Research Brief IBV Diversity & Inclusion Series: Pan-Asian

Asian American inclusion in the workplace

Exploring persistent biases and evolving challenges

IBM Institute for Business Value



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In early 2021, Asian Americans—sometimes shrugged off as "the model minority"—faced a new wave of public anti-Asian sentiment. As the pandemic threatened "regular life" for everyone, more Asian Americans became targets of hate speech and violence, from labeling COVID-19 as "the China flu" and other racial slurs, to the March 2021 shooting rampage in Atlanta.

The US work environment for Asian American executives is uncomfortably challenging and discriminatory, according to new research from the IBM Institute for Business Value (IBV). Asian American professionals report on-the-job obstacles that far exceed those of their White counterparts. To explore this topic, the IBV surveyed 1,455 Asian American senior executives, senior managers, junior executives, and entrepreneurs between August 2020 and January 2021. Respondents represented a broad cross-section of industries across the US (see "Study methodology" on page 10.)

The episodes of anti-Asian hate in American society, which accelerated during the pandemic and escalated further in recent months, have generated an outcry from Asian Americans and allies in the business community. A broad cross-section of Asian American business leaders, for instance, created the website StandWithAsianAmericans.com, taking out full-page ads in *The Wall Street Journal* and elsewhere. They drew attention to fear in the community, the 150% rise in hate crimes, and issued a pledge to fight back against violence.¹

Just 3 weeks later, the US Senate passed a bill 94-1 to denounce bias against race, national origin and other characteristics.² The bill cites roughly 3,800 cases of related discrimination and incidents of hate crimes in less than a year's time, as of February 28, 2021. After passing a House vote on May 18, the bill will soon be signed into law by President Biden.

These efforts recognize that the violence has been disproportionately directed toward Asian women, and that the climate of systemic bias and racism also impacts Black, Latinx, Indigenous and LGBT+ communities. It is a call for greater responsibility, on the part of businesses, to be a voice for change and ally in support of advancing opportunity more broadly.

Patterns of success-and bias

In the new IBV study, 8 in 10 respondents say they've personally experienced discrimination based on their ethnicity or race. Nearly half of all respondents point specifically to discrimination in the workplace. The challenges reported underscore that Asian Americans still face intense bias, even as they advance and succeed in their careers. In fact, more than 60% of respondents report that they must work harder to succeed because of their identity.

This echoes a study by Ascend, an organization that represents professional Pan-Asian Americans, which analyzed the latest EEOC data (2018) across all industries. The Ascend study concluded that while all ethnic groups are underrepresented at the executive level relative to their professional level, Asian men and women are the most likely to be hired but the least likely to advance to become executives. (see "Perspective: A false narrative—Tech versus exec").

The narrative of Asian achievement in US business is supported by success stories of entrepreneurs like Yahoo founder Jerry Yang and YouTube cofounder Steven Chen, and chief executives Satya Nadella at Microsoft, Sundar Pichai at Alphabet, and Arvind Krishna at IBM, among others. But such compelling anecdotal evidence of Asians in the corner office masks the continued presence of a "bamboo ceiling," a somewhat controversial term that refers to the invisible but real barrier preventing Asian Americans from reaching the highest levels of corporate leadership in the US. These hurdles persist despite the fact that, as IBV's research shows, Asian American professionals value the approaches that are among the most impactful for organizations and that reflect a future-forward perspective:



Creating positive change. This is the top-ranked definition of success among Asian Americans in the IBV study. Given the rising emphasis on social impact and stakeholder capitalism, this goal aligns with what the most successful brands and operations are increasingly focused on. It outpaces more self-serving goals of financial security and accumulating power or influence.



Prioritizing continuous learning. This is the top-ranked attribute cited for life success among Asian American respondents. It is perhaps the most-valued perspective for both workers and leaders in our change-heavy world, where adaptability is increasingly prized.



Using effective communication. This is the top-ranked skill cited by Asian American professionals, both for themselves personally and to enable success in America in general. This belies stereotypes of Asians as both STEM-obsessed and reserved in demeanor, assumptions that have historically limited their exposure to leadership opportunities.

