Design Node Document

A03 Managing Resources

A03.02 The Business Case for Gender EquityMichael Smith, RAIA – The Red and Black Architect



03.2015

For those working within the Australian architecture profession there is ongoing discontent about how poorly an architect's input is valued and remunerated. When compared with engineers, construction managers and other professionals within the building industry, architects are most often the lowest paid by a long margin. How can this great profession claw its way back from such a dire position? Many people have been looking at these issues from a variety of perspectives. While the issue is multifaceted in its causes and solutions, there is one area that could almost certainly produce substantial inroads within a relatively short time frame – diversity of the profession.

There are a great many reasons why our profession needs to address diversity and gender equity issues. Fundamental human rights and the Australian belief in 'a fair go' are good starting points, however, what is often not clearly communicated, is the good business sense and financial benefits of achieving meaningful diversity.

Strength in a diverse architectural team

Despite the prevalence of the idea of the 'starchitect' as master creator, the reality is that architecture is much more like a team sport than an individual one. Like any team sport, relying too heavily on individuals within the team is a recipe for failure. The architecture profession has taken far too long to figure out how to properly build a team.

The primary go-to system for team building in architecture is as follows:

- Step 1 Architect believes in own skill and begins a practice.
- Step 2 Having been successful they find themselves with too much work and need to recruit.
- Step 3 Consciously or unconsciously they hire new staff that, in some way, fit with their own ideals. Often the architect sees him or herself mirrored in a specific job seeker who is then selected to be their protégé – I am interested in football, they are interested in the same team. We could talk about football over our lunch break etc.
- Step 4 Mini-me is hired and the process begins again at step 2.

In larger practices this is described as determining if the applicant is a 'a good fit' for the business. The potential candidate likes football... we have a tipping competition... they would contribute to our 'fun' culture. We use software X, they use software X; they would be a good fit. The problem is obvious – a lack of diversity. By the time you have employed your fortieth mini-me you have handicapped your team's performance.

To continue the sporting metaphor you have 18 full forwards and no one playing any other position.

Back in the architecture studio, there is an opportunity for the team to broaden their skill set and their worldview. But how does this relate to the financial success of the architecture practice?

An architecture practice essentially is paid to think – to analyse, problem-solve, conceptually create and then communicate their ideas.

An architectural practice that can develop and communicate more innovative, more creative and more rigorous ideas will have an advantage over the competition. This leads to better final products and more commissions for that practice. When a practice is in high demand they can then either expand to do more work or increase their fees and only take the better paying work.

So, if innovation, creative thinking, critical thinking and problem solving are key to achieving greater financial performance in architectural practice, we must look at how to optimise the architectural team in order to enhance the intellectual and creative output.

Diversity and creativity

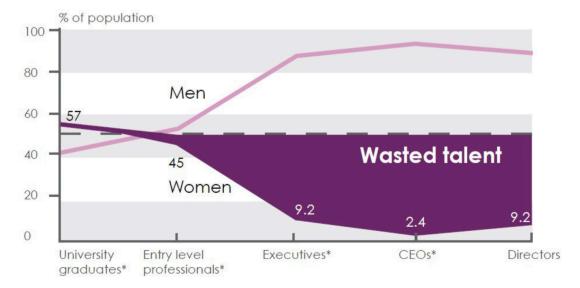
"The fact is that if you want to build teams or organizations capable of innovating, you need diversity. Diversity enhances creativity. It encourages the search for novel information and perspectives, leading to better decision making and problem solving." — Katherine W. Phillips, Scientific American¹

This is the conclusion, after decades of research, of Katherine W. Phillips, Professor of Leadership and Ethics and vice chancellor of the Columbia Business School. The reason that diversity improves creativity is actually quite straightforward. Firstly, a team with diversity will bring a greater number of ideas to the table – an idea selected from a list of ten is likely to be better than an idea selected from a list of three. Secondly, research has shown that when ideas are presented to someone who is socially different to the originator, it is human nature to prepare better and argue harder for their idea. So a diverse team will have a stronger debate over a greater number of ideas, making them more likely to produce higher quality ideas.

Ultimately if you employ five architects in your team, why on earth would you want them to think the same way?

Strength in a diverse leadership team

Diversity in the highest level leadership positions within an architecture practice is just as important as within the design teams. There is substantial proof, from a wide body of research, that gender-diverse executive teams and company boards achieve better financial performance than those whose boards are dominated by men. Not just a little bit better either. In the UK, companies with gender-diverse boards enjoyed Earnings Before Interest and Tax (EBIT) results that were double the industry average — Advancing Women²



^{*} Source: EOWA Analysis 2012 ASX500 + Mc Kinsey Women Matter Asia 2012

The graph above – often referred to above as 'the stupid curve' – applies to the very largest Australian corporations. However a very similar graph could be drawn charting the imbalance of senior leadership within architecture practices.

The architecture profession is not so well off that we can afford to throw away so much talent and still achieve best-practice excellence. Many would like to counter this with a belief that the architectural profession is a meritocracy and that the best designers rise to the top. Unfortunately this is not the case and the status quo recruiting method discussed earlier is just one of the reasons why.

"Talent, commitment and hard work do matter, but structural, social and cultural factors, behaviour and expectations can promote and support some people's talent and hard work, and can undermine and compromise others." — Justine Clark, Six Myths About Women in Architecture³

A representative profession

Architects reside within a larger community for whom we design buildings. This community is in itself diverse. It is our duty to make sure that this diversity is catered for and that we make everyone in the community feel at home in their built environment. If architects cannot understand what the real needs or perspectives of a diverse community are, how are we able to design high quality inclusive environments for them? If this lack of understanding is leading to below-standard built outcomes, is there any wonder that the reputation of our profession is taking a hit?

In summary

If the architectural profession is to rise to meet the challenges of the twenty-first Century, it must do it with a diverse workforce. Architectural practices without diversity contribute to the significant, unsustainable loss of talent within the profession. Those practices that foster diverse project teams are highly likely to see performance and creativity dividends. Based on the lived experience from big businesses in other industries, it would make sense for architectural practices with leadership diversity to have significantly better financial management and greater company earnings.

The architecture profession can no longer afford to ignore the financial benefits of gender equity and social diversity. If your practice is not part of the solution, it is part of the problem.

Architecture is for Everyone.

With many thanks to Justine Clark and Parlour.

This piece was originally featured in <u>Parlour: Women, Equity, Architecture</u> ahead of International Women's Day 2015

³ http://archiparlour.org/six-myths-about-women-and-architecture/



¹ http://www.scientificamerican.com/article/how-diversity-makes-us-smarter/

² http://www.advancingwomen.com.au/public/The%20business%20case%20for%20women%20as%20leaders.pdf