

DPMC 2021/22 Gender Pay Agency Action Plan

Integrating diversity and inclusion is a key ingredient for our organisational success - it helps DPMC improve our services to the government and people of New Zealand, and to attract and retain talented employees.



Context

- DPMC is a small to medium organisation (422 headcount at Sept 2021) experiencing significant growth and fluctuation of staff. While most of the increase (over 140 since Feb 2021) is in fixed term employees (FT) and secondees, this growth impacts the working environment and our Gender Pay Gap (GPG).
- Outside of secondees (not considered in this report), permanent (perm) staff make up 75% of staff vs 25% FT
- The rapid changes in staffing can cause gender pay data volatility, exacerbated by the impact of FT staff moving in and out.
- For this report we have separated permanent and FT data and, outside of remuneration and recruitment, focused our plan on actions for the retention and development of our perm staff

What does our data tell us?

- Gender pay gap: 16.5% up from 12.8% last year
- DPMC's unadjusted pay gap is driven by under-representation of women in some higher pay grades and over-representation in lower pay grades
- The 'horizontal' GPG for permanent staff, within grades and occupational groups, is consistently a positive GPG or below 5% (with the exception of 3 people in grade 21) with differences explainable
- The rapid growth of staff (mostly FT): 104 employees onboarded/ 31 offboarded, causes our GPG to move around
- Permanent starters in 2020/21 had a GPG of 10% overall, decrease from 32% in 2019/20 – improvement and an ongoing area of focus
- Our 'pipeline' roles of analyst/advisor; senior analyst/advisor; and principal analyst are all below 3.5% GPG
- Indicative data is starting to show an improvement in Māori and other ethnic diversity
- Increased diversity in target areas through new appointments – use of new channels, support and tools to support more diverse appointment processes and outcomes

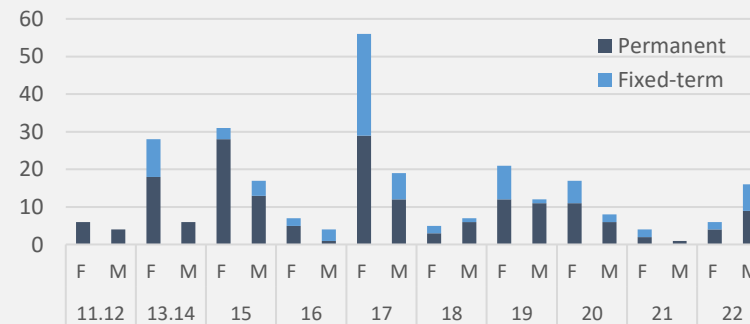
Note: This is the first year DPMC and NEMA data is reported separately

DPMC Data Summary as at 21 Jul 2021

GPG Mean: 16.5%

GPG Median: 6.5%

DPMC Demographics



By employee type

Employee Type	MEAN Total REM			% Gap
	Male	Female		
Permanent	\$134,401	\$111,595		17.0
Fixed Term	\$151,040	\$124,170		17.8
Total	\$138,689	\$115,787		16.5

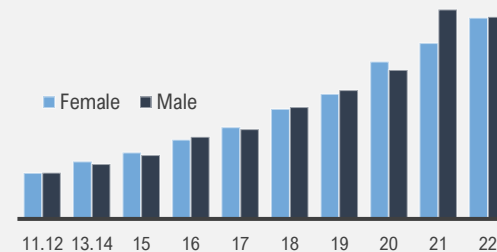
Men in fixed-term roles are on average in higher grades and paid more than women

By same/similar roles (permanent employees only) - where sufficient roles to compare

Grade	Role cluster	# female	# male	GPG Mean
13.14	Support	26	2	-8.4%
15	Analyst/advisor	22	14	-6.8%
17	Senior analyst/advisor	28	18	2.7%
19	Principal advisor	9	12	3.5%

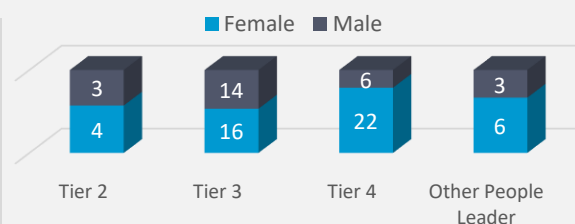
By Pay Band (permanent employees only)

Of the 10 pay bands below T2 roles, 4 have a GPG positive to women, 5 have a GPG up to 5% and one with 16% (3 people, band 21)



Gender balanced leadership

Women occupied 65% of all people leaders roles (48 of 74) and 55% of T2 and T3 roles (within our 40/60 principles).



