ARE WE THERE YET?

The state of Diversity & Inclusion in Australian workplaces

WITHYOUWITHME

WE ARE

WITH**YOU**
WITH**ME**

We build talent where there are skills shortages in the technology sector by providing underemployed and overlooked individuals with the skills they need—from training, to testing and connecting with organisations—to secure roles and start their new careers.

We were founded in 2015 to solve the problem of veteran underemployment, and in doing so, exposed a problem with the recruiting model that spanned far beyond veterans. Today, we help thousands of veterans, military spouses, Neurodivergent people, women in technology, and Indigenous peoples become skilled, up-skill, and re-skill for new digital careers.

We offer free career assessments, training, and job deployments to these under-represented and overlooked groups. We have successfully matched more than 40,000 individuals to new careers, with more than 10,000 up-skilling for new technology roles.

ABOUT OUR RESEARCH

This report draws on the findings of our diversity and inclusion in hiring practices survey. The study, carried out by YouGov on behalf of WithYouWithMe, was conducted online between 22 - 27 March 2022. Respondents were comprised of a national sample of 522 Australian middle managers and above from organisations with 20 or more employees. For the purposes of this study, medium organisations are considered those with 20-99 employees, while large are those with 100 or more employees.

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A message from our CTO

In 2022, businesses and government agencies understand that "diversity" and "inclusion" are more than just human resources buzzwords. They are critical in building an engaged workplace that's more productive and innovative, and less likely to leave, than their homogenous counterparts. As a result, organisations are making efforts to increase Diversity and Inclusion (D&I) in the workplace.

While much headway has been made, there's still significant room for improvement in hiring practices and opportunities for workplaces to scratch below the surface and institute modest changes that could have a significant impact on making their workplaces welcoming for more people.

In particular, our research discovered that:

• The methods most organisations use to screen candidates can put diverse individuals at a disadvantage. Resumes, reference checks, and cover letters, rather than assessments (like psychometric or aptitude tests), are widely used by most organisations.

• Encouragingly, eight in 10 managers report that their organisations are making efforts to accommodate candidates during the hiring process. However, there are still many gaps when digging into the types of accommodations being offered, which may raise some further questions.

• While most workplaces (71%) have mandated training on inclusive hiring, we identified significant gaps in the subject matter covered through training.

• Organisations are updating their D&I policies. However, in doing so, they are not always seeking feedback from their employees on how to improve their existing practices. There is a clear opportunity here to improve workplaces, experiences, engagement, and the psychological safety of our people.

"The methods most organisations use to screen candidates can put diverse individuals at a disadvantage"

We're pleased to be able to share this research with you. Our hope is that you're able to absorb and apply these findings to your own organisation and use them to help build a more equitable workplace.

SCARLETT McDERMOTT
Chief Technology Officer

Setting a baseline

Diversity

Having a mix of people in an organisation. It encompasses social identity, like ethnicity, cultural background, disability status, sexual orientation, gender identity, age, and professional identity, like work experience and education.

These different attributes shape how people see themselves and the people around them.

Inclusion

Getting a diverse group of people to work effectively together to improve performance and wellbeing. Inclusion is achieved when a diverse group of people feel they're:

• <u>respected</u> for who they are and able to be themselves
• <u>connected</u> to their colleagues and feel a sense of belonging
• <u>contributing</u> their perspectives and talents to the workplace
• <u>progressing</u> in their career, with equal access to resources and opportunities

Inclusion is how organisations can truly benefit from diversity.

Diversity & Inclusion isn't a policy that someone's given when they join your organisation. It's so much more than that.

It lives in your mission, your values, your culture, and your beliefs as an organisation.

At a
Glance

7 in **10**
managers report some form of mandatory training on inclusive hiring.

GREAT NEWS!

95%

of managers surveyed say their organisation has rigorous processes in place to manage workplace diversity

A NATIONALLY REPRESENTATIVE SAMPLE OF 520+ AUSTRALIAN MANAGERS

MASKED resumes are becoming more common

41% using them all the time

22% using them some of the time

92% of organisations use reference checks, resumes, and cover letters to screen job applicants, but only

32% use psychometric or aptitude tests for applicant screening.

3 in **10**
managers have no formal training on inclusive hiring prior to interviewing applicants.

Opportunities for D&I begin during the application process

When it's time to hire for a new role, most organisations are keen to consider diverse candidates. Unfortunately, their screening methods during the application process may hinder these individuals. Resumes and reference checks remain the most widely used ways of screening applicants, with 66% of medium-sized organisations and 71% of large ones relying on resumes. More than half (57%) of medium-sized workplaces and 67% of large organisations also use reference checks as part of the process.

