

LEADING BY EXAMPLE — HOW TO DELIVER WORKPLACE DIVERSITY

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MARCH 2018

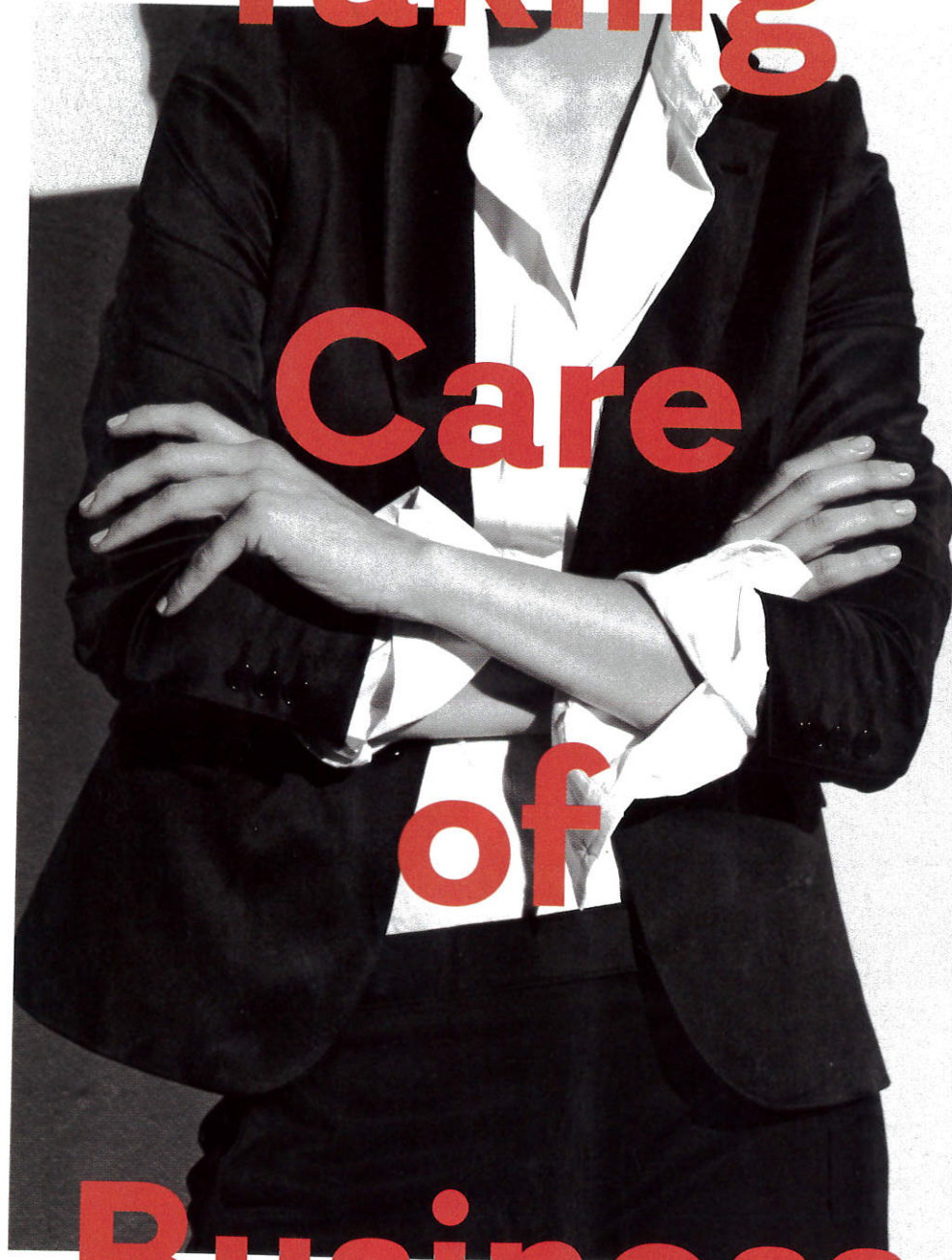
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# Taking Care of Business

As more women take on leadership roles in the corporate world, there is overwhelming evidence that workplace diversity boosts performance (and profit).

Words CATHERINE FOX

**t**here's a key observation that CEO Rachel Argaman can give to anyone aiming to build and benefit from diversity in business: get the mix of talent right and results will lift.

