



Being human first
From Optics to Impact
- Diversity, Equity and
Inclusion in the workplace



The world has spent more than **ONE BILLION** dollars on **Diversity, Equity and Inclusion (DEI)** in the last year alone...

But has the focus been on **IMPACT** or **OPTICS**?

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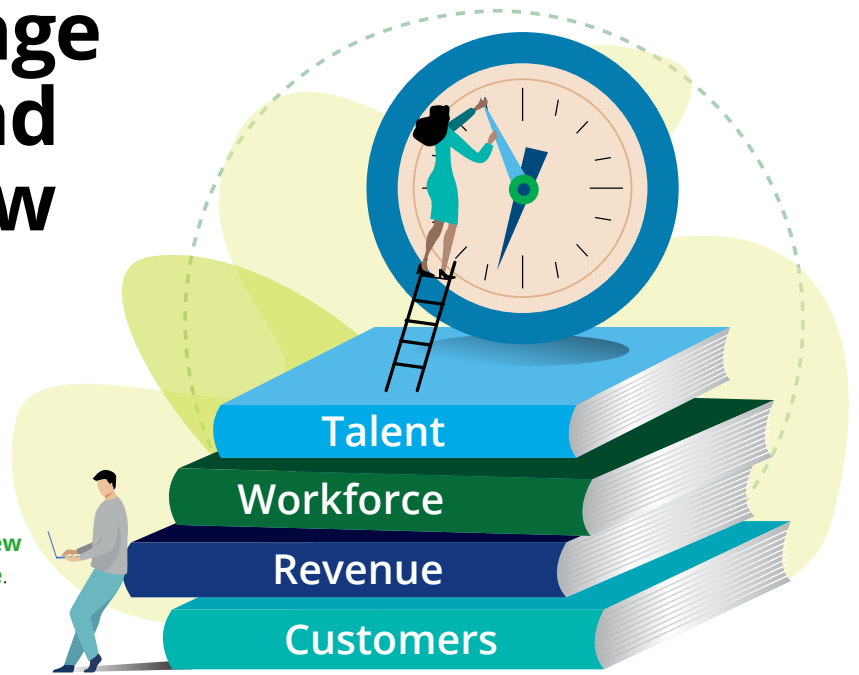
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Systemic change takes time, and the time is now

We are living in a changed world. The marketplace and its consumers are now demanding organisations to prioritise Diversity, Equity and Inclusion as the new normal.

The collective call to action **around social justice, sustainability goals** and the **COVID-19 pandemic** has accelerated companies' needs to **adapt to the new concepts of work, workforce, and the workplace.** The key to navigating this new reality is to increase **social and business imperatives to promote Diversity, Equity, and Inclusion.**



It's not an easy problem to solve but it's the right problem to solve.

In Society

In serving our workforces, communities, and customers, organisations have the platform, power, and means to enact change and drive equity.

Our ability to reach unity in diversity will be the beauty and the test of civilisation.

Mahatma Gandhi



Talent

80%

of the world's talent source is made up of women and people of colour.¹



Revenue

15x

Organisations with high levels of racial diversity have revenues and sales 15 times higher than companies with lower levels of racial diversity.³



Workforce

83%

of millennials are actively engaged when they believe the organisation fosters an inclusive culture.²



Customers

higher customer satisfaction for organisations with inclusive cultures. These organisations also have 27% higher profitability and 22% greater productivity.⁴

¹ Aguirre, D, Post, L, Hewitt, S.A "Talent Innovation Imperative." Strategy+Business. Issue 56. Autumn 2009.

² Smith, Christie, and Stephanie Turner. "The Radical Transformation of Diversity and Inclusion | Deloitte US | Inclusion." Leadership Center for Inclusion. Deloitte Consulting, 2015.

³ Herring, C. (2009), 'Does Diversity Pay? Race, Gender, and the Business Case for Diversity, American Sociological Review,

⁴ Cumulative Gallup Workplace Studies, "Business Case for Diversity & Inclusion"

Let's get on the same page

Diversity, Equity and Inclusion is more than just a 'workforce' strategy. It is a 'way of being' which influences how the organisation operates as an ethical business and cultivates a place where everyone can bring their true selves to work.



