



SERIOUS FRAUD OFFICE
TE TARI HARA TĀWARE

Diversity, Equity and Inclusion Plan

2023

The SFO is committed to Kia Toipoto and Papa Pounamu and ensuring our practices are inclusive and encourage diversity. It is important to us that our agency is free from gender and/or ethnicity-based inequities and supports accessibility by implementing the Accessibility Charter and Lead Toolkit.

We embrace diversity, equity and inclusion as it is the right thing to do. Our people reflect our community as far as is possible so that we can serve the community well. We mitigate and, where possible, eliminate barriers to achieving equitable outcomes.

Our approach is connected to our Values:

Attract

- Compelling employer value proposition referencing Diversity, Equity and Inclusion
- Advertisements and position descriptions that are inclusive and provide clarity
- Proactively seek people who reflect our community
- Seek diverse candidates
- Relationship focused and nuanced recruitment process
- Gender balanced interview panels
- Transparency around remuneration information
- Flexible work practices by default

Engage

- Inclusive leadership, communications and language
- People centric work practices
- Training that supports and promotes Diversity, Equity and Inclusion awareness and capability
- Open and robust conversations encouraged
- Transparent career paths and promotion readiness framework
- Learning and development opportunities for everyone
- Recognise and celebrate our community

Retain

- Flexible work practices supported
- Pay gaps and inequities monitored and addressed
- Transparent performance and promotion readiness conversations
- Supportive and inclusive culture
- Authenticity embraced
- Sense of belonging

This Action Plan outlines our ongoing commitments and continues to build on what we have achieved since 2019. Future proofing our capability by investing in our people and infrastructure is one of our strategic priorities and to support our success, we are committed to maintaining a low gender pay gap and understanding and addressing any ethnic pay gaps as we seek to build and grow a diverse workforce.

We are committed to having a workplace that is inclusive and our people know that they belong. Our focus is aligned with the Papa Pounamu's five priority areas:

Te Urupare i te Mariu | Addressing Bias

Addressing bias in all its forms – policies, practices, systems and remuneration are designed to eliminate bias and/or discrimination.

Te Āheinga ā-Ahurea | Cultural Competence

Building our cultural competence and confidence - all employees learn about and demonstrate cultural competence.

Hautūtanga Ngākau Tuwhera | Inclusive Leadership

Commitment to inclusive leadership development.

Ngā Tūhononga e Kōkiritia Ana e Ngā Kaimahi | Employee Led Networks

Our people feel included, valued, can be themselves and have a sense of belonging at work. Sector-wide employee led networks activities and information shared on our intranet.

Hautūtanga Kākano Rau | Fostering Diverse Leadership

We strive to have our workforce reflect our community. Our workplace accommodates the diverse needs of our people, including accessibility needs and flexible work practices. Our employees have access to learning and development and career advancement opportunities.



SFO Profile

We have undergone significant organisational growth since July 2020 with our workforce increasing by 50%. Then, in October 2023, we reorganised our executive leadership team, which resulted in the establishment of four new positions; all of which are leadership positions with three at executive leadership level.

The skills and expertise of our people are highly sought after both across the public and private sectors. We operate in a very competitive market for the specialist expertise that our roles require. Attracting and retaining talent is often exacerbated by an inability to pay top market rates. Implementing and embedding strategies that attract a diverse range of candidates regardless will continue to be a focus for us.

Our recruitment processes are inclusive and accessible, however a limitation, and a challenge for us is the lack of diversity in the small pool of qualified candidates for our highly specialised roles. Suitably qualified candidates with the skills and experience to perform our roles at a senior level are difficult to find, so this typically sees us recruiting at entry level and developing our own seniors and promoting internally via our senior pathway program.

Increasing diversity in recruits will ultimately positively impact diversity in our leadership roles. Our people strategy, action plans, and value proposition are promoted in our interaction with candidates, and we speak to and demonstrate our inclusive culture and work environment. We have actively planned culture building initiatives and lunchtime sessions to promote and celebrate diversity.

As a small agency, any change in our staffing has a significant impact on our gender and/or ethnic pay gap. Any recruit, resignation or employee movement will see this fluctuate.

Our Workforce Profile

Using our workforce data and recruitment statistics, analysis is undertaken quarterly to understand the drivers of any pay gap and give us an overall picture of our diversity profile, allowing us to measure progress and make appropriate decisions via our recruitment, remuneration and promotion processes.

In 2023, we appointed two females via internal promotion to leadership roles; one at Principal level and one at Executive Leadership level (Tier 2). Out of 20 leadership roles in total (Principal, Tier 3 and Tier 2), 10 are held by females, taking our female representation in leadership roles to 50%. Males continue to be under-represented in lower pay bands however we have seen a shift in this since the remuneration benchmarking work and implementation of our new remuneration structure in 2022. We will continue to consider this when making recruitment decisions.

