

# DPMC 2024 Kia Toipoto 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 (285 headcount 30 September 2023 – 216 permanent, 52 fixed term [FT], 17 secondees in) supporting the Prime Minister, the Governor-General and Cabinet as well as the work of our other portfolio ministers.
- We experience **significant variation in the size and make-up** of our workforce as new functions such as the COVID-19 Response Group and the Health Transition Unit stand up within the department and then wind down and exit.
- Our small size and flexible operating model impacts our Gender Pay Gap (GPG), where changes in staffing can cause gender pay volatility. In recent years this has been exacerbated by the impact of FT staff moving in and out.
- For this reason, in this report we have looked at permanent and FT data so we can better understand the trends and actions we need to take. Outside of remuneration and recruitment actions, our focus in this plan is on actions for the retention and development of our permanent staff.

## What does our gender pay data tell us?

- Our data shows our GPG (permanent and FT staff) moved around between June 2021 and September 2023. The rapid fluctuation of staff, with 126 employees onboarded and 158 offboarded in the 12 months to 30 June 2023, contributed to our GPG movement.
  - GPG June 2021: 14.6%
  - GPG June 2022: 12.7% | Sep 2022: 10.4%
  - GPG June 2023: 15.3% | Sep 2023: 14.8%
- Our gender pay gap increased by over 5% over the last quarter in 2022 due to the number of senior women in fixed term roles transitioning to other agencies as part of the wind down of COVID-19 response work. The GPG is slowly improving again.
- DPMC's unadjusted pay gap is driven by the over-representation of women in lower pay grades rather than inequality within grades. While there have been slightly more women than men recruited into the higher grades in 2022/23, this was countered by the high number of women engaged in all roles below senior adviser. This bodes well for a strong pipeline, however, negatively impacts GPG.
- The 'horizontal' GPG for permanent staff, within grades and occupational groups, have a positive GPG or a gap below 3.4% (with differences explainable). The exception is in our business support function occupational group, which spans 3 grades, where the positive GPG is 4.5%.
- GPG for permanent new starters remains high, although this has dropped from 21% to 18% in the last year. This result relates to more women being recruited in lower grades and more men in the higher ones. Grades 13-17 show a small positive GPG. The higher bands have a smaller number of new starters, of whom three-quarters are male, and some grades have no female new starters.
- Slow improvement of staff identifying as a non-dominant ethnicity. We use more channels and tools to support more diverse appointment processes and outcomes.

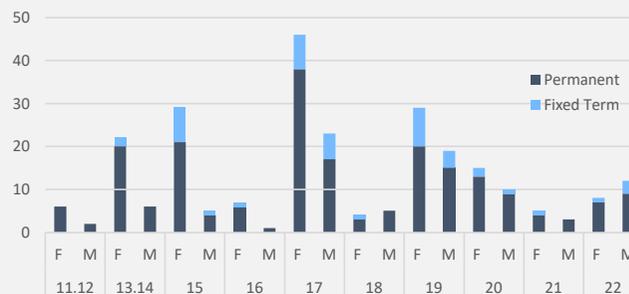
*Note: This is the third year DPMC and NEMA data is reported separately, all data is in Total Remuneration.*

## DPMC Data Summary as at 30 September 2023

GPG Mean: 14.8%

GPG Median: 25%

### DPMC Demographics



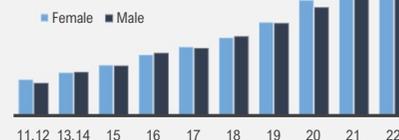
### GPG by employee type

Employee Type	Mean Total REM		
	Female \$	Male \$	% Gap
Permanent	122,057	144,111	15.3
Fixed Term	144,601	174,045	16.9
<b>Total</b>	<b>124,558</b>	<b>146,166</b>	<b>14.8</b>

### Mean total remuneration by pay grade

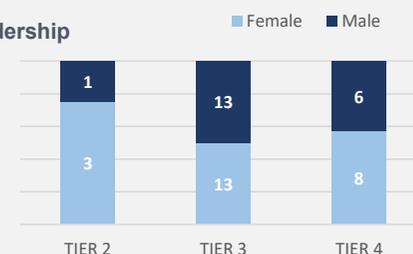
(permanent only)

Of the 10 pay bands below Tier 2 (T2) roles, 6 have a GPG positive to women and 2 have a GPG of 2%, with the highest 3.4%.