For diverse candidates, this means the odds are often stacked against them from the beginning, as things like gender, educational background, age, and race can often be gleaned from resumes.

Promisingly, four in 10 (41%) of managers say that their organisations use masked resumes—removing information like names, age, and university names—all the time, while a further one in five, or 22%, say they are used frequently. This can help level the playing field when candidates are judged with resumes.

Only one in ten (10%) of managers say their organisations have a flexible hiring process that can be adapted to the position and candidates that apply.

Cognitive ability, which can be measured with psychometric and aptitude testing, is considered an important predictor of job performance, but isn't widely used in Australian organisations. Just three in 10 managers from medium businesses (31%), and similarly from large organisations (33%), use testing to determine suitability of candidates.

Top Tip

Phasing out or, at a minimum, relying less heavily on resumes and reference checks could help progress a more diverse candidate pool through the application process.

Almost two in three (64%) managers say their organisations have a highly standardised hiring process that is uniform for **all** applicants and positions.

64%
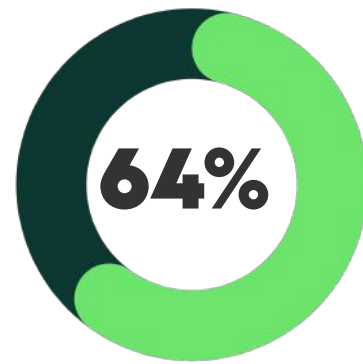
Leaving space for
FLEXIBLE hiring

Embracing more flexibility during the hiring process might help. As it stands, there's not much room for deviation in most organisations. Overall, among medium and large organisations, only one in 10 (10%) of managers reported that their workplaces have a flexible hiring process that can be adapted to the position and candidates.

Allowing for a more adaptable process, rather than the highly standardised one that nearly two in three managers adhere to, can help diversify the process. This could look like using alternative avenues for recruitment rather than the standard job boards and listings; recognising alternative forms of work, like volunteer positions or hobbies as work experience; and allowing creativity in the application process, like accepting video applications.

Accommodating for DIFFERENCES

Encouragingly, more than eight in 10 organisations ask candidates if they need special assistance during the application process, either via a specific check box (64%) or by listing contact details in the ad (39%). Medium and large businesses are equally as likely to have processes in place to ask candidates if they require assistance, at 87% and 85% respectively.

It's very promising that these questions are being asked, particularly when, overall, after a candidate requests special assistance, 80% of medium and large organisations initiate contact and provide support internally, rather than just giving out information for external services. Taking the onus off the candidate to get in touch and proactively offering solutions is a real step in the right direction.

However, there's still work to be done. More than half of managers (59%) reported that they do not accommodate for physical access or mobility barriers during the hiring process. That's a barrier for some candidates that's impossible to overcome.

Other gaps in accommodating applicants include cultural preferences and sensitivities, language and communication barriers, and hearing impairments. Asking about assistance during the hiring process is a fantastic first step. Now, organisations must focus on the steps that come next and commit to providing a hiring process that's accessible for more people.
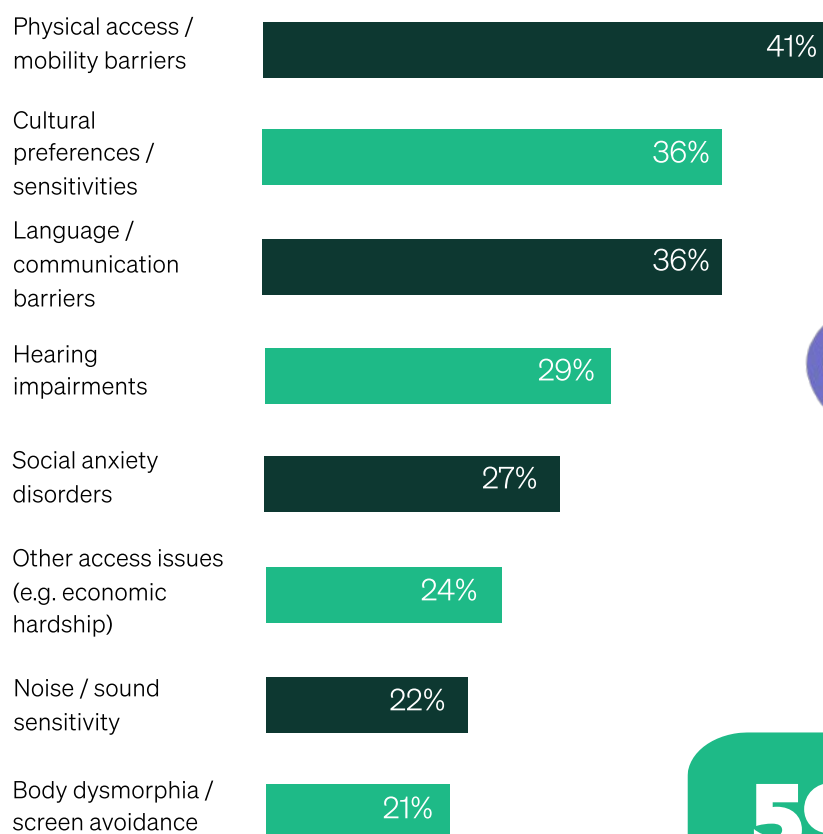
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Accommodations for applicants when interviewing

Significant access gaps remain in making the interview process equitable.

