Leading for Change
A blueprint for cultural diversity and inclusive leadership revisited

April 2018

Australian Human Rights Commission

THE UNIVERSITY OF SYDNEY — Business School

The Committee for Sydney

Asia Society Australia

Leading for Change: A blueprint for cultural diversity and inclusive leadership revisited

LEADING FOR CHANGE

A blueprint for cultural diversity
and inclusive leadership revisited

Australian Human Rights Commission

THE UNIVERSITY OF SYDNEY — Business School

The Committee for Sydney

Asia Society Australia

Preface

In 2016 the *Leading for Change* report highlighted the lack of cultural diversity represented within the senior leadership positions in Australian business, politics, government and universities. It challenged us to do better in making the most of the talents in our multicultural nation.

We have revisited the *Leading for Change* exercise for a number of reasons. Since Australia does not yet officially collect comprehensive data on cultural diversity within organisations and institutions, independent research is crucial to ensuring we know the state of play. We also believe it is important to highlight what leaders and organisations are doing to support cultural diversity and inclusion.

We hope this report challenges readers to think deeply about cultural diversity. Ultimately, we hope it will be used by leaders and organisations as a blueprint for action – because our national success and prosperity depends on us getting the most from our multicultural talents.

Dr Tim Soutphommasane

Race Discrimination Commissioner,
Australian Human Rights Commission

Professor Greg Whitwell

Dean,
The University of Sydney Business School

Kate Jordan

Chair, Professional and Business Services Taskforce,
The Committee for Sydney

Philipp Ivanov

Chief Executive Officer,
Asia Society Australia

April 2018

Contents

Executive summary

This study builds on the *Leading for Change* report of 2016, which provided a snapshot of the cultural diversity represented in the senior leadership of Australian organisations and institutions.

Our study examines the cultural backgrounds of chief executive officers of ASX 200 companies, federal ministers, heads of federal and state government departments, and vice-chancellors of universities. It also examines the cultural backgrounds of senior management at the level directly below chief executives and equivalent – namely, group executives of ASX 200 companies, elected members of the Commonwealth Parliament, deputy heads of government departments and deputy vice-chancellors of universities.

We adopt a classification that includes four wide groups of cultural backgrounds, which was first used in the *Leading for Change* report (2016):

• Indigenous background;

• Anglo-Celtic background;

• European background; and

• non-European background.

Using statistical modelling based on the 2016 Census, we estimate that 58 per cent of the population have an Anglo-Celtic background. An estimated 18 per cent of the population have a European background, 21 per cent

of the population have a non-European background, and 3 per cent of the population have an Aboriginal or Torres Strait Islander (Indigenous) background.

This cultural diversity is significantly under-represented among senior leaders in Australian organisations and institutions.

Of those who occupy 2490 of the most senior posts in Australia, 75.9 per cent have an Anglo-Celtic background, 19.0 per cent have a European background, 4.7 per cent have a non-European background and 0.4 per cent have an Indigenous background.

Described another way, about 95 per cent of senior leaders in Australia have an Anglo-Celtic or European background. Although those who have non-European and Indigenous backgrounds make up an estimated 24 per cent of the Australian population, such backgrounds account for only 5 per cent of senior leaders. Cultural diversity is particularly low within the senior leadership of Australian government departments and Australian universities.

Of the 372 chief executives and equivalents identified in this study, we find that 76.9 per cent of chief executives have an Anglo-Celtic background, 20.1 per cent have a European background, and 2.7 per cent have a non-European background. There is one chief executive who has an Indigenous background (0.3 per cent).

Cultural Backgrounds of Senior Leaders in Australian Organisations (Chief Executives and Other 'C-Suite' Leaders)

Cultural background	Number	Percentage of senior leaders	Percentage of Australian population	Percentage over/under-representation (+/-)
Anglo-Celtic	1890	75.9	58	+17.9
European	474	19.0	18	+1.0
Non-European	116	4.7	21	-16.3
Indigenous	10	0.4	3	-2.6
Total	**2490**			

The pattern of cultural representation within the cohort of chief executives and equivalents broadly tracks that of the total group of 2490 senior leaders in this study. The level of non-European background representation, however, is substantially lower (2.7 per cent compared to 4.7 per cent). There is a combined total of 11 chief executives who have a non-European or Indigenous background – or 3.0 per cent of the total 372 chief executives. Put another way, 97 per cent of chief executives have an Anglo-Celtic or European background. This is a dismal statistic for a society that prides itself on its multiculturalism.

It challenges Australia's egalitarian self-image. It also challenges Australia as a nation whose prosperity relies upon international trade, capital inflows and mobility of people.

It would be complacent to believe that it will only be a matter of time before cultural diversity is better represented. There remains limited cultural diversity that appears in the leadership pipeline, as demonstrated by our findings regarding non-chief executive senior leaders.

Getting serious about the issue demands that leaders and organisations take committed action in three areas: leadership, systems and culture. We reiterate the general guidance outlined in *Leading for Change* (2016), which can be summarised as below.

There is one general area where efforts can be strengthened on cultural diversity. The experience of gender equality has demonstrated the power of having data and reporting on gender. If we are committed to deepening our success as a multicultural society, there must be consideration of official collection and reporting of comprehensive data on cultural diversity within Australian organisations and institutions.

Cultural Backgrounds of Chief Executives and equivalents

Cultural background	Number	Percentage of senior leaders	Percentage of Australian population	Percentage over/under-representation (+/-)
Anglo-Celtic	286	76.9	58	+18.9
European	75	20.1	18	+2.1
Non-European	10	2.7	21	-18.3
Indigenous	1	0.3	3	-2.7
Total	**372**			

Leadership

1. Provide leadership on cultural diversity that is authentic and humble
2. Equip and support leaders from diverse backgrounds to be role models
3. Leaders must be prepared to respond to deflections and backlash

Systems

1. Collect meaningful data on cultural diversity
2. Accompany any data initiative with deeper conversations about cultural differences
3. Where there is data, consider targets and accountability for cultural diversity and inclusion across the organisation

Culture

1. Mitigate bias and discrimination by promoting positive contact between different cultural backgrounds
2. Unlock the potential of multicultural talent through targeted professional development
3. Go beyond cultural celebration and cultivate organisational resilience in negotiating cultural differences

1. Introduction

Australia is widely celebrated as a multicultural triumph, but any such success remains incomplete. There remains significant under-representation of cultural diversity in the senior leadership of Australian organisations. Our society does not yet appear to be making the most of its diverse talents.

Doing so is important, not only as a natural progression of our multiculturalism, but also because it is necessary. Australia needs a diversity of ideas, capabilities and cultural intelligence to navigate technological, social, economic and geopolitical changes.

In 2016, for the first time, research provided a statistical snapshot of the cultural diversity of senior leaders in business, politics, government and higher education. As published in *Leading for Change: A Blueprint for Cultural Diversity and Inclusive Leadership,* the story was an unhappy one. There was an almost total absence of non-European backgrounds represented among the cohort of chief executives in Australia.

During the past two years, more attention has been devoted to getting cultural diversity right. There is growing recognition that efforts on diversity and inclusion have focused primarily on gender, and have downplayed or ignored culture and race. This is a welcome, though overdue, development.

At the same time, concerns about cultural diversity are still often assimilated into discussions about gender diversity. For example, while there are some similarities in the obstacles for greater gender and cultural diversity in leadership, the issues are by no means identical. There is a need to give dedicated time and energy to cultural diversity in its own right.

This report provides an updated overview of the representation of cultural diversity in the senior leadership of Australian organisations. Applying and updating the methodology used in *Leading for Change* (2016), it gives a breakdown of the cultural diversity of the two most senior tiers of senior management within the ASX 200 group of listed companies, Commonwealth and State government departments and universities. The report also provides statistics for the cultural diversity of the Australian Parliament.

The findings of this report suggest we have a long way to go before realising the full potential of our multicultural population. If progress is being made on cultural diversity, it remains slow.

We reiterate that improving the representation of cultural diversity requires action at three levels: leadership, systems and culture. Through a series of case studies drawn from Australian organisations' experience, we highlight examples of how such concrete steps can be taken.

This report does not purport to provide an exhaustive treatment of cultural diversity and leadership. It aims, though, to provide a reference point for understanding how we are faring. This includes providing a classification that can assist in discussing cultural diversity.

This report also aims to provide some thematic guidance to organisations, in light of current debates. In addition to the inherent challenge of dealing with race and culture, a contemporary backlash against diversity might also impede progress. In the United States, Britain and Europe, political debates have exhibited a hardening of sentiments against immigration and multiculturalism. This has been accompanied by notable campaigns against diversity initiatives within workplaces, including within Silicon Valley. There are signs that such sentiments may also be gaining strength here in Australia.

None of this gives us a reason to abandon cultural diversity. The fact that something is hard to do does not in any way mean that it is not the right thing to do. But it does mean advocates for cultural diversity must be prepared to update their thinking and reinvigorate their language.

2. Methodology

Our study examined the cultural backgrounds of chief executive officers of ASX 200 companies, federal government ministers, heads of federal and state government departments, and vice-chancellors of universities. It also examined the cultural backgrounds of senior management at the level directly below chief executives and equivalent – namely, group executives of ASX 200 companies, elected members of the Commonwealth Parliament, deputy heads of government departments and deputy vice-chancellors of universities.[1]

These cohorts were chosen to illustrate the representation of cultural diversity among leaders in business, politics, government (public service) and civil society.

2.1 Cultural background and classification

We consider cultural background to refer primarily to a person's ethnicity and ancestry. The concept of ethnicity can be understood to relate to a human group or population that has a common origin, and which may exhibit shared defining features such as homeland, language, customs, historical tradition, religion and physical appearance.[2] We regard ancestry – a person's descent and family background – as inextricably tied to ethnicity.

Our study adopts a classification that includes four wide groups of cultural backgrounds, which was first used in the *Leading for Change* report (2016):

1. Indigenous background;
2. Anglo-Celtic background;
3. European background; and
4. non-European background.

The use of this classification, and the way in which cultural backgrounds are grouped, does not imply the expression of an opinion on the part of the authors about the recognition of such backgrounds by governments or the status accorded to them. It does not imply that there are only four ways in which people's cultural backgrounds can be expressed or captured – using this classification does nothing to prevent or deny people from expressing their cultural background or heritage. We use this classification simply as a conceptual aid to understanding the representation of cultural diversity. It provides a means of aggregating cultural backgrounds in a way that permits more sophisticated analysis than otherwise possible.

The meaning of the classification can be explained in the following way.

'Indigenous' designates those who have an Aboriginal or Torres Strait Islander cultural background.

'Anglo-Celtic' describes those cultural backgrounds that are English, Scottish, Welsh and Irish.[3] 'European' includes all European backgrounds other than Anglo-Celtic – including North-West European (e.g. German, French, Dutch) and Southern and Eastern European (e.g. Italian, Greek, Polish).

'Non-European' encompasses all other cultural backgrounds, including South-East Asian (e.g. Vietnamese, Malaysian), North-East Asian (e.g. Chinese, Japanese, Korean), Southern and Central Asian (e.g. Indian, Sri-Lankan, Afghani), Latin American (e.g. Mexican, Colombian), Middle Eastern and North African (e.g. Egyptian, Turkish), Sub-Saharan African (e.g. Nigerian, Zimbabwean) and Oceanic and Pacific Islander (e.g. Maori, Tongan).[4]

The use of any such categories necessarily reflects the history of a particular society and the preponderance of groups within it. We believe the above four categories – Indigenous, Anglo-Celtic, European, non-European – are appropriate in light of Australia's demographic history. In particular, they reflect the main waves of immigration that have primarily shaped the composition of Australian society today.

