse organisations are more likely to appoint individuals from diverse backgrounds than organisations that have a more homogenous workforce;
4. **'Commitment' - the perceived ability to work long hours/full time:** despite workplace policies to the contrary, it is clear that women with family commitments or who work part time are disadvantaged.

Assessments of merit

In addition, women and people from diverse groups are disadvantaged because organisational processes and systems are rarely objective or consistently implemented. Assessments made about merit, potential, performance and opportunities are informed by unconscious bias. Examples include:

Ad hoc performance management and reviews: Most organisations have performance management guidelines, however performance reviews are ad-hoc, subjective and informed by unconscious bias, frequently disadvantaging women and minority groups.

Allocating work according to assumptions and stereotypes: Women and those from different ethnic backgrounds, particularly in male dominated organisations describe being allocated tasks and roles according to gender/ethnic stereotypes. For example,

- Women are asked to take minutes at meetings or given 'administrative' roles;
- Asian people are allocated technical work because they are assumed to be better at maths, statistics and IT;
- Men are more likely to be allocated high profile, challenging work because they are deemed more 'suitable' or better able to handle stress.

Few men, particularly at middle management levels appear to notice this bias. Those affected by it (women and minority groups) may identify it but may not recognise it as bias because it is familiar and 'normal.'

Inequitable treatment of women who work part time: women who work part time are assumed to be unreliable, uncommitted or unable to participate. They are not considered for high profile opportunities, challenging work or training. As a consequence they do not get the same exposure, opportunities or development as their male colleagues – even those who also work part time.

Inconsistent access to information and communication: Frequently information is obtained through informal networks and communication channels that provide men (or people 'like us') with an advantage, although few men recognise it.

Inspiring Action

A cultural audit will reveal the norms and practices that inform how work is done and how decisions are made in the language of the organisation, using the voices and experiences of the people.

This provides everyone with the opportunity to view their workplace through the eyes of others; it makes the invisible, visible; it illuminates bias and discrimination as it manifests in their organisation. It will also reveal strategies that are most likely to achieve change.

A cultural audit engages staff, through the process of data collection and when it is reflected back. Once a cultural audit begins, the process of change begins and while it is never easy, nor predictable, once people see, and understand, they can act.

Deborah May is a Fulbright Scholar, Fellow of the ANZSOG Institute of Governance at the University of Canberra and Principal of The May Group, Australia. She is one of Australia's foremost authorities on gender bias in organisations with over 15 years' experience creating cultural change initiatives, delivering gender awareness, unconscious bias and women's development programs across all sectors and industries. Deborah was the principal consultant and co-author for the 'Not Yet 50:50: Barriers to the Progress of Senior Women in the Australian Public Service'.