Category	Percentage
Physical access / mobility barriers	41%
Cultural preferences / sensitivities	36%
Language / communication barriers	36%
Hearing impairments	29%
Social anxiety disorders	27%
Other access issues (e.g. economic hardship)	24%
Noise / sound sensitivity	22%
Body dysmorphia / screen avoidance	21%

59%
of managers report their organisations do not accommodate for physical access or mobility barriers when interviewing candidates.
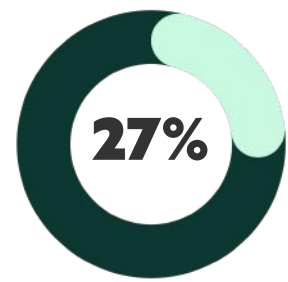
52%

52% reported required training for cultural awareness, sensitivity, and competency.

30%

30% reported required training for LGBTQIA+ awareness.

28%
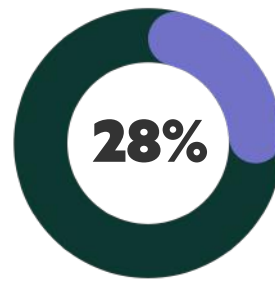
28% reported required training for disability awareness.

27%

27% reported required training for neurodiversity awareness.

Broadening the scope of mandated training

Shockingly, nearly 30% of organisations have no mandatory training on inclusive hiring before screening applicants. Only half of managers (52%) reported that there's mandated interview training for cultural awareness, sensitivity, and competence. When it comes to LGBTQIA+ awareness, that number drops to 30%, and for disability or neurodiversity, it's even lower (at 28% and 27%, respectively).

Top Tip

Investing in mandated training around inclusive hiring for those involved in the recruitment process is an actionable step that organisations can take immediately, allowing them to cast the talent net wider and also better support employees once they do land in roles.

Measure, Improve, Repeat

You can't fix what's not measured.

In order to improve, it's necessary for organisations to understand where they're at. Two-thirds (66%) of managers say that their organisation collects data on diversity as a standard procedure and regularly reviews their workplace's diversity.

It's very promising to see that almost all (95%) of the organisations that have written policies around diversity and inclusion during hiring also have processes in place to review and update policies. About half (57%) use staff surveys and employee focus groups (55%) to make changes, while another 48% engage external experts to do the heavy lifting. Consulting external experts and incorporating recommendations from employees who engage with applicants can only strengthen existing policies and practices.

