



Navigating Tomorrow: Workplace Diversity, Equity and Inclusion Trends in Asia 2024

Qnclude

Making Diversity Work



Message from

HELEN DUCE

A warm welcome to INCLUDE Consulting's Navigating Tomorrow: Workplace Diversity, Equity and Inclusion Trends in Asia report.

Upon reflecting on our annual kick-off event in Singapore in January 2024, I was impressed by the substantial interest in exploring data from the world of Diversity, Equity, and Inclusion (DEI) in Asia. Witnessing the enthusiasm for insights, trends, and the exchange of DEI best practices in the region was truly gratifying, and it is this positive feedback that inspired the creation of this report.

At the event, HR professionals and DEI leads from both global multinationals (MNCs) and regional corporations across industries from tech to fashion, shared a common denominator: their eagerness for DEI Asia knowledge and insights.

We aim to meet this demand by offering a unique perspective as an Asia-focused DEI strategic consultancy. While there is relatively easy access to DEI research and insights on Western markets, finding Asia-specific information can be a challenge. INCLUDE works closely with a wide range of Asia-based clients, institutions and partners, providing us with a unique vantage point on what's working and the challenges in our region.

We've done the legwork—sifting through 43 reports, and drawing on our client experiences to paint a current picture of the state of DEI in Asia and the challenges Asia-based DEI leaders are foreseeing. We also conducted a 2023-year-end quick survey with a number of DEI leaders responsible for Asia and have incorporated their feedback into this report, so you can learn about their key focus areas for this year and the main challenges they anticipate.

We hope you find it an interesting read and that it proves helpful in advancing your knowledge and, ideally, your regional or localised DEI strategy. Feel free to reach out to me or anyone on the INCLUDE Consulting team with your reactions, comments, and thoughts.

Helen Duce, CEO, INCLUDE Consulting



INTRODUCTION

With over 4.7 billion people, 2,300 languages, and diverse ethnicities, religions, and communities, the Asia region offers unique opportunities and challenges that require a tailored approach to any programme or strategy. DEI is no exception.

This report seeks to assist organisations with operations in Asia by providing an overview of current and evolving DEI practices in this diverse part of the world. Our goal is to unpack some of the complexities of DEI in Asia, offering leaders, HR professionals, and stakeholders fresh and actionable insights to foster diversity, inclusivity and enhance organisational resilience and overall success in the region.

Our vision is to contribute to a future where diversity is increasingly celebrated, equity is deeply embedded, and inclusion becomes the steadfast cornerstone of organisational success in Asia.





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PRIME TIME FOR DEI IN ASIA

Unprecedented Pinnacle of Opportunity

In 2024, DEI in Asia has reached an unprecedented pinnacle of opportunity. With a shrinking workforce, leading to a war for talent, the region faces distinctive demographic challenges that demand more efforts and creative approaches to talent acquisition and retention.

16-year high of talent shortage

Against a global backdrop of a 16-year high talent shortage, where 75 % of employers struggle to find talent (source: ManpowerGroup 2024 Global Talent Shortage), Asia is leading the trend, with figures rises to 79% in Singapore and Hong Kong, according to the same survey.

On the employees' side, intent to stay across Asia Pacific and Japan has significantly dropped, from 74% in 2021, to 66% in 2022 (source: [Qualtrics' 2022 Employee Experience Trends report](#)). In the next few months, almost a third of Asia Pacific employees are likely to change employers, an increase of 10% in the last year (source: PWC's Asia Pacific Workforce Hopes and Fears Survey 2023). These factors present both a threat and a unique chance for DEI initiatives. Especially since, according to BCG's Taking Diversity to the Next Level in Southeast Asia, 2023, half of employees across the region are willing to leave their current employer for a more inclusive culture.

Risk to overall work productivity

Asia contends with a higher prevalence of burnout than global averages, adding a significant risk to overall work productivity.



Rapid ageing

Asia is witnessing rapid ageing. According to the World Economic Forum, the number of people aged 65 and older is expected to double over the next three decades, reaching 1.6 billion in 2050.

Unique opportunity for DEI efforts in Asia

This combination of factors highlights a unique opportunity for DEI efforts in Asia, also driven by increased awareness across the region. According to DEI Decoded survey 2022 by Fleishman Hillard, 71% of respondents in Asia are familiar with the concept of DEI and they believe that organisations should take more action in this area, signalling a pivotal moment for driving positive change.

71%

of respondents in Asia are familiar with the concept of DEI and they believe that companies should take more action in this area



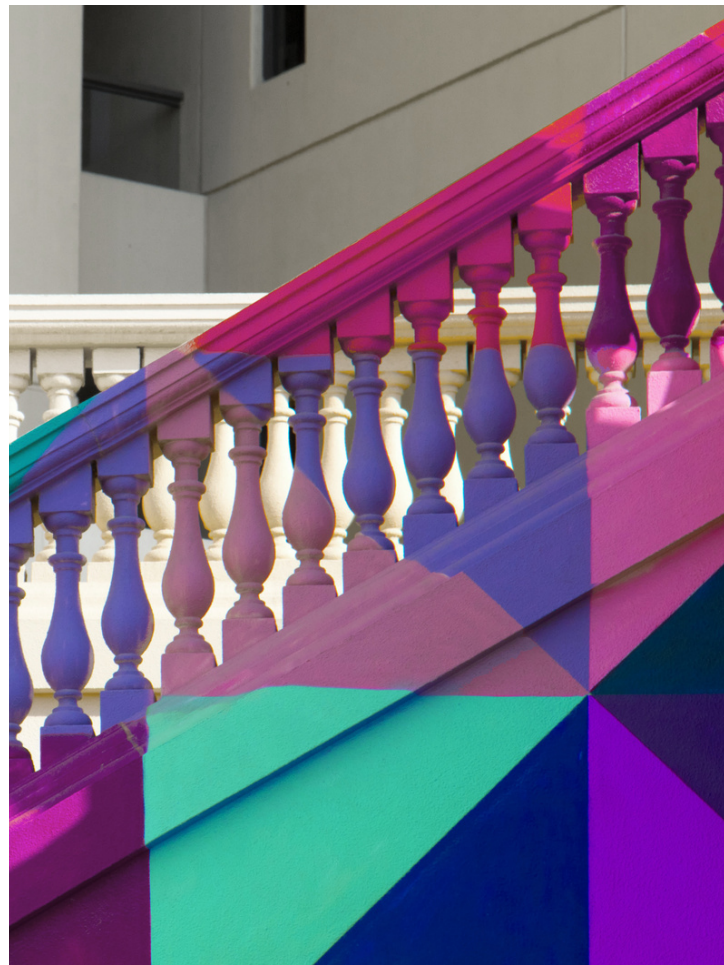
Capitalising on Asia's DEI opportunities

