

## President's Message

### How Value Management can bridge disparate approaches to Value for Money

Value Management (VM) is a powerful approach that helps identify the Value for Money (VfM) formula for a project or a procurement. By 'formula', I mean aligning the outcome with Key Stakeholder objectives.

VM does this by bringing a value focus in engaging stakeholders to consolidate needs and expectations into a clear scope, and prioritising requirements.

In the VM context, the Federal and State governments all rate VfM as a key objective for any expenditure.

However, based on their respective definitions of VfM, their approaches are anything but consistent. To illustrate:

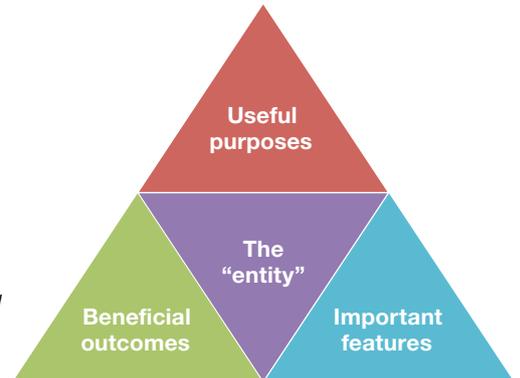
- The Australian Government, Department of Finance states that procurement must achieve VfM outcomes by:
  - encouraging competition and be non-discriminatory,
  - using public resources in an efficient, effective, economical and ethical manner that is not inconsistent with the policies of the Commonwealth,
  - facilitating accountable and transparent decision making,
  - encouraging appropriate engagement with risk,
  - being commensurate with the scale and scope of the business requirement.
- Victorian Government, Department of Treasury and Finance, 'Procurement at

DFT' defines VfM as '*making a balanced judgement of a range of financial and non-financial factors, taking into account the mix of quality, cost and resources; fitness for purpose; total cost of ownership; and risk*'.

- New South Wales Government 'buy NSW' identifies that '*Value for money = total lifetime benefits - total lifetime costs*'
- Queensland Government 'Queensland Procurement Policy 2023' defines 'value for money as the best available outcome for money spent', and that VfM decisions must consider:
  - relevant government economic, ethical, social and environmental objectives and targets including but not limited to local benefits
  - whole-of-life costs and non-cost factors.

The problem with the disparate approach is there is no consistent underpinning framework for how the VfM 'formula' is brought together i.e. while the final procurement decision aims to achieve the best VfM outcome, the actual attributes of what constitutes VfM are less well-defined.

The concepts of 'value' and 'value for money' as defined in the Australian Standard on Value Management are embodied in the Institute of Value Management Australia's Value Triangle, which provides an underpinning framework for building a shared knowledge and



#### The concept of "value" as defined in AS 4183

understanding of requirements and assumptions across key stakeholders and project teams.

That is, the Value Triangle framework should be a starting point in assessing what constitutes VfM.

A Value Management intervention, be it a VM workshop or a targeted or highly focussed Value Lab, can significantly progress the identification of VfM in a way that optimises the limited time that many stakeholders have available.

The VM intervention starts by dealing with the apex of the Value Triangle where the Primary Purpose is identified through discussion and resolution.

In this way, all stakeholders will be 'in alignment' with the reason for the procurement or project being considered.

Once the Primary Purpose is settled, the workshop can then move to establish a shared understanding of the targeted VfM outcomes that incorporate multiple perspectives.

#### Ted Smithies

President, Institute of Value Management Australia

## The Value of Volunteering

### Background

Not long after I retired, Australia confronted the fear and uncertainty of COVID19. Once COVID ended, I moved cross-country from Sydney to the south-west of Western Australia and established a home in this most delightful environment (you'll be jealous as you read further!).

I started enjoying many of the things that the region has to offer; its wondrous limestone coastline, stands of towering karri trees, natural environment, indigenous culture, vibrant music scene, many and varied arts and cultural activities, and the food and wine at the many nearby wineries (over 200) and restaurants.

To better connect with my new community, I started volunteering with two local organisations.

The first organisation is Arts Margaret River (AMR) that offers a highly-regarded annual Readers and Writers Festival, Sundowner music sessions during the summer holidays, and a diverse and sometimes eclectic curation of movies, plays, art exhibitions live music and dance (to name a few).

