

100 BLACK VOICES

Black Corporate Directors Video Archive Project

Project Summary

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100 Black Voices Overview

100 Black Voices is a collection of video interviews with leading Black directors. It presents compelling insights and best practices for selecting boards, building individual effectiveness, and improving board diversity.

100 Black Voices is the third in a [series of projects](#) produced to:

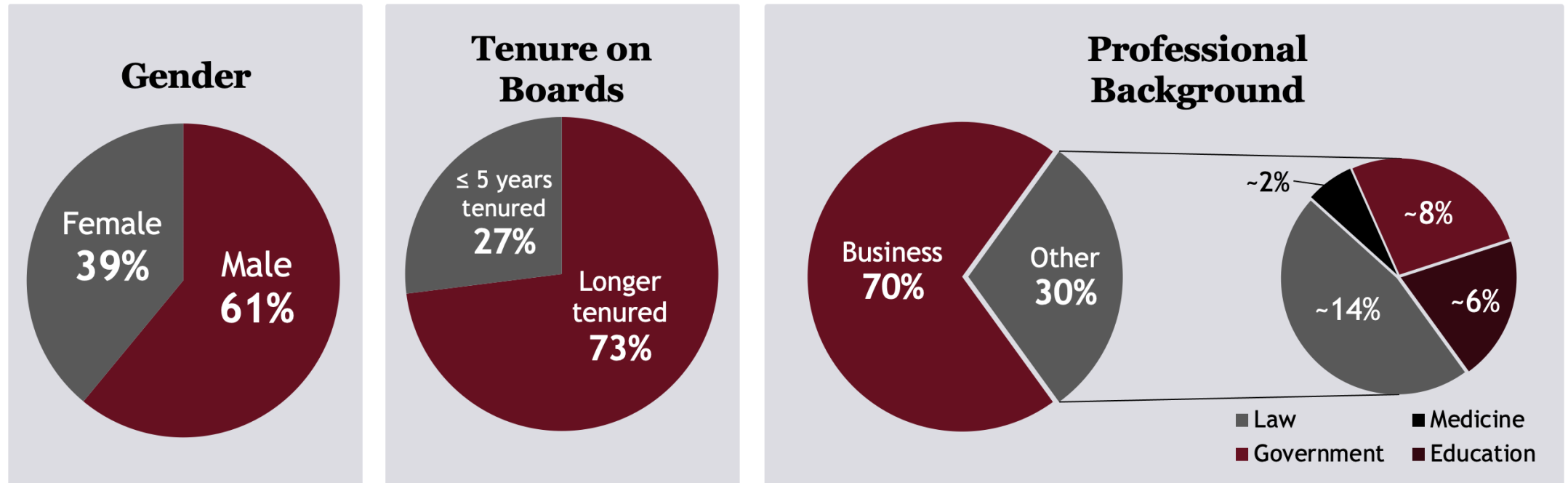
- Help minority professionals navigate the world of corporate board service
- Help companies structure their diversity initiatives

This summary of key findings from *100 Black Voices* will help:

- **Aspiring minority board candidates** looking to land their first board appointment and become effective board members
- **Sitting directors** who want to identify and mentor new minority directors, make more effective contributions, and have impact in the critical next five years
- **Public and private companies** seeking to increase board diversity
- **Search, investment management, regulatory, and DEI advocacy organizations** working to help organizations achieve board diversity, and express stakeholder concerns

Key Insights from Authoritative Black Voices

100 Black Voices includes a large sample size of minority directors, and a diversity of genders, tenures, and backgrounds.



Subjects include Prof. Al Osborne, Ursula Burns, Gwen King, Prof. Jim Cash, Mary Bush, James White, Sam Scott, Bruce Gordon, Jim Nevels, Anthony Foxx, Paula Price, Virgis Colbert, Dr. Walter Massey, Roger Ferguson, Dr. Wayne Frederick, Ron Williams, Robin Washington, Dr. Ayanna Howard, and many more.

