Gender and ethnic pay gap action plan

KIA TOIPOTO

May 2023





About this report

This document outlines our action plan to close the gender and ethnic pay gap at Mahi Haumaru Aotearoa/WorkSafe New Zealand. It supports our ambition to have a culture that is values driven, embraces diversity and inclusion, and create a mentally healthy work environment where our people care about each other and thrive.

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1.0 Introduction

Kia Toipoto, the *Public Service*Pay Gaps Action Plan 2021–24

has a comprehensive set of actions to help close gender,

Māori, Pacific and ethnic pay gaps in the Public Service.

It has three goals, which are to:

- make substantial progress toward closing gender, Māori, Pacific and ethnic pay gaps
- accelerate progress for wāhine Māori, Pasifika women, and women from ethnic communities, and
- create fairer workplaces for all, including disabled people and members of rainbow communities.

Under Kia Toipoto, agencies and Crown entities will:

- publish their pay gaps in pay gaps action plans each year
- ensure bias does not influence starting salaries or pay for employees in the same or similar roles
- have plans to improve gender and ethnic representation in their workforce and leadership
- develop equitable career pathways and opportunities to progress
- protect against bias and discrimination in human resources and remuneration policies and practices
- build cultural competence, and
- normalise flexible working.

The goals of Kia Toipoto are also aligned to the **Public Service Association (PSA)** work programme which is focused on:

- increasing skills and experience, through training and other opportunities
- being paid fairly in secure jobs, where change works for everyone, and
- welcoming diversity in workplaces, which helps us all to thrive.

Kia Toipoto forms part of our work plan. In 2022, we developed our **diversity, equity and inclusion approach**. We recently confirmed our organisational diversity, equity and inclusion objectives and are in the process of finalising our work plan.

2.0 Progress to date

Work is well underway on WorkSafe's gender and ethnic pay gaps action plan.

Key deliverables to date include:

- a new step-based remuneration framework (implemented from 1 July 2022), which provides enhanced transparency, simplicity, and equity in our remuneration
- new processes and guidance, to ensure enhanced decision making in relation to starting salaries and salaries for same or similar roles
- diversity, equity and inclusion approach and organisational objectives, which outline our aspiration for WorkSafe, reconfirm our commitment and outline the approach we intend to take to deliver on this, co-designed with representatives from our employee network groups, the PSA, and broader organisation
- 156 employee experience interviews, to understand the experience of our kaimahi/staff and inform the development of this Action Plan and broader people and culture work programme
- Aotearoa Inclusivity Matrix Assessment (self-assessment and qualified assessment) completed, which will inform our broader diversity, equity and inclusion work programme.

This document provides an overview of the **current actions underway**, and the steps we are taking to ensure we take an **insights driven approach** to the development of our action plan.

3.0 WorkSafe's diversity, equity and Inclusion approach, objectives and work plan Our diversity, equity and inclusion approach was finalised in October 2022 and has been well received by our kaimahi.

We have four key diversity, equity and inclusion objectives:

- inclusion metric by 2025, 97% of employees will feel they are included, respected and valued at WorkSafe. Measured through our quarterly We Say Survey to all kaimahi
- gender and ethnic pay gaps develop a work plan by the end of 2022 to deliver on the goals of Kia Toipoto
- te Ao Māori capability increase the number of Māori employees at WorkSafe by 2025, to reflect our communities
- leadership composition WorkSafe's leadership population will culturally and ethnically represent the population of Aotearoa by 2025.

How we will make progress towards these objectives is being developed in our diversity, equity and inclusion work plan.



Our ambition is to create a culture that is values driven, embraces diversity and inclusion, and creates a mentally healthy work environment where our people care about each other and thrive.

We will be a leader in health, safety and wellbeing and an organisation that values diversity and addresses equity, so everyone is valued, included, and can belong at WorkSafe. We know everyone is different, so we want to create a culture where people can bring their whole selves to work. This means creating space for all identities both seen and unseen, including but not limited to: neurodiversity, ability, ethnicity, culture, gender identity, LGBTTQIA+, age, and faith.

Embracing the richness diversity and inclusion brings, aligns with who we want to be as an organisation as well as the WorkSafe values and our key strategies.

We acknowledge the ongoing inequity that exists in our communities and recognise the work we have to do to address the impact of exclusion and colonisation.

We recognise that work in this space does not have an end date, yet is an ongoing journey of progress.

