

Supporting Black Executives on Their Path to Board Service



The landscape of corporate board composition is shifting and there is intensified interest in appointing Black directors. We are witnessing a steady increase in demand for board ready talent this year and expect this trend to continue.

As the first of a quarterly series, Russell Reynolds Associates hosted a virtual fireside with two governance leaders at the forefront of this movement to shine a light on the opportunities and challenges of being one of the few Black voices on a board. During this chat, **John Agwunobi**, CEO and Chairman of Herbalife Nutrition and **Rusty O'Kelley III**, co-leader of Russell Reynolds Associates' Board & CEO Advisory Partners, explained how to be an impactful board member, what traits are most sought after, and what advice they would give to Black executives looking to join a board.

KEY TAKEAWAYS FROM JOHN AND RUSTY:

01

Always be an eager and dedicated team player. Being humble, attentive, and able to apply your expertise to the greater goal will get you far.

02

Exercise your best business and personal judgment in navigating potentially difficult situations. Find an authentic balance between being a driven advocate for your community and contributing to the overall objectives of the board.

03

Leverage your own personal networks when seeking a board position. Make a list of 10 board directors that know you as well as your judgment and ask them to keep you in mind for any opportunities that may arise.

04

Anyone can become an impactful board member. Exercise your patience, continue to develop your skills, and know that the right board will find you.



WHAT DO YOU WISH YOU HAD KNOWN BEFORE YOU JOINED YOUR FIRST BOARD AND WHAT DID YOU LEARN WHILE SERVING?

John Agwunobi: Starting my career, I always knew I wanted to be a part of governance and to serve on a board of directors. Long before joining my first public board, I went online and found opportunities to serve as a volunteer board member on small non-for-profit company boards. My time on these boards taught me the notion that the board is a team. Whether it be a major public board or one for a small non-for-profit, it is important to realize you are not there to show off your unique expertise. Rather, you are on the board to foster partnerships and further accentuate the team.

By the time I joined my first public board, it was clear that being a team player was a key requirement for being an effective board member. With that, the one thing I wish I had known back then was that to be an effective director, it is not about you. It is important to learn how to utilize your unique experiences to help everyone else on the board be effective, collaborative, and impactful. As a board member, you are representing a constituency that is relying on you. The ability to think outside of yourself is not only crucial for success but is something interviewers are looking for.



WHAT ARE SOME KEY LEARNINGS FROM YOUR EXPERIENCE BUILDING AND EVOLVING BOARDS?

Rusty O’Kelley: Over the past seven years, institutional investors have driven gender diversity as the key issue for boards to address. Though there had been an emphasis on ethnic diversity, it had become displaced over the years due to legal limitations in the European market. While these efforts toward increased gender diversity have been met with great success (28 percent of board members in the Fortune 500 are now women), ethnic diversity had remained much unchanged. Unfavorably, the push to modify board composition is a zero-sum game as boards do not usually increase the number of seats that they have.

Over the last nine months to a year, however, there has been an incredible emphasis toward ethnically diverse and African American directors. No doubt due to the George Floyd tragedy and the Black Lives Matter movement, companies are responding by diversifying their boards.

Overall, recent trends will have a considerable impact on board ready and aspiring Black professionals. With that, the major challenges that remain are less about getting on the board, and more about being an effective member who is both qualified and fits the culture. This requires skillful navigation and courage. The ability to open up, not hide behind resumes or titles, and show fellow board members who you are will be important differentiators. Do not be afraid to connect on similarities and show that you are a person they won’t mind spending time with.



ONCE YOU ARE IN THE DOOR, HOW DO YOU HANDLE ISSUES OF RACE THAT MAY EMERGE? HOW DO YOU NAVIGATE ANY POTENTIAL DISAGREEMENTS AS A BOARD MEMBER?

