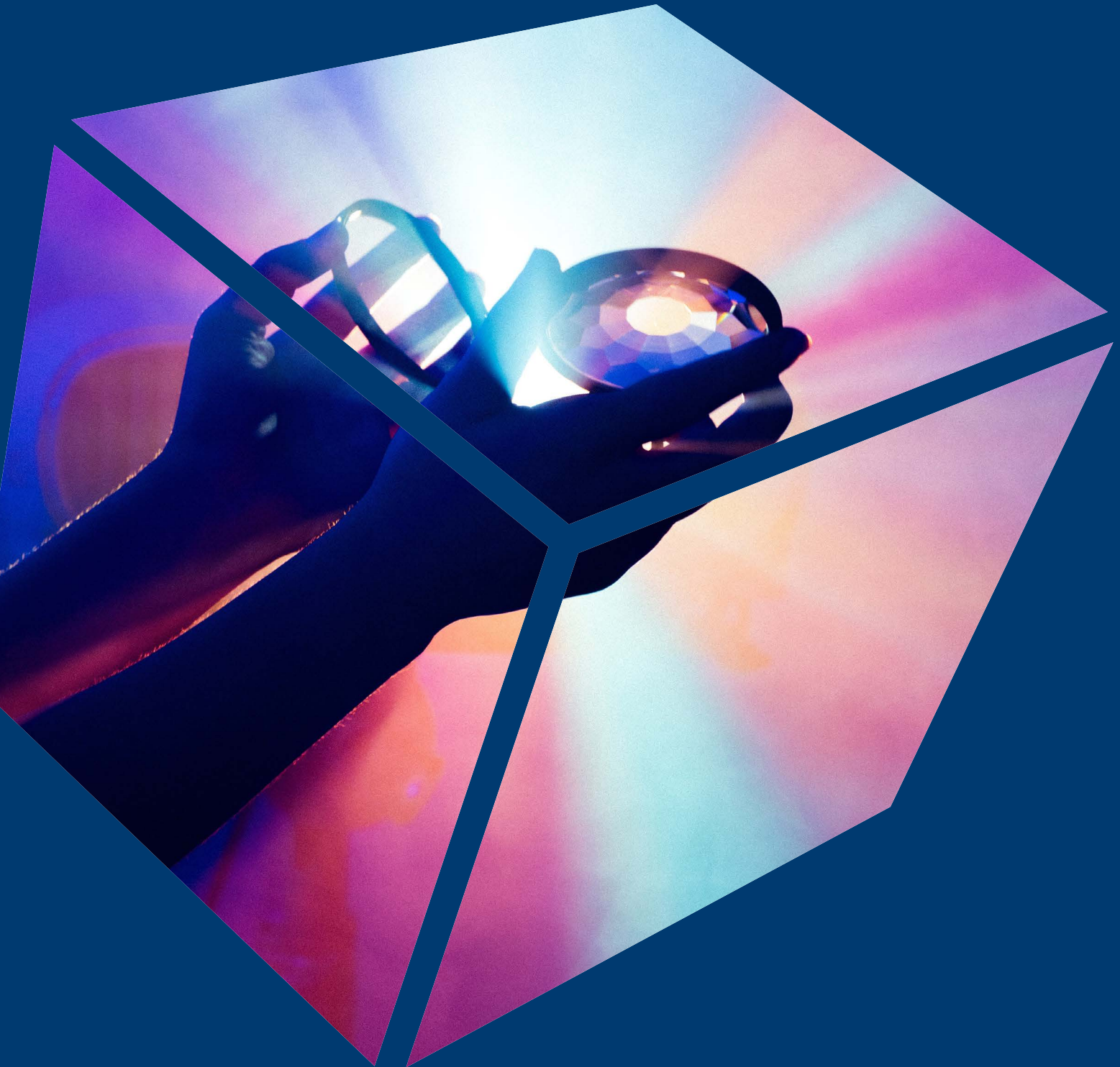


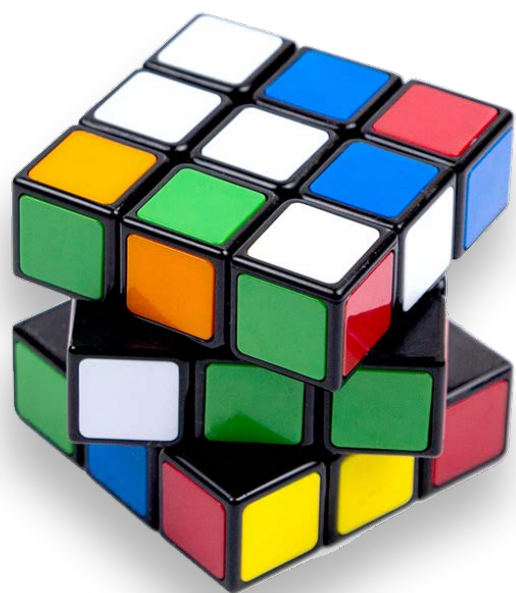
Rethinking Diversity

Thinking holistically to build truly diverse
Corporate Affairs leadership teams



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Introduction

The evidence is universal: diverse teams perform better financially, have a competitive advantage when recruiting for top talent, and suffer from lower employee turnover.

Clearly, building diverse teams should be a top priority for businesses intent on building back better in the wake of Covid-19.

More specifically, **Corporate Affairs** is a function which lends itself to diverse recruitment. Much of the technical expertise required can be taught. Rather, there is a distinct focus on softer, competency-based skills.

In this regard, what's important is how an individual builds and develops relationships, thinks through and communicates complex problems, influences without authority, speaks truth to power and deploys a host of other non-technical skills.

These qualities can be found in individuals from all walks of life, diverse backgrounds, and levels of education. In short, they aren't in any one place, and can sometimes emerge from the most seemingly unexpected sources.

In this brief paper, we review the issues, identify actions and give advice on reworking your Corporate Affairs team to ensure you recruit and retain a broad diversity of talent, outlook and opinion that will create a more inclusive culture and ultimately drive performance.



2020 – the state of play

The statistics are clear. Whilst Corporate Affairs departments have huge opportunity to engage with diverse employees, there is little racial, ethnic or social diversity at Director level, particularly in government affairs.