There's also an annual Open Studios program (by other organisers) where more than 130 artists throw open their doors to welcome visitors into their studios to display and talk about their art.

The other organisation is a local charity, River Angels, that supports people with a cancer diagnosis and their immediate family members with such things as cooked meals, grocery and pharmacy accounts, fuel and firewood supplements, counselling sessions, gardening and minor home maintenance, cleaning, and travel assistance.

And that got me thinking about the value that volunteers including- ambulance services, rural fire brigades, surf lifesaving, Men's Sheds, CWA, Rotary and Lions, Vinnies and Sallies, Red Cross and sports administration and coaching (to name but a



Volunteers Nurela and Colin

---

*To better connect with  
my new community,  
I started volunteering*

---

few) contribute to their local communities.

The Augusta Margaret River Shire's 2040 Community Strategic Plan states that 29% of the population undertake some form of voluntary activities. That's more than 5000 people in a resident population of around 16,000!

Jealous yet?

### Arts Margaret River

AMR utilises volunteers in the following roles:

- ushers
- kiosk and bar attendants
- popcorn poppers
- Board members
- exhibition set up/strip down.

In calendar 2024, AMR volunteers contributed 3745 hours that were recorded in the Better Impact app. Extending all hours at the lowest rate shown below gives

a financial contribution in excess of \$86,000:

- cleaner \$27 – \$30
- cook \$27 – \$31
- handyman \$55 – \$85
- driver \$24 – \$29
- usher \$23 – \$30
- kiosk attendant \$26 – \$29
- exhibition installer \$33 – \$35
- Board/Executive \$55 – \$80

Some of those hours might reasonably be expected to be at a higher rate (e.g. Board members who likely come from executive and managerial backgrounds) but the lower rate still serves to illustrate the theme of this article.

AMR's Annual Report for 2023/24 shows the following major statistics:

- 36,650 attendees at 302 events held at The HEART
- total revenue of \$1.25m including grant revenue of \$326,000
- operating surplus of just under \$60,000 and a net surplus of \$10,400.

Based on the above, AMR would simply not be viable if it had to pay for all the hours contributed by its volunteers, leading to something approaching a \$75,000 loss for the year which would not be sustainable.

Without Arts Margaret River, the local community would be the poorer for the loss of the many and varied cultural, artistic and entertainment activities provided throughout the year.

The broader Margaret River community would also suffer economic losses if the Open Studios program and the Readers and Writers Festival were lost. Both of these events attract regular visitors from hundreds of kilometres away who spend money on accommodation, food and drink, and other services that support the principally hospitality-oriented local economy.

## River Angels

River Angels has more than 100 volunteers undertaking the following:

- meal preparation and distribution
- gardening and minor home maintenance
- house cleaning
- travel assistance
- Executive Committee and governance
- support for fundraising events e.g. Garden Party, Tour de Gracetown cycling classic.

In calendar 2024, River Angels' volunteers recorded 1881 hours in the Better Impact app including some paid hours for the Co-ordinator.

This figure is believed to significantly under-represent volunteer inputs, partly because the app is relatively new, many of the volunteers are older persons who are perhaps not very tech-savvy and some simply don't record their time inputs (including some of the Executive!).

Leaving the Co-ordinator's hours in the total to approximate for any omissions by others, the financial contribution by volunteers equates to something over \$43,000, representing about 50% of the cash transactions of the organisation.

Like Arts Margaret River, River Angels would not be financially viable if it had to pay for the contributions by its volunteers, and the community would be the poorer for leaving the sick, vulnerable and isolated potentially much worse off. Without volunteer inputs, the organisation simply couldn't function.

Some of the downsides of River Angels not functioning include:

- no physical supports (e.g. cleaning, meals) to ameliorate a situation where someone is undergoing cancer treatment and must navigate 'the system' alone
- no financial support for everyday cost-of-living, often when not physically able to work

## *That got me thinking about the value that volunteers contribute to their local communities*

- no mental health support for clients and family members confronting an often life-limiting diagnosis
- reduced opportunities for community and social engagement.