John Agwunobi: There is a notion that to be a successful, diverse professional, you must be extremely focused on your background and where you come from. While my background is something I am proud of, I lead with who I am rather than my color. I am not a Black CEO; I am just a CEO. It is always important that I try to establish relationships with all board or team members so people can see who I am inside, aside from what they already know about the outside. This way, my Blackness is a welcome supplement and not the definition. Try to reach that fine line in presenting yourself to the group. Do not be reluctant to bring your background to the table, but it cannot be the only thing there is. By doing this, I have never come across any major disagreements stemming from race.



ALONG THOSE LINES, WHAT ARE SOME REALITIES OF BEING THE ONLY BIPOC ON THE BOARD?

Rusty O’Kelley: Each year, Russell Reynolds Associates holds a Black Directors Conference to bring together diverse directors and provide an open forum for productive discussion. Attendees have noted that while there are not usually targeted slights or obstacles, the major challenges center around personal courage to speak up. As the only person of any particular color or gender on the board, it can be difficult to find the courage to challenge a position or advocate for issues tied to race or your community.

With that, African Americans are being bolder champions for important issues this year. Different conversations are happening because of that and I hope to see it continue.

John Agwunobi: This topic is an important one and it takes skill to know how to toe the line. Don’t feel like you need to use your first board meeting to “establish” who you are and prove you are valuable. You are qualified and you don’t need to prove it. Whether you are the only person of color or gender on the board, it is important to ease into it. You should take the time to earn their respect and then push back when the opportunity is best. Disruptive board members using meetings as a stage for constant advocacy are the most complained about so take your time. Ease into your position and use your judgment to find the right opportunities to take a hard stance.



GIVEN WHAT HAS HAPPENED THIS YEAR, HOW ARE COMPANIES RESPONDING AND BEHAVING DIFFERENTLY?

Rusty O’Kelley: The key takeaway is that companies are doing something. Companies are increasingly focused on the topic, doing searches, and engaging search firms.

In terms of changes in the search, companies are seeking different people to play different roles. Boards are asking questions such, “Is this person relevant? What is this person going to bring from a business point of view?” While the most sought-after candidate is an experienced director who can help a company think through governance issues, we are seeing greater opportunities for first time directors. With the push for more diversity, mandates are becoming more flexible and searches are being more frequently done through networks of people.

What hasn’t changed is the criteria for new directors. Companies are still looking primarily for executives in the C-suite or high-level direct reports to the CEO. This has everything to do with a candidate’s ability to adapt to management levels and scale. Because if this, it is important that board seekers calibrate their board aspirations to their individual capabilities and not just the name or reputation of a board.

John Agwunobi: Keep in mind, however, that no two boards are the same. Some boards may want only C-suite members while others may simply want diverse industry perspectives. Everything dealing with criteria depends on level, size, and industry of the company in question. In planning your career strategy, have a good view of which industry you’re looking at, study those boards, their composition, and see how you stack up.



WHAT ARE SOME “DON’TS” WHEN TRYING TO JOIN A BOARD?

Rusty O’Kelley: Do not lobby too much for a board. Do not sell yourself too hard and do not approach opportunities with entitlement or assumptions. During the interview process, step back, be reflective, ask questions, and never overcompensate.

John Agwunobi: You are not being hired as an expert; you are being hired to ask questions and utilize your good business judgment. Interviewing for a board is different than interviewing for an executive job, so make sure your own personal skills are not the main focus. You need to show that you can think critically, offer the board something, and serve your constituencies. Show that you are smart, nice, humble, and willing to serve.

One thing to keep in mind is that there are two audiences when trying to get on a board: the board and management. Management wants to know you are a collaborator and not overstepping; The board wants to know if you will be aligned and an effective member of the team. Understanding these nuances are key and will come across in your interviews.



HOW DO YOU GET ON THE LIST TO BE A CANDIDATE FOR A BOARD?

Rusty O’Kelley: Make sure your LinkedIn is updated, recent, and displays your most relevant accomplishments. After that, make a list of 10 people who sit on a board and who know your judgment. Ask them to keep you in mind for any opportunities that may arise. This way, you do not come across as overly aggressive and will be top of mind for any openings. In general, this is all just an exercise of humbly promoting yourself and using your judgment.

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