

Charting Cultural Transformation:

A Progress Review of Airservices Cultural Reform Journey By Elizabeth Broderick and Co (EB&Co.)

Response Plan

September 2023



Airservices commissioned this artwork from Luke Duffy, a Kalkadoon Aboriginal artist from northwest of Mount Isa.

This piece is titled, Kunpar-arra Mana-Mana murruu, meaning shielding the sky and ground. It shows our journey both in the air and on the ground, ensuring the safety of our country, our people and our community.

A message from our CEO

Navigating our culture reform journey

In 2019, we engaged Elizabeth Broderick & Co (EB&Co.) to conduct a broad and enterprise-wide independent review of Airservices workplace culture (the Broderick Review). In May 2020, we released the Broderick Review findings in full to our people and externally, accepting and committing to the implementation of all the recommendations.

As part of our commitment to change and continuous improvement through our culture journey, we committed - in addition to the recommendations - that we would re-engage EB&Co. back in two years' time to undertake a review of our progress.

Today, we are releasing this Progress Report - ***Charting Cultural Transformation: A Progress Review of Airservices Cultural Reform Journey*** – an important milestone and one that provides us with key insights into how we are tracking. As with the initial Broderick Review, I have committed to adopting all the Progress Report's suggestions.

The Progress Report contains mixed findings. Most concerning are the unacceptable and disappointing outcomes relating to continued experiences in our workforce of harmful behaviour such as bullying and sexual harassment, an ingrained lack of trust, and that some of our focus on delivering the original recommendations has been fractured.

There are areas of progress and positive change. The Progress Report acknowledges that there were difficulties implementing initiatives due to the continued impact of COVID-19 throughout 2021, when as many as two thirds of our staff were under varying lockdown restrictions. It also acknowledges that despite these challenges, we remained committed to advancing our cultural reform. Other positives include embedding accountability through a leadership standard, establishing a Cultural Reform Board and improved data collection on misconduct and reporting. We will look to further improve on all of these.

Pride in our safety culture also continues to be recognised as a strength, just as it was in the 2020 Review.

The Board, Executive and I are concerned, disappointed and sorry to see that harmful behaviours continue to be experienced by some of our people. This experience is unacceptable and as such we are renewing and extending our efforts to tackle this as an immediate priority, to ensure a safe and inclusive workplace for all our people, every single day, without exception.

To that end, we are also releasing this Response Plan to the Progress Report. This Response Plan provides an outline of how we are continuing to deepen the impact of the 2020 Broderick Review recommendations with the 2023 Progress Report initiatives, as well as initiating a range of additional actions that go beyond what has been identified to date. This includes reshaping and refocussing our People and Culture Change Program to be owned, tracked and oversighted by the Executive and Board. The People and Culture Change Program is the cornerstone of our future success and all our other change programs.

Our response to improving our culture will continue to evolve and the detail of the refocussed People and Culture Change Program, the specific activities, timeframes and measures will be released in the week of 9 October.

I want to thank the EB&Co. team for their insights as all of us at Airservices remains steadfast in our commitment in reforming our culture.

A handwritten signature in black ink, appearing to read "Jason Harfield".

Jason Harfield
Chief Executive Officer

Why

Airservices commissioned Elizabeth Broderick & Co (EB&Co.) in 2019 to undertake a review into workplace culture and in 2022 to measure our progress

- We did this to better understand what we needed to do to change and improve organisational culture to ensure Airservices is a diverse, inclusive and respectful workplace for all our people.
- A report was provided in 2020 and Airservices accepted all the recommendations in full, committing to a range of actions and initiatives.
- Airservices engaged EB&Co. in 2022 to undertake a review of our progress as part of our commitment to change and to assess the effectiveness of the initiatives undertaken.

