

Diversity and Inclusion Strategy

15 June 2018



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Introduction (Kupu whakataki)

About this document

Purpose

This document sets out Fire and Emergency New Zealand's (NZ) Diversity and Inclusion (D&I) Strategy. It explains the context for the development of the strategy and why an inclusive culture is crucial to promote a supportive environment which fosters diversity within our organisation.

Overview

The document is divided into the following sections:

The need for a strategy and the strategic context - This sets out the current context for diversity and inclusion at Fire and Emergency NZ and why this is important to develop a strategy to create a shared identity and an inclusive culture over time.

Strategic priorities and key initiatives - This sets out the strategic priorities that drive the D&I strategy and our four organisational diversity and inclusion priorities; why each priority matters, what success will look like, and a high-level roadmap over the next five years. It also explains how this strategy relates, and reinforces, other organisational strategies.

Why is Diversity and Inclusion important?

The amalgamation of 40 organisations to create Fire Emergency NZ provides a unique opportunity to promote **positive culture change** by reinforcing a diverse and inclusive approach as part of our values, brand, and way of working. This is reflected in a design principle of our new organisation to develop a **shared and inclusive identity** that celebrates our diversity. It is fundamental that our people feel valued, a sense of belonging, and that they are making a difference.

As a new organisation our legislative mandate has broadened. The environment we operate in is becoming increasingly more complex and may place greater demands on our people, responding across a range of incidents. Creating a **diverse and highly skilled workforce** will be critical, ensuring we have the right people and organisational capability to operate in a strategic and agile way.

Fostering an inclusive culture will also enable us to **better serve our iwi and communities**. By 2038 more than 50% of New Zealanders are likely to identify as Asian, Māori, and Pacific Islander¹. Increasing diversity in our workforce will enable us to work more effectively with our communities and to support their needs, mitigate risk, and build their resilience across the four R's – (Reduction, Readiness, Response and Recovery).

In addition to our workforce becoming more representative of the communities we serve, enhancing the **cultural competence of all of our people** will be essential. Our leadership styles must extend beyond command and control, including improved influencing skills across our sector, the ability to lead diverse and inclusive teams, and relate to different cultures and world views.

Looking inward, we appreciate a range of sub-cultures between urban, rural and our volunteer workforce are coming together as Fire and Emergency NZ. Our D&I strategy will help create a

¹ State Services Commission. (2016). *The State Services Commission's approach to Diversity and Inclusion*. Retrieved from: <https://www.ssc.govt.nz/sites/all/files/Diversity%20and%20Inclusion%20approach.pdf>.

unified organisation and a shared identity by reinforcing **inclusive leadership behaviours** and promoting positive change over time.

The need for a diverse and inclusive approach is also well supported in **global research findings** as outlined in Table 1. Embedding an inclusive culture creates an environment where **diversity of thought** is promoted as well as collaboration, innovation, and psychological safety and wellbeing. Ultimately, this impacts our **performance and organisational effectiveness**.

Table 1. Global findings on Diversity and Inclusive practices

Leadership

Visible senior leadership endorsement is crucial when adopting diversity and inclusion approaches and interventions. A report by Deloitte (2012)² below found employees of altruistic leaders who display behaviours of empowerment, humility, courage, and accountability felt a greater sense of inclusion through uniqueness and belonging.

Research shows that when employees work with an inclusive leader, benefits include improved collaboration, higher performance and productivity, greater engagement and loyalty, as well as increased motivation, innovation, and creativity.

Organisational Effectiveness and Performance

Teams that follow an inclusive approach make more effective decisions faster and with better results. Further, diverse teams that promote inclusive leadership are more creative, more productive, and have a higher collective intelligence than homogenous teams (Carter, Foust-Cummings, Mulligan-Ferry, & Soares, 2013)³.

Engagement

Today's employees have indicated they want to be part of a diverse, inclusive work environment. Diversity practices relate positively to employee engagement. Inclusion is important to the success of diversity initiatives, including creating trust and driving employee engagement (Downey, Van der Werff, Thomas, & Plaut, 2015)⁴.

