

NEW ZEALAND FOREIGN AFFAIRS & TRADE Manatū Aorere

Gender and Ethnic Pay Action Plan 2021

Ministry of Foreign Affairs and Trade

Foreword *from Chris Seed*



Tēnā koutou katoa,

I am pleased to present the Ministry of Foreign Affairs and Trade's Gender and Ethnic Pay Action Plan for 2021-2022.

Our Ministry is committed to a culture of inclusion, gender equality and reducing its pay gaps, guided by The Government-PSA Gender Pay Gap Action Plan and the five gender pay principles.

The Plan was developed in consultation with our pay gaps working group, which is representative of staff and managers, different job families, staff networks and unions. I'd like to thank all group participants for their valuable contributions.

In 2019 the Ministry eliminated gender pay gaps where men and women are

undertaking the same role or similar sized roles. While that was a significant step forward for the Ministry, we still have a gender pay gap caused by having more men in higher banded roles, and more women in lower banded roles. Our ethnic pay gap is similar – we have fewer Pacific and Māori women in higher bands.

To address these gaps, we need to create career pathways and advocate opportunities for women, Māori, Pasifika and other ethnic minorities to progress, while at the same time remove real and perceived barriers to their advancement.

We have a strong pool of talented women within our organisation. Our task is to create the right environment for women and ethnic minorities to succeed at all levels of our organisation. A culture of inclusion is not just about opening doors, but about making what's behind them work as well.

We've successfully increased the number of women in Head of Mission roles in the past year. And approximately 50% of our third tier managers are female. We now need to lock that progress in through strong career and workforce planning. That means ensuring our people are developing the breadth and depth of experience needed to operate successfully in a variety of on and offshore roles.

The Gender and Ethnic Pay Action Plan for 2021-2022 should be read alongside our broader work programme for 2022, including advancing our culture of inclusion, growing our Mātauranga Māori capability, and delivering on our Diversity and Inclusion strategy.

We are dedicated to creating change but also realistic about the complexity of this work. Our success is not just about "quick wins" or short-term change, it is about bedding in more equitable gender representation and more ethnic diversity at all levels and across all our job families. It's about being prepared to change the way we do things. It will require us to take a multifaceted and collaborative approach founded on quality data and analysis, and our values.

We want to do it, and I'm confident we can.

Ngā mihi,

Chris Seed CHIEF EXECUTIVE



Contents

| Foreword from Chris Seed | 1 |
|--|----|
| Ministry of Foreign Affairs and Trade - Who we are | 4 |
| MFAT at a glance | |
| The strategy and context for our work | 6 |
| Ethnicity | 7 |
| Offshore Network and Heads of Mission/Post | |
| A Culture of Inclusion | 8 |
| Gender and ethnic pay gap statistics | |
| Headline Gender Pay Gap | 9 |
| Within band gender pay gap | |
| The main driver of our gender pay gap is gender distribution | 10 |
| Gender breakdown of the MFAT workforce | 10 |
| Gender representation across people management roles | |
| Business and Corporate functions | 11 |
| Ethnic representation and pay | |
| Ethnic pay gap | |
| How will we move forward? | 13 |
| Key focus areas | 15 |
| People data and reporting | 16 |
| Outreach and selection | 17 |
| Career development and pay | |
| Flexibility | 20 |
| Education | |
| Appendix A: Data definitions and assumptions | 22 |

Ministry of Foreign Affairs and Trade - Who we are

Our purpose

MFAT acts in the world to build a safer, more prosperous and more sustainable future for New Zealanders. We do this by building connections with, and influencing, other countries to advance Aotearoa New Zealand's interests, project our values and secure the outcomes that matter to Aotearoa. We pursue the Government's international priorities and provide advice to the Government on the implications for Aotearoa of what is happening in the world.

To deliver on this purpose we have a large offshore network where approximately half our total staff are based in overseas Embassies and High Commissions. We are increasing the diversity of our workforce to better represent Aotearoa on and offshore, and strengthening our tirohanga Māori at all levels of the Ministry. With our broad global presence, we aim for our depth of skill and Aotearoa's unique indigeneity to be a point of difference when doing business on a global stage.

Our values

Our values guide how we interact with people within and outside of the Ministry. They also reflect to our global partners and to New Zealanders the qualities of the country we represent: a tolerant, diverse, inclusive and welcoming society.