### Gender balanced leadership

Women occupied 54% of all people leader roles (24 of 44) and 53% of T2 and T3 roles



## Ethnicity pay data

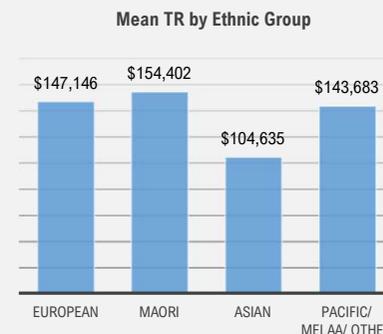
Improving ethnic representation in our workforce and in leadership has been a focus in recent years and will continue to be so. Attracting appropriate candidates and growing the skillsets internally will be key to making this shift.

There is slow improvement with the number of staff identifying as a non-dominant ethnicity. We use more channels and tools to support more diverse appointment processes and outcomes. Attraction of ethnically diverse applicants has been slightly more successful, although our data shows that this does not always flow through to hire. There are continuing questions as to whether we are attracting appropriate applicants or whether there are biases in the recruitment processes. Understanding and addressing this is an area of focus in 2024.

### Candidate ethnicity - 12 months to September 2023

	Applications	Shortlisted/Interviewed	Offered/Hired
NZ European	60%	68%	78%
Asian	15%	8%	5%
Pacific	3%	3%	3%
Māori	12%	15%	8%
MELAA*	4%	2%	1%

### Average pay by ethnicity



The ethnic groups other than European have smaller identified numbers with several senior roles impacting on the average remuneration, this is the case for Pacific, MELAA\* and Other. Asian and Māori are similar size. More employees identifying as Asian are in the lower and middle grades, with no leaders identifying as Asian.

Non-dominant ethnic groups have a low representation in DPMC with average salaries for some ethnic groups being less than others. The numbers are too small to create robust measures of ethnic pay gaps for each group. We have instead calculated a pay gap between all Māori, Pacific, Asian and MELAA employees and European employees, which sits at 14.4%. This is largely driven by grade distribution, with only a small number of our ethnic employees being in higher grades.

Of note, people leaders identifying with ethnicities other than European are proportionately less than their representation in the workforce. This will continue to be an area of focus.

\*MELAA: Middle Eastern, Latin American and African



## Kia Toipoto actions in 2024

Our work follows the requirements set by Public Service Commission for all agencies. In 2024 we are focusing efforts on key areas to make the most difference to gender and ethnic representation and pay gaps. These efforts also align with the feedback from our people through our Kōrero Mai staff survey. This plan gives detail on our ongoing activities in all six Kia Toipoto areas.



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Topic and milestones	2024 actions
<p><b>Te whai kanoahi i ngā taumata katoa   Leadership and representation</b></p> <p>By the end of April 2023 agencies/entities have plans and targets to improve gender and ethnic representation in their workforce and leadership.</p> <p>By the end of 2024 the Public Service workforce and leadership are substantially more representative of society.</p>	<p><b>Focus for 2024</b></p> <ul style="list-style-type: none"> <li>• Implement the Māori recruitment process being developed by Public Service Commission.</li> <li>• Updating success measures and targets in our workforce strategy and action plan to keep focus on the issues of leadership and representation.</li> <li>• Review our recruitment practices and implement changes to ensure we are attracting and enabling diversity and demonstrating inclusive behaviours, for example: vacancy pages, interview practices, targeted attraction techniques.</li> </ul> <p><b>Ongoing activity</b></p> <ul style="list-style-type: none"> <li>• Ethnicity data tracking across our entire workforce and leadership group.</li> <li>• Discussions with the Culture and Engagement Network about recruitment and retention.</li> <li>• Promotion of career development and promotion processes with the whole workforce and with all leaders.</li> <li>• Implementing, monitoring and reporting on our action plans; diversity and inclusion, Whāinga Amorangi, te reo Māori.</li> <li>• Maintain a 40:40:20 leadership balance.</li> <li>• Improving diversity in our workforce, particularly in response to the Royal Commission of Inquiry recommendations, by linking with other national security agencies.</li> </ul>
<p><b>Te Whakawhanaketanga i te Aramahi   Effective career and leadership development</b></p> <p>By mid-2023 agencies/entities have career pathways and equitable progression opportunities that support women, Māori, Pacific and ethnic employees to achieve their career aspirations.</p>	<p><b>Focus for 2024</b></p> <ul style="list-style-type: none"> <li>• Improve attraction and retention of ethnic and gender diversity in our national security workforce by engaging with other national security agencies on the development of mentoring support.</li> <li>• Building on improvements in our progression and promotion processes we will review current learning/career pathways and opportunities over the next two years. This includes looking at application of these processes beyond national security and emergency management to ensure they are available equitably across the workforce.</li> <li>• Use of development maps for clear and consistent conversations on career/learning pathways.</li> <li>• To enable stronger growth opportunities for our staff we will trial running internal expressions of interest, in the first instance, for Principal roles.</li> </ul> <p><b>Ongoing activity</b></p> <ul style="list-style-type: none"> <li>• All promotion processes use the same transparent approach based on the Public Service Commission guidance. Rounds are communicated on the intranet including explicit messaging on key issues e.g. promotion is available for fulltime and part-time staff, permanent and fixed-term staff.</li> <li>• All new people leaders are enrolled in an appropriate Leadership Development Course to continue to develop individuals and support the talent pipeline.</li> <li>• Support people leaders with resources and advice to have quality conversations with their people and ensure everyone has a good development and career plan in place.</li> <li>• Improving diversity in our workforce, particularly in response to the Royal Commission of Inquiry recommendations, by linking with other national security agencies.</li> </ul>

