COMMUNITY BUSINESS

Diversity Priorities in Asia:
Challenges and Actions to Impact Change

DIVERSITY & INCLUSION IN ASIA 2007

A Summary of Facilitated Discussion

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Introduction

Community Business is a leader in the field of workplace diversity in Asia and is dedicated to understanding the challenges and issues facing companies operating in this region. It is the organiser of the Diversity & Inclusion in Asia Conference – the largest diversity conference in Asia, first held in November 2005 and then in June 2007 and attracting over 200 delegates from across the region. A key component of the conference programme is a facilitated discussion which takes place at the end of the conference where delegates are given the opportunity to engage in structured dialogue with their peers.

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The main diversity themes of the Diversity & Inclusion in Asia 2007 Conference held in Hong Kong on 26 and 27 June 2007 were: gender, culture, disability and generation. These themes were reflected in four short case studies as a means to encourage delegates to identify with the issues. Delegates were invited to prioritise these issues and identify both the key challenges and actions needed to impact change in each of these areas. This session was called Meeting of Minds[1] and this report outlines the findings from this session.

Objectives

The objectives for this session were threefold. To learn from delegates:

1. the priority diversity issue for their organisation in Asia from the four diversity themes presented at the conference: gender, culture, disability and generation;
2. the specific challenges relating to the diversity issue that they said was their top priority and the countries most affected by this issue;
3. the specific actions they believe their company can take to impact change in this area.
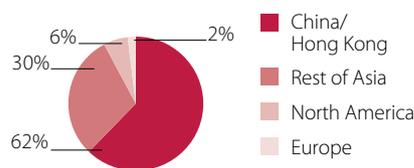
Profile of Participants

In total, 249 delegates attended the Diversity & Inclusion in Asia 2007 Conference. 84% of delegates were from the corporate sector and 92% were from Asia. In terms of job function, 29% were senior business managers, whilst 52% were diversity or human resources professionals. The companies represented were primarily multinational companies operating in Asia. Figures 1, 2 and 3 give a further breakdown of delegate profiles.
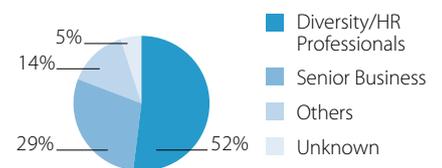
Figure 1. Distribution of Delegates by Organisation

3% — 1%
11% — 1%
84% —

- Corporate
- NGOs
- Academic
- Government
- Others
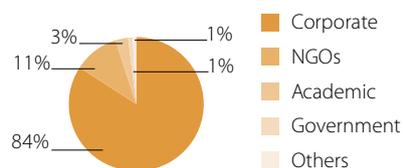
Figure 2. Distribution of Delegates by Region

6% — 2%
30% —
62% —

- China/ Hong Kong
- Rest of Asia
- North America
- Europe

Figure 3. Distribution of Delegates by Job Function

5% —
14% —
29% — — 52%

- Diversity/HR Professionals
- Senior Business
- Others
- Unknown

The Meeting of Minds session took place at the end of the second day of the conference and there were 111 delegates who took part, including 11 table facilitators. For the purpose of this report we are assuming that the profile of the participants of the Meeting of Minds session mirrors that of the general conference delegate list.

Methodology

To help participants engage with the four key diversity themes of gender, culture, disability and generation, Community Business developed four short case studies. These were hypothetical and did not relate to any particular company, but were based on the experience of Community Business in working with companies in Asia. The full case studies can be found on the Community Business website, but in summary they were:

Case Study 1: Gender
If women hold up half the sky, why aren't they holding up half your business?
The objective of this case study was to highlight the challenges companies face in achieving greater participation of women in leadership positions in Asia.

Case Study 2: Culture
If you want to lead in Asia, what are you doing to create local leadership?
The objective of this case study was to highlight the challenges companies face in developing local leadership in Asia.

Case Study 3: Disability
If you're fighting the war for talent in Asia, why don't you broaden the pool?
The objective of this case study was to highlight the challenges companies face in embracing people with disabilities in the workplace in Asia.

Case Study 4: Generation
Workplace 2017: Are you ready for the Next Generation in Asia?
The objective of this case study was to highlight the challenges companies face with the demands of the new, younger generation in the workplace in Asia.

1. The term "Meeting of Minds" is a trademark and intellectual property of Options Information Company and is not for use without express written permission. Community Business thanks Options Information Company for the free use of "Meeting of Minds" terminology at the Diversity & Inclusion in Asia 2007 Conference.