Successful business leaders know that talented people are found all over the spectrum and the diversity of their teams reflect that, says Argaman, the CEO of Toga Far East (TFE) Hotels, which manages the Adina, Vibe, Medina, Travelodge and Rendezvous brands.

"Anyone who discriminates against a proportion of the population to get their talent is not getting the best," she explains. "My belief is if you want the best of a population it's inevitable your ratios will fall out near the ratios of that population."

Like many successful female leaders, Argaman has taken a pragmatic approach to building diversity within her workplace (TFE Hotels was formed in 2013 from a joint venture between the Toga Group and Singapore's Far East Hospitality Holdings).

Her core belief is that diversity achieves better outcomes, and it's one backed by tangible evidence: her company's strong business results are delivered by a gender-balanced workforce. TFE is one of the country's fastest-growing hotel groups, with 70 hotels operating in five countries, 20 in development and three to open in Australia in the next year.

At any time, there's about a 50:50 ratio of men and women working at TFE, from entry level to executive ranks.

"We are one of the only companies in our industry who have achieved complete gender balance – it has become embedded in our culture so we don't consciously work at it any more," she says. "That is an important thing, and the reason I support quotas for women at executive and board level: once you have achieved balance it self-sustains."

Getting to this stage is the result of a concerted effort by Argaman, supported by policies, practices, and shifts in norms and attitudes.

To affect long-lasting change "you have to embed it and not have culture by default," she says, emphasising, "you can't have diversity by default because bias will step in". That means attention to the numbers to ensure a gender mix is sustained.

"We do always notice if things go out of whack and then say 'we need more diversity in this division or that area' so I guess it is always there," she continues. "I think we have achieved this balance by knowing that leadership is about goal orientation. Whenever one of our female team members was pregnant and wanted to continue working after the birth of her child, we would ask how she would best be able to do that. The solutions were always unique."

Whenever a position needs to be filled at TFE they look both within and outside the organisation, and the company always insists on a mix of candidates from both genders. Many promotions are from within – 71 per cent of hotel managers were promoted internally.

"The results that have been most satisfying [are] seeing people rise within the organisation," she reveals. "Men and women who joined us as receptionists and have gone on to become duty managers, assistant managers, hotel managers, area managers."

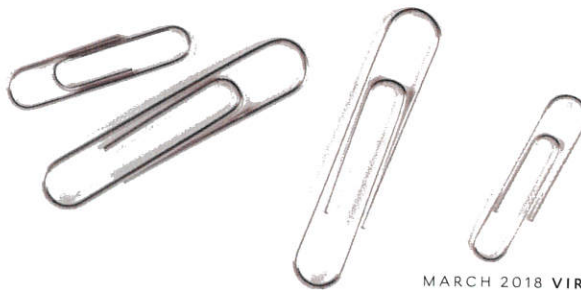
These strategies drive diversity and also are highly cost effective because they retain employees with skills and expertise built up over years, Argaman says.

"Our current chief revenue officer has three departments – sales, marketing and revenue – report into her. Having first joined us as a revenue manager, she also has two beautiful young children and she continued to ➤



Rachel Argaman, CEO of TFE Hotels.

**"Anyone who discriminates is not getting the best."**





## “Everyone will benefit from gender-balanced workplaces.”

work from home at times during each of their first years. Today, when she needs to — for example, if her son is changing kindergartens or her daughter has a dance concert — she will still work from home.”

The message about diversity benefits has been around for a while but the penny has really dropped in business circles recently, according to sex discrimination commissioner, Kate Jenkins.

“There is better recognition that gender equality is hugely beneficial and everyone will benefit from gender-balanced workplaces,” she says. “When I started in the role [in February 2016] and went around the country talking to leaders, my observation of workplaces is that, at last, there’s really good momentum in large organisations to advance gender equality and not just leave it to women to get better.”

That change has also struck a chord with Karen Stoffels, general manager (commercial) at global resources company MMG Limited.

“In terms of senior management, there’s more of a belief that it’s a strong business case to make a change,” she explains. “Twenty years ago there were people who could see that but now the majority of leaders have that vision.”

“There’s a real belief by people in very senior roles that [diversity] is good for business and they see that coming through. We still have a fairly small percentage of women in senior positions, but the ones in those positions are highly successful.”

Starting out as an accountant with Orica, Stoffels moved around the world during her career, with

assignments in Melbourne, Brisbane, and the US and UK. Along the way she moved into leadership roles and has always worked in male-dominated areas.

Just like Argaman, Stoffels firmly believes the rationale for greater diversity is all about results.