In our experience, in Asia, DEI efforts are mainly led by MNCs. Technology and financial services firms, as well as consumer companies focused on their public image, are at the forefront of driving DEI programmes in Asia.

However, local organisations, especially those affiliated with the government, are increasingly adopting DEI initiatives, often driven by ESG imperatives. Yet, a significant challenge remains: many of these companies still lack a thorough understanding of the business case for DEI at the senior leadership level. DEI is seen as discretionary rather than a business imperative and the leadership often focuses primarily on gender diversity, overlooking other dimensions of DEI that deserve equal attention.

Our report highlights the challenge of having a one-size-fits-all global DEI strategy. Due to diverse levels of understanding, cultural norms and demographics across markets, a tailored and nuanced approach is needed, relying on local expertise for successful implementation.

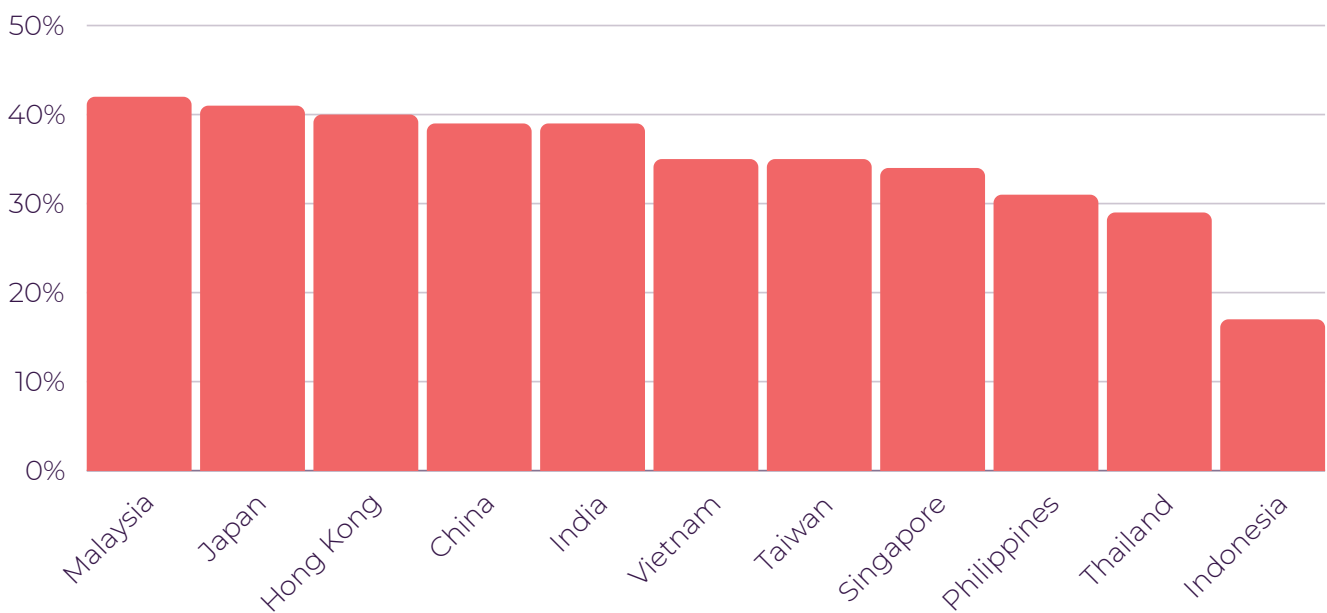
The next sections offer a review of the state of DEI in Asia across the six dimensions that top the list of challenges in this region: Mental health and wellbeing, ageing, people with disabilities, culture and ethnicity, LGBTQ+ and gender equality.



Mental health and wellbeing:

a vast opportunity for engagement

Employees with a high risk of developing mental health issues



Source: Aon TELUS Health Asia Mental Health Index report

High risks of low work productivity

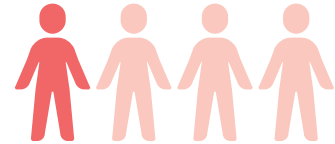
Asia faces higher risks of low work productivity and elevated rates of anxiety and depression compared to other regions, signalling a growing concern for workplace well-being. A recent study has highlighted the link between poor mental health and productivity, stressing that Asia has a productivity score of just 47.2 out of 100, compared to 66.7 for the U.S. and 60.1 for Europe (source: AON and TELUS Asia Mental Health Index Report 2023).

However, there is a positive shift as employers in the region are increasingly recognising this trend and are committed to taking action to address it.

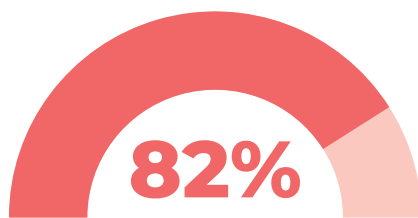
Still, and worryingly, almost half of employees in Asia hesitate to disclose their mental health issues to their employers due to fears of potential career limitations if it is known.



1 in 4 employees worldwide are experiencing symptoms of burnout and that figure rises to nearing 1 in 3 in Asia.

