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Focusing on respect to ensure psychosocial safety and inclusion in the workplace

KEY POINTS:

- As efforts to build more diverse workplaces take shape and Australia's workforce becomes more diverse than ever, employee expectations of appropriate workplace behaviours and standards have also changed—particularly regarding respect at work.
- Varied perspectives on respect, combined with a lack of effective systems and unclear definitions of respectful behaviour, make workplaces vulnerable to the hidden harms of everyday disrespect.
- Unchecked everyday disrespect—whether through unconscious bias, exclusion, or harassment fractures teams and erodes trust, costing businesses significantly. Sexual harassment alone costs the Australian economy \$3.8 billion annually, while psychosocial risks account for one-third of all mental health-related workers' compensation claims.
- To help workplaces address these challenges, the Champions of Change Coalition's FOCUSED on Everyday Respect resource provides practical tools for leaders and employees, equipping them to identify and prevent everyday disrespect while fostering inclusive, safe, and productive environments.

Almost one year since the introduction of Australia's positive duty legislation, many organisations are still struggling to navigate employer obligations to prevent workplace sex discrimination, sexual harassment, sexbased harassment and other unlawful behaviour from happening to their employees. A key challenge, according to Champions of Change Coalition, has been clearly defining what is and is not acceptable behaviour, particularly as views on what constitutes respect can today be as diverse as the workforce itself.

While organisations have long focused on physical safety, a critical gap remains: the unseen but deeply impactful realm of psychosocial safety. Without it, workplaces are vulnerable to the hidden harms of everyday disrespect—whether that manifests as unconscious bias, exclusion, or harassment. These seemingly small issues can build over time, derailing careers, fracturing team dynamics, eroding trust, and harming business outcomes.

The Australian Human Rights Commission's *Respect@Work* report found that sexual harassment costs the Australian economy an estimated \$3.8 billion annually, driven by lost productivity, staff turnover, legal costs, and the impacts on individuals' physical and mental health. Further, a 2024 report from Safe Work Australia revealed that psychosocial risks such as sexual harassment, bullying, and work-related stress account for

one-third of all workers' compensation claims related to mental health, with an average compensation cost of \$29,600 per claim. This underscores the urgent need to tackle these risks head-on.

To assist leaders in addressing this challenge, Champions of Change Coalition has released a new resource: *FOCUSED on Everyday Respect*. According to **Andrew Stevens, Chair of Champions of Change Coalition**, it responds to a pressing need for consistent and contemporary leadership on the issue.

"Managing psychosocial safety is now just as important as physical safety for Board and Executive teams. However, strategies and systems for doing so remain immature. The situation is compounded by vastly different perspectives on what respectful behaviour looks in the workplace shaped by different backgrounds, life and career experiences.

"And whether it is subtle or overt, disrespect can severely impact individuals, teams, and business outcomes—leading to disengagement, conflict, and productivity loss."

As a first step, the Coalition has sought to build a common understanding of what everyday disrespect and respect look like in Australian workplaces, based on feedback from employees in organisations representing almost every sector of the economy.

Annika Freyer, CEO of Champions of Change Coalition, said a more nuanced understanding of everyday respect will be essential in creating more safe, inclusive and cohesive workforces for the future.

"Most contemporary organisations now have 'respect' as a core value, but fewer have defined what that looks like in practice. We found that standards of behaviour can often be set by the dominant or most powerful group in an organisation, overlooking the needs of others. And while very few people set out to be disrespectful, their words, actions and behaviour can often be experienced that way. People also feel ill-equipped to call out the poor behaviours when they see them."

Elizabeth Broderick, Founder and Convenor of Champions of Change Coalition said setting clear standards and expectations on respect at work will be key to capitalising on the economic and social value our nation's diversity can deliver.

"Australian workforces have been significantly reshaped over the past generation and are now more diverse and multi-faceted than ever before. These changes reflect concerted and necessary pushes on gender equality and inclusion, underpinned by the shifting demographics of our population.

"We need more intentional strategies to ensure workplace norms and expectations evolve in line with these shifts so that all employees feel safe, respected and able to thrive—especially those who may be under-represented or marginalised in the workplace.

Sean Taylor, CEO of Komatsu, highlighted the importance of taking concrete action to foster respect in the workplace and the positive impact it has had on Komatsu's culture:

"We've got an incredibly diverse workforce – all genders, all ages and from a range of cultural backgrounds. We found many people just didn't know how to raise disrespectful behaviour at work. By creating a shared language and expectations, we are seeing people solve more issues at the peer level when they arise. There's been a 45% reduction in whistleblower calls, but more importantly, it's just a better place to work for everyone." **Tarun Gupta, Managing Director and CEO of Stockland**, said the company's focus on building a respectful workplace culture has driven real progress, both within the organisation and in the communities it serves.

"Fostering everyday respect and ensuring psychological safety is critical to building a workplace where people feel safe to speak up. Over the past three years, we've seen a 15% improvement in psychological safety because we are focused on building a respectful culture and leadership commitment to diversity and inclusion."

Dr Anna Cody, Sex Discrimination Commissioner said:

"We know that the most successful businesses have equality and respect at their centre. This resource provides practical and clear guidance to leaders on how to embed equality within their daily and long-term practice, ensuring that all in the workplace, people of all genders and cultural backgrounds are able to contribute to the highest degree. Through implementing these steps, businesses have clear and tangible ways to create safe and respectful workplaces.

PRACTICAL TOOLS TO LEAD CHANGE:

FOCUSED on Everyday Respect offers a range of practical resources to assist organisations in embedding everyday respect into their operations, including:

- A contemporary articulation of respectful behaviours developed based on employee feedback.
- Steps to integrate respect into leadership practices, policies, and business systems.
- A Listen and Learn Guide for leaders to facilitate discussions on workplace respect.
- Tools to support employees in calling out disrespectful behaviour in the moment.

The resources have been developed based on input and feedback from Champions of Change Members and their teams, together with advice from experts including the Australian Human Rights Commission, Equality Australia, Our Watch, Disability Leadership Institute, and Maria Dimopoulos.

ACCESS THE RESOURCE:

To download *FOCUSED on Everyday Respect* and explore its practical tools, visit the Champions of Change Coalition website: https://championsofchangecoalition.org/resource/focused-on-everyday-respect/

FOR FURTHER INFORMATION, OR ASSISTANCE, CONTACT:

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ABOUT CHAMPIONS OF CHANGE COALITION:

The Champions of Change Coalition includes CEOs, Secretaries of Government Departments, Non-Executive Directors, and community leaders who believe gender equality is a major business, economic, societal, and human rights issue. The Champions of Change Coalition is a globally recognised, innovative strategy for achieving gender equality, advancing more and diverse women in leadership, and building respectful and inclusive workplaces. Established in 2010 by Elizabeth Broderick AO, our mission is to achieve inclusive gender equality across workplaces by 2030 and a significant and sustainable increase in the representation of women in leadership.