

MOVING

the needle on board participation

The Latino Corporate Directors Association works to put more Hispanics on boards across the country

Story by Kristin Schneider and Pablo Schneider

Courtesy photos

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In a world where Hispanics have more than \$1.3 trillion in buying power and make up 18% of the total U.S. population, it is surprising to many that Latinos hold only around 3% of Fortune 500 board seats.

Of those Fortune 500 boards, 70% have no Hispanic board representation.

It's numbers like these that motivated a proactive group to form the Latino Corporate Directors Association (LCDA).

"Unfortunately, there continues to be little change," explains LCDA Chair Pat Pineda. "Consequently, a number of Latino corporate directors, including myself, together with the strong support of the Hispanic Association on Corporate Responsibility (HACR), decided that we needed to address this underrepresentation in a more targeted and structured way. This decision gave birth to the LCDA."

The (LCDA) was launched with a focus on dramatically improving these numbers. Its mission is to support and develop current corporate directors while collaborating with companies to facilitate

the appointment of qualified Latinos to corporate boards.

"We will develop and promote valuable Latino directors and future directors by introducing them to lead directors, nominating and governance committee chairs, executive search firms and CEOs and by making the business case for Latino inclusion in the boardroom," explains LCDA Executive Director Dolores Kunda. "We provide a solution by sponsoring qualified candidates who bring deep experience both from the C-suites of corporate America and the entrepreneurial world with an additional point of view, the knowledge of the Latino market, into the boardroom."

With this approach, LCDA is positioned as the preeminent association of U.S. Latino corporate directors and also serves as a trusted source for candidates that U.S. corporations and search firms can utilize to fill board positions. LCDA has three key targeted strategies to bring this mission to life and holistically address the barriers to board diversity.

LCDA approaches the issue of lack of understanding around diversity benefits by educating C-level and board

leaders about the importance of the Hispanic market and the value Latino representation in the boardroom brings to a company. The LCDA also plans to proactively address the perceived lack of Hispanic candidates through board-readiness training and mentorship.

"There are sufficient corporate spaces today to drive the current Latino board talent numbers significantly, and the talent-ready pipeline exists," observes LCDA Vice Chair José Luis Prado. "What LCDA will do is create a business-centric Latino talent marketplace to facilitate the connection."

Utilizing this connection, LCDA collaborates with companies to help match board-ready candidates and experienced members via LCDA with open board seats.

Finally, LCDA supports and strengthens the pipeline of Latino board members by serving as a bridge between corporate board leaders and qualified talent by providing a forum for successful directors and C-suite level executives to network, share experience and gain new knowledge.

LCDA's strength lies in the collective power and diversity of its members. As of 2015, LCDA's membership roster includes forty-three Hispanic corporate directors of public companies and of private companies with annual revenues of \$250 million or more.

These 43 members serve on a collective 75 boards: 11 Fortune 100 boards, 27 Fortune 500 boards, 37 Fortune 1000 boards, and one private company board. They come from all parts of America and hold titles such as founder, president and CEO. The LCDA looks forward to engaging companies, search firms and others through sponsorships, networking events, participation on panels and membership.

LCDA hosts a variety of annual events to engage and support its mission and its members. The LCDA annual meeting, traditionally held in conjunction with the HACR annual meeting, offers an opportunity for members to receive continuing director education, learn from guest speakers, and network with board search executives, CEOs, lead directors, nominating and governance committee chairs, and other board members.

Future plans include holding an annual LCDA Awards Gala, where outstanding boards and members will be recognized for their support of increasing Hispanic representation. The LCDA will also be offering a more robust development program targeted at board-ready candidates and significantly increasing its membership by 2016.

With its offerings and influence evolving and growing daily, the LCDA will be the only Hispanic leadership organization of its kind working collaboratively with corporate America on diversifying the face of U.S. corporate boardrooms.

Given the large size and rapid growth of the Hispanic population and GDP, addressing the Latino market has become a core business imperative for major companies. It makes good business and governance sense to have Hispanic participation at all levels of major companies, including the board level.

Increasing Hispanic board participation is also vital to enlarging overall board diversity. In the words of attorney and columnist Doug Raymond, "Where there is real

diversity in the boardroom, there is a greater likelihood that the deliberations of the directors will include the evaluation of potential alternatives that either would not occur to a more homogeneous group, or that would be misunderstood or underappreciated, and therefore, too quickly dismissed."

Today there is a significant gap between where Hispanic board participation is and where it should be. The LCDA is poised to play a pivotal leadership role in bridging this gap.

Meet the Leadership



Patricia Salas Pineda - Chair

A longtime veteran of the auto industry, Patricia Salas Pineda serves as the chair and as a director of LCDA. Pineda is group vice president of Toyota Motor North America, Inc. (TMS), where she is primarily responsible for Hispanic Business Strategy.

