
Diaspora Roundtable: Engaging Australia's Southeast Asian Business Community

Summary Paper



Southeast Asia's Diaspora in Australia

There are more than a million people with Southeast Asian heritage living in Australia.

The Invested: Australia's Southeast Asia Economic Strategy to 2040, identified the crucial role that Southeast Asian diaspora communities play in deepening Australia's relationships with the region (DFAT, 2023). Australia's Southeast Asian diaspora has the potential to build greater business awareness in Australia and Southeast Asia of each other's markets and offerings, driving connections and commercial growth.

In recognition of this role diaspora plays as a critical enabler of Australia's relationship with the region, the Invested strategy has put forward the following recommendation: *Develop a strategy to engage with Australia's Southeast Asian diaspora to inform efforts to deepen SME business links with the region* (DFAT, 2023).

On 7 March 2024, the RMIT Asia Trade and Innovation Hub, in collaboration with Asia Society Australia, brought together diaspora business leaders in Australia from key ASEAN countries and markets to discuss strengthening business links and to identify key activities and opportunities to support SMEs in Australia to engage in two-way opportunities.

There were 16 Southeast Asian diaspora participants from Australia's Malaysian, Indonesian, Thai, Vietnamese, Laotian, Singaporean and Filipino communities. There were 4 other participants representing Asia Society Australia, RMIT University, Austrade and Victoria's Department of Premier and Cabinet.

The roundtable aligned with the 2024 ASEAN-Australia Special Summit to commemorate the 50th Anniversary of ASEAN-Australia Dialogue Partnership and was supported by the Department of Prime Minister and Cabinet as part of the Summit week activities.

Department of Foreign Affairs and Trade (DFAT), Invested: Australia's Southeast Asia Economic Strategy to 2040, 2023, <https://www.dfat.gov.au/southeastasiaeconomicstrategy>

Introduction

This paper is a summary of the key insights that emerged from the roundtable discussion. Participants were prompted with questions that addressed two themes:

- their experiences as a diaspora business leader in Australia, and,
- their suggestions on what government, industry and member organisations can do better to deepen business links with the region.

The roundtable was conducted under the Chatham House Rule.



Theme One: Experiences

Expansion is limited because knowledge is limited.

The mutual knowledge gap between Australia and Southeast Asia around export regulations, market dynamics, and cultural nuances is substantial. This restricts the opportunity for trade and investment, limiting opportunities for growth and collaboration between Southeast Asian and Australian businesses.

The 'standard of export' to Australia is perceived by Southeast Asian businesses as incredibly high, whereas the Southeast Asian market is perceived by Australian business as intangible, or 'the jungle'. There is a lack of clarity on the requirements or quality standards across the board, which creates tension and confusion amongst potential exporters. The majority of the roundtable participants proposed that increased two-way knowledge transfer, cultural awareness and education on demystifying a complex regulatory landscape is needed to bridge the existing gap for exporters.

People-to-people links are critical, but difficult.

Relationships are key to business opportunities in Southeast Asia. Although general sentiment between Australia in Southeast Asia is positive, there are still barriers in the relationship due to political and historical tensions, linguistic barriers, and poor cross-cultural communication.

Australian business operates in a very transactional manner, and businesses can be impatient when entering a Southeast Asian market which requires a significant relationship building period before turning a profit.



Time and money are perceived as better spent elsewhere.

The *Invested Strategy* highlights Australia's future prosperity and security is tied to Southeast Asia. Australia wants ASEAN countries to invest the time and money in Australia, however Australia's current economic landscape is not competitive in price and speed with other countries, for example, across Europe.

There is a significant amount investment required between Australia and Southeast Asia to make business ventures profitable, but if the return on investment (ROI) is lacking, Southeast Asian SME's will seek other more profitable markets. This restricts opportunities in two-way trade and investment, as reciprocal long-term partnerships and opportunities are not pursued.



Country-based approaches are out. An ASEAN focused effort is in.

Conversations and approaches to engaging Australia and ASEAN in trade and investment opportunities have been largely siloed and bilateral. Southeast Asia, and its diaspora, need to approach this problem as an ASEAN collective, working together to coordinate activities and communicate the advantages of the region. Diaspora could play a coordination role in this effort, facilitating partnerships and creating an incubator environment for SMEs to flourish.

Theme Two: Solutions

Expand and enrich the trade mission experience.

“There is east, there is west, and we are the middle that can bring them together.”

