

Analysis of the Issue of Low Promotion Rates Among Asians in the United States

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Abstract. Asian Americans have a relatively high proportion of employees in the United States, but it is worth noting that there are very few Asian Americans who can hold executive positions in companies. This social phenomenon is unfair to capable Asians and may also affect the reputation of businesses as a result. The goal of this study is to identify the causes of the problem and raise awareness of the difficulties faced by Asian Americans in the labor force. This article uses statistical data and practical cases to examine the actual situation of Asian Americans in the United States and analyzes the reasons for the low promotion rate of Asian Americans in the workplace. Finally, based on the conclusions drawn, suggestions were provided on what measures the company should take to change this situation and how to help Asian employees achieve higher professional standards.

Keywords: Asians, unemployment rate, promotion rate, racism

1. Introduction

Although Asian/Asian Americans are highly representative in the workforce in the United States, their representation in management or administrative leadership positions is significantly lower compared to the overall workforce. In the fiscal year 2021, Asian/Asian Americans only accounted for about 6% of senior leadership positions, while they accounted for 21.2% of non-leadership positions. This study is mainly based on exploring the causes of this phenomenon and how to improve it in society. The main framework of the study is to first analyze the current situation, the employment rate of Asians in the United States, the professional status of Asians in the United States (composition of middle and senior management personnel), and salary benefits (compared to Natives). And analysis of influencing factors, such as human capital, cultural differences, or family reasons. However, with further research, the root cause is still attributed to racial discrimination. Finally, provide corresponding policy recommendations. Data such as U.S. Joblessness Statistics, Executive Parity Index (an indicator used to illustrate the ratio of the number of representatives at the executive level of an organization to the number of representatives at its relevant professional level), and Asian American employee representation were used in the study. In addition, some actual cases of discrimination based on work involving racial discrimination against Asians were mentioned.

1.1. Literature review

Two themes have been exposed regarding this issue: (1) The leadership gap between Asian Americans in senior leadership and management positions, as well as (2) their daily experience of being excluded. The purpose is to raise awareness of the concerns of Asian Americans in the federal labor force, as well as the potential for current employment and labor analysis practices in this field to lead to this hidden phenomenon [1]. The group with the least likelihood of promotion to management is Asian American white-collar workers. In many companies, diversification projects related to Asia are aimed at cultural inclusivity rather than managing diversity. This problem exists in many industries, from technology and finance to law and government [2]. Through interviews with two successful Asian women, they described some common difficulties that Asian employees may encounter in the United States, as well as tips on how to solve these problems [3]. Asian Americans are more prone to long-term unemployment than other workers, as shown in other labor market statistics. [4]. Organizations can maximize the potential of Asian Americans by recognizing their diversity, thereby addressing the intangible challenges they face in their work. [5]. the employment

ratio of Asians (percentage of people aged 16 and above) is usually higher than the average in the United States [6]. In 2016, the income of Asians was higher than that of other groups in the middle and near the top of income distribution. The income of Asians in the 90th percentile is \$133529, which is much higher than that of white people (\$117986), black people (\$80502), and Hispanics (\$76847) in the 90th percentile. [7]. Stereotypes have two main negative effects on Asians in the workplace: stereotypes that have strong abilities towards Asians can make them appear threatening in the workplace, while stereotypes that lack social skills among Asians make them appear unsuitable for leadership [8].

2. Organization of the Text

2.1. Current situation analysis

2.1.1. The employment rate of Asians in the United States

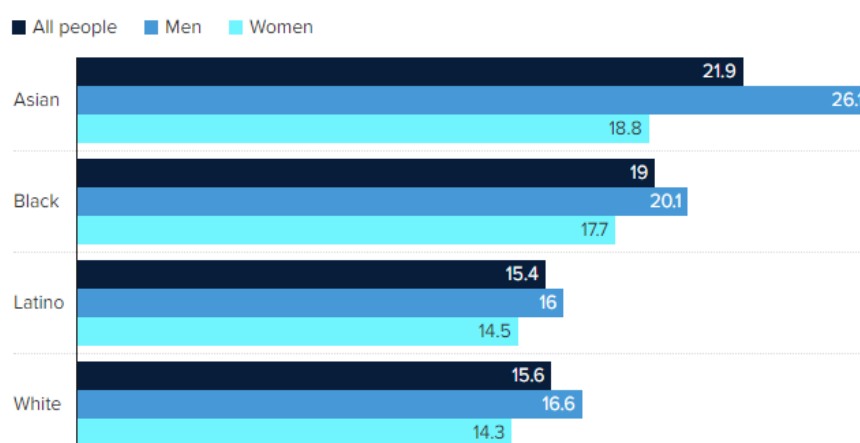


Fig 1. U.S. Joblessness Statistics.

