

# Adding 'External Heat'

## Examining the Value of a Diversity Advisory Board



By Anise D. Wiley-Little



Organizations intent on forging change don't mind employing advisory boards to share internal details and hold themselves accountable. Board members provide advice and direction; when they govern decision makers, they also hold the power to create real innovation. External diversity advisory boards or councils are no exception.

In a conversation about the need to have a group of professionals with a broad range of experience assist with guiding and accelerating his company's diversity results, a CEO asked me, "Why would I want someone from outside telling me what to do?" The answer is that organizations using this assistance view the board's involvement as a partnership to enact positive changes.

Most diversity advisory boards look like the one formed for Toyota's U.S. Operations, which includes experts in varied fields. The board should be comprised of recognized diversity leaders who come from areas such as public policy, academia, economic development, consulting, community

leadership, and business. Their skills and expertise should be as diverse as their demographics. A broad level of thinking is essential to ensure the best business outcomes for diversity strategy.

Cindy Burrell is president and chief executive officer of Diversity in Boardrooms, a consulting firm that focuses on adding value to and increasing achievement in companies through corporate and advisory boards. The firm conducted research with Nielsen; Sodexo, Inc.; and Deloitte LLP to provide details of the success of their external diversity councils.

"Deloitte's Inclusion Advisory Council is a self-appointed means for added accountability to drive progress on our strategies and tactics so that our actions in support of inclusion live up to our ambitions," Deb DeHaas told Burrell. DeHaas is vice chairman, central region managing partner, and chief inclusion officer for Deloitte.

Deloitte's Inclusion Advisory Council provides what the company calls "external heat"—a third-party

assessment to push the envelope by setting the bar high. The company understands how much diversity is valued in the marketplace. "It is important to quantify challenges as well as successes, accelerate change through both rewards and consequences, and ensure that the CEO is involved in decisions," says Alice Young, a member of Deloitte's council. "There is a clear understanding of the strategic goals of the council and an ongoing dialogue and participation between the council and Deloitte's leaders."

Sodexo and Nielsen have also found success by employing the use of an external view of their diversity strategy. Diversity advisory boards find the most success with organizations that are mature in their diversity journey, with the organization's defined vision and values providing clear direction. When used well, diversity advisory boards contribute to the bottom line and can aggressively push the diversity agenda. Sodexo Inc.'s Diversity and Inclusion Advisory Board exists to:

- Expand the representation of women

and minorities in Sodexo's workforce

- Cultivate external partnerships to support business priorities
- Attract, develop, and retain the best talent in diversity
- Leverage diversity for business breakthroughs

"[The board] ensures the organization stays on the cutting edge and remains accountable for making progress on its diversity and inclusion goals and objectives," says Rohini Anand, PhD, Sodexo's senior vice president and global chief diversity officer. "Board members act as both external ambassadors and internal advisors, providing input on company initiatives, sharing external best practices and representing Sodexo in the community."

As this type of third-party expertise is developed and sourced, it is imperative to define the skills necessary to serve and to conduct extensive interviews with potential board members. It is important to know, for example, on what other boards these diversity experts serve and why being a diversity advisory board member appeals to them.

Organizations that engage in this diversity strategy must understand why a board is important to the organization, and know what is expected of the board. This knowledge is best gained through a considered review of the board's purpose and role. This process can include determining whether the priority is customer acquisition, talent, a specific expertise, or supplier development; whether geographic location of board members is important; what types of decisions should be presented to the board; and what skills or industries are important to the organization.

An expert in selecting advisory board members can be influential in attracting the right candidates. Such a person is aware of current leaders in diversity and the unique perspectives they bring. Before a company engages an external search firm specializing in selecting diversity advisory board members, it should consider the following criteria,

among others:

- What types of issues or topics will be addressed?
- How will the board be evaluated?
- How will the diversity advisory board add value?
- What kind of decisions will the board make?
- Are there metrics in place?
- How will the CEO integrate guidance from the board into business decisions?
- What ideas does senior leadership hold about "best practices" for diversity advisory boards?

president of public affairs for Nielsen. "They provide an open forum for communication between Nielsen and diverse communities. Likewise, council members are provided with the latest trends and insights that will impact the same communities. The Council has positively impacted Nielsen's service offerings in numerous ways."

To other companies seeking to create external advisory boards, Burrell offers advice on best practices, as well as pitfalls to avoid: "It's important that the advisory board or council members see that some of their ideas

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The benefits of diversity advisory boards can be qualitative or quantitative depending upon what measures of success are put in place. The key to a successful board is identifying these measures in order to ensure focus and attain intended results.

Nielsen's Joint Advisory Council was designed to support their service offerings. The company uses three external advisory councils, each of which consists of 12 leaders and meets twice a year. Each council is segmented into specific audiences—African American, Asian Pacific American and Hispanic/Latino—to better engage and recruit communities of color and to enhance products and services for those three specific ethnic markets.

"While advisory in nature, the Council is invaluable to us," says Cheryl Pearson-McNeil, the senior vice

are implemented by the company and that progress is tracked." Using term limits can avoid one of the pitfalls. That way, says Burrell, "strong contributing members can be renewed; others can be addressed, fulfill their terms, and move on; and new members can be rotated so the advisory board continues to offer insight, relevance, and innovation." ●

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