

Diversity and Inclusion Strategy

2020-22



VicTrack

Our commitment

We are committed to creating a diverse and inclusive workforce where everyone feels valued, respected and safe.

We believe it's the right thing to do for our people, for our business, and for the diverse stakeholders we engage with.

Contents

Our commitment	1
What we mean by diversity and inclusion	2
The business case for diversity and inclusion– what the research tells us	3
How we will measure progress	4
Diversity and Inclusion guiding framework	5
Diversity and Inclusion Strategy 2020-22 at a glance	8
Diversity and Inclusion Strategy 2020-22 on a page	9
Diversity and Inclusion dashboard	13

Our commitment

Our commitment to diversity and inclusion (D&I) is authentic and genuine—we believe it’s the right thing to do for our people, for our business, and for the diverse stakeholders we engage with.

We want our people to experience a sense of belonging and feel valued for the differences we each bring to work.

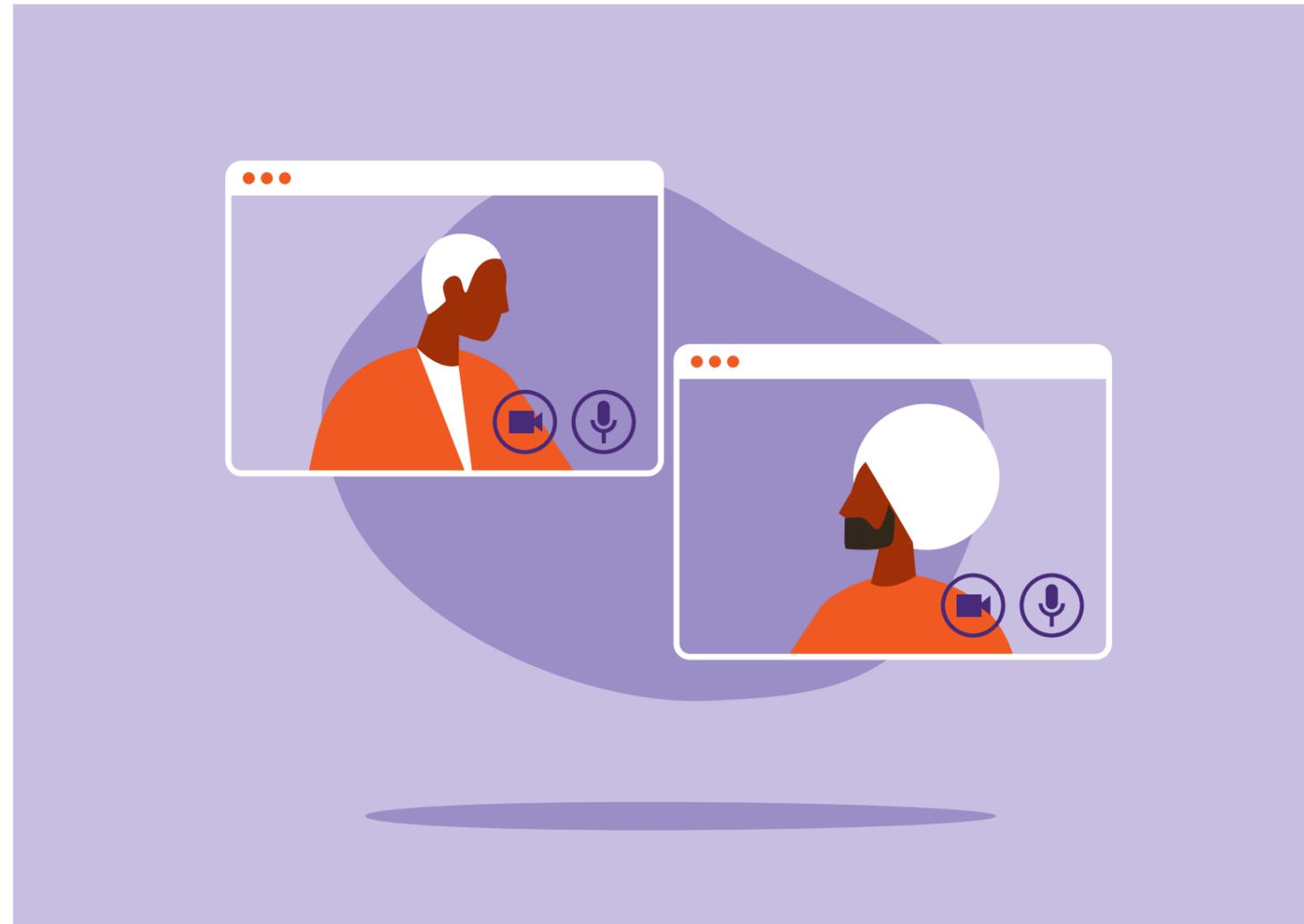
Our culture promotes the values of:

