

Why Black Voices Matter in the Boardroom

Webinar Notes

8.27.20

Notes taken by Emily Lenzini, Women's Leadership Foundation Committee Member

- Marilyn shared statistics from National Association of Corporate Directors
 - In 2018 and the Alliance for Board Diversity and Deloitte did a study which found 486 black directors in fortune 500 8.6% of all Fortune 500 board seats as compared to the 13.4% of Black population overall in our nation.
 - Most boards want CEO experience, 49% of the fortune 500 board seats that are held by CEOs represent almost one-half of board seat experience. Fortune 100 companies' representation of minority women on their boards is only 5.8% or 71 minority women. We've got a long way to go.

What do you say to CEOs or to other senior members of leadership who say "I would add a black woman to our board, but I have not found anyone qualified or I do not know anyone."?

1. **May** – have you heard this before? How do you respond?
 - It's very common, I use this as a coaching moment. It's important for them to understand why it's so important and valuable to have diversity on the board.
 - **Get them talking about why it's important to have diversity on their board**
 - **Ask them what is their diversity representation currently?**
 - **I also want to know how they go about getting people on their board, how do they search for board members.**
 - "I grew up in Las Cruces, NM, when I would go fishing with my dad he would oftentimes tell me to go where the fish are, you have to change up your scenery sometimes. I always talk to members about where they are going to search for potential new members, gets them thinking about their experience with different kinds of people and thinking about their exposure to different kinds of people and where they are looking.
 - I also try and get people to understand that education is a super important part, as well as empathy
 - "I recommend the Executive Leadership Council for seeking out black board members"
2. **Angela** – How would you respond to someone who shared they did not know anyone qualified?
 - It's a great question, I experience this conversation all the time in private and public sector
 - **My first response is describe your current outreach efforts, to gauge the level of commitment**
 - **The next thing I ask is about what is the commitment level of you, your CEO and other board members, have they adopted and embraced this initiative of recruiting black women to their boards**
 - Recruiting black women and people of color on boards, **it takes a true commitment**, it needs to be an environment that embraces inclusion, corporations must create a climate of inclusion and ensure that the CEO and board members have bought into this initiative
 - **Another thing we need to think about is do African American women feel welcome once they've started on the board? What is the retention of these women?**
 - I like to get a gauge of commitment level, and motivation to recruit African American women on boards

3. And to expand on this, if a prerequisite to be on a Board is that you must be a CEO...as we know, those numbers of black women CEOs in Colorado and among US companies are low.

May – with your experience with The Conference Board, could you share with us *other* ways we should be thinking or different qualifications we should be looking for in a Board member?

- It's a real problem to only focus on CEO's, not all C-suite executives - COOs and CFOs.
- We're working in VUCA environment (volatility uncertainty complexity ambiguity) - current CEO's don't have time to devote to other boards, because they have such a high demand in their current role
- It's important to get innovators and creative problem solvers on your board, people who are creative thinkers, that can drive solution, you need people who are challengers those folks that will play the devil's advocate, you need people to bring awareness to the weaknesses of the organization
- Diversity is really critical - age, skills, ethnicity, educational background. A 35 years old educated from HBCU black woman will see world differently than a 55 years old male educated from an ivy league
- Sales experience
- Industry experience
- How to raise capital
- These are skills that are important for these roles and these are skills that women have and things we need to be thinking about having on our boards.

For those of us watching today, we know the importance of Black Voices in the Boardroom, but some of us may need additional resources and strategies to make this happen. I'd like to hear from each panelist on resources that you can share.

4. **Angela**, with your experience working with corporations both locally and nationally, what can we do as leaders within our organizations to ensure that we can successfully add more diversity to our boards?

- We have to make sure there is a commitment, we need to find out where does boosting black women fall in the to-do list? These social injustices keep coming forward, we don't want this pivotal moment to pass us by, this needs to be moved to top of the list
- Developing a culture of inclusion
- Being the only African American woman at the table is sometimes a blessing and can sometimes be detrimental, use that resource that is at the table if you have one and build upon those resources that you have.
- We've talked about the social injustices, CEO needs to wake up, the economic buying culture, minorities are going to be the majority, it's so important to wake CEOs up,
 - Many consumers are looking at what large companies' diversity policies are and are making buying decisions based on these policies. Companies have to wake up to this

5. **Marilyn**, do you have additional resources you can share on the importance of diversity in leadership

- It's an integral part of how you make change in an organization. I have worked in an industry, utility industry, who understood the workforce need to be representative of the people they serve. They understand why they are there and who pays
- You have to get brave, and offer solutions
 - "how do we incorporate in our mission statement, that we are inclusive, that we are working towards equity in our people and our board. You have to walk the talk. If you've

been paying attention - you have seen so many corporations back this movement, but the actions don't always demonstrate they are behind this movement. Delta Dental put \$7 million back into the community throughout COVID-19.

- You have to institutionalize the belief system and access to care.