Overall, our D&I strategy at Fire and Emergency NZ will ensure that we take a **systemic and pragmatic approach** to ensuring that our people, processes, policies, and systems shape a culture that enables everyone to feel they can **'bring their whole self to work'**. Further, this strategy will align closely to our broader **People Strategy** and supports the State Service Commission's priority in creating an inclusive environment for the public sector and New Zealand.

Strategic context (Horopaki rautaki)

We are a new organisation with an opportunity to reinforce an inclusive approach as we define our strategy, values, brand and ways of working. For the first time, we are aligned under one unified culture, and are equipped with the necessary investment to shape a **modern and fit for purpose** fire and emergency service.

Two reviews⁵ of the fire services carried out between 2012 and 2015 considered the significant changes in the country's fire and emergency environment over the last 40 years, and the type of

² Deloitte. (2012). *Waiter, is that inclusion in my soup? A new recipe to improve organisational performance*. Retrieved from <https://www2.deloitte.com/au/en/pages/human-capital/articles/inclusive-leadership.html>.

³ Carter, N. M., Foust-Cummings, H., Mulligan-Ferry, L., & Soares, R. (2013). *High Potentials In The Pipeline: On The Way To The Boardroom*. New York: Catalyst.

⁴ Downey, S. N., Van der Werff, L., Thomas, K. M., & Plaut, V. C., (2015). *The role of diversity practices and inclusion in promoting trust and employee engagement*. Retrieved from <https://onlinelibrary.wiley.com/doi/full/10.1111/jasp.12273>.

⁵ Report of the Fire Review Panel 2012 (the Swain Report) and the Fire Services Review, established in 2014.

fire and emergency services needed, in New Zealand, for the future. Further, our new legislation puts volunteer support and sustaining **volunteerism at its core**.

In addition, legislative requirements, such as the Human Rights Act (1993), Harassment Act (1997), Employment Relations Act (2000), Crown Entities Act (2004), and Health and Safety at Work Act (2015) have increased expectations of being a good, and reasonable employer with **greater accountability** for the safety, health, and wellbeing of our people.

It is essential that we are aligned to Section 118 of the Crown Entities Act **'to be a good employer'** – supporting diversity and inclusion practices, including equal employment opportunities and tangata whenua. This **legislative requirement** extends to our volunteer workforce.

Strategic alignment

The D&I strategy has alignment with a number of strategies:

- Our D&I strategy positions Fire and Emergency NZ to realise a number of benefits outlined in our Blueprint (2017 – 2020), including strengthened relationships with communities and iwi, our people feeling part of one organisation, and **mutual trust and respect** across our workforce.
- The D&I Strategy will contribute to, and support, a range of priorities outlined in the Safety, Health and Wellbeing Strategy. We appreciate that first and foremost **nothing is more important than our people**, and every individual plays a role in supporting a psychologically safe working environment. This is reflected in the whakataukī **'he waka eke noa'** (everybody in one canoe with no exception) outlined in the Safety, Health and Wellbeing Strategy, and will be further reinforced by diverse and inclusive practices.
- The D&I strategy also aligns closely to the Volunteerism Strategy, which aims to bring the **voices of our volunteers** to the forefront with the intent of being inclusive of diversity. The D&I strategy will help advance this strategy through strengthening our ability to attract and sustain a more diverse volunteer workforce, as well as **creating visible career pathways** that support the leadership development of our volunteers.
- The D&I Strategy and Risk Reduction Strategy recognise that trusting and respectful relationships are integral to supporting communities, and this is not limited to geographical boundaries. Unique community risks are shaped by ethnicity, life stage, special interest or business focus, and can only be mitigated against if we truly **listen, understand and adapt** our risk reduction strategies accordingly. The D&I strategy will help advance this strategy not only through shaping a workforce that is more reflective of our communities, but increasing the **cultural competency** of all of our people, and building competency and resilience across the 4Rs.
- The D&I strategy will help to support the future needs required within our operating model, which is informed by our Blueprint. The new operating model has a number of key change focus areas, including supporting a shared identity and inclusive culture, promoting a **learning organisation**, becoming **more strategically-led, and proactively reducing risk**.
- Our **Qualities, Behaviours, and Expectations for leaders** reinforce the importance of three core inclusive areas; Bring Courage, Deliver Excellence, and **Be Inclusive**. In addition, our D&I Strategy will add value by aligning and supporting our organisational values, vision, and operating principles.
- Finally, our D&I strategy will build on **existing priorities** developed in other inclusion networks and special interest groups such as our Maori Liaison team, Pou Herenga Māori,

the National Women's Development Advisory, the Afi Pasifika network, and other Diversity and Inclusion Networks.