In 2022, the proportion of employed population among Asians was 62.7%, while the proportion of employed population among Indigenous Hawaiians and other Pacific Islanders was 63.9%. And the overall ratio for the nation was 60.0 percent [9]. However, Asian Americans are more prone to long-term unemployment than other workers, as shown in other labor market statistics. In Fig 1, it shows that in 2021, the median unemployment time for Asian Americans was 21.9 weeks, which is the longest among all racial or ethnic groups tracked by the Bureau of Labor Statistics. Especially for Asian males, the average unemployment period is 26.1 weeks (Miao, 2022) [4]. The longer a person's employment time, the harder it is for workers to find a job again. If they find a job again, their wages are usually lower, "said Sanchez Kaming, the author of the report. Moreover, analysis of the Center for Economic and Policy Research shows that the transition rate also indicates that once Asian Americans and Pacific Islanders become unemployed, it is difficult to find employment again. Even considering factors such as age and education level, this long-term unemployment result still exists. Furthermore, Sanchez Cumming said that previous studies on economic downturns have shown that Asian employees may experience setbacks when re employment due to specific factors. A large proportion of Asian workers are born overseas. Visa-related barriers may arise, and not using English as a first language in the labor market is a disadvantage. And receiving education abroad will also be punished. Economists claim that there are significant labor market differences in the larger AANHPI categories. The Pew Research Center found that Asian Americans have the highest level of economic inequality within the American population (Miao, 2022) [9].

2.1.2. The Occupational Status of Asians

In fiscal year 2021, Asian Americans/Asian Americans only accounted for about 6% of senior leadership positions, while they accounted for 21.2% of non-leadership positions (Goon et al, 2022.) [1]. In April 2021, the National Institutes of Health established an employee resource group alliance

called the "FAN" ". The alliance aims to become a unified voice representing and serving these different communities. The discussion within the group focused on the long-standing inequality and lack of inclusivity in the Asian American community. These discussions lead to two common themes: (1) The leadership gap between Asian Americans in senior leadership and management positions, as well as (2) their daily experience of being excluded. Among the long-term staff in the United States, Asian Americans account for nearly 20%, but only 6% in senior management positions. These two issues reflect the often overlooked or forgotten emotions of Asian Americans when discussing structural racism and organizational inequality, especially in large organizations. (Goon et al, 2022)[1]

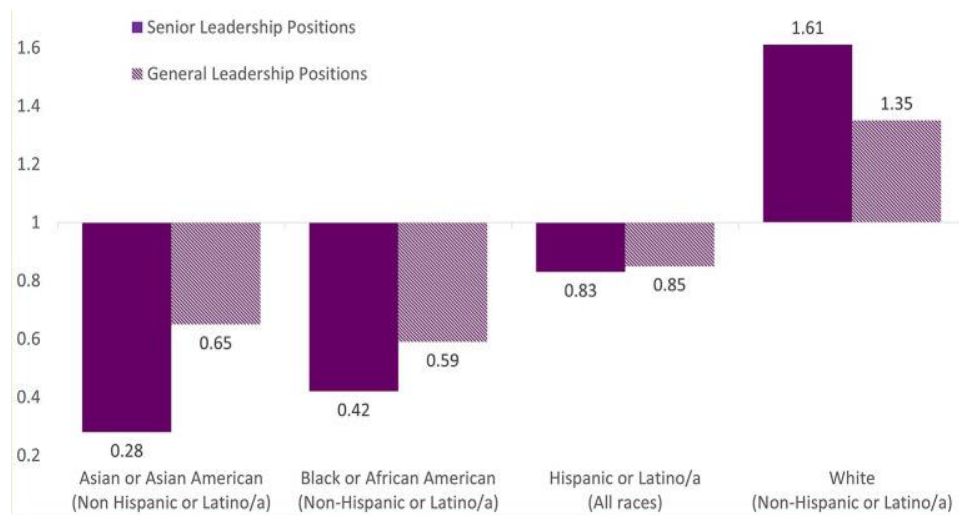


Fig 2. Executive Parity Index by Leadership Types.

The EPI (Executive Parity Index) is the ratio of a group's representation at the administrative level to its representation at the professional level. A value of 1.0 means that the representativeness of the group at the level of interest is equal to that of the relevant professional level. $EPI < 1.0$ indicates that their representativeness in the relevant pool is insufficient or lower than expected at the level of interest. In contrast, an $EPI > 1.0$ indicates that their representativeness in the relevant pool is either too high or exceeds expectations [1]. In Figure 2, it clearly shows that both in senior and general leadership positions, Asians are the least representative and least expected level of interest among all races in the relevant pool.