Resources from Marilyn

- [National Association of Corporate Directors](https://www.nacdonline.org/) - <https://www.nacdonline.org/>
- [Boardsource](https://boardsource.org/) - <https://boardsource.org/>
- **Carla Mestas - Founder and President of C.I.R.C.L.E. & STAM, focuses on diversity, equity and inclusiveness**- <http://www.circlestamp.org/team1.php>
- [Center for Creative Leadership](https://www.ccl.org/) - <https://www.ccl.org/>
- [Alliance for Board Diversity Study](#) of gender and racial makeup of Fortune 500 boards

Resources from Angela

- [Minority Business Office of Colorado](https://www.mbocolorado.com/) - <https://www.mbocolorado.com/>
- [Black Business Initiative](https://bbiprofessional.com/) - <https://bbiprofessional.com/>
- **Black Female Greek Organizations - national organizations that have local chapters**
- [National Panhellenic Council](https://www.npcwomen.org/) - <https://www.npcwomen.org/>
- [Congressional Black Caucus Institute](https://www.cbcinstitute.org/) - <https://www.cbcinstitute.org/>
- [National Black MBA Association](https://nbmbaa.org/) - <https://nbmbaa.org/>
- [International Association of Black Actuaries](https://www.blackactuaries.org/) - <https://www.blackactuaries.org/>

6. **May**, what strategies or tips do you recommend for these conversations? Should any of these be considered for board governance or corporate policy?

- Have to start with having a clear vision for our Diversity and Inclusion
- Have to make sure organizations have done an assessment of their boards, their policies, the ism's we are experiencing are structural

I think the most powerful part of our conversation today is your personal experiences.

7. **Marilyn**, I know you have personally served on many boards, and oftentimes as the only black woman at the table, can you share some of the work you are proud of in your role as a Board member?

- I don't think I've ever been on a board where there's another black woman sitting beside me. I have been a staff person and there were 2 black females on board when I was staff as VP of HR for Xcel. That was such a great experience, we had each other's back, supported each other, and bonded throughout that experience.
- When I join a board, more frequently than not I am not only the only black woman but that first black woman to join their board. I have to grow roots and have to really want to be there, because my job is to be a change agent at the table, I do not invest a lot of energy unless my deep roots will grow fruit.
- **I always focus on change from within the organization vs outside of the organization. If I do my part, I can change the organization in an upstream lasting impact way.**
- My preference is always to break new ground, and tend to want to be the first and maybe the only black woman on boards.
- I have a game plan - when I join a board
 - **the first thing I ask them is "Why me" "what do you want from me" generally they're after my expertise in compensation design and human resources, they also get strong facilitation skills, teaching and organizing**

- **The first thing I do is listen, I am gauging where my CEO is and where we are on the continuum, where do I need to focus on if there's changes that need to be made and where are their priorities. Equity needs to be part of their priorities.**
 - Be a good agitator
 - You need to talk, you need to lead and you need to have a plan, you really need to know who your advocates are on the board, who will stand by you when you're being the disruptive agitator when you're bringing about change.
 - Create a rolodex and share it
 - Always need to leave the board better off than you came
- 8. Angela,** can you share with us your experience helping companies transform to be more diverse, equitable and inclusive—do you have a success story of how it was done? (*Wells Fargo*)
- My most recent experience has been in the public sector. We want to make sure we have African American women in leadership roles. I have experienced being the only one.
 - My most recent success was passing a resolution in the legislature that encourages companies to increase the number of women on corporate boards. As the founder of black legislative caucus, I've intentionally recruited Black women when there was a time that we weren't going to have any Black women represented
 - **From private sector - the article from CEO of Wells Fargo Charlie Scharf, he has a Watershed moment when he addressed policing and social injustices of our country**
 - **He said it's about the conversations he had with his Black employees: his eyes were opened to the injustices that were happening in the workplace that he was unaware of.**
 - **Article: <https://stories.wf.com/wells-fargo-ceo-a-watershed-moment/>**
 - The CEO has to emulate what the standard has to be, and Charlie has done this with Wells Fargo, has a whole plan that he is putting in motion to change their corporate culture when it comes to Diversity while working to change societal issues in our country.
- 9. May,** can you also share with us a success story for a company you have worked with and how it turned out?
- As a chief diversity officer, most companies don't have a vision for that officer position supporting recruiting board candidates, but when you see a need you take it on. I looked at the board and identified the need for change. I started sending my CEO information about different women, men of color, at first my CEO didn't respond. After a while then he started saying, May is a better recruiter for me than I can get outside the organization. **Sometimes you do things that are outside of your job description, you do things because you want your CEO to be dynamic because if they're successful then your organization is going to be successful.** From that we got a black woman and a Latinx woman on the board. Something that wouldn't have happened if I didn't send those
 - Advisory boards. At one company we established an Advisory Board, we were strictly focused on the diversity and inclusion vision. We would meet with the board as an advisory committee - then the individual Board members with my senior advisory, but if we had diversity on our board we wouldn't need this external board. It was a great transition tool to introduce the Board to impressive people of color who did add value to our company.

For those women of color in the audience who are interested in being on the path for Board leadership, what advice do you have for them? *(Any panelists to answer)*

Final Comments – Any final comments from the panelists? How can we all continue to support and encourage diversity in our workplaces and in the Boardroom? Any advice during this time or call to action?

Marilyn

- “The feeder system for this change that we are attempting to make is to address those boards that say we must have a CEO for boards. **So let's create more female CEOs.** That became my objective in 2019, and I was lucky to be part of search committees to do this, we collectively placed 2 female, 1 black woman, CEOs in large Not for profits in Colorado. I'm about creating CEOs to meet the needs to fill board positions

May

- I have been working with CEOs to get them to understand that they need a business strategy that has accountability. With accountability there is opportunity to reward for the success of executing well, and opportunity to coach on improvements to lack of delivering on the strategy
- **This is not a new topic, it takes commitment**
- **I try to get CEOs to think about their accountability in diversity equity and inclusion as the same as the other initiatives in their companies**

Angela

- **For those participating who have desire to serve on boards, determine what your skill sets are, determine what your passions are and think about what contributions you can make to a corporate board**
- I would think about professional connections, honestly white men still dominate boards, you need to network and participate in programs like Boardbound.