

Gender Diversity Case for Change

The case for gender-balanced leadership in sport and recreation

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Introduction and Background



Why are we focused on improving gender balance in sport and recreation?

Focusing on diversity and inclusion means Australians from all walks of life can participate in, and benefit from, an active lifestyle and connection to their communities.

All kinds of diversity make our communities rich and vibrant places, including diversity of background, culture, language, age, ability, and gender.

The Department is focusing on increasing the gender balance in leadership roles in the sport and recreation sector due to:

- 1) the potential impact of increasing gender balance is significant because women make up approximately 50% of the population;
- 2) the high levels of female participation which are not yet reflected in leadership positions; and
- 3) the belief that efforts SSAs/IROs take to make their organisations more inclusive of women will also make them more inclusive to other diverse groups.



Why is the Gender Diversity Case for Change needed?

The recently completed DLGSC Gender Diversity Project identified that a significant barrier to increased gender balance is the fact many people are unaware of, or don't fully understand, the benefits and opportunities that increased gender balance can bring to their organisations.

Therefore DLGSC has developed the Gender Diversity 'Case for Change'.



What is the purpose of the Gender Diversity Case for Change?

The purpose of the Gender Diversity Case for Change is to help sport and recreation organisations understand the business case for gender diversity, in order to motivate them to address gender inequality in their organisations.

The Case for Change is a key enabler of the cultural change required to improve gender balance within the sport and recreation sector.

For change to occur, sport and recreation organisations and other key stakeholders must "understand the effects of diversity and inclusion in the workplace, as well as the underlying reasons for these dynamics. This understanding will allow for effective teams and workplaces, inclusive of all persons".¹

Gender Diversity: Key Benefits Summary

The Workplace Gender Equality Agency provides that irrespective of sector or size of organisation, a diverse and inclusive workforce generates tangible benefits, such as increased efficiency, productivity, innovation and employee engagement. These can be broken down into four key areas.²



Attract and retain *top talent*

- Women make up almost half of the Australian workforce. Sport and recreation organisations need to consider how their organisation appeals to women in order to access a larger talent pool.
- Organisations with a positive and inclusive culture, that offer gender equality policies and practices and flexible working arrangements, will attract a broader pool of talent.
- Increased gender balance in leadership will encourage increased gender diversity in the organisation as a whole.
- Gender balance lifts employee retention. Both men and women are more likely to remain with an organisation with an inclusive environment.



Enhance organisational *Performance*

- By increasing the gender diversity of Board members and leaders, sport and recreation organisations can:
 - enhance overall organisational and financial performance;
 - increase employee motivation and enhance the work environment;
 - reduce the risk of group think and improve decision-making;
 - enable greater innovation, creativity and ability to adapt to change;
 - improve the effectiveness of Boards; and
 - enhance governance.



Platform *for Growth*

- Increasing gender diversity within sport and recreation organisations can lead to greater club capacity, sustainability, membership and volunteers.
- Increased gender diversity in marketing and promotion teams is likely to improve marketing performance.
- An active focus on creating an environment that is inclusive of women is also likely to be more attractive to female participants.



Meet community *expectations*

- Sport and recreation organisations that meet community expectations around gender balance are likely to benefit from enhanced reputation and brand.
- Boards and leadership teams that reflect the gender diversity of the sport and recreation sector will benefit from having women's views represented in the organisations' values and strategy
- Achieving gender balance in sport and recreation organisations will help to break down traditional gender stereotypes associated with sport
- Greater gender diversity on sport and recreation Boards and in leadership can lead to increased transparency, improved ethical orientation, and enhanced corporate social responsibility.