For some 60 000 years Australia was solely occupied by Aboriginal and Torres Strait Islander peoples, until the arrival of the First Fleet in 1788. With the colonisation of Australia, the population would become predominantly British (English, Scottish, Welsh) and Irish in background. Scholars refer to Australian national identity being shaped during its colonial era by an 'Anglo-Celtic' hybrid culture.[5]

Such composition in the Australian colonial population was reinforced by cumulative immigration from the British Isles. Significant numbers of Chinese and other immigrants arrived during the gold rushes in the second half of the 19th century; there would also be many thousands of Pacific Islander workers who came to Australia as indentured labourers in the 19th century, largely in Queensland. But immigration restrictions imposed by colonial and later the Commonwealth governments meant the cultural impact of such immigration – namely, of non-Anglo-Celtic origin – was limited.

The maintenance of the White Australia policy for most of the 20th century meant that immigration was mainly from the British Isles – that is, until the post-Second World War period. The 1950s and 60s were years when significant numbers of immigrants from Europe settled in Australia. This would inject a new (non-Anglo-Celtic) European cultural component to the Australian population.

The next waves of immigration have been of a non-European origin, with the formal dismantling of the White Australia policy in 1973, and the arrival of refugees following the conclusion of the Vietnam War and related strife in Cambodia and Laos.

The late 1970s and early 1980s saw some 70 000 Indochinese refugees resettled in Australia, with many more thousands of these refugees' relatives arriving in later years through family reunion programs. This has also been accompanied by the arrival of immigrants from other countries in Asia, as well as the Middle East, South America and Africa.[6]

2.2 Our process of classification

In determining the cultural background of Australian leaders in business, politics, government, and higher education, we examined the following:

a. publicly available biographical information about the individual (e.g. organisation website and *Who's Who* entry);

b. other relevant public statements that may include information about the individual's cultural background (e.g. speeches and media reports);

a. an individual's full name and its origins;

b. an individual's place of birth; and

c. photographs of the individual.

Where possible, we have sought to find references to ancestry and cultural background going back as far back as two generations (that is, to a person's grandparents). After gathering the available data, we then placed leaders' cultural backgrounds into one of the four categories: Indigenous, Anglo-Celtic, European, non-European.

Such a methodology is consistent with academic and industry studies of cultural background, as well as some international monitoring practices.[7] For example, in its *Capitalising on Culture* study of corporate Australia, Diversity Council Australia measured cultural diversity based on the surnames of board and senior executive managers in ASX 200 companies.[8]

Academic research in the United States by sociologists investigating the cultural backgrounds of CEOs in *Fortune 500* companies has drawn upon biographical information about race and ethnicity, as well as photographs.[9] Similarly, management researchers from Ryerson University, in their annual studies measuring diversity among leaders in Canada, have relied upon public information such as captioned photos and biographies to identify leaders and their demographic profiles.[10] The United States Equal Employment Opportunity Commission, in its instructions for its EEO-1 survey form (which all companies employing more than 100 people are required to submit), indicates that where 'employee declines to self-identity, employment records or observer identification may be used'.[11] A 2017 study of race and leadership in the United Kingdom, involving a sample of more than 1000 senior leaders, used a combination of lists and photographs to identify the background of leaders.[12]

After an initial review and identification of an individual's cultural background, the authors reviewed the assessments made. We have erred on counting more cultural diversity than less within leadership cohorts. Where we have been unsure of how to classify someone's cultural background for the purpose of this study, we have favoured counting someone as European rather than Anglo-Celtic, as non-European rather than European, and as non-European rather than Anglo-Celtic.

For example, in classifying an individual has a father of Scottish background but a mother of Italian background, we would count that individual as having a European background rather than Anglo-Celtic. Within this exercise, an individual who has a father of Chinese background but a mother of German background, would be counted as having a non-European background rather than European. Similarly, in the case of an individual who has a father of English background but a mother of Indian background, we would count that individual as having a non-European background rather than Anglo-Celtic.

3. Findings

3.1 The Australian population

Providing definitive statistics about the cultural diversity of the Australian population is a difficult task. There are no official statistics on the ethnic or cultural composition of the population. The Australian Bureau of Statistics, through the Census, collects data on people's place of birth, languages spoken at home, and self-identified ancestry. However, none of these variables alone provide a satisfactory measure of cultural diversity.

In 2016, the *Leading for Change* report referred to studies suggesting at least 10 per cent of the population have a non-European background. It drew upon Census figures from 2011 which showed that almost half of the Australian population were born overseas, or have a parent born overseas.[13]

New analysis, undertaken for this report, provides an updated estimate of Australia's cultural diversity. By combining aggregate data from the 2016 Census and record-level data from the 2011 Census, in particular responses to questions about ancestry and Aboriginal and Torres Strait Islander identification, we suggest that the Australian population is even more culturally diverse than previously estimated.[14]

We estimate that about 58 per cent of the population has an Anglo-Celtic background. An estimated 18 per cent of the population has a European background, 21 per cent of the population has a non-European background, and 3 per cent of the population has an Aboriginal or Torres Strait Islander (Indigenous) background. According to these estimates, Australia's cultural diversity has increased over time.

Figure 1: Australia's population by cultural background
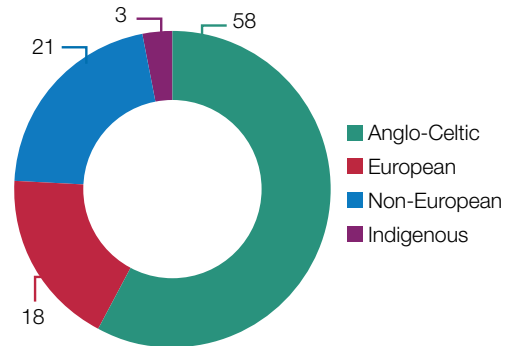
Sources: ABS; estimates from RBA ERG

3.2 Senior leaders of Australian organisations

The cultural diversity of Australian society is significantly under-represented within the senior leadership of Australian organisations. Our study examined senior leaders in business, politics, government and higher education. Of those who occupy 2490 of the most senior posts in Australia, 75.9 per cent have an Anglo-Celtic background, 19.0 per cent have a European background, 4.7 per cent have a non-European background and 0.4 per cent have an Indigenous background.

Described another way, about 95 per cent of senior leaders in Australia have an Anglo-Celtic or European background. Although those who have non-European and Indigenous backgrounds make up an estimated 24 per cent of the Australian population, such backgrounds account for only 5 per cent of senior leaders.

This finding of under-represented cultural diversity is consistent with patterns in many other countries described as multicultural or multiethnic. According to McKinsey's *Delivering through Diversity* report (2018), in the United States, black Americans comprise 10 per cent of graduates but only 4 per cent of senior executives, Hispanics and Latinos comprise 8 per cent of graduates but only 4 per cent of senior executives, and Asian Americans make up 7 per cent of graduates versus 5 per cent of executives. In the United Kingdom, 22 percent of university students identify as Black and Minority Ethnic, yet make up only 8 percent of British senior executives.[15] Such disparity was also found in the *The Colour of Power* study (2017), which showed that for more than 1000 of the most senior posts in the UK in business, politics, government, sport, media and the arts, only 3.4 per cent of occupants are Black and Minority Ethnic (BME) – compared to 12.9 of the general British population.[16]

Table 1: Cultural Backgrounds of Senior Leaders in Australian Organisations (Chief Executives and Other 'C-Suite' Leaders)

Cultural background	Number	Percentage of senior leaders	Percentage of Australian population	Percentage over/under-representation (+/-)
Anglo-Celtic	1890	75.9	58	+17.9
European	474	19.0	18	+1.0
Non-European	116	4.7	21	-16.3
Asian	76	3.1		
Middle-Eastern and Northern African	22	0.9		
Other Non-European background	18	0.7		
Indigenous	10	0.4	3	-2.6
Total	**2490**			

Figure 2: Cultural Backgrounds of Senior Leaders in Australian Organisations

Percentage of senior leaders
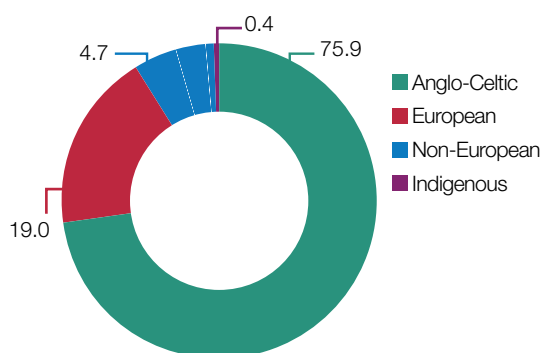
3.3 Chief executives and equivalents

Of the 372 chief executives and equivalents identified in this study, we find that 76.9 per cent of chief executives have an Anglo-Celtic background, 20.1 per cent have a European background, and 2.7 per cent have a non-European background. There is one chief executive who has an Indigenous background (0.3 per cent).

While the pattern of cultural representation within the cohort of chief executives and equivalents broadly tracks that of the total group of 2490 senior leaders in this study, the level of non-European background representation is substantially lower (2.7 per cent compared to 4.7 per cent). There is a combined total of 11 chief executives who have a non-European or Indigenous background – or 3.0 per cent of the total of 372 chief executives. Put another way, 97 per cent of chief executives have an Anglo-Celtic or European background. This is a dismal statistic for a society that prides itself on its multiculturalism and egalitarianism.

Table 2: Cultural Backgrounds of Chief Executives

Cultural background	Number	Percentage of senior leaders	Percentage of Australian population	Percentage over/ under-representation (+/-)
Anglo-Celtic	286	76.9	58	+18.9
European	75	20.1	18	+2.1
Non-European	10	2.7	21	-18.3
Asian	6	1.6		
Middle-Eastern and Northern African	2	0.55		
Other Non-European background	2	0.55		
Indigenous	1	0.3	3	-2.7
Total	**372**			

Figure 3: Cultural Backgrounds of Chief Executives

Percentage of chief executives

- Anglo-Celtic
- European
- Non-European
- Indigenous
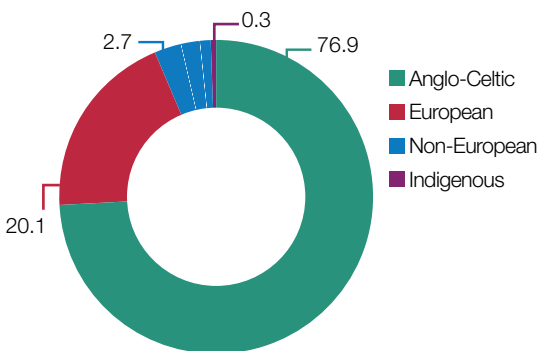
We find that, of the ASX 200 group of chief executives (n=200), 72.5 per cent have an Anglo-Celtic background, 23.5 per cent have a European background, and 4 per cent have a non-European background. There is no one among the ASX 200 chief executive cohort who has an Indigenous background. Compared to 2016, there has been a small increase in the level of European backgrounds, accompanied by an almost equivalent decrease in the representation of Anglo-Celtic backgrounds. The level of non-European representation has fallen from 5 per cent to 4 per cent.