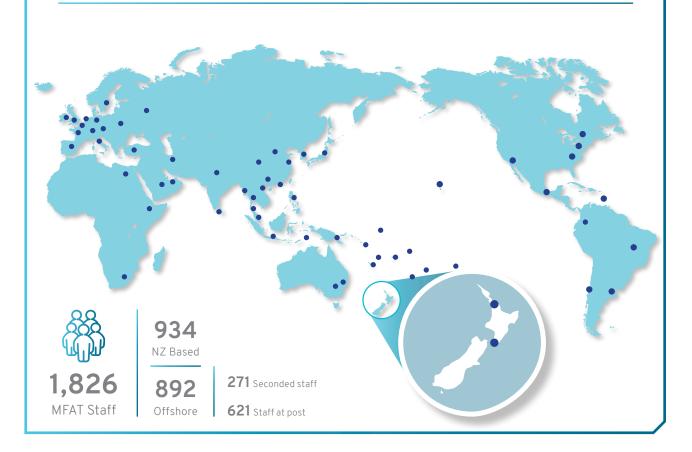
Our values support Te Kawa Mataaho, the Public Service Commission's focus on spirit of service, and help us deliver to New Zealanders in an increasingly challenging global environment.



Ministry of Foreign Affairs and Trade - Who we are

The Ministry at a Glance

MFAT locations around the world and in NZ



In 2020-21 MFAT's global network comprised of **60** posts in **53** countries with **119** accreditations to other countries and **70** Honorary Consuls.

The MFAT network supports NZ Inc to achieve its international objectives.

MFAT acts in the world to build a safer, more prosperous, and more sustainable future for New Zealanders.

The strategy and context for our work

The work MFAT has been doing to reduce its pay gaps fits into a wider context of work being undertaken to create a more diverse, inclusive, modern and safe workplace. Our Gender and Ethnic Pay Action Plan is connected to our People Strategy, our Diversity and Inclusion Strategy and our organisational values. Our work is influenced by some unique MFAT characteristics and is supported by other work streams that are helping to remove barriers, create more opportunities for women and ethnic minorities and shape our culture to be more inclusive.

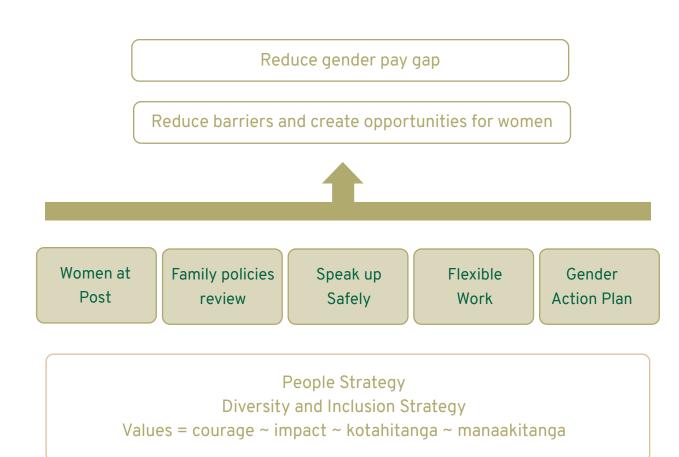
Strategy and Values

The People Strategy outlines the people priorities that will support us to be a happy, healthy and high performing community, for all. One of the pillars of the People Strategy is "we are diverse and inclusive" and a key aspect within that is to address inequalities within our policies, processes and practices. In addition, our Diversity and Inclusion Strategy, launched in June 2018, establishes an enduring focus on diversity and inclusion (D&I) by setting out a ten-year programme of work.

In 2018, after a 10-month process involving staff across our network, MFAT launched the new organisational values of manaakitanga, kotahitanga, impact and courage. Our vision is that *our values are woven together and into the fabric of the organisation.* Realising this vision will take time; we have an extended work programme to support the required organisational culture shift.

Closely linked to this is our work on Women at Post; Families Policies, Speak up Safely, and Flexible Work, as depicted below.





Women at Post

The Women at Post report acknowledged that women are disproportionately more likely to have negative experiences in regards to their well-being, health or personal safety while at an overseas post. This ongoing work aims to continuously improve the equality of experience and reduce the likelihood of these factors being a barrier for women staff and/or women family members going on posting.

