

Top Asian execs rare among ASX200 ranks

PUBLISHED: 23 Oct 2013 PRINT EDITION: 23 Oct 2013



Only 2 per cent of senior executives in ASX 200 companies have an Asian background. **Photo: Tamara Voninski**

Tim Dodd

As the Coalition government steps up Australia's engagement with Asia, new research has found Australia's largest companies have shied away from appointing people of Asian background to senior roles.

The research, published on Wednesday in the report *Capitalising on Culture* from the Diversity Council of Australia (DCA), found that only 2 per cent of senior executives and 4 per cent of directors in ASX 200 companies have an Asian background.

This compares to 10 per cent of the Australian community who are of Asian cultural origin.

The report also found that the low proportion of Asians was part of a broader lack of cultural diversity at senior levels of ASX 200 companies.

It found that while 24 per cent of the Australian population had a cultural background outside of the majority groups, which are English, Celtic or north-west European in origin, only 10 per cent of the directors of ASX 200 companies had cultural origins outside of those groups.

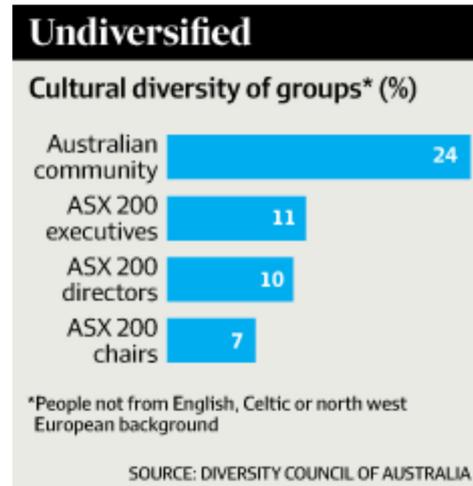
It was a similar story for senior executives – either chief executive level or reporting to the CEO – in the ASX 200. Only 11 per cent had a cultural origin outside of the dominant English, Celtic and north-west European groups. The proportion of ASX 200 company chairmen outside of the dominant cultural groups was even lower, at 7 per cent.

Research for the report was conducted by analysing the origin of the names of senior executives and directors of the ASX 200 to determine their cultural origin.

Analysis 80 per cent to 85 per cent reliable

Michael Dove, principal of OriginsInfo, the firm which did the analysis, said the technique was 80 per cent to 85 per cent reliable in determining the cultural origin of an individual, even taking into account the fact that some families anglicised their names, many married women changed their names and that some names, such as Lee, were common across cultures.

However, it is more reliable for some ethnic groups than others. For Greek, Chinese and Vietnamese ethnicities, it is highly reliable, although it does not reveal how strong an individual's cultural background is, as the family may have been in Australia for many generations. However, Mr Dove said it gave better results than many surveys, which might



only have response rates of 25 per cent.

“The concept has been validated by research done in the mid-2000s at University College in London which identified that names were a reasonably good and acceptable surrogate [for culture],” Mr Dove said.

Luke Sayers, managing partner of PwC Australia, which sponsored the research, said that a culturally diverse workforce was essential for organisations that wanted to attract and retain the best talent.

The next step for the DCA is to follow up with an online survey which asks directors and senior executives of ASX 200 companies about their cultural background and global experience.

The DCA is a not-for-profit group supported by major business organisations which advises on diversity in business, as well as conducting research and providing companies with tools to help improve diversity.

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