Gender

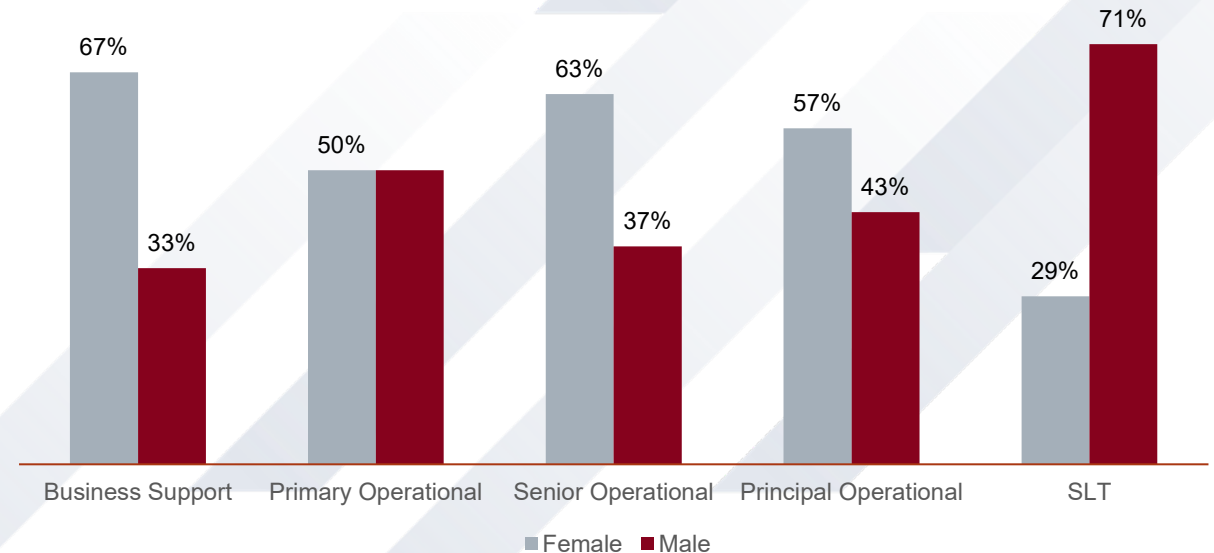
As at 31 October 2023, our gender balance is 56% female and 46% male. Female representation in senior leadership is 29% female vs 71% male (2:5) and executive leadership is 50% female and 50% male (excluding our CE). We have a 56% female representation at Senior, Principal and Senior/Executive Leadership level.

38% of new recruits have been in support or primary/entry level roles, with 33% (1 out of 3) of these being female.

50% of new recruits, plus two internal promotions to Principal and Executive Leadership level have been female.

The gap between the number of females and males performing support and Primary Operational roles is closing, as illustrated in this graph.

Gender by Function/Level



Ethnicity

Since November 2022, 50% of new recruits (excluding internal promotions) have been of ethnicities other than European, and of which 50% are female.

Our workforce is predominantly European with 23% representing other ethnicities. With a data group of fewer than 20 people for each other ethnicity, we have provided the comparison of European vs Other. The 'Other' data group is still less than 20, however we are reporting what information we can while maintaining privacy. The graph shows the distribution across our workforce.

As mentioned earlier, the lack of diversity in the small pool of qualified candidates for our roles puts limitations on our ability to increase diversity in our workforce. This will continue to be a particular focus in our recruitment practices and decisions.