- professional
- collaborate
- achieve
- innovate.

One way we bring these to life is through fostering an inclusive work environment where our employees can achieve their career potential, feel engaged and bring their best ideas forward. An inclusive work environment is a key enabler to creating a high-performance culture.

We believe a diverse workforce and inclusive culture helps VicTrack to:

- innovate and improve project design and delivery by leveraging the breadth of perspectives and experiences of all team members
- better attract, develop and retain diverse talent
- make high-quality decisions by encouraging different thinking approaches and reducing unconscious bias
- better reflect and anticipate the changing needs of our consumers
- provide opportunities for all employees to reach their full potential
- ensure everyone has a voice and is empowered to contribute their ideas.



The Diversity and Inclusion Strategy 2020–22 has five key focus areas:

1. Build leadership accountability and drive awareness of the benefits and value of diversity and inclusion.
2. Develop inclusive leadership capability (and reduce unconscious bias in decision-making).
3. Mitigate potential bias in our systems, policies and processes.
4. Embed flexibility in the way we work.
5. Continue to improve gender equality.

What we mean by diversity and inclusion

Diversity, in its broadest sense, refers to all the differences and experiences we bring to work. It’s a collection of unique attributes that include, but are not limited to, gender, language, cultural background/identity, sexual orientation, gender identity, disability, age, caring responsibilities, religion, education, industry background, experience, perspective and thinking approaches.

Some of our differences are visible; most are invisible.

Inclusion is about creating a work environment where all team members feel valued and respected and have a sense of belonging.

Inclusive leaders encourage and value diversity of background (such as gender and cultural background or industry experience), as well as diversity of thought.

By treating people and groups fairly—based on unique characteristics rather than stereotypes—inclusive leaders create better workplaces for everyone.

✓ Diversity and inclusion is:

- about valuing and respecting everyone
- a business priority
- a way to embrace differences—in thinking approaches and background
- challenging systemic unconscious biases so that ‘merit’ is truly fair and objective
- everyone’s responsibility - in the field and in the office, across every group.

✗ Diversity and inclusion is not:

- a tick the box exercise to comply with legislation
- a way to disadvantage any group
- about quotas
- compromising merit
- political correctness gone mad
- about lowering performance standards.

The business case for diversity and inclusion—what the research tells us

Well-managed diverse teams significantly outperform well-managed homogenous ones over time.

—Professor Scott Page, The Difference.

Diverse and inclusive workplace

Safety

Some safety disasters (e.g. BP Gulf of Mexico disaster) have been traced to cognitive biases—particularly confirmation bias (placing undue weight on data that support the outcome one expects).¹

Financial performance

A study of over 1,000 companies in 12 countries found that companies within the top quartile for gender diversity were 21 per cent more likely to have higher financial returns than their national industry medians and ethnically diverse companies were 33 per cent more likely to outperform.²

Better decision making

A diverse workforce tends to produce a more holistic analysis of the issues an organisation faces and spurs greater effort and motivation, leading to improved decision making.³

Talent attraction and retention

Leaders significantly reduce turnover when they develop high-quality relationships with most or all of their group members and demonstrate high overall levels of inclusiveness.⁴