Previously, Pineda oversaw the Toyota USA Foundation and national philanthropy and served as general counsel for TMA. Prior to joining TMA in 2004, Pineda was a 20-year veteran at New United Motor Manufacturing, Inc. where she served as vice president of human resources, government and legal affairs and as the corporate secretary.

She currently serves on the board of Levi Strauss & Co., the advisory board of the Aspen Institute's Latinos and Society program, and Virginia Tech's Center for Leadership in Global Sustainability 2050 Council. Her past board service includes the California Air Resources board, Eller Media, the Rand Corporation and Anna's Linens.

Pineda holds a juris doctor degree from the University of California at Berkeley. When asked why she is involved with the leadership of LCDA, Pat answers, "because I feel passionately about the importance of increasing Hispanic representation in all sectors of our U.S. society, including corporate boards. Unfortunately, at this time, Latinos are significantly underrepresented on corporate boards ... I want to help build an organization that collaborates with U.S. companies as a trusted source for qualified Latino corporate director candidates."



José Luis Prado - Vice Chair

An expert in the food industry, José Luis Prado began his career at PepsiCo, where he had the distinction to serve as the first Mexican to lead a PepsiCo business unit.

The former president of PepsiCo's Quaker Foods North America, Prado now is the president of Prado Strategic Consulting LLC and the vice chair of LCDA. Prado serves on

a variety of boards, including the boards of Northern Trust, Brinker International, the Chicago Council on Global Affairs, Northwestern University's Kellogg School of Business Advisory Board, Chicago Symphony Orchestra, and the National Museum of Mexican Art. He holds a Master of Science in Systems from the Iberoamericana University as well as a Master of Business Administration from the Monterrey Institute of Technology.

When asked his advice for Hispanic professionals interested in board service, Prado says, "I mention to them that in Spanish, a Latino leader is translated as a "Líder Latino". So I advise them to first become a great leader and then add the Latino skill as the icing on the cake, not the other way around."



Luis (Lou) P. Nieto, Jr. - Treasurer

Luis (Lou) P. Nieto, Jr., Treasurer of LCDA, began his career in the consumer foods business in 1981 at Quaker Oats. Since then, he has worked with several major brands, including Kraft, Mission Foods and ConAgra.

After retiring as president of ConAgra, he founded Nieto Advisory, where he currently serves as president. He serves on the boards of Ryder, Auto Zone, Eddy Packing and Food Evolution. Nieto earned his MBA from Harvard, where he served as the President of the Latino Association. As a long-time advocate of Latinas in board leadership, Lou explains, "As the father of only daughters, it's particularly important to me that Latinas are specifically developed and recognized as candidates for large company boards. Their presence on corporate boards will be significant."



Judge Nelson A. Díaz - Secretary

Judge Nelson A. Díaz is a partner at Dilworth Paxson LLP, a Philadelphia-based law firm, as well as the secretary of LCDA. A proud resident of Philadelphia, Judge Díaz is incredibly active both in local community affairs and the homegrown government. He previously served on the board of Exelon and currently serves on the boards of PECO, the National Association for His-

panic Elderly, the National Foundation for Credit Counseling, the Philadelphia Museum of Art, the Philadelphia Housing Authority, and as a Trustee of Temple University. Judge Díaz is also a member of the President's Commission on White House Fellowships. When asked why LCDA is so important, Judge Díaz, an longtime advocate for board diversity, says, "For 37 years, my advocacy for Latinos on corporate boards seemed to be an optimistic run, but in the last few years, things have gotten worse for Latinos and Latinas, with the numbers going down. This is why we need to join and work together as an LCDA."



Dolores Kunda - Executive Director

An expert in marketing and the founder of Lapiz Integrated Hispanic Marketing, LCDA's Executive Director Dolores Kunda has always understood the importance of the Hispanic market and supporting Latino representation in the leadership of corporate America.

Formerly an executive vice president at Leo Burnett North America, she founded and was president and CEO of one of America's largest and most awarded Hispanic advertising agencies, which helped brands like Coca-Cola, Kellogg's and McDonald's with their efforts to reach out to the Hispanic community.

Kunda also serves on the board of Finish Line, Inc. and previously served on the board of the Lenox Group, Inc. Kunda has won numerous awards, including being named one of Hispanic Magazine's 100 Hispanic Women to Watch. Dolores is a proud native of Washington, D.C., and earned her MBA from Northwestern University's Kellogg School of Graduate Management.

A huge proponent of Hispanics serving on boards, Kunda equates board service to being "at the nexus of decision-making in American business." When asked why she is passionate about being involved in the leadership of LCDA, Kunda responds, "It is exciting and gratifying to be part of an organization that is leading change. The LCDA is one of a kind. It is the only organization led by Latino corporate directors, promoting Latinos and Latinas in the boardroom. It is this visionary perspective that is exhilarating and an honor to be affiliated with." ●

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Dolores Kunda,
LCDA Executive Director