Families Policies

The Families Working Group updated HR policies that have a family component to them to modernise the definitions and policy intent to create family friendly policies that align with the modern make up of relationships and family units. This enables more staff to go on an overseas posting with improved support for partners to work and families to accompany them, as well as supporting staff with split families to be reunited during a posting. It recognises that additional support may be required for single staff, including those with children, to go on a posting.

<u>Speak up Safely</u>

Speak up Safely is available to all staff across the entire MFAT Network and provides a confidential option for staff to raise concerns. It enables staff experiencing unacceptable behaviours, including harassment, discrimination and conscious/ unconscious bias, to share their experience and be provided with appropriate support and guidance on options available to them. A planned review of the Speak Up Safely Programme will be undertaken in 2022 to ensure it continues to be a safe way for staff to raise concerns, as well as an avenue for organisational learning and improvement.

<u>Flexible Work</u>

MFAT has a long standing policy regarding remote and flexible working, based on the fact that barriers to flexible working disproportionately affect women. We launched our updated Flexible Work Policy, toolkit and guidelines in August 2020 and became a flexible-by-default agency. We encourage and accommodate different patterns of work that allow us to achieve business deliverables across multiple time zones, and also enable employees to better integrate their life and work. The Covid environment accelerated the need for flexibility, remote working and preparedness to work in uncertainty. This was particularly the case for our offshore network. We continue to embed our flexible-by-default approach and work on technology to support this.

Ethnicity

An important aspect of our People and D&I Strategies is ethnic and cultural diversity, and we continue to make the value proposition for Pasifika, Māori and Asian peoples more compelling. To support this, our Vaka Pasifika, Te Pou Māori and Ethnic staff networks continue to provide advice and guidance to our SLT and People team. In the past few years we have broadened the criteria for our intern and graduate programmes to increase diversity and improved our outreach and relationships with stakeholders including universities and Iwi. We're now turning our attention to lateral hiring and roles in the corporate functions.

Offshore Network and Heads of Mission/Post

MFAT's offshore network has an impact on our workforce shape. In addition to building and maintaining leaders for our head office in Wellington, we also require a significant number of senior leaders with the skills, aptitude and experience to represent New Zealand as Heads of Mission/Post at our 60 offshore posts. These roles require our leaders to be able to operate across cultures and to demonstrate people leadership, policy leadership, management, influence, project delivery, and the ability to represent New Zealand at the highest levels.

A Culture of Inclusion

The success of our gender and ethnic pay work will be determined largely by our organisational culture and how we live and experience our values. Part of our current pay gaps are likely due to some legacy, entrenched beliefs that we need to revisit. Achieving change requires strong and consistent leadership and expectation setting from our SLT, plus commitment and role modelling from all MFAT leaders. For the past few years D&I and Values have been selected as organisational priorities by our SLT.

We are shaping our organisational culture through ongoing programmes for diversity, inclusion, values, leadership development, Matauranga Māori, and wellbeing. In 2022 we will bring the inclusion and values work together to focus on a positive workplace culture. Continuing to advance our maturity in these areas will be important, open-ended work.

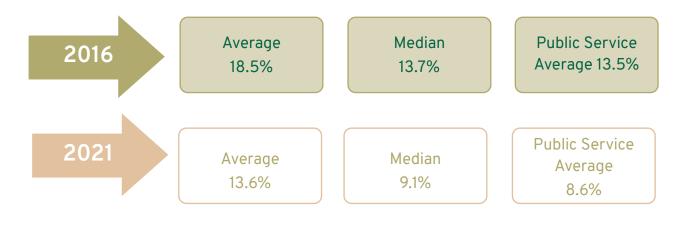
We seek employee feedback, through various means, and this gives us insight into the aspects of our culture that is changing and that we need to continue to improve. For example, our people have asked us to reshape the leadership qualities we value, be more open to diversity of personality and thought and to accept and support a variety of leadership styles including those that tend to be more common among women and certain cultures (i.e., consultative, team-focused and empathetic). This speaks to the greater inclusion of diversity and different identities, and greater recognition of women's and multi-cultural voices among our organisational leadership.

Gender and ethnic pay gap statistics

Achieving true gender and ethnic equality, effecting workplace cultural change, and reducing our gender and ethnic pay gaps will be an ongoing, iterative process.

All data is effective 30 June 2021 unless otherwise stated. Refer to Appendix A for full

Headline Gender Pay Gap





GENDER & ETHNIC PAY ACTION PLAN 2021 | MINISTRY OF FOREIGN AFFAIRS AND TRADE

Our gender pay gap has been steadily decreasing since 2016 when the first major steps were taken to address it. The following graph shows the progress in the Ministry's over time.