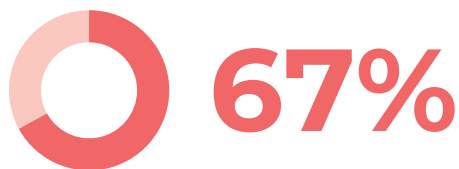


Source: McKinsey Employee Mental Health and Burnout in Asia, 2023



82% of employees in APAC report being under 'significant' mental health strain and 35% have a high mental risk profile

Source: AON and TELUS Asia Mental Health Index Report 2023



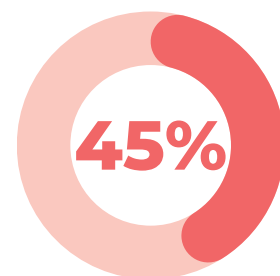
67% of employers in APAC consider well-being more important to their company



48% of employers in APAC saying it has increased in priority

Source: CMHA HK Survey 2020; Oliver Wyman analysis

45% of APAC employees say that they do not tell anyone in the workplace about their mental health issues



Source: CMHA HK Survey 2020; Oliver Wyman analysis



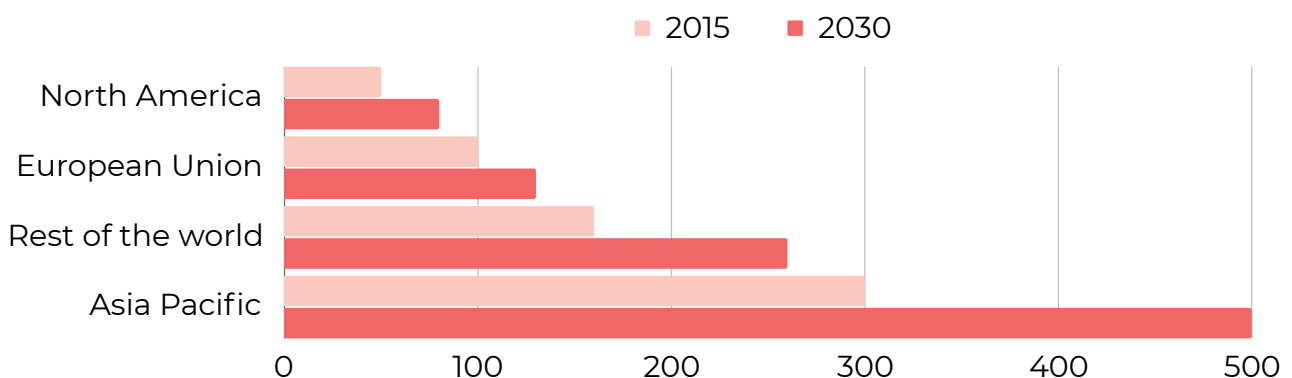
Ageing:

a group with unique skills and needs to embrace

Rapid Ageing

The world is facing rapid ageing and, according to the World Economic Forum (WEF), Asia is leading this trend, with Hong Kong, South Korea and Japan expected to have the highest share of people aged 65 and older by 2050 (source: WEF, with the participation of Statista, February 2022). As the fastest-ageing region, Asia is already starting to face complex workforce challenges and impacts on the job demand in the healthcare sector. This will coincide with a shrinking workforce, with the number of people aged between 16 and 64 to peak by 2045 and then begin declining.

Elderly Population Projection from 2015 to 2030 (millions)



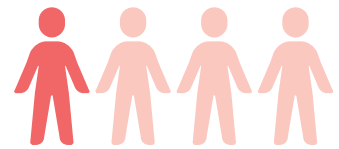
Source: APRC analysis on UN Population Division Dataset

New opportunities for enterprises

Being the fastest-ageing population globally presents an additional significant challenge: half of the workforce identifies as caregivers outside of paid employment (source: BCG Caregiver Crisis in APAC Countries, 2023). An older study by BCG, a Diversity and Inclusion Assessment for Leadership survey conducted in 2022 among 9,000 employees across six Asia-Pacific nations, had pointed out this notable demographic shift. Both studies underscore the emerging trend of employee-caregivers, individuals juggling both professional roles and caregiving responsibilities. This signals new opportunities for enterprises to support them and address their unique needs and preferences while leveraging their experience and contributions to the workforce.



In APAC, the number of older persons is projected to more than double in the coming thirty or so years from 630 million today to about 1.3 billion by 2050. 1 in 4 people will be over the age of 60 by 2030



Source: United Nations Economic and Social Commission for the Asia Pacific



Projections suggest that by 2035, the number of employee-caregivers will surge by 100 million to reach a staggering 1.2 billion, posing risks such as a potential workforce exodus and a consequential GDP loss estimated at \$125 billion to \$250 billion

Source: BCG's Diversity and Inclusion Assessment for Leadership survey, 2022



People with Disabilities:

room to advance support

Potential for people with disabilities

The potential within the substantial workforce of people with disabilities (PWDs) remains largely untapped in Asia, presenting organisations with an opportunity to strengthen their commitment to inclusivity in this region.

Governments across Asia endorse the integration of workers with disabilities. We are seeing disability quotas in China, Japan, and Thailand, for example, which underscore attempts to tackle the high unemployment rates among individuals with disabilities.

However, corporate DEI initiatives often fall short in adequately addressing this demographic.

For those who argue that accommodating the specific needs of people with disabilities is costly for businesses, research shows that companies employing and supporting individuals with disabilities in their workforce often outperform their peers and experience tangible financial benefits.