WorkSafe's diversity, equity and inclusion (DEI) approach



We'll embed change through

- Leadership: We'll continue to build leadership capability aligned to our values and behaviours
- Culture and values: How we treat each other, live our purpose and how the mātāpono to guide our behaviour
- Strategy and policy: Bringing our values to life through our policies, processes and ways of working
- Employee engagement: Having strong worker engagement (including HSRs, unions and network groups) and creating a workplace where our people can bring their whole selves to work
- External engagement: Having a diverse workforce and leadership that is representative of Aotearoa, and actively celebrating and promoting our diverse culture externally
- Organisational development: Ensuring our people are competent and confident to engage internally and externally to meet the diverse needs of Aotearoa
- Monitoring: We'll track and regularly report on key DEI metrics to inform our work programme, as well as celebrate success

Within each of these areas there will be both short and long term initiatives to help us deliver on our ambition.



We'll use these principles to inform our approach

- Honour Te Tiriti o Waitangi in all our mahi
- Use our regulatory knowledge and insights to inform and share what we know about DEI external to WorkSafe
- Partner with existing and emerging staff networks.
 Connect and champion each other's work
- Start from a place of no assumptions. Uplift WorkSafe's understanding of diversity, equity and inclusion
- Sustainable and approach adaptive to embed lasting change as well as acting on opportunities for instant improvement
- Make space and address equity for staff from historically excluded communities
- Meet the obligations and expectations of Te Kawa Mataaho
- Partner with communities, subject matter experts, and those with lived experience to guide and inform our direction



When we'll know we're making progress

- Our people regularly tell us WorkSafe is an inclusive, respectful, and welcoming workplace
- Improved representation aligned to the communities we serve across Aotearoa
- Improved engagement and connection across WorkSafe
- Achieving 'leader status' in the Safe Plus Assessment
- Improved cultural capability, in particular in relation to Te Ao Māori
- Recognised externally as a workplace of choice

Our values

Our WorkSafe mātāpono (values) guide our behaviour and actions.



VHAKAKOTAHI

Kia whakakotahi, kia aronui tahi tātou We're united in a strong purpose



TIAKINA MAI

Kia tiakina i roto i ngā mahi katoa We're entrusted with a duty of care



KÜDEBO MAI

Kia whakapāpā tahi tātou We engage meaningfully 4.0 Developing our Kia Toipoto plan

2021

As an outcome of collective bargaining, WorkSafe and the PSA established a joint working group to develop a remuneration approach for WorkSafe that met the shared objectives of both parties. This resulted in a framework that introduced a step-based approach combined with an open range which was implemented in 2022. A number of actions related to remuneration were incorporated into our plan from this mahi/work.

2022

Following executive leadership's confirmation of our diversity, equity and inclusion approach, our draft gender and ethnic pay gaps action plan was developed, incorporating actions that were already underway in line with the goals of Kia Toipoto.

In late 2022, we undertook 156 employee experience interviews to better understand the experiences of our kaimahi at work.

2023

EX insights analysed and incoproated into our Kia Toipoto action plan. In addition, we completed the Aotearoa Inclusivity Matrix assessment to inform our diversity, equity and inclusion work plan, which includes goals from Kia Toipoto.

Ongoing

In 2023, we are introducing a quarterly engagement survey to ensure we are seeking regular feedback from our kaimahi and that actions are delivered in a more timely, meaningful and manageable way. These insights, along with our regular reporting, will inform the ongoing development of our gender and ethnic pay gaps action plan.

5.0
Gaining insights to better understand the drivers behind our gender and ethnic pay gaps

- 5.1 Engaging our kaimahi employee experience (EX)
- 5.2 Aotearoa Inclusivity Matrix Diversity Works

5.1 Engaging our kaimahi - employee experience (EX)

In November and December 2022, we conducted 156 individual interviews with current employees. The aim of this was to better understand our employees' experience at work.

This helps us to make the changes required to embed our new operating model and deliver our strategy and transformation objectives.

Overall themes:

- our employee experience has developed organically (rather than deliberately)
- it is often delivered based on process rather than people
- we are not consistantly creating an optimal experience for our people to connect, perform, and thrive, impacting our ability to deliver outcomes as an organisation.

We've completed the first phase of this work, which was centered on deeply understanding experiences and issues to identify the root causes. By taking this approach we've been able to get to the heart of the concerns and are now in a much better position to design meaningful interventions and to inform future programmes of work.