There are various suggestions why this is. Perhaps, it's a lack of exposure to Corporate Affairs as a career path for those at school, or to recent graduates. There might be a lack of mentors, role models or the all-important networks and opportunities to allow for those first key 'steps up'. Perhaps working in government is seen as a preserve of a 'not like us' elite.

Positive steps are being taken to address engagement at entry level, but pipelines take time to grow. Equally important is how we can build diverse teams right now, to pave the way for talent coming through the function to succeed. This requires thinking more creatively about accessing, recruiting and evaluating talent, such as considering transferable skill sets, different sectors, functions, countries and types of organisations.

When considering racial diversity in Corporate Affairs, the statistics are particularly stark.

Of the FTSE 100, only two Corporate Affairs Directors are racially diverse. Of those in Head of Government Affairs, and Head of Media Relations roles (the most frequent number two reports) the statistics are equally gloomy:

- FTSE 100 Head of Government Affairs (or equivalent) two are racially diverse
- FTSE 100 Head of Media Relations (or equivalent) four are racially diverse

In the FTSE 100 - 250, there are four individuals who are racially diverse in the 74 businesses which have Director-level Corporate Affairs expertise.

Of the 100 largest private UK companies, four of the top External Affairs experts are racially diverse.



Thinking holistically

Recruiting diversely allows a kaleidoscope of perspective, insight and content into your business. Gender and race are familiar filters, but diversity is much broader than gender, or the colour of your skin.

Thinking holistically can allow for far greater success in building truly eclectic, high-performing teams.