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The four case studies were printed and given to all participants. The following 3 step process was then followed:

Step 1 :	Participants were given 10 minutes to read the case studies on their own. Individually they were asked to identify which of the four issues highlighted in the case studies was most applicable and relevant to their organisation in Asia – in other words to identify which issue was their number one priority.
Step 2 :	The group facilitator, Shalini Mahtani of Community Business, conducted a human vote where she asked participants to identify their number one priority by standing up when she read the appropriate issue. Numbers for each diversity issue were recorded and the participants were asked to move to a table with others who had also identified this issue as their number one priority.
Step 3 :	A table facilitator was assigned to each table and led a discussion that addressed the following three questions: 1. Which location(s) is this issue most applicable to? 2. What are the challenges in addressing this issue for your organisation? 3. What do you think your organisation needs to do to impact change in this issue?

The table facilitators were briefed in advance and were responsible for writing up the findings from their group discussions using a pre-prepared template designed by Community Business.

Limitations

The key diversity themes of gender, culture, disability and generation are very broad, encompassing a range of issues. In order to focus the discussion in each theme, Community Business used the case studies to identify a particular issue (for example, under 'Gender', the case study was around the lack of women in leadership in Asia). Therefore the findings are much more telling of the particular issue rather than the broader theme. The countries identified by participants as being those in which the issue is most applicable is for indication only. This is because participants were asked to discuss those geographies that they have direct experience in and not all participants have work experience in all the countries in Asia. However it is useful to understand in which countries the issue is particularly pertinent.

Key Findings

Diversity Priorities in Asia

A summary of the human vote is provided in Figure 4 (pie chart). In terms of priority for companies in Asia, Table 1 shows that culture ranked number 1, followed by gender, generation and disability issues.
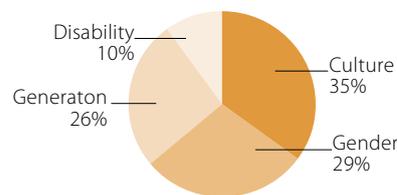
Figure 4.   Summary of Human Vote

Disability 10%
Generaton 26%
Culture 35%
Gender 29%

Table 1: Ranking of Diversity Priorities in Asia

Ranking	Diversity Issue	Diversity sub-issue	Number of votes	% of delegates
1	Culture	Lack of local leadership in Asia	39	35
2	Gender	Lack of women in leadership in Asia	32	29
3	Generation	Dealing with the new, young generation in Asia	29	26
4	Disability	Embracing people with disabilities in the workplace in Asia	11	10

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The discussion around each diversity issue is explored separately.

CULTURE – Lack of local leadership in Asia

The participants who selected culture as their top diversity issue were assigned to four different tables with a table facilitator on each to discuss the issue of a lack of local leadership in Asia. When asked to identify which countries in Asia this issue was most applicable to, the three countries that came out top were China[2], Hong Kong and Malaysia.

Key Challenges

Shortage of leadership talent in the market

Participants highlighted that one of the key reasons for the lack of Asian people in leadership positions in Asia is the general shortage of certain skills in the marketplace considered to be essential leadership competencies. Many of the participants work in western multinational companies in Asia and cited English language skills, management skills and global exposure as specific skill gaps. As companies continue to have difficulty in finding these skills they look to geographies where these skills are more widely available. This can mean that leadership in Asia is often not Asian or from Asia.

Lack of mentoring and development programmes for middle management

Participants indicated that within their organisations there are a lack of mentoring and development programmes targeted at developing employees from Asia – particularly at mid-managerial levels. Talent at this level is often not given adequate opportunity to develop the appropriate language skills or global exposure. As such, individuals are unable to acquire the necessary skills and experience to rise up through the organisation.

Existing leadership models and styles in multinational companies in Asia are Western/US centric

Participants expressed the view that existing leadership models and styles within their multinational companies are Western or US centric. In this context there is a lack of understanding of Asian values and appropriate leadership skills in managing people from Asian backgrounds. In addition the dominant culture is not always conducive to an environment where people from Asia can succeed and their contributions are often not appropriately recognised and rewarded.

Little or no Asian representation at Corporate/Board level

Recognising the importance of role models and senior level support, participants highlighted that the vast majority of their multinational companies do not have representation from Asia at the Corporate or Board level. Without an Asian perspective at the very highest level, issues of increasing local leadership in Asia are not assigned the importance or resources required. There is also the challenge that Asian views are simply not represented and not understood at the most senior levels.