Employee engagement

When employees think their organisation is highly committed to, and supportive of diversity, and they feel highly included, then they are 80 per cent more likely to agree that they work in a high-performing organisation.⁵

Innovation

Employees who felt more included were more likely to report innovating on the job i.e. identifying opportunities for new products and processes and trying out new ideas and approaches to problems.⁶

1 Hersh Shefrin, 'BP's Failure to Debias: Underscoring the Importance of Behavioral Corporate Finance'.
2 McKinsey, 'Why Diversity Matters', 2015.
3 Centre for Ethical Leadership, 'Building a Business Case for Gender Diversity', 2016.
4 Catalyst, 'Why Diversity Matters', 2013.
5 Deloitte, 'Waiter is that inclusion in my soup – a new recipe to improve business performance', 2013.
6 Catalyst: 'Inclusive Leadership: the View from 6 Countries', 2014.

How we will measure progress

A Diversity and Inclusion Steering Committee operates to clear terms of reference and oversees progress across all areas of the strategy.

The terms of reference stipulate the need for diverse representation on the steering committee, led by the Chief Executive as the sponsor.



Diversity and inclusion guiding framework

This framework, drawing on the Global Diversity and Inclusion Benchmarks, provides a guide for measuring VicTrack's progress on diversity and inclusion. It was developed by specialist consulting firm, Diversity Partners, and tailored for VicTrack.

We review our progress against this framework on a biannual basis.

Key result area	Description
Strategy	D&I Strategy articulated, business case understood.
Leadership & governance	Responsibility for D&I rests with senior leadership team group. Leaders have KPIs related to D&I goals for their workforce, attraction and retention and key projects.
Measurement	Diversity measures set and reviewed regularly including internal survey data, pipeline metrics, and representation targets. VicTrack will implement and measure to a Gender Equality plan and also provide data in line with Department of Transport requirements.
Leadership capability	Leaders are continuously encouraged to challenge unconscious bias and demonstrate inclusive leadership skills. Leaders have awareness and skills to work across different cultures respectfully.
Decision-making	Key decision-making and problem-solving processes actively promote diversity of thinking approaches to avoid groupthink and affinity bias.
Talent management	Policies reviewed to mitigate bias and actively promote fair and objective decision-making. Diversity is explicitly encouraged in policies and practices (including recruitment, succession planning etc).
Recruitment and development of underrepresented groups	Utilise internal, interagency and external sources to develop best practice strategies in order to attract and retain under-represented groups such as Aboriginal and Torres Strait Islander and people with disability. Successful retention will be aided by training to leaders in cultural competence and understanding of employees with a disability.
Product/service integration	Integration of D&I principles with our external services, supplier selection, and employer brand.
Implementation	VicTrack will implement strategies and initiatives to meet set targets and to build a sustained inclusive workforce. An annual calendar of initiatives, events and awareness raising, incorporating opportunities from the Training for the Future program and Department of Transport will be leveraged.





Diversity and Inclusion Strategy 2020-22 at a glance

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Key focus areas

1. Build leadership accountability and drive awareness of the benefits and value of diversity and inclusion.
2. Develop inclusive leadership capability (and reduce unconscious bias in decision-making).
3. Mitigate potential bias in our systems, policies and processes.
4. Embed flexibility in the way we work.
5. Continue to improve gender equality.



