

The Australian Government's Affirmative Action Legislation: Achieving Social Change Through Human Resource Management

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ABSTRACT

Data from the Affirmative Action Agency Public Reports and the Australian Workplace Industrial Relations Survey were used to review progress in the implementation of the Australian Government's Affirmative Action legislation and to examine the relationship between following mandatory procedures and achieving outcomes that impact positively on women's workforce experiences. The data suggest that while a relationship exists at the bivariate level, it becomes considerably weaker when organisational and workforce characteristics are controlled. The variables that emerged from the analyses as strong predictors of both procedural compliance and the adoption of accommodating practices for women centred around human resource management. Where companies were committed to human resource management, both procedural compliance and accommodating practices tended to be high. These data demonstrate the importance of linking legislation for social change with workplace functions, particularly when resistance to the legislation is high and capacity to enforce is low.

Occupational discrimination against women continues to be a serious problem in Australia (Australian Bureau of Statistics, 1993; Affirmative Action Agency, 1992; Burton, 1991; Poiner & Wills, 1991). The workforce is highly segregated with three quarters of women's employment taking place in occupations that are at least 70% female (Rimmer, 1991). Furthermore, women are under-represented at the management levels of most occupations, particularly among senior management. Only 6% of senior managers in Australia are women and only three per cent of companies are headed by women (Australian Financial Review 1 November 1991). Women's earnings remain below those of men, a gender bias which remains even after occupation is taken into account (Rimmer, 1991).

The problem is being addressed in a variety of ways with full recognition that changes at one level need to be accompanied by changes at other levels (Baxter & Gibson, 1990; Burton, 1991; Poiner & Wills, 1991). Thus, programs and campaigns operate to ensure gender equity in education and training, to provide

child care support, to promote the sharing of unpaid work and the contribution of women in non-traditional fields, and to challenge the negative stereotypes of women presented by major institutions, in particular the media, the judiciary and the church. These pressures for change and reform have been backed by legislation of two kinds - those acts of state and federal parliament which empower individuals to seek redress for discrimination in the workplace and those which are geared to preventing the occurrence of sexual discrimination through setting standards for how workplaces should function. The Australian Government's Affirmative Action (Equal Employment Opportunity for Women) Act 1986 falls into the second category (Ronalds, 1987). Its implementation and its effects on workplace practices are the concern of this paper.

The Affirmative Action Act applies to private sector organisations with more than 100 employees and to higher education institutions. The goals of the legislation are twofold - to remove sex discrimination from the workplace and promote equal employment opportunity for women. To achieve these goals, the legislation seeks to remove the structural barriers in the workplace that have resulted in women being concentrated in relatively poorly paid and low status positions, with limited career paths, reduced likelihood of promotion, and limited benefits (Baxter & Gibson, 1990; Game & Pringle, 1983; O'Donnell, 1984; O'Donnell & Hall, 1988; Walby, 1988). The legislation does not insist on employers achieving a particular set of outcomes. Employers are not required by law to achieve certain quotas for the employment of women or for their advancement through the ranks, nor are they required to set up child care centres, specific training courses for women, or keep records of complaints of discrimination. Instead, the Affirmative Action Act prompts employers to ask questions and find solutions which meet the needs of their particular organisation. To use Donabedian's (1966) distinction between inputs, processes and outcomes, the Affirmative Action Act focuses on inputs and processes. The presumption is that if the structures and procedures are in place to enable regular review and critical self-appraisal, discriminatory practices will be identified and changed, and one crucial nail will be put in the coffin of a workforce segregated by gender.

The legislation requires the setting up of affirmative action programs by employers which incorporate the following eight steps: (1) issuing an Equal Employment Opportunity policy statement to all employees, (2) assigning responsibility to a senior officer, (3) consulting with trade unions, (4) consulting with employees, particularly women, (5) the collection of statistics to observe the gender by job classification breakdown, (6) a review of personnel policies and practices, (7) the setting of forward estimates and objectives, and (8) the monitoring and evaluation of the program. The progress of companies in implementing the eight steps required by the legislation is monitored through a self-reporting process. The vast majority of companies annually complete and submit a form provided by the Affirmative Action Agency.¹

Sanctions for not complying with the legislation are weak (Thornton, 1990). If a report is not lodged with the Agency without good reason, the employer is named in parliament. In 1992, the sanctions were strengthened with the introduction of

¹ Business units don't have to use the standard report form and can devise their own. They can also submit confidential reports. These practices are rarely adopted. In 1989-90, 10% elected to use a non-standard report form and 7% submitted confidential reports (Affirmative Action Agency, Annual Report, 1989-90). By 1990-91, the percentages had dropped to 5% and 1% respectively (Affirmative Action Agency, Annual Report, 1990-91).

contract compliance (Affirmative Action (Equal Employment Opportunity for Women) Amendment Act 1992). Those employers who failed to comply with the requirements of the Act would not be eligible for consideration for government contracts or specified industry assistance. In the absence of standards to define quality affirmative action programs, however, the legislation does not lend itself to the use of penalties to gain full compliance. The primary incentives for companies to introduce effective EEO practices are to be good citizens, to be *seen* as good citizens and to adopt good business practice.

Recognition of these incentives is at the core of the Affirmative Action Agency's regulatory strategy. Its regulatory posture has been one of conciliation, education and persuasion. Through a quarterly newsletter ("Action News"), special publications and seminars (Annual Reports, 88-89, 89-90; Taking Steps, 1990), recognition of employer initiatives (the annual Affirmative Action Awards), and through fulfilling their ongoing advisory function, the Agency has sought to convince its clientele that the legislation does not threaten the independent and smooth operation of organisations, but rather identifies a means by which human resources can be better managed to achieve greater efficiency for the organisation. In the words of the Director of the Affirmative Action Agency:

These [eight affirmative action] steps are a blueprint for good management of human resources and many employers regard their affirmative action program as a productivity exercise. Many recognise the importance of integrating affirmative action principles and objectives in other processes of reform occurring at the workplace or enterprise level. (From Affirmative Action Agency, Taking Steps, 1990, p. vii)

AFFIRMATIVE ACTION, EQUAL EMPLOYMENT OPPORTUNITY AND HUMAN RESOURCE MANAGEMENT

While the terms, affirmative action, equal employment opportunity and human resource management, have been used interchangeably at the level of policy implementation, they are to be distinguished at the theoretical level. A basic distinction has been made between the procedural and substantive interpretations of EEO/AA law (Edelman, Petterson, Chambliss & Erlanger, 1991). The procedural interpretation holds that men and women must be treated equally in employment decision making. This interpretation is compatible with the term equal employment opportunity, but not with the term affirmative action. The substantive interpretation defines equality not in terms of process but outcome. Thus, the substantive interpretation includes "an affirmative effort to promote the interests of previously unrepresented groups" (p.76). The substantive interpretation makes way for affirmative action programs that give preferential treatment to women as a means of correcting the past effects of discrimination.