Trilateral Best Practice Recommendations

Interviewees overwhelmingly recommended **persistence**, **collaboration**, and **enhanced focus** to increase board representation and effectiveness in the face of current DEI headwinds.



Top Findings From *100 Black Voices*

1

Diverse board representation will continue to somewhat increase, despite strong headwinds against DEI.

2

Sitting directors must be vocal about the business case for diversity and tie it to shareholder value.

3

Strategic changes to board composition, selection, and governance are required and will result in more opportunities for minority candidates.

4

Minority board members must perform with extra effectiveness to best provide examples of benefits of diversity.

5

Diversity will not happen on its own; businesses need incentives and accountability.

Finding 1:

Diverse board representation will continue to somewhat increase, despite strong headwinds against DEI.

- Despite recent setbacks, diversity in board service has become accepted.
- Diversity supplies essential new skills for the growing global business environment.
- Some interviewees commented that increases in Black board representation are likely to be modest, with some short-term leveling off.
- Because of recent attacks on DEI, diversity is at an important tipping point, and thoughtful advocacy and mentorship are required now more than ever.
- The pipeline of exceptional diverse candidates continues to grow, and boards should also recruit beyond traditional backgrounds.

Finding 2:

Sitting directors must be vocal about the business case for diversity and tie it to shareholder value.

- The business case for diversity requires vocal advocacy from both minority and non-minority directors.
- Sitting minority directors should work closely with allies but take the lead in advocating the case for diversity, never abandoning the moral case.
- Studies confirm that diversity leads to better decision making and fosters innovation by minimizing ‘group think.’
- Diversity leads to a more robust understanding of markets, especially new growth markets.
- Diversity offers a significant advantage in the war for talent.
- Diversity supports and reflects changing demographics domestically and internationally.
- Diversity reduces business risks and is a key vehicle for increasing shareholder value.

Finding 3:

Strategic changes to board composition, selection, and governance are required and will result in more opportunities for minority candidates.

- Building in more frequent board refreshment is the antidote to “group think” and stale perspectives.
- Governance around term limits, board size, and formal evaluations need to be revisited.
- Current average tenure (12 years) and size (8 to 12 seats) permits only one opening every one to two years.
- More board openings means more opportunities for minority candidates.
- Boards must think beyond having a single designated diversity seat.
- Boards should consider forming advisory boards to meet and develop more board candidates.

Finding 4:

Minority board members must perform with extra effectiveness to best provide examples of benefits of diversity.

- Aspiring board candidates must get on the right board for them and be deliberate about committee assignments and rotation.
- Strong board orientation programs are critical. New members should be assigned a buddy and prioritize attracting board allies.
- Quickly learning board culture with the help of a mentor is key to peer acceptance, authenticity, and defusing imposter syndrome.
- Social interactions with management and other board members between meetings are critical to success as a board member.

Finding 5:

Diversity will not happen on its own; businesses need incentives and accountability.

- Businesses can be slow to adapt because they are most comfortable with the familiar.
- Avoid forcing major changes through artificial mandates or quotas.
- Instead, focus on highlighting examples of success and increasing disclosures.
- Focus on giving business reasons to act rather than shaming them.
- Make it clear to businesses what they will not win if they are not diverse.
- Focus should be on increased disclosure of diversity.



Recommendations for Action

Actions for Companies

- Examine structural ways to improve board rotation/refreshment such as term limits, board size, advisory boards, skill set inventory, and board evaluations.
- Expand board discussions and improve disclosures regarding diversity. Develop goals and tie results to compensation.
- Take time to understand the benefits of diversity in enhancing shareholder value (the business case for diversity).
- Work with search firms to expand existing databases, improve talent spotting, and expand search mandates. Try tying search criteria to skill set rather than title.
- Consider candidates for board service from non-traditional business backgrounds.
- Help develop minorities in the C-Suite within your company.
- Disclose progress on diversity goals and hold people accountable for meeting them. Share examples of success.
- Support board readiness programs.
- Stop limiting board candidates to only the “tried and true” existing minority members.
- Expand identification and disclosure of skill set requirements.
- Stop thinking that you have satisfied diversity when you find one diverse director/CHRO.
- Meet potential candidates in advance of board searches.
- Develop board orientations, assign board buddies, and diversify committee assignments to help new members be successful.
- Seek more inclusive activities for between-meeting socializing, and ensure that informal board discussion among subsets of board members are reported back to the full board.
- Help identify the next generation of Black CEOs/COOs.

