GENDER AND GEN Y:
INSIGHTS INTO GLOBAL DIVERSITY IN CHINA
INTRODUCTION

Global diversity is not a one-size-fits-all proposition. Practitioners must do more than simply replicate their U.S.-based diversity strategies in their company offices abroad. To develop and execute a truly successful global diversity initiative, one must take into account the differences—as well as the similarities—that exist between the cultures of the company headquarters and the global office and the country in which it resides.

Diversity Best Practices and Working Mother Media are committed to helping organizations excel in managing diversity on a multinational scale. To that end, the companies hold an annual global event featuring two full days of conference programming. The Diversity Best Practices’ Global Best Practice Session is designed to aid U.S.-based companies in identifying the most effective strategies for managing employees and business abroad, while Working Mother Media’s Global Advancement of Women conference focuses on providing professional women with the skills necessary to succeed within multinational corporations.

In previous years, Diversity Best Practices and Working Mother Media have traveled to Toronto, Canada; Sao Palo, Brazil; Johannesburg, South Africa; and Bangalore, India, to conduct these events. In November 2010, with the support of host sponsors Cisco Systems Inc. and Intel Corporation, the companies brought the fifth-annual global initiative to Beijing, China.

The Global Best Practice session, held on November 17 with a group of 80 diversity and human resources professionals, was designed to give Diversity Best Practices’ global members insight into the challenges of managing diversity in China and addressed the issues of crosscultural competence, gender intelligence and generational diversity.

The Global Advancement of Women session, held November 18 with nearly 200 Asian female professionals, tackled topics such as achieving success at a multinational company and managing competing personal and professional demands.

This paper provides a rich overview of the key takeaways from the days’ discussions.

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PROFESSIONAL WOMEN IN CHINA

Today, nearly half of all college graduates in China are women, up from just 23 percent in 1980. And while these women should be entering the workforce full of optimism, a study by the National Women’s Federation finds that half of all women in China say they face gender discrimination and 72 percent believe they have fewer professional options than their male counterparts. These findings represent an opportunity for multinationals in China to implement programs to attract women and aid in their professional advancement.

Understanding what drives women’s professional decisions is critical for successful recruitment and retention efforts. At Diversity Best Practices’ Global Best Practice session, Joyce Zhu, head of HR, Asia Pacific for HR consultancy AON Hewitt, shared insights she’s gained about working women in China. She identified the following as the top motivating factors for Chinese women when choosing a job:

1. Competitive pay
2. Work life balance
3. International job exposure

But also important to professional women in China is working in an area they find interesting, having financial independence and achieving a sense of accomplishment.

Interestingly, Yu Dan Shi, director of marketing/Australia & New Zealand for Cisco, noted that Asian women are more likely than their male colleagues to take a position that may be beneath their skill set, and yet, this can often be a savvy move. These women are better able to see the bigger picture and advance farther in their careers in the long run.

ONE CHILD, MANY CHALLENGES

Often working mothers in China feel pulled in two directions as they try to manage their professional life and family. Many report increasing pressure due to the modern, urban family structure. It is expected that Chinese families will have only one child, which can lead to an overwhelming amount of attention from maternal and paternal grandparents. Indeed, some parents must create schedules to ensure that their child spends equal and adequate time with all grandparents. And while many women appreciate having two sets of elders to help with childcare, these working moms say ensuring their child receives consistent messaging and discipline from all guardians is a challenge.

Like women in the Western world, working moms in China want their partners to help shoulder the load of raising their child. Many struggle with establishing effective co-parenting practices with their child’s father. In Chinese households, primary child-rearing responsibilities tend to fall to the mother. Moms at the conference agreed that their husbands often don’t understand the stresses associated with working full-time and managing a family. Thus, these men are unlikely to chip in with housework and childcare. However, several women report that as their earning power increases, their husbands’ attitudes are beginning to shift.

Working mother’s guilt is alive and strong in China. These moms say they’re concerned that they don’t spend enough quality time with their children and feel terrible if they have to break a promise to them because of work obligations. As their children enter school, these mothers also fret over helping their children manage school pressures and wrestle with finding the right balance of being an involved parent without being meddlesome. At the same time, many
of these moms are at the mid-point of their career, which prompts a good number of them to re-evaluate their professional goals.