Whereas affirmative action and equal employment opportunity are policies designed to protect the rights of employees, human resource management (HRM) is a strategy to help managers make the best use of their workforce (Storey, 1989). According to Guest (1987), the key components of HRM are maximising organisational integration and building employee commitment, flexibility and quality of work (Guest, 1987). Thus, policies which increase the commitment of women, the quality of their work and their flexibility in the workplace do have a place under the human resource management umbrella. A problem can arise,

however, when women's commitment, quality of work, and flexibility is not essential to the strategic plan of the organisation. EEO/AA policies are less likely to be endorsed where outcomes in the form of a better quality product or service are unclear or where initiatives adversely affect the productivity of others in the workforce. In a recent study of EEO officers (Braithwaite, 1992), programs for only female employees were frequently rejected because of the likely harm done to the morale of male employees.

This description of human resource management is the "hard" version that maximally distinguishes HRM from personnel management (Legge, 1989; Storey, 1989). Personnel management can be likened to the "soft" version of HRM since it is less concerned about integrating human resources into the strategic plan of the organisation. According to Torrington & Hall (1987), personnel management is more person-oriented, based on the premise that people must be treated as dignified human beings who will be effective as employees if their job-related personal needs are met. In spite of these differences in emphasis, both Guest (1987) and Legge (1989) claim that, in practice, the two approaches to managing people are likely to overlap considerably.

Given the different foci of affirmative action (equal outcomes), equal employment opportunity (equal treatment), human resource management (maximise individual effectiveness) and personnel management (satisfy individual needs), it is not surprising that there have been critics of the legislation and the Affirmative Action Agency's approach to its implementation (e.g. see Burton, 1991; Poiner & Wills, 1991; Sawyer, 1990; Thornton, 1990). Criticisms have tended to centre around three issues. First, concern has been expressed over the gap between procedural process as outlined in the eight steps of the legislation and outcomes. Thornton (1990) acknowledges that the legislation "contain[s] some vague idea that the workforce profile with respect to women is to be improved, but is critical of there being "no specific suggestions as to *how* this might be achieved..." (p.230). In the 1992 Effectiveness Review of the Affirmative Action Act (Affirmative Action Agency, 1992), it was noted that "A common criticism of EEO programs has been that they are highly proceduralized without clear connections to positive outcomes" (p. 73). The Agency has responded in terms of the development of performance indicators that provide quantitative summaries on the degree of occupational segregation, job security, and remuneration (see Affirmative Action Agency, 1992). Yet this is a rather narrow conception of outcome in that it does not take into account qualitative aspects of the work experience. Poiner and Wills (1991) take up this issue in concluding that the legislation has nothing exciting to say to female employees because it is about the administrative procedures of management and not about child care, permanent part-time work, flexible working hours and the like. It is left to management, in consultation with employees according to the legislation, to decide on the particular programs that improve the working life of women.

The second set of criticisms express concern about the limits to social change that can be achieved under the human resource management umbrella. To quote Burton (1991): "this focus—on the human resources needs of enterprises—allows much that needs to be changed to be left intact, in particular, the 'masculine' values which predominate in work organisations in the public and private sectors, and to which women are expected to conform." (p. xiii). For many who subscribe to the philosophy of human resource management, accommodating workforce diversity is no more than a means to an end. Creating a corporate culture and moulding

individuals into the culture is a higher priority than providing for the different needs of individuals:

The needs of our business will be most effectively attained if the needs of people for fulfilment, success, and meaning, are met....

But they are not more than that. ...the needs of the business must come first. (Barham et al. 1988, p. 28 cited in Legge, 1989)

Poiner and Wills (1991) evocatively present the potential conflict by contrasting an HRM program where "disadvantaged groups are sent off to assertiveness training sessions" with an EEO/AA program where "employers create work environments in which less 'assertive' employees can be productive and prosper" (p.16). Poiner and Wills go on to conclude that EEO/AA legislation will only benefit women who have their foot in the door, who fit the corporate image, and will do nothing to provide opportunities for those women whose style or needs are different. Thornton (1990) makes a similar point through her criticism of the "consummate role of merit" (p.230) in the legislation:

Nothing in this Act shall be taken to require a relevant employer to take any action incompatible with the principle that employment matters should be dealt with on the basis of merit. (Affirmative Action Act 1986, Section 3 (4))

Both Burton (1991) and Thornton (1990) recognise the difficulty and subjectivity in defining merit. Invariably, indicators of merit are tied closely to "organisational and institutional interests" (Cohen & Pfeffer, 1986, p.2). Through insisting that employers refrain from action that is incompatible with the principle of merit, Thornton argues, the message given is "that no change in the traditional nature of allocations is intended" (p.230).

The third body of criticism is levelled against the self-regulatory nature of the legislation. Claims have been made that the annual reports present a distorted picture of what is actually taking place in the organisation (Affirmative Action Agency, 1992; Poiner & Wills, 1991). The Agency rejects this criticism on the grounds that their own anonymous survey revealed that 75% of companies maintained that their reports were accurate, 12 % claimed they had under reported and 13% that they had exaggerated. In contrast, the Victorian Trades Hall Council (1992) audited 20 companies and found that while 67% claimed to have consulted with unions in their public reports, actual consultation could be verified in only 22% of cases. These seemingly conflicting findings can be reconciled. The problem may not be so much one of deliberate falsification as ignorance about what is actually happening with regard to EEO/AA in their company. Only a very small proportion of companies have someone who spends most of their time on EEO/AA activities (9%) (Affirmative Action Agency, 1992).