Actions for Sitting Directors

- Document examples where diversity has made a difference in the boardroom.
- Spotlight and learn from the companies that are getting diversity right.
- Participate in elections to help shape regulations around diversity.
- Provide more mentoring and board introductions in advance of specific searches. Expand and open your network for referrals on a more systematic basis.
- Emphasize the business case for diversity. Tie diversity to enhancing shareholder value.
- Recruit allies to help with board dynamics and advocate for comprehensive onboarding programs.
- Find an inclusive activity to promote social interaction between board meetings.
- Continue to identify minority candidates for the board pipeline and advocate for additional diversity.
- Demand and support strong board performance by sitting minority directors, especially those appointed post-George Floyd, as performance will reinforce the case for diversity.
- Get on Nominating, Governance, and Compensation Committees to drive diversity from the inside.

Actions for Aspiring Directors

- Remember that excellence in your day job is the best way to prepare for board service.
- Do not undertake board service without understanding the time commitments involved.
- Remember that the most important contribution to board service is to help expand management's perspective, not to run the company on a day-to-day basis.
- Get some leadership and governance experience by serving on not-for-profit boards.
- Be aware that people are watching you and that you might have to work twice as hard as others.
- Develop your own case for board service including a narrative about who you are and what you can contribute.
- Have a specific purpose or objective for serving on a board.
- Develop a board-oriented resume, emphasizing the skillsets attractive to boards, and then network, network, network.
- Leverage search firm inquiries about job opportunities into board opportunities. But, do not interview for a board as if interviewing for an operating job.
- Do not limit board consideration to those industries of which you have direct domain knowledge.
- Participate in board readiness programs where available.
- Consider board seats in private companies, small cap, and non-US companies.
- Be selective before choosing your first board, focusing on where you can best contribute.

Actions for Search, Investment Management, Regulatory, and DEI Advocacy Organizations

- Challenge clients to expand their search mandates to include diversity elements.
- Build and connect databases of aspiring minority candidates.
- Continue to hire minority candidates directly into your own firms, and insist on diversity elements in your own searches.
- Continue to expand the pipeline of aspiring minority candidates by working directly with key minority organizations.
- Look beyond traditional talent pools.
- Amplify shareholders views on diversity.
- Advocate for minority candidates in industries where diversity lags, including technology, fashion and hospitality, private companies, and foreign companies operating in the US.
- Ensure that your diversity efforts target all forms of diversity, not just gender diversity.
- Factor diversity stance and track record into company ratings.
- Ensure that pension funds and banks are investing with diversity in mind.



Other Key Insights from Interviews

The **100 Black Voices** video archive contains many more insights than are presented in this summary. *Archive location TBD.*

Interview Insights

Board Service Has Changed

“The role of a board director has changed over the last 20-25 years.”

Interviewees observed that board service has changed in terms of time commitment, risk exposure, and disclosures. Now, the approach to diversity must also change.

There is now greater emphasis on:

- Governance
- Regulatory requirements/disclosures
- Impact of technology/innovation
- Shareholder interest in DEI and ESG
- Engagement in crisis management
- Dealing with activism

Interview Insights

Need to Build for the Future

Interviewees observed that sitting directors should, in a more systematic way, increase introductions of minority candidates pre-search, and provide more mentoring.

Investment management firms can also play a more significant role in promoting diversity since corporations do listen to shareholders.