The number of factors that define diversity are truly unlimited. Consider these factors that might, in some way, go into making up an individual:

Religion and spiritual beliefs
Life experience
Neurodiversity
Cultural background
Behavioural diversity (ethnodiversity)
Age
Geographic location
Language
Education
Disability
Privilege
Cognitive thinking (Cognition)
Linguistics and accents
Marital status
Personality
Family and upbringing
Parental status
Sexual orientation
Philosophy
Ideologies
Political beliefs
Morals
Work experiences
Nationality
Socioeconomic status (SES)
Gender identity



A few considerations and definitions

Diversity can be categorised into **inherent diversity**, attributes individuals are born with, and **acquired diversity**, ways of thinking acquired by life's experiences.

It is important to ensure that skin colour is not the only differentiator on a shortlist of otherwise similar CVs. There is far, far more to consider. Ensuring a list which gives options of education, life experience and personality is critical.

The etymology of diversity can be daunting. Some of the most misunderstood terms include:

ETHNICITY vs RACE

These are two distinct concepts.

Race is biologically determined and is linked with certain distinctive physical characteristics such as skin colour. Neither race nor ethnicity is detectable in the human genome. Though race has no genetic basis, the social concept of race still shapes human experiences and perception, consciously and unconsciously. Racial bias can fuel discrimination as well as economic and social exclusion, and as we have seen recently, the violence that triggered the #blacklivesmatter movement.

Ethnicity is based on learned behaviours (ie not fixed like race) or what is commonly called culture. Ethnicity is associated with factors such as history, nationality, heritage, dress, customs, language, ancestry and geographical background. Examples of ethnicity might include Hispanic, Irish, Jewish, or Cambodian.

SEX vs GENDER EXPRESSION vs GENDER IDENTITY

Sex refers to the **biological and genetic differences** between male and female bodies. Gender expression, which may be different from an individual's sex or gender identity, refers to the **external appearance** of an individual's gender identity. Gender expression may be interpreted through clothing, hair, makeup, voice, behaviour, mannerisms, interests and preferred pronouns. **Gender identity** is the personal sense of one's own gender, which may be different to their sex.

“It is important to ensure that skin colour is not the only differentiator on a shortlist of otherwise similar CVs.”

Solutions for enduring change

Before anything else, creating an inclusive culture is key to ensuring success that endures.

Avoid any knee-jerk reaction to calls to appoint diverse talent, or prioritisation of diversity over ability.

In all too many cases, it's shown that simply recruiting diverse candidates is not enough. The environment must be welcoming and conducive to growth and development.

A **Havard Business Review** reported that employees who feel able to “bring their whole selves to work” were 42% less likely to be planning to switch jobs in the next year.

PREPARING FOR DIVERSITY

Before moving to recruitment, your checklist might include the following

- **Create a mentorship program.** Mentorships programs can not only improve satisfaction and retention among existing employees, but can also create a culture of inclusion, which can be attractive to potential candidates.
- **Remove unintentionally-biased language** from job descriptions – they should be crafted using inclusive, gender-neutral language.
- **Implement up-to-date diversity and inclusion policies**, for example: flexible working, religious holidays, work attire, pay equity.
- **Introduce a diverse interview panel.** Preselect, (or ask your Executive Search partner to provide) at least one member of the selection panel with a diverse background and who can help to avoid unconscious bias.
- **Explicitly ask your existing employees** for diverse referrals. Offer innovative employee referral bonuses to your employees who recommended candidates from under-represented groups.
- **Consider which aspects of the role you are recruiting are fundamentally important**, and how you could provide support, training or mentoring to meet those requirements to allow a broader mix of candidates.

Overcoming unconscious bias

The best way to prevent yourself from succumbing to these unconscious biases is to become aware of them and take action to prevent them when recruiting.

Top tips

Think about a 'culture add' rather than a culture fit

When meeting someone you like and who you know will get along with the team, it's more often than not because that person shares similar interests, experiences and backgrounds, which is not helping your team grow and diversify. While similarities shouldn't automatically disqualify a candidate, they should never be the deciding factor.