### Value

The Australian Standard for Value Management AS4183:2007 (which was reviewed in 2017 and found to be relevant for ongoing use and guidance without amendment) defines value as: the attribute on an entity determined by the entity's perceived usefulness, benefits and importance

### **Usefulness – basically, what does it (the organisation and its volunteers) do?**

In the case of Arts Margaret River, its usefulness includes bringing a diverse range of entertainment, cultural and artistic offerings to the local community that would otherwise not be available or would entail extensive travel to access similar opportunities elsewhere (the closest of which is some 50 kilometres away).

In the case of River Angels, there is no equivalent support organisation for cancer patients and their families within the lower half of Western Australia. It is a near-unique organisation, with few peers and none close by.

### **Benefits – what is gained or enhanced by the entity's activities?**

In the case of Arts Margaret River, benefits include having a wide range of arts, entertainment and cultural activities available locally, presented in an outstanding facility (The HEART).

In the case of River Angels, the principal benefit is support to individuals and families undertaking a cancer journey that lessens the financial, physical and mental health burdens that would otherwise be overlaid on an already difficult situation.

### **Importance – what outcomes are achieved?**

In the case of Arts Margaret River, its importance lies in the breadth of offerings to the local and broader community that enhance some of what Maslow described as "higher order needs".

In the case of River Angels, supports provided by volunteers lessen the burden of daily living, provide opportunities for more normal engagement with the community, help understand and cope with a cancer diagnosis (through counselling), and reduce stigma for family members, particularly children.

### **Value beyond the dollars**

Volunteering provides unique benefits to organisations, clients/recipients, and potentially the volunteers themselves – social, mental, and physical and general health, the latter including reduced mortality and increased functioning.

In other words, volunteering is good for the individual, the organisation they support, and their community.

### **Colin Davies**

MIVMA (retired), Director, Institute of Value Management Australia

## Australia's first Minister for Productivity

In an exclusive interview with Mike Seccombe in *The Saturday Paper*, Dr Andrew Leigh lays out his economy-wide plan to boost productivity.

### Assistant Minister for Productivity Andrew Leigh

As far as he knows, Andrew Leigh is Australia's first minister of the Crown whose title includes the word productivity, which is pretty remarkable given its centrality to national economic growth and individual material wellbeing.

"The main driver of how much people earn is how productive they are," he says. "The main driver of how much income a household has is how much they earn. It's at the heart of household living standards."

It's also at the heart of the government's agenda for this term of parliament.

Leigh says his job description is only one indicator of that.

Another was Treasurer Jim Chalmers' instruction to the Productivity Commission last December to produce five separate reports into various ways in which it might be improved.

Yet another was the prime minister's announcement, in a speech at the National Press Club on Tuesday setting out the government's second-term priorities, that there would be a round table of business, union and civil society groups at Parliament House in August "to support and shape our government's growth and productivity agenda".

This was quickly dubbed a "productivity summit" by media. Chalmers is due to fill in more details next week, but it is already

clear that the five Productivity Commission reports will be central to the discussion. They are to be released, one each week, from the middle of July.

Other ministers, notably Housing Minister Clare O'Neil, have recently raised the prospect of sweeping reform in pursuit of greater productivity.

This is necessary because, says Leigh, "we have some serious productivity challenges as a nation". He adds: "The decade to 2020 was the worst for productivity growth in the postwar era."

From the 1990s until the mid-2000s, the rate of growth in Australia's labour productivity had been cruising along at 2.1 per cent a year, well above the long-term average. It did so, as the Reserve Bank noted in a recent report, on the back of "deregulation and pro-competition policy reforms, the rapid uptake of new digital technologies and strong global productivity".

Then came the global financial crisis and productivity growth fell to 1.1 per cent. Aside from what Productivity Commission chair Danielle Wood calls a "weird bubble" of higher growth during the Covid crisis, "largely because we shut down low-productivity services sectors", it has remained at that level ever since.

It might not sound like much but increases and decreases in productivity compound over time.

Both Leigh and Wood cite the stand-out example of this: the performance of Australia's construction sector. The efficiency with which we build houses has been going backwards for three decades.