Diversity is a fact of life

The characteristics with which we are born and which we gain through experience, both seen and unseen, makes us different and diverse. Embracing diversity would drive innovation and increase well-being.



Equity addresses a systemic imbalance

The outcome of diversity, inclusion, and anti-oppression wherein all people have fair access, opportunity, resources, and power to thrive. Equity considers for and eliminates historical and systemic barriers and privileges that cause oppression.



Inclusion is an act

The actions taken to understand, embrace, and leverage the unique strengths and facets of identity for all individuals. This results in all parties feeling welcomed, valued, and supported.

The right thing to do

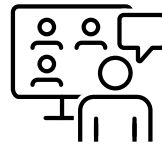
The move towards achieving **Diversity, Equity and Inclusivity**, not only promotes fairness in the workplace but also makes good business sense. Organisations enjoy a boost to their reputation which puts them in a positive light in the eyes of consumers and the talent pool.



Reasons to act now



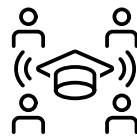
Significant rise in business interest with ESG goals putting DEI initiatives to the forefront



Equitable organisations are winning the war for talent



World events have pushed the need for achieving better and more equitable societies – and Gen Z are demanding this at the workplace



Longevity and aging populations require new and innovative ways to continuously sharpen cognitive performance



Intense scrutiny and the world is watching



Consumers want to associate themselves with brands that care about sustainability and DEI

Source: Share of aging population ASEAN 2040, by country, published by Statista Research Department, Nov 10, 2021

Move from optic-centred to impact-centred DEI

A disproportionate impact on minority groups

In recent times, global movements such as Black Lives Matter (BLM) and #MeToo have propelled the issue of DEI into the focus point of society. This has been further pushed as a societal agenda when COVID-19 was declared a pandemic in early 2020. Organisations across industries, sectors and size were pressured to make significant changes to foster an inclusive culture within the workplace. With so many changes being introduced to promote Diversity, Equity and Inclusion, we should be able to infer that the workforce is reaping from these benefits. But why is this not the case?

The workplace remains a discriminatory and unfair place.

So what impact have our efforts today really had?

This ongoing global crisis calls for strengthening the Diversity, Equity and Inclusion agenda within all organisations. Inequities continue to inhibit women, people of colour, and the LGBTQ community from excelling in the workplace. It is now the opportune time for executives to pivot from an optic-centred DEI approach, which has limited results and impacts, to an impact-centred approach to effectively eliminate discrimination and promote a more inclusive culture.



50% of Women in Asia have experienced some form of harassment and micro-aggression during the pandemic and continue to deal with non-inclusive behaviour at the workplace, even virtually¹



40% of women in Southeast Asia surveyed shared that they were asked by interviewers about their pregnancy plans²



38%

of global LGBT employees reported experiencing harassment at work³



25% of the Singaporean population is older than 55. While organisations focus on skilling initiatives for the “young” (Millennials and Gen-Zs) to navigate technological disruptions, such moves leave the older working population in state of limbo especially as the country raises its retirement age⁴



¹ Women at work, a global outlook by deloitte 2021

² Pregnancy discrimination in southeast asia | the asean post | your gateway to southeast asia's economy

³ UCLA school of law, lgbt workplace discrimination survey 2021

⁴ Workforce view 2020 global research, by adp research institute

Addressing the issue at its core

Some leaders consider DEI efforts to be a short-term fix to a specific challenge, but this should not be the case. There should be a long-term strategy with a clear roadmap to improve the overall organisational performance and innovation. Diversity, Equity and Inclusion can strengthen the social index of the organisation and in turn, boost the overall Economic, Social & Corporate Governance (ESG) efforts. According to a Financial Times report⁵, organisations with higher Economic, Social & Corporate Governance (ESG) scores perform financially better than others.