Changing nature of fire and emergency response

There is an increasing need to respond to a wide range of non-fire emergencies, where we often coordinate with or assist other emergency services. This changing context requires our people to develop a **broader range of diverse skills** and capabilities with increased leadership and training. These skills will extend beyond response capability to increased influencing across the sector, the 4Rs, as well as enhanced strategic thinking capability to operate in a constantly changing environment.

Increased diversity in our communities

The face of New Zealand is changing.⁶ The number of people aged 85 or older will more than triple in the next 30 years.⁷ We are becoming more ethnically diverse, although our workforce is still predominantly male and mostly identifies as NZ European.

Iwi and Māori will play a larger role in managing key resources. There are also some demographic groups, primarily Māori and Pacific peoples, who are **disproportionately** affected by structural fires. To deliver our services, we must have a workforce that has the cultural competence to establish strong relationships with iwi and provide targeted services to those communities at greater risk.

Fire and Emergency NZ workforce statistics as of May 2018 indicate that self-reported ethnicity is currently 1% for Asian and Pacific Islanders respectively, and 7% for Māori. The 2013 New Zealand Census group profiles have greater numbers for these ethnic groups, with 12% Asian, 8% Pacific Islander and 16% Māori.

With respect to gender, Fire and Emergency NZ statistics from May 2018 show 33% of non-operational, 4% of paid operational, 16% of volunteer and 47% of communications centre staff are female. This is **far lower** than the 51% female population of New Zealand.

Evidently, we have an opportunity to create a more diverse workforce that represents the communities that we serve as well as supporting a **leadership pipeline and career pathways** for our people.

What this means for our future?

Cultural change and the promotion of an inclusive way of working is a **long-term journey**. Shifting mind-sets, behaviours, norms, and attitudes can take time and significant investment.

The changing strategic context in the way we work, and our changing community demographic, requires us to make key shifts over the next 5-10 years:

- As we build a **shared identity** within Fire and Emergency NZ, we need to create a culture of mutual respect between all of our people and wider emergency sector. This will require significant investment developing **inclusive leadership capability** to break down resistance and barriers to a unified way of working. Consciously creating and shaping this culture will be vital to developing a shared identity. While there will always be sub-cultures within an organisation, an inclusive approach will ensure alignment to our organisational vision, values, and individual goals and aspirations.
- This changing context means we need to maintain awareness and stay informed about **other emergency services**. We also need to rethink our approach to attracting and

⁶ In 2038, 20% of New Zealanders will identify as Māori, 21% as Asian, 11% as Pacific and 66% as Pākehā (Statistics NZ).

⁷ Statistics New Zealand 2013 Census.

retaining different people with diverse skills to be part of our workforce. In addition, we need to appreciate that our **emergency sector** is impacted by climate change and complexity of emergencies, changing demographics, technological disruptions, and broader social and economic trends.

The development of the Diversity and Inclusion Strategy

Our strategy has been co-designed with Fire and Emergency NZ personnel and their associations and partner agencies. Our **co-design** approach was based on two artefacts; the D&I strategy schematic and high level roadmap (both attached as Appendix 1). These artefacts were **tested, built on, and validated** based on feedback and input. Our participative co-design process included:

- **A stocktake using a ‘leading practice’ framework** to identify current strengths, gaps, and opportunities.
- **The commission of research** into effective D&I strategies and leading practice both in New Zealand and internationally in fostering more inclusive and diverse workplace cultures.
- **Engaging with a range of internal stakeholder groups** with a draft set of D&I principles and priorities that supported the development of the strategy and high-level roadmap. Facilitated workshops involved a series of questions with representation from our people leaders and staff at all levels.
- **Engaging with subject matter experts and diversity networks** including Pou Herenga Māori, and the National Women’s Development Advisors in regards to women in Fire and Emergency New Zealand, and existing Diversity forums internally and externally.

