



WILL THE 'ROONEY RULE' HELP GENDER BALANCE?

Making gender balance (GB) progress

1. First, recognise that all organisations are different. In fact, there are often even large GB discrepancies within different departments of the same organisation. You'll need to establish what proxies for gender balance are relevant to your own context.
2. Second, even if organisations use gender balance metrics that appear very similar, their impact on facilitating GB change may be profoundly different.
3. Next, a reminder (and maybe also a regret) that GB is complex – there is no single 'silver-bullet', magical formula solution. You will need to identify root causes of GB and 'best fit' solutions for your own organisation. Remember too, as the variables interact over time, the importance of certain metrics may change.
4. If you'd like to make a quick start at addressing GB, take a closer at developing inclusive leadership AND building an inclusive culture. They're two sides of the same coin, so they work better when they're both in focus.
5. If you're using inclusive leadership, be sure to focus on inclusive behaviours, not traits!

The Rooney Rule

Gender balance and diversity more generally are recognised as a serious global human capital challenge. Pretty much any high level research report of major markets recognises that most organisations are making slow progress. Some sectors, such as the tech sector, have also been shown up as laggards.

And that's where the 'Rooney Rule' has surfaced. Fortune reports that President Obama very recently challenged the 14 largest high tech companies in the US to make more effort in recruiting women and other under-represented groups. He asked those companies to apply the 'Rooney Rule'. Although it's a US story, it won't take long to see the connection to Australia's gender balance and diversity challenges.

According to Fortune, Chairman of Pittsburgh Steelers, Dan Rooney, had the NFL agree to mandate in 2003 that every opening for head coach should include at least one minority candidate on the interview list. Four years on, that expanded to include general manager positions also. Using this approach avoided having to impose (or be subject to) quotas.

Rooney Rule outcomes after a decade plus in NFL

Interestingly, in 2002, only 6% of NFL head coaches were African-American. African American players, on the other hand, comprised 70% of players. History shows that between 1992 and 2002 fewer than 10% of vacancies for head coach were filled by minorities. However, with 'Rooney's Rule' in play, that figure doubled to 20% for the next period between 2003 and 2015.

At one point, the number of minority head coaches had increased from three in 2003 to a high of eight in 2011 and currently back at six. Despite the rule, in 2013 not one of 15 openings for head coach or general manager went to a minority candidate. This prompted a fresh look at the system, which underscored the need to "continue to work on career development".

As a result of '2013', the NFL formed a committee to identify prospective candidates lower down the ranks. Aspiring candidates were also exposed to a bolstered program to "develop the requisite skills needed to climb the corporate ladder".

The Rooney Rule has limitations

There is no doubt at all that a major reason for adopting the Rooney Rule was to avoid having to implement targets or quotas. Yet, the '2013' hiring stats showed that something wasn't working. Additionally, the current number of minority head coaches is back down to 6 out of 32. So, while it did help, the Rooney Rule has limitations.

Implications for gender balance in Australia

President Obama is urging the US tech sector to apply the Rooney Rule to try and increase the number of women across the sector. It's not just that there isn't gender balance at senior management levels - there just aren't many women at any level!

A number of Australian organisations already use the underlying principles of the Rooney Rule. They require that their recruiting teams include at least one woman and perhaps also candidates from other under-represented groupings in all 'long-lists'. Some organisations also ensure interview panel representation is considered in the same way.

Given that gender balance has a long way to go, these practices probably have a place for some time to come. They could serve as useful proxies for gender balance progress. For example, a senior management team in an organisation might not change very much due to low turnover. However, having an increasing number of women being considered for 'stepping-stone' positions, and then appointed to some of those positions in greater proportions than previously, would likely be a proxy for progress.

But, the practice does have a shadow side. Applicants might feel they are tokens, making up interview numbers. Although never in with a sincere chance of appointment, they nevertheless spent a lot of time and energy in interview situations, only to be continually disappointed.

A portfolio approach

Organisations will need to avoid repeating the shortcomings of the original NFL approach by including early identification and training. Importantly, it is not deficit training to fix something that is wrong with the candidates. Rather, it involves the provision of "the requisite skills to climb the corporate ladder": a critical distinction.

It's *not* okay (as in this real example) to send a senior man on strategy training but recommend to a similar ranking woman that she engage a mentor or coach to help develop her confidence.

A new mainstream gender balance approach is that 'competence develops confidence'. Build the executive skills needed to perform the role (strategy, leadership, change, etc.) and the confidence will flow from those refined capabilities.

Keep the quota option close to hand

Research has proven that women are as competent and as ambitious as their male counterparts. Yet, there is still gender imbalance and a huge pay gap! Although it is not ideal, the option of requiring quotas should never be too far from grasp, especially if 'Rooney Rule' type initiatives don't deliver.