Often without siblings themselves, working women in China have the added stress of serving as sole caregiver for their aging parents, and often their in-laws as well. This eldercare issue is particularly challenging for women who work in or covet an international assignment. For the former, these women report experiencing feelings of guilt because they live a great distance from their parents; among the latter, they consider turning down career-excelling assignments abroad because they don’t want to leave their parents. And like moms of young children, these women are often concerned that they do not spend enough time with their parents.

BEST PRACTICES
Multinationals operating in China have an opportunity to support their female employees by providing work life benefits that can help them address home and family pressures while keeping their productivity and career on track. Some recommendations presented at the Global Best Practices session included:
• Leveraging technology to offer telecommuting.
• Creating employee resource groups for working mothers, caregivers and other cohorts
• Offering flexible work arrangements

While these recommendations might seem matter-of-course for U.S.-based companies with such strategies already in place domestically, participants at the Diversity Best Practices global event stressed that as with overall diversity efforts, it is imperative that companies don’t just repurpose already established American tactics. For instance, when considering the creation and implementation of employee resource groups in China, employers must examine the local environment to ensure that the different cultures and needs of the population are taken into account when establishing the group’s goals, membership and structure.

ABOUT THE ONE CHILD RULE
China’s “One Child” rule is not as rigid as many Westerners believe. Implemented nearly 30 years ago to curb population growth, the policy primarily targets couples living in urban areas. Families with just one child receive financial incentives from the government, while fines are levied against those with more offspring. Some wealthier parents who desire a larger family willingly pay the fines in order to do so. Rural couples, minorities and parents without any siblings of their own are among those who are permitted to have more than one child without penalty. But for families that can’t pay or don’t qualify under the exemptions, a second child could end up with severely restricted access to education and other services, living a life in limbo, akin to being an undocumented immigrant.
While companies in both the United States and China face the growing impact of Generation Y in the workplace, research by InterChina Consulting, a management consultancy specializing in strategy, corporate and human resources services for companies doing business in China, finds that what motivates and fulfills the Chinese Gen Y population is very different than what drives this group in the States. While young adults in the United States are driven primarily by peer relationships, in China the priority for this cohort is family, said Laura Tsui, partner and vice president at InterChina Consulting. For younger Chinese professionals, friends and career rank a distant second and third. Tsui told Global Best Practice Session attendees that when asked what could make their life better, spending time with family was the most common response from this group.

Yet, when it comes to what generates the most happiness or excitement, the number-one answer among Gen Y professionals in China is achievement, with family a distant second. Also important to note, these young adults say they trust their friends most, followed by family (siblings, cousins, etc.), and then their parents. The sense of family obligation is exceptionally strong, but it does not seem to subdue professional ambition. Rather it creates intensely competing demands for time and energy.

BEST PRACTICES
Because achievement is a key driver for workers in China’s Gen Y population, younger employees can come across as aggressive and extremely competitive. Such characteristics provide employers with a chance to offer opportunities to help younger hires develop and prove themselves through training, coaching and increased job responsibilities. Critical attention should be given to helping line managers better understand what motivates Gen Y employees. In addition, because Gen Y workers are achievement oriented, a strong performance management system is needed to provide feedback and reward accomplishments. (See “Managing Generation Y in China.”)

By contrast, Tsui has identified common perceptions that too many companies currently have about Chinese Gen Y

MANAGING GENERATION Y IN CHINA
InterChina, a management consultancy focused on Chinese workplace issues, has crafted a list of qualities managers should embrace when leading China’s Gen Y workers:

- A willingness to learn new management skills
- An ability to lead by example
- A focus on building consensus around ideas rather than imposing them
- A desire to be an expert (Gen Y employees listen to those they admire.)
- A commitment to making improvements to one’s personal style
employees. Significantly impacted by the “One Child” rule, many Gen Yers have been the center of attention in a family that includes doting parents and grandparents. Some expat managers believe that this leads these young adults to be self-centered, impatient and hypersensitive. While Gen Y is regarded as being smart and highly educated, many companies believe this group’s education has focused more on knowledge and technical skills rather than morals and ethics. In addition, some executives find that middle managers in this population lack effective management skills.

