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# Women in Non-traditional Roles: Rio Tinto Iron Ore Case Study

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## About the organisation

Across the globe, Rio Tinto's Iron Ore business employs more than 14,000 employees; 11% of whom are in leadership roles (includes supervisor to executive).

As at February 2012, 22% of Rio Tinto's employees in the Australian Iron Ore business are women.

- in senior leadership roles, general manager and above, 20% are female
- at middle management 18% are female
- in the superintendent level of leadership, 27% are female.

## Background

Rio Tinto Iron Ore identified four key barriers preventing women from entering and meeting their full potential in the resources industry.

### External perception of resources industry

The resources industry is not typically seen as an option for women seeking employment. There is a perception that roles are male dominated and that women are not suited to the industry. The challenge is to overcome this perception, promote commitment to diversity and highlight the opportunities available for women in the resources industry.

### Internal employee attitudes

Rio Tinto identified a need to overcome any perceptions female employees may still have about career opportunities in the mining industry by role modelling and championing successful women and ensuring all employees, women and men, feel supported in the workplace.

### Career development

The existing workforce profile means women are working in a male dominated industry. As such, there is benefit to providing additional support to women to ensure they meet their potential. All employees participate in a talent management process and are provided with career development opportunities, including development opportunities specifically designed for women where appropriate.

### Location of the roles

Beyond perceptions and attitudes, within the company's iron ore business it is believed the key barrier to employment of women is the location of the roles. More than 80% of Iron Ore roles are based in north Western Australia, in remote areas. Of these, almost 50% of all roles within the Iron Ore business are managed on a fly-in, fly-out basis, which requires employees to be away from their families when at work. Where roles are permanently based in the Pilbara, a further barrier to employment for women is a lack of quality childcare. In the majority of cases, where employees have relocated to the Pilbara for employment they may also have restricted access to extended family support.

Historically, Rio Tinto's focus on diversity was driven by licence-to-operate requirements. Within the Iron Ore business in Australia, growth plans within the business coincided with a labour shortage, creating a burning platform to look beyond traditional talent pools and consider greater workforce diversity. In more recent years, the company has recognised the strategic value of diversity in three key areas:

- 1. Diversity leverages existing talent and expands reach for new talent**
  - a. expands the available talent pool and broadens the capability base
  - b. addresses changing employee demographics and expectations
  - c. builds organisational agility for major societal change
  - d. accelerates innovation and change through diversity of perspectives and improved collaboration / knowledge transfer.
- 2. Diversity maximises business value and performance**
  - a. expands global reach by accelerating business development efforts
  - b. protects and enhances reputation and brand, increasing access to opportunities
  - c. reduces litigation from discrimination and harassment cases
- 3. Diversity proactively addresses stakeholder expectations**
  - a. meets government interests, non-government organisation expectations and community consent agreements

- b. increases employee commitment and engagement.

## Program profile

Rio Tinto Iron Ore operates in a labour market where attraction and retention of employees is critical to success. A more diverse workforce ensures there is a greater pool of talent to draw from. This critical need to attract and retain talent is a specific factor that has motivated the organisation to take action at an operational level.

The commitment to diversity, including gender diversity, has been driven by Rio Tinto leadership and is communicated via internal and external communication channels.

## Strategies for implementation

To support the commitment to increasing women in leadership, Rio Tinto Iron Ore:

- established talent pools for women in middle management and tracked lateral moves, promotions, exits, and development over a two year period to provide data on the pipeline, and identify strategies to enhance diversity
- reviewed the functions where women make up a substantial proportion of the professional population to understand where barriers to advancement of women might exist and develop actions to improve the representation of women in middle management roles and above
- reviewed the functions where women make up a relatively small proportion of the professional population to understand any barriers to entry and develop actions to improve the representation of women.

Initiatives in place to encourage gender diversity within the workforce and in particular, in leadership roles are outlined below.