Onboardings and Offboardings (1 Jul 2020 to 30 Jun 2021)

Onboardings - The GPG for all new (FT & perm) starters was 15%, slightly below the overall DPMC Mean GPG of 16.5%. However for permanent new starters GPG was lower at 10%. Average starting total remuneration (as FTE) was \$133,366 for men compared to \$112,784 for women. From the 104 new hires:

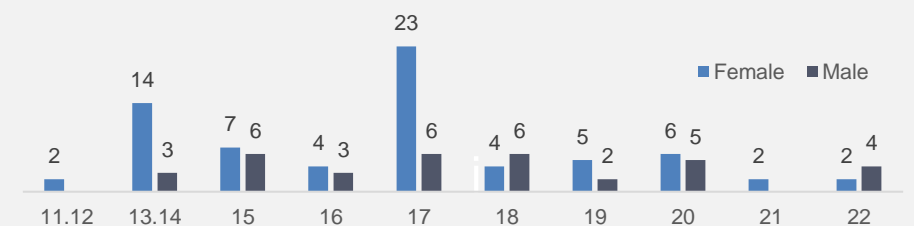
- 29 were permanent positions (19F / 10M)
- 75 were fixed-term positions (50F / 25M)

The 99 secondees-in onboarded in the same period (55F / 43M / 1 Not stated) are not included in data.

GPG of new starts

Type	Female		Male		Total		GPG
	#	Ave TR	#	Ave TR	#	Average TR	
Fixed Term	50	\$118,036.24	25	\$142,583.67	75	\$130,309.96	17%
Permanent	19	\$98,962.63	10	\$110,323.50	29	\$104,643.06	10%
Total	69	\$112,784.09	35	\$133,366.48	104	\$123,075.28	15%

New starts by grade



Approximately 65% of all new hires (68 out of 104) were for positions at grade 17 and below. From those, 73% were filled by women. The majority of women hired are grade 17 or below and the majority of men are grade 17 and above, this impacts the GPG %. The Mean GPG is based on averages and is influenced by employees with very low or very high pay.

Offboardings - 31 staff left DPMC in 2020/21:

- 15 Permanent employees (10F / 5M)
- 16 Fixed-term employees (11F / 5 M)

Considering permanent employees only:

10 were women:

- 40% in grade 17 and 30% in grade 13.14
- 60% with tenure 1 - 5 years
- Overall average PIR 101%

5 were men:

- 40% were in grade 17
- 60% with tenure 1 - 3 years
- Overall average PIR 93%

Ethnicity – DPMC continues to focus on improving our ethnicity profile. At 30 June 2020 89% of DPMC staff identified as European. Of the new starters in 2020/21, 62% identified themselves as European and others identified with at least one of the following ethnicities (staff can choose up to five). This indicates our attraction strategies are beginning to make a difference:

- 62.1% NZ European
- 10.7% Maori
- 10.7% Other European
- 9.7% Asian
- 3.9% Pacific Peoples
- 1% African
- 1% American
- 1% other ethnicity



Action taken in 2020/2021 against our plan

Our Gender Pay Action Plan plan is focused on what is required for DPMC to close its gender pay gap. It also aligns with the broader requirements for all agencies set out by Te Kawa Mataaho, Public Service Commission. This plan should be read in conjunction with our Diversity and Inclusion Action Plan, our Whāinga Amorangi Plan, and our Te Reo Māori Plan