Throughout this process we've taken a worker engagement, participation and representation (WEPR) approach of broad two-way engagement. This allows people to speak freely without applying judgement or explanation for their experience.

The EX model we've adopted summarises themes into four areas:

- performance experiences the experiences employees have that relate to achievement in their role
- relationship experiences the experiences employees have that relate to interactions with others
- **enabling experiences** the experiences employees have related to the tools and the physical/digital work environment.
- purpose experiences the experiences employees have related to sense of meaning/purpose.

We are taking these themes and learnings from this mahi to improve key areas including induction, performance management, communication and engagement processes such as our engagement survey, and leadership development. Relevant actions have been incorporated into our gender and ethnic pay gaps action plan.

5.2 Aotearoa Inclusivity Matrix - Diversity Works

The <u>Aotearoa Inclusivity Matrix</u> (AIM) is an evidence-based framework developed specifically for New Zealand workplaces. It allows organisations to identify the maturity of their diversity, equity and inclusion practices across seven components.

The seven components that form a strategic approach to diversity, equity and inclusion are:

- leadership
- diversity
- infrastructure
- diverse recruitment
- inclusive career development
- bi-culturalism
- inclusive collaboration and social impact.

The three findings most relevant to Kia Toipoto are:

- **diversity infrastructure** the systems, policies, processes, and targeted interventions used to support the inclusion of diverse kaimahi
- diverse recruitment the conscious and planned efforts organisations make to ensure their employee numbers reflect a better match with societal and demographic changes in the context of Aotearoa New Zealand
- **inclusive career development** how organisations contribute to the fair, inclusive and equitable experience of people from non-dominant groups throughout the employee lifecycle.

Overall, the assessment found that diversity, equity, and inclusion have a strong foundation and is a strategic priority for WorkSafe. As part of the wider public sector, we have committed to key areas of growth and have undertaken actions to embed and develop these. While current initiatives exist to support diversity, equity and inclusion, there are opportunities to increase consistency and impact.

Recommendations in the Diversity Works Aotearoa Inclusivity Matrix report have been considered and incorporated, where applicable, into our current and future action plans.

6.0 Action plan

Progress as at 31 March 2023

	KIA TOIPOTO FOCUS AREA AND MILESTONE	CURRENT STATUS	PLANNED ACTIONS 2022	STATUS	PLANNED ACTIONS 2023	SUCCESS FACTORS FOR 2023 ACTIONS
Te Pono Transparency	Agencies and entities publish annual action plans based on gender and ethnicity data and union/employee feedback	Action plan finalised	 Employee experience interviews scheduled for Nov-Dec 2022 Analysis of responses Nov-Dec Gender pay gap published in WorkSafe Annual Report 2022 Development of actions Jan-Feb 2023 Finalise action plan Feb 2023 	Complete	Review insights from employee experience interviews/AIM assessment Confirmation of action plan in Mar 2023 Publish action plan in Apr 2023	Action plan confirmed and published on our external website
	Agencies and entities ensure easy access to HR and remuneration policies, including salary bands	Complete - all HR and remuneration policies, including salary bands, published on the intranet	Publish pay bands and hiring range (based on internal relativities) for all roles being advertised	Complete	Following review of our position descriptions and bands, all roles and associated sizing will be published on our intranet	Full transparency of roles and associated banding
Ngā Hua Tōkeke mō te Utu	By the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not	In progress	New step-based remuneration framework designed, developed and implemented 1 July 2022	Complete	Review of reference markets for all roles	Position descriptions and associated sizing is an accurate reflection of the role, and same or
Equitable pay outcomes	influenced by bias		Guidance for hiring managers developed in line with new remuneration framework	Complete		similar roles are banded the same
			Review salaries for Māori kaimahi in band 17	Complete		In addition, remuneration for roles is linked to the most appropriate reference market to ensure we can attract and retain the right talent
			Review of position descriptions to ensure roles are accurately reflected and sizing is accurate and in line with similar roles	In progress		
	Agencies monitor starting salaries and salaries for the same or similar roles to ensure gender and ethnic pay gaps do not reopen	In progress	Processes introduced in the recruitment phase to ensure starting salaries and salaries for same or similar roles are equitable and do not impact on the gender and ethnic pay gap	Complete	Report developed to monitor starting salaries and salaries for same or similar roles to be reviewed on a quarterly basis	We understand the impact of hiring decisions on the gender
					Review our core roles that sit between bands 11-15, as well as our sourcing strategy and approach for these roles	and ethnic pay gap We have diverse candidate
					Understanding the skills and experience required for these positions, and ensuring we remove any gendered wording in the position description and advertising collateral	pools and appointments for our roles between band 11-15 are representatives of the New Zealand population
Te whai kanohi i ngā taumata katoa Leadership and	By the end of 2022 agencies/ entities have plans and targets to improve gender and ethnic representation in their workforce and leadership	At present, we do not currently hold accurate ethnicity data for our people We are working towards improving our ability to capture and store ethnicity data so we can have a better understanding of the representation across different levels of leadership	Automate the migration of candidate data (gender, ethnicity and disability) from Springboard (recruitment system) into MyHR (HR information system)	In progress	Automate the migration of candidate data (gender, ethnicity and disability) from Springboard (recruitment system) into MyHR (HR information system)	
representation					Capture gender, ethnicity and disability data from current employees.	
					Note : We are required to migrate to a new HRIS, so this action is on hold until such time we are on the new platform (late 2023)	
					Our representation reporting is updated to reflect the actions from the AIM assessment	
					Participation and sponsorship of Tū Mau Mana Moana Programme for Pasifika leaders	
	By the end of 2024 the Public Service workforce and leadership are substantially more representative of society				We have incorporated representation data into our quarterly reporting and talent management practices	We understand at an organisational and business group level how reflective our organisation is of society and actions are in place to address any gaps
Te Whakawhanaketanga i te Aramahi Effective career and leadership development	By mid 2023 agencies/entities have career pathways and equitable progression opportunities that support women, Māori, Pacific and ethnic employees to achieve their career aspirations	Workforce capability project is currently paused, due to funding constraint	Review of the inspector development pathway	Complete	Inspector pathway action plan implemented	Effective workforce planning and improved experience through the pathway
		Inspector development pathway review is complete and action plan developed	Employee experience interviews will give us insight into the current experience of career progression for our kaimahi	Complete	Identify any barriers for woman progressing through the organisation, in particular into more senior roles within the inspectorate	