Diaspora communities are well positioned to help improve the outcomes of Australian trade missions to the region. There is an opportunity for Austrade to work with diaspora business leaders in Australia to design trade mission cycles that utilise their unique cross-cultural positioning to lead to more tangible business outcomes. Diaspora can play a pivotal role in improving business participants’ cultural awareness prior to the mission, obtaining key insights, and communicating opportunities on the ground, and supporting with knowledge transfer, network building and follow up post-mission.



Champion business chambers as conduits for connections.

“Understanding cultural nuances is a real benefit to better understand community and business opportunity.”

Southeast Asian business chambers in Australia are varied in their approach to business networks and memberships, ranging from high to low diaspora engagement.

For chambers with high engagement, there is an opportunity to play a key role in making business introductions for inbound business missions and educating on cultural difference. For example, the Australia Malaysia Business Chamber (AMBC), which has a strong diaspora community, hosts Yum Cha events that create connections in an informal setting. They have a strong base to educate Malaysian businesses in Melbourne on its diversity and opportunities, and Melbourne businesses are eager to engage, yet the Chamber needs support to run these events at scale.

Most chambers are volunteer run and lack the resources to take forward these initiatives on a regular basis. Federal and State Government bodies, together with organisations like the Asia Trade and Innovation Hub, should mobilise as a collective effort to assist in facilitating opportunities whilst engaging business chambers to make critical introductions and identify successful case studies to celebrate.

Hire more Southeast Asia migrants and international students.

“We don’t need to send people overseas for culture knowledge, we have it right here.”

Business incentives and better understanding of the benefits of hiring international students and migrants from the region is critical for Australian businesses engaging with Southeast Asia. Organisations should hire talent with experience in Australia and Southeast Asia, harnessing bi-cultural competency to build organisational capacity in the areas of language, culture, and relationships.

Additionally, organisations should drop the pressure for international students and migrants to fit into the Australian cultural standards of work and recognise the benefits of staff who bring diverse cultures and unique business perspectives to the workplace environment.

Appoint leadership that reflects the diverse communities we live in.

“If there is no change of diversity at the top of leadership, it won’t change down the bottom.”

For Australian organisations operating with or looking to expand into Southeast Asia, recruitment committees for boards and senior leadership should consider lived experience, bicultural competencies, and time in-market as core skill sets. Prioritising these skills at the senior level has the potential to trickle down and influence all levels of recruitment, engaging high-quality, diverse employees across the organisation that understand how to build strong partnerships and harness opportunities in Southeast Asia.

Theme Two: Solutions

Utilise diaspora business ‘influencers’, startup communities and case studies to communicate culture.

“...a social media point of view could bridge both worlds and communicate the culture.”

Southeast Asian diaspora business influencers, entrepreneurs, and leaders could serve as a means to convey culture to bridge diverse backgrounds, inspire innovation, and showcase real-world success stories. The power of social media, particularly LinkedIn, to connect around business opportunities could be an effective channel to highlight examples where bicultural literacy, lived experience and cultural awareness has benefited professionals who work across Australia and the region.

By partnering with diaspora leaders, business chambers and SMEs across priority markets and sectors there is an opportunity to provide tangible examples of cultural adaptation, business resilience, and offer valuable insights to inspire both diaspora and Australian businesses.



Conclusion

The roundtable represents a small number of experiences in what is a rich, diverse Southeast Asian diaspora community in Australia. Significant work remains to understand how to support diaspora communities to be champions for two-way trade and investment between ASEAN and Australia.

The discussion identified the knowledge gaps Australian and ASEAN Governments need to address, including difficult regulatory and legal frameworks, visas compliance, and the need for more long-term partnerships to boost trade and investment opportunities. Although these issues cannot be addressed by diaspora communities alone, diaspora leaders could play a key role in decoding complex systems and assisting Australian and ASEAN Governments in brokering new processes that respond to these needs.

Diaspora communities have worked consistently toward strengthening links between Australia and Southeast Asia across priority sectors for many years. It is important to acknowledge that we should not try and ‘re-invent the wheel;’ we must invest in and strengthen existing programs whilst simultaneously striving to create new opportunities for businesses across Australia and the region.

About the Asia Trade and Innovation Hub

The Asia Trade and Innovation Hub (ATIH) is a physical and digital gateway for engagement with Asia, fostering greater connectivity and creating new opportunities for economic and social engagement in the region. Located in the heart of RMIT’s CBD campus, the ATIH is a meeting place for regional engagement and a ‘front-door’ to Asia.

Created in partnership with global think tank Asia Society Australia, the Hub co-locates the Asia Society Australia and the Australia Vietnam Policy Institute (AVPI) in the ATIH space bringing together combined expertise to cultivate greater understanding and connectivity with the region.