Between 1994/95 and 2022/23, according to a Productivity Commission report released in February, the number of new dwellings built per hour worked fell 53 per cent. Even allowing for the greater size and quality of homes now, productivity is down 12 per cent. Over the same period, labour productivity in the broader economy



increased 49 per cent. That dismal productivity is a big part of the reason for Australia's housing crisis. As Leigh notes, before the crash in building industry productivity, the average home cost the average worker four years' earnings. Now it's 11.

Coincidentally, on the same day as *The Saturday Paper* was conducting interviews with Leigh and Wood, the bureau of statistics released new data showing the average price of a home had passed \$1 million.

Blame regulation, says Leigh.

"You talk to old-time builders and they say they used to be able to build stuff in the time that now it takes to do the paperwork," he says.

In his first speech as assistant minister for productivity last week, Leigh drove home the point by citing a recent report from the Committee for Economic Development of Australia.

"The problem isn't a lack of wealth, or ideas, or demand, it's the quiet accumulation of obstacles."

Back in 1967, the development application to build a three-storey block of apartments in Sydney was 12 pages long. "Today, such an application would stretch to hundreds if not thousands of pages," he said.

"Approvals drag on. Rules multiply. Outcomes are inconsistent. And the consequences are visible everywhere – from rising rents and overcrowding to the growing number of people priced out of the communities they grew up in."

The proliferation of regulations and agencies and bureaucrats applies not just in relation to housing, says Wood, but is particularly problematic in that sector because it involves multiple levels of government with a wide range of policy objectives, including safety, local amenity, heritage, environment, accessibility, traffic, et cetera.

---

*The problem isn't a lack of wealth, or ideas, or demand, it's the quiet accumulation of obstacles.*

---

The result is what two American economic journalists, Ezra Klein and Derek Thompson, in their bestselling recent book *Abundance*, call the "everything bagel".

Wood has read the book and gets the metaphor: "We layer on things, all with very worthwhile objectives and it's easy to pretend there isn't a trade-off, but eventually you get to the point where the trade-off is evident."

Leigh also has read the book and liked it so much he titled his speech "The Abundance Agenda for Australia".

As he explained to his audience, abundance does not mean "extravagance – glut, excess, waste" but that "a rich society should be able to meet its people's basic needs – housing, transport, energy, education – quickly, affordably and at scale".

"And yet," he said, "across the developed world, we're falling short. The problem isn't a lack of wealth, or ideas, or demand, it's the quiet accumulation of obstacles."

In one example from *Abundance*, cited by Leigh, in San Francisco it takes an average of 523 days to get clearance to construct new housing and another 605 days to get building permits.

"This is one reason why the median home in that city now costs US\$1.7 million, compared with US\$300,000 in construction-friendly Houston," he said.

"The difference isn't scandals, corruption or villains – just a tangle of approvals, agencies, consultations and codes."

Klein and Thompson's book has stirred huge controversy among Democrats in America because it attributes much of the blame for those obstacles to the progressive side of politics.

Its arguments sound to many on the left like an echo of the small government, deregulatory, supply-side economic theory championed by their political foes on the right. They recall Ronald Reagan's famous line that "government is not the solution to our problem; government is the problem".

Leigh is no Reaganite, but he does believe strongly in "the case for a more ambitious supply-side progressivism".

"I think Ronald Reagan gave supply-side ... policies a bad name among progressives, because to him supply-side policies were all about attacking workers' pay and conditions."

The progressive supply-side agenda, he says, is about something else entirely but nonetheless provokes opposition because "there is a tension at the heart of progressivism between getting things done and allowing people to have their say".

Leigh is, for example, firmly on the side of the so-called YIMBY movement that encourages greater density in housing – the acronym comes from "yes in my backyard". That means reforming local government rules.

"Zoning schemes reward conformity over quality. Local objections – however sincere – can block projects that meet broader strategic goals. Infill development is

*Continued on page 6*

## Australia's first Minister for Productivity

Continued from page 5

frequently stymied by rules designed to protect 'neighbourhood character', even in areas within walking distance of jobs, schools and transport," Leigh tells *The Saturday Paper*.

"There's nothing wrong with thinking about how developments affect the neighbours ... but we need to be careful that the accumulation of well-meaning rules doesn't add up to a system which stymies building."

Likewise, Leigh sees an obvious need to expedite the approvals process for energy projects. He lauds the Victorian government's recent moves to fast-track renewables development.