	KIA TOIPOTO FOCUS AREA AND MILESTONE	CURRENT STATUS	PLANNED ACTIONS 2022	STATUS	PLANNED ACTIONS 2023	SUCCESS FACTORS FOR 2023 ACTIONS
Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki Eliminating all forms of bias and discrimination	By the end of 2023 entities have remuneration and HR systems, policies and practices designed to remove all forms of bias and discrimination	Over the past year we have implemented a new remuneration framework and updated a number of our hiring policies and practices to ensure alignment. Ongoing review of our policies and procedures is continuing WorkSafe was also recently accredited with the Rainbow Tick which demonstrates that we accept, value, and welcome sexual and gender diversity at work. It shows we are committed to creating a safe and inclusive workplace and ensuring the mana of LGBTTQIA+ people is upheld	Introduction of new remuneration framework effective 1 July 2022. The new remuneration framework removes discretion in relation to pay increases for individuals	Complete	Review of our recruitment practices to incorporate Te Ao Māori	
			Obtain Rainbow Tick accreditation	Complete	Implement unconscious bias training and diversity in recruitment guidance for hiring managers	
	Agencies embed and monitor the impact of bias-free HR and remuneration policies and practices		HR practitioners attend unconscious bias training for HR professionals	Complete		
	Agencies/entities ensure leaders and employees learn about and demonstrate cultural competence	WorkSafe offers a range of programmes centered around building cultural competence, but in particular Te Ao Māori Our Te Puāwaitanga programme aims	2022 Te Ao Māori cultural competence survey delivered	Complete	Delivery of 2023 Te Puāwaitanga programme	The target is that all current kaimahi will have attended Te Puāwaitanga by September 2023. From then all new to WorkSafe kaimahi will attend as part of their induction programme The target is to launch the Mana Āki programme in late 2023
			Analyse results and develop action plan (Te Pou Ora)	In progress	Launch the Mana Āki programme	
		to grow WorkSafe's collective and individual knowledge and understanding of the Māori Crown relationship	Delivery of 2022 Te Puāwaitanga programme	Complete		
Te Taunoa o te Mahi Pīngore Flexible-work-by-default	By the end of 2024 agencies and entities offer equitable access to flexible-by- default working and ensure it does not undermine career progression or pay	cities offer equitable access to default policy available to all kaimahi. Further information in relation to this can be found here	Gain insights into the current experience of our kaimahi at work	Complete	Design and develop tools to support a sustainable approach to hybrid working	Survey in 2023 indicates clarity and confidence in the approach
			Design and develop tools to support a sustainable approach to hybrid working	In progress		