RESEARCH GOALS

The gaps between procedures and outcomes, between human resource management and outcomes, and between self-reports to the Agency and organisational practice are each addressed by drawing on quantitative data from two different sources: (1) the public reports from the private sector² lodged with the Affirmative Action

² Higher education institutions have not been included.

Agency for the period 1989-90 and 1990-91 and (2) the 1989-90 Australian Workplace Industrial Relations Survey (AWIRS) (Callus, Morehead, Cully & Buchanan, 1991).

The public reports provide an excellent sample of companies covered by the legislation. In both 1990 and 1991, the percentage complying with the legislation by lodging a report was 96%.³ The unit of analysis for the public reports is the business unit. A business unit may consist of a conglomerate of companies, a single company or a workplace within a company. Employers are responsible for defining their business unit or units.

The unit of analysis for the AWIRS data set is different from that of the public reports. The Australian Workplace Industrial Relations Survey represents a stratified random sample of workplaces, excluding those classified by the Australian Bureau of Statistics under defence and agriculture. The AWIRS data set captures organizations in both the public and private sector. Since the public sector is covered by legislation which is comparable to the Affirmative Action Act, these organizations were not removed from the sample. Excluded from the AWIRS data set were those workplaces with fewer than 100 employees because they were likely to fall outside the population covered by the Act.⁴

These two independent sources of information on the implementation of the EEO/AA legislation are used to address three specific research questions. The first examines the degree to which administrative procedures required by legislation are dissociated from work practices that are not mandatory, but directly affect women's experiences in the workplace. This question is addressed using both the public reports and the AWIRS. If deliberate falsification to impress the Affirmative Action Agency is taking place, the public report data should provide a more positive picture of the progress that is being made and of the link between procedural compliance and the achievement of outcomes. Convergence in findings from the public reports and the AWIRS, on the other hand, would suggest that a response bias to impress regulators was not the most likely explanation for findings based on the public reports.⁵

The second question focuses on the AWIRS data set to ascertain the strength of the relationship between procedural compliance and human resource management, and between the adoption of accommodating work practices for women and human resource management.

The third question extends this analysis by taking organizational characteristics into account as well as strategies for human resource management. The final set of analyses identify the major predictors of procedural compliance and accommodating practices and the extent to which their relationship can be explained in terms of other variables.

3 The base for this percentage is the number of business units registered with the Agency. It is not known how many business units have failed to register, although the number is expected to be small.

4 The resulting sample represents a conservative estimate of companies covered by legislation because of the exclusion of workplaces with fewer than 100 employees that were part of a larger business unit reporting to the Affirmative Action Agency.

5 It must be emphasized that in answering this question, the equally important issue of the gap between workplace practice from the perspective of employees and from the perspective of management is left untouched.

Of particular interest in the final set of analyses are differences between the models predicting procedural compliance and accommodating practices. Administrative procedures are regarded as having greater applicability across organizational contexts than specific EEO/AA initiatives. Based on this premise, the Affirmative Action Agency has set up special advisory services for different industry groups and published implementation guidelines for organizations of different sizes (see Affirmative Action Agency Annual Reports from 1988 through 1991). The need to tailor initiatives to the organizational context is understandable. A training program for women in a male dominated industry such as steel would not have the same impact as a training program in a traditionally female dominated industry such as hairdressing. It remains to be seen, however, whether procedural compliance varies across contexts and whether the total number of initiatives is as constrained by the organizational context as specific initiatives appear to be. The final analyses provide an opportunity to examine the relative importance of the organizational context in predicting procedural compliance and the number of accommodating practices adopted in the workplace.

KEY VARIABLES

In order to address these questions, a set of numerical indices were developed. The central variables were defined as follows:

Procedural compliance: This was a numerical index defined in terms of the number of steps in the legislation that companies reported implementing. Slightly different, but comparable measures were developed from the public report data and the AWIRS data.

Accommodating Practices: The number of programs that have theoretical importance in facilitating women's work force participation were summed to give a measure of accommodating practices. Such programs include those that assist with juggling family responsibilities and provide opportunities for training. Two rather different indices were developed, one from the public reports, the other from the AWIRS.

Human resource management commitment: Measures of commitment to human resource management could only be developed within the AWIRS data set. Three facets of human resource management were measured through three separate indices. The first represented the degree to which the organization had invested resources in communication, an essential component in building commitment and a coherent, strong culture (Legge, 1989). The second captured the "hard" side of HRM, strategies adopted by management to use human resources in the most effective way possible (Guest, 1987; Keep, 1989; Torrington, 1989; Storey, 1989). The third represented the "soft" side of HRM or the personnel management approach, providing resources that satisfy the needs of employees (Torrington, 1989). This latter measure excluded provisions that were of particular benefit to women since they had already been included in the accommodating practices index.

PUBLIC REPORTS

Procedural Compliance

In the 1989-90 and 1990-91 annual affirmative action reports, business units answered a series of questions indicating which of the eight steps they have undertaken and how the steps have been implemented. Ten questions taken directly from the report to represent procedural compliance are given in Table 1, along with rates of implementation over the two reporting periods.⁶

A notable feature of the data presented in Table 1 is the low implementation rates associated with consultation, setting forward estimates and evaluation. Companies clearly are not reluctant to acknowledge their non-compliance with the legislation. One possible interpretation is that lower rates of implementation are due to smaller and medium sized companies being late starters and having yet to get around to attending to the more time consuming steps. The reporting requirement came into effect over a three year period, with band 1 employers (employers with 1000 employees or more) first reporting in 1987, band 2 employers (those with between 500 and 999 employees) in 1988 and band 3 employers (those with 100 to 499 employees) in 1989. The pattern did not change, however, when the staggered entry of companies was taken into account. When compliance was examined by time of entry, levels of implementation were generally lower in smaller companies, but the poorly implemented steps remained the same.