With social issues and talent as the focus, we take a careful but holistic approach to help you craft your DEI strategy that meets your organisational needs, while answering these key questions:

- What is driving your organisation to embark on this journey? Is it driven by external factors (such as ESG goals, etc.) or internal factors (surfaced through employee engagement surveys)?
- How does your DEI strategy affect the employee's full life-cycle as opposed to standalone initiatives that only reduces recruitment bias?
- How are your DEI initiatives expanding from HR's horizon into the overall organisational goals?
- What tools are your organisation using to measure your overall impact of the DEI efforts?

⁵ Financial Times, Companies with String ESG scores outperforms, study finds 2021

Deloitte's seven key headlines for DEI in Asia



Before we can achieve our goals of increasing diversity, reaching equity or fostering inclusion, we need to understand 'where' the biases occur. The DEI topic has been covered extensively in the western world, but what about Asia?

We interviewed business leaders, HR and employees from over 50 organisations in Southeast Asia to understand the key issues faced by them. We uncovered the major DEI issues and have classified them into seven key headlines.



The answer is not 50:50

Not every organisation needs to achieve a "50-50" gender headcount target. The key is to understand the talent supply and demand and what is right for you. A good indication would be the industry ratios, but challenge yourself to push the boundaries.



Performance versus potential – which is "fair"?

Performance can be measured, potential is subjective. A study of 30,000 people showed that women score higher in performance ratings but are rated lower for potential. The best indicator of future potential is past performance. 2021, Adam Grant.



Ageism and ableism need to be in the DEI equation

For the first time in history the world has aged populations. Today 1 billion people are aged 60+, and by 2100 it will triple to more than 3 billion people. Advancements in healthcare are seeing longer lifespans but cognitive capabilities deter after 40 years old. As the global workforce is ageing rapidly, ageist and ableist culture is on the rise.¹

¹ © 2020, Michael Netzley, Ph.D. and Extend My Runway Pte Ltd.



Culture growth, not fit

Companies have been homogenous, hence having a culture fit has been important. As companies diversify their business models, diversity of culture is key. Instead of looking to fit potential candidates into the company culture, employers should focus on "growing the culture" – thus promoting diversity of thinking and negating homophily. Focus on what you don't have – and intentionally look to find it.



Choices over charters

1 career path – multiple skills. Breaking down the skills and allowing flexibility to choose preferred skill pathways is a game changer. We can get closer to equity by making price of skills transparent and putting the choice in the employees' hands. All roles flex.



Advocacy not mentorship

Mentorship is about providing guidance and support; while advocacy is about having the power to influence career growth. However, in parsing these relationships, it becomes clear that not all career propellants have equal power. They are distinctly different, though necessary—and so is their ability to significantly change the course of a career and amplify profiles. Minority groups, need advocacy, not only mentoring.



All paths look equal but are not

Let's talk about gender labour segregation. Women and minority groups represent a higher number in the support services, heterosexual male make up a large part of the core business functions, and core business functions have trajectory to CEO. Instead of focusing on hiring minority groups – focus on creating equal opportunities for them to succeed.

Get started on your DEI journey



Do the key headlines make sense for your organisation? Unable to pinpoint which DEI issues are affecting your organisational performance?

There is no one-size-fits-all solution to achieving your DEI vision since different companies have different goals and pain points. Does the below statements reflect your organisation's current concerns?

As a global organisation, we see the value and importance of DEI. How do we ensure a consistent adoption of this mindset across all offices?

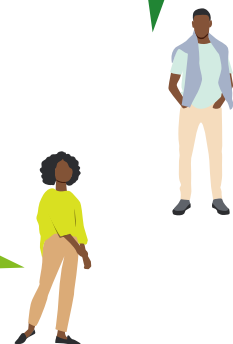


How do we see and measure tangible progress? DEI is a subjective issue, and the metrics are self-defined.

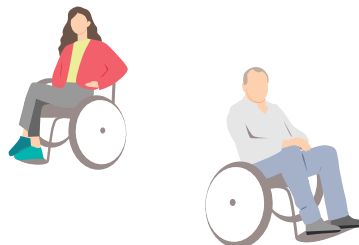
How does Diversity, Equity and Inclusion help our business? Is it just going to be a cost-centre?



We have only male leaders in our leadership – but the rest of our organisation is at 46%-54% ratio of female to male. Why do we not have the right pipeline with equal opportunities to succeed these roles?