Lack of readiness to address this issue and commit resources

Some participants expressed the view that there is still a lack of readiness on the part of senior management (– it was not clear whether this was global, regional or local leadership) to address the need to build local leadership in Asia and to commit the necessary resources. It was felt by a few participants that some companies relatively new to Asia are not yet prepared to invest in developing local leadership. There is also concern about high turnover of local staff which adds to the perception that investing in local talent is a risk.

Key Actions to Impact Change

Participants identified a number of ways that companies can impact change and increase the number of individuals in leadership positions from Asia.

Engage senior management

Participants felt that it is important to start with senior management – ensure that they are aware of the issues, present the business case and secure their commitment. Without their engagement, the issue will never be fully addressed and assigned the appropriate resources.

Establish an Asian Advisory Board

Participants suggested that companies serious about increasing Asian representation at leadership levels should seek to establish an Asian Advisory Board that can act as a bridge and inform the work of the Corporate Board.

Develop a long-term strategy and plan for Asia leaders

Participants talked about the importance of developing a long-term strategy and plan to build Asian leaders. This requires developing an appropriate leadership training framework with experts from Asia and customising the approach as necessary to the different countries in the region. It was advised that companies should pilot training before executing it on a broader scale.

Invest more to identify and develop leaders

Participants recognised that many companies are not willing to invest resources in developing local talent because they have less experience or confidence in managing local staff and do not have the same levels of trust. However, the group encouraged companies to take the risk to develop people, creating positions and opportunities, for example overseas assignments, to give people more responsibility.

Identify senior mentors from Asia

Participants highlighted that it was important for companies to identify senior executives in Asia who can act as role models and mentors. They also suggested that companies introduce 'two-way' mentoring programmes where individuals from Asia spend time with senior management not from Asia to help them become aware of some of the challenges in the region and become more culturally fluent.

Widen supply of talent

Given the shortage of talent in the market, participants suggested that companies should widen their talent pool. Rather than just approaching the top universities, they should explore other sources of talent such as partnering with second and third tier local universities to develop the right skills.

2. In this report where we refer to China we are referring to Mainland China.

GENDER – Lack of women in leadership in Asia

The participants who selected gender as their top diversity issue were assigned to three different tables with a table facilitator on each to discuss the issue of a lack of women in leadership in Asia. When asked to identify which countries in Asia this issue was most applicable to, the three countries that came out top were Japan, India and Hong Kong.

Key Challenges

Perception of women as less committed

Participants stated that there is still a perception in the workplace in Asia that women are less committed to their careers than men. This is based on the assumption that women, once married, will have children and leave the workforce. This ignores the trend that more and more women are choosing to have both a career and a family of their own and are increasingly juggling their multiple roles. This perception does not allow women to fully achieve their potential in the workplace.

Lack of support at middle and senior level management

Participants said that middle and senior level managers can be an obstacle to career progression for women in Asia as they often show a lack of support for women who would like a degree of work flexibility. This level of management often makes it difficult for women to succeed, for example they might place demands for frequent travel, or they are not sensitive to particular development needs of women such as mentoring or training.

Lack of work-life balance policies

Participants talked about the lack of institutionalised work-life balance policies, making it difficult for women to manage both their professional and family lives. They highlighted that in Asia there is often a cultural resistance to creating a flexible workplace. In addition to gender bias amongst some in leadership in Asia there is also the belief that because domestic help in Asia is readily available in many parts, these initiatives are not needed. On the whole local leadership does not seem to understand the business case for work-life balance. For the small number of participants who cited individuals in their companies that have flexible work practices, they also said that these employees have limited opportunities for career progression.

Linear career paths; lack of flexibility in career development

Participants talked about a general lack of flexibility in career development in Asia. Companies tend to focus on traditional linear career paths, so women for the most part are not given the choice to opt out of the workplace for a period of time and then re-enter the workforce at a later stage. As a result there tends to be a high attrition rate during parental transition with many women not returning to their former workplaces or to the paid workforce at all.

Personal style differences

Participants discussed the more fundamental differences between men and women in personal management styles. As a part of this, women often do not have access to the informal networks, where much of the camaraderie and relationship building essential to career progression, takes place.

Cultural divide

The differences of personal style become exaggerated when you take into account cultural differences too. There is for example, a significant gap between a male expatriate manager and an Asian woman.

