

Opinion

Another culture catastrophe: Rio Tinto's horror report card



Rio Tinto Tom Price mine site in the Pilbara Region of Western Australia.

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After blowing up 46,000-year-old archaeologically precious Indigenous rock caves in Western Australia Rio Tinto is dealing with the unearthing of a new culture catastrophe - endemic harassment, sexism, racism and gender discrimination.

For the second time within a year, Rio's chief executive Jakob Stausholm has issued an apology - this time to the mining giant's victimised workforce.

While the company has thrown every health and safety resource at its disposal to keep COVID from infiltrating its worksites, it has clearly allowed and even enabled a more sinister malady to go unchecked for years.

Rio has long prided itself on its operation safety - and the extent to which this has been embraced at all levels of the organisation. However, it has clearly failed to recognise the vast, intangible risks associated with a toxic workplace environment.

The report, which Rio commissioned into its workplace culture, uncovers an even more concerning aspect to the malaise - the bullying, harassment, and racism is not just confined to the male dominated mine sites but is pervasive in the city office towers, populated by its management and white-collar staff - including finance, strategy, human resources and safety teams.

And the problems are global, as they are apparent, across the various geographical territories in which Rio operates.

The report found among other scathing revelations that, 'bullying is systemic' and experienced by almost half the staff surveyed, 'sexism and sexual harassment occur at unacceptable rates' and the harmful behaviours are also perpetrated by 'senior leaders', that 'harmful behaviours are often tolerated or normalised and that 'high performers are perceived to avoid significant consequences for harmful behaviour'.



Rio Tinto chief executive Jakob Stausholm is disturbed by the findings

It's a minefield for Rio's chief executive, Jakob Stausholm, who since being elevated to the top job in late-2020, has been attempting to put his more ideologically enlightened footprint on the organisation.

Stausholm describes the contents of the report as 'disturbing' and 'difficult', citing the cultural and behavioural issues uncovered as a mountain that Rio has to climb. And he acknowledges he is only standing at the foothills.

Given the pervasiveness of the issues this is the 'Everest' of challenges. The management and organisational matrix at Rio, which is both hierarchical and male dominated, will need to be turned on its head to ensure a successful reform process.

This is not a case of a few bad apples.

Perhaps a more disturbing aspect of the report is that it highlights the fact that whistleblowing mechanisms that have long been in place inside Rio have not been fit for purpose.

Most big, sophisticated companies have ticked the box on having instituted procedures that allow victims of poor conduct to report their concerns - which in theory can then be addressed.

It seems that in Rio's case these incidents were reported but not addressed, or they went unreported because of fear or inaction or reprisal. This begs the question of how many other companies have ticked the box on having whistleblower schemes - that are ineffective in practice.

But this is not just about bullying or harassment - it's about the camouflaged gender and race discrimination that feeds into a lack of career advancement.

Among the respondents to a survey conducted as part of this report, there was a view that serial perpetrators were rewarded with promotions - if they were considered to be the high performers.

It would be a fair bet that Rio is not alone in this regard.

Reading through the report suggests that Rio would be a great place to work and advance your career as long as you were a straight, white male.

As one respondent summed it up.

“There is a deep-rooted culture that if you are not an alpha male you won't go anywhere. Women have a glass ceiling hovering [over them], even more so if you are a woman with children. I know of women who have anguished over having to tell their leader that they are pregnant, even if only seeking to take the minimal permitted leave. There is fear that there may not be a job to come back to, or it will be a lesser job.”

Meanwhile, LGBTQI staff suffer a 'concerning prevalence of bullying' according to the report which says many feel unsafe to come out to their colleagues.

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Stausholm's job is to take out the cultural legacy trash, and he should be credited with commissioning the report - done by former sex discrimination commissioner Elizabeth Broderick - and for making it public.

But if recognition is the first step to redemption, then Rio's still got a long road ahead of it.