We hire people into our organisation at the same salary. However, at the top, we are seeing a difference in pay parity between minority and majority groups – where are we falling short?



We have established many networks, but they don't seem to be having the impact we hoped – why is that?

We would like to conduct a leadership program aimed at minority groups in our organisation as we would like them to be ready to take on leadership roles.



Having developed and implemented DEI strategies across multiple organisations, we have identified four key shifts that will enable a holistic transformation and bring deeper levels of engagement and tangible business outcomes.



	Optic centered	Impact centered
Strategy	Hiring talent simply to reflect higher female to male headcount ratio.	Designing robust talent strategies to identify, coach and groom the diverse talent pool in the grand scheme of succession planning.
Policies	Organisational policies framed generically without specific use to the diverse groups of employees.	Structuring policies with inclusive consideration for the diverse groups of employees, such as those with families staying overseas, older-gen workforce, parents with adopted children, etc.
Culture	Organisation culture that, at a deeper level, omits opportunities for certain communities of people and does not adapt with the needs of the employees.	An organisation culture that treats every community in a diverse environment without discrimination, and with equal growth opportunities.
Mindset shift	How can I ride the profitable DEI buzzword wave?	How do I make sure that marginalised communities are given the same opportunities to thrive?

Through Deloitte’s breadth of client experience, research, and its own organisational accomplishments in DEI, we have developed a scientific and tested approach that will help you craft a tailor-fit strategy to enable and sustain a diverse, equitable, and inclusive organisation.

Our approach for a holistic transformation

While there is a growing awareness on the importance of DEI, the true challenge lies in translating that awareness into impactful actions and valuable outcomes.

Realise your DEI ambitions through a three-step approach: Assess, Design and Activate

1. Assess

Complete a comprehensive DEI assessment of your organisation.

- Examine your DEI landscape, identifying areas of strengths and opportunities.
- Conduct in-depth analysis of your organisation's DEI maturity & bias across major activities of the organisation such as the talent lifecycle etc.
- Reviewing all DEI talent practices.

3. Activate

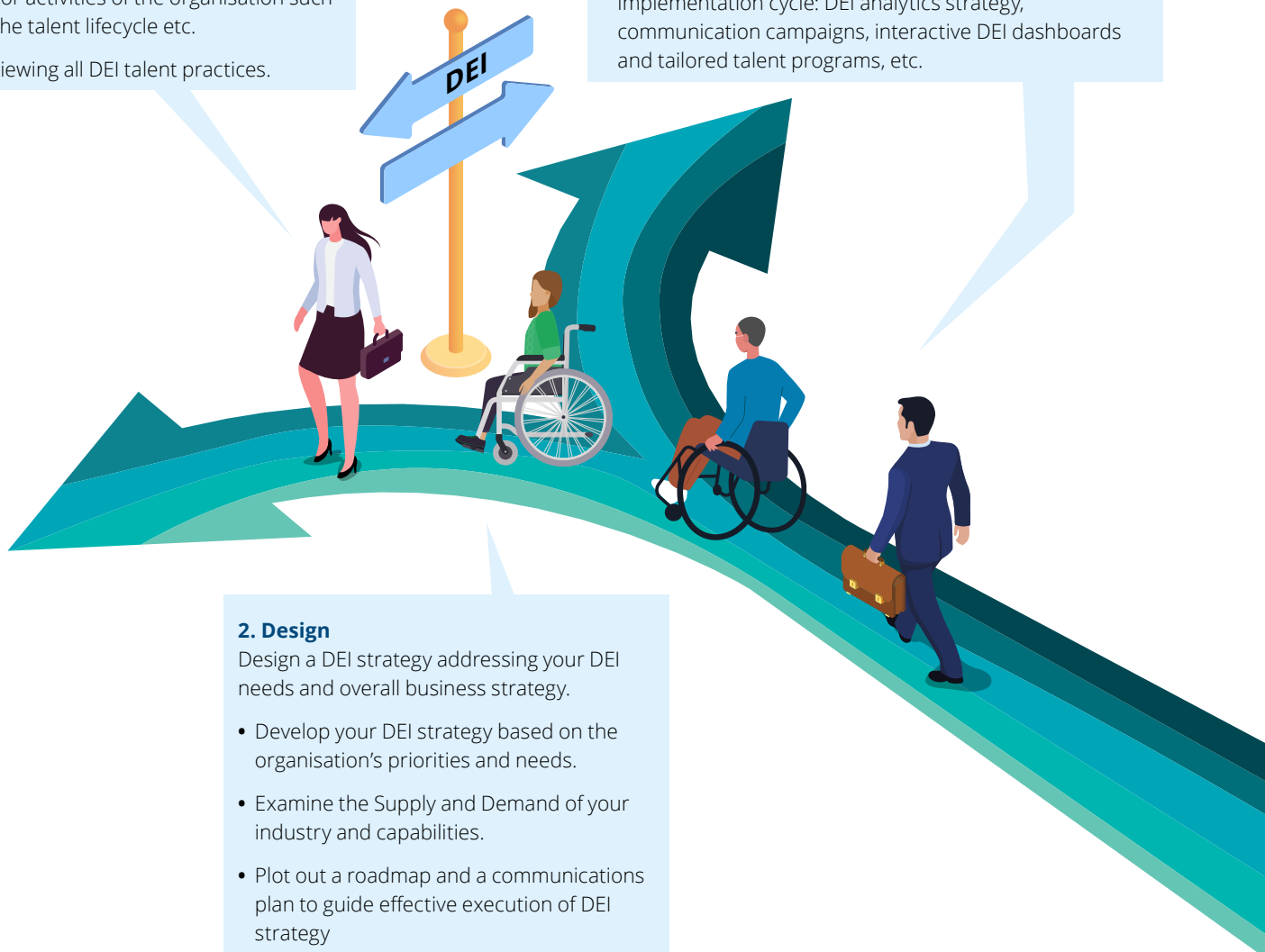
Once the strategy and roadmap are defined, activate your plans.

