As it will take a long time to achieve “Diversity 2.0”, there is no more time to wait to take initiatives toward it. Instead of spending time merely on discussing why diversity is necessary, specific and relevant action should be taken as soon as possible, and we should move onto the implementation phase. The “Diversity 2.0 Action Guideline” hereby shows the actions necessary to overcome the management issues that many companies face, as well as bottlenecks hindering the implementation of these actions.

Each company is expected to persistently continue implementing their own specific actions embedded into their corporate strategies referencing to the listed “Actions” and “Case studies” within this guideline under strong leadership and guidance from top management. It is expected that, as a result of this initiative, companies will enhance their management abilities through diversity, and more innovative human resource strategies will be developed, which may eventually bring an industry-wide momentum in the future.

1. Definition & Key points of ‘Diversity 2.0’

   ➢ Definition of Diversity 2.0 : Diversity for Corporate value

       Diversity 2.0 is defined as
       “a company-wide and consistent management action which aims to continuously create added values, by maximally leveraging the diverse attributes and skills of each individual.”

       The below points are especially important in implementing Diversity 2.0.

       Point 1  Mid-to long-term/continuous implementation, and management’s commitment
       Point 2  Company-wide and systematic implementation through interaction with various corporate management actions
       Point 3  Relations with key external stakeholders who encourage management transformation (via dialogue, disclosure etc.)
       Point 4  Acquiring various attributes of nationalities, ages, and careers as well as promoting empowerment of women

   ➢ Effects of Diversity on Corporate value

       Major effects which diversity has on increasing corporate value are listed below. Therefore, it is important to integrate diversity and these effects into the companies’ corporate strategy.

       (1)  Acquisition of global talent
       (2)  Effective risk management
       (3)  Improved monitoring function of boards
       (4)  Innovation acceleration
Steps for Management’s actions

At present, the implementation of “Diversity 2.0” has gradually started through basic diversity actions, such as education/training and promotion of work/family balance towards female employees. However, top management’s commitment and leadership are crucial for companies to implement effective actions as a whole company.

In addition, a company-wide policy to integrate diversity into the corporate strategy should be developed, and an effective management and governance structure/framework should be implemented in order for management to proactively achieve this policy (Viewpoint #1 Management Level). Furthermore, the managers and staffs also should proactively engage in actions at their workplace (Viewpoint #2 Operation Level). It is also expected that communications be made not only internally, but also to external stakeholders (capital markets, labor markets etc.) as well regarding diversity related policy and action outlines in order to continuously make improvements on the actions by having their feedbacks and assessments (Viewpoint #3 External Communication).

Seven Key Actions for Practice
“Diversity 2.0 Action Guideline”
Seven Key Actions for Practice

[1] Integrate Diversity into Corporate strategies
◆ Make it clear that diversity is essential to management strategies (Diversity policy) as top management, and lead actions proactively and responsibly while developing relevant KPIs and roadmaps

[2] Elaborate Promotion Structure
◆ Develop an effective management structure to implement diversity actions continuously as a whole company

[3] Activate Corporate Governance
◆ Assure diversity of board members to improve the monitoring function, and adequately monitor diversity management in a company

◆ Review human resource rules and systems not to put limitations by their attributive classifications, and realize work style reform

◆ Provide capacity building for managers who can fully utilize their staff’s diversity

[6] Change Staff’s Actions & Mentalities
◆ Provide diverse career paths to staff and nurture their career, which will make them think and act autonomously for their own career development

◆ Develop/implement consistent human resource strategies and effectively address their overview and results to the labor market
◆ Address /communicate proactively with investors in the capital markets of the policies and initiatives of diversity management contributing to the corporate value