Reduction in Gender Pay Gap 2016 - 2021

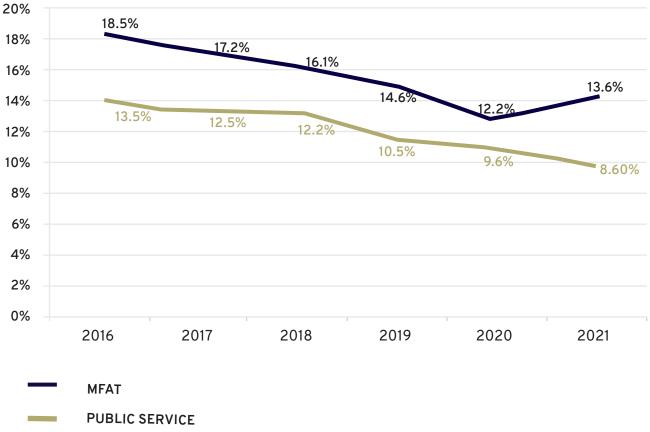


Figure 1: Gender pay gap trend since 2016



We are monitoring the recent increase in our gender pay gap, and found some significant contributors. We hired far more women than men in the past 12 months – 67% vs 30% (the gender of the remaining 3% is unknown). Almost half of the women hired went into band 14 and below vs 34% of men. These bands account for admin roles and graduate foreign policy hires. This is not unexpected because for the past three years women have comprised approx. 70% of our graduates intake which in the short term increases our GPG, but in the long term will provides a strong talent pipeline for future women leaders, as long as our systems and processes support and enable their pathway to leadership. 11% of our male hires were into leadership roles compared with 6% of our women hires, and men tended to go into higher bands than women. We also had some higher paid women leave whereas the male leavers tended to be lower paid. We will continue to monitor and explore the increase with a view to taking additional action if it continues to trend upwards.

Within band gender pay gap

Weighted average 0%

In 2019 MFAT eliminated gender pay gaps where men and women are undertaking the same role or similar sized roles. We achieved this significant milestone by undertaking a gender pay review in 2017 which addressed within job-band gender pay differences. In 2019 we undertook a further gender pay review to address any residual within job-band gender pay differences.

Our focus has now moved to a monitoring phase to ensure that the within band gap remains at zero. We continue to monitor our within band gender pay gap throughout the year. Checks for gender pay differences are part of all our annual processes including performance reviews, annual remuneration reviews and foreign policy progression rounds. Under the current pay restraint MFAT applied a formulaic remuneration review (gender and ethnicity neutral) to the lower and mid-level salary bands.



The main driver of our gender pay gap is gender distribution

GENDER BREAKDOWN OF THE MFAT WORKFORCE

| Women | Men | Weighted average |
|-------|-----|------------------|
| 59% | 40% | 0% |
| | | |

Although our workforce is comprised of 59% women and 40% men and 1% in other categories, there are more men in higher banded roles, and more women in lower banded roles. This uneven distribution of women and men across our organisation is where we need to focus our efforts.

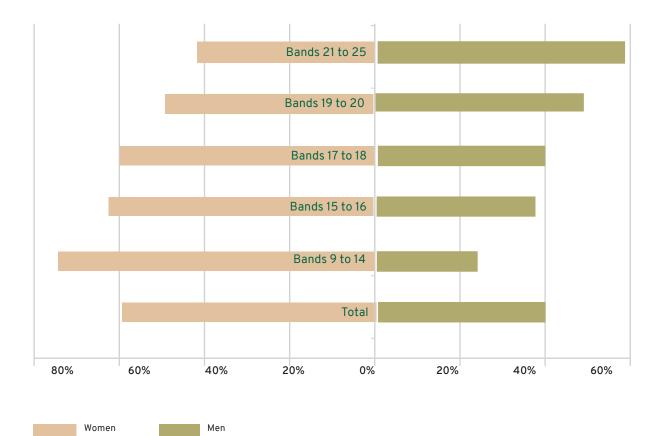


Figure 2: Gender distribution by band

Women are currently over represented among our lower level roles, particularly in administration and support roles and junior foreign policy roles. This currently accounts for a considerable portion of our gender pay gap. As shown in figure 2, the numbers of women slowly decrease into the higher pay bands.