Within the federal government ministry (n=30) 83.4 per cent have an Anglo-Celtic background, 13.3 per cent have a European background, and 0 per cent have a non-European background. 3.3 per cent have an Indigenous background, meaning one member of the ministry. This reflects a higher level of non-Anglo-Celtic background representation from 2016, in particular, of European backgrounds.

Among federal and state government departmental secretaries or chief executives (n=103), 84.5 per cent have an Anglo-Celtic background, 14.5 per cent have a European background, and 1 per cent have a non-European background. There is no one among the department secretary/chief executive group that has an Indigenous background. Compared with 2016, this reflects a slight increase in the proportion of Anglo-Celtic representation, and a slight decrease in European, non-European and Indigenous representation.

Within the cohort of university vice-chancellors (n=39), 74.3 per cent have an Anglo-Celtic background, 23.1 per cent have a European background, and 2.6 per cent have a non-European background. None of Australia's 39 university vice-chancellors has an Indigenous background. While these statistics reflect a rise in the level of non-Anglo-Celtic representation when compared to 2016, the small size of this cohort means the result may not be as dramatic as it may appear. The rise in non-European backgrounds, for instance, reflects the entry of one vice-chancellor who has a non-European background.

Table 3: Cultural Backgrounds of CEOs and equivalents – 2018

	Anglo-Celtic	European	Non-European	Indigenous
ASX 200 CEOS	72.5	23.5	4.0	0.0
Federal Ministry	83.4	13.3	0.0	3.3
Federal and State Government Department Heads	84.5	14.5	1.0	0.0
University Vice-Chancellors	74.3	23.1	2.6	0.0

Table 4: Cultural Backgrounds of CEOs and equivalents – 2016

	Anglo-Celtic	European	Non-European	Indigenous
ASX 200 CEOs	76.6	18.4	5.0	0.0
Federal Ministry	85.7	11.9	0.0	2.4
Federal and State Government Department Heads	82.3	15.3	1.6	0.8
University Vice-Chancellors	85.0	15.0	0.0	0.0

3.4 Senior executive management (non-chief executive 'C-suite')

Of the 2118 senior executives and equivalents (non-chief executive officers) identified in this study, we find that 75.7 per cent have an Anglo-Celtic background, 18.9 per cent have a European background, 5.0 per cent have a non-European background, and 0.4 per cent have an Indigenous background.

Cultural representation at this senior executive level shows a slightly higher proportion of non-European representation than at the CEO and equivalent level (5.0 per cent compared to 2.7 per cent). However, this does not indicate that there is a solid pipeline for non-European leadership. When compared to the non-European proportion of the general Australian population (21 per cent), 5.0 per cent indicates a very low level of representation.

Table 5: Cultural Backgrounds of Senior Executive Management (non-chief executive 'C-suite')

Cultural background	Number	Percentage of senior leaders	Percentage of Australian population	Percentage over/ under-representation (+/-)
Anglo-Celtic	1604	75.7	58	+17.7
European	399	18.9	18	+0.9
Non-European	106	5.0	21	-16.0
Asian	70	3.3		
Middle-Eastern and Northern African	20	0.9		
Other Non-European background	16	0.8		
Indigenous	9	0.4	3	-2.6
TOTAL	**2118**			

Figure 4: Cultural Backgrounds of Senior Executive Management

Percentage of senior (C-suite) leaders

0.4
5.0
75.7
18.8

- Anglo-Celtic
- European
- Non-European
- Indigenous
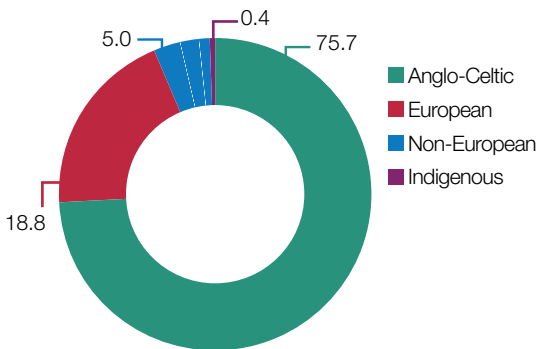
Looking more closely at different sectors, ASX 200 executive teams (n=1463) are dominated by Anglo-Celtic backgrounds, at 73.2 per cent. European backgrounds make up 21.0 per cent, while non-European backgrounds account for the final 5.8 per cent. There is no known Indigenous representation in the ASX 200 executive leadership cohort, making it one of two senior leadership groups in our study that have zero Indigenous representation.

Within the Australian Parliament (comprising members of the House of Representatives and Senators, and excluding those in the ministry) (n=196), 78.1 per cent have an Anglo-Celtic background and 16.3 have a European background. There are 4.1 per cent of parliamentarians who have a non-European background, and 1.5 per cent have an Indigenous background.

State and Federal government departmental deputy secretaries and equivalents (n=329) have the highest Anglo-Celtic representation of the non-chief-executive leadership teams, with 83.3 per cent. European backgrounds accounted for 12.5 per cent, non-European backgrounds for 2.4 per cent, an Indigenous backgrounds for 1.8 per cent.

There was a similar pattern of representation among university deputy vice-chancellors (n=130), with 81.5 per cent having an Anglo-Celtic background, 14.6 per cent having a European background, 3.9 per cent having a non-European background. Out of the 130 University Deputy Vice-Chancellors, none has an Indigenous background.

'… 97 per cent of chief executives have an Anglo-Celtic or European background. This is a dismal statistic for a society that prides itself on its multiculturalism.'

Table 6: Cultural Backgrounds of Non-Chief Executive Senior Leaders

	Anglo-Celtic	European	Non-European	Indigenous
ASX 200 Executives	73.2	21.0	5.8	0.0
Commonwealth Parliament	78.1	16.3	4.1	1.5
Federal and State Government Department Deputy Secretaries	83.3	12.5	2.4	1.8
University Deputy Vice-Chancellors	81.5	14.6	3.9	0.0

4. Not just a matter of time

It does not seem right that the leadership of Australian society looks the way it does today. Australia has historically been regarded as being socially mobile. It is taken as an article of faith in a multicultural Australia that, regardless of one's background, talent and application can take someone to the top of their field. Yet the evidence shows that we have a significant under-representation of diversity – in particular, non-European and Indigenous backgrounds.

Time may help to strike a more proportionate cultural balance. There does not, for example, appear to be an issue with those from European (non-Anglo-Celtic) backgrounds being represented within senior leadership positions at either the chief executive or C-suite levels. Indeed, there is a roughly proportionate level of representation, across nearly all sectors at the CEO and senior executive levels.

Mass immigration from Europe during the immediate post-Second World War years has had the benefit of generations to 'work through' Australian society. Our statistics indicate that Australians from non-Anglo-Celtic European backgrounds are somewhat proportionately represented within Australian organisational and institutional structures. While historically those with European cultural backgrounds would have experienced some degree of prejudice and discrimination, these factors are no longer significantly apparent – at least when it concerns leadership attainment.

However, we reiterate that time alone may not resolve a lack of cultural representation. It has already been about half a century since the White Australia policy started being dismantled, and about four decades since non-European background immigrants began arriving in Australia in significant numbers. For some time now, the children of immigrants on average outperform the children of Australian-born parents when it comes to educational and employment outcomes.[17] In the highly mobile society we should expect of an egalitarian Australia, we should by now be seeing greater representation of cultural diversity in senior leadership. That there are only marginally higher levels of non-European cultural diversity within the C-suite, when compared to chief executive cohorts, underlines the unsatisfactory nature of the status quo.

Improving this is critical for a number of reasons. Australia's prosperity relies upon international trade, capital inflows and mobility of people. Six of Australia's top ten two-way trading partners are outside Europe and North America.[18] Senior leaders of our government institutions, businesses and universities are at the forefront of Australia's political, economic and educational engagement with non-European and non-American regions. It is crucial we are attuned to the cultural nuances of such engagement.

There is another danger that Australian organisations must heed. The current pattern of representation in leadership may not be conducive to culturally diverse talent being retained in Australia. According to Lisa Chung, a non-executive director and law firm partner, it has contributed to many Australians from culturally diverse backgrounds heading overseas where they believe their prospects of success and fulfillment are better: 'They're going to Singapore or Hong Kong, where they feel more at home. It's just a ridiculous waste.'[19]

The clear gap between European and non-European representation within senior leadership does point to a cultural dynamic not always openly discussed. There may be a proximity between Anglo-Celtic and European cultures and identities, which may not exist between Anglo-Celtic and non-European cultures and identities. Visible differences may be a factor in the experience of non-European background Australians, in a way different from that of European background Australians.

Research indicates that those from non-European backgrounds experience more significant barriers from discrimination. The Scanlon Foundation's Australia@2015 study, for example, found that the five groups that experienced the highest level of racial discrimination where those born in South Sudan, Zimbabwe, Kenya, Ethiopia and those who identified as Indigenous. Those born in China, India, Vietnam and Iran also experienced significantly higher levels of racial discrimination compared to those born in the United Kingdom.[20]

Experimental studies find similar patterns. For example, one study found that having a Chinese name or Middle-Eastern name can mean a job seeker may need to apply 68 or 64 per cent more times, respectively, compared to someone with an Anglo name before being invited for interview.[21] A more recent study has found that those with a 'white' name are three times more likely to be invited for interview, compared to candidates with a Chinese name (the study also found that those with Chinese names who had an Anglicised first name doubled their changes of receiving a job interview).[22]

Getting serious about responding to the under-representation of cultural diversity requires getting serious about the barriers posed by prejudice and discrimination.

'There is one danger that Australian organisations must heed. The current pattern of representation in leadership may not be conducive to culturally diverse talent being retained in Australia.'
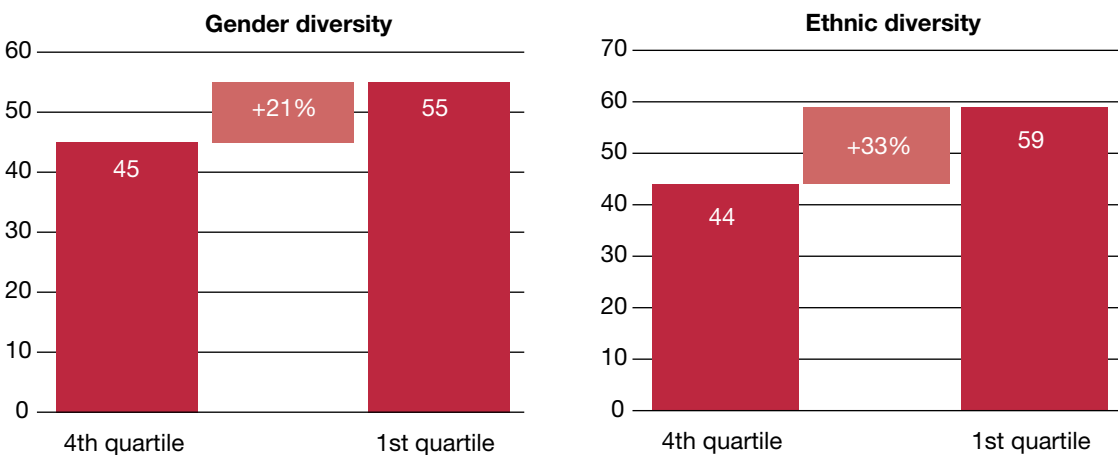
5. Leadership, systems and culture

We reiterate the general findings and recommendations of the *Leading for Change* blueprint.