Ensure mixed recruitment panels that include two or more people from under-represented groups.

Confirmation bias

Confirmation bias is the inclination to draw conclusions about a person based on your personal desires, beliefs and prejudices rather than on unbiased merit. For example, judging people on where they went to school, their name, where they live, and so on.

It is important to ask standardised, skills-based questions that provide each candidate with a fair chance to stand out.

Ageism

Ageism is the tendency to have negative feelings about another person based on their age and tends to affect older people more often than younger individuals.

Be aware of the issue of ageism and debunk some of the myths about the characteristic traits of workers of different ages.

The Halo/Horns Effect

The Halo/Horns Effect is the tendency to put someone on a pedestal or think more highly of them after learning something impressive about them. Or, conversely, perceiving someone negatively after learning something unfavourable about them.

Consider why you have a negative (or positive) perception. Ask yourself if your perception stems from unconscious stereotyping based on race, gender, or ethnicity, for instance.

As a leading executive search firm, we are being asked more and more frequently (especially in the financial service sector) to provide shortlists with no name, age, family circumstance, gender, faith, disability, sexual orientation or anything else, so the potential employee is assessed avoiding any unconscious bias.

Thinking outside the box – and taking the risk

The not-for-profit and public sectors have been engaging at a sophisticated level with the diversity agenda for a number of years.

Professionals in these sectors come from a broad range of backgrounds, are often close to the grass roots, complex social issues, altruistically motivated, and able to bring broad perspective and life experience to corporate teams.

Today, global connectivity and communication technology allows for greater reach into diverse candidate pools. Covid-19 has accelerated this move to working online. But since some Director roles (particularly in government relations and policy) strongly benefit from face-to-face interaction, you will need to consider where you need employees to be based, and which time zones are critical.

Job shares can provide flexibility and two perspectives for the price of one. When roles are clearly defined, job shares can be an excellent way of engaging with diverse talent. We all hold unconscious beliefs about various social and identity groups. These biases stem from our tendencies to organise social worlds by categorising them into neat boxes. A short-hand, if you will, to process complexity quickly.



Measuring ability and potential

You should also consider giving candidates a non-biased, scientifically-based assessment to gain a greater understanding of their potential.

These could include the following:

- Psychometric tests
- Personality tests
- General mental ability assessments
- Integrity assessments
- Job knowledge tests
- Situational judgment tests

For some roles, competencies and behaviours can be as important as technical ability or experience. Consider recruiting using questions to evaluate an individual's ability and aptitude. Understanding their potential is as important as considering their past achievements. Have they hit their personal ceiling or are they equipped for further elevation?

INTERVIEWING FOR MAXIMUM RETURN

Interviews should be run without prior knowledge of a candidate's remuneration. This will avoid any 'Halo' effect unconscious bias.

References become extremely important if you are taking a calculated risk in appointing someone different to your team – it is important to ensure there is enough connectivity to ensure it is going to be a successful hire.

As always, when interviewing, be sure to ask for examples of achievements to understand how an individual has strategically driven change and exceeded expectation in their previous roles.

THE SCIENCE BEHIND OUR OPINION

The executives we present are profiled against our LeaderFit™ Model which describes 'World-Class' leadership behaviours. When we use this, the candidate's responses to the online questionnaire Wave (ie personality traits) generate the LeaderFit™ Profile. Clients are then aware of the candidates' capabilities across the Performance competencies and their Potential, given their leadership agility.

This supports Diversity and Inclusion by creating a level playing field between candidates, an objective 'apple and apple' view of candidates, irrespective of their career to date.

Our Business Leadership Assessment and Development team are available to provide any further support and analysis where appropriate.