Scope of the Progress Report

The Progress Report encompassed:

- 14 focus groups
- 85 one-on-one interviews
- Confidential online survey
- 47 written submissions
- Review of documentation and academic literature
- Briefings and meetings conducted including with the Board, CEO, the Executive, and Unions

Our principles in responding to recommendations in 2020 remain relevant:

- CEO, Executive and Board are the custodians of organisational culture
- Inclusive leadership capability is prioritised when recruiting and developing our leaders
- We have zero tolerance for bullying, sexual harassment, harassment or discrimination
- Our people are aware of appropriate and inappropriate behaviour and are empowered to report inappropriate behaviour
- We take early and preventative action to address inappropriate behaviour
- We act quickly and decisively to eliminate unacceptable behaviour in our workplace
- We foster an environment where it is safe to speak up and where our people are supported
- We recognise that our people have different experiences depending on their background and personal circumstances and we ensure a supported and inclusive experience for everyone
- We recognise, celebrate and support diversity within our workforce
- We listen to and learn from each other
- Our actions have impact and are sustained through good governance
- Progress of cultural reforms are monitored and areas of ongoing concern are addressed

Key findings and insights

Pillar 1 - Courageous and Inclusive Leadership

- Progress made in establishing and embedding a leadership standard
- Establishment of Cultural Reform Board is an important mechanism but could be used more effectively
- Lack of trust in decision-making which needs to be addressed as a priority

Pillar 2 - Preventing bullying and sexual harassment

- Harmful behaviours such as sexual harassment and bullying are still an issue
- Policies clear but implementation needs further work
- Increase since 2020 in bystanders taking action in relation to these incidents which is an improvement

Pillar 3 - A compassionate and human-centered response to bullying, exclusion and sexual harassment to enhance the reporting of incidents

- Safe Place established as new reporting and response mechanism but trust deficit remains amongst employees in choosing to report incidents of harm to Safe Place
- Lack of consistent cultural conditions in place to ensure trust and open communication (i.e., psychological safety) across Airservices

Pillar 4 - Dignity, inclusion, and safety at work

- New inclusive facilities do not address most pressing diversity and inclusion needs

Pillar 5 - Monitoring and evaluation

- Significant effort in the development and evaluation of surveys providing opportunities for feedback
- Gap remains between survey intentions and practical impact of employee experiences
- Lack of clarity in follow-up, responsibility for implementing actions in response to survey outcomes

We will implement all the initiatives identified in the Progress Report (Appendix A), as we deepen the impact with the new actions and show our commitment to going above and beyond

Next steps

Course-correcting and prioritising

1. *We are, as an immediate priority, seeking to co-design and implement (with the assistance and collaboration of unions, employee networks and the Culture Reform Board) the *2023 Pillar 2 – Preventing bullying and sexual harassment* initiatives by:
 - Championing a multimedia content initiative encompassing a range of formats (i.e. videos, interactive workshops for staff, webinars, email, newsletters) on bullying and sexual harassment to continue to set respectful workplace standards, raise awareness of the impacts of harmful behaviours, and how to offer support from a trauma-informed approach. We will ensure that the campaign content highlights the importance of diversity and inclusion in preventing bullying and harassment, as well as showcasing how a respectful workplace benefits everyone.
 - Tracking trends and patterns in relation to reporting rates of unacceptable behaviours across teams and sites, recognising that high reporting rates may not be an indication of higher incidence of harm but also of safe reporting environments.
 - Embedding zero tolerance for harmful behaviour into leaders KPIs (Leaders should demonstrate how they have actioned zero harm approaches in their teams).
 - Providing ongoing training and education to all employees about:
 - the nature and prevalence of sexual harassment, bullying, discriminatory behaviours and respectful and inclusive workplaces.
 - the impact of this harmful conduct, including trauma and how to respond to someone who discloses harm through a trauma informed approach.