GENDER REPRESENTATION ACROSS PEOPLE MANAGEMENT ROLES

| Women | Men |
|-------|-----|
| 50% | 50% |
| | |

Overall, roles with people management responsibility are evenly split between women (50%) and men (50%). However, women are currently over represented among lower level people management roles such as Team Leaders, and under represented among more senior leadership roles. The lowest representation of women is among the Senior Leadership Team (Tier 2 roles) and our Head of Mission and Head of Post roles.

We have over 60 Head of Mission and Head of Post roles, and increasing the number of women in these roles has been a key focus for us. We are committed to achieving a gender ratio for our Heads of Mission/Post of 40/40/20 by 2025 (40% women; 40% men; 20% any gender). Our projections suggest we will increase the percentage of women Heads of Mission/Post to 43% by mid 2022.

TABLE 1: GENDER REPRESENTATION ACROSS OUR PEOPLE MANAGEMENT ROLES

| Role | Women | Men |
|-------------------------|-------|-------|
| Senior Leadership Team | 37.5% | 62.5% |
| Heads of Mission/ Post | 38% | 62% |
| Divisional Managers | 47% | 53% |
| Unit Managers | 48% | 52% |
| Group Business Managers | 100% | 0% |
| Team Leaders | 70% | 30% |
| Other people managers | 54% | 46% |
| Total | 50% | 50% |

16

Business and Corporate functions

Part of our monitoring includes looking at the distribution across different job families and functions. All roles within the Ministry can be classified as either 'business' functions; including Foreign Policy, Trade, and Pacific Development, or 'corporate' functions; including administration, Finance, Human Resources and IT etc.

While the percentage of women in leadership roles in the Foreign Policy functions has increased slightly, the percentage of women leaders in corporate roles has decreased since last year, shown in table 3.

TABLE 1: GENDER REPRESENTATION ACROSS OUR PEOPLE MANAGEMENT ROLES

| | Women | | Men | |
|---------------------|---------------------|------|-----------|-----|
| Type of role | 2020 | 2021 | 2020 2021 | |
| Business functions | | | | |
| Band 19 & above | 46% | 48% | 54% | 52% |
| Band 19 & below | 61% | 64% | 39% | 36% |
| Corporate functions | Corporate functions | | | |
| Band 19 & above | 54% | 50% | 46% | 50% |
| Band 19 & below | 64% | 64% | 36% | 36% |
| All Staff | 58% | 60% | 42% 40% | |



Ethnic representation and pay

The D&I strategy includes initiatives and goals to increase and support ethnic representation at MFAT, and figure 3 shows the progress we have made in recent years. Our Careers team works in collaboration with our staff networks to tailor communication and marketing to attract specific demographics. Our main focus has been on early in careers recruitment as this is the main way into MFAT for foreign policy officers. Conscious we are still behind the Public Service averages our attention is now turning to recruitment and selection at other levels and in non-foreign policy roles.

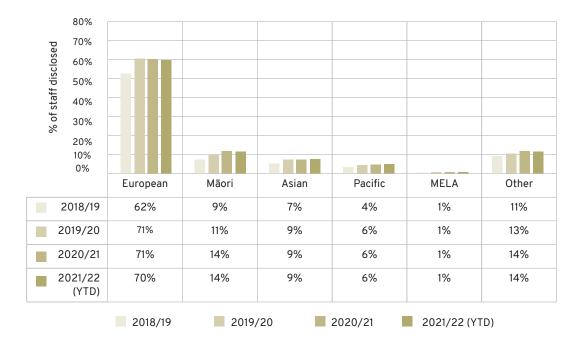


Figure 3: ethnic representation over time

Currently only 74% of our staff have disclosed their ethnic identity, which is an area of concern. The disclosure rate is not high enough for us to fully calculate and review our ethnic pay gap or rely on the data available. We are launching a new HR information system early in 2022 and we will likely require staff to provide a response to the ethnic identity question, with a 'prefer not to say' option available. We expect to be able to provide a more integrated ethnic and gender pay action plan in future.

Ethnic pay gap

Figure 4 shows our ethnic pay gaps based on those who have disclosed an ethnicity, in line with PSC guidelines (in other words anyone who has not disclosed an ethnicity is removed from the calculation). As with our gender pay gap, the primary reason for these differences is vertical segregation. There are more women identifying as Māori, Pasifika and Asian in non-leadership roles (Band 18 and below), thus lowering the average salary for women.