472

million people
with disabilities of working age



accounting for 15% of APAC's
working age population

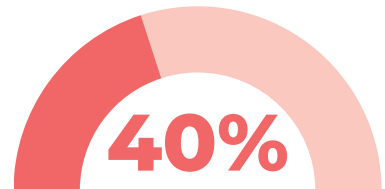


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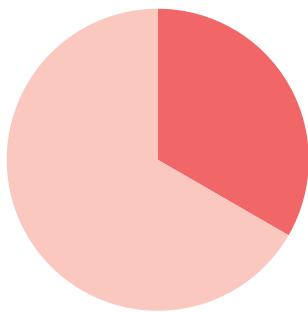
26 jurisdictions in APAC have quota systems in place to oblige companies to adhere to targets for PwD representation in the workforce at 1 - 5% of workforce

Source: EY Asia-Pacific perspective on disability inclusion, 2022

Singapore's Enabling Masterplan 2030 (EMP2030) aims to have 40% of working aged PWDs employed by 2030. Reaching the goal would see another 10,000 PWDs in employment in the republic



Source: Human Resources Director, 27 August 2022



According to the International Labour Organisation (ILO), only about a third of the ASEAN PWD population is currently employed

Source: UNDP's Fostering Disability Inclusion & Business Integrity in ASEAN, 2023

In APAC, people with disabilities are 2 to 6 times less likely to be employed than people without disabilities

2-6X

Source: EY Asia-Pacific perspective on disability inclusion, 2022



3-7%

There is an estimated 3 to 7% social and economic loss due to unemployment, under employment and exclusion of PWD from the labour market in APAC

Source: EY Asia-Pacific perspective on disability inclusion, 2022

Organisations employing and supporting persons with disabilities in their workforce outperform their peers and achieve tangible financial benefits



Source: UNDP's Fostering Disability Inclusion & Business Integrity in ASEAN, 2023



Inclusion of cultural minorities:

a complex landscape

Challenges in addressing DEI priorities

In addition to PWDs, Asia faces challenges in addressing DEI priorities related to race, ethnicity, religion, and socioeconomic background due to diverse societal conditions. Smaller minority cultural groups receive less attention for inclusion, and different cultural norms and attitudes make it difficult to create uniform diversity metrics across the region.

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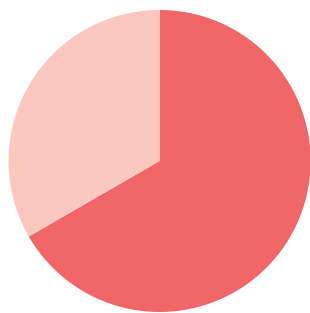
Asia's 4.7 billion people

1,500

comprise more than 1,500 ethnic groups

2,300

speaking more than 2,300 languages and dialects

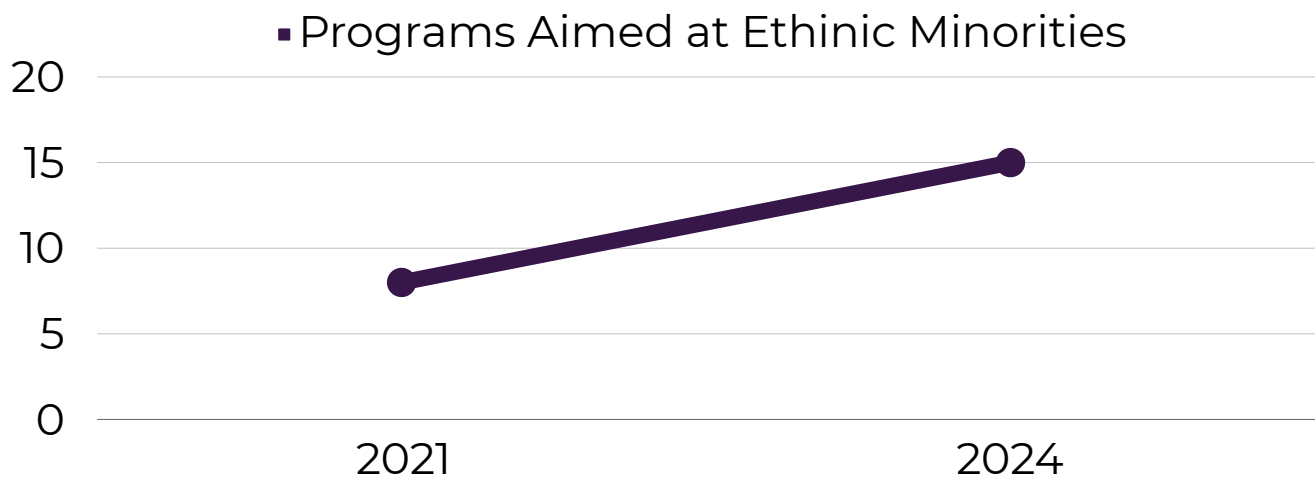


Have roughly two-thirds of the population of working age, and many have intersectional identities; that is, they represent more than one aspect of diversity

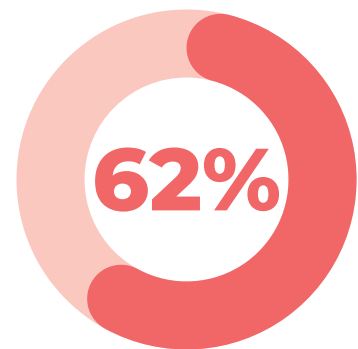
Source: BCG, Taking Diversity to the Next Level, 2023



The number of respondents who say that their company has programs aimed at ethnic minorities increased by eight to 15 percentage points over the past three years. Still, 62% of ethnic minorities say that they still face significant obstacles at work.



62% of ethnic minorities say that they still face significant obstacles at work.



Source: BCG, Taking Diversity to the Next Level, 2023



Tackling LGBTQ+ inclusion:

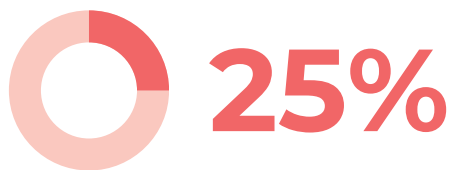
a challenging mixed bag

The LGBTQ inclusion journey

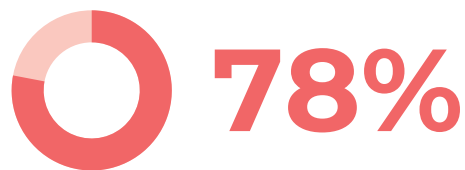
The LGBTQ inclusion journey is one where regional disparities are perhaps the most evident, with Australia and New Zealand leading in inclusivity compared to other parts of Asia. Positive strides are being made, as an increasing number of organisations are implementing LGBTQ inclusion programs. However, challenges persist in many Asian firms, where reluctance to address LGBTQ+ issues directly prevails. At a minimum, organisations in Asia must ensure that existing policies formally protect LGBTQ+ employees, granting them the same rights as others.