The responses to the ten questions in Table 1 were coded such that business units were given a score of 2 for compliance, 1 for non-compliance and 1.5 for partial compliance. If companies indicated that union consultation was not applicable to them, they were given a score of 1.⁷ Responses to the ten questions were positively intercorrelated, suggesting that it was legitimate to conceptualize compliance in terms of a single underlying continuum. The alpha reliability coefficient for the items was .83 in 1989-90 and .78 in 1990-91, thereby justifying the summing of responses to form a procedural compliance scale. In neither reporting period was the alpha coefficient improved by the deletion of any item. Scale scores ranged from 10 to 20 with a mean of 16.25 in 1989-90 and 16.74 in 1990-91.

⁶ Not included is Step 5, examining the employment profile by gender. The public report data set did not include a readily accessible quantitative index of whether the business unit had analyzed their profile in any systematic way. When the Affirmative Action Agency (1992) described performance on this step, they reported little variation with 99% of business units in compliance.

⁷ These companies were thereby penalized for not having union representation in their workplace. The effect on the results, however, was negligible. The pattern of results did not change markedly when analyses were rerun giving such companies an advantage by scoring them 2.

Table 1: Implementation rates in 1989-90 (N=2363) and 1990-91(N=2340)

Step	Question ¶	% yes (1989-90)	% yes (1990-91)
1	Has the business unit issued an affirmative action policy statement to all employees?	79.6	86.6
2	Has the business unit assigned responsibility for the affirmative action program to a senior person(s)?	92.9	94.8
3	Has the business unit consulted with unions whose members are affected by the affirmative action program?	21.6 [†] 21.8 [‡]	20.0 [†] 22.9 [‡]
4	Has the business unit consulted with women employees over the affirmative action program?	24.6 [†] 44.2 [‡]	21.1 [†] 54.0 [‡]
4	Has the business unit consulted with employees in general over the affirmative action program?	27.0 [†] 44.9 [‡]	20.2 [†] 51.5 [‡]
6	Has the business unit started a review and analysis of personnel policies and practices during the year ending 31 January 1990?	70.5	82.3
7	Has the business unit set objectives for its affirmative action program during the year ending 31 January 1990?	63.1	70.6
7	Has the business unit set or updated forward estimates for its affirmative action program during the year ending 31 January 1990?	35.8	37.1
8	Have monitoring procedures been set in place?	60.1	73.6
8	Have evaluation procedures been set in place?	55.8	68.4

† all

‡ some

¶ Questions 3 to 10 were worded somewhat differently in 1990-91. The major difference is the addition of 'during the reporting period' in the 1990-91 form.

Accommodating actions

As part of the process of assessing the annual reports, the Affirmative Action Agency has developed a system of keywords that indicate whether or not specific initiatives have been undertaken in particular business units. Of these keywords, thirteen were regarded as indicative of business units going beyond procedural compliance and seeing the relevance of EEO/AA law to workplace practices. The percent of companies assigned these keywords are reported in Table 2. The keywords differed somewhat from 1990 to 1991, so that direct comparisons of frequencies are not always possible.

Table 2: Percent of business units demonstrating involvement in activities to accommodate women's needs in the workplace (Affirmative Action Public Reports)

Keywords indicating involvement	1989-90	1990-91
Award restructuring	7.1	9.8
Career break schemes	.3	.5
Promoting non-traditional work for women	2.3	3.8
Addressing structural barriers to women's employment	.7	.7
Training in career planning	1.8	1.7
Re-training	.6	na
Re-entry training	0.0	na
Management development programs for women	.5	na
Women's networks	.2	na
Workers with family responsibilities	4.3	4.7
Affirmative action awareness training	2.7	2.9
Ensuring women have access to training	na	4.5
Recognizing women's employment needs when complying with the Training Guarantee Act	na	1.4

na not applicable

The changes that are reported as initiatives to accommodate women are small, although the Affirmative Action Agency has pointed out that companies often don't recognize EEO/AA initiatives as such and do not report them. Based on their survey of EEO coordinators (52% responded), the Agency found that 85% had introduced one or more of flexible working hours, child care assistance, or using award restructuring to improve women's access to training (Affirmative Action Agency, 1992). From Table 2, the most frequently mentioned initiatives from the public report data involved award restructuring and workers with family responsibility. It is of interest that both have received considerable backing from sources other than the EEO/AA legislation. These issues have been given a high profile in the community through the industrial relations system, through other government agencies, and through Australia's ratification of International Labour Organization Convention 156.

Of the eleven initiatives examined in 1989-90, 83.5% of business units did not make reference to any in their report, 12.9% acknowledged implementing one, 3.1% two and .4% three. By 1990-91, the pattern of responses had improved but remained unimpressive. No initiatives were mentioned by 75.9% of business units, one initiative was recorded for 19.1%, two for 4.5%, and 3 for .5%. A count of the number of initiatives reported to the Agency was regarded as the most suitable indicator of a business unit's commitment to accommodating women in the workplace. The assumption is that companies that place a higher priority on EEO/AA practices will have implemented more initiatives and will think to mention them in their report to the Agency.

Are procedural compliance and accommodating practices related?

For the 1989-90 reporting period, the correlation between procedural compliance and accommodating practices was positive and significant ($r = .22, p < .01$). The relationship between these variables in 1990-91 was very similar ($r = .24, p < .01$).

While these results are encouraging for legislators, interpretation is hampered by problems of causality, confounding variables, and of more immediate importance, the reliability and validity of the measures. The compliance scale was the stronger of the two. Over a 12 month period, a general improvement in performance is to be expected, but the relative positioning of the companies should not change dramatically. This prediction is supported by a relatively strong correlation between the procedural compliance scores for the 1989-90 and 1990-91 reporting periods ($r = .58, p < .001$). As anticipated given the staggered commencement dates for companies of different sizes, compliance for the 1989-90 period was related to the size of the organization ($r = .24, p < .01$) and the time that had elapsed since the first policy statement was issued ($r = .58, p < .001$).

The much lower stability over time associated with the accommodating practices index is of concern ($r = .24, p < .01$). The relatively low correlation between the accommodating practices indices for 1989-90 and 1990-91 may reflect unreliability or differences in keywords across reporting periods. More encouraging were the findings that the accommodating practices index, like the compliance scale, correlated positively with the size of the organization and the time that had elapsed since the first policy statement was issued ($r = .28, p < .01$ and $r = .25, p < .01$ respectively). Because of concerns about the reliability of the accommodating

practices index, it was useful to compare these results with those obtained using the AWIRS data set.