- Deliver experiences that guide participants in exploring biases and identify the strengths of the organisation's culture and barriers to inclusion.
- Empower leaders and employees at all levels to build more inclusive habits, foster inclusive work environments, and connect inclusion with business objectives.
- Reinforce diversity and inclusion culture and tackle systemic biases across formal mechanisms within the organisation's talent lifecycle (attract, hire, develop, grow and engage).
- Support, manage, and assess all steps of the implementation cycle: DEI analytics strategy, communication campaigns, interactive DEI dashboards and tailored talent programs, etc.

2. Design

Design a DEI strategy addressing your DEI needs and overall business strategy.

- Develop your DEI strategy based on the organisation's priorities and needs.
- Examine the Supply and Demand of your industry and capabilities.
- Plot out a roadmap and a communications plan to guide effective execution of DEI strategy



Our DEI tools & accelerators

Our award-winning tools provides the basis to measure successes, analyse insights and equips leaders with skills to enable your organisation to be self-sustaining in the long term.

Deloitte's DEI Activators

Building your Strategy

Mitigate the risk of bias and realise the business benefits of both a diverse workforce and an inclusive organisation through incorporating the eight inter-connected activators as an all-rounded framework.

Analytics

Drive organisational accountability using analytics that paint a picture of the organisation's inclusion practices that maximise human potential

Infrastructure

Set the groundwork required to promote, support, and activate inclusive strategy, culture, and behavior

Talent

Create an equal playing field for employees of all identities and backgrounds to succeed through equitable talent programs and processes that mitigate bias

Culture

Decentralise the approach for cultivating culture, relying on natural influencers to activate a culture that sparks diversity of thought and invites complex identities to work together and spur innovation



Leadership

Ignite leaders' inner transformational activist and sponsor self expression, driving authentic connection and innovation

Customers

Match insides to outsides and engage business leaders in inclusive decision-making to reflect insights about and values of customers

Community

Unite with purpose – align values to partnerships and community action to maximise mutual benefit and support broader goals

Brand

Look inside out – and outside in – to define an aspirational organisational and employer brand rooted in DEI values, touting inclusion consistently and widely

Framework for unleashing human potential

Deloitte's DEI Maturity Spectrum

Understanding your current state and the gaps you need to close

This maturity model allows your leaders to envision the steps necessary to progress along the curve toward inclusion. The spectrum highlights the efforts needed to reach true inclusion and sets an expectation on the journey towards this systemic change.