Attract and retain top talent

Inclusive organisations are better able to attract top talent, and provide an environment where everyone is set up to succeed.

| Theme | Benefit to Sport and Recreation Organisations | Research Evidence |
|--|---|---|
|  Access to talent | Women make up almost half of the Australian workforce, therefore it is important for sport and recreation organisations to consider how their organisation appeals to women in order to access a larger talent pool. | Women now make up 46% of the workforce³ ; therefore, if organisations with low female representation do not prioritise or have strategies for increasing gender diversity in their workforce, they are less likely to attract 50% of the talent pool. |
|  Attract Talent | Sport and recreation organisations with a positive and inclusive culture that offer gender equality policies and practices and flexible working arrangements will be more appealing to both men and women, and thus will attract a broader pool of talent to the organisation. | When workplaces are equally appealing to women and men, organisations have access to a larger talent pool. Employees value positive and inclusive workplace cultures and environments that offer gender equality policies and practices, and flexible working arrangements. ⁴ Thus, by creating a more gender balanced, inclusive environment, with supporting policies and processes, organisations will be more appealing to both men and women. |
|  Encourage women to fill management and leadership roles | Increased gender diversity in leadership and governance roles within sport and recreation organisations will likely encourage increased female representation in other management and leadership roles across the organisation. | An increase in the number of women in management positions within sporting organisations is shown to correspond with greater gender diversity of the department as a whole. ⁵ A US study provided statistical evidence of this, whereby the proportion of women coaching women's teams increased when the athletic director was a woman. ⁶ |
|  Retention of Talent | Gender balance lifts employee retention ; both men and women are more likely to remain with a sport and recreation organisation with an inclusive environment. | Research has shown that both men and women are more likely to remain with an organisation with a proactive 'diversity' climate as they perceive a concrete payoff to themselves by staying in an organisation they view as fair. ⁷ Turnover costs between 90-200% of the annual salary of the employee. ⁸ Gender balance decreases turnover from both male and female employees, making it an effective retention strategy. ⁸ Gender balance is not a zero-sum game, it lifts employee retention. |



Enhance organisational Performance

There is a demonstrated link between increased gender diversity on boards and improved organisational and financial performance, enhanced governance and benefits to culture and morale.

| Theme | Benefit to Sport and Recreation Organisations | Research Evidence |
|--|---|--|
|  Organisational performance | Gender balance is positively associated with overall enhanced organisational performance ; increased gender diversity in Board members and leaders will likely improve the performance of sport and recreation organisations. | Organisations with more women in senior management score more highly on organisational criteria such as leadership, direction, accountability, coordination and control, innovation, capability, motivation, work environment) than organisations with no women at the top. ⁹ |
|  Financial performance | Sport and recreation organisations with greater gender balance in Board members and leaders will likely experience improved financial performance . | Companies within the top quartile for gender balance are 15% more likely to have higher financial returns than their national industry median. ¹⁰ |
|  Improved decision making | A number of the WA SSA/IRO Boards and leadership teams are homogenous in make-up, e.g. male-dominated, all ex-players. By increasing the diversity (e.g. gender diversity) of Board members and leaders, the SSAs/IROs can reduce the risk of group think and improve decision-making . | "Diverse workforces tend to produce a more holistic analysis of the issues an organisation faces and spurs greater effort and motivation, leading to improved decision-making". ¹² |
|  Innovation, Creativity and Agility | Increased gender balance has been shown to enable greater innovation, creativity and ability to adapt to change . | A lack of diversity within a boardroom results in a "manila mindset to solving corporate problems" ¹³ that can lead to group think issues. ¹⁴ |
|  Board effectiveness | Sport and recreation Boards with greater gender balance will likely operate more effectively and have greater strategic control . | Gender diversity can be beneficial in situations involving complex tasks, which require creative decision-making. ¹⁵ |
|  Enhanced Governance | Increasing the number of women on sport and recreation Boards will likely improve governance due to the different skillsets they are likely to bring and through providing the representative view of a stakeholder group (women) that makes up a significant proportion of many sports. | Gender balanced teams are associated with higher levels of innovation, ¹⁶ and are more agile and better able to adapt to change. ² |
| | | More gender balanced teams are better in promoting an environment where innovation can flourish compared to teams of one particular gender. ¹⁷ |
| | | Overall, gender diverse boards have increased levels of meeting attendance, boardroom involvement and corporate oversight. ¹⁸ |
| | | Improved gender balance is positively related to board effectiveness and strategic control. ¹⁹ |
| | | Governance is likely to improve when women are appointed to boards because they bring 'value-adding' talents and represent stakeholders who have previously been excluded. ²⁰ |



Platform for Growth

Diversity of thought in organisational leadership provides a foundation for growth – in membership, sponsorship and participation – particularly if lessons from other sports and sectors are leveraged.