In this report, we present detailed results from our study of Asian American professionals, focusing first on the Pan-Asian experience. The respondents' answers indicate a broad sense of hope and positivity that their efforts, in tandem with societal progress, will address both long-held biases and newer challenges. But there is much that organizations—and indeed, all of us—can do to propel that progress forward.

Second, we then offer a comparison of results from two subgroups: those who identify as Americans with heritage in East and Southeast Asia; and those who identify with South Asian heritage. These two cohorts are often viewed separately, including by members of the respective groups, because of their divergent cultural experiences, including differences in how their ancestors emigrated to the US. Given this, what is perhaps most striking is how consistent the responses and experiences are across the two populations—the differences tend to be matters of degree.

Finally, we offer a menu of actions that enterprises should consider to help erase societal bias and address organizational obstacles. This "action guide" suggests ten areas where positive steps can be taken to improve equity and inclusion for Asian Americans.

A false narrative— Tech versus exec

Ascend, an organization that promotes leadership and global business potential of Pan-Asian professionals worldwide, reports that Asian Americans make up 12 percent of the professional workforce in the US. Yet only 4.4% of all Fortune 1000 board members are Asian American, and just 1.47% are Asian American women. Other Ascend research indicates that White professionals are twice as likely to be promoted into management roles as their Asian American counterparts.³

These statistics are reinforced by the incorrect and unproductive narrative that Asian Americans excel predominantly in STEM roles and technology fields that require math and analytical skills but aren't suited for executive roles because they lack the soft skills required by leaders. First, historical research shows that Asian-Americans' success in the sciences and technology fields comes not from some set of natural capabilities but from the fact that the first Asians to move to the US in 1965 after immigration reform were largely scientists, engineers, and doctors.⁴

Second, the "soft skills" gap is likely a matter of cultural misinterpretation by traditionalist business leaders. The Asia Society's 2109 research explored Asian American employees' challenges in the workplace, and revealed that respondents with Asian heritage were significantly more likely to use indirect communication styles than respondents with other backgrounds. That doesn't always align with the more assertive communication traits typically valued by leaders in the West.⁵

For example, in the survey, Asian Americans were more likely to agree with statements such as: "I prefer to raise sensitive issues in one-on-one meetings rather than public group meetings" and "There are many times when I prefer to express myself indirectly." This cultural preference, whereby people are taught to express themselves with "moderation and restraint, and avoid showing disagreement openly in order to maintain harmony," the Asia Society survey says, is likely restricting professional advancement for Asian Americans.⁶

The Asia Society research concludes that "cultural differences in communication styles may contribute to the 'bamboo ceiling.'" According to the research, "Such a tendency may be interpreted as if (Asian American) employees had less to contribute in group meetings, whereas in reality, it reveals a mismatch between their Asian cultural upbringing and the U.S. workplace culture."⁷

This cultural mismatch can dampen sponsorship for executive positions. As IBM VP and CTO Radha Ratnaparkhi notes, **"While we do get the support of mentors,** *Asians suffer on the sponsorship front—often dismissed as brilliant technologists but not considered capable of having executive presence to champion key initiatives. If we speak up we are deemed too aggressive and rash since listening is a key Asian trait!*"⁸

The Pan-Asian experience

The lives of Asian American professionals are marked by discrimination: 79% of respondents in the IBV study report personally experiencing discrimination because of their race or ethnicity. This pattern persists from the workplace to wider society and government engagement. And all of this has a dramatic impact on individuals' confidence and potential.

In the workplace

Nearly half of respondents cite discrimination by their employers against Asian Americans. The figure is even higher among the most senior Asian American executives—an indication that, the farther they advance in their careers, the more obstacles they confront. A mere 2% of White respondents say their employers discriminate on the basis of their race.

Nonetheless, when asked which people have had the biggest influence on their lives, Asian American professionals rank business leaders in the top spot, tied with their parents. (Politicians and public officials rank near the bottom of the list.)

Senior managers and junior managers are influenced more by their colleagues and peers than business leaders.