Organisations with an LGBTQ+ inclusion programme: increased by five percentage points in the last three years and today range from 25% in Singapore to 78% in Thailand



Singapore



Thailand

Source: BCG - Taking Diversity to the next level in SouthEast Asia, 2023



Despite popular belief, criminalisation of consensual same-sex sexual activity applies only in a handful of Asian countries, namely Bangladesh, Brunei, Malaysia, Maldives, Myanmar, Pakistan and Sri Lanka. Same-sex relationships are legal in over 14 Asian countries, including China, Indonesia, Japan and Nepal and same-sex partnerships have been legalised in Taiwan.

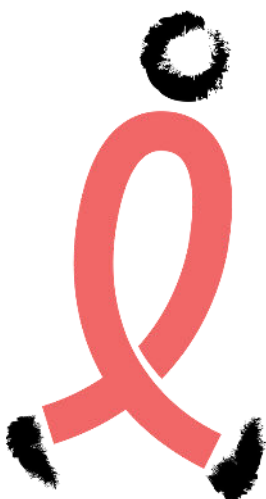
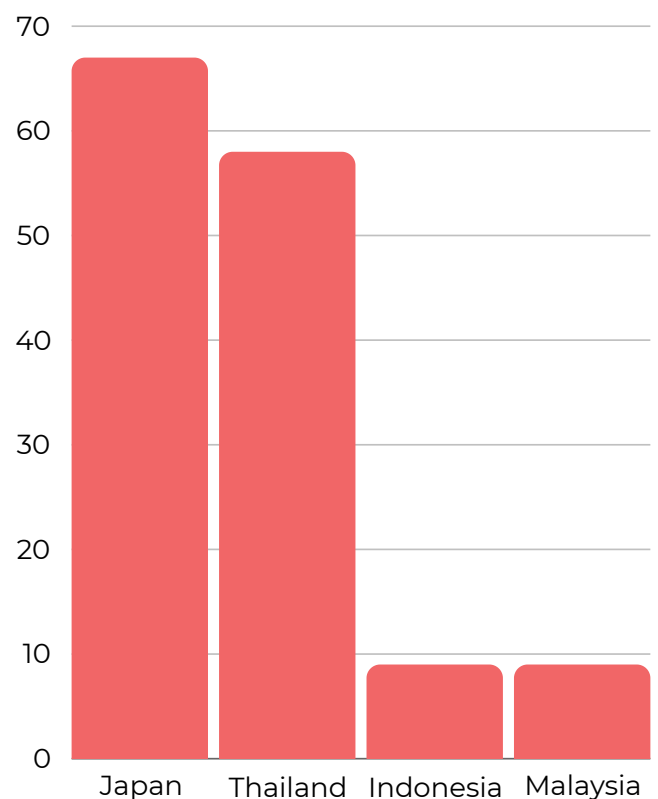
Source: EY Asia-Pacific perspective on disability inclusion, 2022

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**Asian
countries**

Acceptance of same-sex relationships varies significantly across Asia. While countries like the Philippines (73%), Japan (67%), and Thailand (58%) show relatively higher acceptance rates, nations such as Indonesia (9%) and Malaysia (9%) reflect significantly lower levels of acceptance.

Source: BCG - Taking Diversity to the next level in SouthEast Asia, 2023



There is however a considerable generational gap in acceptance of homosexuality across several Asian countries



Japan, 92% of individuals aged 18-29 expressed acceptance of homosexuality



39% of those aged 50 and above held the same view

Source: BCG - Taking Diversity to the next level in SouthEast Asia, 2023

21%

Respondents in China

30%

Respondents in Philippines

23%

Respondents in Thailand

Incidents of harassment, bullying, and verbal abuse targeting LGBTQIA+ employees are still common in Asian workplaces. According to a [UN Study](#), 21% of respondents in China, 30% in the Philippines and 23% in Thailand reported being bullied and harassed. The top three negative treatments reported were jokes or slurs, gossiping or sharing rumours, and making critical comments about how they dress, behave or speak.



Addressing LGBTQ+ discrimination holds less priority for people across Asia, as only 15% believe it is crucial for society to tackle this issue.

Source: BCG - Taking Diversity to the next level in SouthEast Asia, 2023



Gender equality:

still a main focus

Gender equality efforts emphasise women leaders

In Asia, gender equality efforts emphasise women leaders, but the approach varies widely due to diverse cultural norms and societal conditions. Attitudes toward women's roles as family caregivers are significant factors leading to women taking on a disproportionate share of unpaid care work. This in turn can result in women encountering both conscious and unconscious discrimination in workplaces and even opting to leave the workforce.

Also, issues related to gender equality, ranging from leadership advancement to traditional norms, are addressed differently in different Asian countries.

Organisations have made good headway in progressing gender equality, over the last years. But there is more work to do according to trends extracted from a recent BCG survey among 6,000 employees in six Southeast Asian countries (Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam), compared to a similar survey BCG ran three years before, in 2020.



Source: BCG - Taking Diversity to the Next Level in Southeast Asia, November 2023

On average across Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam, 80% of employees say that their company has DEI programs in place to support women; this is an increase between 6 and 15 percentage points between 2020 and 2023.

Yet, according to the same survey, 72% of women say that they still face obstacles at work because of their gender, citing issues with leadership commitment, recruitment, retention, advancement, and pay.



Country Snapshots

Australia

Australia, along with New Zealand, stands out as a leader in leading DEI efforts. The impact of the Black Lives Matter movement prompted vital discussions in Australia on the treatment and inclusion of Aboriginal and Torres Strait people. This awareness is reflected in company initiatives, with 30% of companies prioritising these groups in their DEI strategy (source: Korn Ferry DE&I pulse survey report - APAC, 2022).

Today, Australia demonstrates advanced maturity in DEI practices, not only in cultural diversity but also in gender equality, gender identity, sexual orientation, intersex variations and people with disabilities.