Pay gaps

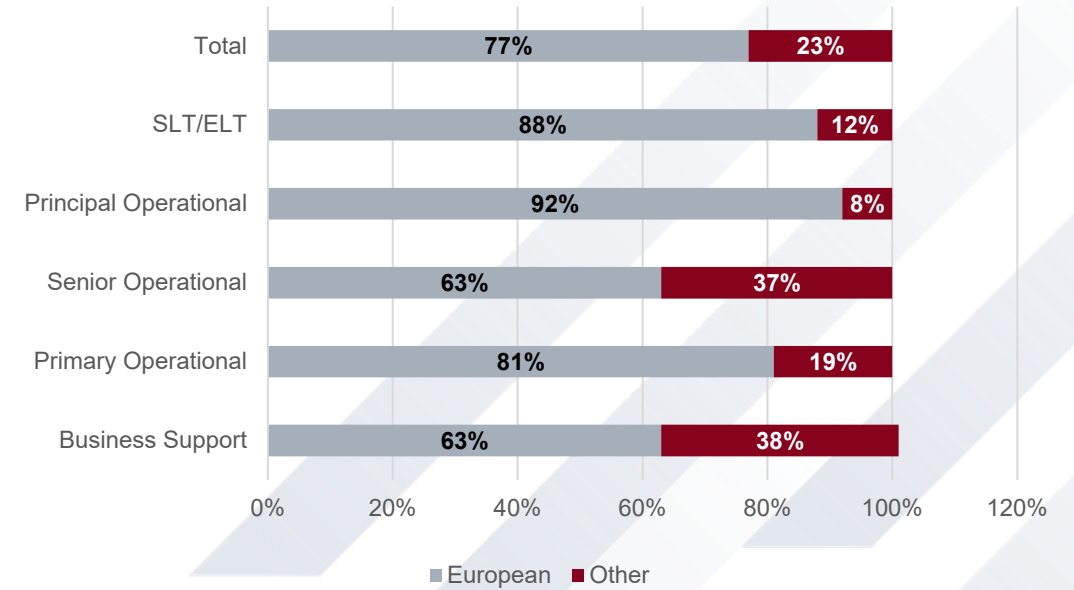
The SFO is particularly proud of the downward trend our gender pay gap has taken since we first started reporting in 2019. As at 31 October 2023, our average (mean) gender pay gap is 4.3% (median pay gap is 2.9%) compared to June 2019 when our average pay gap was 11.8% (9.6% median). While we have a small pay gap, it remains due to a higher representation of females performing roles in lower pay bands compared with males and a higher proportion of males at senior leadership level compared with females. However, we do have a higher female representation overall and as stated earlier, we are starting to see a shift due to the number of females being promoted to and recruited into more senior level roles.

Our analysis shows that there are pay gaps in the business support area, however this is explained by each of the roles performing vastly different functions at different levels. Pay gaps across other like-for-like roles are minimal and are simply a result of experience and length of time in the role. While this is an excellent result, we will remain mindful to ensure that inequities don't creep in across like-for-like roles. Quarterly reporting and analysis will continue, which will allow us to address any pay gaps as they arise.

With a data group of less than 20 for 'Other' ethnicities, we are unable to report on 'Average Pay by Gender and Ethnicity' or 'Average Pay Gap by Ethnicity' as confidentiality can't be assured, and it portrays a distorted view. This is monitored and analysed internally to ensure that there are no inequities based on ethnicity. We are confident that this won't occur as decisions around recruitment or remuneration are not based on ethnicity or gender.

The decrease in our gender pay gap is a direct result of the market remuneration review and benchmarking work completed in 2022, number of females promoted to senior roles as well as making other adjustments as soon as gender pay gaps or other inequities were identified. This, coupled with ensuring internal relativities are considered when making new offers of employment and starting salaries and implementation of our promotion frameworks have all contributed to the results we see now. These practices will continue.

Ethnicity by Function/Level



Progress to date and Action Plan

Objective	Our focus	Progress and Action Plan
<p>Eliminate Bias and Discrimination</p>	<p>Our remuneration and HR systems, people policies and practices are designed to eliminate bias and/or discrimination and remove or mitigate barriers. Impact is measured and any evident bias is challenged.</p> <p>All employees learn about and demonstrate cultural competence.</p>	<p>Our policies and practices continue to be reviewed to ensure they are gender neutral and encourage diversity. Our recruitment guidelines have been developed to eliminate bias and any evident bias is challenged. This will remain our current state.</p> <p>Inclusive and accessible recruitment practices are in place, including diversity in recruitment panels.</p> <p>Our Ngā Kaiwhakātere team has delivered a number of initiatives during 2023 which have improved our cultural competence. This includes introductory te reo lessons and partnership with Te Arawhiti to offer workshops focused on Te Tiriti and the history of the Maori Crown relationship. They remain committed to solidifying the Whāinga Amorangi framework which will see us continue to offer programmes to address needs and fulfil our obligations.</p> <p>In our Diversity and Inclusion staff survey, 75% of our people agreed that ‘Leaders in this organisation role model inclusive workplace behaviour’, 82% agreed that ‘People from all backgrounds and cultures feel included, welcomed and valued in this organisation’ and 81% agreed that ‘My personal values, cultural beliefs and commitments are respected in this organisation’.</p>
<p>Leadership and Representation</p>	<p>We strive to have our workforce reflect our community.</p> <p>Our workplace accommodates the diverse needs of our people, including accessibility needs.</p>	<p>Currently the SFO has a higher female representation with more than half of our team being women. Our recent review of our executive leadership team saw us increase our female representation at executive level from zero to one (of three roles), plus our CE is female.</p> <p>Since November 2022, 50% of our new recruits, including two internal promotions are female. However, we currently only sit at 29% female representation and 12% non-European across SLT and ELT. We are a small agency, and this can be difficult to plan to change, however we continue to ensure that diversity is a priority, and our workforce reflects the NZ population as far as is possible.</p> <p>We recognise that we have more females performing roles that sit in lower pay bands, i.e. support, entry or primary level operational roles, however we are starting to see a shift in female recruitment and progression to senior level roles. We also recognise that our organisation profile is 77% European. Our recruitment practices will continue to focus on attracting diversity in applicants, with the importance of diversity, equity, and inclusion in our work communicated in our advertising.</p>