At EMC China, Gen Y generates the highest turnover rates in the company, noted Linda Di, human resources director for the Hopkinton, MA-based technology company’s Center of Excellence R&D Group. Speaking at the Global Best Practices session, Di said she’s found the most job changes resulting among employees who have been with a company between one to three years, with seven out of 10 workers aged 25 to 29 having left employers overall in 2010.

What’s driving this exodus? According to Di, recent research found personal career development (53 percent) and compensation and welfare (47 percent) as Gen Y’s primary reasons for changing jobs. A quarter also noted work life balance issues as a motivating factor. (See “Case in Point: EMC China.”)

These findings leave companies operating in China in a challenging position: Many
invest significant resources into training new employees; however, in two to three years, 70 percent of young professionals typically take their knowledge and experience elsewhere. There are a host of reasons why employers should work to hold onto this talent, if only for increasing productivity and lower recruiting and training costs.

But also important is the role Gen Y workers will play in creating the future of business. These employees are quick learners, creative and passionate—and they also have the technology skills and global mindset that are needed today to drive innovation.

CASE IN POINT: EMC CHINA

Of the 1,000 employees in the EMC China Center of Excellence R&D Group, 60 percent are members of Generation Y. In the past four years, 53 percent of employees who left the company voluntarily were members of this cohort, a rate that EMC says is on par with that of workers in the generation before them.

Recognizing that Gen Y employees account for more than half of the EMC China R&D Center workforce, the company has implemented several efforts to increase employee engagement and retention within this segment. Through research, the company discovered that young professionals at their company sought the following from their employer:

- A platform to learn and grow
- An open environment that fosters innovation and contribution
- The freedom and flexibility to leverage one’s strengths
- The ability to network with global colleagues
- A company culture that offers a cool place to work

EMC has implemented several initiatives to address Gen Y workers’ needs. For example, the internal transfer program encourages employees to change jobs internally, rather than leave the company for new opportunities. EMC staffers are given the option of taking a short-term international job assignment or transferring to another position within the company in the local office or at the corporate headquarters.

Additionally, young employees can become part of the company’s mentorship program, which was created to serve as a cost-effective element of an employee’s individual development plan. The China Center of Excellence mentorship program supports the company culture by providing training courses, guidelines and resources to help employees find mentors, and for mentors to mentor effectively.

The technology-focused company has also leveraged the Internet in its effort to cater to Gen Y employees’s social-media-focused lifestyle. All employees are invited to contribute to the company’s website through blogging. In addition, they are encouraged to vote for ideas online or participate in the company’s social networking website.

EMC also conducts off-line events designed to foster face-to-face interaction between employees, such as HR teas and social club activities, including foosball competitions, snooker club, football and basketball.

Lastly, the company strives to create a physical office environment that is enticing to younger employees. Perks such as an on-site fitness center and complimentary yogurt, fruits and beverages go even further in creating a place that supports Gen Y workers. That’s cool.
Yu Dan Shi considered herself to be fairly culturally competent was she was promoted to a management position at Cisco. Yet, the current director of marketing in Australia and New Zealand told attendees of the Global Best Practice Session that she soon realized that while proactive in learning about others, she rarely thought about how others perceived her. Her outgoing demeanor didn’t fit the reserved stereotype of Asian women, which often confused her direct reports. She ultimately learned that leaders need to consider both to bring out the best in their employees.

Shi argues that it’s imperative for people to realize that learning about others not only benefits the company but the individual as well. “Each of us has to understand why we want to understand others’ differences,” explained Shi, who said she’s motivated by discovering similarities between herself and others. “If I’m able to find a common ground, that makes me happy.”

To that end, when placed on a new assignment, Shi spends her first few days getting to know her team on a personal level. On one assignment, Shi was particularly concerned about whether the “quiet Asian” stereotype would impact her team’s performance because U.S.-based companies often expect their employees to be quite vocal. To help her team meet this expectation,
Shi brainstormed ways to actively engage them. Remembering that Asians are passionate about food, Shi gathered her team for a meal, over which they discussed both professional and personal experiences. By creating a communal environment centered around a shared interest, her team was encouraged to share information about themselves and connect with their peers.