Issue	Focus area	Achieved in 2020/21	Planned in 2021/22
Under-representation of women in some higher pay grades.	Improve the operation of mechanisms designed to support this (e.g. succession planning, career pathways and promotion/ progression)	<ul style="list-style-type: none"> Reviewed existing promotion/progression (as part of the policy review work) to ensure bias removed and increase transparency. The revised process has been trialled for all promotion processes in 2021 and will be incorporated into our Development Policy for 2022. Reviewed the capability framework of the National Assessments Bureau, with all development plans for the coming year completed against the new pathways. All new people leaders (all levels) enrolled into an appropriate Leadership Development Course to continue build a balanced pipeline of leaders. 	<ul style="list-style-type: none"> Identify and offer career support for “high-potential” women Develop and implement succession planning to address retention of high potential women Look for opportunities to actively promote women’s achievements in DPMC Engage with the Women’s Network to understand experiences and barriers that exist to ensure our plans reflect reality
Staff progression through the leadership pipeline or the analyst/advisor pipelines appears less effective than expected.			
The attraction of female applicants into some parts of DPMC was not as effective as in the rest of the department	Attracting more diverse candidates into DPMC <ul style="list-style-type: none"> Attracting more female applicants into the National Security Group (NSG) and the National Emergency Management Agency (NEMA) achieving greater ethnic diversity in DPMC 	<ul style="list-style-type: none"> Implemented a range of new sourcing channels, including advertising through job boards targeting Māori and working closely with the Ministry for Ethnic Communities when jobs are advertised. Recruitment of staff to work on the Royal Commission of Inquiry into the Christchurch mosque attacks (RCOI) was used to test different recruitment approaches to attract more diverse applicants. This was very successful with high calibre staff from very diverse backgrounds appointed into these roles. 	Ongoing promotion and embedding of: <ul style="list-style-type: none"> diverse sourcing channels bias training updated recruitment and selection process including new tools and more inclusion new development guide with transparent progression and promotion process
Part time staff engagement – Part-time staff are 10% of our workforce (mostly women) consistently have engagement scores 10% lower than average	Engage with part-time staff to understand what would improve the workplace for this group	<ul style="list-style-type: none"> Not achieved this year – still to do 	<ul style="list-style-type: none"> Engage with part-time staff to understand what would improve the workplace for this group
Impact of fixed term staff (26%) on the data is not well understood.	Outside of managing remuneration, it is challenging to develop programmes with a focus on our permanent/future workforce with the data in a single set.	<ul style="list-style-type: none"> Achieved: permanent and fixed term employee data can now be analysed separately, enabling DPMC to consider and plan strategies for the development and retention of permanent staff, based on this information. 	<ul style="list-style-type: none"> Continue to consider FT and perm separately when planning interventions beyond recruiting and remuneration.
Pay gap in permanent appointments	Focus on starting salaries and ensuring awareness of relativities – within the band, the team, similar roles and horizontal and vertical	<ul style="list-style-type: none"> Significant decrease in the GPG for permanent starters – from 32% to 10% NB. Comparatively there are only a few, or no, senior appointments made on an annual basis. The same volatility issue noted for all of DPMC applies here.	<ul style="list-style-type: none"> Ongoing focus with increased guidance given to people leaders in the updated recruitment guide and new management dashboard focussed on gender pay. Investigate the implementation of a formal process to create a mandatory check point at appointment.
Improving Diversity	Attracting and retaining more ethnically diverse staff to reflect the population of Aotearoa/ New Zealand	<ul style="list-style-type: none"> Recognising and developing the connections between this GPG Action Plan, the Diversity and Inclusion Action Plan (D&I Plan) and the new Whāinga Amorangi and Te Reo Māori Plan. Connections include as part of supporting a positive, safe, diverse and inclusive working environment: <ul style="list-style-type: none"> building our cultural competence; to build a Māori capable organisation, with a particular focus on improving te ao Māori capability Undertaking policy review and HR practices to support more inclusive practices. Onboarded four grads from the Ministry for Ethnic Communities’ Programme (with a pathway to becoming permanent employees) and hosted two Tupu Tai interns. Process to gather better data implemented. Employees can now personally record and update their ethnicity data, with up to five ethnicities able to be recorded per staff member. 	<ul style="list-style-type: none"> Continue to use internships and graduate programmes to supplement attraction strategies to increase Māori, Pacific and ethnic diversity Implementation of our D&I Plan to build our cultural competence in DPMC Activities for these are incorporated in our D&I Plan and Whāinga Amorangi and Te Reo Māori plans.



Action taken in 2020/2021 against PSC Milestones

Topic	Milestone	Achieved in 2020/21	Planned in 2021/22
Gender balanced leadership	<ul style="list-style-type: none"> All agencies have target for gender balanced leadership 	<ul style="list-style-type: none"> DPMC adopted 40:40:20 approach in 2019 Achieved since 2019 	<ul style="list-style-type: none"> Continued focus on retention of high performing women.
Equal Pay	<ul style="list-style-type: none"> All agencies close gender pay gaps in same roles Pay equity principles used in pay equity claims 	<ul style="list-style-type: none"> Achieved since 2019 In both 2020 and 2021 remuneration reviews every role across same and similar roles/grade were individually reviewed, with adjustments made to identified anomalies. Supporting the pay equity process 	<ul style="list-style-type: none"> Review same and similar roles no less than annually Continue to support the pay equity process
Ensure there is no bias or discrimination in remuneration systems and HR practices	<ul style="list-style-type: none"> No gender pay gaps in starting salaries for same roles. Rem systems and practices designed to remove bias by 2020 HR Policies reviewed to remove bias by 2021 Managers understand impact of bias and have undertaken training 	<ul style="list-style-type: none"> Mostly achieved Achieved Not complete – on track, good progress made <ul style="list-style-type: none"> Leave Policy and Guide (including Parental Leave and Breastfeeding Guide) are completed. Wellbeing and Family Violence support Policies reviewed. Recruitment Policy and Guide and the Career Progression and Promotion component of the Development Policy have been fully revised and consulted with staff Online bias training released, with requirement for people leaders to undertake prior to recruitment, this requirement was also incorporated into IDPs 	<ul style="list-style-type: none"> Complete the review of HR policies and roll out with supporting communication and education to DPMC and embed
Flex by default	<ul style="list-style-type: none"> Flex-by default in place Flexible options available to all and do not undermine career progression or pay 	<ul style="list-style-type: none"> Achieved Incorporating flexible working by default into DPMC advertising for roles Enabled hiring fully remote workers during Covid-19 Revised Wellbeing Policy now supports cost of tools (including technology) when working from home 	<p>Ongoing embedding of Flexible working by default as part of:</p> <ul style="list-style-type: none"> Role design and regular review of roles Recruitment decision making Career progression Ongoing discussions with people leaders