### 1. Promotion and communication of Rio Tinto's commitment to diversity

Rio Tinto's commitment to diversity and inclusion is published on the organisation's website and in the annual report. One of the priorities is a five year program with a target to have 20% women in senior and executive leadership roles by 2015. Enabling this are targets to have at least 50% women in middle management identified as high potential to be promoted or moved laterally within two years of being identified as high potential, and for women to comprise 30% of all external recruits in executive roles for the next five years.

The Iron Ore business achieved the target of 20% women in senior and executive leadership roles in 2011; four years prior to the target date. To maintain and improve on this achievement, site/department specific diversity targets for women will be set which will enable a pipeline into senior roles. Each site/department will have its own localised targets for:

- total percentage of employees who are women
- percentage of women in superintendent level roles
- percentage of women in manager level roles.

### 2. Targeted development for high potential women

Rio Tinto offers a number of leadership development programs for different levels of leadership to ensure women are well represented on these programs.

In addition to these internal programs, the company recognises that women will likely benefit from additional career development support whilst working in a male-dominated industry, and as such, supports women to participate in development programs. Specifically, in 2011, the Iron Ore business supported participation of women in two external development programs for senior women; a Director Pipeline Project being run by the Australian Institute of Company Directors and a 'Make Me a CEO' program, which has been developed by the Business Women for Women group (past and present Telstra Business Award Winners).

In 2012, the company nominated women to participate in a 'Make Me a Leader' program, which is targeted at junior and middle management to assist women to step up into more senior leadership roles. In 2011, the company undertook a series of focus groups with women and men throughout the organisation regarding career development. It was found that women's most preferred method of career development is informal coaching and mentoring. In line with this, employees are encouraged to seek out mentors, both internally and externally, and the company helps to facilitate the matching of women with mentors. Acting arrangements and secondments are also encouraged as development opportunities for women.

### **3. Role modelling successful women**

The Iron Ore business has some very successful women in leadership and technical roles. Given that the resources industry is sometimes perceived as not well suited for the advancement of women to leadership positions, the company proactively showcases and celebrates successful role models. Recent examples include Joanne Farrell – CME Women in Resources Champion 2011; Denise Goldsworthy, Telstra Business Women of the Year 2010; Kellie Parker – CME Outstanding Woman in Resources 2010.

The success stories are shared internally through online newsletters, an online forum for ‘women at work’, lunch and listen sessions where the women can share stories and local networking groups for women.

### **4. Flexible work practices**

In Rio Tinto’s Iron Ore business, the flexible work arrangements policy mandates that all employees have the right to request flexible working arrangements and that all requests must be given due consideration on a case by case basis.

Flexible working arrangements offered include part-time employment, job-sharing, phased retirement, working from home and flexible working hours. The company has a gender neutral approach to this policy encouraging both female and male employees to make use of the arrangements available.

The appointment of two senior leaders in a job-share arrangement has provided an excellent example to showcase how job sharing can work. Two women share the role of General Manager Business Improvement, which is responsible for further developing the business improvement capability, driving system value and providing leadership on major improvement initiatives across the Pilbara business.

Coaching to educate leaders on the commitment to flexible working arrangements is rolled out across the business on a regular basis.

## **Benefits to the organisation**

The benefits of having women in leadership are consistent with those of diversity and inclusion. Specifically, Rio Tinto believes that diversity and inclusion supports the ability to:

- make good decisions about how to organise and optimise resources
- eliminate structural and cultural barriers to working effectively
- deliver strong performance and growth by being able to attract, engage and retain diverse talent
- innovate by drawing on the diverse perspectives, skills and experience of our employees and other stakeholders.

## **Benefits to employees**

The benefits of a commitment to women in leadership for all employees is that the business will be led by the most appropriate people, regardless of their gender, and that with a diverse leadership team there will be diverse and innovative perspectives.

Women in particular, can feel confident knowing that there is no limitation to their career potential within Rio Tinto.

## **Challenges**

The shift to looking at diversity and its benefits more holistically is a relatively new key business driver and because the traditional workforce has not been diverse, conscious and deliberate, change is required to enable diversity.