TABLE 1: Action plan

7.0 Measure and analyse gender and ethnic pay gaps

- 7.1 Pay and representation data
- 7.2 Gender pay gap

7.1 Pay and representation data

At present, we do not have sufficient ethnicity data to report on the ethnic pay gap for our organisation (based on the guidance of greater than 20 people in each category). We do however have actions in place to improve our data, including how we automate the migration of gender, ethnicity and disability data from Springboard (our recruitment system) into MyHR (our HR information system).

This change will be effective mid-2023 (scheduled for system testing in early April) and will provide the foundations for our current employee ethnicity data to be updated in line with StatsNZ classifications.

An overview of our representation and our gender pay gap information as at 31 December 2022 is provided below.

Note: All ethnicity data provided is on the basis employees can only select one ethnicity at present.

	WORKFORCE REPRESENTATION	ALL MANAGERS	LEADERS TIERS 1-3
Gender			
Men	48.1%	52.8%	48.9%
Women	51.8%	47.2%	51.1%
Non-binary	O.1%		
Ethnicity			
NZ Pakeha/European	59.2%	66.9%	59.6%
Māori	7.1%	4.9%	8.5%
Pacific Peoples	3.0%	1.4%	2.1%
MELAA	1.6%	1.4%	4.3%
Asian	5.1%	2.8%	6.4%
Other	6.0%	5.6%	2.1%
None	18.0%	14.1%	17.0%

TABLE 2: Workforce data (31 December 2022)

7.2 Gender pay gap

WorkSafe's gender pay gap effective 31 December 2022 was 12.9%, which had increased from 10.6% in June 2022.

We undertook a deep dive to understand the contributing factors towards the increase in our gender pay gap over the past 18 months. Our analysis showed that while there is a gender pay gap across roles, there is no gender pay gap within each pay band. This is a positive indicator.

The analysis showed there are several factors contributing to the increase in our gender pay gap. At a high level, this is because of an increased number of women in our lower banded (and therefore lower paid) roles. During this period there were two key organisational changes that resulted in new roles being created below band 16 (Support officers and Covid authorised officers), these roles were primarily filled by females, which increased the proportion of females we have in lower-banded roles.

Reducing the gender and ethnic pay gap is one of our top diversity, equity, and inclusion priorities. We are actively looking at ways to reduce it, such as:

- promoting diversity, equity and inclusion in our recruitment and retention practices
- increasing capability of those with recruitment responsibilities
- monitoring the impact of our recruitment decisions on future gender and ethnic pay gaps
- reviewing performance management processes, promotion pathways and learning and development gaps and opportunities.

As noted, we have undertaken 156 employee experience interviews to understand the experience of our kaimahi, including any contributing factors that may be impacting our gender pay gap. Understanding this in more detail is a priority. We will continue to work with the organisation to build in effective actions into our ender and ethnic pay gaps action plan to address our pay gaps moving forward.

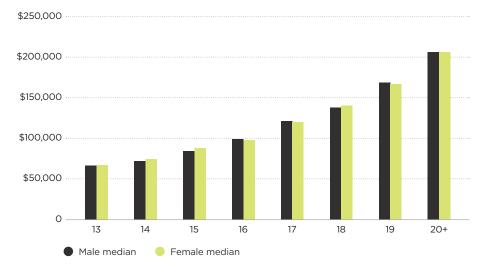


FIGURE 1: Median FTE salary by gender by band at Dec 22

Note: Bands 11-12 are not shown for privacy reasons (<5 people total)

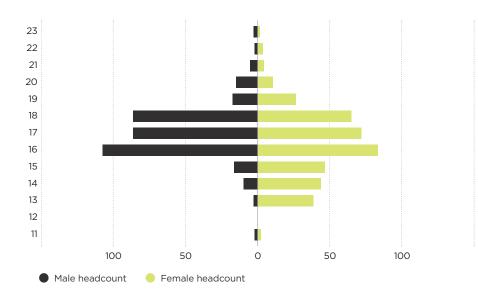


FIGURE 2: Headcount gender by band at Dec 22

Notes		

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