First, there is a compelling case for organisations to embrace cultural diversity. Getting it right on cultural diversity assists in attracting talent and will improve decision-making and performance. In a recent international study of gender and ethnic diversity, involving a sample of more than 1000 companies across 12 countries, McKinsey & Company has found that companies with the most ethnically diverse executive teams (in both absolute representation and also in ethnic mix) are 33 per cent more likely to outperform

their peers on profitability. In addition, there is a penalty for not being ethnically diverse: those in the fourth quartile of ethnic diversity for their executive teams are 29 per cent more likely to underperform their peers on profitability.[23]

McKinsey's findings indicate that the correlation between ethnic diversity and profitability may be even higher than that between gender diversity and profitability. The top quartile of companies for gender diversity on their executive teams were only 21 per cent more likely to experience above-average profitability (compared with 33 per cent for the top quartile of ethnically diverse executive teams).

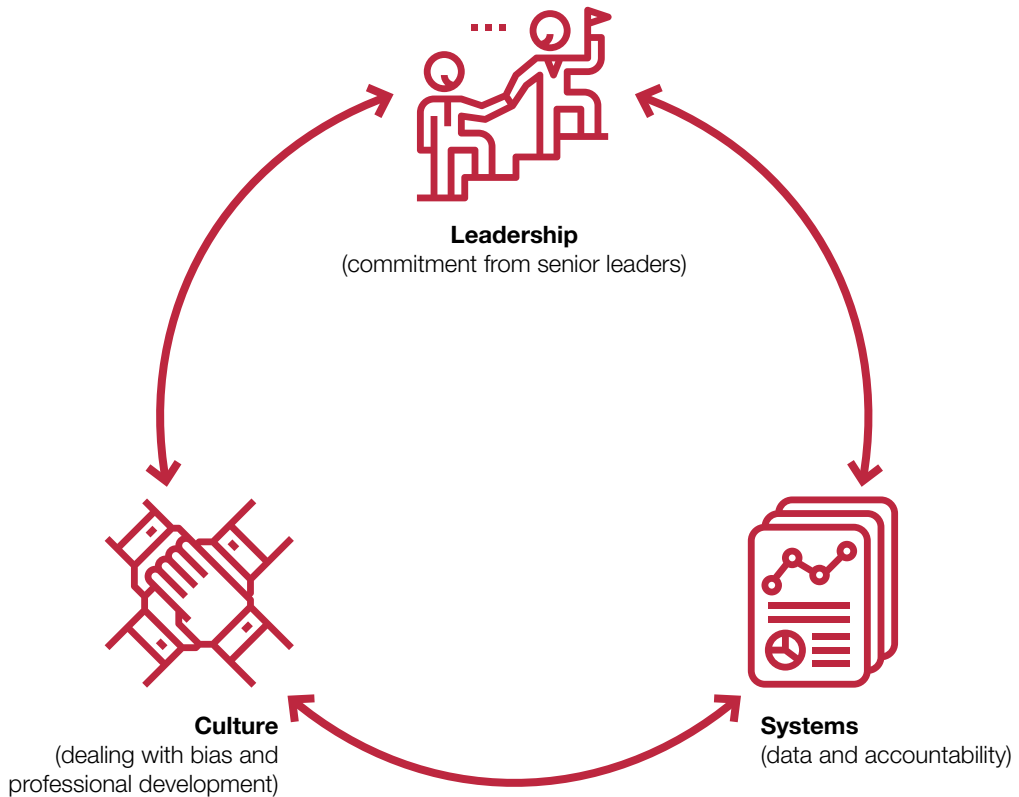**Figure 5: The Business Case for Cultural Diversity**

Source: McKinsey Diversity Database

As for responding to the under-representation of cultural diversity, there is a continued need for action in three areas: leadership, systems and culture.

> ' … the correlation between ethnic diversity and profitability may be even higher than that between gender diversity and profitability.'

Leadership
(commitment from senior leaders)

Culture
(dealing with bias and
professional development)

Systems
(data and accountability)

5.1 Leadership

The profile of cultural diversity as an organisational issue has grown over the past two years. But more is needed from those in leadership positions to set the right example.

For chief executives and other senior leaders, taking opportunities to speak about cultural diversity help to signal to others a commitment to the issue. There is also strength in senior leaders coming together in numbers. In late 2016, a number of chief executives in business, government and higher education formed the Leadership Council on Cultural Diversity – with the intention, among other things, of amplifying the member leaders' individual voices on cultural diversity.[24]

One challenge is getting authentic leadership. Those who are prepared to advocate for cultural diversity often do so because of their own personal conviction or experience. The task of leadership cannot be delegated, however, just to those from non-Anglo-Celtic or non-European backgrounds. At the same time, leaders who have Anglo-Celtic backgrounds may be reluctant to speak out, especially if they are conscious their own professional life has not included any lived experience of adversity based on race or culture.

The best response is often one of humility. Former High Court judge Michael Kirby, for example, has been among the advocates for greater cultural diversity within the legal profession, acting as a patron for the

> **'Leaders should not underestimate the power of speaking honestly about their own experience, even if it may involve something other than a success story.'**

Asian-Australian Lawyers Association. Yet he has spoken openly about how, during his years on the bench, he had relatively few associates from an Asian or non-European cultural background.[25] Leaders should not underestimate the power of speaking honestly about their own experience, even if it may involve something other than a success story.

For leaders who have non-Anglo or non-European backgrounds, their own stories are doubly powerful. The current composition of Australian senior leaders means it is rare to have role models from minority backgrounds.

But not all culturally diverse leaders may be willing to open up about their experiences or history. Some may feel it may be perceived as self-serving, or that it may encourage others to judge them on something other than their record or abilities. And, it may place those who are known as diversity advocates under pressure from within their organisation.

It is indisputable, though, that those from culturally diverse backgrounds do notice diversity when it is there at the top. Some would describe this as 'You can't be what you can't see'. Or, put slightly differently, 'Seeing is believing'. Katrina Rathie, the managing Sydney partner of King & Wood Mallesons, reflects on her experience as the law firm's first partner of Asian descent. According to Rathie, her advocacy for cultural diversity has had an effect on appointments within the firm:

> I've got three Asian associates and when I put out a job specification, I got 20 applications from Asian women – that's never happened before in my 23 years as a partner. That's because they see me as someone who supports [cultural diversity].[26]

Case Study 1

Leadership Council on Cultural Diversity

In December 2016, Race Discrimination Commissioner Tim Soutphommasane announced the formation of the Leadership Council on Cultural Diversity. The Council brings together chief executives from business, government, media and higher education to provide visible advocacy for cultural diversity. It has a particular focus on working to support greater cultural diversity in leadership.

Council members meet three times a year, coinciding with events, and share their data and experiences on cultural diversity within their organisations. Since the Council's launch, members have also been accompanied at meetings by 'deputies' – namely, leaders from within their organisation with culturally diverse backgrounds or a strong interest in cultural diversity.

The members of the Council, as of 1 April 2018, are:

- Dr Tim Soutphommasane, Race Discrimination Commissioner (Chair)
- John W.H. Denton AO, CEO, Corrs Chambers Westgarth
- Michelle Guthrie, Managing Director, Australian Broadcasting Corporation
- Professor Peter Høj, Vice-Chancellor, The University of Queensland
- Tony Johnson, Managing Partner Oceania, EY
- Ian Narev, CEO, Commonwealth Bank of Australia
- Dr Martin Parkinson AC PSM, Secretary, Department of the Prime Minister and Cabinet
- Luke Sayers, CEO, PwC Australia
- Raynuha Sinnathamby, Managing Director, Springfield Land Corporation

www.leadershipdiversity.org.au

Department of the Prime Minister and Cabinet

The Department of the Prime Minister and Cabinet (PM&C) undertook a Cultural Audit in September 2016.

Since the Cultural Audit, PM&C has undertaken initiatives to strengthen inclusion and diversity within the department. These include establishing employee networks, appointing senior executive level champions for culturally and linguistically diverse staff. It has also held inclusion and diversity workshops with all senior executive level staff.

In March 2018, PM&C released its Inclusion and Diversity Strategy, setting out actions in three areas: leadership and accountability; actively promoting diversity; and supporting managers and staff.

Under the leadership and accountability pillar, PM&C will look at establishing department diversity targets and a reporting process, conducting performance evaluations to assess leadership contribution to inclusion and diversity, and attaching divisional inclusion and diversity strategies to 2018-19 Division Corporate Plans.

The Inclusion and Diversity Strategy also includes a 'leadership commitment', a statement outlining leadership behaviours at all levels of the organisation, and a 'management challenge', a list of questions to prompt senior executive level leaders to reflect on whether they are enhancing inclusion and diversity.

5.2 Systems

Devising better systems for dealing with cultural diversity involves two things: data and accountability.

5.2.1 Data

It remains difficult to get data on cultural diversity. Unlike on gender, where federal legislation compels all companies with 100 or more staff to collect and report on gender equality data, there is no legal obligation for organisations to collect cultural diversity data.[27] We note that the Australian Human Rights Commission has submitted to a parliamentary inquiry into strengthening multiculturalism and to the United Nations Committee on the Elimination of Racial Discrimination that the Australian government collect better data on cultural diversity in Australian organisations and institutions.[28]

There have been some recent international developments on data collection also worth noting. In October 2017, British Prime Minister Theresa May released a Race Disparity Audit, which examined the treatment of people of different backgrounds across health, education, employment and the criminal justice system. According to May, the audit data may be 'uncomfortable', but will also be 'regarded as the central resource in the battle to defeat ethnic injustice'.[29]

Measuring cultural diversity is admittedly complex; more so than measuring gender diversity. This is because there is often multiplicity to someone's cultural heritage. In a country such as Australia, few people may be able to trace their ancestry to one ethnic group.

Difficulty does not mean impossibility, though. It is possible to collect data on cultural diversity, though sometimes the wrong variable is measured. Any data collection should be concerned with capturing people's cultural *backgrounds* as opposed to cultural *identities.* If we are concerned with the under-representation of cultural diversity, it seems to concern backgrounds.

There is limited value in collecting data about cultural identities, in one respect. The vast majority of people who live here have a healthy sense of belonging to, and identification with, Australia. The Scanlon Foundation Mapping Social Cohesion report in 2017 found that 92 per cent of Australians have either a 'great' or 'moderate' sense of belonging to Australia, and 89 per cent of Australians have either a 'great' or 'moderate' sense of pride in the Australian way of life and culture.[30] In other words, the evidence suggests close to unanimity among residents of Australia feeling that they belong to the country, or have a sense of an Australian identity.

There is a more crucial reason why cultural background is the key variable. The mere fact that someone may identify with being culturally Australian also does not insulate someone from the possibility of being judged or perceived a certain way, because of their cultural background.

Consider the following example: a person with an Indian cultural background, born to parents from India, but who was born and grew up in Australia, and bears Australian citizenship. Such a person may identify as being Australian, and may behave in ways that are indistinguishable from (say) an Australian who has an Anglo-Celtic background. Yet, for the purpose of collecting cultural diversity data, it seems more pertinent to capture their ethnicity or ancestry – in this case, their Indian cultural background.

Doing so does not in any way deny or obviate their subjective identification with being Australian or having an Australian cultural affiliation. It simply signifies their cultural background, namely, their ethnicity or ancestry.

