

ABOUT US: The Diverse Corporate Directors Coalition (DCDC)

- Ascend Pinnacle – Pan-Asian Directors – Janet S. Wong
- Black Corporate Directors Conference (BCDC) - John W. Rogers Jr.
- Latino Corporate Directors Association (LCDA) – Esther Aguilera
- Quorum – LGBT+ Directors – Matt Fust
- WomenCorporateDirectors Foundation (WCD) – Susan C. Keating

VISION: A corporate America where boardrooms leverage the strength of America’s diversity as a competitive advantage.

PURPOSE: We seek to increase awareness among key board members and influencers of the business value of board diversity. This coalition has been formed to accelerate change, as the progress of board diversity continues to be slow. We are working collectively and leveraging the strengths of our individual organizations to amplify awareness, advocate, and work with stakeholders to advance diversity and inclusion on corporate boards as an integral component of board effectiveness and a competitive business advantage.



Janet Wong, Ascend Pinnacle, Esther Aguilera, LCDA, Susan Keating, WomenCorporateDirectors, Jason Grenfell-Gardner, Quorum LGBT+ Directors, June 2019, New York City

WHO WE ARE: An effort led by diverse corporate directors

This unique coalition brings together distinct associations whose membership is composed of corporate directors representing the nation’s major diverse population segments. Our groups represent some of the most respected and accomplished business leaders at the pinnacle of corporate governance, and we are committed to collaborating to make significant change in the overall boardroom landscape.

FOCUS AREAS

ADVOCACY: We encourage nominating/governance committees in their board succession plans to promote board composition goals that leverage a complimentary mix of expertise and diverse experience. We encourage boards to adopt an inclusive definition of diversity as part of their governance guidelines and to actively seek director candidates who bring diversity of age, gender, nationality, race, ethnicity, and sexual orientation. We encourage companies to disclose, as part of their board composition, their gender, racial and ethnic representation, and for regulators, institutional investors, and other stakeholders to advocate for increased transparency and constructive engagement on board diversity.

SUPPLY: The low level of diversity of age, gender, nationality, race, ethnicity and sexual orientation on corporate boards is not due to a lack of talent. Collectively, the membership of our organizations and others represent an expansive, robust pool of experienced, diverse board directors. In addition, we actively work to mentor, educate, and develop the next generation of board-qualified executives.

DEMAND: We are working with pension funds, institutional investors, search firms, private equity, corporations, and other that influence board placement to connect them with a large network of exceptional business leaders and experienced board talent – with the added lens into the changing marketplace. Likewise, board diversity is important in communicating the company’s values to key stakeholders, including investors, employees, customers and prospective directors

“We need to govern for growth with the future in mind. Board diversity is good for business, makes boards stronger, and reduces group-think.”

—Mary Jo White, Former SEC Chair

November 2017, LCDA, New York City

DCDC Frequently Asked Questions

Why is board diversity important?

Diversity makes good business sense. A growing body of research has demonstrated the correlation between board diversity and corporate financial performance. According to the 2018 McKinsey report *Delivering Through Diversity*, companies ranking in the top quartile for gender diversity were 21 percent more likely to see above-average profitability than those in the bottom quartile. Companies in the top quartile for ethnic/cultural diversity were 33 percent more likely to see above-average profitability.

What are some of the barriers to board diversity?

In a survey by WCD Foundation, Spencer Stuart, and Harvard Business School, male directors over age 55 cited “lack of talent” as the biggest issue to building diverse board, while female and younger male directors cited “not making diversity a priority” as the biggest issue. In a 2017 survey of nearly 900 directors by PwC, 58 percent said that their board is *diverse enough* or *has achieved racial diversity*. Another 16 percent said that gender and racial diversity has no benefit. See table below with boardroom demographics.

How can DCDC help?

The coalition’s collective membership represents a robust talent pool of experienced diverse board directors and we are actively developing a new generation of highly qualified board-ready executives.

How can boards help to ensure that diversity is prioritized as part of their talent development and succession planning?

Boards can adopt an inclusive definition of diversity as part of their governance guidelines. Language adopted by Quorum states: “Our Nominating and Governance Committee seeks to develop a Board that reflects diverse backgrounds, experiences, expertise, skill sets and viewpoints. We actively seek director candidates who bring diversity of age, gender, nationality, race, ethnicity, and sexual orientation.”



Secretary Ken Salazar, LCDA, Matt Fust, Quorum, Kapila Kapur Anand, WomenCorporateDirectors, Ekta Singh-Bushell, Ascend Pinnacle, and John Rogers, Black Corporate Directors Conference. LCDA Convening, November 2017, New York City

What is the representation by gender, race, and ethnicity on corporate boards?

Progress on board diversity continues to be slow, even though it is a business advantage and an integral component of board effectiveness. The table below includes a detailed breakdown of the comparable data.

ADB 2016 F500 Data	Board Seats (total number and percent)				Population Size 2016
	2010		2016		
Gender & Minority	Total	Minority	Total	Minority	
Men	4,607 (84.3%)	539 (9.9%)	4,340 (79.8%)	577 (10.6%)	49%
Women	856 (15.7%)	161 (2.9%)	1,100 (20.2%)	207 (3.8%)	51%
Minority & Gender	Total	Women	Total	Women	
U.S. Latinos	166 (3.0%)	38 (0.7%)	188 (3.5%)	41 (0.8%)	17.1%
African American	417 (7.6%)	105 (1.9%)	428 (7.9%)	122 (2.2%)	12.6%
U.S. Pan-Asian	115 (2.1%)	18 (0.3%)	167 (3.1%)	44 (0.8%)	5.1%

Source: Alliance for Board Diversity (ABD), *Missing Pieces Report: The 2016 Minority Diversity Census of Women and Minorities on Fortune 500 Boards*