Key Actions to Impact Change

Participants identified a number of ways that companies can impact change and increase the number of women in senior leadership in Asia.

Demonstrate visible commitment from senior management

Participants felt that is important to address the overall culture of the organisation and this begins with demonstrating the commitment of senior management. This could be by introducing more formal gender diversity policies, embedding gender diversity in appraisals, establishing metrics and holding people accountable for gender bias behaviours.

Create an enabling environment

Participants stated that it is necessary for companies to create an enabling environment that allows women to succeed in the workplace. They mentioned introducing flexible working hours, offering flexible work options such as homeworking and jobsharing, offering child daycare centres or providing other appropriate facilities for women (and men). They also talked about allowing and supporting women to pursue non-linear career paths.

Implement talent management strategies targeted at women

In order to build the pipeline of women for senior leadership positions, participants highlighted the need for a comprehensive talent management strategy. This may include programmes for mentoring and coaching, access to executive development programmes, networks and resource groups and other ways to build confidence and empower women in the workplace.

Increase overall awareness of gender issues

Participants highlighted the need for more awareness of gender issues from a cultural sensitive standpoint. They suggested that there should be gender diversity training for all grades of staff – from senior management to junior employees.

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GENERATION – Dealing with the new, young generation in Asia

The participants who selected generation as their top diversity issue were assigned to three different tables with a table facilitator on each to discuss the issue of dealing with the demands of the new, young generation in Asia. When asked to identify which countries in Asia this issue was most applicable to, the three countries that came out top were China, Hong Kong and India.

Key Challenges

Competition and war for talent

Participants revealed that their multinational companies are expanding very rapidly in Asia – particularly in China and India, and the pool of young professionals with the right skills is so limited, that there is a genuine war for talent. Talented young employees in Asia have considerable power: they are extremely marketable and mobile. As such, they are placing high demands on employers, knowing that if their requirements are not met they will have little trouble finding another employer.

Lack of managers' willingness to change

Participants identified that many managers do not have the necessary skills to handle the working styles and attitudes of the younger generation. For example, they may not understand the modern communication methods and online pastimes (such as networking with thousands of people simultaneously online) favoured by the young Generation Y. Many managers seem to be unwilling to embrace the changes or adapt their working styles accordingly. Participants talked about the lack of respect that generations have for each other which can lead to conflict.

Managing expectations of the younger generation

Participants discussed the mismatch between employee expectations and organisational reality. For example, many young employees come into the workplace expecting certain development opportunities or overseas assignments within a short timeframe. However, for various reasons the organisation may not be able to fulfill these. This can lead to dissatisfaction and high turnover rates.

Key Actions to Impact Change

Participants identified a number of ways that companies can impact change in dealing with the demands of the new, younger generation in Asia.

Secure top down management commitment

Participants stated that top management needed to understand the issues and adopt a more receptive and open management style for the younger generation.

Provide long-term career development

Participants stated that in order to reduce job hopping and encourage longer careers with a single employer, companies need to build, together with the employee, long-term development plans. This requires an investment of resources to work with each employee and develop a programme suited to their individual needs and wants.

Rethink how work is done

Recognising that the younger generation often has very different ways of working to older generations, participants encouraged companies to take a fresh approach and rethink how work is done. They suggested encouraging employers to find ways to harness the entrepreneurial skills of younger employees.

Differentiate your position as an employer

Participants felt it was important for companies to differentiate themselves as employers by listing non-financial incentives as part of the remuneration package. This needs to include items that are perceived to be of value, particularly to the younger generation, such as employee volunteering programmes and flexible work options.

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DISABILITY – Embracing people with disabilities in the workplace in Asia

The participants who selected disability as their top diversity issue were grouped together in one group and were assigned a table facilitator to discuss the issue of how to embrace more people with disabilities in the workplace in Asia. When asked to identify which countries in Asia this issue was most applicable to, the three countries that came out top were India, China and Hong Kong.

Key Challenges

Lack of supply

Although more companies in Asia are looking to employ people with disabilities, they are stumbling at the recruitment stage as there is a perceived lack of supply. Participants acknowledge that in many instances they do not know where to turn to identify potential candidates or how to target them with their recruitment efforts.

Stereotypes and old fashioned attitudes

Participants felt that stereotypes and old fashioned attitudes still prevail in Asia. With a lack of understanding about types of disability and how to accommodate people with disabilities, there is a perception that people with disabilities can only do certain menial types of jobs.