"You can't meet a 2050 net zero emissions target if it takes 20 years to build a renewable energy project," he says.

"The point at which the Victorians discovered they had \$90 billion of renewables projects tied up in VCAT [the Victorian Civil and Administrative Tribunal] was the point at which they realised ... that you just can't afford things to be gummed up in approval processes.

"That approach of saying renewable energy is different, and we need to allow a fast-track approach, I think is one which is going to be replicated in other contexts as well."

Inevitably, though, there will be howls of protest from those opposed to greater density in their neighbourhoods, or who don't want wind or solar farms or transmission lines impinging on their land.

Leigh sees a similar need for change in the education sector.

Over recent years, he says, Australia's tertiary institutions have seen a sharp increase in the ratio of managers to academics. Restoring that balance and getting rid of those unproductive layers of academic bureaucracy, is one challenge. Another, not unrelated, one is encouraging the commercialisation of the research produced by those academics.

---

*It's one thing to argue the case for change  
but quite another to get it implemented*

---

"Compared to other countries, there's less collaboration between business and academia in Australia," he says.

"If you walk the streets around Stanford or MIT, you run across a whole lot of spin-off firms that are linked in some way to the universities. If you walk the streets around a major Australian university, you come across a lot of lovely bars and cafes but not so many spin-off companies."

It's one thing to argue the case for change but quite another to get it implemented, particularly when it means getting action from multiple levels of government.

It has been done before, however. Leigh harks back to the time three and four decades ago when Australia last enjoyed a big boost in productivity.

The swaggering architect of much of that change, Paul Keating, famously boasted that one could "walk into any pet shop in Australia and the resident galah will be talking about micro-economic policy".

"In the '90s, national competition policy really got its steam up because the prime minister was keen on it and Paul Keating tasked Fred Hilmer and colleagues to put together a report, which then led to national competition policy," Leigh says.

"So there were payments made to the states for reforms that would boost the national economy. We've picked up exactly the same model.

"It's not going to be a matter of pulling one lever. It's a matter of doing a whole series of reforms that collectively add up to a big deal."

Of course, we won't know the detail for some months yet, until we see exactly what

comes out of those five reports from Wood and the Productivity Commission.

The first, says Wood, goes to fostering a "dynamic economy", which includes corporate taxes and the "broader regulatory setting".

The second pillar "is around skills, human capital and labour markets – everything from making the school system work better to skills system to issues of occupational licensing making qualifications transferable between jurisdictions".

The third is data and digital, "with a particular focus on AI – how we make sure that we don't put excessive regulatory constraints in place that would stifle uptake".

Fourth "is around the care economy, regulatory streamlining ... for people that work across aged care, disability care and making sure that governments have the incentives to make upfront investments in early interventions that might save costs and harms down the track".

Fifth, she says, is streamlining approval processes and "trying to create more consistent carbon price signals".

The criticism of the first-term Albanese government was that it was too cautious. The promise was that more would happen in its second term.

Now, given a thumping election win that all but guarantees a third term, it could just be that the promise of big things will be met.

Andrew Leigh is certainly talking big. "We're shaking the beast alive," he says.

*This article was first published in the print edition of The Saturday Paper on June 14, 2025, as "Shaking the beast alive".*

# Productivity improvement starts at inception

Productivity is a measure of economic performance that compares the amount of goods and services produced (output) with the amount of inputs used to produce those goods and services.

The four determinants of a nation's productivity are physical capital, technology, human capital, and natural resources.

The overall aim of improving productivity is to increase the standard of living of a nation's citizens.

Effectively this means maximising the efficacy (achieving the intended result), effectiveness and efficiency in the use of resources.

We can probably classify Australia's target sectors for productivity improvement as follows:

## Service Industries

These include health, child, disability and aged care, plus finance and insurance and a wide range of professional consultancy services.