2. Furthermore, as an immediate priority we are enhancing training:
 - All leaders will complete initial training in creating an environment of trust and open communication (i.e. psychological safety) by **December 2023**.
 - We are further developing the skills and confidence of the Executive and broader leadership group to intervene when witnessing sexual harassment in the workplace through ‘Bystander’ training, which is to be completed by the Executive in **October 2023** and all leaders by **March 2024**, and later for all employees.
 - We are extending the ‘Leadership Shadow’ completed by the Executive to all leaders. This practical approach assists leaders understand their employees’ perception of their leadership and how their behaviour and priorities can impact equality and inclusion. This is to be conducted by **June 2024**.
 - We are extending our frontline leader ‘Propel’ training beyond our operational leaders to include all Airservices line leaders, supervisors and team leaders to better understand behaviours related to change pressures by **June 2024**.

3. We are refocussing and reshaping the People and Culture Change Program to bring rigour to its implementation which will be oversighted and regularly monitored by the Executive and Board. A comprehensive project plan will be available by week of **9 October 2023**.

4. We are committed to reporting openly and transparently on progress through regular internal reporting, including to the Board, as well as quarterly progress reports to be published on Airservices website.

5. We will have independent reviews of key initiatives every 6-12 months to ensure they are having the desired effect.

* This is in addition to committing to implementing all the 2023 Progress Report initiatives (see **Appendix A**) to accelerate and deepen the impact of our culture reform.

Appendix A – 2023 Progress Report Initiatives by Pillar

Charting the path ahead: deepening the impact of cultural
reform initiatives 2023 review

Pillar 1 - Courageous and inclusive leadership

| Pillar 1 – Courageous and inclusive leadership | Key areas to deepen the impact and accelerate cultural reform progress – recommendations from 2023 review |
|--|--|
| Leadership development | <ul style="list-style-type: none"> Leadership training should be targeted and aligned with the findings of the Progress Review. As a priority, equip leaders (and aspiring leaders) with the knowledge and tools to enhance their capacity to cultivate psychologically safe team environments. Measure the effectiveness of leadership development initiatives beyond completion numbers, by evaluating the impact of interventions on cultural reform goals. |
| Championing cultural reform | <ul style="list-style-type: none"> Strengthen messaging around the case for change by clearly articulating why cultural change is necessary, what are the benefits, what success looks like, priority areas, and key indicators of progress. Establish accountability measures by clearly defining goals and metrics related to cultural reform and diversity and inclusion initiatives. Track and report progress to assess and recognise leadership actions in support of cultural change. Hold all leaders accountable for creating and sustaining conditions of psychological safety within their teams. Include in performance reviews a criterion for leaders to demonstrate how they create respectful, safe and inclusive environments. |
| Enhancing the role of the Cultural Reform Board in driving enduring change | <ul style="list-style-type: none"> Establish a clear governance structure for the Cultural Reform Board (CRB) through a revised Charter, which outlines roles, responsibilities, and decision-making processes. Appoint an independent external expert in cultural reform to the CRB as Chair. The Chair should support, guide, and lead the CRB and establish strong lines of communication and collaboration with the CEO, Board, and Executive team, providing valuable feedback and insights on the cultural reform efforts. The Chair's role should include: <ol style="list-style-type: none"> Consulting with the CEO and Executive team to ensure alignment of the CRB's goals and objectives with the overall strategic direction of the organisation. Developing an annual work plan in consultation with the CEO and members of the CRB which reflects Airservices priorities and/or challenges in relation to cultural change. Providing guidance and mentorship to the CRB members, helping them navigate complex cultural challenges and facilitating productive discussions and decision-making processes. Acting as a representative and advocate for the CRB, effectively communicating its initiatives, progress, and recommendations to the CEO, and Executive team. Bringing an independent and impartial perspective to the CRB, ensuring that all voices are heard and considered in the decision-making process. Facilitate direct engagement between the CRB, the Board, and the broader organisation, including reporting to the Board every quarter. Provide clear updates and progress reports to all of Airservices on the CRB's activities, initiatives, and their impact on the cultural reform journey. Establish an evaluation process for the CRB to address perceptions about a lack of outcomes. Establish a feedback mechanism that allows the broader organisation to provide input and suggestions to the CRB. Provide opportunities for staff to present their ideas, proposals, and concerns directly to the CRB. Consider allowing staff to choose or nominate representatives to serve on the CRB to ensure diverse perspectives are represented. |
| Open and transparent recruitment and promotion processes | <ul style="list-style-type: none"> To build trust and confidence in recruitment processes, conduct an independent audit (since 2020 to present time) to gain an unbiased assessment of past recruitment and promotion practices. This audit should identify any areas where diversity and inclusion practices can be strengthened, benchmark with industry standards and best practices to identify gaps and opportunities for improvement. Train all hiring managers on unconscious bias and implement standardised screening and selection processes to mitigate bias. Use structured interview techniques and evaluation criteria that focus on job-related qualifications. Consider using diverse interview panels to ensure multiple perspectives and to reduce bias. Assess diversity at various stages of the recruiting process, from application submission to final selection which allows the identification of any drop-offs or disparities. Take corrective actions to ensure equitable representation throughout the process. Collect feedback from candidates about their recruitment experience. Provide opportunities for candidates to share their perceptions of fairness, inclusivity, and transparency in the process, and use this feedback to continually improve the candidate's experience and address any potential barriers or biases. |