Diversity and Inclusion Strategy 2020-22 on a page

	Accountable	Competent	Fair	Flexible	Equal
Key focus areas	Build leadership accountability and drive awareness of the benefits and value of diversity and inclusion	Develop inclusive leadership capability (and reduce unconscious bias in decision-making)	Mitigate potential bias in our systems, policies and processes	Embed flexibility in the way we work	Continue to improve gender equality
Why it's important	Progress occurs when leaders are accountable – when diversity and inclusion is owned, championed and driven by the business	Inclusive work cultures have higher levels of employee engagement	Reducing unconscious bias contributes to better decision-making	Flexible work promotes greater diversity	Diverse groups outperform homogenous groups
Objectives	<ul style="list-style-type: none"> • Endorse D&I Strategy – set aspirational goals with timeframes • Establish agreed reporting metrics across key focus areas (gender, cultural diversity, disability and LGBTIQ) • Provide regular visibility of progress and report key metrics to the Board and Executive to support decision-making for initiatives including turnover, retention and demographics • Provide communications from CE and leaders of the importance of D&I and the links to the business strategy—the what and why • Hold leaders accountable for inclusive behaviour through feedback and performance review processes • Develop EVP 	<ul style="list-style-type: none"> • Build the capability of leaders to lead inclusively and to recognise and challenge unconscious biases 	<ul style="list-style-type: none"> • Audit recruitment and promotion processes for unconscious gender bias • Provide targeted leadership development for women • Review and embed pay equity analysis as a core input in annual salary reviews and short-term incentive moderation 	<ul style="list-style-type: none"> • Develop a job share guide for managers • Promote permanent and part time work, flexible rostering, graduated return to work, flexible start and finish times, work from home and compressed hours • Provide training to all managers on flexible work arrangements policy, process and benefits • Measure utilisation of flexible work arrangements 	<ul style="list-style-type: none"> • Provide targeted leadership development for women • Establish a Women@VicTrack employee resource group

Diversity and Inclusion Strategy

2020-22 on a page

Key result area	Objective	Action	Year	
1. Build leadership accountability and drive awareness of the benefits and value of diversity and inclusion	1.1 Endorse D&I Strategy, plan and steering committee – set aspirational goals with timeframes	1.1.1 D&I Strategy and steering committee endorsed by Board and Executive with measurable goals set (initially focusing on ensuring we attract a high performing workforce from the broadest talent pool), tracking and communicating progress	2020	
	1.2 Establish agreed reporting metrics across key focus areas (gender, cultural diversity, disability and LGBTIQ)	1.2.1 Establish required data sets e.g. women on shortlists, interview-to-hire analysis, gender equality targets	2021	
		1.2.2 Undertake a quarterly review of progress against D&I Strategy and goals	2021	
		1.2.3 Undertake an inclusion survey of employees to understand workforce demographics, views on inclusion, diversity and flexibility (run every 2 years)	2021	
	1.3 Provide regular communications from CE and leaders of the importance of D&I and the links to the business strategy – the what and why	1.3.1 Link diversity and inclusion content and messaging to the recruitment channels, and employee on-boarding and training programs	2021	
		1.3.2 Develop an annual diversity calendar of campaigns e.g. International Women's Day, Harmony Day, NAIDOC Week etc.	2021	
	1.4 Hold leaders accountable for inclusive behaviour through feedback and performance review	1.4.1 Incorporate feedback on inclusive behaviour for leaders into the annual performance review process	2022	
	1.5 Develop EVP	1.5.1 Ensure EVP includes references to D&I	2022	
	2. Develop inclusive leadership capability and reduce unconscious bias in decision making	2.1 Build the capability of leaders to recognise and challenge unconscious biases	2.1.1 Provide unconscious bias awareness training to all leaders with a key call to action to all those who have participated around expectations of application to all business decisions	2021
	3. Mitigate potential bias in our systems, policies and processes	3.1 Audit talent management processes to mitigate potential unconscious bias	3.1.1 Audit job advertisements, position descriptions and interview guides for leadership and technical roles to prevent unintentional bias	2021
3.1.2 Continue refresh of key talent management processes			2021	
3.2 Review and embed pay equity analysis as a core input in annual salary reviews and short-term incentive moderation		3.2.1 Continue to review pay-equity analysis and communicate findings	2020-21	