The development of our strategy has been underpinned by a **maturity model**, in order that we invest time, energy and resource in a coherent and targeted way to shape a positive culture. According to this model (see Figure 1), it is recognised that it is important to have a **foundation of equity, respect and procedural fairness which supports an environment of psychological safety.**

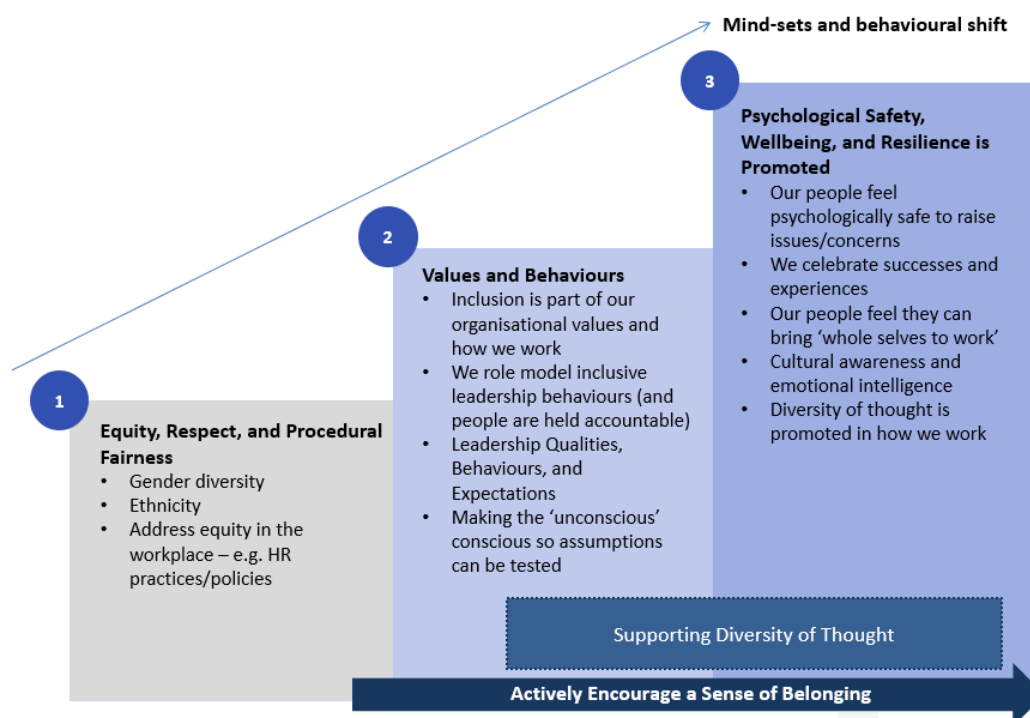


Figure 1. Diversity and Inclusion maturity model.

Strategic priorities and key shifts (Ngā whakaarotau rautaki me ōna panonitanga)

Collectively, our strategic context and drivers point to a **four organisational priorities** that underpin the detail of our strategy:

- We must **build from a foundation of respect, equity and fairness**. A shared identity and sense of belonging will grow from this, and will be further strengthened by aligning our values and behaviours to support an inclusive and psychologically safe environment.
- Leadership capability is vital when it comes to shaping culture, working both **‘top-down’ and ‘bottom-up’** simultaneously for maximum impact. It is crucial that we equip our leaders with the skills, tools, and resources to lead this change.
- We have an opportunity to build on our Safety, Health and Wellbeing culture through the strong links between D&I and **psychological wellbeing**. We must ensure our people have a **safe environment to voice concerns** and that we support health, wellbeing and disabilities.
- To ensure diversity and inclusion practices become part of our organisational D.N.A, we must **strengthen our policy, governance and monitoring** to ensure our efforts are effectively measured, reported, and embedded over time.

These strategic priorities are described in more detail in our high level plan and five-year roadmap, attached as Appendix 1.

Challenges and risks

Shifting mindsets, behaviour, norms requires **sustained effort and commitment**. We have a range of sub-cultures coming together in our new organisation, each with their own sense of **identity and history**. Acknowledging our people will respond to change in different ways, there is a risk that intergroup biases are surfaced through behaviours that work against an inclusive culture and shared identity.

Other risks that are part of our strategic context include **variable leadership capability and confidence**, as well as a genuine commitment to diversity and inclusion practices versus being experienced as **‘tokenism’**. Further, given the make-up of our organisation, power dynamics can be based on rank or perceived positional power, and can it difficult to challenge attitudes and behaviours.