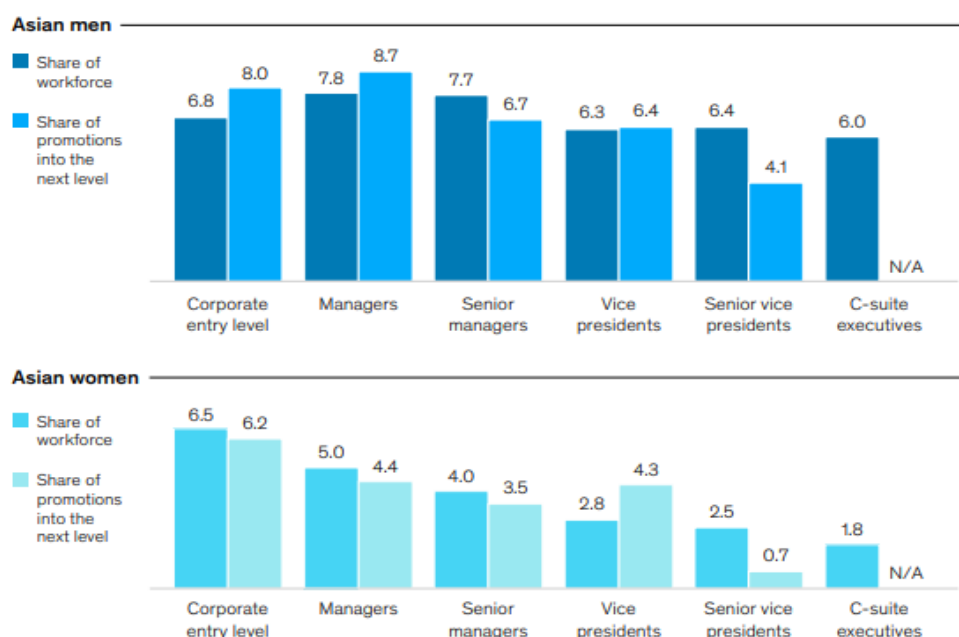


Fig 3. Asian American employee representation.

The fact is that although Asian Americans have excellent skills that make them the most likely to engage in high-tech jobs, they are also the least likely racial group to advance to management. “Our analysis of labor data from the National Equal Employment Opportunity Commission found that compared to other racial groups, Asian American white-collar workers are the least likely to be promoted from individual contributors to managers. We also found that surprisingly, white people are about twice as likely to be promoted to executive or management positions as Asian people (Gee and Peck, 2018) [2].” In Fig 3, the representation of Asian Americans declines at each management level: it drops to less than 8 percent in the C-suite, with an especially notable decline in the representation of Asian women. For Asian American women, they hold very little representation at the vice president, senior vice president, and executive levels—at 2.8, 2.5, and 1.8 percent, respectively. This lack of C-suite representation is also reflected in the largest companies in the United States. Among the Fortune 500 companies in 2022, only 23 of the CEOs are Asian American, less than the expected 31 if the ranks were representative of Asian Americans’ share of the US workforce. The drop in representation at more senior levels is the result of lower-than-expected promotions for Asian American employees (Chui et al., 2022) [5]. This is clearly an imbalanced phenomenon, and it is extremely unfair for capable Asian Americans. Because their opportunities and promotions are limited, even if they successfully enter a company, it will be more difficult for them to advance compared to others.

2.1.3. Real Cases

There are real cases where discrimination against Asians prevents them from being promoted in their job positions. Firstly, The Equal Employment Opportunity Commission has accused Chubb of refusing to promote its Hmong employee Kong Chee Vang because she is of Asian descent. Chubb did not prevent its management employees from using discriminatory stereotypes when considering promoting Vang as an underwriter in 2006 and 2007. The lawsuit further claims that Chubb retaliated against her after she complained to the Equal Employment Opportunity Commission that the reason why she couldn't be promoted was actually because of her Asian race (Hmong). The Equal Employment Opportunity Commission stated that the retaliatory actions included Chubb's refusal of Vang's second promotion in late 2007. The final settlement for Vang is the back wages of \$60,000 and \$50,000 for mental compensation, she will receive while still working at Chubb. The second case is The Equal Employment Opportunity Commission accused Titan Concrete Company of being harassed and discriminated against by officials due to the Southeast Asian nationality and age of an employee of the company. Sales technician David Piyavunno was referred to as "J-p" (although he is of Thai descent rather than Japanese descent) and received insensitive age discrimination comments. He was then dismissed from the sales department and demoted to driver due to his age and nationality. After Piyavunno complained of discrimination, he was further harassed, including being assigned to a defective truck and repeatedly threatened with dismissal. In addition, after Titan transferred Piano from the sales department, it also hired two unqualified white men to enter the department, without giving Piano the opportunity to apply for these positions in the application process. In the end, Piavono resigned after the Titan's working environment became unbearable.

