

Why set targets

As organisations we promote a culture of diversity and inclusion to improve the representation of thoughts and skills across our workforce, to ensure all our employees are comfortable in giving of their best, which ultimately leads to better business performance and outcomes for everyone. The greater challenge is changing the balance of representation at senior levels for more diverse leadership and thinking, and it is in this ambition that targets can be extremely beneficial – for visible commitment, planned action and an indication of progress.

Targets can be tailored, monitored, and adjusted to be appropriate to the organisation and this increases buy-in and the likelihood of their success. Targets are familiar to, and understood by, business. They have been acknowledged as an effective tool to improve performance and have been applied on a range of business issues from sales performance to safety improvements – in effect, what gets measured gets done.

Targets versus quotas: what's the difference?

Gender diversity targets and quotas both aim to improve gender equality in leadership. However, there are quite distinct differences between the two strategies

Targets are specific measurable objectives, generally set by an organisation at their own discretion, with discrete timeframes in which they are to be achieved. Consequences for not meeting a target may be set and enforced as the organisation sees fit. Voluntary targets may also be strongly encouraged by external factors – in Ireland for example targets have national support through the government backed initiative Balance for Better Business (www.betterbalance.ie). Gender diversity targets can be implemented at any level within an organisation, though typically they are more often seen at the most senior levels.

Quotas are mandatory and like targets, they are also specific, time bound measurable objectives, but are usually set externally by a body with authority to impose them on organisations (for example, by a regulator). Establishing quotas usually includes setting penalties for failing to meet them. These are enforced by a body external to an individual company and are non-negotiable by individual organisations. The ability of quotas to considerably impact gender diversity below the board level is limited. This is because the unique managerial structures and definitions within organisations pose a practical challenge to their enforcement.

Some guidelines for setting your targets

1. **Clarity:** Set clear targets with timelines to ensure progress can be measured.
2. **Small steps:** Consider setting interim goals and measures as steps towards a longer-term goal. This will focus immediate efforts and encourage momentum, while enabling the organisation to monitor progress.
3. **Control:** Ensure managers can influence the metrics and have appropriate control over the strategies and initiatives to achieve the targets. But once determined there needs to be clear ownership

4. **Push for progress:** Build in stretch potential across each target. This requires a thorough analysis of all the possible barriers to achieving targets and the support needed to maximise the opportunities to achieve them.
5. **Embed accountability:** Create managerial accountabilities and rewards, e.g. linking remuneration or performance reviews to achieving targets.
6. **Set variety in measures:** Don't just consider 'stock targets' i.e. the number of women represented, also remember 'flow targets' – the number of applicants in processes, the gender balance in take up of policies, the balance of attendance at events etc
7. **Business Variations:** Consider the needs and profile of different parts of the business – setting an organisation target might be too challenging for those very far behind and could drive lacklustre behaviour in the function. Similarly measure progress across each part of the business, as a very high performing function can mask progress in a lower performing area where figures are collated on a total basis. Finally consider different targets for different levels across the organisation to reflect appropriate stretch for each population
8. **Achievable versus aspirational targets:** Overly ambitious or aspirational targets are less likely to be achieved than realistic and achievable targets informed by baseline data. When targets are not achieved, this can have a negative impact on organisations and reduce the motivation to change.
9. **Transparent communication:** Make your targets visible to others, either through internal communications across your workforce or externally as part of performance or statutory reporting. Include interim targets and interim progress as part of the process
10. **Review and reset** – if progress is going well, reset the targets to retain an element of stretch. If targets are not on track for achievement review action plans for greater focus and rehabilitation.

Some thoughts for driving success

- Frame the policy in a positive way.
- Make structural discrimination visible - perceiving a group to be underrepresented doesn't lead to stronger support for targets or quotas instead demonstrate the discrimination that exists against the targeted group.
- Highlight the importance of merit. People generally dislike the idea of others being selected solely on the basis of their status and if merit-based criteria are not emphasised, people assume that they are non-existent, leading to negative outcomes such as stigmatisation of the target group BUT check your definition of 'merit' to test there is no inherent bias
- Involve those who don't benefit from the policy in its development – and think about what is the most important outcome e.g. is it about changing the numbers quickly (then quotas work well), is it about changing the culture so that numbers can be achieved and sustained (then targets work well), is it about ensuring that nobody views the process as tokenism – both male and female – then it's about process and messaging, as much as measurement

Thanks to Workplace Gender Equality Agency | Targets and quotas | www.wgea.gov.au as a source for some of these notes