“I’m an outcome-focused person — I focus on leading teams that produce good outcomes and are diverse and have diverse thinking. People like to see what works. And I share good stories. There’s a right time to have the conversation.”

Recent stories include MMG’s mission to remove barriers for women around the world. In the Democratic Republic of the Congo, MMG worked with the local authorities, unions and managers to change labour laws that prevented women from working night shifts, which means they can now work shift roles in industries such as mine operations.

“At the same time we wanted a female engineer to be developed and ideally she needed front-line leadership experience. Now that the law is not a barrier she is developing in a shift supervisor job. The challenge is to think outside the box — this takes courage and recognising one size doesn’t fit all.”

MMG’s leadership development includes training on identifying and dealing with bias, and how gender and cultural differences are a source of competitive advantage. Flexibility and child care — for both men and women — are the policy building blocks, she says.

“In the last 12 months we have been putting targets in place and are focusing on recruitment. Our new CEO (Jerry Jiao) is very keen on recruiting from within.”

Looking at her own impressive career, and as a respected mentor to a range of women, her advice from many years of international experience is to seek ‘step out’ roles beyond your discipline.

“It’s a real differentiator. But I actually think if you are ambitious you have more mobility and flexibility in early to mid-career and you should stretch your thinking. Often the good roles are not advertised. Look for opportunities — you don’t find these roles on the ad board. To get that ‘step out’ you use your spheres of leverage.”

Networking has been important too, but Stoffels has taken a targeted approach by joining committees — such as CPA and IMD Alumni groups — rather than simply turning up to events. And while she’s admired many business figures, Stoffels says she learnt most and has been inspired by watching what effective people do, whether peers or senior managers.

Argaman found inspiration in the story of Carol Scott, who forged a successful career for herself ➤



Karen Stoffels, general manager (commercial) at MMG Limited.

in the male-dominated car rental sector in South Africa, where she set up and became managing director of Imperial Car Rental, which eventually took over Hertz Car Rental.

"She taught me a great deal about having a 'can-do' attitude, being goal-oriented and doing things the right way," Argaman says of Scott.

Nevertheless, being a CEO herself now, Argaman is not a fan of specific women's leadership programs.

"I don't want programs for women or men in our business because I don't want that messaging. We have great leaders and we have diversity."

While some men may worry that an increase in diversity measures means women are taking their jobs, Argaman says they have nothing to worry about.

"Sometimes it's women [who are] appointed to a role and sometimes it's not," she explains. "But you have to get to the [even] split first."

Argaman also points out that with the anticipated growth of TFE over the next few years, there's plenty of room for everyone to be successful.

"Like most successful companies we have way too many roles to fill to be restricting them to one gender — we want to put the right people into the right roles and hold them accountable for results."

And despite any concerns to the contrary, there's definitely qualified women out there, she says.

"I think people do jobs based on the competence they have and you don't need to have done it for five years, you do need core competencies relative to the role in question," she continues. "If you are taking the best talent it will naturally reflect the population and it's 50:50 male and female. If you are interviewing 50:50 and looking at competencies, the diversity will be there. And once you've fixed it, it maintains itself."

Stoffels is also optimistic about the future.

"The thing that makes me so positive is that every day in my workplace I see women thriving and managing their careers," she says.

Both women, within their expansive careers, have seen how the diversity dividend shifts thinking.

"When men see that gender is not an issue at any level of the organisation, that there are effective men and women doing the same roles well, then there is no basis for conscious or unconscious bias," Stoffels adds. "As soon as you have people doing the job and therefore disproving those [biased] assumptions and stereotypes, then a diverse organisation is just the way it is." »»

## Diversity Tips from the Top

- **RECRUIT RIGHT**

Getting balance in long and short lists means more diverse appointments.

- **PROMOTE FROM WITHIN**

Make the most of existing talent and look for key capabilities, not just tenure and technical skills.

- **SHOWCASE SUCCESS**

Spread the good stories and results.

- **FLEXIBILITY AND PARENTING LEAVE**

Offer choice to men and women.

- **CHECK THE NUMBERS**

Set targets and regularly audit gender balance.

- **DITCH WOMEN'S LEADERSHIP PROGRAMS**

Support women but make sure leadership training is about effectiveness for all.

- **TALK UP THE DIVERSITY DIVIDEND**

Better results come from diverse teams.

**"If you are taking the best talent, it will reflect the population."**

