

Edition: March 2012

Fifteen minutes with ... Sally Macindoe, Norton Rose

Norton Rose Australia partner and national head of environment and planning Sally Macindoe speaks to *ALMJ* about being named Diversity Leader for the Advancement of Women by the Australian Government's Equal Opportunity for Women in the Workplace Agency. The award recognises her commitment to understanding equal employment opportunities for women and integrating diversity policies into the firm's business strategy.

You must be rapt to receive this award, personally and from the firm's point of view.

"I'm thrilled. For us, diversity has been identified by our board and management for many years now as a really significant strategic issue and part of what's prompted that is the changes in the composition of the workforce. In Victoria, and Australia really, we've experienced over the last eight years an ever-increasing proportion of women coming up through the graduate schools in law to the point that in the last few years more than 70 per cent of law graduates were women. So that has an incredible impact on the workforce and it has incredible implications for firms' ability to retain women. The board identified this as a really significant strategic issue a number of years ago, in part because our representation of women at partnership was pretty woeful. Back in 2006 we were down at 9 per cent."

What is the figure now?

"It's a dynamic figure, but it's now around 22 per cent, which is a big rise over a number of years. We'd set a target of reaching 20 per cent by last year and we exceeded that figure, so we're in the process now of commencing a dialogue strategically around what our next target will be."

Is it tough to achieve such change?

"We identified the issue and we then set about investing a very significant amount of time, effort and investment in going back to first principles and setting up a strategy and implementing that strategy. So it means a lot of people have been involved in that process with me and it means an enormous amount to see that our effort and work has been publicly recognised."

What barriers have you had to overcome to enact real change?

"I think the biggest challenge was changing the nature of the dialogue about gender diversity within the firm. It became apparent to me a few years ago that many of my partners and staff still saw diversity

and gender diversity and this need for flexibility as kind of a social policy issue; that it's just the right thing to do. Then it became really obvious to me that they were not understanding the business case. They were not understanding the impact on the business performance of the firm. So I set about taking the time to go and speak to the partners nationally. We developed and really put some rigour and numbers around the business case and we did that in a conservative way so that, if anything, we were understating the cost to the business in turnover. We went out and workshopped that throughout the firm and it was really a light-bulb moment. We then set about creating an environment allowing all levels of the firm, but particularly at the partnership and leadership level, to have frank and open conversations about the issue without fearing reprisal for saying the wrong thing."

What are the repercussions, in your opinion, for firms that sweep this diversity issue under the carpet?

"I think they will really struggle. You can't limit yourself to 25 per cent of the talent pool. Well, you can and you can approach it by thinking 'well, if I lose somebody I'll just replace them'. But that ignores all the hidden costs that go along with losing somebody that you've trained and who's a highly skilled individual and, particularly in professional service firms where our entire business is based on talented people, retention of staff has got to be at the top of the tree."

There is a common response to the diversity issue whereby people say, "That's a great idea, but it won't work in my department." How do you overcome that?

"It can be a hard argument to get past, and there are lots of those perceptions. I sometimes talk about the fact that I specialise in myth-busting. I have a significant advantage because I have worked for over 20 years at this firm. I've had two children who are now 14 and 12 and during the period of having my children I managed to make partner, build up a practice, continue to progress my career. I've often had it put to me that there's certain types of work where (flexibility) can work and there's certain types of work where it can't, and because I've actually worked in those areas I can point out that it can work. That are still certain types of work where it's going to be harder for someone trying to work in a flexible arrangement, but flexibility is just that – it's not rigid part-time. In my view if you're a professional and you want to work flexibly, you've got to come up with a framework that allows you to do that."

What other myths have you busted?

"Another favourite is 'Oh look, we don't have a problem with flexibility, but our clients don't like it'. That's one of the biggest myths of all time. I've never had a problem with my clients. They've always understood the way I work and it's about making sure your clients get the service that they need when they need it. Lots and lots of our clients have children, lots and lots of our clients work flexibly themselves and, for most of our key clients, this is one of their biggest strategic issues too. I don't think

clients are the problem; I think it's the perception that they might be the problem rather than the reality."

What about men who would like to take on a greater proportion of the parenting role?

"There is no doubt as our diversity work has increased and permeated throughout the firm that it's becoming increasingly obvious that there's a significant pool of men who will also want to seek flexible arrangements themselves. I think in forging forward and explaining how these things can work, it's going to become an increasingly acceptable option for men to take up, and the more men that do it and do it successfully the further we will get more quickly. I think there are still concerns on the part of some men that they will be perceived to be not taking their career seriously and we need to put in a lot of support around that issue. But personally I think that just because you're working flexibly doesn't mean you're downshifting or going backwards or selling out; it's just a different way of working."

How is this changing the culture at Norton Rose?

"Flexible work practices at Norton Rose have become much more ingrained now. The successful rate of return for women from parental leave in the last few years has increased enormously, and we measure a successful rate of return as somebody who has come back and stayed back for more than 12 months because the first year is really the hardest as you're trying to establish things and see how they're working. A lot of my staff are now on their second or third return. The question now has changed from whether or not you should allow a flexible work arrangement to what that arrangement is going to look like."

And what are the over-arching benefits to the firm of the diversity policy?

"You have a greater inclusiveness of all your people, you have greater engagement and firms with greater engagement of their staff perform better. I think you also have much better points of connection with your clients in the community, so there's a whole lot of big picture stuff there."

Do you have any other advice for firms grappling with diversity and flexibility challenges?

"The most important advice I can give is first and foremost that the issue needs commitment, focus and absolute priority by the chief executive. In our case it was led by the chief executive as well as the board, and in my earlier capacity as chairman of the board I was obviously able to lead that quite powerfully. So it's got to start with the leadership team and wash down through the business. The issue has got to have sufficient profile in the business to make sure it's taken seriously and you've got to create an environment where there can be understanding and commitment and involve as many people as possible. One thing I've always been adamant about is that this issue should not be led by women; it's

got to be led by both women and men. You've got to involve the male leaders as well as the female leaders to be able to have a serious dialogue go throughout the firm."

Are there any other key problems that you have to sort out?

"You've got to make sure that your fulltime staff don't get resentful (of workers on flexible arrangements). So it's a team arrangement really that everyone buys into and supports. In terms of that cultural shift, it's important that the policy is understood and accepted as a business issue."

Do you think diversity strategies will become easier to implement as more female partners are appointed?

"It's got to because the closer you get to equal representation and the more diverse a leadership group you have the more normalised everything becomes and the greater benefits you get out of that diversity of approach."

What is next on the agenda for Norton Rose in terms of diversity?

"What we do in the next few years is absolutely critical. You can do all the planning in the world, but if you don't successfully implement it then that effort can fall by the wayside. So we're in the process of moving over the responsibility and accountability for delivering the diversity strategy to the executive and we do that through continued KPI reporting and shifting it onto them so it's everyday business responsibility and accountability. Over the next year we will be particularly focusing our efforts on rolling out a customised career and development program for our senior women. We've been planning this and we are now up to implementation phase. We're rolling out and improving our mentoring program, particularly focusing on mentoring senior women and getting them up to partnership and giving them the framework within which to achieve partnership on merit. We're continuing to embed our flexible work practices as a way of doing business and it's becoming an increasingly important issue for men, too. We're also going to have ongoing training for our partners in this area and rolling out 'unconscious bias' training for our leadership group and partners. And we're going to have a stronger focus on the non-gender elements of diversity this year just to ensure we're understanding exactly what diversity profile we have and that we're being respectful and inclusive of everyone in the firm."