

A Challenge to the Leaders of Malaysia

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Introduction

The world today is riven with conflict, dissension and uncertainty. At the global level there is Brexit, trade war between the US and China, instability in the Korean peninsula and unending conflict in the Middle East. In the face of instability, most leaders tend to pull up the drawbridge and defend their castle. Great Britain is pulling out of the European Union, President Trump has pulled out of key international bodies and agreements, and Chinese leaders are strenuously defending territories in Hong Kong, South China Sea and Xinjiang Province. Instead of reaching out across lines of conflict, leaders tend to take comfort and solace with their own kind. Unsurprisingly, this only makes matters worse.

Faced with their own challenges, behaviour of leaders and others within Malaysia is not much different. Whether in politics, business or public sector institutions, people tend to stick to their own kind. One only has to read discussions in social media about any public event. Something small and petty may have happened in a neighbourhood or some issue of national significance may be discussed. Either way, the prism of race and religion is applied. However, a discussion based on race and religion never really ends well, with the process being a shouting match where truth is a casualty. Netizens retreat behind self-built walls and call each other names!

There is another way, for leaders who seek to build a better world at many levels. It is called inclusive leadership. There is now a growing body of evidence to show that organisations which practice inclusive leadership do better than those that do not. In a study of 366 companies globally, researchers from McKinsey found that companies that are racially inclusive performed 35% better than less inclusive competitors. Surely this must be good news for leaders in Malaysian organisations. Malaysia is a culturally complex place. It may come as a surprise to many that we have 137 living languages in Malaysia, 41 of which are spoken in Peninsular Malaysia. Some languages spoken by Malaysians are also globally relevant such as Malay, Mandarin, Tamil and Hindi. Many Malaysians also speak fluent English, an international language of commerce and diplomacy.

So how can leaders leverage Malaysia's cultural diversity to improve organisational performance? Malaysian leaders need the right mindset to become inclusive. Firstly, they must believe that cultural diversity is an asset, even though it seems many currently find this an alien concept. For example, only one-third of family businesses survive the transition from founder to the next generation. Of these only one-third again survive the transition from second generation to the third generation. If only they had been more diverse and inclusive, they would have had a larger pool of talent to choose from and a better chance of survival. In the public sector, government linked companies that are more inclusive, perform better than those that are not. There are no statistics to measure performance of Government Departments, however McKinsey's global research suggests that if they are neither diverse nor inclusive, their performance is not likely to be optimal.

Secondly, leaders who are more inclusive respect people from diverse backgrounds and take time to understand them. This is more than just tolerating differences which is often how diversity is spoken about in Malaysia. Tolerance may be a good start, but we need to go beyond tolerance. That means leaders need patience and courage to understand and engage employees at a deeper level. Leaders must look for the goodness and strengths in people from diverse backgrounds.

Thirdly, leaders should not be complacent about people who are different. It seems like an odd thing to say to leaders about Malaysia since they are surrounded by people from diverse backgrounds. But that is exactly the challenge. When one lives in the midst of diversity, one tends to take it for granted. Leaders can become complacent, which then results in unconscious biases in decision-making. To understand their unconscious biases, leaders should examine the type of people they surround themselves with. If they are really honest, they will soon see patterns in the profile of people they employ. In one business where the author was giving advice, he noticed that 90% of the employees were young women from a certain cultural background! Older men and women and people from different cultural backgrounds were not employed or if they were, they did not last for long. Today that business is struggling to meet its targets. If leaders want to run a successful business or a successful Government department then they should look for talent from diverse cultural backgrounds and make the most of it. The evidence is in, diversity breeds success.

As well as the right mindset, leaders should also have the right skillset. Firstly, they should be able to create a deep sense of belonging for people of all backgrounds. No man or woman is an island! This is true at the workplace as anywhere else. Leaders should support individuals, ensure they are treated fairly and empower them to take part in decisions that affect them. If employees sense that their treatment is unfair or unequal, they will disengage and this has deleterious consequences for performance and talent retention. One employer's loss is a competitor's gain. In business and for government linked companies this can have negative impact on performance.

Secondly, leaders should value the cultural uniqueness of their employees. Employees should not censor themselves but should be encouraged to come forward with suggestions from their unique perspectives. Often innovation and creativity springs from unique perspectives of people of diverse backgrounds. The range of possibilities that could be generated by someone from a kampong working with someone educated overseas is limited only by our imagination. Similarly a graduate from a vernacular school working with a graduate from an international school can generate rich results. Mixing and matching people from different backgrounds is what inclusive leaders should do to draw out the best in all people.

When leaders are inclusive, employees will feel empowered and are likely to identify well with their work teams. Deep connections with colleagues will improve overall engagement, job performance, creativity and commitment.

Inclusive leaders can only succeed if they are supported by an inclusive organisation. An organisation must explicitly and loudly declare that it supports people from diverse backgrounds. Its core values should respect the dignity of every employee regardless of gender, race, religious beliefs or disability. Recruitment and reward systems should support people from diverse backgrounds. If these systems are not in place, then efforts of an inclusive leader may be seen as disingenuous.

A challenge to our leaders in Malaysia is to explore the untapped possibilities of inclusive leadership. There is much to be gained by collaboration and leveraging each other's strengths for a greater good.

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