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## The New Mandate for Board Readiness: A Leader with Lived Experience



We are at the tipping point for some of humanity's most pressing issues, from global food scarcity to extreme climate change, to workplace diversity. Our issues are mounting. At the same time, public trust in institutions and organizations is waning. “Edelman's 2021 Trust Barometer” revealed that CEO credibility is at all-time low in several countries, while expectations that business leaders will take action are higher than ever. 86% of respondents expect CEOs to speak out on issues, like pandemic impact and job automation.

If we are going to solve some of the most intractable problems of our lifetime, and increase public trust, companies will have to activate in areas and sectors that they have previously avoided. Board members and senior leadership will have to lead on topics and issues that are larger than the core business. We need to rethink leadership and prepare the modern leader.

The modern board will need more board diversity in the world ahead. We need more voices, more perspectives and people with varied experiences. We need their lived experience at the table and in the boardroom because their history and their voice is unique. As recently as 2020, “nearly 90% of Fortune 500 CEOs were white men” (According to 'Fortune 500 CEOs, 2000-2020: Still Male, Still White', Richie Zweigenhaft, October 2020, in The Society Pages). Today, Women of Color (WoC) hold just 5.7% of board seats in the Fortune 500 (Deloitte's 'Missing Pieces Report: The Board Diversity Census of Women and Minorities on Fortune 500 Boards, 6th edition). In India, only 17.3% of board seats are held by women.

### The Current Problem

Most interviewers looking for board candidates tend to ask the same general set of questions:

*Where did you go to school?*

*What is your technical experience?*

*What was your previous title and tenure?*

*Did you have P&L and/or global responsibility?*

*How many people did you manage, and did you have Board exposure?*

This is the baseline for most senior and board hires. Once these questions are checked off then reviewers will evaluate for strategic and cultural fit. And, while these questions may be relevant to the job, they don't tell us much about the candidate as a person or about their values.

Many people of color, and women of color in particular, are weeded out before they can even be assessed for strategic and cultural fit because there is bias built into the model: a candidate has to have been in a similar role to do the job, but that only ensures more of the same. We are not just creating a pipeline problem, we are creating a homogeneity problem, in which we recreate the same mindset that gave rise to the environmental, social and governance inequities we're trying to correct in the first place.

### **The Value of Lived Experience**

We need to look at the lived experience a candidate has in new ways.

*Being 'a first, a few or an only' should matter to employers.*

*Being the first in your family to go to college is a huge accomplishment.*

*Leaving your homeland to start over is a form of risk taking and leadership.*

*Raising a family as a single mom while in the corporate ranks is hard.*

*Coming up from nothing to make it on your own when there are limited resources and role models around you requires fortitude.*

We should be looking at the whole person, not just the traditional board ready criteria when we look at candidates. We

should reward those who have overcome challenges, because they have developed flexibility and reliance and have an 'it' factor that can't be taught—lived experience.

We need to put more weight on grit, perseverance and resourcefulness. These are the candidates who will bring the skills needed to address our growing global challenges. We need these candidates, especially now

Modern leaders must meet the realities of today.

### **What Does the Modern Board Look Like?**

It looks like climate scientists being included on the board of a company invested in fossil fuels.

It looks like someone who grew up poor on the board of a company with a history of not providing loans to certain communities.

It looks like moms on boards developing plans for fair and supportive maternity leave, for competitive talent retention.

It looks like boards that represent the employees, the customers and the future generations the company has set out to serve, and that it depends on.

This is also how we increase trust in our organizations. When we're able to reimagine the criteria for board readiness, we begin to embrace a new model for leadership, and change, one that is equipped to take on the most daunting challenges of the 21st century, with humanity and courage. ■

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