Policy and strategy guidance: **Gender composition of the workforce**

Version 2, April 2024[1]

Disclaimer:

The ideas and suggestions contained within this guide are used or adopted entirely at the discretion and own risk of employers. The Workplace Gender Equality Agency cannot accept any responsibility or liability for outcomes resulting from the use of this document, either directly or indirectly.

About this guide

This guide refers to Gender Equality Indicator (GEI) 1: **'Gender composition of the workforce'.** The GEIs represent the key areas where workplace gender inequality persists and where progress towards gender equality can be achieved through focused action. This guide is designed to help employers develop a workforce composition policy and/or strategy that supports gender equality in the workplace.

Please see WGEA's Reporting Guide for general information on what are considered policies and strategies.

Key terms

Workforce gender composition

Workforce gender composition is a 'moment in time' measure of the participation rates of women, men and non-binary employees[2] in the workforce. This includes rates of full-time, part-time and casual work; gender composition by industry; the proportion of each gender in leadership; and the rates of resignations, promotions and appointments by gender.

---

[1] The previous version of this document was published in February 2024. Version 2 contains wording changes in several sections.

[2] It is likely that there are only a small number of non-binary employees in your organisation (2% of employees in 2022-23 reporting to the Workplace Gender Equality Agency were non-binary). However, your policy and/or strategy should be inclusive of all genders.

Gender-balanced workforce

Gender balance refers to representation between 40% and 60% of men or women. Gender balance across all industries and occupations would reduce Australia's gender pay gap by one third.

Why is a gender-balanced workforce important for workplace gender equality?

The proportion of women and men in the Australian workforce is generally even. However, women are under-represented at management levels, in full-time roles, in higher-paid roles, and in higher-paid industries.

Gender-based stereotypes, norms and discrimination affects gender composition of workplaces in the recruitment, selection, retention, development and progression of employees, such as through the way:

- → jobs are advertised and candidates are attracted
- → candidates are recruited and selected
- → salaries and discretionary benefits are negotiated
- → performance reviews are conducted, and career development opportunities are provided
- → flexibility is made available to those in more senior and highly paid roles, and
- → succession planning creates talent pools.

A gender imbalanced workforce contributes to a national gender pay gap, as well as pay gaps within organisations. Gender balance across roles and business units indicates that people are able to access and enjoy equal rewards, resources and opportunities, regardless of their gender. A more gender-balanced workforce would go a long way towards narrowing gender pay gaps in many organisations and industries.

Why is a gender-balanced workforce beneficial for organisations?

Greater gender diversity in leadership can improve company performance, productivity and profitability. Further, increasing the representation of women in executive leadership roles is associated with declining organisational gender pay gaps.

Increasing the number of women in men-dominated industries can improve:

- → diversity and talent in the employee and management pools
- → performance and innovation in key business areas
- → ability to meet customer and community wants and needs.

Additionally, increasing men's representation in traditionally women-dominated jobs and industries, along with women's representation in men-dominated industries, can lead to other positive outcomes such as:

- → decreased employer and industry-specific gender pay gaps
- → improved organisational performance
- → improved productivity
- → increased safety.

Workforce gender composition policy and/or strategy inclusions

The below table lists potential policy and/or strategy inclusions by topics relevant to workforce gender composition.

Topic	Inclusions

Workforce gender composition objectives	→ Organisational objectives and, potentially, targets related to workforce composition, such as:
	
	   o increase the representation of under-represented gender(s) in the **workforce or in a specific occupational group**
	
	   o increase the representation of under-represented gender(s) in **management positions or in a particular manager category**
	
	   o increase the representation of under-represented gender(s) in **promotions to management**
	
	   o increase the representation of under-represented gender(s) in **key leadership positions and/or succession plans**
	
	   o increase the representation of under-represented gender(s) in **specific pay quartiles**

Recruitment	→ Requirements for advertisements and attraction processes, such as:
	
	   o job criteria that are clear and specific, include only the fundamental requirements and avoid unnecessary emphasis on technical or professional qualifications
	
	   o gender-neutral and unbiased language[3]
	
	   o listing salaries (or pay scales and/or salary bands) in job advertisements
	
	   o listing salaries as non-negotiable and not differing by gender[4]
	
	   o offering flexible working arrangements and reasonable adjustments to all candidates and including this in the job ad
	
	→ Responsibilities of recruiters, Human Resources professionals or hiring managers to:

---

[3] Gendered language in job advertisements can affect the gender of applicants who apply.