“...need to not only develop the minority pipeline, but get it introduced to the decision-makers.”

Interview Insights

Search Firms Can Help

Interviewees observed that search firms, despite significant recent improvements, can still do more to increase Black representation on boards.

Search firms should:

- Continue to increase their databases, work with outside groups, and help clients expand their search mandates.
- Continue to hire minority candidates directly into their own firms and insist on diversity elements in their own searches.
- Continue to expand the pipeline of aspiring minority candidates by working directly with key minority organizations.
- Support connectivity of emerging databases of aspiring minority candidates.
- Challenge clients to expand their search mandates to include diversity elements.
- Look beyond traditional talent pools.

Interview Insights

Advocate from the Inside

Interviewees believed that sitting Black directors could do more to increase Black board representation by working on and with Nominating and Governance Committees.

By advocating from the inside, directors can:

- Significantly increase adoption/mentioning of aspiring minority candidates.
- Introduce aspiring minority candidates in advance of specific searches.
- Introduce and support board readiness programs.
- Recommend continuing discussions about diversity as part of their board agendas.
- Expose aspiring candidates to their own personal networks.

“Increasing diversity cannot purely be left to chance; you cannot take your foot off the pedal.”

Interview Insights: Board Rotation Improvements

Interviewees offered several strategies for improving board rotations to increase the number of opportunities for minority candidates.

Options	Interviewee Range of Views	Suggested Approach	Caveats
Term limits	55% favorable	At least 12 years	Treats everyone with a broad brush
Increased board size	Less than 50% consensus	No more than 12 to 14 members	Larger size limits ability to engage
Expanded use of board evaluations	High consensus	Annually	Must be followed by action