There remains one complicating factor in measuring cultural background: whether any collection of data should include the category of an 'Australian' background. It is arguable that such a category may be less than helpful in the collection of data on cultural background. In a multicultural society, the descriptor of 'Australian' is an encompassing one. Everyone in our society is Australian or can consider themselves Australian, but Australians come from many different backgrounds.

On the occasions when data has been collected on 'Australian' backgrounds specifically, the results appear to be ambivalent.

For example, in the 2016 Census, 'Australian' was listed by 23.3 per cent of respondents as their ancestry (the second most common, following 'English' at 25.0 per cent).[31] But what do people mean when they declare they have Australian ancestry? Does it refer to Aboriginal and Torres Strait Islander ancestry? Does it refer to English, Irish, Scottish or Welsh backgrounds? Or does it refer to people having family histories in Australia going back more than one generation? It is open to conjecture what the descriptor of 'Australian' signifies, even in the Census.

Professional services firm EY encountered a similar problem when it collected cultural diversity data on its staff. In a 2017 firm survey, 95 per cent of partners and 90 per cent of staff described their cultural background as 'Anglo-Celtic' or 'Australian'. Yet, only 73 per cent of partners and 56 per cent of staff had a place of birth that was either the United Kingdom, Ireland or Australia. As EY's Oceania managing partner and CEO Tony Johnson has reflected, 'when you ask our staff what cultural background they belong to, they're most likely to tell us that they're Australian'.[32]

Such ambivalence suggests a need for deeper conversations about cultural differences. It indicates some may feel discomfort in either declaring their ethnic background or family ancestry. It also highlights how any collection or analysis of cultural diversity data must involve care around the use of the descriptor 'Australian'; if clearer categories about cultural background can be used, they should be. We hope that, in putting forward our classification, there can be a step towards greater clarity.

> 'The mere fact that someone may identify with being culturally Australian also does not insulate someone from the possibility of being judged or perceived a certain way, because of their cultural background.'

Case Study 3
Law firms' data collection

In 2017, the Managing Partners of 11 commercial law firms signed a Cultural Diversity Commitment: Allens, Ashurst, Baker McKenzie, Clayton Utz, Corrs Chambers Westgarth, DLA Piper, Henry Davis York, Herbert Smith Freehills, King & Wood Mallesons, Minter Ellison, and Norton Rose Fulbright.

A key element of the Commitment is for each of the firms to undertake a survey to measure cultural diversity. Of particular interest is the ability to understand what is happening with the progression of culturally diverse people to law firm partnership and senior leadership.

Taking it a step further, Baker McKenzie and Herbert Smith Freehills have taken the lead in drafting a recommended set of questions for inclusion in cultural diversity surveys. This has been prepared with input from the other law firms, the Asian Australian Lawyers Association, the Australian Human Rights Commission and OmniPoll (a market research company). A complete survey design will be deployed by six of the firms simultaneously in 2018 with the involvement of OmniPoll.

The objective is to measure cultural diversity at various levels of seniority across each firm, which will establish baseline data. The survey design uses a quantitative methodology. This means that, with a consistent approach and regular collection, the data will allow comparisons to be made across cohorts and from year to year. Over time, this will help firms to identify trends, areas for improvement, and roadblocks impeding the progress of culturally diverse talent.

Case Study 4
Deloitte

Deloitte has collected data on the cultural diversity of its staff using a methodology that analyses first and last names. This process, performed by an external data analysis organisation, has been done in 2014 and repeated in 2016. Deloitte will run the analysis again in 2018.

According to the 2016 analysis, 33 per cent of Deloitte Australia employees have a non-European background (Asia-Pacific, North Africa & Middle East, Africa). Of the firm's partners, 11 per cent have a non-European background. While most of the talent pipeline is strong on diversity, this is not yet reflected at the partner level in the firm.

Building on its data analysis, the firm has established a cultural diversity steering committee, and is partnering with a leading Australian university on a research paper to investigate the challenges that culturally diverse individuals face in progressing their careers in professional services.

In 2017 Deloitte ran a national 'Cultural Conversation' series of panel discussions featuring leaders and emerging leaders from culturally diverse backgrounds. Deloitte is in the process of designing a bespoke Inclusive Leadership Assessment for all its leaders (partners, principals and directors). Finally, all Deloitte employees complete the 'Inclusion@Deloitte' workshop, where individuals watch a range of dramatised scenes that play out and then discuss the various non-inclusive behaviours and how they could be addressed.

Department of Foreign Affairs and Trade

Workplace diversity, including cultural diversity, forms part of the Department of Foreign Affairs and Trade (DFAT) Strategic Framework 2015–2019, which articulates diversity as an asset to the department's work. DFAT's Workforce Strategy 2018-2022 also outlines workforce principles and objectives, including valuing diversity and promoting inclusion. A focus on inclusive workplaces formed part of the Agency Multicultural Plan 2013-15 and is being further developed in DFAT's upcoming Cultural and Linguistic Diversity Strategy which will be launched in 2018.

DFAT's activities include equipping all staff, particularly managers, with knowledge and skills to promote an inclusive environment. Every two years all DFAT staff – including Australia-based, locally employed staff (LES) and contractors – are required to complete four modules of 'Working with Diversity' training. These modules cover understanding diversity; understanding responses to diversity; creating and managing a diverse workplace; and diversity and the role of the manager.

Unconscious bias training is offered to all staff, and recruitment panels and posting committees receive briefs on unconscious bias. Workplace diversity presentations are also delivered to State and Territory Office staff, employees on pre-posting training, LES management courses and new employees to the department. Workplace diversity briefings are also given to Head of Mission designates, and Senior Administrative Officer designates, prior to posting and at Divisional Branch meetings as required.

5.2.2 Accountability

Having accountability means ensuring an organisation treats diversity and inclusion as a priority. This could, for example, involve organisations working cultural diversity into their goals, strategy and performance.

Put simply, if an organisation is serious about cultural diversity, it will dedicate resources to it. It will consider benchmarking cultural diversity objectives and providing incentives for people to perform accordingly.

This leads to the inevitable question: should targets or quotas be adopted for cultural diversity?

There is a strong case for including targets in diversity and inclusion measures. Here, it is important to make clear that targets are not the same as quotas. A target is a voluntary goal, while quotas are a mandated goal imposed upon an organisation by an external body.[33] Targets enjoy one advantage over quotas, as their voluntary nature means they are more likely to be 'owned' by an organisation. As outlined in studies of targets and quotas, 'ownership' of organisational goals improves the likelihood of achieving them.[34]

The use of targets has arguably been important in improvements on other diversity fronts – notably, gender. Under the ASX Corporate Governance Council's Diversity Recommendations, all listed entities in Australia must report annually about their gender diversity policy, and establish an annual assessment of measurable gender diversity objectives.[35] Many non-listed organisations, such as partnerships and government departments and agencies, have adopted gender targets as well. Elsewhere in the world, gender quotas have also been used: Norway's relatively high percentage of women on boards, for example, reflects the country's introduction of quotas.[36]

As with gender, some argue that cultural diversity targets undermine a principle of merit. It is argued that decisions about promotion and advancement should be made based on someone's ability to do the job, not their cultural background. Many observe there can also be a disadvantage for those from culturally diverse backgrounds working in an organisation with diversity targets, because of perceptions that they have enjoyed advancement purely because of their background.

Any notion of meritocracy, however, presumes a level playing field. It is questionable that such a level playing field exists, given the significant under-representation of cultural diversity. Merit can be determined by highly subjective criteria and can reflect a certain cultural default. As highlighted in *Leading for Change*, prevailing models of leadership may have built into them assumptions that privilege some and disadvantage others.[37] The use of targets, therefore, may help achieve a more level playing field, and enable less culturally-skewed assumptions about leadership to emerge.

While targets and quotas attract a great deal of debate, there are many contexts outside of gender diversity where informal quotas are already in play in appointments relating to senior leadership. Appointments to government cabinets in Australia are made with some consideration to factors such as geographic representation or political parties (as in the case of governments involving a coalition of parties). In the realm of business, appointments to the boards of companies reflect factors such as ownership or shareholdings. In both examples, merit does not appear to feature as the sole consideration. It seems anomalous, then, to insist that cultural targets warrant special criticism for supposedly violating a sacrosanct commitment to 'meritocracy'.

> 'Any notion of meritocracy presumes a level playing field ... the use of targets may help achieve a more level playing field, and enable less culturally-skewed assumptions about leadership to emerge.'

There are examples of organisations in Australia that have adopted cultural diversity targets.

As detailed in *Leading for Change* (2016), PwC Australia has had a target for at least 20 per cent of partner admissions to be from a culturally diverse background by 2016, increasing to 30 per cent by 2020.[38] The Australian Broadcasting Corporation, in its equity and diversity plan for 2016-18, has set a target for 15 per cent of senior executives and 12 per cent of content makers to be from non-English speaking backgrounds.[39] Another notable example is the Commonwealth Bank (CBA), whose executive committee in 2015 approved the goal of having the cultural diversity of senior leaders match the cultural diversity of the Australian population by 2020.[40]

While in our view targets are necessary, they are not sufficient to achieve better representation of cultural diversity. They are not a panacea. They must be supported by other policies that encourage the development of diverse talent. And, where they are adopted, they must be achievable. Where they are not, there is a risk they can have counter-productive effects – for example, the creation of unrealistic expectations and disillusionment. Real and sustainable change can only be achieved if action is systemic.

5.3 Culture

Creating an organisational culture that is conducive to cultural diversity involves addressing underlying bias and discrimination, and promoting professional development.

5.3.1 Bias, prejudice and discrimination

All human judgment is susceptible to bias or prejudice: none of us is free from having preconceived opinions, including about groups, that may not necessarily be supported by reason or experience. Where bias and prejudice are present, discrimination can be the result. Ideas about what leadership looks and sounds like are especially prone to bias, given that judgments about leadership are subjective.

Addressing bias, prejudice and discrimination is no easy task. As bias is often unconscious, it can be difficult to identify. One form of prejudice bias can also be overlaid with another kind. The experience of discrimination can be intersectional. Research highlights how women of culturally diverse backgrounds, for example, cop a 'double whammy' when it comes to leadership.[41] Within our collection of statistics on senior leaders, we were able to identify a very small number of female leaders who have a non-Anglo-Celtic background.

Racial prejudice and discrimination remain live problems in Australian society. According to the Scanlon Foundation's Mapping Social Cohesion study in 2017, 20 per cent of Australians have experienced discrimination in the last 12 months due to the colour of their skin, ethnic origin or religion.[42] This is the equal highest percentage, along with 2016, recorded over the ten such studies to date. As noted above, the experience of discrimination by people from certain cultural backgrounds is significantly higher than the national average.

Training is one way to mitigate bias and discrimination. It is important for organisations to promote understanding of prejudice and its manifestations. Organisations should also consider ways they can foster positive contact between people from different backgrounds.

Case Study 6

Commonwealth Bank of Australia

In 2015, the Commonwealth Bank of Australia (CBA) Executive Committee and Board publicly endorsed a target that stated the cultural diversity of senior leaders should match the cultural diversity of the Australian population by 2020.

To help reach this, CBA developed a 'cultural diversity index' to measure the cultural diversity of their leaders. The index is based on a modified Herfindahl-Hirschman Index methodology, and measures the mix of cultures in the given population providing an index position between 0 and 1. The higher the score, the more diverse the population is.

The index uses anonymous self-disclosed information collected in an annual engagement and culture survey. The survey has a high disclosure rate, with 88 per cent responding in March 2017.