[4] Salary negotiation is a process which has always disadvantaged people who are in minority group.

	o adhere to the organisation's established pay structure[5]
	
	o consider underutilised talent pools to source diverse candidates, such as:
	
	  ▪ return to work pools
	
	  ▪ lateral hires[6]
	
	o aim for gender-balanced shortlists, and justify any shortlists that do not include women[7]
	
	o use employee network groups, e.g. women's alliance, to boost employee referral of candidates for vacant roles[8]
	
	o consider candidates from a variety of educational backgrounds
	
	o avoid asking candidates about dates in their employment history, or discounting candidates because of career gaps[9]
	
	→ Requirements for candidate assessments, such as:
	
	o CVs being anonymised[10]
	
	o structured interviews and standardised interview questions
	
	o skill-based assessment tasks that resemble a real-life task relevant to the role, and have pre-specified scoring criteria
	
	o Use gender-balanced recruitment panels
	
	→ Processes to identify patterns of gender representation within a group of successful candidates, so that anomalies can be identified and addressed (e.g. for successful candidates in a specific profession, location or part of the business)
	
	→ The requirement for the organisation to publish parental leave and flexible working policies on the organisation's website

Retention	→ Processes to measure patterns and reasons for employees leaving the organisation and taking leave[11], including: o uptake of sick leave

---

[5] This can help avoid pay being affected by competitors' salaries or past salaries, both of which can perpetuate historic gender pay gaps.

[6] Considering candidates who are already employees, where their current skills largely equip them for the new role.

[7] Note that some research shows that having only one or a small minority of women on a shortlist may not be sufficient to lead to equal outcomes.

[8] See, for example: Getting to Diversity: What Works and What Doesn't

[9] This disadvantages women who have had time out of the workplace due to caring responsibilities.

[10] Anonymising CVs is a "promising" action – further research is needed to improve the evidence of its effectiveness in improving workplace gender equality.

[11] Leave matters should be monitored because they are indicators of turnover and engagement.

	- o employees leaving, including gender of employees leaving by seniority level (in proportion to number of employees of that gender in that level) - o employees leaving following a period of parental leave → Commitment to consult with employees[12] to understand drivers of turnover and retention (e.g. through employee experience surveys, exit data, and employee network groups – particularly those for under-represented groups) → Commitment to support employees during moments of transition, such as when moving into flexible work or parental leave, or returning from parental leave → Commitment to support employees by preventing and addressing experiences of harassment and discrimination
Performance management processes	→ Requirements for performance assessment criteria, such as that they: - o are clear and structured, to limit bias - o avoid definitions of leadership that are stereotypically masculine - o are visible to employees → Responsibilities for managers undertaking performance assessments, such as to: - o take responsibility for their own contribution to gender equality and not rely solely on organisational policies to address the issue - o provide employees with specific feedback on both strengths and areas to develop - o provide feedback that is actionable and useful for career progression, equally, for all genders[13] - o take accountability for their decisions, including explaining their ratings to the employee - o hold all employees to the same performance standards
Promotions	→ Commitment to inform existing employees about internal promotion and transfer opportunities, including those employees who are on extended leave (such as parental leave) → Requirements for promotion criteria, such as that they: - o are clear and structured

---

[12] See more about consulting with your employees.

[13] This is aimed at addressing the tendency to provide men with feedback that is helpful for leadership and progression, but women with feedback focused on delivery.

	- avoid definitions of leadership that are stereotypically masculine - are visible to employees - do not overlook employees on parental leave → Processes for tracking and reviewing patterns of promotions. Organisations may track and report on: - gender differences in applications and shortlisting by unit, department and level - gender differences in performance ratings and promotions - promotions for part-time employees versus full-time employees[14] - promotions of full time and/or "on-site" employees versus those who work flexibly[15] - whether employees are getting "stuck" at a certain level in their career progression
Talent identification/identification of high potentials	→ Processes for identifying and nurturing high performers of all genders to grow their experience and skills, such as: - robust talent identification processes that have been tested for their potential to systemically exclude women[16] - regular career development conversations - define career pathways that accommodate flexible and part time work at all levels
Succession planning	→ Commitment to succession planning that aligns with diversity and gender equality strategies
Training and development	→ Processes for supporting career development for all genders, such as: - clear development pathways, with clarity on what criteria an organisation has for getting to the next level - equal access to training and development opportunities for all employees, ensuring that eligibility criteria do not needlessly exclude certain groups (e.g. those working remotely, part-time or with a disability)

---

[14] Women are more likely to work part-time, as they undertake a greater share of unpaid care work.