When it comes to gender equality, most Australian organisations have comprehensive measures to improve it. Instead of using quotas, they typically focus on benchmarking, adopting best practices, and setting peer-group standards. Organisations such as the Australian Institute of Corporate Directors (AICD) and the Australian Securities Exchange (ASX) have been among the most prominent to promote this approach. Many other Australian organisations have been following suit.

Another step forward in progress: the Workplace Gender Equality Agency (WGEA) of Australia will now disclose the gender pay gap for employers with 100 or more employees, beginning in 2024. This creates improved transparency and accountability, which has been shown to be effective in advancing gender equity in the workplace.

Despite this maturity, challenges remain, especially in promoting inclusion. Korn Ferry's DE&I Pulse Survey Report - APAC, 2022 found that 71% of organisations struggled to advance underrepresented groups into senior positions. This indicates a gap between senior management and boards' composition and the diversity of Australian society.



Key Statistics



Familiar with DEI

75%



Bystanders when facing DEI issues

32%



Comfortable talking with people they know about their social & cultural background

83%



Comfortable with people they don't know

63%



Top Associations



82%

Gender



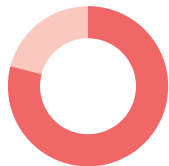
82%

Ethnicity



81%

Cultural background



79%

Race

Top areas to address

36%

Discrimination in general

30%

racism

23%

Discrimination against PWDs

23%

Sexual assault & harassment against women

Source: Fleishmann Hillard: DE&I Decoded: Diversity, Equity and Inclusion APAC, 2022



China

In China, big companies are getting serious about DEI. The Bank of China, one of the country's top state-owned banks, is a leader in DEI efforts, with a long-standing DEI policy. This policy affects how they pick and engage directors and is seen as crucial for strong corporate governance. Currently, three out of twelve board members are women.

Like many other organisations worldwide, Chinese companies are realising the importance of shifting focus from just diversity to full inclusion for business benefits. However, there's still much room for sharing and building on best practices and steps needed for effective implementation of DEI programmes.

There's a clear difference between local enterprises and MNCs in China. Private-owned companies, even if they are into innovation, have not fully embraced the business case for DEI. On the other hand, MNCs face the challenge of applying global DEI initiatives in China, where priorities may be quite different. The idea of a one-size-fits-all approach doesn't work, so MNCs are checking how inclusive their practices are and if Chinese employees genuinely have a voice and chances for success within the global organisation.

Also, China's DEI strategies typically focus on younger talent, understanding the importance of hearing their voices. The younger generation, often vocal on social media, suggests a move toward a more inclusive culture from the bottom up instead of being imposed from the top. The rise of self-management companies, particularly agile startups, reflects this trend, by losing traditional hierarchies to embrace more inclusivity.

Even though there's progress in gender equality at lower levels, Korn Ferry's DE&I pulse survey report - APAC, 2022 shows a big gender gap in senior management in China, with 80% being male. This highlights the ongoing need to work on gender equality and inclusivity in top corporate leadership.



Key Statistics



Familiar with DEI

80%



Bystanders when facing DEI issues

37%



Comfortable talking with people they know about their social & cultural background

86%

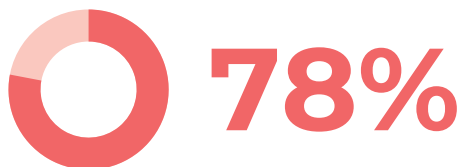


Comfortable with people they don't know

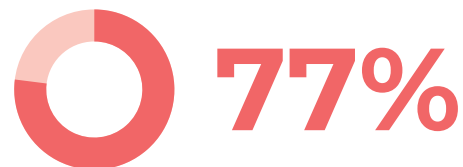
69%



Top Associations



Nationality



Social status / class



Cultural background



Race

Top areas to address

35% 28% 25% 25%

Educational inequalities

Racism

Sexual assault & harassment against women

Health inequities

Source: Fleishmann Hillard; DE&I Decoded: Diversity, Equity and Inclusion APAC, 2022



India

India is currently seeing a strong push for DEI, backed by significant investment. This surge is mainly fueled by two factors: a more informed young generation and high expectations of international clients.

Young people in India and around the world are selective about the organisations they join, considering DEI and corporate values crucial. Organisations that don't meet these expectations risk losing talent and becoming less competitive.

In India, the Information Technology (IT) and business services sectors are big players, with a massive workforce. Since their clients are mostly global companies, these Indian organisations need to align with their clients' DEI goals to win and keep contracts. While not all senior executives in Indian businesses fully embrace DEI, they recognise its importance because their clients - not just their employees - demand it.

Despite this progress, there are areas where Indian organisations can do better in DEI. Like everywhere else, companies in India struggle to make DEI part of their systems, focusing more on behavioural inclusion than structural changes. Copying policies without adjusting them to the organisations' cultural context is a common problem.

DEI awareness and training mostly target senior management, leaving a gap in middle management expertise. Line managers often lack the skills to build diverse teams, amplify employee voices, and fully realise DEI benefits.

Also, when it comes to gender equality, India has a history of uneven progress for women, influenced by cultural norms favouring males. Gender inequality remains a challenge, with only 27% of women participating in the workforce. However, positive trends are emerging, like a higher-than-average number of women with artificial intelligence skills (22%). The government and regulatory bodies are taking steps to address women's challenges, from promoting education to providing maternity benefits. Companies, especially in tech, are creating programs, such as a coding boot camp for women developers, to support women's professional growth.

For lasting progress, Indian organisations need clear diagnostics, strong audit systems, and benchmarks to track their DEI progress. Despite challenges, the overall outlook is positive, with increasing budgets, the establishment of DEI structures, and India's DEI path moving in the right direction.