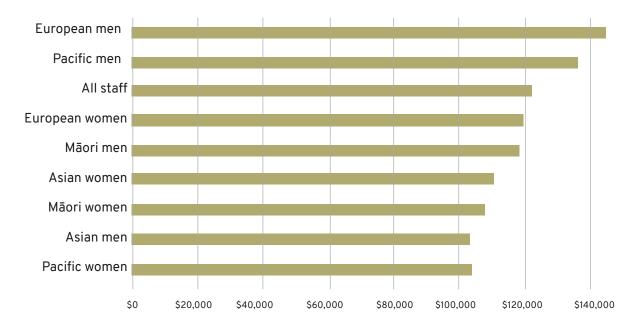


Figure 4: Ethnic pay differences

For staff identifying as Pasifika, Māori and Asian, there is a cluster of people just below leadership level in our business functions (foreign policy and development). This cluster accounts for 31.5% of all Asian staff and 25% of Māori staff. The pipeline of future leaders and the likelihood of increasing the range of ethnicities at leadership level is encouraging. However, because of the nature of MFAT's operation, and the low turnover in foreign policy and development, there are limited openings among leadership roles, so this will take time. It is necessary for MFAT to focus and emphasise retention of these staff in the meantime.

For all three ethnicities there is a second cluster of women at recent graduate level, which reflects our focus on increasing diversity through our graduate recruitment programme. Of our Pasifika staff, a high proportion of men are in higher-banded leadership roles contributing to the higher average salary for Pasifika men. Conversely, 74% of our Pasifika women are in non-leadership roles, contributing to the lower average salary. Of the staff in leadership roles who identify as Asian, almost 70% are women, which contributes to a slightly higher salary for Asian women.

How will we move forward?

We recognise that balanced gender and ethnic representation is the hardest and slowest part of our pay gaps to change and it will require sustained effort over the longer term. In light of the insight generated from our data gathering and analysis we consider that the best way to create change is by focusing on each aspect of the employee lifecycle. Therefore, we have grouped key lifecycle events together to form the focus areas for our action plan.

In recent years we have changed our systems and processes to progressively reduce the gender pay gap for new hires, and our attention remains centred on our approach to monitoring and managing this. We know that we have a good supply of talented women, Māori, Pasifika and Asian at the mid and lower levels of our organisation and this provides a pool of potential future MFAT leaders. We must ensure that we continue equal pay for equal work and create an inclusive environment that enables all our people to thrive and participate fully, feel valued and be able to maximise their career opportunities as well as balance work and life.

For MFAT, taking into account the difference between business and corporate roles is important to our strategy for reducing our pay gaps. Much of the business functions can be described as a 'career organisation' and this is characterised by a specific career progression framework, a very low turnover rate (around 5%) and in many cases entire careers dedicated to MFAT's mission and purpose. The long-term development of knowledge and experience required for senior roles in the business functions means that we fill these roles with internal candidates rather than external. So the gender and ethnicity balance in this part of the organisation will change more through career development than external recruitment and will take longer. This shift relies heavily on our pipeline of talented women and non-dominant ethnic groups, therefore, we need greater emphasis on talent and career development, and ensuring that our internal processes are free from bias.

Our people in the corporate and support functions can more easily transfer into and out of MFAT jobs, and thus the attrition rate in these functions is closer to the public sector average at around 13%. This means we have more opportunity to change our gender and ethnicity balance through external recruitment. With that said, career development needs equal emphasis, and we must continue to invest in our people to support their progression both within MFAT and across the public sector. We would expect to see career progression for these groups include moving around the public service including into senior roles in other public sector departments, given the often limited opportunity to move up within MFAT, at least not without a more senior member of the team moving on, thus creating a gap. This approach is also consistent with the spirit of the Public Service Act, which aims to enable movement across the public service.

To ensure we are tracking our progress and meeting our goals we will engage with our working group (includes staff networks and employee unions) on a quarterly basis. This enables the group to discuss areas that need changing and potential improvements. In addition, we will report to our SLT Board on a six monthly basis. As we make improvements and move forward our action plan to address gender and ethnic pay gaps will be updated to build on our work. We look forward to incorporating Kia Toipoto into our thinking and planning over the coming year.