The Kia Toipoto plan needs to be read in conjunction with our diversity and inclusion plan (which aligns to Papa Pounamu), our Whāinga Amorangi plan, and te reo Māori plan.

## Kia Toipoto actions in 2024



Topic and milestones	2024 actions
<p><b>Ngā Hua Tōkeke mō te Utu   <i>Equitable pay outcomes</i></b></p> <p>By the end of 2022 entities ensure that starting salaries and salaries for the same or similar roles are not influenced by bias.</p> <p>Agencies monitor starting salaries and salaries for the same or similar roles to ensure gender and ethnic pay gaps do not reopen.</p>	<p><b><u>Ongoing activity</u></b></p> <ul style="list-style-type: none"> <li>Review same and similar roles no less than annually and address issues if present.</li> <li>Continue to support the pay equity process in our roles.</li> </ul>
<p><b>Te Taunoa o te Mahi Pīngore   <i>Flexible-work-by-default</i></b></p> <p>By the end of 2024 agencies and entities offer equitable access to flexible-by-default working and ensure it does not undermine career progression or pay.</p>	<p><b><u>Ongoing activity</u></b></p> <ul style="list-style-type: none"> <li>Flexible-work-by-default remains embedded through ongoing actions such as: <ul style="list-style-type: none"> <li>Monitoring effectiveness and application, including using Te Taunaki data.</li> <li>Providing support and advice to hiring people leaders and new staff about our policy and approach.</li> <li>Being explicit about part-time roles being included in flexible-work-by-default.</li> </ul> </li> </ul>
<p><b>Te whakakore i te katoa o ngā momo whakatoihara, haukume anō hoki   <i>Eliminating all forms of bias and discrimination</i></b></p> <p>By the end of 2023 entities have remuneration and HR systems, policies and practices designed to remove all forms of bias and discrimination.</p> <p>Agencies embed and monitor the impact of bias-free HR and remuneration policies and practices.</p> <p>Agencies/entities ensure leaders and employees learn about and demonstrate cultural competence.</p>	<p><b><u>Ongoing activity</u></b></p> <ul style="list-style-type: none"> <li>HR policies are in an ongoing review cycle and include opportunities for staff to comment.</li> <li>Encourage people, on an annual basis, to provide us with demographic data (e.g. gender, ethnicity, disability) by explaining how it helps us identify issues and monitor progress.</li> <li>Bias training is offered to all staff and required for people on recruitment panels.</li> <li>Cultural competence (te ao Māori, and diversity and inclusion) is a core, ongoing part of our workforce development.</li> </ul>
<p><b>Te Pono   <i>Transparency</i></b></p> <p>Agencies and entities publish annual actions plans based on gender and ethnicity data and union/employee feedback.</p> <p>Agencies and entities ensure easy access to HR and remuneration policies, including salary bands.</p>	<p><b><u>Ongoing activity</u></b></p> <ul style="list-style-type: none"> <li>Kia Toipoto and diversity and inclusion action plans are developed every year, shared with the workforce, and published on our website.</li> <li>All HR policies, remuneration information and resources, including salary bands, are available in the intranet.</li> </ul>



## Kia Toipoto progress in 2023

Our work in 2023 made progress towards reducing gender and ethnic pay gaps and increasing representation. It was done alongside activities across the organisation being led from the diversity and inclusion action plan and te ao Māori capability activities.



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### Achievements

- Shared stories of success with our staff using people from within our workforce and externally, including through our employee-led networks, to build awareness, knowledge and inspiration.
- New development guidance completed and shared, supporting equitable identification and access to development opportunities.
- Further improvements made to the progression process and its transparency, with an updated progression and promotion process. The 2023 round progressed eight people – seven were women and two were from non-dominant ethnic backgrounds.
- All people policies meet Public Service Commission guidance.
- Guidance and support given to people leaders on improving commissioning and delegation of work.
- Development of people leaders and facilitated discussions on inclusive leadership skills.
- Delivered on actions in our plans for diversity and inclusion and te ao Māori capability.
- Ongoing engagement with our five employee-led networks, with a new one being established (for parents).