

Speech for Senior Women Executives Conference
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Ilana Atlas, Westpac

Thank you for the opportunity of speaking to you today.

The topic for this session is how organisations support women in senior positions, focusing on my corporate experience in a professional services firm, Mallesons and now at Westpac.

Let me start with the obvious. Women are smart. They gravitate to organisations which are supportive of them. It is no co-incidence that I have spent most of my working life in 2 organisations Mallesons and Westpac which have higher numbers of women in senior positions than their peers. It all becomes self-perpetuating – these organisations have critical mass of women – and the research tells us very strongly this is a key requirement for organisations’ male cultures to change.

And it is interesting to see how organisations can change. It is important to reflect on that – I am a glass half full person.

Let me quote a memorandum for you Westpac circa 1975. For some of you, you may feel like not much has changed.

“over the years maternity leave which is costly and presents many staff problems could well be forced on private industry. Employers do not make women pregnant, it is a decision women make themselves but why should employers have to pay the price of that decision? However if the community desires this type of condition then the community and not employers should pay the price.”

So I can tell you Westpac has changed which brings me to a story from my experience – which highlights why that change will continue and what will bring it about.

In 1986, there were two female partners at Stephen Jaques Stone James – what became Mallesons Stephen Jaques – a large law firm – me and Robyn Chalmers. By the way Robyn is now Chairman of the firm. Robyn became pregnant and it was left to me – the woman without the conflict of interest – to negotiate her maternity leave arrangements with the firm. This was new territory.

There was some rigorous opposition – all the usual arguments. However, the managing partner of the firm at the time, a visionary leader by the name of Dennis Howard did two things; first, he based the argument for generous paid maternity leave in a business case, that clients won’t like the firm losing partners, we’ve trained them and we cannot waste the investment etc and second he made it clear that he was the proposal’s strongest advocate. He won.

In my view these are the two things that matter; leadership and the business case.

Over the last couple of months it has been fascinating to read two excellent reports on this issue. Chesterman, Ross-smith and Peter’s work, of course, and the Hudson paper in its 20:20

series called “Breaking the Cultural Mould: the Key to Women’s Career Success”. Both focus on culture, that is, behaviours, symbols and systems in organisations which must change to support women. They both contain a number of very practical initiatives which will bring about change. However, we know culture change is glacially slow. And as the research shows it is significantly dependant on two things that you cannot guarantee – leadership and critical mass. The question that needs to be asked is why will men give up power? Or rather in any dynamic, why does anyone give up power?

It came home to me quite dramatically recently when I attended a meeting of senior HR Directors of large Australian Corporates. Of about 20 people there I was the only woman. That is remarkable considering that hr is a woman dominated profession – yet we still have not made it to the top of even the hr profession – there goes the pipeline theory. So what will it take for that quantum leap of change to occur.

Where we are in this gender revolution is fascinating. There has been a huge increase of women in the Australian workforce – as of January 2004 they comprise 44% of total employment. They make up 70% of the part time workforce. Yet they only occupy 10% of management roles. Women are deciding not to have children – our birth rate has been falling rapidly. They are choosing education and a career instead.

In the last 30 years there has been a myriad of legislation and social policy change to improve women’s role in the workforce. It has worked to a point. However, women continue to not be promoted or women do not put themselves forward or once promoted women opt out.

Organisations’ power hierarchies remain predominately white Anglo–Saxon male. The 1950’s mode of work has suited them down to the ground and there has been no reason to change. Women have done what we do very well and self-improved – so we get coached, mentored, self improved and networked – we change but not much else does.

So, coming back to my original question – why would men give this up unless they absolutely have to.

Well, in my view they are going to have to and soon. The business case is compelling. And those leaders who see it will get in first, to benefit from the competitive advantage that will flow. Being an employer that women choose (because the scarcity of talent will mean they **can** choose) will give employers an edge. This is a key strategic issue for organisations. It is not about corporate social responsibility or the right thing to do – it is about dollars in shareholders pockets, it is about bonuses and it is about winning. We are now in times where organisations that attract and retain the best scarce talent – will strengthen their reputations and their profitability.

This is about the law of supply and demand. We have all heard more than we want about changing population demographics and the shortage of talent. The pool of talent within which we fish is shrinking rapidly. Competition will intensify. Organisations will succeed if they are attractive to this scarce talent and find talent where others don’t – whether that talent is women, mature age workers or gen x/ gen y.

How? By changing the nature of work. Women want flexibility. Generation x and y want flexibility, mature age workers want flexibility – and each wants a different type – so they will be calling the shots. And that means a very different type of work than the work we have today.

Obviously we can debate how long it will take for these forces to impact. Yet this is where leadership shines. Those CEOs who see the operation of supply and demand on talent will make the changes. They understand the importance of appointing women to senior roles in their organisations so the women within will stay and the women outside come.

So how will organisations confront these challenges? There are possibly 3 options:

- The first is to do nothing – taking into account the external factors impacting organisations this is not sustainable.
- Second is incremental culture change – you work hard at implementing your flexible work policies – establish senior groups to be advocates – reflect on your cultures – work on the networks – not easy – often a big gap between the rhetoric and reality – this is evolutionary.
- The third option is revolutionary – you radically reassess your work environment and practices in the context of the talent you are attempting to attract and retain and make changes. You assess the flexibility that your different constituencies are requiring and respond – eg women with children want different from mature age – demand for large contracting workforce. See the trend is powerfully away from working 9-5, 5 days a week.

This runs counter to the way we have been running our organisations for the last 20 years – people have been working very hard, productivity has increased – but looking forward is this sustainable? Can we generate the same levels of productivity by doing things differently? Technology is the answer to this, as is a focus on output not input and high levels of trust.

So to conclude and summarise:

- One of the most significant strategic issues facing organisations today is how to attract and retain the best talent in a scarce market. Supply and demand will generate change.
- This means organisations must keep women employees and attract them.
- As a result organisations will appoint women to senior roles in numbers we have not seen before.
- Organisations will get serious about doing things that make them attractive to women.
- Three approaches may follow:
 - Do nothing – not sustainable
 - Incremental culture change
 - Radical change to the way we workOr a combination of all the above

Great leadership will be the indicator of those organisations who win.

Let's hope I'm right!