[15] Women are more likely to utilise non-standard working patterns. When workplaces do not offer flexibility, or do not provide opportunities to work flexibly at higher levels, this can be a barrier to women getting promoted.

[16] See, for example: Talent Management and Organizational Diversity: A Call for Research.

	o gender equality training aimed at building gender-aware, everyday working practices and norms
	→ The requirement for the organisation to train and support managers to effectively manage flexible work
Key performance indicators (KPI) for managers relating to gender equality	→ Key performance indicators (KPI) for managers relating to gender equality, based on: o gender representation at management and leadership levels o quantitative goals, other than those relating to representation, such as those relating to hiring and promotion, gender pay gaps, flexible work, parental leave take-up and incidents of gender-based harassment or discrimination o qualitative goals, such as how well they have cultivated employee engagement, an inclusive culture and positive attitude towards gender equality

Better practice in gender-balanced workforce composition

Organisations can go beyond ensuring the inclusions above are in their policy and/or strategy for equal remuneration. See below for some examples of more sophisticated and emerging policy and/or strategy inclusions:

Recruitment

→ **Implement programs to target and attract women candidates**, through choice of recruitment channels, how roles are described and what images are shown.

→ **Hire for more than one job at a time:** When people hire multiple people at a time, they may select more diversity, as they start thinking about the candidates they're selecting as a group.

→ **Use internships and short-term contracts to "try out" potential employees:** Companies that use internships and short-term contracts to "try out" potential employees end up hiring more women and people of colour for permanent jobs.

Artificial Intelligence (AI) use in recruitment

The use of AI in recruitment has attracted significant attention. AI-enabled recruitment has potential to enhance recruitment quality and increase efficiency. It can change the gender distribution of potential hires, and create better outcomes for women through:

→ increasing the number of women who apply

→ closing the gender gap in assessment scores that may otherwise disadvantage women.

However, algorithmic bias (from limited datasets and bias from algorithm designers) can also discriminate based on gender, race, colour and personality traits. AI may unintentionally replicate existing cultural inequality and discrimination and may not address the more systemic problems that exist within organisations.

Debiasing techniques can be applied to algorithms to reduce bias against women, and debiased AI can encourage more women to apply to roles. Employers can use "management measures like internal corporate ethical governance and external oversight" to mitigate bias when using AI.[17]

AI is rapidly evolving and not all AI is equal in terms of gender equality and other diversity outcomes. Organisations should take care, in exploring the use of AI in recruitment, to satisfy themselves that the product they are considering is likely to help[p rather than hinder their gender equality efforts.

Retention

➜ **Develop formal mentoring programs:** Leaving mentoring to happen "naturally" is a recipe for excluding employees from under-represented groups.

➜ **Encourage sponsorship[18]:**Sponsors can use their connections and influence to create opportunities), particularly senior leaders identifying and sponsoring high-potential women. Sponsorship builds upon mentorship, and involves the sponsor being an advocate for the employee. This could be achieved by expanding the employee's visibility in the organisation, modelling behaviour that would advance the employee, and involving the employee in experiences that provide opportunities for career advancement.

➜ **Strengthen your culture of collaboration and minimise competitiveness[19]:** A competitive or "hero" culture can contradict other organisational values such as collaboration, and can alienate women.

Performance management processes

➜ **Use performance assessments to "nudge" women to apply** for more senior roles by reminding them of their employer's commitment to diversity targets (where these exist) and management accountability for achieving the targets (KPIs, where these exist). These reminders can lead to an increase in women's leadership aspiration.

To learn more about how organisations can make an active commitment to workplace gender equality, and to become a WGEA Employer of Choice for Gender Equality, visit the Employer of Choice citation program's application page.

---

[17] For guidance on how employers should use AI visit:

➜ Inclusive AI at work in recruitment: How organisations can use AI in recruitment to help not harm diversity
➜ Guidance material for using A,I-assisted recruitment tools

[18] See more about sponsorship and mentorship.

[19] For ideas about minimising competitiveness, see: Retaining Women in Tech: Shifting the Paradigm.