A Leader’s Guide to Finding and Keeping Chief Diversity Officers in Europe
Introduction

Diversity and inclusion have become headline issues, putting pressure on organizations and leaders to respond in a meaningful way.

A commitment to diversity and inclusion (D&I) is becoming a crucial part of being a corporate citizen. For some, it starts with legal requirements, such as the UK’s mandated gender pay gap disclosure or quotas for women on boards in France, Germany and Norway, among others. Increasingly, though, the quest for true equality in the workforce is driven by business reasons. With economic growth slowing, companies face an intensifying need for innovation and growth—both of which are most likely to occur in diverse and inclusive environments, according to numerous recent studies.

Our 2019 Diversity and Inclusion Pulse survey, which includes responses from nearly 850 executives around the world, shows the positive relationship between D&I maturity and business outcomes.

European companies are starting to pay attention but have a long way to go.

Many organizations have been pouring fresh energy into diversity and inclusion, but the majority of large companies in Europe still do not have a dedicated executive to oversee these efforts. New Russell Reynolds Associates research finds only 34 percent of companies included in the S&P Europe 350 index currently have a chief diversity officer (CDO) or equivalent. One encouraging sign: Seventy-seven percent of those chief diversity officers have been appointed or promoted to their roles in the past three years, suggesting that companies are creating new roles or reinvigorating existing ones.

In this paper, we take a data-driven approach to analyze the CDO role and what makes it successful.

We examine the career paths and competencies of today’s chief diversity officers, based on the 118 CDOs at S&P Europe 350 companies. We look at the unique challenges these executives face and the competencies they need to effectively address them. Finally, we look at the actions leaders and organizations can take to make chief diversity officers—and their broader diversity and inclusion strategies—more successful.
Anatomy of a chief diversity officer

We recently analyzed S&P Europe 350 companies to understand how prevalent the chief diversity officer role is and the career paths that commonly lead to it. Our data shows that 118 of these 350 companies have a chief diversity officer. Of these 118 executives, approximately one-third (34 percent) have a joint title, often related to human resources or corporate social responsibility.

Chief diversity officers in Europe come from a variety of career paths before taking their roles. In our experience, no single profile is right for all companies but, rather, the best fit will depend on an organization’s goals and current stage in its diversity and inclusion journey.

CHIEF DIVERSITY OFFICER ARCHETYPES

<table>
<thead>
<tr>
<th>Human Resources</th>
<th>Diversity &amp; Inclusion</th>
<th>Business</th>
<th>Communications</th>
</tr>
</thead>
<tbody>
<tr>
<td>45%</td>
<td>24%</td>
<td>22%</td>
<td>9%</td>
</tr>
</tbody>
</table>

- **Human Resources**
  - Exposure to multiple aspects of HR, including talent management, and the ability to leverage the capabilities and support of HR
  - Experience directly advising business units and senior management
  - Larger pool of talent available

- **Diversity & Inclusion**
  - Proven track record of leading organization- or program-level D&I strategy
  - D&I thought leader and well networked within D&I conferences, platforms and events
  - Understands how D&I initiatives can be integrated into the organization

- **Business**
  - Sound understanding of company culture and business challenges; able to link D&I initiatives to business results
  - Likely to have strong credibility internally
  - Often experienced in multicultural marketing or the creation of an inclusive go-to-market strategy for the company

- **Communications**
  - Strong internal communications skills which help influence and galvanize the organization
  - Strong external communications skills which help in becoming the voice of the organization

**Note:** Numbers may not add up to 100 as some executives have multiple areas of expertise.

CHIEF DIVERSITY OFFICER EXPERIENCES

Within these four broad categories, European chief diversity officers often bring experience within diversity and inclusion, HR, and even business functions like marketing and sales. Given the organizational and cultural changes inherent in diversity and inclusion efforts, it is noteworthy that more than one in five chief diversity officers has past experience in transformation or change management.