Key Statistics



Familiar with DEI

89%



Bystanders when facing DEI issues

33%



Comfortable talking with people they know about their social & cultural background

90%

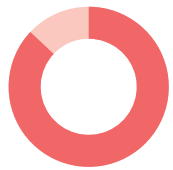


Comfortable with people they don't know

76%

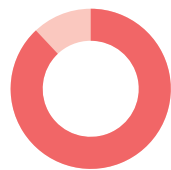


Top Associations



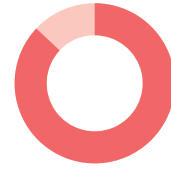
87%

Nationality



88%

Social status / class



87%

Economic status

Top Areas to Address

36%

Educational inequalities

30%

Sexual assault & harassment against women

23%

Freedom of belief / religion / political affiliation

Source: Fleishman Hillard: DE&I Decoded: Diversity, Equity and Inclusion APAC, 2022



Japan

The Olympics gave Japan a big chance to talk about DEI, especially with the Paralympics sparking conversations about disability and inclusivity. Even though there were some steps forward, like more awareness, there were also some problems, like the head of the Tokyo Olympics resigning because of inappropriate remarks about women.

Japan's standing in global gender equality is not great, ranked 120th out of 156 countries. Only 17% of leaders in Japan are women. During his time, Prime Minister Shinzo Abe (in office 2013-2020) was pushing for "womenomics" to get more women in different roles, especially leadership. In the private sector, some challenges, like taxes and childcare costs, are hard for individual companies to fix, but some companies are trying. There are programs and efforts to support women's careers, like Shiseido teaming up with UN Women in 2017 for a gender equality initiative called #HeForShe.

Today, more Japanese organisations are setting money aside specifically for DEI, compared to the global average (49% vs. 33%). But it's a worry that this budget isn't growing much, with only 7% increasing it significantly in the past year (compared to 24% globally). In Japan, the main reason for increasing the budget is to meet Environmental, Social, and Governance (ESG) government rules (62%).

While government efforts are bringing positive corporate DEI changes, Japanese companies and leaders need to understand more about why DEI is good for business to really make big changes. Unlike in other places, improving the company's image is not a big drive for change in Japan. This means there is a need for more and perhaps bigger talks in society, especially with business leaders, to make everyone aware of how DEI helps. Only then will DEI stand for a chance to become a priority for businesses.



Key statistics



Familiar with DEI

30%



Bystanders when facing DEI issues

34%



Comfortable talking with people they know about their social & cultural background

38%



Comfortable with people they don't know

22%



Top associations



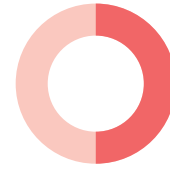
52%

Race



51%

Cultural background



50%

Gender

Top areas to address

33%

Racism in general

33%

Discrimination in general

33%

Gender pay gap

28%

Educational inequities

Source: Fleishmann Hillard: DE&I Decoded: Diversity, Equity and Inclusion APAC, 2022





INTERNAL STRUGGLES OF DEI PRACTITIONERS IN ASIA

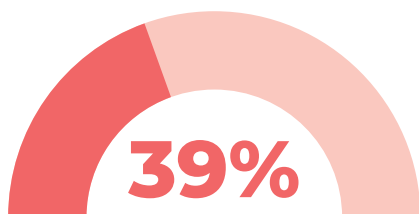
At the end of 2023, we asked DEI practitioners in this region about their main challenges, to better grasp the realities and extra difficulties they encounter. Besides the region's war for talent and addressing LGBTQ+, which we discussed above, other primary areas of challenges included: global DEI programs that lack relevance to Asia, limited resources and lack of management prioritisation.

Lack of relevance to Asia

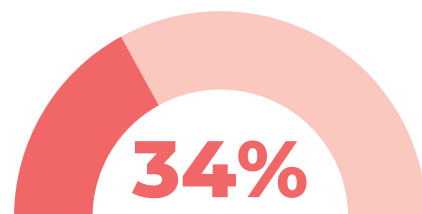
52%

of respondents in Asia found that their organisations either lacked a DEI approach or were in the early stages of developing one

The current approach to DEI in Asia often lacks a strategic foundation compared to other regions. According to the Workday and Sapio Research Global Blueprint for Belonging and Inclusion 2022, more than half (52%) of respondents in Asia found that their organisations either lacked a DEI approach or were in the early stages of developing one. This prevents organisations' progress from goal-setting to goal-achievement, with this figure notably higher than in Europe (39%) and North America (34%).



Europe



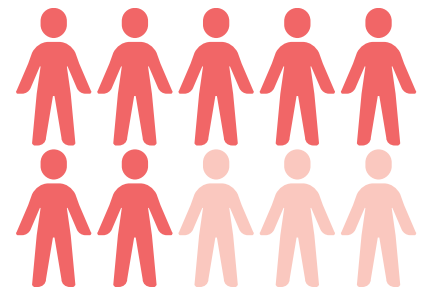
North America

58%

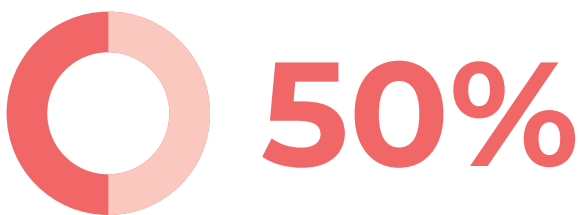
of respondents in Singapore struggled with tracking progress and felt the need for new systems and software to fully support DEI strategy and implementation

The study further revealed that more than half (58%) of respondents in Singapore struggled with tracking progress and felt the need for new systems and software to fully support DEI strategy and implementation. In Hong Kong, the numbers climbed to almost seven in ten (66%) of respondents sharing the same challenge.

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INCLUDE Consulting's 2023-2024 Dipstick Survey found half of respondents in Singapore believed global DEI programs lacked relevance to their specific region or market.



Half of respondents in Singapore believed global DEI programs lacked relevance to their specific region or market



Resource crunch

Investments in DEI in Asia remains robust

Investment in DEI in Asia remains robust, as we've seen among our clients and in INCLUDE Consulting's 2023-4 Dipstick Survey. Currently, budget availability appears to be less of a concern. According to the Workday and Sapio Research Global Blueprint for Belonging and Inclusion 2022, 90% of DEI practitioners in Singapore and 80% in Hong Kong have allocated budgets for DEI initiatives. Additionally, in Singapore, 34% of respondents plan to increase DEI investment in the next financial year, and 58% plan to maintain it. In Hong Kong, 26% of respondents intend to increase DEI investment in the next financial year, while 46% plan to maintain it.