When looking specifically at women in leadership, the traditional and existing workforce profile means women are working in a male dominated industry. Overtime, the workforce profile will change and with deliberate and concerted effort, the company aims to accelerate the change. The key challenges to increase women in leadership include the following:

- The nature of working conditions is in many cases not easily amenable to diversity, and in particular for employment of women. For example, fly-in- fly-out working arrangements may not align to personal values.
- Leaders and employees are not inherently aware of the benefits of diversity or the role they can play in optimising diversity.

- The benefits of diversity can only be realised within an inclusive environment which allows differences to thrive.
- It is difficult to quantify benefits of diversity and therefore difficult to confidently invest in costs associated with diversity (e.g. childcare facilities).

## Monitoring and evaluation

The specific commitment to increasing the proportion of women in leadership is monitored through quarterly reporting. Measuring the benefits of women in leadership is more challenging but the following forums are in place to assist and monitor the experiences women have in the business:

- employee engagement survey
- focus groups
- Women at Work online social media forum
- exit interview system
- direct engagement between leader and employees
- women's networks in selected departments/sites
- feedback collection via human resources.

Quantitative data is also analysed including:

- workforce numbers
- turnover statistics
- training participation rates
- leadership development participation rates
- recruitment and selection statistics
- parental leave statistics
- talent assessment information
- employee engagement survey results.

## Ongoing development

The commitment to women in leadership is driven by the highest levels of leadership within Rio Tinto and cascaded down to all levels. The human resources department is responsible for continuing to provide enabling mechanisms to ensure women are provided with appropriate development opportunities and considered for leadership positions. However, the ultimate responsibility sits with leadership.

## Key lessons

- To increase the number of women in leadership, it is important to increase the proportion of women at all levels to have a pipeline of talent who can develop into leadership positions.
- Establishing such a pipeline requires a constant and deliberate focus; embedded in organisational culture (the way employee's think and act) and consistently reflected in process.
- It is necessary to focus on education about the company's commitment to diversity at all levels throughout the organisation, with the commitment being continually confirmed and cascaded via senior leadership.
- A commitment to diversity education must be complemented with a true understanding of the principles and benefits of diversity amongst both the leadership community and general workforce.

## In their own words

*"I commenced at Rio Tinto as a graduate in 1994. Since then I have progressed through a series of roles and I'm now a general manager in the Commercial team. Throughout my career with Rio Tinto I have had the opportunity to travel interstate and internationally. Over the years I have worked with a number of inspirational leaders and colleagues, most of whom were men, who have supported and guided me in my career."*

Susie Bath, General Manager, Strategic Projects

*"I have worked with Rio Tinto in a male dominated industry from my early career as a field geologist through to my present position as general manager of up to 600 employees and contractors, focussed on both technical and operational delivery. I have found that I have always had opportunities made available to me that have allowed me to grow my career and take up leadership challenges, equal to those of my male colleagues. I have always been treated with respect, and have had the support of my peers and supervisors in achieving my success to date. I strongly feel that if you have a goal and work towards it with energy and determination, the opportunities and recognition will follow. Rio Tinto has demonstrated its values of equal opportunity and diversity in the workplace in supporting me in my career, and my length of time with the company is testimony to this."*

Tarni Riggs, General Manager, Resource Evaluation

*"Rio Tinto has given me the opportunity to start as a truck driver more than 15 years ago and then enabled me to become a mining manager today. I've received a large amount of encouragement from various leaders over the years in developing my career through working in numerous roles over three mine sites. Rio Tinto supported me through my external studies which enabled me to successfully complete two diplomas. Without this support and encouragement from Rio Tinto I would still be driving trucks."*

Charlotte McCully, Mining Manager, Yandicoogin

*"Rio Tinto is a vast, modern company with operations that draw from and benefit all sectors of society - throughout Western Australia and across the world. It is not only fitting, but sound business strategy, for our people to reflect that wonderful diversity. As a progressive, innovative mining company, we increasingly need the wealth of wisdom and imagination that so-called traditional mining habits once ignored. Not only do we need women from all diverse backgrounds, but we will need to deploy their talents at all levels of our business."*

Joanne Farrell, Vice President, Organisation Resources

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