Key focus areas

| People data and reporting | Optimise data collection and measurement around gender, ethnicity and our pay gaps to enable us to monitor, share insights, support governance and drive improvement in our systems and processes. |
|----------------------------------|---|
| Outreach and selection | Continue broad outreach to attract a diverse mix of candidates and ensure our selection processes, both internal and external, are transparent and bias free. |
| Career development and pay | We want to have all staff, regardless of their gender, be able to develop and advance their careers and make the most of their talent. |
| Flexibility | Embed a culture of flexible working enabling employees to integrate life and work without detrimental effects on career development or pay. |
| Education | Increase awareness of what a diverse and inclusive workplace means for MFAT with a focus on improving gender equity, combating unconscious bias and developing inclusive leaders. |

The foundation - Culture, Values and Inclusion

People data and reporting

What we've learned:

- There are improvements we need to make with data collection and utilisation, but we can utilise the data we do have more effectively.
- There's a demand from staff to see and access more data and insights regarding diversity, inclusion and equity.

Key improvements we have made:

- Updated the gender identity question in the HRIS to include gender diverse.
- Updated the ethnicity options in the HRIS to be in line with the Stats NZ classifications.
- Development and build of a new HRIS that will enable better collection of and access to data (due for launch in Feb 2022)

| | Action | 0-6 months | 6-12 months | 12 + months |
|---|---|---------------|----------------|----------------|
| 1 | Improve the disclosure rate for ethnicity. | | | |
| 2 | Develop a dashboard of diversity and gender data points and indicators for regular monitoring and reporting. | | | |
| | Present an overall dashboard to the SLT on a six monthly basis. | | | |
| 3 | Utilise more data and information on people leaving MFAT to better understand who is leaving, when and why. | | | |
| 4 | Improve the exit survey process, to gather more useful information. | | | |
| 5 | Utilise themes, where possible, from the Speak Up Safely programme where it relates to the workplace culture or environment for women and non-dominant ethnicities. | | | |

Outreach and selection

What we've learned:

- Women are overrepresented in our graduate and junior foreign policy roles and in our administration roles and underrepresented in our Heads of Mission/Post roles.
- Some women report feeling they are not given opportunities for roles at the same rate as men. "Women are leaning in but are not being given the job".
- The percentage of staff who perceive that leadership roles are available to all employees is decreasing.
- There are reports from staff of shoulder-tapping, where some roles are not filled in a fair and transparent way; as well as instances of sexism, where there is a disbelief or lack of trust that women can do the job.

Key improvements we have made:

- Dedicated considerable effort to reduce our gender pay gap among new hires, at all levels, in all job families.
- Expanded our advertising and outreach programme to attract more Māori and Pasifika candidates.
- Increased the number of Māori and Pasifika interns we hire as part of our coordinated internships programme.
- Implemented a new candidate tracking system that will provide additional data from which we can create insight.

| | Action | 0-6 | 6-12 | 12 + |
|---|---|--------|--------|--------|
| | | months | months | months |
| 1 | For both internal and external vacancies, utilise the data from our candidate tracking system to track the gender of applicants and how many progress at each stage of the selection process. O Use this to determine potential sources of bias in our process and whether our marketing/sourcing of candidates is broad enough. | | | |
| 2 | Work with recruitment agencies on our diversity goals and expectations and review the contracts and incentive mechanisms we have, with a view to strengthening them. | | | |
| 3 | Review job adverts to ensure they are free of gendered inferences and describe the personal values, qualities and transferable skills MFAT values. | | | |
| 4 | Review job descriptions to ensure they are free of gendered inferences and describe the personal values, qualities and transferable skills MFAT values. | | | |

Career development and pay

What we've learned:

- Some women report feeling they are not given opportunities for senior roles at the same rate as men.
- Some of our lateral or mid-level hires feel their prior experience is less valued and integration into MFAT takes longer.
- Some of our staff feel they have been treated unfairly, with the the top reasons cited as gender, age and flexible working.