Theme **Benefit to Sport and Recreation Organisations**

Research Evidence

Increasing gender diversity within sport and recreation organisations can lead to **greater club capacity, sustainability, membership and volunteers.**

A research project looking at how (dis)ability, gender and cultural diversity is managed in junior sport found that sporting clubs recognise multiple benefits of diversity, including club capacity, sustainability, increased membership and more volunteers.²¹

Through increasing gender diversity in marketing and promotion teams within sporting organisations, the performance of these teams is likely to improve.

The marketing and promotions divisions within sporting organisations have traditionally been male-dominated.¹ There is growing evidence, however, that such homogeneity limits how well a group performs.⁵ Sporting organisations could potentially improve their marketing performance by altering their current practices and increasing the gender diversity of their marketing and promotions staff.⁵ Indeed, such gender diversity is seen at the University of California-Davis, an institution that regularly receives awards for their marketing and promotion efforts.¹

An active focus on creating an environment that is inclusive of women is likely to benefit the organisation in terms of increasing participation.

The Australian Football League (**AFL**) experienced a successful inaugural year of the 2017 NAB AFL Women's competition (**AFLW**), drawing strong attendance figures as well as achieving increased participation at a community level in all states. In 2017, overall participation increased 10.24% with a particular increase from female participation of 22%. 730 new female community club teams were formed and females now account for 30% of all participation.²²



Meet community expectations

The leadership of sport and recreation bodies reflects the organisation and their players, coaches, umpires, families and communities, and meets community expectations around gender balance.

| Theme | Benefit to Sport and Recreation Organisations | Research Evidence |
|---|--|--|
|  Organisation reputation | Sport and recreation organisations that meet community expectations around gender balance are likely to benefit from enhanced organisation reputation and brand. | Gender balance has positive implications for organisation reputation and brand. ²³ |
|  Reflects gender diversity in the sector | Boards and leadership teams that reflect the gender diversity of the sport and recreation sector will benefit from having women's views represented in the organisations' values and strategy. | <p>A significant number of girls and women play sport worldwide; nevertheless, they are represented minimally if at all at the highest level of the sports' governance. This means that their voice is excluded from the shaping of core organisational values and the creation of a strategic vision for the sport.²⁴</p> <p>Gender equal representation at board level benefits sporting organisations as the interest of all stakeholders, men and women, can be better considered and enhanced.²⁴</p> <p>To enable 'good governance', the Board of an organisation should reflect the diversity of the community that they wish to serve. As VicSport commented, "to be committed to including more women and girls; and represent the diversity of our community as a whole, the individuals charged with that responsibility also need to reflect the broader community."²¹</p> |
|  Breaking down cultural norms and gender stereotypes in sport | Achieving gender balance in sporting organisations will help to break down the traditional gender stereotypes associated with sport, and will support the development of respectful relationships between men and women. | <p>Sporting organisations play a significant role in helping to shape community values, attitudes and behaviour.²⁵ Through achieving gender balance on Boards and in leadership, sporting organisations will not only benefit from improved performance but contribute to broader social outcomes by breaking down cultural norms and challenging traditional gender stereotypes in sport.²⁶</p> <p>There is a proven link between gender equality and building respectful relationships between men and women.²⁵ Creating a gender balanced, inclusive culture within the sport and recreation organisation will likely reduce harassment and social stereotyping,²⁵ which is likely to result in increased female participation rates.</p> |
|  Corporate Social Responsibility and Ethical Orientation | <p>Greater gender diversity on the boards of sport and recreation organisations can lead to greater transparency and improved ethical orientation.</p> <p>Sport and recreation organisations with female board representation are likely to benefit from improved Corporate Social Responsibility.</p> | <p>Many feel that the presence of women on boards adds a sense of moral obligation to an organisation's decision-making process,²⁷ which can in turn improve boardroom transparency and limit the likelihood of corporate scandal.²⁸</p> <p>Boards that closely match the makeup of the general population provide improved corporate social performance.²⁹</p> <p>Women's board representation is positively associated with corporate social responsibility and there is a clear correlation between increased levels of female directors and a company's involvement in corporate social responsibility activities.³⁰</p> |

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