THE AUSTRALIAN WORKPLACE INDUSTRIAL RELATIONS SURVEY

The procedural compliance measure derived from the AWIRS was not as comprehensive as that developed from the public reports with proxy measures available for only five of the eight steps: having a policy statement, appointing a senior officer responsible for EEO, consulting with unions, reviewing personnel practices and setting employment objectives. The six relevant questions from the Employee Relations Management Questionnaire reflect an organization's willingness to implement the legislation to remove sex discrimination and to set up processes to further this objective (see Table 3). The percentage of managers endorsing each item are presented in Table 3. The responses to these items were intercorrelated (alpha reliability coefficient = .62), once again justifying the development of a procedural compliance scale. Scores were normally distributed and ranged from 6 to 12 (mean = 9.10, standard deviation = 1.46), with higher scores indicating higher compliance.

The AWIRS accommodating practices index comprised seven items that appear in Table 3 along with the percent of workplaces engaged in each activity. For six items, the informant was the employee relations manager. The seventh item was constructed from the Employee Profile Questionnaire in which the number of permanent part-time positions was recorded. This variable was scored dichotomously (present=2 or absent=1) as were the other items in the accommodating practices index. Total scores ranged from 7 to 14. The scores were normally distributed with a mean of 10.70 (standard deviation = 1.30).

The AWIRS accommodating practices index revealed greater activity in the business community than was suggested by the public reports. These data support the Agency's claim that those who complete the annual report on EEO/AA are not aware of activities in the company that could be classified as EEO/AA initiatives. In contrast to the public reports, the AWIRS items at the time of data collection were in no way linked with programs addressing discrimination against women. Nevertheless, such workplace practices are potentially of greater benefit to women than men.

The AWIRS accommodating practices index is stronger than its counterpart developed from the public reports. The measure is based on closed response questions whereas the public report version was developed from the Affirmative Action Agency's coding of qualitative information. In the latter case, EEO officers could forget to record an initiative in their annual report or the Affirmative Action Agency could fail to recognize and/or code an initiative while reviewing the report.

When the procedural compliance scale and the accommodating actions index were correlated for the AWIRS, the Pearson product moment correlation coefficient was .31 ($p < .01$). Different data and different measures confirmed the findings from the public report data: that setting up the processes that are mandatory under the Affirmative Action legislation is associated with workplace initiatives which potentially benefit women.

Table 3: The compliance (N=810) and accommodating practices (N=808) measures taken from the AWIRS data set

Procedural compliance and accommodating practices	% yes
Procedural compliance	
Does this workplace have ...	
a written policy on EEO ? (<i>Step 1</i>)	81
a person in the organization responsible for promoting EEO ? (<i>Step 2</i>) ¶	73
a person in the organization spending the majority of her/his time on EEO ? (<i>Step 2</i>) †	38
an agreement in writing with a union on EEO ? (<i>Step 3</i>)	28
employment targets for women in male dominated positions ? (<i>Step 7</i>)	12
jobs which are only available for men ? (<i>Step 6</i>) ‡	19
Accommodating practices	
Child care facilities	3
Rostered days off	80
Leave to care for sick family members	58
Paternity leave	11
Paid leave or financial assistance for study for non-managerial staff	77
Formal instruction program to develop skills	76
Permanent part-time positions	64

¶ This person may be at this workplace or higher up. The variable is constructed from two variables, EF2 and EF5 (See AWIRS Employee Relations Management Questionnaire, User's Guide, SSSA Study No. 600).

† This person may be at this workplace or higher up. The variable is constructed from two variables, EF3 and EF6 (See AWIRS Employee Relations Management Questionnaire, User's Guide, SSSA Study No. 600).

‡ This item was reverse scored for the procedural compliance scale.

AWIRS AND HUMAN RESOURCE MANAGEMENT

Measuring Three Aspects Of Human Resource Management

Given the range of definitions and meanings attached to human resource management, the approach to its measurement in this context requires some elaboration. Having employees with human resource management in their work titles was not regarded as a sufficiently sensitive measure of commitment to human resource management principles. As Guest (1987) and Legge (1989) have pointed out, there are many examples of changes in titles to reflect the new fashion without substantive changes in style of operation or conceptualization. At the heart of human resource management models are notions that human resources are integrated into strategic planning and business strategy, that employees have commitment to the organization, that employees are adaptable and flexible, and that quality is achieved in staffing, in performance and in the public image (Guest, 1987). Organizations with interest in human resource management models, therefore, might be expected to expend resources on developing and nurturing the skills of its workforce, on ensuring effective methods of communication to build commitment and clarity of purpose, and on adopting workplace practices that use the workforce in the most effective way possible. To capture management's endorsement of this philosophy, the following three scales were developed from the Employee Relations Questionnaire.

The Communications Scale

Effort devoted to communications was measured through a scale tapping the availability of seven forms of communication between management and employees: (a) workplace newsletter or staff bulletin, (b) regular meetings between senior management and employees, (c) task forces, ad hoc committees or working parties, (d) regular meetings between employees and supervisors or line management, (e) ongoing formal joint consultative committees, (f) quality circles or productivity improvement groups, and (g) regular social functions. Each method of communication was scored as present (2) or absent (1). Their alpha reliability coefficient was .62 and could not be improved through omitting any of the items.

Employee Relations Scale

The second scale representing the "soft" side of human resource management measured the provision of benefits and facilities for employees which would enable them to give their best performance to the organization. The nine items used for this scale involved the provision of : (a) a canteen, (b) English classes, (c) facilities for people with disabilities, (d) medical and dental care, (e) welfare or counselling, (f) recreation and fitness facilities, (g) social club, (h) security of employment, and (i) employee relations training for first line supervisors. Again the items were scored as present (2) or absent (1). The alpha reliability for the scale was .64 with all items contributing to the cohesiveness of the scale.