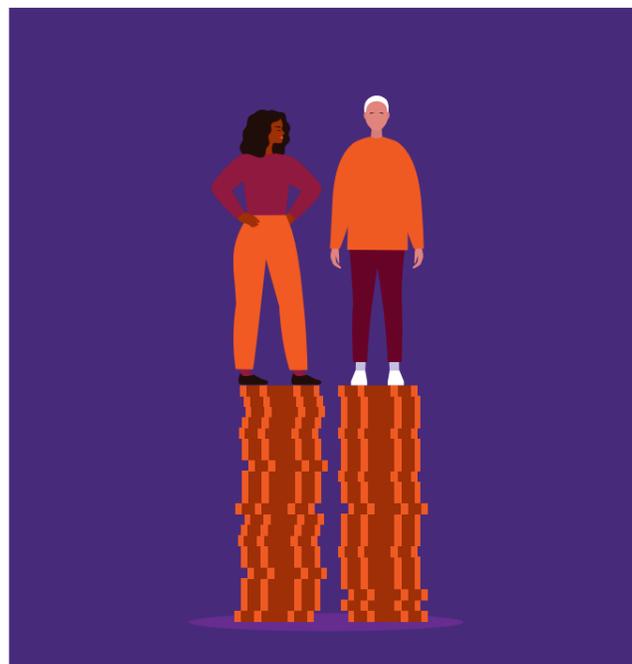
Key result area	Objective	Action	Year
4. Embed flexibility in the way we work	4.1 Identify leadership roles that can be job shared	4.1.1 Develop a job share guide for managers	2021
	4.2 Promote flexible working to all prospective employees of all genders regardless of caring responsibilities	4.2.1 Promote permanent and part time work, flexible rostering, graduated return to work, flexible start and finish times, work from home and compressed hours	2021
	4.3 Provide training to all managers	4.3.1 Provide training to all managers on flexible work arrangements policy, process and benefits	2022
	4.4 Measure utilisation	4.4.1 Measure utilisation of flexible work arrangements	2021
5. Continue to improve gender equality	5.1 Provide targeted leadership development for women	5.1.1 Identify talent mobility opportunities to expose key talent through different parts of the business in leadership rotations	2021
		5.1.2 Review access to DoT Women in Transport leadership programs at entry, middle and senior levels	2021
		5.1.3 Review access to the WiT Mentoring Program	2021
		5.1.4 Review access to coaching and secondment opportunities	2021
	5.2 Establish a Women@VicTrack employee resource group	5.2.1 Establish a Women@VicTrack employee resource group	2021

Diversity and inclusion dashboard

A diversity and inclusion dashboard is an important component of any diversity and inclusion strategy, and will enable regular monitoring of agreed goals. We expect the dashboard to include metrics such as:

Talent management pipeline

- Recruitment data which shows the flow of applicants from the application stage through to appointment, by gender
- Employee data for those who identify as Aboriginal or Torres Strait Islander
- Employee data for those who identify as having a disability (and any adjustments required)
- Succession data i.e. by gender
- Promotion rates by gender
- Pay equity review data