Interview Insights

Board Selection Trends

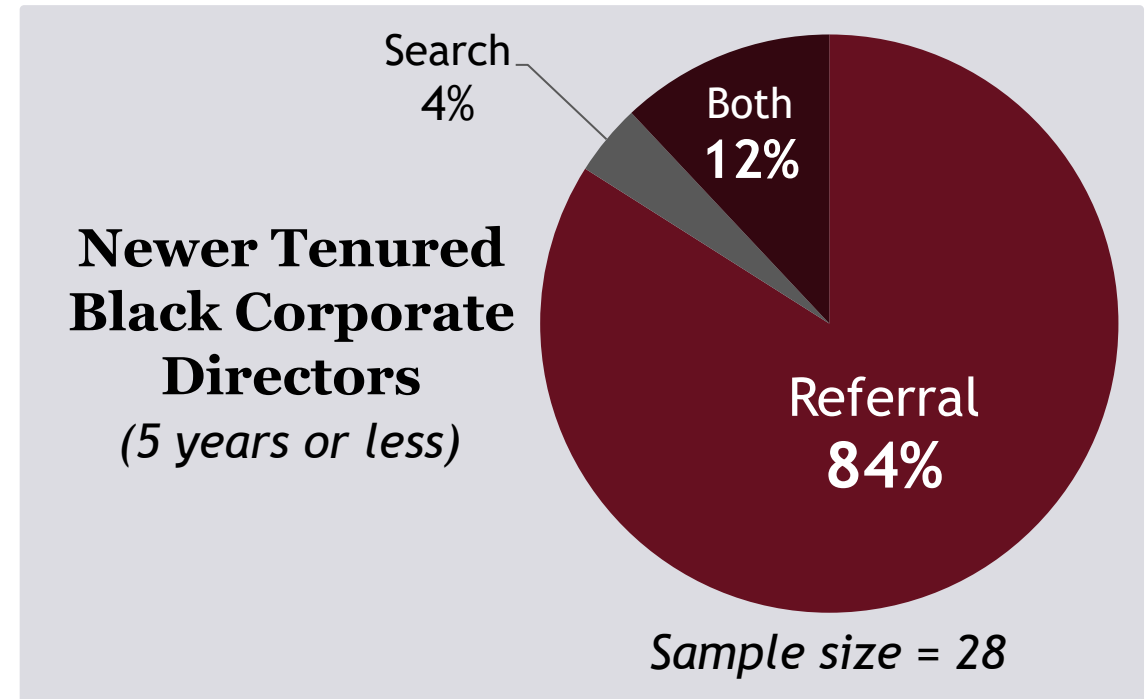
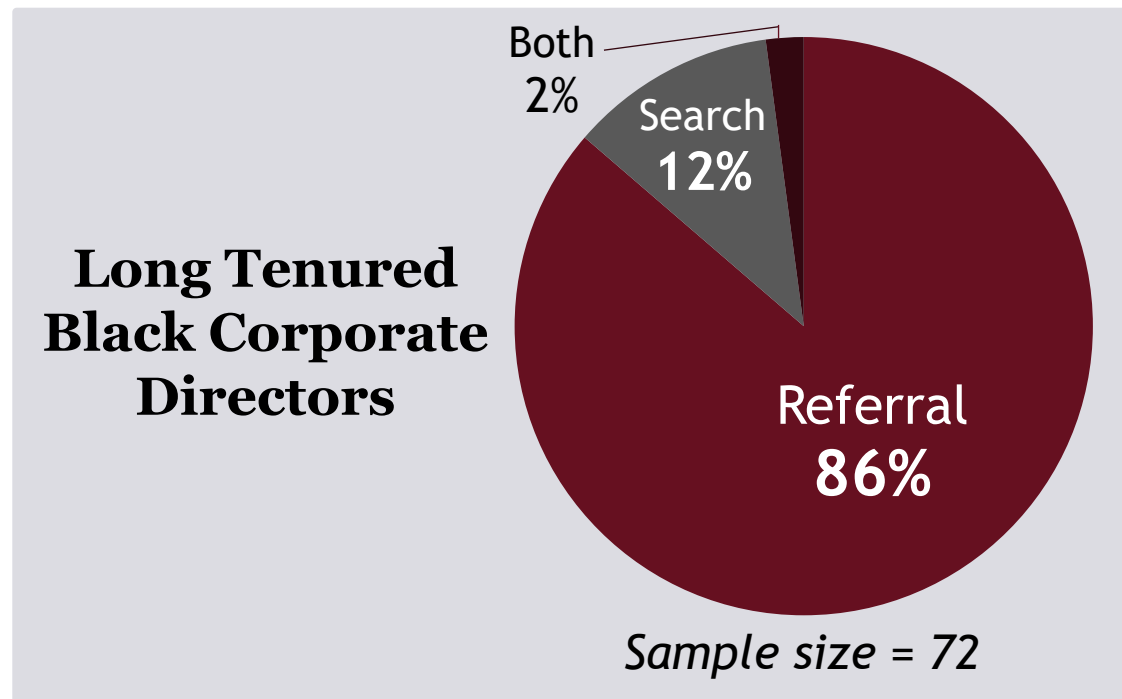
“Somebody’s got to be the first, take steps not to be the last.”

- References continue to be responsible for most board placements, especially for first time appointments.
- Skill set and fit are the most important, but race will continue to play a secondary role in most board appointments.
- Most board appointments will continue to be sourced from operating roles in the C-Suite, but a growing number of candidates are coming from nontraditional business backgrounds.
- There continue to be substantial gaps in consideration of minority candidates for board service in technology, fashion and hospitality, private companies, and foreign companies operating in the US.