Progress to date and Action Plan cont'd

Objective	Our focus	Progress and Action Plan
Leadership and Representation cont'd		<p>We will continue to ensure that our website and online channels reflect the work that we do and our value proposition for diversity, equity, and inclusion.</p> <p>We have created an action plan that identifies national, cultural and community days and celebrate together. We have also implemented 'Lunchtime Learning Sessions' where we run a series of talks with a focus on culture and diversity. We will continue to run a Diversity and Inclusion survey as required to ensure that the work we are doing remains current and relevant to our workforce.</p> <p>We have also upgraded both our Auckland and Wellington offices where the diversity and accessibility needs of our people, both current and future, have been considered. This includes investing in tools, systems, technology and infrastructure to support and enable new ways of operating, better accommodation that supports 'flexible by default' work practices and open plan working environment that accommodates quiet spaces and shared collaborative areas.</p> <p>Diversity and Inclusion staff survey, 86% of our people agreed that 'Our organisation is a great place to work', 82% agreed that 'Our leaders are committed to building an inclusive culture founded on respect, fairness and equity' and 78% agreed that 'Leaders in this organisation role model inclusive workplace behaviour'.</p>
Flexible and Inclusive Work Practices	We consider all forms of flexibility for all employees.	Flexible work by default is our norm and all forms of flexible work will continue to be considered. We currently have 6% of our people on formal flexible working arrangements, of which 50% are male, with the remainder on informal arrangements. Informal arrangements include working from home a maximum of two days per week and flexible start and finish times to accommodate personal commitments as outlined in our Flexible Working Arrangements Policy. We will continue to review and consider flexible working options to suit our workforce.

Progress to date and Action Plan cont'd

Objective	Our focus	Progress and Action Plan
<p>Equitable Development Opportunities</p>	<p>All employees have access to learning experiences and career advancement.</p>	<p>Our structured promotion pathway for Operations and Counter Fraud teams is now embedded. Access to this pathway is based on experience and readiness to progress to a senior level as a result of structured development plans; there are no barriers based on gender or ethnicity. We also have specialised technical leads who develop and deliver training, guidance and mentoring for their respective disciplines to support development and expertise.</p> <p>The next step is to develop this framework for Senior practitioners to prepare them for Principal level roles when they come available.</p> <p>In our annual engagement survey, 73% of our people agreed that 'The SFO invests in our people to future proof our capability'.</p>
<p>Equitable Pay Outcomes</p>	<p>Our remuneration policy ensures parity for equal skills and experience. Starting salaries are transparent and fair.</p>	<p>We have now completed a market remuneration review and brought all of our salaries into line with the 2022 market. We have also changed our approach to KiwiSaver and apply employer contributions on top of base salary. This has aligned us with most other employers.</p> <p>We will continue to review our remuneration and our policy annually so that any pay gap anomalies that arise are quickly identified and remedied. Our policy will continue to reflect Te Kawa Mataaho Guidance and any other obligations around remuneration.</p> <p>Our starting salaries for same and similar roles are monitored to ensure relativity with current SFO employees undertaking the same work. This will continue to be our ongoing practice.</p> <p>In our annual engagement survey, 70% of our people agreed that our remuneration structure is appropriate and relative to the public sector market.</p>
<p>Transparency</p>	<p>Our policies and processes are accessible and provide clarity, and we share information willingly.</p>	<p>The SFO has developed and published gender pay gap action plans since 2019 and now combine the gender pay gap and Kia Toipoto Action Plans. These are informed by our annual engagement and other workforce surveys. Our Gender pay gap status and other HR metrics are measured and reported to ELT quarterly. We will continue to develop plans annually, following relevant guidance and engagement with our workforce.</p> <p>All policies, including our remuneration policy are published on our intranet. Salary ranges up to Band 8 are published. SLT and ELT salary ranges for Tier two and three roles are not published due to the low numbers of people within these bands, but the range data is used when recruiting or appointing in an acting capacity. This will continue to be our practice until such time as we experience sufficient growth.</p>