CBA has supported the target through applying a diversity lens to all people processes such as using candidate recruitment demographic surveys to track conversion from application to acceptance and building diverse internal succession pipelines. In early 2018, CBA implemented a new human resources solution that provides the opportunity to collect more specific demographic information. The intention is to use this information to track the careers of diverse groups and build the right strategies and interventions.

This must involve more than just awareness-raising or just easy celebration of diversity. Research indicates that more serious effort is required to achieve change. People must be prompted into genuine empathy. This may require exposing people to the stories and lived experiences of others in ways that challenge them to reflect on their own experiences.

Case Study 7

The University of Sydney

The University of Sydney, through the National Centre for Cultural Competence (NCCC) located at the university, is committed to transformational cultural change as outlined in its 2016-2020 strategic plan. The NCCC has developed five online modules available through the internal staff training platform that help develop cultural competence and capabilities, including understanding our own cultures, our worldviews, unconscious biases and how we are socialised. They training is broken into the following topics:

- Journey of self-discovery
- What do we mean by cultural competence?
- Racism runs deep
- Know your world, see my world
- Sydney and Aboriginal self-determination

To support these modules, the NCCC runs face-to-face workshops that build on the online content and encourage deeper connection with aspects of cultural competence, anti-racism strategies and relational learning.

The NCCC also runs the Culturally Competent Leadership Program, which is designed for leaders and influencers across the university. The program deepens the understanding of connections between leadership, cultural competence and Aboriginal and Torres Strait Islander contexts. It enables participants to think about and articulate what a 'uniquely Australian' university means, and facilitates an increased capacity and capability for culturally competent leadership and cultural change. A key outcome of the program is development of an ongoing community of practice who are contextualising cultural competence to their environment.

Case Study 8

Clayton Utz

Law firm Clayton Utz has partnered with Rare Recruitment (a UK based company) and employed their contextual recruitment system (CRS) in its clerkship selection process. The CRS widens the talent pool and enhances the recruitment process by allowing us to understand the context for a candidate's experience – such as schooling, economics, geography and life events – and their achievements against this backdrop.

The system draws upon a range of bespoke databases, covering all of Australia's Territories and States. It combines publicly available information, such as postcodes, with candidates' personal responses obtained through the application process, such as their eligibility for Centrelink benefits. This delivers two assessment measures: disadvantage and performance.

Clayton Utz has also sought to reduce unconscious bias in the interview process. This includes offering all interviewers unconscious bias training and supplementing the interview with a question around the candidate's capacity to advance, broaden and diversify the firm's collective cultural capabilities.

Following the implementation of the CRS in NSW, ACT, WA and Victoria, Clayton Utz has hired several people who ordinarily may not have applied to the firm or been offered an interview.

In addition, Clayton Utz has generated a short suite of short videos focusing on its diverse employees – with each video featuring an employee answering off-camera questions about their background and culture. The videos are shared nationally through the firm's intranet, and aims to expose staff to cultural difference, and help build cultural intelligence while countering social biases and stereotypes.

> **'Racial prejudice and discrimination remain live problems in Australian society.'**

5.3.2 Professional development

Change requires support and leadership from the top down, but it needs also to come from the bottom up. This includes through professional development initiatives aimed at equipping those from culturally diverse backgrounds with the tools required to step into leadership roles.

There are four main ways that organisations can hone their professional development: identifying more diverse staff with leadership potential; providing better mentoring and sponsorship opportunities; empowering diverse staff; and using networks to support diversity and inclusion.

These aspects of professional development will often overlap. For example, it may require more mentoring and sponsorhip of diverse talent before an organisation is able to identify leadership candidates from more diverse backgrounds. Empowering staff from diverse backgrounds, meanwhile, may require establishing networks that are dedicated to supporting diversity and inclusion.

In essence, strengthening professional development is about unlocking the potential of multicultural talent. While there is no shortage of such talent apparent in many organisations, particularly at graduate or junior levels, such talent is not coming through the system in the way it might be expected.

Case Study 9
Australian Broadcasting Corporation

As a Commonwealth government body, the Australian Broadcasting Corporation (ABC) is required to collect statistics on inclusion the *Equal Opportunity Act 1978* (Cth), which are published in their annual Equity & Diversity Report. This mandated information includes data on non-English speaking backgrounds and Aboriginal and Torres Strait Islander backgrounds. The ABC has recently started collecting more detailed data in their questionnaires on top of this.

In addition to data collection, the ABC, through its 2016-18 Equity & Diversity Plan, has set cultural diversity targets: namely, that 15 per cent of Senior Executives be from non-English speaking backgrounds, and up to 12 per cent of content makers be from non-English speaking backgrounds. The ABC produces quarterly progress reports on their diversity profile, has appointed cultural diversity champions at the senior manager level, and is working to benchmark their content for on-air diversity.

The ABC also delivers unconscious bias training to all employees, with the initial rollout being focused on managers and content makers. This training explores the case for diversity and inclusion, recognising the impact of unconscious bias and strategies to manage bias and developing inclusive leadership. Training includes a face-to-face Indigenous cultural awareness program.

In 2017, ABC Radio's internship program for students in NSW and the ACT included a target of 50 per cent for those from culturally diverse backgrounds. At the conclusion of the program, evaluation showed nearly 90 per cent of 52 interns demonstrated a diverse life experience in relation to ethnicity, disability, gender diversity, regional and social demographics, with 48 per cent coming from culturally diverse backgrounds. Many have been recommended for future paid work at the ABC and 14 interns have since been offered paid ABC work.

This could reflect some barriers in the paths to leadership for those from culturally diverse backgrounds. Often this relates to the unofficial or unspoken rules within an organisation or industry, which may only be transmitted through mentor to protégé, or through sponsor to their charge. Such knowledge may not always be available for those who may be outsiders or come from atypical backgrounds.

Highlighting the necessity of professional development does not mean that those from culturally diverse backgrounds need to be fixed. It is not about moulding people into a form that is more culturally acceptable to a majority or a dominant group. Rather, it is about providing people with the skills required to ensure that their distinctive abilities can be recognised.

The current pattern of diversity in leadership may be symptomatic of a lack of self-awareness on the part of culturally diverse talent. There can be an idealistic belief that talent or ability alone can be enough to succeed in Australian professional life, without also a sensitivity to how luck, relationships and personal influence can determine success.

'…strengthening professional development is about unlocking the potential of multicultural talent … such talent is not coming through the system in the way it might be expected.'

Four aspects of professional development on cultural diversity and inclusion:

1. identify more culturally diverse staff with leadership potential

2. provide better mentoring and sponsorship opportunities

3. empower culturally diverse staff

4. use networks to support diversity and inclusion.

Case Study 10

Cultural Diversity and Leadership Fellowship

The Australian Human Rights Commission and The University of Sydney Business School launched a pilot program dedicated to cultural diversity and leadership in November 2017.

The program involved an executive education course aimed at leaders with about 15 years experience in the workforce. The aim was to create a network of leaders 'in the pipeline' who could collaborate on advancing cultural diversity; and to provide an environment in which participants could openly share and reflect on their experiences.

There were 27 fellows who participated in the program, coming from the private and public sectors. All were sponsored by their organisations. The fellows came from a mix of cultural backgrounds, with about half having non-European backgrounds. Participating organisations included Commonwealth Bank, Westpac, Woolworths, Deloitte, EY, KPMG, Clayton Utz, Corrs Chambers Westgarth, Herbert Smith Freehills, King & Wood Mallesons, Attorney-General's Department (Commonwealth), Australian Broadcasting Corporation, Reserve Bank of Australia, NSW Police, QLD Police, NSW iCare, Thermo Fisher, and Chartered Accountants ANZ.

Over three days in November 2017, and an additional day in March 2018, the fellows explored issues including cultural conceptions of leadership, the impact of diversity on problem-solving and decision-making, professional persona, unconscious and conscious bias, negotiating cultural dynamics, and data and cultural diversity. The curriculum focused on enhancing participants' strategic awareness of cultural diversity and leadership.

The evaluation of the pilot showed that:

- 83 per cent of participants agreed or strongly agreed that the program challenged their thinking about cultural diversity; and
- 63 per cent agreed or strongly agreed that they were better able, as a result of the program, to effect change on cultural diversity.

Case Study 11

Special Broadcasting Service

As outlined in its Charter, the principal function of the Special Broadcasting Service (SBS) is to provide multilingual and multicultural radio, television and digital media services that inform, educate and entertain all Australians, and, in doing so, reflect Australia's multicultural society.

SBS runs a number of professional development initiatives on cultural diversity and inclusion. The 'It's How We Lead' program features modules that develop inclusive leadership skills and uncover unconscious bias in the workplace. The Diversity Talent Escalator, in collaboration with state and territory screen agencies, helps secure flexible, on-the-job, paid learning and immersion for emerging screen practitioners from diverse backgrounds. An Indigenous cadet program provides identified entry roles in journalism and broadcast opportunities.

SBS also delivers cultural competence training through the SBS Cultural Competence Program. The program is designed to increase awareness in cultural competency, diversity and inclusion. It includes more than 75 short films and activities and uses real stories to illustrate key learning objectives. The program is available to all SBS staff and offered externally. The course is currently licensed to more than 80 organisations including federal and state government agencies, not-for-profits, education bodies and corporate organisations.

In addition, SBS reports on staff diversity in its Annual Reports, including information on country of birth, language spoken at home and Aboriginal or Torres Strait Islander background.

6. Challenges

We now reflect on two themes warranting further consideration. One concerns how cultural diversity within many organisations and industries appears to be concentrated within certain roles or occupations. The other relates to resistance to or backlash against diversity initiatives.

6.1 Ethnic zoning and visibility

The problem with cultural diversity and leadership is not strictly about the under-representation of diversity in leadership. It is also that cultural diversity may be unevenly represented within certain roles or occupations.

Obtaining statistics on such patterns is difficult, given the lack of data on cultural diversity at such a disaggregated level. However, many would speculate that culturally diverse backgrounds are likely to be more significantly represented within support or technical roles within many organisations. Certainly, there is a perception that those from non-European backgrounds may be drawn to fields such as information technology, finance or administration.

Some available data – of what little there is out there – is illustrative. Within the ABC, for example, the representation of non-English-speaking backgrounds is dramatically higher among 'technologists' (29.2 per cent) than among 'content makers' (8.3 per cent).[43]

Within certain professions or industries, the pattern of cultural representation may mirror the hierarchy of prestige or power within the field. Consider the legal profession, where cultural diversity appears almost non-existent within its senior echelons. A study conducted by the Asian Australian Lawyers Association in 2015 found that while those with Asian cultural backgrounds account for about 10 per cent of the population, they only comprise 3.1 per cent of partners in law firms, 1.6 per cent of barristers, and just 0.8 per cent of the judiciary.[44] Similar patterns prevail in the United Kingdom. According to the Solicitors Regulation Authority, while 21 per cent of lawyers are from a Black, Asian or Minority Ethnic (BAME) background, only 9 per cent of partners in large law firms are BAME. Among partners of one-partner law firms, however, 34 per cent of partners are BAME.[45]

Some of the existing commentary has underlined that the Australian corporate 'club' may not be as conducive to diversity as it should be.[46] It is striking that the numerous Asian Australian stories of success in business, for example, have tended to involve founder-CEOs rather than CEOs who have steered listed ASX companies. This has been the pattern for people such as Bing Lee, LJ Hooker, David and Vicky Teoh. Private enterprise, rather than institutional organisations, has been the vehicle for leadership. As Brad Chan, chief executive of the Banna Property Group, reflects on his experience:

> the working environment in large corporations didn't really suit my strengths and, like other Asian Australians, I saw limited opportunities for leadership … I was not willing to play the game. Politics play a role in getting ahead, and merit wasn't necessarily enough to climb the corporate ladder. The ones that were more outspoken and found ways to self-promote were the ones that got ahead. My preference was to work hard and get ahead on my own merit, but that wasn't enough.[47]

For those from diverse cultural backgrounds, this can be a liberating realisation. There are many stories of those who have left large corporations or firms and have flourished in either their own start-up or in a smaller organisation.