2.1.4. Salary and benefits

In terms of salary, Asian Americans actually have a higher income compared to other races. In 2016, the median income of Asians was \$51,288, higher than the median income of whites (\$47,958) and much higher than that of blacks (\$31,082) and Hispanics (\$30,400). On the lower rungs, however, Asians do not have the same advantage over all other groups. In 2016, Asians at the 10th percentile of the income distribution earned \$12,478, trailing whites, who earned \$15,094 at the 10th percentile (Pew Research Center, 2018). [6] At this point, it is fully demonstrated that Asians have strong work abilities, so Asians should theoretically have a higher promotion rate than other races, rather than a lower one.

3. Influencing Factors

3.1. Racial discrimination and stereotypes

The cause for this phenomenon can be directly defined as racial discrimination. Firstly, compared to the overall population representation of the United States, Asian Americans, as a broad racial group, have a disproportionate proportion in the STEMM workforce, including the workforce of biomedical research institutions. However, other differences experienced by Asian Americans have been undermined by this broad characterization, such as representativeness in leadership. Secondly, the impact of racial prejudice cannot be ignored for Asian Americans. The stereotype that Asian races were once considered "immutable" and foreign still lingers in the people's subconscious. Today, stereotypes such as permanent foreigner and describing Asians as having low social skills are still very common. The stereotype of permanent foreigners still exists, because the hatred brought by the COVID-19 epidemic reminds us all the time. (Goon et al, 2022) [1].

Stereotypes about Asians contribute to this problem in two ways that are supported by the psychological literature: one is the stereotype that Asians are highly competent, which makes them more of a threat in the workplace, and the other is the stereotype that Asians lack social skills, which makes others think that they are not suitable for leadership. (Stefanie K. Johnson and Thomas Sy, 2016). The omission of Asian-Americans can be explained by whether there is an effective workplace and appropriate inclusive assessment, and the inability to accurately capture the experiences of Asian-Americans in the workforce. (Goon et al., 2022) [1]. the reason why the issue of Asian Americans was not given priority was because it was overshadowed by stereotypes such as model minority. Data shows that the majority of Asian Americans are not dissatisfied with their jobs, and there are almost no racial slurs reported. However, the actual practical problems they encounter in their work don't seem to be captured by this data. All in all, the essence of the actual situation experienced by Asian Americans seems to be obscured by these issues, and this invisibility seems to be permanently cyclical. (Goon et al., 2021). [1]

4. Policy recommendations

Based on what I have researched and studied, I have some policy suggestions for this issue. First of all, collect more detailed data on Asian American workers. Asian Americans are often considered a model minority, but it is precisely because of this that many of their problems seem to have been overlooked, and in fact, many of their problems also need to be appropriately addressed. Data is essential to help decision makers understand the experiences, needs, and challenges of groups within this population. Previous data submissions have categorized Asian American employees into one category, but given the growing population of Asian Americans, this more common category lacks racial details that can provide information for diversity, fairness, and inclusivity (DEI) efforts to bridge the diverse experiences of Asian Americans (Chui et al., 2022). [5] Secondly, recruit more Asians to hold senior leadership positions in the company. Doing so will effectively reduce the occurrence of discrimination and prejudice and will greatly increase the affinity of Asian employees towards the company. Not only that, but it can also reduce external biases against the company, leading to an increase in diversification and a better reputation. Finally, conduct a rigorous obstacle analysis of the leadership gap among Asian Americans based on their organizational background. In labor force analysis, what deserves attention is the analysis of barriers to employment and hiring for Asian-Americans. Sometimes because Asians are considered appropriate in the workforce as a whole, their career trajectory analysis is not prioritized. Asian-Americans are underrepresented in senior leadership, as the analysis shows, and this finding suggests subtle differences behind this gap. Only additional careful analysis of other organizational and cultural variables can create a deeper and more comprehensive understanding of the complexity of the factors impeding career listings and upward mobility. Considerations such as organizational structure, cultural differences in leadership expectations and the current time that may have a significant impact on Asian Americans. Take the

COVID-19 pandemic and anti-Asian hate crimes. The biggest impact on Asian Americans may be the current real-time, such as anti-Asian hate crimes triggered by the COVID-19, and cultural conflicts. This understanding is a determining factor in addressing the potential challenges faced by the Asian American community and identifying the causes of sustained promotion gaps. (Goon et al., 2022). [1]

5. Conclusion

To sum up, Stereotypes and discrimination against Asian Americans still exist, which negatively affects the fairness of Asian employees in job competition. Companies must now take action to unleash the full potential of Asian Americans. Corporations should create effective sponsorship opportunities, and address inclusion challenges and issues for Asian American employees as part of corporate responsibility.

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