Gender balance

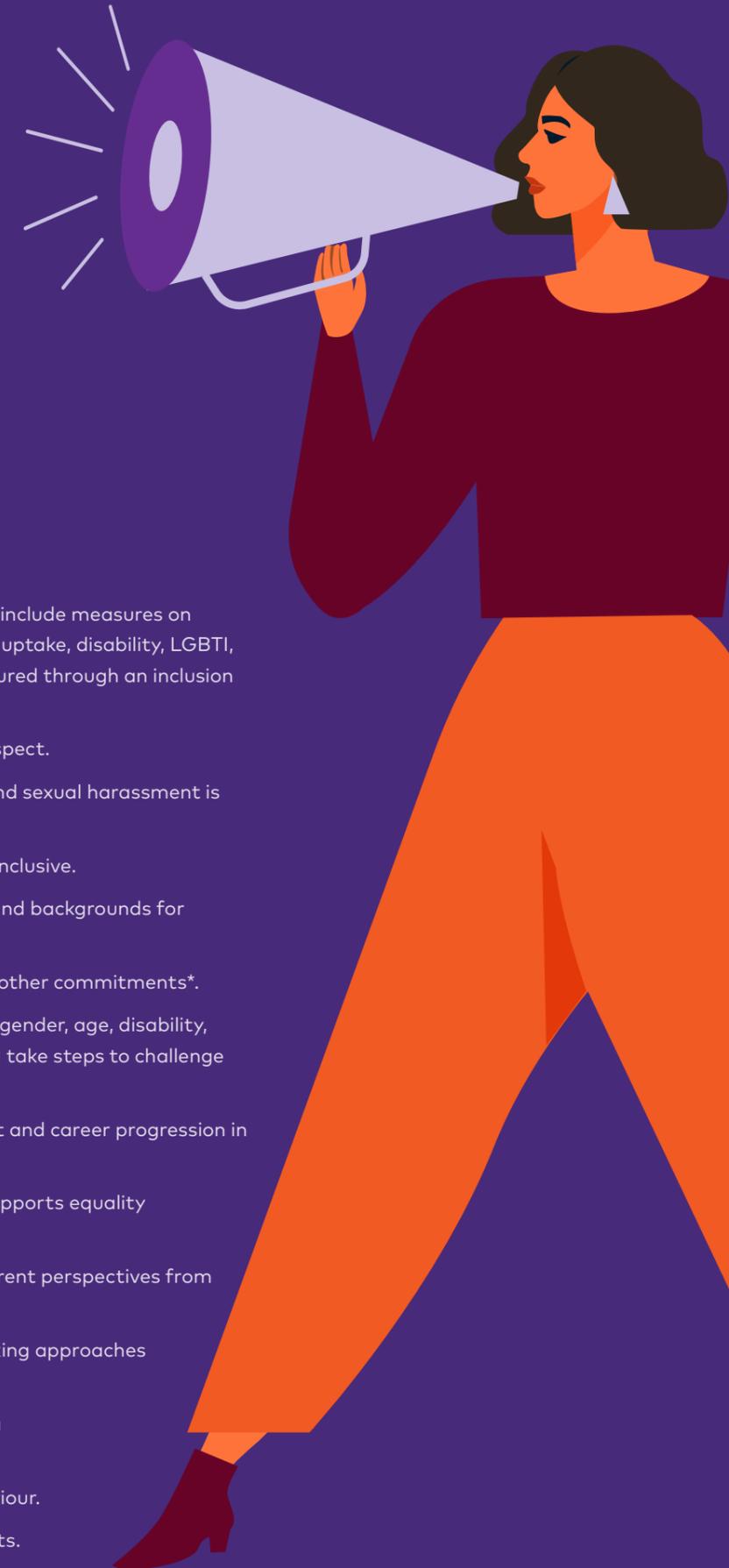
- Executive team
- Leadership team
- Overall organisation

Age

- Age profile of organisation

Retention data

- Attrition rate by gender and by level
- Exit interview feedback
- Primary carer's leave return to work rate (for both men and women), at the 12-month and 24-month mark



Inclusion

Over time the aim is to progress the dashboard to include measures on inclusion as well as metrics regarding flexible work uptake, disability, LGBTI, and cultural ethnicity. This will most likely be measured through an inclusion survey with statements such as:

- The people in my team treat each other with respect.
- In my organisation gender-based harassment and sexual harassment is not tolerated*.
- I would describe the area I work in as genuinely inclusive.
- Our team leverages our different perspectives and backgrounds for new ideas.
- I have the flexibility I need to manage work and other commitments*.
- I am aware that unconscious biases (relating to gender, age, disability, cultural background) can impact decisions, and I take steps to challenge bias.
- I feel I have equal opportunities for development and career progression in the organisation.
- My immediate supervisor/manager genuinely supports equality between genders*.
- My immediate manager actively seeks out different perspectives from team members.
- My immediate manager values diversity of thinking approaches in the workplace.
- Our senior leaders are committed to achieving a diverse and inclusive workplace.
- Senior managers challenge inappropriate behaviour.
- We apply a D&I lens to our external engagements.

* Workplace Gender Equality Agency Employer of Choice citation questions

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