## Non-service industry

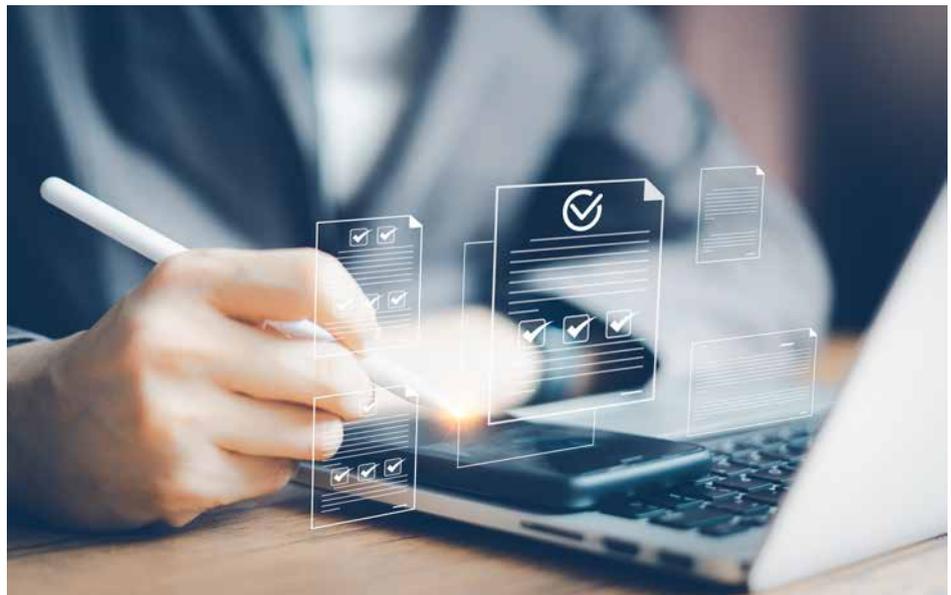
This area would include the construction industry generally including infrastructure plus manufacturing, mining and agriculture

## Systemic processes and related issues

This area would include government and non-government approvals processes many of which have become very cumbersome and resource intensive over time, in some cases of questionable value.

Value Management (VM) provides a holistic viewpoint of a system, program, process or project in which representatives of all stakeholders participate in a structured study conducted in accordance with AS 4183:2007.

The study can be in a conventional workshop setting or conducted as an



online Value for Money Lab. The latter method facilitates the participation of time constrained senior staff and remotely located participants.

VM needs to start at the earliest point of the system, program, process or project to ensure that we are **doing the right thing** from inception. The Value Triangle (see the Presidents Message on page 1 of this edition) is an essential place to start to

understand the primary purpose of any endeavour.

In terms of productivity improvement, it permits all participants in an endeavour to understand the requirements of other participant groups and to have their own requirements understood.

This aspect alone can uncover opportunities for improving the value of the project or program under consideration as have been shown in past articles in Value Times.

The facilitated group approach of VM stimulates participants' critical inquiry into how to do things better.

Particular areas of improvement by sector that could potentially benefit now from the application of VM are as follows.

---

*The overall aim of improving productivity is to increase the standard of living*

---

Continued on page 8

## Productivity improvement starts at inception

Continued from page 7

### Service Industries

By their very nature Service Industries provide a service to humans and are therefore bound to be labour intensive.

There are areas such as Data Recording, Record Keeping and Data Analysis that can be automated. Artificial Intelligence (AI) is already playing a significant role in performing preliminary assessments and categorising of the wide variety of medical scans now being performed.

Whilst many people fear the loss of employment that might occur through the increasing use of AI, we need to remember our experience of the adoption of robots in manufacturing and computers generally.

I am old enough to remember a time when it was thought that these innovations were going to replace humans to such an extent that we would experience unending leisure.

If that ever happened, I must have been asleep.

As with robots and computers, AI will undoubtedly change the work of humans, but it has the potential to make it more creative and fulfilling.

Aruna Sathanapally, CEO of the Grattan Institute has written that, rather than trying to predict how AI might upend our lives, we need to start thinking about the sort of society we want to live in and design the settings and safeguards to ensure we can achieve it.

---

*There are many approval processes in Australia that are complex and lengthy in operation*

---

### Non-service industry

In the more traditional industries such as construction, infrastructure, manufacturing and mining VM has an extensive history of substantially improving the use of resources in this area and has delivered buildings, roads, rail, defence materiel, products and minerals at lower cost and greater functionality than had hitherto been the case.

Where used in the public sector, as was the case in many Australian states in the 1990s and 00s, the improved functionality of infrastructure and control of costs meant that the queue of public works just moved faster, and projects were operational earlier than they would have been without the contribution of VM.