The majority of CDOs have D&I or HR experience, but a number of them have also held other roles:

<table>
<thead>
<tr>
<th>Role</th>
<th>Share</th>
</tr>
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<tbody>
<tr>
<td>Sitting Chief Diversity Officer</td>
<td>16%</td>
</tr>
<tr>
<td>Other D&amp;I Roles</td>
<td>40%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>60%</td>
</tr>
<tr>
<td>Learning &amp; Development / Organizational Development</td>
<td>49%</td>
</tr>
<tr>
<td>Talent Acquisition</td>
<td>23%</td>
</tr>
<tr>
<td>Marketing / Sales</td>
<td>32%</td>
</tr>
<tr>
<td>Management Consulting</td>
<td>25%</td>
</tr>
<tr>
<td>Change Management</td>
<td>22%</td>
</tr>
<tr>
<td>Corporate Social Responsibility</td>
<td>17%</td>
</tr>
<tr>
<td>Legal / Compliance</td>
<td>11%</td>
</tr>
</tbody>
</table>

N=118

A LENS ON INSIDERS VS. OUTSIDERS

When appointing a new chief diversity officer, companies consider both internal and external candidates. About 30 percent of European chief diversity officers came from outside the organization. To better understand the strengths of each option, we compared the career paths of those who were promoted internally to those who were hired externally.

INSIDER CDOs
Understand existing culture, leverage internal networks to bring D&I strategy to life.

They have ...

- **Strong HR experience**
  - More likely to have held HR roles along with related talent acquisition experience
- **Deep institutional knowledge**
  - More likely to have come up through roles within the business, particularly marketing and sales
  - More likely to have change management experience

OUTSIDER CDOs
Bring new perspectives and expertise to help companies jumpstart D&I efforts.

They have ...

- **Best-in-class D&I strategy and execution experience**
  - More likely to have held the CDO role before
  - More likely to have had other types of D&I experience like sitting on D&I committees or leading D&I programs
- **A highly consultative approach**
  - More likely to have management consulting experience
Unique challenges of chief diversity officers

Our 2019 D&I Pulse survey data shows that no matter how experienced and well qualified diversity leaders may be, they almost inevitably hit internal headwinds at some point. Their key challenge is to show senior leaders why diversity and inclusion are business concerns, rather than siloed talent or branding issues. Without a crisp understanding of how a diverse workforce and inclusive environment—or the lack of it—may affect business outcomes such as innovation, growth and profits, many leaders will treat it as a nice-to-have rather than a necessity.

That said, chief diversity officers can effectively navigate these challenges if they are ambidextrous leaders who are able to simultaneously play multiple roles.

COMPETENCIES OF SUCCESSFUL CHIEF DIVERSITY OFFICERS

Regardless of their career path, chief diversity officers who are successful have a common set of competencies that allow them to collaborate and influence across functions.

**Strategic Executors**
Able to build a comprehensive D&I strategy, not just launch single programs. Alternatively, able to lead organizational change initiatives. At the same time, have strong execution skills, ideally with the ability to manage teams and budgets.

**Data-Savvy Storytellers**
Able to inspire and educate, galvanize support and tell compelling stories. At the same time, able to take a metric-driven approach to D&I and establish KPIs and accountability mechanisms to keep the organization focused on diversity goals.

**Influencer Champions**
A D&I champion who can influence change and positive behaviors across the organization. At the same time, able to hold leaders accountable to metrics and drive results without formal authority.

**Savvy and Authentic Communicators**
Able to astutely communicate internally, and externally as required, on behalf of the organization. At the same time, able to ask difficult questions, accept direct feedback and demonstrate perseverance and grit through slow progress.

**Pragmatic Disruptors**
Bold enough to question status quo and shatter biases to create equal opportunities. At the same time, wise enough to know when to slow down the pace of change and focus on core priorities.
CASE STUDY: TAKING A BUSINESS-CENTRIC APPROACH TO DIVERSITY AND INCLUSION

Setting up a new chief diversity officer role involves navigating many unknowns, particularly when the position is a global one.

When Syngenta, a leading agriculture company with its headquarters based in Basel, Switzerland, created its first global CDO role in 2018, it appointed Caroline Creven Fourrier. Creven Fourrier stepped into the role with a deep understanding of the business, more than 13 years of international experience with Syngenta across various geographies in Europe and Asia, and functions like procurement, logistics, production and HR. She also brought many key competencies needed to catalyze organizational transformation and work with C-Suite leaders.

