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American Chamber of Commerce in Korea

Gender Diversity Practices of MNCs in Korea

2021 Survey Results



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I. Introduction

AMCHAM Korea conducted a **Survey on Gender Diversity Practices of MNCs** - supported by our Corporate Partner company Morgan Philips Korea - to demonstrate AMCHAM's commitment to gender equality and Diversity & Inclusion (D&I) and further support our members with meaningful and relevant information.


D&I has been synonymous with gender equality in Korea, and this survey mostly explores gender related practices as they relate to D&I. This is the first survey of its kind to explore how MNCs' company-wide D&I initiatives are practiced, localized and perceived in Korea. The following report summarizes the results of the survey and offers data-driven insights to help our member companies enhance their commitment to gender diversity and provide salient interpretation on the local implementation of global D&I programs.

We would like to thank all those who participated in the survey, including those who provided thoughtful comments on how AMCHAM can continue to lead the D&I agenda forward on behalf of our member companies.

We welcome all comments and questions regarding the survey. Please contact the AMCHAM Communications & PR Team at hyewon@amchamkorea.org to let your voice be heard.

Data Collection
No. of Respondents

March 30 – April 13, 2021 (2 weeks)
138



"Driving of D&I initiatives by AMCHAM aspires to make Korean society a better place for all of us. Gender Equality is an important part of it, and I expect AMCHAM to influence to government and law makers for important changes. Thank you."

Survey Respondent

II. Executive Summary



Prioritizing Gender Equality

87% feel that promoting diversity is good for business

74% say their organization in Korea has prioritized D&I as an important business imperative

69% perceive that gender equality has improved within their organization in the past 5 years. There is a slight gender gap in the perception, with **73% men** and **66% of women** agreeing to this statement.



Local Implementation of D&I Initiatives

71% Global D&I initiatives well communicated organization-wide

59% D&I initiatives well communicated in Korea

49% D&I initiatives well localized in Korea



Potential Barriers to Gender Equality in the Workplace

62% Korean cultural/societal norms as being a barrier

33% Lack of female leadership in Korea

30% Lack of flexible work practices related to childcare



II. Executive Summary (cont'd)

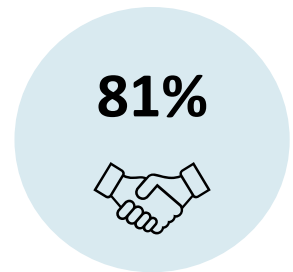


American companies are at the forefront of driving D&I initiatives

89% of American-company affiliated respondents who said their company has prioritized D&I as an important business imperative

Senior leaders in Korea feel confident in their companies' commitment to D&I

81% of senior leaders (including CEOs and Country Managers) who feel that their company has clearly communicated D&I programs



Perception Gap between Women & Men

Perception of Fairness of Compensation & Career Advancement Opportunities



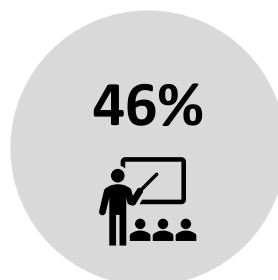
Male respondents were consistently more likely to provide more favorable answers in terms of how they perceive the current state of gender equality



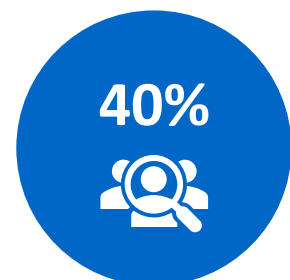
Areas for Improvement



More aggressive career advancement of female leaders needed



Additional training and development opportunities are needed to further enhance gender diversity in the workplace