Management Strategies Scale

The third scale comprised seven items representing the "hard" side of human resource management, that is, the use of management strategies to obtain the most effective results from employees: (a) a training scheme, (b) job redesign, (c) semi-autonomous work groups, (d) skills audit, (e) staff appraisal, (f) quality circles, and (g) total quality control. Using a 1-2 scoring system for each item, the alpha reliability for this scale was .63 with all items making a positive contribution to the scale's internal consistency.

When the three scales were intercorrelated with each other, the overlap referred to by Guest (1987) and Legge (1989) was evident. The "soft" and "hard" applications of HRM tended to proceed hand in hand. The employee relations scale correlated .35 with management strategies, while the communications scale correlated .42 with management strategies and .45 with employee relations.

PROCEDURAL COMPLIANCE, ACCOMMODATING PRACTICES AND HUMAN RESOURCE MANAGEMENT

As predicted, both procedural compliance and accommodating practices were correlated significantly with the human resource management scales (see Tables 4 and 5 for the Pearson product moment correlation coefficients). The strongest correlate was employee relations, followed by communications, and lastly, management strategies. The human resource management scales tended to be more strongly linked to the accommodating practices index than to procedural compliance. This is consistent with the Affirmative Action Agency's intention that the private sector regard EEO/AA legislation as good business practice rather than as an administrative procedure that does not impinge on the day to day running of the organization.

PREDICTING PROCEDURAL COMPLIANCE USING AWIRS

The above findings confirm the hypothesis that workplaces that strongly endorse human resource management are also workplaces that are more strongly committed to the legislation. Yet other variables may be important predictors of compliance in their own right and may explain the relationship between procedural compliance and accommodating practices. These variables fall into two broad categories: organizational structure and workforce characteristics, demands and pressures.

Organizational Structure

Five aspects of the organization's structure were considered important. First, the size of the organization was relevant, the hypothesis being that larger organizations would have more resources for implementing the legislation and would have had more time to implement it effectively. Arguments of resources and time can be extended to differentiate the public and private sector. Because of an earlier commencement date, public sector organizations were expected to be more advanced than those in the private sector. In addition, public sector workplaces

could be expected to have relatively less opportunity for ignoring the legislative requirements.

Compliance with the legislation was also likely to be affected by the degree to which the workplace had autonomy to make decisions about EEO implementation. A case can be made for an effect either way. In 1987 with changes to the administration of EEO/AA in the Australian Public Service, Burton (1991) argued that having a central agency with the responsibility for monitoring programs across departments and workplaces was a far more effective means of achieving change than devolving responsibility to departments or work groups. On the other hand, a workplace which sees the value of EEO might be hampered in implementation by an overly controlling and unsympathetic head office. Four measures of autonomy were adopted. The first was the relatively crude index of whether or not there were other workplaces in the organization. The second was whether or not the workplace was controlled or owned by another. The third was whether or not the workplace had an overseas head office. This was a particularly interesting variable in that a more progressive overseas head office could expect more vigorous implementation of equal employment opportunity than was customary in Australian workplaces. The fourth was a four item scale comprising items that asked general management who made decisions about (a) a new senior manager at the workplace, (b) a decrease in the number of full-time employees by 10%, (c) the introduction of a new bonus or incentive scheme, and (d) the use of financial or budgetary surplus. Responses were rescored into three categories: (1) others decide, (2) this workplace makes a recommendation, and (3) no-one else decides. In cases of a single workplace, the maximum score of 12 was assigned. The scale had an alpha reliability coefficient of .84 which could not be improved by the deletion of any item.

Finally, industry type was added to the list of control variables. The procedures are assumed to be applicable across contexts, but it is not known whether some industries have implemented the legislation more successfully than others. Workplaces were coded into eleven categories using the Australian Standard Industry Classification.

Workforce Characteristics, Demands And Pressures

Other variables considered to be important in determining business reaction to the legislation were more individualistic and social. Reforms may be dependant on a critical mass of women in the workplace, making the proportion of women a relevant consideration. Also potentially important were the proportion of older employees and the proportion of migrants. Older employees may be less willing to accept EEO principles, while a large migrant population may increase management's awareness of the need to be responsive to diversity in the workforce. In terms of the demands of the job, a system of internal promotions and high on the job training costs may encourage the introduction of a serious EEO program to keep highly valued staff. Finally, outside influences may serve to prioritize EEO as an issue in the workplace, not only in a procedural sense, but also in terms of working conditions for women. Union influence is the most obvious pressure of this kind, but outside consultants and employer associations may also play a part in bringing about change which is both procedural and related to women's working conditions.

A Regression Model Predicting Procedural Compliance

Table 4: Changes in R² and beta coefficients for hierarchical least squares regression models predicting procedural compliance (N = 772)

Predictors	<i>r</i>	beta coefficients	
		Model 1 controls	Model 2 controls + HRM
<i>Controls</i>			
Organizational size ^a	.08**	.05	-.04
Public sector ^b	.27**	.28**	.21**
Multiple workplaces ^b	.15**	-.02	-.02
Overseas head office ^b	-.06*	.04	.00
Controlled workplace ^b	.25**	.19**	.16**
Decision-making autonomy	-.26**	-.07	-.07
Mining ^c	-.06*	-.02	.01
Electricity ^c	.02	-.02	-.01
Construction ^c	-.05	-.06	-.03
Wholesale, retail ^c	.12**	.19**	.23**
Transport ^c	-.01	-.06	-.03
Communications ^c	.19**	.10**	.10**
Finance ^c	.02	.08*	.10**
Public administration ^c	.05	.02	.04
Community, ^c	.09**	.05	.06
Recreation ^c	-.09**	.01	.02
Percent over 50 years of age ^d	-.02	.02	.02
Percent migrants ^d	.00	.09**	.07*
Percent female	.07*	.06	.05
Time to learn job ^e	.18**	.10**	.06
Percent managers promoted from within ^e	.30**	.20**	.18**
No. of unions ^f	.14**	.06	.03
Advice from employee associations ^b	-.06*	-.02	.01
Advice from consultants ^b	.10**	.11**	.09**
<i>Human resource management (HRM)</i>			
Communications scale	.22**		.06
Employee relations scale	.34**		.23**
Management strategies scale	.17**		.06
Adjusted R ²		.27**	.32**
Change in R ²			.05**

* significant at the .05 level

** significant at the .01 level

a Organizational size was collapsed into 6 categories: 100-150 = 1; 151-200 = 2; 201-300 = 3; 301-600 = 4; 601-1000 = 5; > 1000 = 6.

b Dichotomous variable scored 2, other 1.

c The 11 ASIC categories were converted into 10 dummy variables, scored 0 and 1, with the largest category, manufacturing, being the omitted variable.

d This variable is collapsed into four categories assumed to behave as an interval scale.

e This variable is collapsed into six categories assumed to behave as an interval scale.

f The range of this variable is truncated at 16. Thus, if the number of unions exceeded 16, the variable is scored 16.

