

Pathway to Board



Introduction

Research shows that Boards that are more diverse make better decisions, achieve better outcomes for customers and improve the bottom line. A report detailing the ethnic diversity of Boards from the FTSE 100 organisations carried out in 2020, revealed that only 2% of the total director population was held by Black, Asian or minority ethnic people. So what is going wrong here?

Five Housing Associations that operate in Cardiff and the surrounding region came together and reflected on their own experiences of Board recruitment. They recognised that their Boards were not diverse enough and that secondly, when they took positive action to address the issue, the interest was overwhelming. The Pathway to Board programme is a short programme that gives people the knowledge and skills to participate **on any Board**. The programme is specifically aimed at Black, Asian and minority ethnic people, supporting them to be Board ready.

The housing association partners hope that the Pathway to Board programme will be part of a movement to change the face of leadership across Wales.



Purpose

Studies undertaken in Wales and England show Boards lack diversity and that cognitively and demographically diverse Boards perform the best. Housing Associations in Wales have been trail blazers in redressing gender inequalities on their Boards and within their Senior Management teams, but have been less successful in addressing inequalities associated with ethnicity.

Linc Cymru, Taff, Hafod, Cadwyn and CCHA work in ethnically diverse communities but this does not translate in their composition of Board Members and/or staff. The five housing associations, supported by Tai Pawb and Race Council Cymru, have formed a project partnership to address the lack of ethnic diversity on Boards in and outside the housing sector. The partnership has recognised that facilitating change from the top is the first step in organisational transformation.

NB The partnership also recognises that excellent potential Board Members exist from the Black, Asian, and minority ethnic community which has been evidenced through the recent recruitment campaigns by Taff and CCHA.



Research

Britain's largest companies are failing to improve the ethnic diversity of their boardrooms, according to a study that found the number of Black, Asian and minority ethnic executives fell over the past year.

(Study commissioned by Green Park, reported by the Guardian Dec 2019)

- The total number of FTSE 100 Black,
 Asian, minority ethnic board members, both
 executive and non-executive, decreased to
 7.4%, down from nearly 9% in 2018, while
 the number of chairs, chief executives and
 finance directors remained at 3.3%.
- Forty-seven companies still have no Black, Asian and minority ethnic people at board and executive director level which is only 14 fewer than in 2014.
- The study found the pipeline for Black,
 Asian and minority ethnic executives was
 also squeezed after a year of zero growth
 in the number below board level, "raising
 significant concerns about the prospects for
 any future improvement at board and
 executive committee level".

Supporting Evidence for Change

Board diversity can lead to more effective risk management, good governance, better alignment with tenants, trading partners, employees, wider communities, and a more innovative corporate culture.



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To many, our continuing lack of ethnic diversity looks less like a failure on the part of minority communities to produce competent candidates, and far more like a choice on the part of business to settle for the familiar and traditional recruitment processes.

- Sir John Parker

The Pathway to Board project is a continuous professional development opportunity designed to better equip individuals from minority ethnic communities who want to contribute to the leadership of an organisation. The aim of the project is to provide both practical and theoretical perspective through training in the classroom and observation of board meetings. The project will allow individuals to make valuable contributions to their chosen organisation. The project targets Black, Asian, and minority ethnic professionals who have the drive and the enthusiasm to contribute to more balanced and diverse decision making in the board room.

- Diverse team = 87% better decision makers compared to non-diverse team
- Diverse companies are 2.3 times higher in cash flow per employee
- Diverse management are known to increase revenue by 19%, and
- Racially diverse teams are known to increase performance by 35%



Project Benefits

- Access to the full training programme including modules delivered by industry experts.
- A mentor to guide and support you through the programme
- Access to inducting and mentoring sessions with someone from the sector to guide you through the programme
- Opportunities to observe board meetings (board shadowing) to learn and experience what it's like to be a board member
- The opportunity to influence and change how organisations make decisions that affect our Welsh communities
- The opportunity to be a role model for the next generations of Black, Asian, and minority ethnic board members
- Support with application process to join a board
- Access to interview techniques training, as well as taking part in mock interviews, led by a leading expert



The Project

The project will run over a 7 month period, during which, participants will complete a number of training modules, mentoring sessions and board observations. Participants will be expected to invest 25 hours over the 7 month period.

Training programme



Treasury Management





Internal Assurance The role of a Board Member



External Assurance



Leadership





The Legal role of a Board Member



How to prepare for Board Membership





Interview techniques and application support



Contact us

If you would like to take part in this project, or would like more information, please get in touch with our Programme Manager, Abdi Segulle.



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Thank you

Thank you to the founding members, partners and supporting organisations who have committed their time, money and expertise to making this project a success.















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