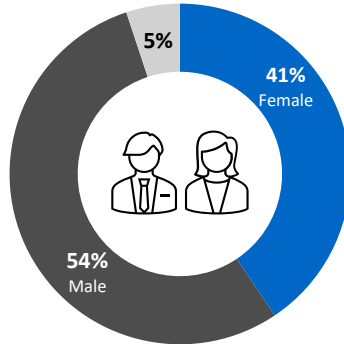


More support for women during the recruitment and selection process

III. Survey Demographics

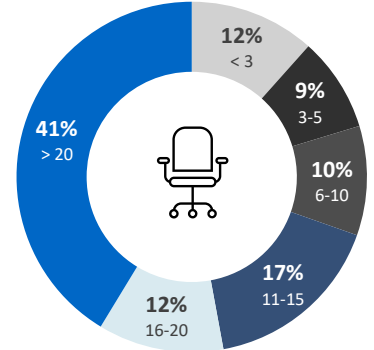
By Gender

- Female
- Male
- Prefer not to say



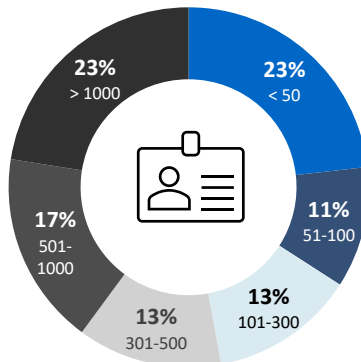
By Length of Work Experience

- < 3 years
- 3-5 years
- 6-10 years
- 11-15 years
- 16-20 years
- > 20 years



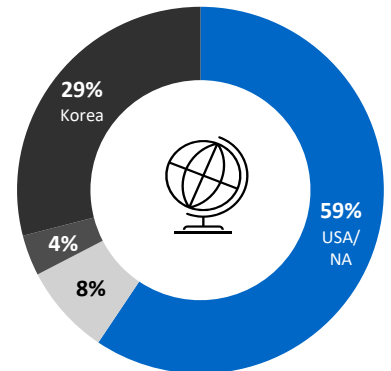
By Number of Employees in Korea

- < 50
- 51-100
- 101-300
- 301-500
- 501-1000
- > 1000



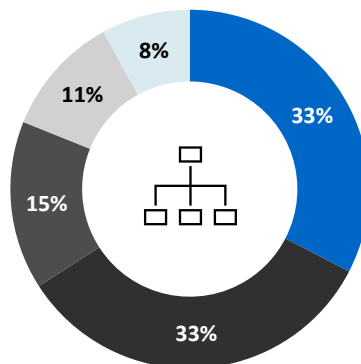
By Headquarter Location

- USA / North America
- Europe / UK
- Asia outside of Korea
- Korea



By Position

- Senior Level Country Manager
- Senior Management/Leadership
- Middle Management
- Non-management
- Individual contributor



By Industry

Automotive	3%
Consumer Products/Services	13%
Healthcare/Pharmaceutical/Life Science	15%
Industrial/Manufacturing	9%
Finance Services/Insurance	5%
Government, Education, Non-Profit	12%
Natural Resources and Energy	3%
Professional Services (Law, Consulting, PR, etc.)	13%
Supply Chain/Logistics/Transformation	5%
Technology	11%
Travel/Hospitality/Tourism	7%
Start-Up	1%
Others	3%

IV. Prioritizing Gender Diversity



An overwhelming **87%** of respondents indicated they either agree or strongly agree that promoting gender diversity can lead to successful business outcomes. Such personal beliefs in the importance and value of diversity in the workplace provides a strong foundation to lead and follow corporate practices related to D&I.

And consistent with individual beliefs, survey results show that almost three quarters (¾) of MNCs have shown a high level of commitment to gender diversity to drive business results.

Q1. I believe promoting gender diversity is generally good for business (leads to more business success, regardless of industry or function).



91% of women respondents agreed or strongly agreed with this statement



85% of men respondents agreed or strongly agreed with this statement

Q2. My company (in Korea) has prioritized gender diversity as an important business imperative.



Of the total number of respondents, an overwhelming **89%** of those respondents who work for American companies said that their companies' have shown strong commitment to driving gender diversity as a critical business imperative, compared to **72%** of European companies and **38%** of Korean company respondents. This can be interpreted to mean that American companies are at the forefront of leading D&I initiatives and accelerating change.



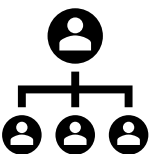
V. Communication & Localization of D&I



Communication is a critical part of any important company-wide initiative, and respondents perceive their companies’ communication efforts to be effective. However, although communication efforts have been clear on the global level, there seems to be room for improvement in terms of communicating D&I values within the Korea organization.

While an overwhelming **81%** of CEOs, MDs and senior management felt that their global D&I initiatives were well communicated organization-wide, only 49% of those in non-management positions agreed with this statement.