The way in which organizational and workforce characteristics and human resource management strategies combine to affect procedural compliance was investigated using hierarchical least squares regression analysis. This analysis provided the opportunity to establish whether human resource management was important in predicting procedural compliance when other factors were controlled. The organizational and workforce characteristics were entered into the model in one block as the control variables (see Table 4). They accounted for a substantial 27 % of variance in procedural compliance. Subsequently, the human resource management variables were entered into the equation. They accounted for an additional and significant 5% of variance. This analysis shows that the human resource management variables are important in their own right as predictors of procedural compliance.

From the beta coefficients in Table 4, nine variables made a significant contribution, eight of them being control variables. The public sector was significantly more likely to be in compliance with the legislation than the private sector, as were workplaces which were controlled or owned by another workplace. Compliance was also likely to be greater in workforces that had a high proportion of managers promoted from within and that had a high proportion of migrant workers. Calling on outside consultants on EEO was also an indication of higher procedural compliance. Industry type also accounted for differences in compliance with the wholesale-retail industries, communications industries and finance industries performing well.

The most important human resource management variable was the employee relations scale representing the "soft" side of HRM. At the same time, it is important to note that all three human resource management scales were correlated with procedural compliance and made a significant contribution to the regression model when they were entered individually. Their relatively strong interrelationships, however, resulted in the employee relations scale dominating to the detriment of the other two in the composite model presented in Table 4.

PREDICTING ACCOMMODATING PRACTICES USING AWIRS

TABLE 5: CHANGES IN R² AND BETA COEFFICIENTS FOR HIERARCHIAL OLS REGRESSION MODELS PREDICTING ACCOMODATING PRACTICES (N = 772)

Predictors	r	beta coefficients		
		Model 1 controls	Model 2 controls + HRM	Model 3 controls+HRM +compliance
<i>Controls</i>				
Organizational size ^a	.30**	.24**	.12**	.13**
Public sector ^b	.39**	.24**	.15**	.13**
Multiple workplaces ^b	.08**	.02	.02	.03
Overseas head office ^b	-.08**	.03	-.03	-.03
Controlled workplace ^b	.01	.10*	.06	.05
Decision-making autonomy	.03	.05	.04	.05
Mining ^c	-.07*	-.01	.03	.03
Electricity ^c	.04	.04	.05	.05
Construction ^c	.00	.06	.10**	.10**
Wholesale, retail ^c	-.15**	.01	.06	.04
Transport ^c	-.03	-.02	.01	.02
Communications ^c	.15**	.12**	.12**	.11**
Finance ^c	.02	.08*	.09*	.08*
Public administration ^c	.16**	.12**	.13**	.12**
Community ^c	.25**	.14**	.15**	.15**
Recreation ^c	-.05	-.02	.03	.03
Percent over 50 years of age ^d	.08**	.04	.05	.05
Percent migrants ^d	-.03	.00	-.01	-.02
Percent female	.14**	.14**	.12**	.11**
Time to learn job ^e	.12**	.08*	.03	.02
Percent managers promoted from within ^e	.03	.01	-.02	-.04
No. of unions ^f	.22**	.05	.01	.01
Advice from employee associations ^b	-.02	.04	.00	.00
Advice from consultants ^b	.09**	.06	.03	.02
<i>Human resource management (HRM)</i>				
Communications scale	.34**		.12**	.12**
Employee relations scale	.46**		.25**	.23**
Management strategies scale	.24**		.07*	.06
<i>Compliance</i>				
Procedural compliance	.31**			.10**
Adjusted R ²		.27**	.35**	.36**
Change in R ²			.08**	.01**

* significant at the .05 level

** significant at the .01 level

a Organizational size was collapsed into 6 categories: 100-150 = 1; 151-200 = 2; 201-300 = 3;

301-600 = 4; 601-1000 = 5; > 1000 = 6.

b Dichotomous variable scored 2, other 1.

c The 11 ASIC categories were converted into 10 dummy variables, scored 0 and 1, with the largest category, manufacturing, being the omitted variable.

d This variable is collapsed into four categories assumed to behave as an interval scale.

e This variable is collapsed into six categories assumed to behave as an interval scale.

f The range of this variable is truncated at 16. Thus, if the number of unions exceeded 16, the variable is scored 16.

A hierarchical least squares regression model was used to identify the factors contributing to variation in the accommodating practices index (see Table 5). The same control variables as used in predicting procedural compliance were entered into the model on the first step. As was the case with procedural compliance, the control variables accounted for 27% of variance. The second block of variables added to the equation were the human resource management scales. They explained an additional 8% of variance. Finally, the regression model was extended to address the question of whether or not procedural compliance contributed to accommodating practices, once all other variables including those associated with human resource management were taken into account. When procedural compliance was entered into the equation, a further significant though small increase of one percent was obtained.

One interpretation of these findings is that procedural compliance accounts for a small proportion of variance because its effect is indirect. Procedural compliance increases commitment to human resource management strategies which, in turn, increases the number of accommodating practices in the workplace. This thesis was tested through a further regression analysis in which procedural compliance was entered into the regression equation after the control variables, with the human resource management variables added last of all. The results did not support the indirect effects interpretation. Procedural compliance explained an additional two percent of variance and the human resource management variables subsequently added a further 7%. These results are not markedly different from those reported above and presented in Table 5. When organizational and workforce characteristics are controlled, procedural compliance and human resource management contribute independently to accommodating practices, with human resource management being the more important.