Interview Insights: References Still Matter

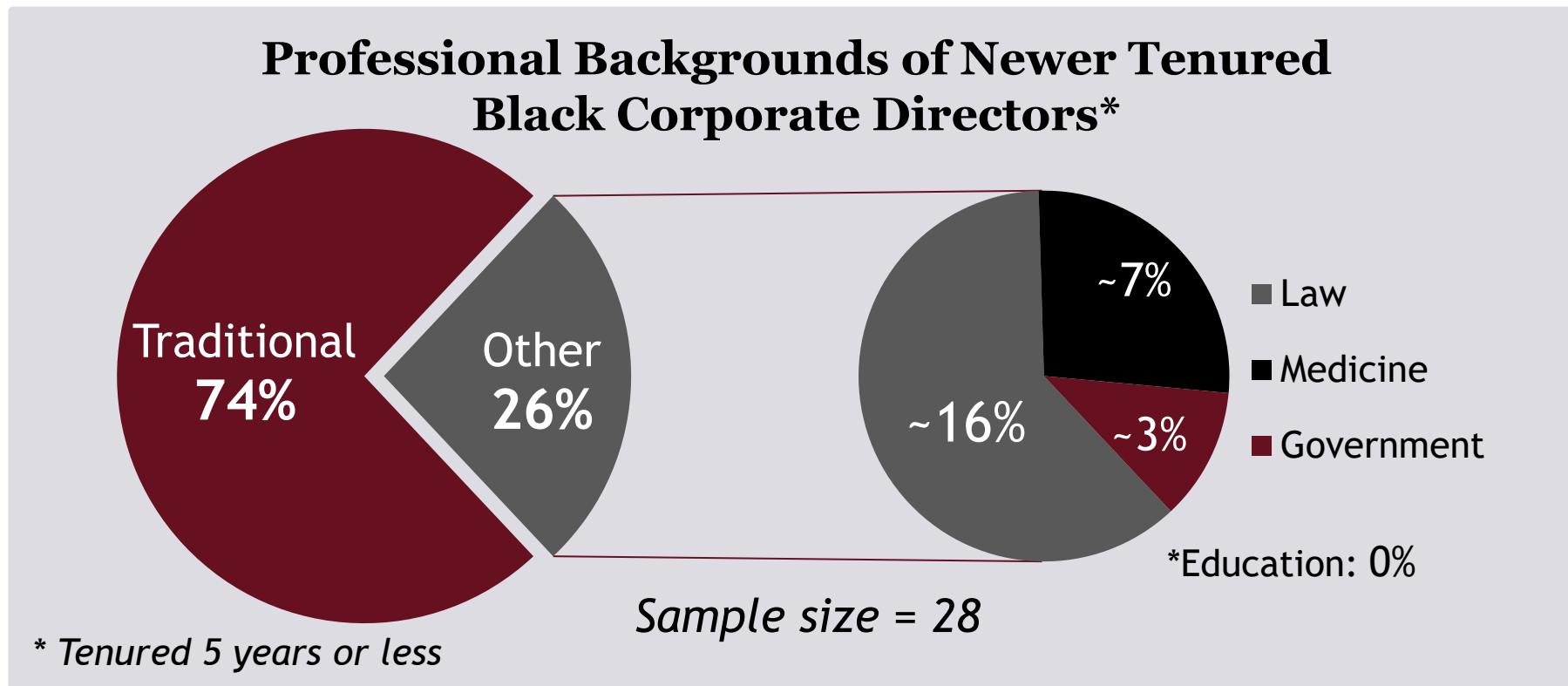
Interviewees confirmed that references continue to be responsible for most board placements, especially for first time appointments.

First Board Appointments



Interview Insights: Professional Backgrounds Vary

Interviewees thought that most board appointments will continue to be sourced from the corporate C-Suite roles. However, more board opportunities are being sourced from nontraditional roles.



Interview Insights

Skillsets Matter Most

Interviewees observed that skillset and fit were predominant in their selection, although they believed that race was likely in the room as a secondary factor.

Important emergent skillsets include:

- Data/IT management
- Cybersecurity
- Risk management
- Supply chain
- ESG/DEI
- Regulatory affairs/compliance
- Growth markets
- International markets
- Technology/innovation
- Artificial intelligence
- HR, especially generational experiences

Interview Insights

The Case for Serving

Interviewees offered various motivations for board service, and they encouraged aspiring directors to develop their own case for service.

