

The Diverse Corporate Directors Coalition (DCDC) Releases a Call to Action for Boardroom Diversity, Equity, and Inclusion

Just 16% of all Fortune 500 board seats are held by people of color.

WASHINGTON DC, August 13, 2020 - The [Diverse Corporate Directors Coalition \(DCDC\)](#) today released a groundbreaking [Call to Action](#) for public boards in an effort to finally bring diversity, equity, and inclusion (DE&I) to one of the least diverse environments in America—the corporate boardroom.

A growing body of research has demonstrated the correlation between board diversity and corporate financial performance. For example, according to the 2018 [McKinsey](#) report *Delivering through diversity*, companies in the top quartile for ethnic diversity were 43 percent more likely to see above-average profitability. Diversity, equity, and inclusion make good business sense.

However, a [2018 review](#) of Fortune 500 companies revealed that, despite much fanfare around DE&I, the progress to diversify boards has been slow. From 2010 to 2018, the representation on corporate boards by people of color increased from 12.8 percent to just 16.1 percent, an annual growth rate of less than half of one percent.

In reaction to the slow progress, the DCDC has created a Call to Action, with specific and actionable recommendations that will help companies achieve meaningful change.

John W. Rogers, Jr. of the Black Corporate Directors Conference and Chairman, Co-CEO, and Chief Investment Officer at Ariel Investments, believes now is the time for decisive action. “The current social unrest in our country calls for proactive, vigilant leadership working toward achieving comprehensive and measurable results. Today, more than ever, it is imperative that corporate boards reflect the diversity of our nation if we are to address systemic racism and inequities, a goal that will also benefit business performance.”

Esther Aguilera, CEO of the Latino Corporate Directors Association, agrees. “With the pandemic impacting the economy and people’s lives—disproportionately impacting the lives of people of color-- we believe that today, more than ever, it is time for companies to demonstrate their commitment to diversity, equity, and inclusion by accepting accountability and taking positive action.”

The DCDC is composed of representatives from the leading associations that support diverse corporate directors as follows: Ascend Pinnacle, the Black Corporate Directors Conference (BCDC), the Latino Corporate Directors Association (LCDA), Out Leadership’s Quorum, and the WomenCorporateDirectors Foundation (WCD). The combined membership of these organizations—which includes diverse, experienced directors and board-qualified executives—demonstrates that supply is not the issue in diversifying the boardroom.

The vision of the DCDC is a corporate America where boardrooms leverage the strength of America’s diversity as a competitive advantage. The Call to Action highlights three overarching principles:

- **Policy**
- **Practice**
- **Accountability**

In order to achieve diversity, companies must commit to policies that create a clear definition of diversity, draft board statements that become part of a company's culture, disclose board and leadership composition, and report on and track results. A company's board and leadership recruiting practices must also be tailored to the task, with efforts made to prepare slates of candidates that represent the ample supply of diverse, qualified leaders. And there must be accountability, among all directors, to demand diversity of talent in the organization and be willing to do the assessments and implement the incentives necessary to ensure their company is meeting its goals.

Janet S. Wong, Lead Executive Advisor for the Pan-Asian corporate directors network, Ascend Pinnacle, noted, "The DCDC's Call to Action provides a roadmap for companies to demonstrate their leadership to investors, employees, customers, and other stakeholders, and an opportunity to show that each company's commitment to diversity is more than just words. Investors are beginning to pressure companies on these issues, calling on corporate directors for concrete, comprehensive solutions to end systemic racism and exclusion."

The DCDC looks forward to continuing the work on its Call to Action and will be measuring the progress and success of board disclosure.

DCDC MEMBER GROUPS AND REPRESENTATIVES

[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

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