Maintaining the status quo
 "What do we have to do to stay out of trouble?"

Creating an inclusive & diverse workforce
 "What are the most immediate areas for my own team to be diverse and inclusive?"

Managing an inclusive & diverse workforce
 "How do we support our diverse workforce?"

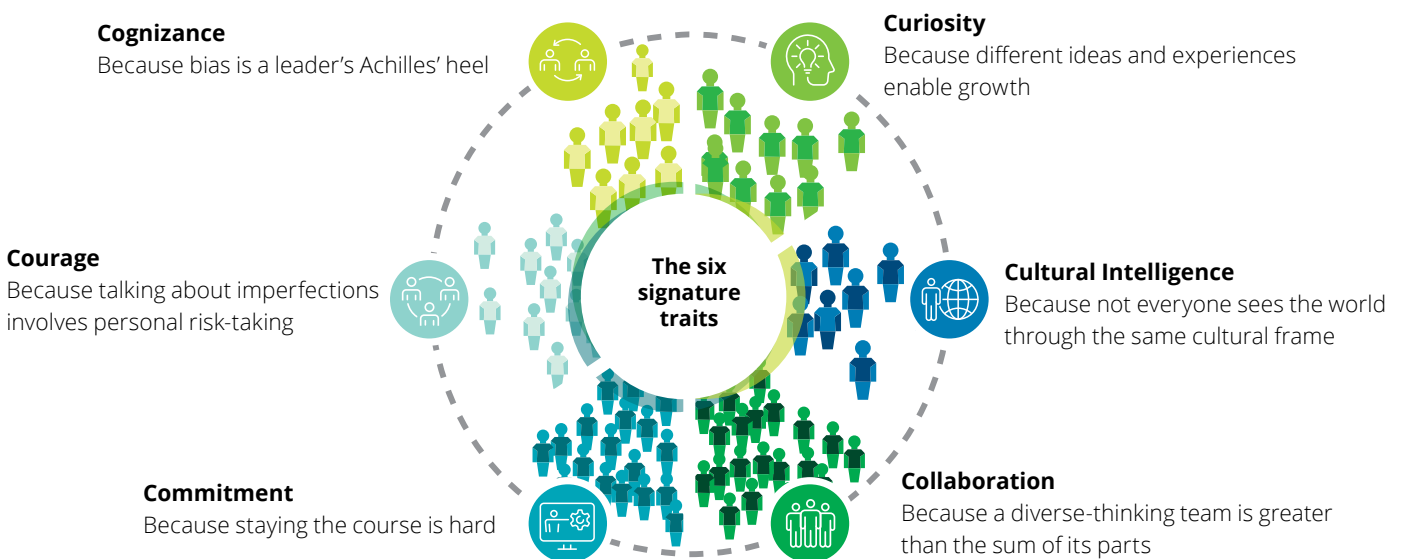
Valuing an inclusive & diverse workforce
 "How can we further engage our diverse mix of employees and make sure they feel valued?"

Leveraging an inclusive & diverse workforce
 "How can we drive value from our diverse mix of employees?"

Deloitte's D&I Maturity Model

The six signature traits of Inclusive Leadership

Co-creating Unique Interventions to create true impact



The six signature traits was developed through collecting data on over 1,000 leaders and rated by over 10,000 users. Highly inclusive leaders demonstrate these six signature traits in what they think about and what they do. Collectively, these six traits represent a powerful capability geared highly towards diversity.

The opportunity for real impact is in your next decision



-  Create **shared purpose and meaning** by broadening the narrative to diversity of thinking and inclusion
-  Build **inclusive leadership** capabilities
-  Recognize that progress will take a **culture reset**
-  Take **middle managers** on the journey
-  Nudge behavior change by **rewiring processes and practices**
-  Strengthen **accountability, recognition, and rewards**
-  **Pay attention** to diverse employees and customers

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