Pillar 2- Preventing bullying and sexual harassment

| Pillar 2 - Preventing bullying and sexual harassment | Key areas to deepen the impact and accelerate cultural reform progress – recommendations from 2023 review |
|--|---|
| Prevention of harmful behaviours | <ul style="list-style-type: none"> • Champion a multimedia content initiative encompassing a range of formats (such as videos, interactive workshops for staff, webinars, email newsletters) on bullying and sexual harassment to continue to set respectful workplace standards, raise awareness of the impacts of harmful behaviours, and how to support from a trauma-informed approach. Ensure that the campaign content highlights the importance of diversity and inclusion in preventing bullying and harassment, as well as showcasing how a respectful workplace benefits everyone. <hr/> <ul style="list-style-type: none"> • Track trends and patterns in relation to reporting rates of unacceptable behaviours across teams and sites, recognising that high reporting rates may not be an indication of higher incidence of harm but also of safe reporting environments. <hr/> <ul style="list-style-type: none"> • Embed zero tolerance for harmful behaviour into leaders KPIs (Leaders should demonstrate how they have actioned zero harm approaches in their teams). <hr/> <p>Provide ongoing training and education to all employees about:</p> <ul style="list-style-type: none"> • The nature and prevalence of sexual harassment, bullying, discriminatory behaviours and respectful and inclusive workplaces. • The impact of this harmful conduct, including trauma and how to respond to someone who discloses harm through a trauma informed approach. |

Pillar 3 - A compassionate and human-centred response to enhance the reporting of incidents

| Pillar 3 - A compassionate and human-centred response to enhance the reporting of incidents | Key areas to deepen the impact and accelerate cultural reform progress – recommendations from 2023 review |
|---|--|
| Prioritising people through a human centred approach to leadership | <ul style="list-style-type: none"> • Ensure leaders: <ol style="list-style-type: none"> a) Create psychologically safe work environments that instil confidence and trust in employees disclosing incidents of harm to them. b) Are equipped to respond to disclosures of harm in a sensitive and respectful way. This should involve providing leaders with training on trauma-informed disclosures. |
| Continuous refinement of Safe Place | <ul style="list-style-type: none"> • To build trust and confidence in Safe Place, engage an independent expert advisor to assist Safe Place strengthen its profile, function, and communication. <hr/> <ul style="list-style-type: none"> • Deliver an organisation-wide, intensive communication strategy through a range of platforms, including webinars and through office and site visits that explains to all employees and leaders, the roles and functions of Safe Place specifically focusing on what Safe Place is and what it isn't, what it can do and what it can't, as well as the options once a report is made. De-identified scenarios of positive reports and outcomes should be played back in communications to enable all employees to understand the positive impact Safe Place can have in responding to unacceptable workplace behaviour. <hr/> <ul style="list-style-type: none"> • Commit to utilising external investigators for cases for senior leaders and where there are potential conflicts of interest or bias for a further two years. <hr/> <ul style="list-style-type: none"> • Ensure that both internal and external investigations have clearly defined and achievable timeframes for completion. Regularly review these time targets to prevent unnecessary delays and minimise any associated stress. Additionally, provide periodic updates on time targets of investigations to both the CEO and the People and Remuneration Committee. If there are any factors causing longer completion times, make an effort to identify them and, where feasible, address and resolve them. <hr/> <ul style="list-style-type: none"> • Introduce a mechanism, such as a questionnaire for complainants, respondents, and managers to provide feedback to Safe Place on its processes, the support offered, the nature of the investigation (if appropriate) and the information provided including throughout a complaint. Safe Place should report to the CEO on any actions taken regarding the feedback. <hr/> <ul style="list-style-type: none"> • Safe Place should periodically provide the CEO and the People and Remuneration Committee with details on the number of requests for flexible options by complainants and respondents since the initiative began; the number of requests that were agreed to by managers; the length of time flexible options was utilised; and any feedback on the effectiveness of the options. |