Previous efforts to foster a more inclusive culture have **not been systematic or sustained** over time, in part because these initiatives have been led by passionate and motivated individuals, rather than being embedded strategically and within a designated D&I function. It is in this context that Diversity and Inclusion risks becoming ‘flavour of the month’ versus a business and strategic imperative.

We acknowledge that Fire and Emergency NZ currently is viewed as a **highly trusted organisation**, and an on-going commitment of diversity and inclusion will be critical to not compromise that position of trust, and the ability to support our people and communities.

Finally, the potential for **change fatigue** will also be a challenge to navigate, helping people connect to ‘why’ of diversity and inclusion is important alongside other new ways of working and organisational change. Further, there are also risks with a **lack of alignment** across strategy and implementation work of existing strategies/initiatives.

Critical Success Factors

There are number of **critical factors** to effectively mitigate against a number of challenges and risks these align to leading research practice. These include:

- **Leadership and Governance**
 - Diversity and Inclusion is a key strategic and organisational priority. This is articulated and reflected through inclusive leadership by our **Board, Chief Executive, senior leaders, and champions** (e.g. Male Champions for Change).
 - Leadership development and training will be key to **empower and equip leaders** with the skills, resources, and confidence to shape an inclusive culture.
- **Effective Communications**
 - Developing and implementing a comprehensive communication plan will enable people to connect **'why'** diversity and inclusion is important, and how it contributes to positive cultural change, engagement, innovation, and organisational performance over time. Knowing the role that we all play will rely on consistent and transparent messaging.
- **Collaboration**
 - Working in partnership with our key stakeholders (internally and externally) early to **leverage connections between strategies** (e.g. safety, health and wellbeing or risk reduction) and engage with our personnel together where possible.
 - Ensuring diversity and inclusion is linked to and embedded across Fire and Emergency NZ; with relevant **subject matter experts and leads** within the organisation to ensure successful implementation planning and to ensure opportunities for continuous improvement.
- **Resourcing**
 - Disciplined **implementation planning** to drive forward key priorities identified in the D&I Strategy.
- **Monitoring and Reporting**
 - Establishing **clear metrics** are key to both benchmark and monitor change over time as implementation progresses and embeds. This will align to broader organisational workforce

Success Measures

Developing relevant and **effective success measures** to drive our D&I strategy and implementation is a vital part of ensuring a **robust strategic framework** which will embed D&I into our organisational D.N.A.

Our strategy specifically identifies the **need to create a D&I evaluation framework**, and embed enhanced monitoring and reporting on relevant D&I metrics within the **first 12 months**.

To support a focus on **quick wins and to build momentum**, our high level plan and roadmap (Appendix 1) includes deliverables and success measures with a short term horizon (6-12 months). **Our mid-to-longer term success measures** (1-5 years) will draw on State Services benchmarks where possible, to be identified during the development of the D&I evaluation framework.

For example:

- Inclusive leadership behaviours defined and embedded into the design of key development programmes and as part of our end-to-end people approach, policy, and practice.
- Increased confidence of our leaders to promote inclusive behaviours, assessed through the evaluation of leadership development programmes and engagement survey data.
- Increased diversity and demographic mix of leaders at all levels which reflect the communities that we serve.
- Organisation wide engagement survey tracking with positive increase (in relation to baseline) in:
 - people feeling they are treated with fairness and respect,
 - our leaders role modelling organisaitonal values,
 - clear and effective systems for dealing with workplace bullying and harassment.
- Increase in our overall retention rates, particularly among minority groups.
- Increase in cultural awareness and competence across our workforce assessed through evaluation of development programmes and feedback from stakeholders.
- Gender pay gap average reduced (and aligned to public sector average). In addition, a strategy is in place to address underlying contributing factors.
- Increase the uptake of support services available, for instance, employee assistance, peer support which align with Safety, Health and Wellbeing targets.
- Fire and Emergency NZ is an active contributor to key public sector Diversity and Inclusion networks and collaborates with other agencies on lessons learned and D&I action planning.
- Benchmarking against diversity inclusion targets (AFAC, SSC, and Diversity Works) is an established annual activity.