Singapore



90% of DEI practitioners in Singapore and 80% in Hong Kong have allocated budgets for DEI initiatives.

Hong Kong



Limited human resources

While there seems to be sufficient financial resources, the challenge appears to be more related to limited human resources. In the INCLUDE Consulting's 2023-4 Dipstick Survey, DEI practitioners conveyed that 42% of them faced challenges due to either having no team or a small team.

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Management prioritisation

Manager training & robust leadership support

In 2024, the complex interplay of rising demands, talent shortages and looming burnouts requires a renewed focus on manager training and robust leadership support.

The role of managers as conduits for DEI initiatives demands careful attention and strategic reinforcement.

57%

of respondents across Asia say their CEO is a true advocate for DEI work

Fortunately, the INCLUDE Consulting's 2023-4 Dipstick Survey indicates no reports of challenges of resistance from leaders or managers. However, 41% of respondents stated that other business priorities were more important to leaders. Also, according to the Culture Minister 2023 Diversity and Inclusion Salary and Market Survey Report, only 57% across Asia say their CEO is a true advocate for DEI work. This is down from 75% in 2022.



CONCLUSION

Clear momentum for DEI

Fueled by a broader understanding of DEI and its compelling business case, a clear momentum for DEI is sweeping across Asia. Evident in actions ranging from gender pay gap disclosures in Australia and New Zealand to Japan's revisions of the Corporate Governance Code, there is a palpable commitment to enhancing DEI and embedding DEI principles within organisations across the region.

DEI can be the answer

The demand for DEI is not only voiced by employees, asking organisations to do more to address DEI, but it also comes from business leaders slowly recognising that DEI can be the answer to many of their most pressing people management challenges. Add to this an increase in government intervention and regulations, an overarching talent shortage, the world's highest rates of burnout and fastest ageing populations and the imperative for businesses to act is now beyond dispute. Hence organisations, large and small, are now embarking on more extensive DEI agendas throughout Asia.



Overarching talent shortage



World's highest rates of burnout



Fastest ageing populations





Driving DEI agendas is challenging in Asia

However driving DEI agendas is challenging in Asia, a region that covers approximately 50 countries with various religions and forms of governments, and nearly 2,300 different languages and dialects. Additional hurdles play out depending on the size and maturity of the organisation:

- MNCs struggle to apply and reconcile their global headquarters Western DEI programs in Asia. They are challenged to roll out global initiatives that are not appropriate to the very different cultural contexts of Asian markets.
- Regional or local companies recognise the benefits of a more diverse workplace and building an inclusive culture, yet struggle with getting leadership buy-in and securing the budget and resources they need to do the work well.
- Small to medium-sized enterprises may perceive diversity as a concern exclusive to larger firms, seemingly irrelevant to their day-to-day activities, and something they will only get to later.



Navigating the cultural nuances of DEI in Asia

These complex questions demand thoughtful planning. Hence, our recommendation is unequivocal: businesses must adopt a regional lens in their DEI approach, encompassing everything from how diversity and inclusion data is captured to the overall strategy. This tailored approach is essential for navigating the cultural nuances of DEI in Asia and ensuring meaningful progress in advancing organisational diversity and inclusion.

Like any journey, the steps along the way depend a great deal on where you are starting from.

For MNCs, careful thought needs to be placed on what to adopt and adapt from their global DEI strategy and to identify and address any gaps. This might include:

- Switching out a program on “Black Lives Matter” with one on cultural and religious inclusion, or switching an LGBTQIA+ program with one on allyship.
- Adapting training programs on unconscious bias, psychological safety and tackling microaggression to include Asia-specific examples or scenarios and sharing culturally sensitive ways to empower employees to point out bias in action without shaming or causing embarrassment.
- Introducing new programs focused on older generation inclusion and equity or addressing burn-out and mental health.



Regional & local organisations

For regional and local organisations, the journey starts with:

- Building a business case and ensuring there is leadership buy-in. This includes establishing a foundational understanding for leaders of what DEI is in an Asian context and the significant benefits it brings.
- Understanding what data they have, how to use it, and how to sensitively gather more of it to help inform their business case and define their strategic priorities.
- Developing a robust strategy, phased sensibly over time, and focused on evidence-based solutions. This should define clear priorities and focus areas that will help shift the needle quickly.
- Rolling out programs that focus both on organisational change - i.e. redesigning talent management processes, such as recruitment and performance management, to be inclusive - and on employee or leaders' behavioural change - i.e. inclusive leadership behaviours, employee resource groups and allyship programs.

Small to medium organisations

For small to medium-sized organisations, it's about finding cost-effective approaches to build their DEI foundations and ensure they build a diverse, equitable and inclusive workplace culture as they grow:

- Building a foundational understanding of DEI with employees using online learning resources specific to Asia.
- Ensuring they have the basic DEI policies in place and that they are compliant with changing local regulations and guidelines.
- Ensuring their recruitment process is de-biased to give them access to a greater talent pool and make them more attractive as employees so they can compete with bigger players.

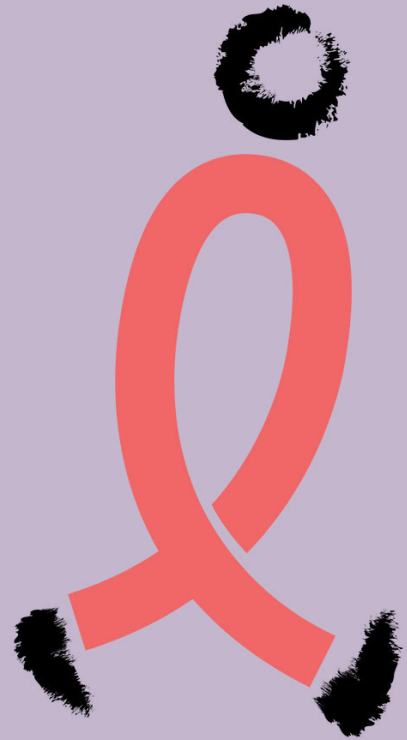


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