Pillar 4 – Dignity, inclusion and safety at work

| Pillar 4 – Dignity, inclusion and safety at work | Key areas to deepen the impact and accelerate cultural reform progress – recommendations from 2023 review |
|--|--|
| | <ul style="list-style-type: none"> • Pause current rollout plans of inclusive changing facilities. Prioritise an effective consultation process with users of facilities, considering their diverse needs and local workforce requirements. |
| | <ul style="list-style-type: none"> • As a priority, separate male, female and a changing / bathroom facility that is inclusive for people of diverse genders be established across all worksites. |

Pillar 5 – Monitoring and evaluation

| Pillar 5 – Monitoring and evaluation | Key areas to deepen the impact and accelerate cultural reform progress – recommendations from 2023 review |
|---|---|
| Oversight of cultural reform | <ul style="list-style-type: none"> • Establish a discrete leadership and management point to oversee the implementation and operationalisation of all cultural reform recommendations, ensuring consistent and high-quality execution and monitoring. Responsibilities should include developing a comprehensive monitoring and evaluation framework that assesses implementation of the recommendations from the Broderick Review and those contained in this Report; Assessment should also include both lag and lead indicators; facilitating continuous improvement in real-time; and promoting a culture of learning. • Clearly define accountabilities for each Executive leader in relation to the recommendations, accompanied by specific metrics and goals tied to cultural reform. Regularly track evidence-based progress and report on results to ensure transparency and to drive continuous improvement. • Develop a clear and measurable KPI report aligned with cultural reform objectives and regularly monitor and analyse progress to assist with decisions based on data-driven insights. Periodically the Executive should provide this report to the CEO and People & Remuneration Committee. • Foster clear, straightforward and effective communication throughout the organisation when delivering information related to culture reform, diversity, and inclusion. Avoid corporate jargon, including when sharing staff survey results, using evidence and data to illustrate the impact of existing approaches and investments. • Track the approval / refusal rates of the new forms of flexible leave to ensure it is being supported by leaders. • Ensure that leaders champion these new forms of leave and flexible work arrangements and deliver the message that flexible leave will strengthen the diversity and inclusion of teams, and in doing so, positively impact productivity and performance. • Continue to facilitate independent review of progress to expedite and support cultural reform. |
| Strengthening employee engagement and actionable insights | <ul style="list-style-type: none"> • Provide employees with access to comprehensive survey data and ensure they engage in the learning and change process. • Co-design culture surveys with staff input. This could be done through the CRB and staff network groups to determine which aspects to prioritise and measure in surveys. Provide timely and transparent communication to employees regarding survey outcomes and actions taken. Demonstrate how survey feedback influences decision-making, policy changes, and improvements in the work environment. Clarify responsibility for overall action planning based on identified priorities. • Transition from quarterly to half-yearly cultural pulse checks to balance regular feedback. maximise participation and avoid survey fatigue. Amplify communication and action planning between surveys. |