As a group, Asian American respondents cite effective and timely training as the most significant contributor to building success, and formal mentorship runs close behind. Yet, their ability to tap that benefit trails behind that of White professionals: On-the-job training is the top-rated workplace benefit for both groups, but 59% of White respondents say they have benefited from it, compared to only 43% of Asian Americans (see figure).

Despite persistent stereotypes that Asian Americans are STEM-focused, fewer respondents in this cohort cited technology in the workplace as a beneficial tool than White respondents. Notably, of the surveyed Asian American senior executives, senior managers, junior managers and entrepreneurs, it is the junior manager group that cites tech-driven workplace outcomes with the least frequency.

The training gap

Asian American employees get fewer on-the-job learning opportunities

43%

of Asian American respondents have received training at work

59%

of White respondents have received training at work

Author's perspective

Inhi Cho Suh

My world changed at age 5. We moved in 1980 from a post-war recovering Korea to America. We moved from Seoul a city of millions of Koreans who looked like me to Spartanburg, South Carolina—a town of 100,000 White and Black Americans. By age 6, I learned that skin color dictated a social hierarchy in America. Being Asian—"yellow"— was alien and therefore "less than" being White.

Throughout my childhood and early adult years, I experienced racism ranging from overt attacks to microaggressions. My name was another reminder I was different. As a teenager, I placed takeout orders using a more "American-sounding" name. Inevitably, when I went to pick up the food, the cashier would stare at me for a few seconds before saying "You don't look like what you sound like. Thought you were White over the phone."

Microaggressions were daily reminders. What I learned was that race and sex biases were weaved in our education, in extra-curricular activities, in job interviews, in pay, and in professions across industries. I developed calluses for callousness.

Staying true to the values my family taught me, systemic problems such as discrimination in the workplace requires systemic changes and placing higher value in strengthening supportive relationships. These important relationships take the form of not just mentors and sponsors, but also allies committed to building a better future that is more inclusive. This is why I am so passionate about building a world where my children and their children, and my teams and future teams, can thrive where "their sun can rise" as high and brightly as possible.

As consumers and citizens

As consumers, Asian American respondents describe their needs being met at a 40% to 50% lower frequency than White respondents—from customer service, to digital experiences, to advertising. There is a similarly broad dichotomy in the accuracy and fairness of Asian American representation in media, according to the survey.

With hate crimes against Asian Americans on the rise since 2020, it is telling that nearly 50% of respondents report discrimination against Asian Americans by law enforcement and the judicial system. The proportion of Asian American respondents who feel adequately represented in the federal government is in the single digits, compared to 55% of White professionals reporting adequate representation.

In professional and personal circles

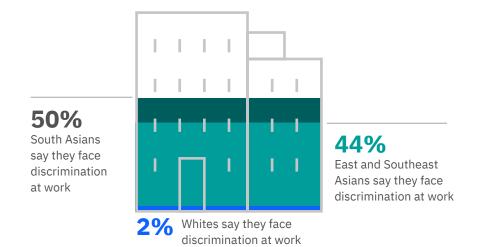
The IBV study asked how empowered and supported respondents felt in overcoming challenges on the job, and in their lives overall. The disparity between Asian American and White professionals was conspicuous: while 74% of White people felt empowered and supported professionally, only 40% of Asian Americans did; and 68% of White respondents say they feel empowered and supported in addressing personal challenges, versus only 22% of Asian American respondents.

Comparing different cohorts within the Asian American community

The Pan-Asian community reflects a broad diversity of cultures, traditions, histories, and experiences. For that reason, the IBV subdivided the responses from the more than 1,400 Asian American respondents into two cohorts: those whose heritage is East and Southeast Asian and those whose heritage is South Asian (see methodology for more detail on cohorts).

This subdivision unearthed a few areas of significant differentiation. Primary among them is that the South Asian cohort reports employer discrimination at a materially higher rate: 50% of respondents versus 44% for the East and Southeast Asian cohort (see figure). Nothing else in our study findings illuminate why that distinction exists. The next most significant difference between the two groups relates to behaviors to which they attribute their success in the workplace: the South Asian cohort cites "passion for the job" as the top contributor, while the East and Southeast Asian group points to "effective and timely training."