Key improvements we have made:

- Improved our HR policies to remove obvious bias against people on parental leave; better support for staff on an overseas posting and their partners and families of all configurations; better support for single staff on a posting with or without children.
- Redesigned the foreign policy career progression framework to incorporate more steps which makes the pathway clearer for staff and enables us to monitor cohort progress more easily and identify sources of bias or inequity.
- Included a D&I module into the new Leaders and new Heads of Mission Induction programmes.

| | Action | 0-6 months | 6-12 months | 12 + months |
|---|---|---------------|----------------|----------------|
| 1 | Utilise data from the new candidate tracking system to track the gender of applicants for internal appointments and offshore postings and the number that progress through each stage of selection. | | | |
| 2 | Review our performance management system. Aim to incentivise what we value and ensure that how our people deliver is equally important to what they deliver. Ensure that behaviour in line with our values is fundamental to good performance. | | | |
| 3 | Assess the feasibility of undertaking longitudinal foreign policy cohort gender analysis in regards to career progression and postings (look for any differences, barriers or potential sources of bias in the career advancement or pay for each gender over time). | | | |

24

Flexibility

What we've learned:

- The remote working and flexibility caused by COVID 19 saw a shift in mindset within MFAT regarding flexible working as well as necessary technological improvements.
- 71% of staff feel that MFAT allows them to work flexibly.
- Some staff perceive that requests to work flexibly may be seen as not being committed or ambitious, or that such a request could be career limiting.
- A hybrid approach to working is the new normal and we need to look forward to how we align this to a culture of inclusion.

Key improvements we have made:

- Moved to a flexible-by-default approach and released an updated Flexible Work Policy and accompanying "how to" guidelines.
- Substantial progress in respect of our technology and infrastructure enabling staff to work remotely and flexibly.
- Evidence of greater acceptance and aspiration to work flexibly, among both managers and staff.

| | Action | 0-6 months | 6-12 months | 12 + months |
|---|--|---------------|----------------|----------------|
| 1 | Continue to embed a culture of flexible working, taking care to ensure that the way we work is aligned with best practice, high quality flexible working (not simply remote working in response to Covid). | | | |
| 2 | Monitor performance, career progression and pay of flexible workers to ensure they are not disadvantaged due to their flexible work status. | | | |
| 3 | Develop e-learning for managing remote teams and flexible workers. | | | |
| 4 | Assess the feasibility of an organisational system to track flexible work requests | | | |

Education

What we've learned:

- During a recent survey 38% of our staff felt they had been unfairly treated at some stage in their MFAT career. Of these respondents, 52% felt it was on the basis of gender, 34% on the basis of age and 29% on the basis of flexible working.
- In our 2017 employee engagement survey the question with the biggest decline since the prior survey was "All employees agree that MFAT treats everyone fairly regardless of gender, age, marital status, ethnicity, and sexual orientation". Women's agreement with this question was significantly lower than men.

Key improvements we have made:

- Included diversity and inclusion in to our new Leaders induction programme
- Included a module into our new Head of Mission/Post induction programme on leading happy, healthy and high performing teams.
- Our staff networks organise speaker events on diversity and inclusion topics for all staff and/or managers, such as; flexible working, professional experiences of a Pacific woman, disability in the workplace, intergenerational workforce (millennials), rainbow inclusion, and family violence.

| | Action | 0-6 months | 6-12 months | 12 + months |
|---|---|---------------|----------------|----------------|
| 1 | We are rolling out a comprehensive diversity and inclusion training programme for all managers and staff over the next two years. Core modules of the programme for all staff include unconscious bias and social and emotional intelligence. Managers will be specifically trained in inclusive leadership. Additional modules on intergenerational workforces, promoting gender equity, and cultural intelligence. A component of the programme will be leader-led with support | | | |
| 2 | Develop a leadership framework that better describes good leadership at MFAT and how we can support the development of our leaders. | | | |

Appendix A: Data definitions and assumptions

All quantitative data was effective on 30 June 2021.

The data includes the staff employed on New Zealand employment contracts, based in New Zealand and offshore, including all permanent, fixed term employees (both full time and part time), as well as employees on parental leave and those seconded to other government agencies. Data for Staff Employed at Post is not held within the NZ HRIS.

Casual employees and employees on long term leave without pay are not included in the data. Contractors and people seconded in from other agencies are also not included.

We use Total Fixed Remuneration (TFR) as the basis for all of our pay comparisons. TFR is comprised of the following annualised components:

- Base salary
- Employer contributions to KiwiSaver
- Employer contributions to all other superannuation and retirement schemes
- Car park value (where provided)

Where an employee works part time, TFR values have been converted to the full time equivalent value.

We recognise that not all of our employees identify as being either women or men. Those who do not identify as either women or men have been excluded from the calculations in this report due to insufficient numbers to report separately on this group.