From the beta coefficients in Table 5, the greatest number of accommodating practices were likely to be found in large organizations, in the public sector and in certain industries, specifically, finance, communications, construction, public administration and those providing community service. Of particular interest was the finding that the percent of women in the workforce was a stronger predictor of accommodating practices than procedural compliance. The higher the percentage, the greater the number of accommodating practices reported. It would be of interest to understand the direction of causality in this relationship. Do accommodating practices attract female employees or is a critical mass a precursor to action being taken? Finally, two human resource management variables made a substantial contribution. The first, employee relations, was also important in predicting procedural compliance. The second was the communications scale. Where the workplace allocated resources to improve communication, accommodating practices were more likely to be found.

CONCLUSION

Data from two different sources converge in supporting an empirical relationship between procedural compliance with the Australian Government's affirmative action legislation and adopting practices that accommodate the needs of women in the workplace. Companies that have undertaken more steps are also the companies that have provided flexible work patterns, child care, permanent part-time work, and skills development programs.

While these data do not provide any basis for inferring cause and effect, one is tempted to conclude that the data are at least consistent with the theory behind the framing of the legislation. The intention of the Affirmative Action Act was to bring about change in work practices through facilitating employers' self-awareness of the way in which sex discrimination operated in the workplace. The eight steps were the keys to the doors of enlightenment. When the relationship between procedural compliance and accommodating practices was examined against the backdrop of other organizational and workplace variables, however, a somewhat different picture emerged of the process by which change was taking place.

From the regression analyses, organizational and workforce characteristics were important in predicting both procedural compliance and accommodating practices. Further research is required to understand the degree to which these differences are due to willingness or capacity to implement the legislation. When the organizational and workforce variables were controlled, commitment to human resource management remained important in accounting for the progress that had occurred over the first five years of the operation of the Act. Human resource management played a significant role in predicting both procedural compliance and accommodating practices. Both were higher in companies which had strong human resource management programs in place. Where companies had little time for human resource management, procedural compliance was low as were the accommodations made for women in the workplace.

Of particular interest was the way in which the three aspects of human resource management represented in this paper correlated positively with EEO/AA activities. While the "soft" version captured by the employee relations scale was the dominant predictor, support for EEO/AA came from advocates of the "hard" version as well. Furthermore, the soft and hard versions are practiced more often together than apart. In some quarters there appears to be genuine acceptance that EEO/AA is not just a social justice issue, but also a means for gaining competitive advantage and fully utilizing available talent.

From the perspective of the Affirmative Action Agency, these findings are not surprising. Confronted with a hostile business community that was opposed to anything being mandatory and a piece of legislation that had very little in the way of teeth, the Agency had to find a means of selling EEO/AA law and practice to the Australian business community. Thus, EEO/AA has become synonymous with "best practice". Through choosing human resource management as the horse to pull the legislative cart, the Affirmative Action Agency was able to preserve consensus and move forward.

Yet there are warnings in these findings for the future. Companies that do not place value on HRM or personnel functions are at risk of being left untouched by the legislation. These are the companies that are most likely to be doing the absolute minimum; that is, assigning responsibility to someone in the company, writing out a policy statement, submitting a report containing some numbers of dubious worth and forgetting all about it for another year. When there is no valued organizational function to which EEO/AA can be attached, the legislation assumes low priority and little change can be expected to take place. The analyses suggest that such problems are exacerbated by organizational characteristics. Private sector independently operated workplaces have yet to be persuaded of the value of EEO/AA administrative procedures while small private companies lag behind in adopting accommodating workplace practices.

These data also raise concerns about the central thesis that if workplaces are forced to monitor and evaluate their own performance with regard to women's employment, they will remove discriminatory practices. First, this state of self-awareness does not appear to be a readily attainable goal. The steps that are crucial to coming to terms with one's own discriminatory practices are consultation, setting forward estimates, monitoring and evaluation. These were the steps that business units were least willing to engage in. Second, the findings are not particularly encouraging for the thesis that procedures geared to raising self-insight will result in changes to workplace practice. When all other variables were controlled, the level of procedural compliance had only a very small effect on the number of accommodating practices that had been put in place. Possibly this reflects the relatively short time that has elapsed since the legislation was introduced. The more likely explanation, however, is that recognizing a problem does not provide the necessary know-how for fixing it.

Supporting this argument is the finding that an important predictor of changing workplace practices was the human resource management scale, communications. This result suggests that if change is to occur at the coal face, the organization must devote resources to building a good communication network where information and feedback flow readily and easily from one group to another. The know-how for fixing problems can lie in the organization itself as long as appropriate mechanisms are in place for dialogue between groups and joint problem solving. Beyond that, these data suggest that the role that the Affirmative Action Agency is beginning to play in providing models for different industry groups (Affirmative Action Agency, 1992) will be important in ensuring that procedures of self-analysis are followed up by changes in practice.

The final point for discussion is whether the Affirmative Action Act has had any effect on workplace practice or would these changes have taken place in any case through human resource management programs. To dismiss the legislation as ineffective at this point is premature. The legislation takes us on a complex, slow and subtly marked path to social change. As both Ronalds (1987) and Pratt (1991) have argued, its effectiveness cannot be properly judged within 10 years of its operation.

In the meantime, there are reasons for optimism. When large scale social change is the desired goal, redundancy in the messages from society's major institutions is advantageous. As noted earlier in the paper, the accommodating practices that were being adopted by business were being recommended not only by the Agency, but were being demanded in the social and political domains as well. Similarly, human resource management should not be seen as an alternative, but rather as a organizational support structure for EEO/AA legislation.

Furthermore, human resource management programs operate in organizational contexts that carry with them the values and prejudices that pervade the culture. Human resource managers, like all managers, need to be given a looking glass so that they can see their own prejudices standing in the way of the development of talent and commitment. The Affirmative Action (Equal Employment Opportunity) Act provides such a looking glass. The legislation signals to business, women, and the community at large that there is no place for discriminatory practices at work. As pressure continues to mount from social and political sources, the Affirmative Action Act is playing its role in giving Australian companies direction to contribute

to social justice and improve their social and economic standing in the community at the same time.