Degrees of discrimination



Author's perspective Bernie Hoecker

I was born in an orphanage in Philadelphia and lived there for a little over two years until I was adopted and raised in a multi-cultural family by my parents, who are White of English and German descent. They adopted me, my two sisters, and my brother. My older sister was adopted from Korea where she was abandoned as a result of the Korean War. My other sister and my brother are half black and half white.

Growing up in the US 1960s and 1970s in a family that diverse was quite different. We dealt with biases and name-calling, and things of that nature. But overall, I would say we had a normal upbringing. We were raised in a very Catholic family and I was the product of 12 years of Catholic schooling. My father worked for the government and my mom was at home. We were just an average, blue-collar type of family.

When I discovered my birth family after doing an Ancestry.com analysis, it was a shock. And it's made me reevaluate how I relate to the people I work with. We spend so much time at work and most of our relationships with colleagues can be superficial and we don't get to know people as individuals—that's a loss for everyone.

Even growing up in my multicultural environment, I've had to learn and unlearn diversity and inclusion beliefs/practices throughout my life. We are products of our upbringing, and I have grown up with certain biases and opinions that in many ways were far from perfect. It was not until I went to college and lived on my own that I started to begin to understand what diversity and inclusion mean, and I continue to learn from friends and colleagues every day.

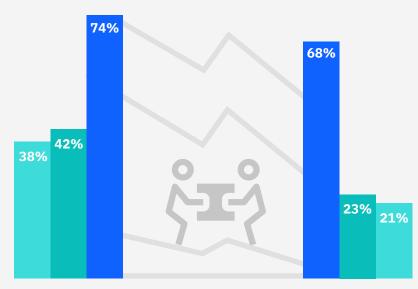
Raising a family of three daughters and having the opportunity to travel to many countries and work with people from all over the world has also given me the opportunity to "learn and unlearn" the concepts of diversity and inclusion. When I feel strongly about something, I now try to ask myself why I feel that way. Is it based on a body of knowledge and data, or my personal bias? I find that if it is the latter, I start questioning it a whole lot more, and maybe uncover a personal bias. This questioning process lets me unlearn or relearn things.

Each person has unique beliefs, practices, and experiences that enrich their relationships, whether personal or in their company. I believe when you have diversity of thought and diversity of talent, you get a better product.

A lack of confidence

Both Asian American cohorts feel the need for greater empowerment and support

South Asians East and Southeast Asians White



Feel more empowered and supported than the general population with professional challenges. Feel more empowered and supported than the general population with personal challenges. Given the cultural and historical differences between the two cohorts, what is most unexpected in comparing the results from these two groups is how consistent they are. Both groups report extraordinarily high incidences of experiencing discrimination overall (78% and 80%, respectively). Both emphasize the influence of business leaders on them; both cite technology as a key workplace tool less frequently than White respondents.

The two groups' responses also track consistently around representation in government, where only 7% and 8% of both groups feel represented at the federal level. In terms of representation in media, both groups report feeling represented at a rate roughly 20% lower than White respondents do. The confidence gap is also consistent: 38% versus 42% feel empowered and supported with professional challenges; 21% versus 23% with personal challenges.

This consistency may illustrate why, while those in the Pan-Asian community appreciate specific heritage differences among Asian Americans, those who are unfamiliar tend to treat the community uniformly. This observation opens 2 doors for future inclusion efforts:

- Members of the Asian American community might band together even more to address their collective obstacles; and
- More education is needed about the extraordinary diversity within the community so that the term "Asian American" is more richly understood and appreciated.

Asian American exceptionalism: The myth of the "model mino<u>rity"</u> Berkeley sociologist William Petersen is credited with describing the term "model minority" in a January 1966 article, "Success Story, Japanese-American Style," published in The New York Times Magazine.⁹ The article described characteristics of Japanese-Americans—such as diligence, obedience, and deference to authority, along with respect for parents and ancestors, and strong ties to religious traditions—as traits that enabled this group to build success.