The directors interviewed serve because:

- They believe they can contribute.
- They seek learning experiences, and they view board service as the next step in their career.
- They like challenges and working with interesting people.
- They want to build on prior board experience, such as presenting at their jobs or working on not-for-profit boards.
- They see board service as a vehicle to help the Black community.
- They think they could improve their job performance by gaining a different perspective.
- They want to participate in this important lever for social and economic change.
- They want to scale their personal impact.

Interview Insights

Effective Behaviors

Interviewees shared their perspective on the skills and behaviors of successful board members.

The best board members:

- Are prepared
- Are good listeners
- Speak up where they can contribute
- Ask the hard questions
- Provide a unique perspective
- Encourage others to participate
- Are good at building a consensus
- Are seen as supportive of management but independent thinkers

“It’s always better to ask questions than to make statements.”

“Take time to find your voice in the boardroom.”

Interview Insights

Choose Where to Serve

Picking the right board starts with not just considering the big names, the first one that asks, nor the industry where you have domain knowledge.

Most interviewees thought that aspiring minority candidates should focus on joining boards where the need for particular skills matches their potential contribution.

Consider:

- The ability to provide a different perspective
- The ability to make a significant contribution
- The type of potential learning experience
- Understanding of company strategy/business model
- Reputation and risk profile of company
- An atmosphere where you will be listened to
- The company's regulatory, legal, and accounting history
- Alignment with one's values
- Ability to interact with senior management
- Ability to impact social and economic change

Interview Insights

Choose the Right Committees

Interviewees thought that the key to becoming effective on corporate boards is getting on the right committee.

They recommend that new board members:

- Start by serving on the Audit Committee, which is one of the best ways to learn about the company.
- Consider serving on the Compensation Committee to get to work closely with the CEO, and to best understand company culture.
- Consider serving on the Nomination and Governance Committee because you get to select the board and help establish board values.
- Serve on committees on which you can make an immediate contribution, and then rotate service onto other committees.

Interview Insights

Social Opportunities are Key

Interviewees thought that opportunities to socialize between meetings were critical for new minority directors to get to know fellow directors.

- Golf no longer dominates board service and is not the only way to become an effective director.
- That said, golf provides an effective vehicle to socialize with board members outside of board meetings.
- If they are not golfers, new board members should be deliberate about informal visits and calls between meetings to share thoughts and background with fellow directors.

Interview Insights

Close the Gap Between Talk and Walk

Interviewees observed that businesses that made significant pronouncements and financial commitments after George Floyd's murder should disclose their progress and be held accountable.

- They estimate that only 20% to 30% of the money dedicated to DEI initiatives has been spent.
- They point to the lack of organized measurement systems to determine what worked.
- They believe that results should be tied to compensation, and that overall people have not been held accountable.

Interview Insights

Enlist Shareholders

Interviewees felt that investment firms and regulatory/advisory firms might be the most influential in getting corporations to improve Black board representation, because corporations do listen to shareholders.

- Investment firms should reflect shareholders views on diversity despite recent headwinds.
- Rating agencies should also stand up and be counted.
- State pension funds and banks should also be targeted.
- Should also engage compensation consultants and accounting firms.
- Investment firms appear to be doing more for women than for other minorities.

Author's Note

Various people whom I interviewed have asked my opinions of these findings based on my experience. I have been a minority corporate director for four decades, and have also conducted a similar survey, pre-pandemic, on the views of leading black directors. During this project I was most taken by the unanimity surrounding these five points.

1. We are in a pivotal moment regarding diversity given the recent attacks on DEI and the political environment, and therefore, we as Black directors, must be vocal and intentional.
2. The near-term performance of minority directors, along with the changing demographics, will be the best advocates for diversity.
3. Institutional investors and pension funds should provide more consistent positions regarding the importance of diversity.
4. The time has come to give business some sort of push/incentive to embrace the benefits of diversity, especially around required disclosures.
5. A strong case exists for diversity ultimately helping to enhance shareholder value.