But there is also a pernicious effect of locking out cultural diversity. Any 'ethnic zoning' or 'ethnification' of roles or job categories can quickly reproduce itself.[48] If cultural diversity is well represented in junior, administrative and technical roles – but not well represented in executive and public-facing roles – organisations

> **'Internal organisational power hierarchies often mirror those of the dominant societal culture.'**

may come to regard that as reflecting a kind of natural order. Internal organisational power hierarchies often mirror those of the dominant societal culture.[49] It is within such environments that stereotypes about cultural diversity – for instance, that those from some backgrounds are not assertive enough to be leaders, or may not aspire to leadership positions – can amplify.

Numbers matter. Where those from diverse backgrounds are present in small numbers, particularly in leadership positions, they may encounter heightened scrutiny and barriers.[50] Some research has posited that there is a threshold for diversity to be normalised – namely, at about 15 per cent representation. It is when a group assumes such size in a given context that its members begin to shed their vulnerability to being perceived or labeled as a 'token' representative.[51]

Returning to our findings, those who have a non-Anglo-Celtic background make up about 24 per cent of the 2490 senior leaders within Australian organisations. When it relates to non-Anglo-Celtic background representation, there appears to be sufficient weight in numbers and visibility. Yet when it concerns non-European backgrounds, which make up about 5 per cent of leaders' backgrounds (compared to 21 per cent of the general population), it is clear that visibility and possible 'ethnic zoning' remain serious issues.

6.2 Dealing with deflections and hostility

It cannot be assumed that efforts on cultural diversity and inclusion will not be challenged, or be met with some criticism or resistance. These can range from deflections on cultural diversity, to outright hostility. Dealing with both of these is crucial.

One common deflection within organisations concerns priorities. There remains a perception that, on diversity and inclusion, priority may need to be given to gender equality.

While gender equality is important, senior leaders must ensure that efforts on cultural diversity are not deferred. Too often, organisations are prepared to lament that there is not enough 'bandwidth' to handle cultural diversity, or to warn that diversity 'fatigue' has set in. However, a genuine commitment to diversity and inclusion should avoid this. Leaders should consider the implied signal of suggesting there is either 'fatigue' or a lack of 'bandwidth'. It may amount to saying that they and their organisation do not regard the professional development and opportunities for those from culturally diverse backgrounds as important.

There can also be reluctance to deal with cultural diversity in a more thoughtful manner. There lurks the danger of doing cultural diversity only as 'food and festivals'. For example, in addition to Christmas, many organisations now celebrate culturally significant events such as Lunar New Year, Diwali and Eid. Many also mark Harmony Day on 21 March, often by having a celebration around food from different cultures. (Not nearly as many observe 21 March as the International Day for the Elimination of Racial Discrimination.)

It is good that such steps have been taken, but action cannot begin and end with cultural celebration. Too often, the virtue of celebrating diversity is used to deflect from more challenging conversations about diversity and difference. As a result, the work of diversity and inclusion on culture frequently stalls at awareness-raising, and not extend to more substantive efforts.

The answer lies in having an organisational culture where people are prepared to talk about cultural differences. People must be open to experiencing some potential discomfort. For example, those who have not had lived experience of racial prejudice or discrimination as a member of a minority group may need to reflect on how they may, or may not, see colour or cultural differences.[52] Organisations require a new level of resilience and curiosity.

For this to happen, it is crucial that organisations encourage meaningful contact between people from different cultural backgrounds.[53] In addition to having staff from diverse backgrounds working together toward common goals, diverse background staff must also be seen, at the outset, to have equal standing. Mixing different teams and roles to work together across projects also enhances meaningful contact, especially when 'ethnic zoning' has led to culturally diverse staff members being clustered within the same team.

Then there is the challenge of responding to more outright forms of hostility and backlash. There have been numerous high profile examples of anti-diversity backlash. Google engineer James Damore's widely circulated memo, 'Google's Ideological Echo Chamber', criticised 'authoritarian' diversity programs and argued that biological differences can partly explain the lack of diversity in leadership. The Damore memo encapsulates many of the criticisms that are sometimes directed at diversity initiatives: that they involve forms of discrimination against majority groups in order to reach proportionate or equal representation in ways that are unfair, divisive and which ultimately harm organisational performance.[54]

Diversity management research has found that even if those in the majority are set to benefit from diversity schemes or initiatives (such as flexible work), they are still likely to view them unfavourably. In particular, they do so as they believe changes will alter power structures, and that minorities will benefit more than the majority group will.[55] Some will resent equal opportunity initiatives on the ground that they give 'preferential treatment' to other groups.[56]

> '… action cannot begin and end with cultural celebration. Too often, the virtue of celebrating diversity is used to deflect from more challenging conversations about diversity and difference. As a result, the work of diversity and inclusion on culture frequently stalls at awareness-raising, and not extend to more substantive efforts.'

In a qualitative and quantitative study of 800 US businesses, researchers Frank Dobbin and Alexandra Kalev found that if diversity programs are seen to be unfair, people either may not engage with them or may actively work against them. Popular measures such as diversity training can backfire.[57]

To deal with this, Dobbin and Kalev suggest easing up on 'control tactics'. Their research finds it is more effective to 'engage managers in solving the problem, increase their on-the-job contact with female and minority workers, and promote social accountability'. This appeals to managers' desires to look fair and reasonable. Interventions such as targeted recruitment, self-managed teams, and mentoring programs have demonstrably boosted diversity, including in leadership. By contrast, there is less evidence for unconscious bias training achieving its goals.

However, organisations should be careful not to abandon or avoid programs simply because they are facing internal criticism. They must step up, make the case, allow for robust dialogue, and give the organisation time to come around. Leaders must set the tone, and be prepared to get stuck in.

7. Conclusion

Two years ago, the *Leading for Change* report provided a snapshot of the cultural diversity represented in senior Australian leadership in business, politics, government and higher education. It found a significant under-representation of cultural diversity, particularly from non-European backgrounds.

In this report, we have updated that original exercise, including our methodology, drawing upon the 2016 Census. We have also gathered information on a larger cohort of senior leaders – some 2490 in all. In counting senior executive management at the 'C-Suite' level, in addition to chief executives, we have sought to examine whether there is cultural diversity coming through 'the pipeline' in Australian organisations.

Our findings are not entirely surprising. There remains a disproportionately low level of cultural diversity represented among the chief executives of ASX 200 companies, members of the federal ministry, the heads of federal and state government departments and university vice-chancellors. Only 3.0 per cent of chief executives have a non-European background or Indigenous background – that is 11 chief executives out of the 372 chief executives examined in this study.

Perhaps just as concerning, we have found there is not significantly more cultural diversity at the group executive level (C-suite) of Australian organisations. Just over 5 per cent of non-CEO senior executives have a non-European or Indigenous background.

Clearly, there remains an Anglo-Celtic and European default when it concerns the cultural background of senior leaders in Australia. In a society where nearly one-quarter is estimated to have a non-European or Indigenous background, this challenges us to do better with our multiculturalism.

We have reiterated the guidance provided in the original *Leading for Change* report of 2016. Improving the representation of cultural diversity in leadership requires committed action in three areas: leadership, systems and culture. We represent below in summary form what some of these actions could involve for leaders and organisations that desire to get it right on cultural diversity.

Leadership

1. Provide leadership on cultural diversity that is authentic and humble
2. Equip and support leaders from diverse backgrounds to be role models
3. Leaders must be prepared to respond to deflections and backlash

Systems

1. Collect meaningful data on cultural diversity
2. Accompany any data initiative with deeper conversations about cultural differences
3. Where there is data, consider targets and accountability for cultural diversity and inclusion across the organisation

Culture

1. Mitigate bias and discrimination by promoting positive contact between different cultural backgrounds
2. Unlock the potential of multicultural talent through targeted professional development
3. Go beyond cultural celebration and cultivate organisational resilience in negotiating cultural differences

There is one general area where efforts can be strengthened on cultural diversity. The experience of gender equality has demonstrated the power of having data and reporting on gender. If we are committed to deepening our success as a multicultural society, there must be consideration of official collection and reporting of comprehensive data on cultural diversity within Australian organisations and institutions.

Acknowledgements

Appendix

An updated estimate of the cultural diversity of the Australian population

The estimate of cultural diversity in the Australian population provided by staff at the Reserve Bank of Australia within its Race and Cultural Identity Employee Resource Group used aggregate data from the 2016 ABS Census and record-level data from the 2011 ABS Census.

The Census allows individuals to identify up to two ancestries. This means that simply adding together all the reported ancestries would result in 'double-counting'. The data were adjusted to ensure that each individual is counted only once. Specifically, record-level data from the 2011 Census were used to approximate how likely an ancestry is to be reported twice, and these estimates were used to adjust the aggregate data. The 2011 record-level data included anonymised responses of abound 200,000 individuals and included more ancestry categories than previous censuses, while the corresponding data from the 2016 Census was not yet available.

Responses to the ancestry question which were inadequately described, not stated, or were from overseas visitors were removed from the cohort. The remaining responses were classified into four cultural background groups based on those which were used in previous studies (and broadly correspond to the historical migration patterns in Australia): Indigenous, Anglo-Celtic, European, non-European. Where an individual identified two ancestries, they were categorised in the cultural background group that is 'more diverse'. For example, if a person identified with two ancestry backgrounds that were respectively categorised as Anglo-Celtic and European, they would be categorised as having a European background; if a person identified with ancestries categorised as European and non-European, they would be categorised as having a non-European background.

The Census asked respondents, separately to the ancestry question, whether or not they identify as Aboriginal and Torres Strait Islander. The cultural diversity estimate used responses to the Aboriginal and Torres Strait Islander question, rather than the ancestry question, to derive the share of Australia's population in the indigenous group.

Endnotes

1. Information gathered regarding senior leaders was current as of 19 March 2018.

2. For a detailed discussion of ethnicity, see e.g. Smith, A., *The Ethnic Origins of Nations*, Blackwell: Oxford, 1986.

3. Anglo-Celtic, as it is used here, encompasses 'Anglo-Saxon', which has been understood in historical terms to refer to settlers from the German regions of Angeln and Saxony, who made their way to Britain around AD 410.

4. See 'Australian Standard Classification of Cultural and Ethnic Groups (ASCCEG)', *Australian Bureau of Statistics*, 2016, last viewed 26/3/2018, (http://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/1249.0Main+Features12016?OpenDocument).

5. Dixson, M., *The Imaginary Australian: Anglo-Celts and Identity* – 1788 to the present, UNSW Press: Sydney, 1999.

6. For further commentary about the history of Australian immigration, see Jupp, J., *From White Australia to Woomera: The Story of Australian Immigration*, 2nd ed., Cambridge University Press: Melbourne, 2007; Soutphommasane, T., *Don't Go Back To Where You Came From: Why Multiculturalism Works*, NewSouth: Sydney, 2012.