57%
Use staff surveys as a method to review and update D&I policies

55%
Use employee focus groups as a method to review and update D&I policies
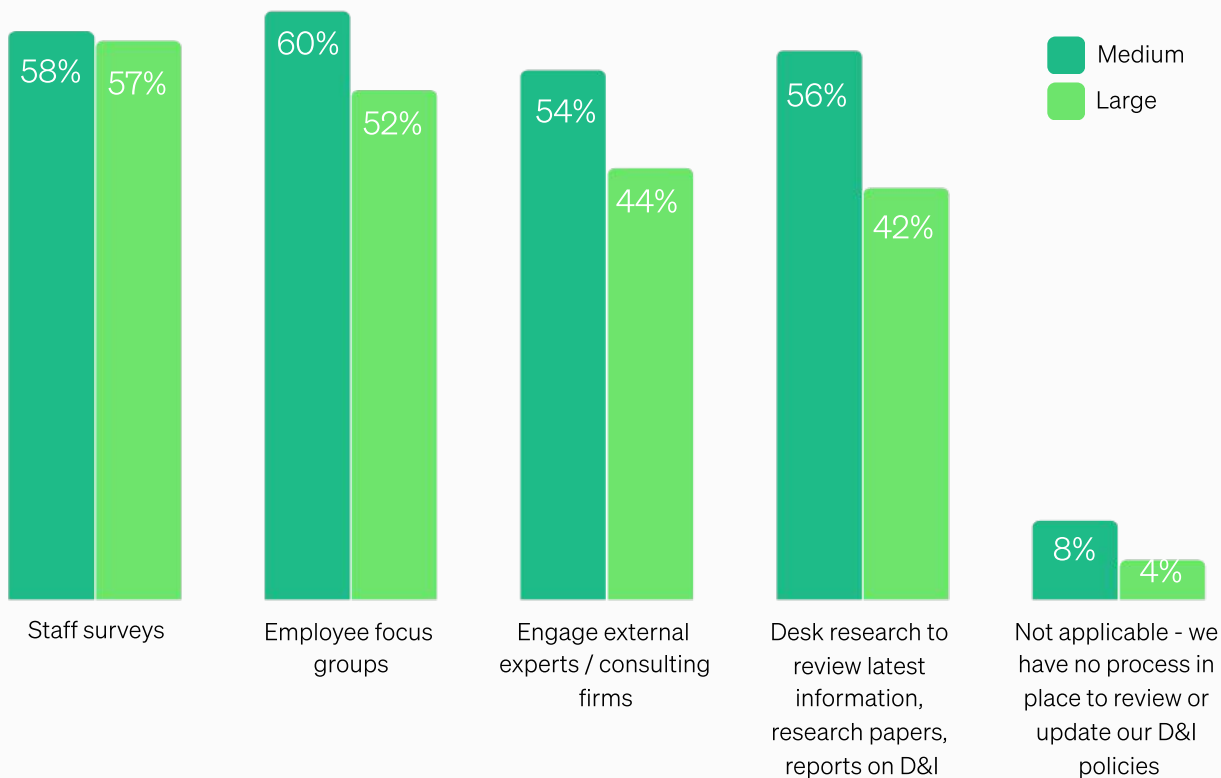
48%
Engage external experts or consulting firms as a method to review and update D&I policies

Most managers from medium (92%) and large (96%) businesses who have written policies on diversity and inclusion for hiring practices report that their organisations have processes in place to review and update their D&I policies.

Managers from medium-sized organisations are more likely than those from larger organisations to say they engage with external experts / consulting firms (54% compared to 44%) and do desk research including reading research papers and reports (56% compared to 42%) when reviewing and updating their policies on Diversity and Inclusion.

What is used to review and update policies on Diversity and Inclusion

|	Medium	Large
Staff surveys	58%	57%
Employee focus groups	60%	52%
Engage external experts / consulting firms	54%	44%
Desk research to review latest information, research papers, reports on D&I	56%	42%
Not applicable - we have no process in place to review or update our D&I policies	8%	4%

What's Next?

Increasing Diversity & Inclusion during hiring

Many Australian organisations have made great strides in actively working to increase diversity and inclusion when recruiting for roles. To further this work, and based on our research findings, we recommend action in four areas.

1. EXPANDING

The way you screen can be a deciding factor on whether an applicant will even apply for a role. Rather than sticking solely to traditional methods of screening candidates, like resumes, cover letters, and reference checks, we recommend replacing or incorporating psychometric or aptitude testing. Expanding ways of screening will help you to look beyond measures of past experience and identify the future potential of success that applicants may have.

Additionally, alternative methods of screening such as assessments or skills testing can help to remove biases often existing within the more traditional recruitment processes and afford more equity to those who can, at times, be overlooked in typical hiring processes.
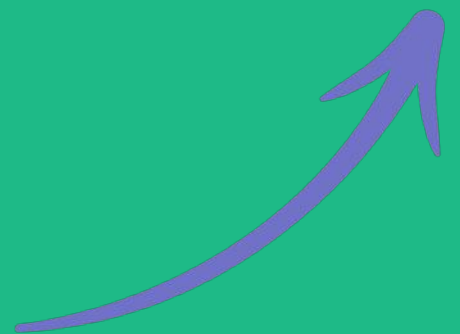
2. ACCOMMODATING

Asking if accommodations are necessary is a welcome first step, but there must be actions in place to facilitate what comes next. Working with candidates to find creative solutions where necessary, like video interviews when physical access is an issue, and putting processes in place for applicants who require assistance, will lessen the burden on the candidate and provide a more inclusive hiring experience.

3. BROADENING

For those folks who are screening and interacting with candidates, mandated training that encompasses a range of core diversity areas like cultural sensitivity, disability, LGBTQIA+, and unconscious bias, is critical. They don't know what they don't know —understanding what to look out for and how to help can make a quick and tangible difference to your D&I efforts.

4. ENGAGING

As employees are the ones working with applicants, it's important to engage with them and seek out their feedback on diversity and inclusion policies. They shouldn't be a one-time set-and-forget document, but rather a living, breathing policy and practice that's continually updated and improved with lessons learnt.

Looking to attract and hire
diverse tech talent?
We'd love to help. Get in touch.

WITHYOUWITHME

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