

D&I initiatives can be part of the cure for COVID-hit businesses

By now it has become apparent that COVID-19 is far from the “Great Equaliser” many hyped it to be. In both the [US](#) and [UK](#), evidence has emerged of disparities in deaths from the disease based on race, ethnicity and socio-economic status. In Hong Kong, too, the impact of the pandemic has been [felt differently](#) across the community, with ethnic minorities receiving inadequate support because of culturally insensitive [policies](#), children with learning difficulties unnerved by changes to their everyday routine, and carers facing heightened pressure from work-family juggles... the list goes on.

Meanwhile, businesses have had to make tough decisions about pay cuts, furloughs and layoffs, as lockdown measures strangled supply chains and slashed tourist numbers. From Bloomberg and CNN to The Guardian and Nikkei, numerous international outlets have reported Hong Kong’s year-over-year 9% drop in GDP in the second quarter of 2020. Then came the third quarter, when the city’s unemployment rate hit a 16-year high of 6.4%.

While staying afloat is now the top priority for businesses, an equally pressing concern is whether their diversity and inclusion (D&I) commitments will take a backseat in the quest for survival.

This is a valid and legitimate question, since D&I policies are still viewed by some as “nice-to-have” CSR fluff, or, in the case of a listed company, boxes to check on in an ESG report, rather than an integral part of any successful business.

It is also a real and immediate question many employers will have to face. When you decide to lay off employees or put them on furlough, for example, are you making your picks based on their abilities and the genuine operational needs of your business, or are you letting your prejudices – against pregnant women, people of colour, and those with disabilities or family responsibilities – drive your decision-making?

In fact, research shows that inclusive organisations fare better in times of recession. A 2019 study released by Fortune magazine and Great Place to Work, looking at data on nearly 2,000 publicly traded companies in the US during the Great Recession of 2007-2009, found that while the Standard & Poor’s 500 Index suffered a 35.5% decline in stock performance in that period, companies that remained inclusive boasted a 14.4% gain.

This really shouldn't come as a surprise. Every business is, in the end, a people business, whether big or small, B2B or B2C. From your staff and interns to partners and clients, their sense of belonging, affinity and confidence towards your organisation hinges on how you treat them. A corporate culture that disrespects differences is bound to erode that connection, thus undermining talent and customer retention.

D&I efforts therefore are not a drain on resources, nor are they inimical to the bottom line. Indeed, unprecedented challenges call for innovative solutions and rarely does innovation arise from homogeneity. Instead, it flows from a constant exchange of different ideas and perspectives, which is only possible in a workplace that embraces diversity and encourages such interaction.

[Twitter](#), for instance, took the time to organise a "special listening session" for employees with children amid the pandemic. Realising the child care benefit it had offered didn't really help because of daycare centre closures, the company introduced flexible work schedules for employees who had to take care of their families, and coached managers on how to lean into asynchronous work without compromising productivity levels.

Small and medium-sized enterprises can reap tangible benefits from D&I practices as well. Something as simple as the creation of an English menu would help a local restaurant attract more non-Chinese speaking customers, while e-commerce businesses may be able to tap into new revenue streams from people with disabilities by enhancing the accessibility features of their websites.

All this suggests that a sustained commitment to equal opportunities, rather than a knee-jerk rollback of D&I investments, would help insulate organisations against COVID-related challenges and equip them for recovery.

Hoping to promote the business case for diversity, the EOC launched the [Equal Opportunity Employer Recognition Scheme](#) earlier this month. First of its kind in Hong Kong, the scheme seeks to recognise both private and public organisations with a proven track record of adopting inclusive policies for women and men, people with disabilities, carers, and ethnic minorities in the workplace.

All in all, there are both ethical and economic reasons for employers to reaffirm and fulfil their D&I commitments even – or perhaps especially – in the aftermath of COVID-19.

These efforts would only serve to bring in business, not turn it away.

Ricky CHU Man-kin

Chairperson, Equal Opportunities Commission

(Note: A version of this article was published by *Hong Kong Free Press* on 11 November 2020 and by *The Standard* on 12 November 2020.)