To increase the likelihood of success, Creven Fourrier and her colleagues took three important steps in shaping the new role.

01 UNCOVER NEEDS AND SET CLEAR OBJECTIVES

Syngenta sees D&I as a business topic. “To offer customers your best solutions, you need to make sure that your employee base reflects the diversity of those customers and their thinking,” Creven Fourrier said. She started shaping her mandate by uncovering the cultural and structural challenges within the organization. “The very first thing that was done was to understand from leaders where the gaps were and what D&I could bring to the table,” she said. “The D&I ambition and expected outcomes need to be in service of our employees, the business, and communities we work with.”

Goals for the reinvigorated D&I program include Syngenta outperforming the market and increasing diversity in the industry. To ensure Syngenta achieves them, the D&I council, led by the head of HR, further developed a comprehensive plan structured around internal cultural change, talent, and external partnerships.

02 DESIGN A GLOBAL D&I STRUCTURE THAT LEVERAGES REGIONAL CUSTOMIZATION AND CHAMPIONING

Creven Fourrier’s first-hand knowledge of multiple geographies helped inform this local-first approach. “What you see across the different regions is that you cannot copy and paste initiatives and priorities,” she said. As a result, Syngenta has created a relatively small D&I team at the global level to set the direction for the strategy but relies heavily on internal networks of employee resource groups and local champions – including senior leaders, as well as HR professionals.

In addition, Syngenta’s global D&I budget is designed to encourage countries to self-fund their D&I initiatives to a large extent. “D&I is about changing minds,” Creven Fourrier said. “If leaders don’t actually pay for their commitments, the transformative effect will be much lower.”

03 EQUIP LEADERS TO STAY ACCOUNTABLE TO D&I GOALS BY INVESTING IN TRAINING AND DEVELOPMENT

Even the best-intentioned employees and leaders may not know which behaviors foster more diversity and inclusion. To equip them, Syngenta has developed trainings and toolboxes to help explain why D&I is important and how each person can take part in furthering it. Mentoring (and reverse mentoring) is one component, as is asking employees to reflect on the diversity within their teams, and how well-equipped the team may be to face the industry’s future challenges. Syngenta also responded to employee needs by raising the collective understanding on gender, sexuality, mental health, flexible working or disabilities and also built external partnerships with such organizations as the UN and the Valuable 500. “We are all employees – so we are all accountable,” said Creven Fourrier. “It’s very important that each one of us takes it to heart.”
FOR ORGANIZATIONS: HOW TO SET UP YOUR NEXT CHIEF DIVERSITY OFFICER FOR SUCCESS

Appointing a leader to focus on diversity and inclusion can make a significant difference. However, it is important to recognize that achieving meaningful diversity and inclusion is not a one-person job. The existing leadership team that is scoping and hiring for the role also has a crucial part to play.

FOR ORGANIZATIONS: BEFORE EMBARKING ON A SEARCH FOR ITS NEXT CHIEF DIVERSITY OFFICER...

**Align on the core D&I mandate:** Whether it’s workforce metrics, corporate culture, or negative press, most organizations have a pressing need that drives them to seek a CDO. Defining this need will determine the scope of the role and the best CDO profile to tap.

**Get leadership buy-in for the role:** Regardless of what the core issues are, the organization must have buy-in from key stakeholders on the executive leadership team.

**Assess the readiness for change:** Acknowledge that a healthy appetite for change, backed by top leadership, is required for the CDO to be successful.
AFTER APPOINTING A CHIEF DIVERSITY OFFICER, ORGANIZATIONAL LEADERS CONTINUE TO PLAY A BIG PART IN THE EXECUTIVE’S SUCCESS OR FAILURE.

The chief diversity officer can be successful only when executive leadership team members are aligned with the diversity mandate and exhibit the inclusive leadership behaviors that show true commitment. It is also important for organizations to hold leaders accountable for fostering diversity and inclusion initiatives in their respective spheres of influence.