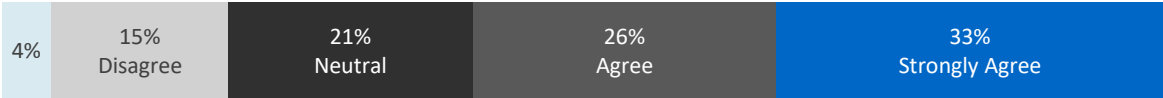
An impressive **65%** of senior management indicated that D&I is communicated clearly in Korea. But of the non-management respondents, including individual contributors, only 45% felt that this was true. This can be interpreted to mean that there is a perception gap between senior level executives who hold responsibility for implementing D&I initiatives and those non-management staff who are the recipients of such communication within their organizations.



Q3. My company has global Diversity & Inclusion (D&I) initiatives that have been clearly communicated to all employees organization-wide.



Q4. I feel that the global Diversity & Inclusion (D&I) initiatives are communicated clearly in the Korea organization.



Survey results show that there is a big discrepancy between the commitment and communications efforts at the global level and how such efforts are being localized in Korea. While 48% of respondents felt that global initiatives are well-communicated, only 19% answered they strongly agree that such initiatives are well-localized and implemented.



Q4-1. I feel that the global D&I initiatives are well-localized in the Korea organization.



VI. Perception of Progress & Fairness

Q5. I feel that gender equality has improved in my organization (in Korea) in the past 5 years.



The overall the perception of improvement of gender equality over the past 5 years is positive, with 69% of respondents agreeing or strongly agreeing with the statement. However, there is a slight perception gap between male and female respondents on the progress that has been made.



73% positive response



66% positive response

Responses to questions regarding perception of gender diversity improvement and fair treatment indicate that there may be a **perception gap** between men and women and how “fairness” and “progress” are evaluated. % of men providing positive answers were consistently higher than positive responses by women.



Q6. I feel that all employees in my company get fair treatment in terms of *career advancement*, regardless of gender.



40% positive response



28% positive response

Q7. I feel that all employees in my company get fair treatment in terms of *compensation*, regardless of gender.