Lack of role models in organisations

Participants talked about their organisations' lack of experience in employing people with disabilities in Asia and consequently the lack of role models in organisations to motivate and inspire others.

Key Actions to Impact Change

Participants identified a number of ways that companies can impact change and increase the employment of people with disabilities in the workplace in Asia.

Get a senior executive to champion disability in the workplace

Given the lack of experience in employing people with disabilities, participants highlighted the importance of developing the business case and identifying an executive sponsor who can champion the cause at senior levels. There is a cost involved in making a workplace more physically accessible or adjusting the work environment, for example by introducing computer-aided technology for visually impaired employees, so executive sign-off is required.

Provide mentoring

For many companies in Asia, employing people with disabilities is relatively new. Participants suggested that companies try introducing mentoring programmes – pairing the individual with a disability with a person without a disability. For the person with a disability this will provide him/her with a friend inside the organisation and access to senior management. For the person without the disability, this will provide him/her with deep insights into the issues that a person with a disability faces.

Recruit with a view to developing roles

Participants suggested that companies can recruit individuals with a disability with a view to developing them and providing them with increased opportunities.

Observations and Recommendations

Culture and gender were identified as the top diversity issues in 2005 when Community Business presented the Diversity & Inclusion in Asia 2005 Conference. In 2007, culture and gender remain the most pressing diversity issues for many western multinationals operating in Asia. In 2007, participants were much more vocal about the lack of support for Asian leadership in the region and were clearly frustrated by the lack of progress in this area. In terms of gender, many companies in Asia continue to struggle with getting more women in leadership positions. It is interesting that generational issues are challenging a significant number of companies in the region. They see the business case for appealing to the young – particularly in terms of being an employer of choice, and appreciate the need to understand the demands of Generation Y. Disappointingly however, the issue of disability still remains on the fringe of corporate discussions and was evidenced by the small number of companies that cited this as a priority in their Asia operations.

For each of the issues discussed, participants raised the importance of senior leadership commitment. Leadership backing is more likely to bring an integration of diversity into business, a change in corporate culture and a commitment of resources. Leadership needs to understand also that even with the best possible intentions, strategies and resources go only part way. What is needed over time is for leadership in Asia to be diverse in itself – particularly in terms of having Asian and female representation.

Traditional, often outdated, attitudes prevail in many workplaces in Asia – be it the view of Asian people as future leaders, women in leadership positions, young people as having inappropriate work styles or stigma around people with disabilities. More work needs to be done to break down these stereotypes. Training is used as a change agent but often fails in delivery in Asia as its focus and development is often US or Europe centric. What is needed is a concerted effort for companies to engage experts from Asia in developing such programmes. In addition, mentoring can be used much more in Asia to impact change in attitudes and behaviour.

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For some companies, investing in the development of local employees, women, young people or people with disabilities can be challenging and can represent a certain level of risk – hence their reluctance to do so. We heard that in some cases there is a lack of willingness to address the challenges head on and assign the necessary resources. However these companies are being myopic in their focus and will inevitably lose out to those employers who are committed to operating a system of meritocracy – where it is essential to attract, recruit and retain the best regardless of any form.

In Asia some processes may need to be adapted to accommodate more flexible requirements of women at leadership, more informal ways of working may need to be introduced to harness the energies of the younger generation, or workplace adjustments might need to be made to ensure the productivity of people with disabilities. All of this requires leadership commitment, a change of corporate culture, investment of time and resources. It requires a process of stakeholder engagement and a genuine dedication to create an inclusive environment where all individuals can realise their full potential.

With it comes creativity and fresh perspectives – one of the greatest values of diversity. The companies that are prepared to turn risk into opportunity will be the winners in the war for talent and leaders in the our global economy.

Acknowledgements

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For More Information

To read the full version of the case studies, or for more information, please visit the Community Business website at www.communitybusiness.org.hk. Alternatively please contact Shalini Mahtani or Kate Vernon on +852 2152 1889 or by email at shalini@communitybusiness.org.hk or kate@communitybusiness.org.hk

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Community Business is a unique membership based non profit organisation whose mission is to lead, inspire and support businesses to continually improve their positive impact on people and communities. Community Business provides training, facilitation and advice to some of the world's leading companies in Corporate Social Responsibility (CSR) and its major areas of focus include diversity in the workplace, corporate community investment and CSR strategy and policy. Founded in 2003 and based in Hong Kong, Community Business currently works with a number of organisations, small, medium and large, committed to CSR. For more information, visit www.communitybusiness.org.hk

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