Additionally, Shi advocates multinational companies teaching managers about what various responses and behaviors mean in different cultures. “You have to ask yourself, ‘What does ‘Yes’ mean?’” said Shi, because in some cultures “yes,” communicated a certain way, can mean “no.” This understanding can contribute to establishing effective communication among work teams.

During the event’s Cultural Competence session, newly named Diversity Best Practices President Andrés Tapia agreed, adding that crosscultural competency plays a vital role in successfully dealing with employee performance issues. Managers should assume there will be differences, he said, particularly in how team members prefer to communicate and how they manage conflict. Indeed, said Tapia, when assessing employees, special attention should be paid not only to the various “-isms” that can prevent global employees from advancing, but also to the subconscious ways people assess what good performance looks like.

Cultural competence is not only necessary for identifying employee differences; it plays a significant role in determining the preferences and needs of target consumers. Tapia cited an example of building a new medical facility. Hospitals in the United States typically have waiting rooms that are built to accommodate one or two people per patient, he explained. However, black patients are likely to have three to five people with them, while Hispanics could have as many as a dozen. This is critical information to consider when planning the layout and design of waiting rooms in hospitals that will serve significant black or Hispanic populations. When developing and promoting products and services to consumers in China, companies would be wise to explore the cultural differences and behaviors that could impact business.

**TAP THE POWER OF CROSSCULTURAL COMPETENCIES**

Diversity Best Practices President Andrés Tapia has been a student of cultural differences and the value of crosscultural competency from an early age.

Raised in Lima, Peru, by a Peruvian father and American mother, the former Chief Diversity Officer and emerging workforce solutions leader for Aon Hewitt says he first noticed not-so-subtle cultural differences as a child visiting family in the United States. When his American cousins would throw Tapia a ball, he would respond by kicking it, rather than catching it.

In college, Tapia gained deeper insight into how cultural differences, and the lack of awareness of them, impact personal relationships. For example, because Tapia was raised in a Peruvian culture where time is event-based rather than clock-determined as it is in the United States, he was often late when meeting friends, much to their annoyance. Yet Tapia was equally put off when his American friends would abruptly end unfinished conversations with him just because they had another appointment. By observing the impact these differences had on personal relationships, Tapia extrapolated that similar experiences might be taking place among multicultural teams within corporations.

“In the past, the expat had to do all the work to fit in,” says Tapia. “Globalization is changing this. The burden is still on the outsider, but the outsider has something the host company needs.”

The Inclusion Paradox: The Obama Era and the Transformation of Global Diversity, by Diversity Best Practices President Andrés Tapia, examines cultural differences and provides best practices on managing and leveraging these differences within diverse work teams.
CONCLUSION

As China continues to grow its global business power, multinationals must do more to remain competitive. Companies that try to impose U.S.-based workforce practices in global offices without taking local culture and customs into consideration will soon find theirs to be a misguided effort. For while many of the concerns and considerations of Chinese professionals may sound similar to those of workers in other countries, the traditions, customs and expectations can produce very different results.

Excelling in diversity management on a global level requires taking a deep dive into the culture of the country, the local company office and its employees. A company is only as strong as the people it employs. Thus, companies must work and listen hard to learn the real struggles and motivations of their workers. Developing culturally-specific programs and initiatives that will allow employees to thrive and overcome their challenges will go a long way in increasing employee loyalty and overall business performance.
Diversity Best Practices is the preeminent membership organization for diversity thought leaders to share best practices and develop innovative solutions for culture change. Through research, benchmarking, publications and events, Diversity Best Practices offers members information and strategies on how to create, implement, grow and measure first-in-class diversity programs.

Diversity Best Practices services help companies clarify opportunities and implications of their current diversity strategy, identify and enhance critical diversity leadership competencies, create and implement a system-wide focus on diversity and inclusion and gain the executive-level support needed to ensure the company is successful.

Diversity Best Practices’ team includes an impressive group of relationship managers, researchers, senior practitioners, consultants, council members and committees from a wide range of cultural backgrounds and professional experience. Our research-based benchmarking content builds the knowledge and offers the tools needed to provide diversity solutions that meet the unique needs of our member companies.

In today’s information-driven economy, diversity leaders need access to the most relevant knowledge available to execute successful diversity initiatives. Diversity Best Practices provides that knowledge. Become a part of the Diversity Best Practices network today. For more information, visit diversitybestpractices.com.
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