### Systemic processes and related issues

As many commentators (and the previous article) have identified, there are many approval processes in Australia that are complex and lengthy in operation.

This perceived 'red tape' is seen by many as a constraint on the nation's productivity.

Areas for review that are urgent for the nation have been identified as almost everything related to urban planning and construction approvals that are particularly critical with regard to the provision of adequate suitable and affordable housing.

Approvals related to business activities and legislation related to the urgency of reducing our nation's per-capita greenhouse gas emissions are critical for action.

The disparate study group structure that is required to tackle these thorny issues are essential to VM, but studies might well reveal some 'home truths' that many may wish to conceal.

But they must be faced if we are to survive and prosper.

One thing that VM teaches you is that when people are given accurate information and are expected to ask questions and receive accurate answers, they are very capable of making sound decisions on complex problems and situations.

In a VM study misinformation has a very short lifespan.

### Why use Value Management to improve Productivity?

- VM takes a 'total system viewpoint' encompassing all aspects of a project, program or system to understand all the functions that the endeavour must achieve.
- Systems are as strong as their weakest link and the time taken for some approvals processes must be questioned and some rationalisation introduced to eliminate wasted time and effort that does not necessarily add any value to the endeavour.
- It is critical that all stakeholders in any endeavour participate in defining the scope and requirements from the outset otherwise the correct balance of resources is unlikely to be achieved.
- If all stakeholders are represented in the conception and implementation of an endeavour, they will be committed to achieving its required outcomes.
- Effective stakeholder participation in project or program development relies on a 'neutral environment' where no one individual or sector is seen as 'the boss'.
- VM provides methodical, experienced, independent facilitation of stakeholder workshops.
- Where appropriate, VM will use one or two experts in critical fields of study who are not stakeholders but who have relevant expertise in critical areas of the subject of the study.
- With appropriate follow-up, VM is the best-value method of managing

essential information to deliver best value for money for projects and programs of very diverse character and scale.

Experience shows that having a champion for VM within sectors and organisations will encourage, support and progress the completion of agreed actions so that the results of the studies are delivered to the community, environment and economy.

### **Diverse group decision-making**

Studies over decades have proved that diverse groups make better decisions than homogeneous groups chiefly because diverse groups compel each other to think more deeply about their reasoning and interrogate the facts more objectively.

In short, diverse teams tend to come to better conclusions because those conclusions have been road-tested more thoroughly.

According to Dr. Valerie Purdie Greenaway from Columbia University, who runs one of the world's leading diversity, equity, and inclusion research labs, there are four areas in which the diverse team approach is particularly effective:

#### **1. Launching a new product.**

"Diverse teams are likely to yield more and more novel ideas. The friction that arises out of having different experiences, ideas,

---

*Diverse groups  
make better  
decisions than  
homogeneous groups*

---

and philosophies can feel uncomfortable in the moment. But when employees speak up and share diverse inputs, they help the group see things from new angles and perspectives, and in turn, help the group find more creative, innovative solutions."

#### **2. Troubleshooting an existing product or process.**

"Many studies show that diverse teams outperform when it comes to detecting errors. Whether it is reviewing troublesome lines of foundational code in an app, reviewing a critical press release before it goes out, or signing off on a new recruiting strategy, diversity increases the chances of detecting errors. You are less likely to miss the perspective of certain stakeholders, and people just work harder to notice flaws as well."

#### **3. Planning for an uncertain future.**

"Diverse teams focus more on facts and process them more carefully than homogeneous teams. This makes it more likely that they won't lapse into unreasoning consensus — an affliction known as groupthink — which makes homogeneous teams' decisions less rational and riskier. Diverse groups tend to scrutinise each other's decisions more closely and therefore conclude with a better considered, comprehensive solution or recommendation."

#### **4 When responding to crises.**

"That's because diverse teams are particularly good at exposing and correcting faulty thinking, generating fresh and novel ideas, and accounting for a wider array of variables in planning."

In summary, when making important decisions, the more diverse the impacted group is, the better the decisions that will be made — because everyone has 'skin in the game'.

#### **John Bushell,**

Chair, Events and Publications Committee,  
IVMA