WHAT LEADERS CAN DO TO MAKE THEIR CHIEF DIVERSITY OFFICER SUCCESSFUL:

...FOR THE CHIEF DIVERSITY OFFICER

<table>
<thead>
<tr>
<th>Resource</th>
<th>Adequately resource the chief diversity officer based on their skills and remit. For example, do they have a people analytics resource? Do they need a compliance / employment law resource?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Position</td>
<td>Ensure that the chief diversity officer has regular exposure to the highest levels of the organization and there is a structure in place to support this, for instance sitting on the D&amp;I council, having quarterly reports to the CEO or board, etc. More importantly, ensure they feel empowered to drive change.</td>
</tr>
<tr>
<td>Educate</td>
<td>Arm the chief diversity officer with a deep understanding of the business and the types of challenges that it faces. They will need this to build credibility and high trust relationships with business leaders.</td>
</tr>
<tr>
<td>Define/Measure</td>
<td>Define and align on what long term success looks like; such as metrics, better engagement survey results, stronger employer brand, etc. Ensure the chief diversity officer is genuinely empowered to affect change in those areas.</td>
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</table>

...FOR THEMSELVES AND THE ORGANIZATION

| Ensure Accountability | Ensure the right measures are in place to hold the leadership team accountable to D&I goals, e.g. leadership scorecards, KPIs, etc. |
| Invest in Training    | Coach inclusive leadership skills at all levels of the organization so people have the language and skills to meet those goals. |
Checklist for finding – and keeping – your next chief diversity officer

BEFORE APPOINTMENT

☑ What are the key diversity and inclusion–related pain points in your organization?

☑ Have the CEO and the executive team bought into the need to hire for this role? Do they have an appetite for the types of changes CDOs are intended to lead?

☑ Will the new CDO develop a new D&I strategy or just deliver on an existing strategy?

☑ Which CDO profile is most appropriate for your organization at this time? How will you compensate for skills gaps? What competencies are most needed?

☑ To whom will the role report? How will the CDO partner with the CEO and the CHRO? Who are other key stakeholders?

AFTER APPOINTMENT

☑ Does the CDO have adequate resources based on his or her mandate and skills? For example, if the CDO does not have an HR background, is a people analytics resource available?

☑ Does the CDO have a working relationship with top leadership at the organization? Realistically, is the executive empowered to drive change?

☑ Does the CDO have a deep understanding of the business, which is a prerequisite to creating effective and high-trust partnerships with business leaders?

☑ What does long-term success look like for the CDO? Improved metrics, better engagement survey results and stronger employer brand are some potential answers.

☑ What measures are in place to keep the leadership team accountable to D&I goals?

☑ Do leaders know the vernacular and have the skills to meet the D&I goals they have been given?

METHODOLOGY

We gathered insight in two ways to take a data-driven look at the chief diversity officer role in Europe:

Diversity and Inclusion Pulse survey: In our third annual Diversity and Inclusion Pulse survey, we asked nearly 850 executives around the world about their organizations’ D&I strategies and practices, as well as their own experiences and perceptions related to D&I in the workplace.

S&P Europe 350 analysis: We analyzed the companies that comprised the S&P Europe 350 index as of June 2019 to determine which ones had chief diversity officers or executives in equivalent roles. Using proprietary data as well as LinkedIn, we charted the career paths of those CDOs. Thirty-three percent are with industrial and natural resources firms, 25 percent are with financial services companies, 21 percent are with consumer companies, 14 percent are with technology firms and 7 percent are with healthcare companies. Eighty-six percent of current CDOs are female and 14 percent are male.
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About Russell Reynolds Associates

Russell Reynolds Associates is a global leadership advisory and search firm. Our 470+ consultants in 46 offices work with public, private and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today’s challenges and anticipate the digital, economic and political trends that are reshaping the global business environment. From helping boards with their structure, culture and effectiveness to identifying, assessing and defining the best leadership for organizations, our teams bring their decades of expertise to help clients address their most complex leadership issues. We exist to improve the way the world is led.

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