79% positive response



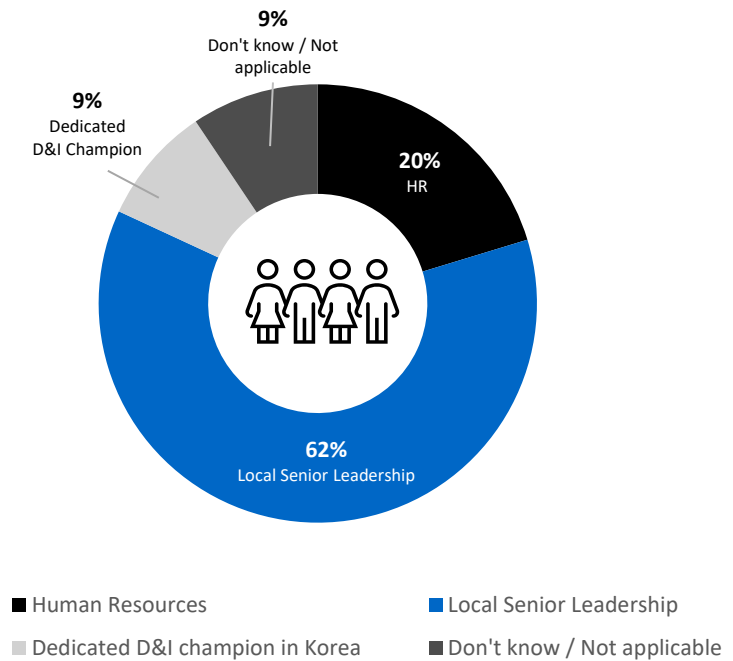
70% positive response

VII. Types of D&I Initiatives and Ownership

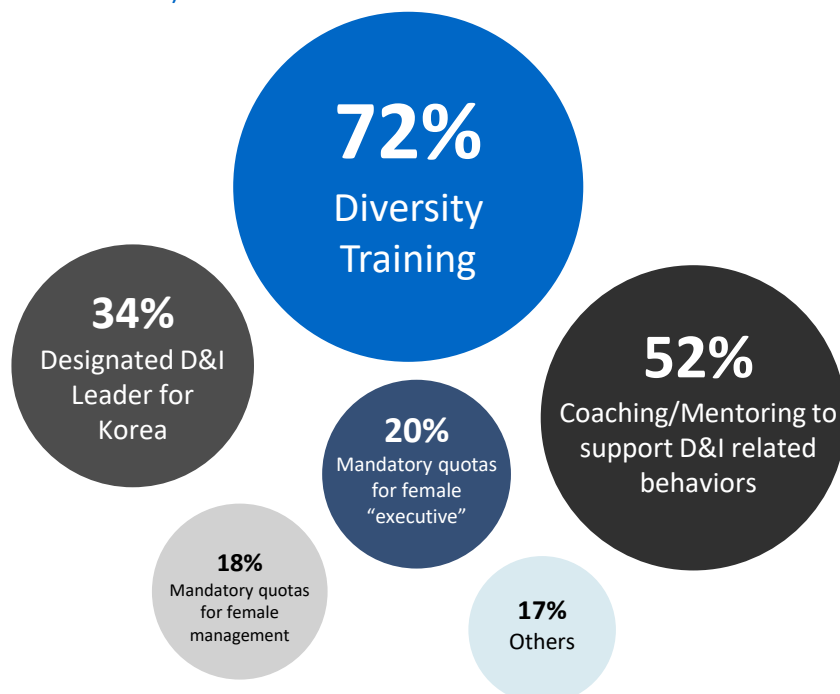
Q8. Who in your organization (in Korea) has ownership for driving D&I initiatives?

62% of respondents indicated that their local senior leadership have responsibility and ownership for driving D&I programs in Korea, with **20%** saying their local HR team is responsible.

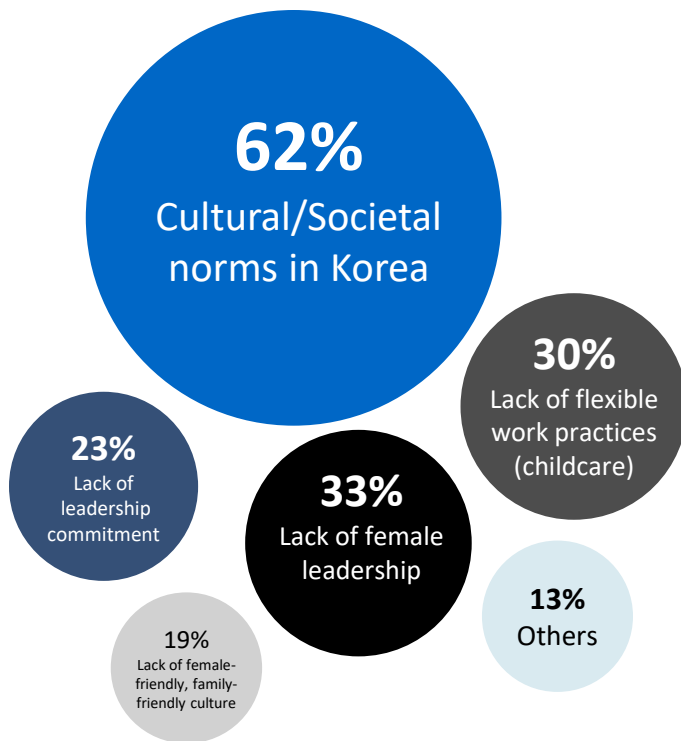
Some companies have already hired dedicated D&I resources/champions to drive this cause.



Q9. Types of D&I initiatives practiced in Korea (multiple responses allowed)



VIII. Barriers and Areas for Improvement



Q 10. What are some potential barriers to gender equality in your workplace?
(multiple responses allowed)

Cultural and societal norms in Korea was cited as the biggest barrier in breaking down the glass ceiling for women.

Lack of flexible workplace practices as well as existing female leadership are perceived as being an obstacle to bringing gender parity in Korea.

Q 11. In what areas can gender diversity/equality be improved in your workplace in Korea?

Leadership Appointment / Career Advancement of Female Leaders	56%
Training / Development process	46%
Recruitment and selection process	40%
Female-friendly, Family-friendly organizational culture	39%
Compensation practices	23%
Others	6%

IX. Comments from Respondents

Our respondents provided some insightful comments and encouraged AMCHAM to do more to take a leadership role in promoting D&I among multinational companies in Korea.

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“Driving D&I by AMCHAM aspires to make Korean society a better place for all of us. Gender equality is an important part of it but I hope that AMCHAM can cover broader scope of diversity including LGBTQ+ and people with disabilities. And more importantly, I look forward to AMCHAM influencing government and law makers for important changes. Thank you.”

“D&I and ESG are key themes of how we should better operate our businesses.”

“Progress is needed with drivers not only within the organizations but also starting with legislation to include quotas, ratios, mandatory training, active engagement, etc.”

“The critical role diversity in business feels increasingly important as time passes”

X. Contact

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