Petersen contended that "color prejudice (is) so great in this country that a person who carries this visible stigma has little or no possibility of rising." Yet Japanese Americans, including those who were forced into internment camps during WWII and their children, defied that path. Using language and direct comparisons to other minority groups that would be inappropriate by today's standards, Petersen's article, and others after it perpetuated the "model minority" myth—which became a tool for criticizing other minorities, blaming poverty and lack of success on an absence of hard work (a stereotypically "Asian" value), and an inability to assimilate into White American culture.

Over time, some Asian immigrants embraced the model minority stereotype, which eventually expanded from Japanese Americans to refer to all Americans with Pan-Asian heritage. Yet its effects have been damaging to all minority groups. It has served to portray all Asian Americans as a monolithic collective, despite the fact that the nearly 20 million Asian Americans trace their roots to more than 20 countries in East and Southeast Asia and the Indian subcontinent, each with unique histories, cultures, languages and other characteristics.¹⁰ Though Asians have the highest US incomes of any ethnic group, they also have the widest level of income disparities among all ethnicities, according to a Pew Research Center analysis of government data.¹¹

The persistence of the model minority myth also lets (mostly White) society off the hook by redirecting blame. Rather than systemic discrimination and lack of opportunity causing inequality, individuals of any race could be blamed for not working hard enough or having enough determination.

Action guide

How to improve Asian American inclusion in the workplace

Despite many notable Asian American success stories in business, including icons of industry who have launched and run significant enterprises, the Pan-Asian community remains under pressure, and lack of advancement opportunities remains a barrier for far too many. Meanwhile, the external environment—from societal discrimination to hate crimes—adds additional pressure that restrains empowerment and limits potential achievement.

Of course, the Pan-Asian community is not a monolithic group. Individuals with varied cultural heritage carry assorted histories and accomplishments that should be recognized and acknowledged. Debunking stereotypes in media, education, and anywhere else they appear will help establish a more equal footing across corporate functions and in the leadership pipeline.

Ten ways organizations and leaders can respond

Among the ways organizations can take action to improve equity and inclusion for Asian Americans:

Allyship: Welcome broad engagement and establish cross-cultural training to amplify the power of collaborative relationships and build inclusive environments that make marginalized groups feel safe.

Talent identification and recruiting: Intentionally build a leadership talent pipeline for Asian Americans, through specific outreach and programs. The Asia Society recommends specifically inquiring about the aspirations of Asian heritage employees. ¹² They may appear content with their current positions, but it is important to find out whether they wish to advance in their careers.

Training: Invest in mentoring, sponsorship and on-the-job training for Asian Americans, who highly value such opportunities yet whose access lags that of White counterparts. Train all managers to identify and address implicit bias.

Assessment: Conduct regular pulse-polling among managers, to identify workplace problems quickly and address them immediately. Prepare managers to accommodate the less direct communication style preferred by some Asian heritage employees. Give Asian employees opportunities to prepare their thoughts in advance and encourage input and feedback through both direct and indirect communication channels (for example, via email after meetings).¹³

Education and dialogue: Raise awareness on anti-Asian bias and history, and support empathetic conversations around race, identity and microaggressions.

Accountability: Create credible, trusted resources for reporting and addressing inappropriate workplace behavior.

Advocacy: Actively press for equality legislation, anti-hate crime legislation and enforcement.

Wellness: Recognize the strain when a group of colleagues is under attack, and offer appropriate support. This includes the overlapping intersectionality on discrimination for race, gender, sexual orientation, different abilities and neurodiversity, among others.

Community action: Partner with and/or sponsor community and affinity organizations, including support for socioeconomic causes. Along with typical social networking events, create meet-up opportunities based on hobbies or community service activities that may be more appealing to Asian Americans.¹⁴

Safety: Provide resources for office and commute security to support employees fearful of hate crime.

Study methodology

The IBM Institute for Business Value, in partnership with Oxford Economics, surveyed 1,455 Asian American professionals from 22 industries residing in the US between August 2020 and January 2021.

For this study, "Asian American" describes those who self-identified as East Asian (89 of 1,455), Southeast Asian (639), or South Asian (727) heritage.

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