

FREQUENTLY ASKED QUESTIONS



Board Gender Diversity Target

About the target

In October 2018, the Minister of Sport and Recreation launched the Women and Girls in Sport and Active Recreation Strategy.

At the same time, Sport NZ launched its response to the strategy, which included 24 specific commitments and an associated investment of \$10 million over three years, to support implementation.

In its response, Sport NZ committed to ensuring that its partners meet a board gender target of 40% self-identified female and 40% self-identified male, on their boards by December 2021.

Sport NZ will be monitoring the progress to achieve this target, as part of the 2020 investment process and will publish an annual report, which will include progress on board gender diversity targets.

Gender diversity – starting the journey

This is an opportunity to take on a leadership role in supporting good governance through board diversity - in this instance, gender.

Sport NZ is here to assist through the process, sharing information, best practice ideas, case studies and strategies, as well as tailored advice and assistance specific to the needs of each organisation.

Sport NZ Partnership Managers are the first point of contact for partners. They (and the partner organisations), will be supported by the Business Capability Consultant – Governance and Planning.

While the focus of this target is on gender, tangata whenua and diversity more broadly, are important at a governance level of any organisation. Diversity encompasses a wide range of dimensions such as ethnicity, Māori whakapapa, LGBTQI+, age, culture, disability, background and experience.

New Zealand has over 213 ethnicities, making us one of the most diverse countries in the world. Embracing diversity does not mean compromising on the skills, experience and professional qualifications of board members. It's about appointing people on merit, who also bring diversity of thought and perspective, to enhance board decision-making. This will help drive better outcomes and long-term success.

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1. Why set a target?

Research shows that strong, diverse and gender balanced leadership at all levels, brings a breadth of perspective, allows for better decision making and creates stronger organisations and organisational performance. Around the board table this is linked to one of the core functions of boards, to consider issues from a range of perspectives.

At Sport NZ, we have also heard partner organisations speak of their genuine commitment to diversity and their desire to take a leadership role in achieving this, from a governance perspective.

Historically there has been and still is, an overall gender imbalance across the play, active recreation and sport sector at board level. Although great progress has been made in recent years, Sport NZ believes a target is needed, to realise the well-researched benefits of strong, diverse and gender balanced leadership. A target is the mechanism to help drive focus and sustainable change.

2. Which organisations are involved?

Sport NZ encourages a play, active recreation and sport system where everyone is working towards strong, diverse and gender balanced leadership, for the benefits it brings.

In line with its response to the Women and Girls in Sport and Active Recreation Strategy, Sport NZ has decided that all organisations receiving \$50,000 or more per annum from the Sport NZ Group, will be required to:

- a. achieve 40% self-identified female and 40% self-identified male on their board by December 2021; and
- b. work with Sport NZ to champion diversity in sports governance more broadly, in particular with relation to regional and local levels of their sport or industry.

3. Where are we at now?

There has been good progress so far. Sport NZ has been tracking gender on 60 sporting boards since 2011. As at December 2018, 48% of the 60 tracked boards had a minimum of 40% women (and 92% with a minimum of 40% men).

4. What is the timeframe?

Organisations that are required to meet the target must do so by 31 December 2021.

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5. What are the implications if we don't meet the target within the timeframe?

Sport NZ expects organisations to meet this target and will assist organisations in doing so, if such assistance is required. Sport NZ will consider genuine inability to meet the target (unexpected extenuating circumstances), on a case by case basis. Outside of these, non-compliance will result in funding implications for the partner organisation. The 2020 investment schedules will include further detail.

6. What are the reporting requirements?

Regular reporting requirements relating to both the target and championing diversity more widely, will be included in the 2020 investment schedules.

Sport NZ will publish progress reports and may undertake other surveys to track the process.

7. What happens at the end of the 2020-2024 strategic period?

The requirement for gender diversity will continue into future Sport NZ strategic and investment periods.

8. What if we currently have a board that has more than 60% female members?

The target is a minimum of 40% self-identified male and 40% self-identified female genders, by 31 December 2021. Therefore, 60% female would be acceptable, as long as the other 40% were self-identified male.

9. What happens if a board member resigns, impacting on the target?

Unexpected departure of board members happens from time to time and could result in a board not meeting the target. In this case, the requirement will be that processes are put in place, to ensure a return to the required gender balance, as soon as reasonably practicable.

Organisations will need to inform Sport NZ through their Partnership Manager, when this situation occurs.

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10. How does this align with the Governance Mark?

A core function of boards is to consider issues from a range of perspectives. Diversity supports this function. The Governance Mark process looks for evidence of diversity, as part of the director recruitment process.

Commencing January 2022, the gender diversity targets will form part of the mandatory foundation requirements for the Governance Mark.

Update from September 2019:

11. How do we calculate the target?

The number of women on the board, divided by the total number of board members must be a minimum of 40%:

i.e. three women on a board of eight = $3/8=37.5\%$ which is less than 40% and therefore does not achieve target

12. We have an even number of board members; does that mean we have to have 50% of both identified genders to comply?

The target is a minimum of 40% self-identified male and 40% self-identified female genders, by 31 December 2021. For four, six and eight member boards this means a requirement for 50% of both identified genders.

13. Will Sport New Zealand consider a rolling average of compliance?

We encourage Boards to have a plan in place to achieve the gender diversity target, noting that at times there might be short-term non-compliance. These will be considered with Sport NZ on a case-by-case basis.

14. We are interested in developing a Diversity and Inclusion Policy. How do we start?

Having recently developed one for ourselves, Sport NZ supports the development of a Diversity and Inclusion Policy for all partner Organisations. We can provide a template for this if you are interested. Connect with your Partnership Manager for more information.

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15. Will there be an opportunity to provide input into the draft policy?

Sport New Zealand is developing a policy document that will provide further detail for investment partners. Via your Partnership Manager, there will be an opportunity to comment on the draft before it is finalised.

Update from November 2019:

16. What is the legal advice for organisations when advertising for individuals of one gender or ethnicity when filling positions?

All organisations are prohibited from discriminating in 'employment', which has a specific meaning under the Human Rights Act. While board members will not typically be employees in the usual sense, they may be employees for the purposes of the Human Rights Act, as the definition covers contract and unpaid work. Organisations therefore need to be mindful of the rules against unlawful discrimination when advertising for and appointing new board members.

Policies and systems that promote diversity generally are lawful. As such, it is lawful and appropriate in Sport New Zealand's view to apply 'enhances diversity' as an express criterion when selecting board members, for the reasons that it promotes good governance and demonstrates a commitment to diversity and inclusion at a leadership level.

In some circumstances, organisations may also be able to advertise for a candidate from a particular group, such as someone of a particular gender, age bracket or ethnicity. Greater care is required here however, and organisations may want to seek further advice as to their circumstances. Generally it will be permissible to advertise and appoint in this way where it is necessary to ensure equality - so called 'positive discrimination'. If for instance women or youth have been and are heavily under-represented on the board, it will probably be lawful to advertise for female applicants or applicants below a certain age. The position is less straightforward for candidates of a certain ethnicity. Applying the first approach mentioned – where 'enhances diversity' is a criterion – may be the better approach practically.

Further information

Should you have any questions or concerns, please contact your Partnership Manager or email womenandgirls@sportnz.org.nz