7. We acknowledge the limitations of this methodology. Ideally, future work in establishing the cultural composition of Australian leaders should also involve administering a survey to supplement the information we have gathered.

8. Diversity Council Australia, *Capitalising on Culture over time: A study of the Cultural Origins of ASX Directors 2004-2013*, Diversity Council of Australia: Sydney, 2013.

9. Zweigenhaft, R. & Domhoff, G.W., *The New CEOs: Women, African American, Latino, and Asian American Leaders of Fortune 500 Companies*, 2nd ed., Rowman & Littlefield Publishers: Lanham, 2014; Zweigenhaft, R., 'Diversity Among CEOs and Corporate Directors: Has the Heyday Come and Gone?', Paper presented at the annual meeting of the American Sociological Association, New York, 2013.

10. See Cukier, W. Yap, M. Aspevig, K. & Lejasisaks, L., *DiverseCity Counts 3: A Snapshot of Diverse Leadership in the GTA*, Ted Rogers School of Management, Ryerson University: Toronto, 2016. Between 2009 and 2013, researchers at Ryerson University conducted eight studies using this methodology.

11. Equal Employment Opportunity Commission, EEO-1 Joint reporting committee, *Employer Information Report EEO-1, Instruction Booklet*, US Government: Washington, 2007, last viewed 26/03/2018, (https://www.eeoc.gov/employers/eeo1survey/2007instructions.cfm).

12. Operation Black Vote and Green Park, 'Colour of Power: Methodology', *The Colour of Power*, 24 September 2017, last viewed: 26/03/2018, (http://www.thecolourofpower.com/colour-of-powerabout-colour-of-power/methodology/).

13. At the 2016 Census, this figure was 49 per cent. 'Census reveals a fast changing, culturally diverse nation', *Australian Bureau of Statistics*, 27 June 2017, last viewed: 26/03/2018, (http://www.abs.gov.au/ausstats/abs@.nsf/lookup/Media%20Release3).

14. We acknowledge the assistance of staff at the Reserve Bank of Australia within its Race and Cultural Identity Employee Resource Group (ERG), which provided the updated estimate based on ABS Census data. For a detailed explanation of the methodology, see Appendix.

15. Hunt, V., Yee, L., Prince, S. & Dixon-Fyle, S., *Delivering through Diversity*, McKinsey & Company, 2018, last viewed 23/03/2018, (https://www.mckinsey.com/business-functions/organization/our-insights/delivering-through-diversity)

16. Operation Black Vote and Green Park, *Colour of Power Methodology*, 2017.

17. Soutphommasane, T., *Don't Go Back To Where You Came From*, 2013; OECD, The Resilience of Students with an Immigrant Background: Factors that Shape Well-being, OECD Publishing: Paris, 2018.

18. Department of Foreign Affairs and Trade, Australia's Trade at a Glance (viewed 20 March 2018) (http://dfat.gov.au/trade/resources/trade-at-a-glance/Pages/default.aspx)

19. Fox, C., 'Australian Businesses Championing Cultural Diversity', *QANTAS Travel Insider*, 31 August 2017, last viewed: 26/03/2018, (http://travelinsider.qantas.com.au/lifestyle/business/meet-the-australian-businesses-championing-cultural-diversity)

20. Markus, A., Australians Today: *The Australia@2015 Scanlon Foundation Survey*, Scanlon Foundation: Melbourne, 2015, pp. 60-61.

21. Booth, A., Leigh, A. & Vargonova, E., 'Does Ethnic Discrimination Vary Across Minority Groups? Evidence from a field experiment', *Oxford Bulletin of Economics and Statistics*, 2010, 74(4): 547

22. Chowdhury, S., Ooi, E. & Slonim, R., 'Racial discrimination and white first name adoption: a field experiment in the Australian labour market', *Working Papers 2017-15*, University of Sydney, School of Economics, 2017.

23. Hunt et al., *Delivering through Diversity*, 2018. This study examined both gender and ethnic diversity. Its findings for ethnic diversity, however, were drawn from a 2017 data set relating to 'racial and cultural diversity in six countries where the definition of ethnic diversity was consistent and our data were reliable'. This compares with the 12 countries used for other parts of the study.

24. Leadership Council on Cultural Diversity, last viewed: 26/03/2018, (https://www.leadershipdiversity.org.au/).

25. Michael Kirby, speech at launch of Asian Australian Lawyers Association (WA Branch), Perth, 5 July 2017.

26. Fox, C., 'Australian Businesses Championing Cultural Diversity', 2017.

27. Australian Government, *Workplace Gender Equality Act 2012*, Federal Register of Legislation, last viewed:26/03/2018, (https://www.legislation.gov.au/Details/C2015C00088).

28. 'Australian Human Rights Commission Submission to the Select Committee on Strengthening Multiculturalism', *Australian Human Rights Commission*, 19 May 2017, last viewed: 26/03/2018, (https://www.humanrights.gov.au/submissions/submission-inquiry-strengthening-multiculturalism-2017); 'Submission to the UN Committee on the Elimination of Racial Discrimination', *Australian*

Human Rights Commission*, 30 October 2017, last
viewed: 26/03/2018, (https://www.humanrights.gov.au/
submissions/submission-cerd-2017).

29. Prime Minister of the United Kingdom, The Rt Hon Theresa
May MP, 'Speech of 10 October 2017', *Race Disparity
Audit Launch: 10 October 2017*, UK Government (online),
10 October 2017, last viewed: 26/03/2018, (https://www.
gov.uk/government/speeches/pm-words-at-race-disparity-
audit-launch-10-october-2017).

30. Markus, A., *Mapping Social Cohesion: The Scanlon
Foundation Surveys 2017, Scanlon Foundation:
Melbourne, 2017*, p. 26.

31. '2016 Census QuickStats', *Australian Bureau of Statistics*,
last viewed: 26/03/18, (http://www.censusdata.abs.gov.au/
census_services/getproduct/census/2016/quickstat/036).

32. Tadros, E., 'PwC splits with Deloitte, EY and KPMG on
diversity targets', *Australian Financial Review*, 1 August
2017.

33. Workplace Gender Equality Agency, *Targets and quota,
Perspective Paper*, Australian Government: Canberra,
2013.

34. Whelan, J. and Wood, R.W., *Targets and Quotas for
Women in Leadership: A Global Review of Policy, Practice
and Psychological Research*, Centre for Ethical Leadership,
University of Melbourne: Melbourne, 2012.

35. KPMG, *ASX Corporate Governance Council Principles
and Recommendations on Diversity*, ASX Group: Sydney,
2014, last viewed: 26/03/2018, (https://www.asx.com.au/
documents/asx-compliance/kpmg-report-diversity-2014.
pdf).

36. Teigen, M. and Skjeie, H., *The Nordic Models in
Political Science: Challenged but still viable?*, Bergen:
Fagbokforlaget, 2017.

37. Australian Human Rights Commission, *Leading for
Change: A blueprint for cultural diversity and inclusive
leadership*, Australian Human Rights Commission: Sydney,
2016, p. 22.

38. PwC has achieved its target for both the 2016 financial
year (20 per cent) and the 2017 financial year (22 per
cent). 'Diversity and Inclusion', *PwC Australia*, last viewed:
23/08/2018, (https://www.pwc.com.au/about-us/diversity-
and-inclusion.html).

39. 'Equity and Diversity Plan 2016-18', *Australian
Broadcasting Corporation*, 2016, last viewed: 26/03/2018,
(about.abc.net.au/wp-content/uploads/2016/12/
EquityDiversityPLN2016-18_V1_0.pdf).

40. 'Diversity and Inclusion Annual Report 2017',
Commonwealth Bank of Australia, 2017, last viewed
23/03/2018, (https://www.commbank.com.au/content/
dam/commbank/assets/about/opportunity-initiatives/CBA-
Diversity-and-Inclusion-Report-2017.pdf).

41. Hunt et al., *Delivering through Diversity*, 2018; O'Leary, J.,
Groutsis, D. and D'Almada-Remedios, R., Cracking the
Glass-Cultural Ceiling, Diversity Council Australia, 2017.

42. Markus, A., *Mapping Social Cohesion: The Scanlon
Foundation Surveys*, 2017.

43. 'Equity and Diversity Plan 2016-18', *Australian
Broadcasting Corporation*, 2016.

44. Asian Australian Lawyers Association, *Cultural Diversity
Report 2015*, Asian Australian Lawyers Association:
Victoria, 2015.

45. 'The Business Case for Diversity', *Solicitors Regulation
Authority*, 2018, last viewed: 26/03/2018, (https://www.sra.
org.uk/risk/resources/risk-business-case-diversity.page).

46. Knox, M., 'Battle of The Bamboo Ceiling', *SBS Online*, last
viewed: 23/03/2018, (https://www.sbs.com.au/topics/life/
feature/battle-bamboo-ceiling).

47. Knox, M., 'Battle of The Bamboo Ceiling'.

48. Holck, L., 'Spatially embedded inequality: Exploring
structure, agency, and ethnic minority strategies to navigate
organizational opportunity structures', *Personnel Review*,
2016, 45(4): 643-662.

49. Holck, L., 'Spatially embedded inequality: Exploring
structure, agency, and ethnic minority strategies to navigate
organizational opportunity structures', 2016.

50. See for example: Roscigno, V., *The faces of discrimination:
How race and gender impact work and home lives*, Rowan
& Littlefield Publishers: Lanham, 2007; Stroshine, M.
and Brandl, S., 'Race, gender and Tokenism in Policing:
An Empirical Elaboration', *Police Quarterly*, 2011, 14(4):
344-365; Harvey-Wingfield, A. and Harvey-Wingfield, J.,
'When Visibility Hurts and Helps: How intersections of Race
and Gender Shape Black Professional Men's Experiences
with Tokenization', *Cultural Diversity and Ethnic Minority
Psychology*, 2014, 20(4): 483-490.

51. Kanter, R., *Men and Women of the Corporation*, Basic
Books: New York, 1977; Datta, S. and Bhardwaj,
G., 'Tokenism at Workplace: Numbers and Beyond',
*International Journal of Current Engineering and
Technology*, 2015, 5(1):199 – 205.

52. Singleton, G., *Courageous Conversations About Race:
A Field Guide for Achieving Equity in Schools*, Corwin:
Thousand Oaks, 2005.

53. Dobbin, F. & Kalev, A., 'Why Diversity Programs Fail',
Harvard Business Review, 2016, last viewed: 26/03/2018,
(https://hbr.org/2016/07/why-diversity-programs-fail).

54. Conger, K., 'Exclusive: Here's the Full 10-Page Anti-
Diversity Screed Circulating Internally At Google', *Gizmodo*,
2017, last viewed: 26/03/2018, (https://www.gizmodo.
com.au/2017/08/exclusive-heres-the-full-10-page-anti-
diversity-screed-circulating-internally-at-google/).

55. Kyoung Kim, H., Hee Lee, U. and Hyung Kim, H., 'The
effect of workplace diversity management in a highly male-
dominated culture', *Career Development International*,
2015, 20(3):259-272.

56. Houkamau, C. and Boxall, P., 'The incidence and impacts
of diversity management: A survey of New Zealand
employees', *Asia Pacific Journal of Human Resources*,
2011, 49(4):440-460.

57. Dobbin, F. & Kalev A., 'Why Diversity Programs Fail', 2016.