Odgers Berndtson LeaderFit™ Profile		
This profile provides Chris Park's areas of greater and lesser potential against the Odgers Berndtson LeaderFit™ Model. Chris Park's Ratings Acquiescence is Sten 7 and their Consistency of Rankings is Sten 1.0.		
Competency Description	Competency Forecast	
Strategic Clarity The capacity to envision the future, develop a clear vision, proof strategy and enable innovation which drives sustainable organisation performance.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Developing Strategies (8); Exploring Possibilities (9); Generating Ideas (9)
Organisational Alignment The capacity to define, develop and align market dynamics, customer demand, culture, structure, processes, systems and resources through business plans and good governance.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Managing Tasks (1); Applying Governance (2); Optimising Market Opportunities (8)
Results and Change Execution The capacity to drive the execution of plans or change initiatives to deliver successful outcomes at pace.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Embracing Change (5); Producing Output (4); Meeting Timelines (2); Making Decisions (10); Taking Action (8)
Talent Developer The capacity to inspire and develop talent to maximise their short-term contribution and secure a sustainable pipeline of leaders.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Understanding Others (3); Valuing Individuals (3)
Team Builder The capacity to attract talent and enhance collective performance through developing high performing teams.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Team Working (2); Giving Direction (7); Empowering Individuals (4)
Stakeholder Influencer The capacity to identify and develop influential relationships and an ambassadorial impact which creates value for the organisation.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Interacting with Others (5); Convincing Others (7); Inspiring Others (8)
Thinking Dexterity The capacity to absorb and process data, draw conclusions and develop sustainable solutions despite multiple dimensions of complexity.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Examining Information (8); Providing Insights (9); Evaluating Data (6); Ensuring Rigour (3); Investigating Logic (6)
Interpersonal Savvy The capacity to influence and collaborate with others, despite diverse perspectives and personalities.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Establishing Rapport (9); Communicating with Impact (5); Resolving Conflict (2)
Personal Spirit The capacity to reach for higher goals and be successful despite challenging circumstances.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Showing Composure (6); Conveying Self-Confidence (7); Thinking Positively (7); Pursuing Goals (3); Upholding Principles (3)
Growth Proficiency The capacity for learning and personal growth.	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>	Developing Expertise (7); Inviting Feedback (4); Adapting Practical Approaches (6); Challenging Mindset (10)

Now is the time

If there is a silver lining to this year of disruption, it is the heightened focus on the 'S' of ESG (Environmental, Social and Corporate Governance).

Driven by the racist inequality and violence highlighted by the #blacklivesmatter movement, the drum beat of 'diversity' is ringing loud and clear in boardrooms and shareholder meetings.

The demand for more diverse senior leadership teams and workforce data is no longer a box ticking exercise for HR. This is an issue which will be magnified for those organisations unable to react quickly enough, and they will suffer accordingly.

Corporate Affairs professionals will be keenly aware of the reputational risk of getting such an important initiative wrong. There is a huge opportunity to drive the diversity agenda within your own function, demonstrating how diverse teams, made up of individuals who bring a wider-than-usual range of qualities, can enhance, enrich and ultimately drive business performance. Now, indeed, is the time.

Talented people are our lifeblood

Thinking creatively about how we identify talent has always been fundamental to our business as an executive search firm.

Our purpose is to think diversely for you, provide options, challenge thinking and ultimately assist you in appointing the best individual, wherever in the world they might be.

Helping the Corporate Affairs function thrive and become an example of how diversity can enhance performance is what makes our job worthwhile. We have never been in the business of recycling shortlists.

Odgers Berndtson is a London-headquartered Global Search Firm, with 62 offices in over 30 countries. We have grown exponentially in the last 10 years, are the number 1 search firm in Europe (by revenue) and the 6th largest globally. Our structure provides us with the greatest reach of candidates in functional roles, across sectors, around the globe. Our scale enables us to tap into diverse network nationally and internationally. Our agile, proactive, results-driven culture pushes us to think outside of the traditional talent pool.

Your Global Corporate Affairs Team



Hannah Peech
Head of the Corporate Affairs Practice, London

Hannah (she/her) has worked at Odgers Berndtson for nine years, initially in the Not-For-Profit Practice, appointing Chief Executives and Non-Executive Directors. She has led the Corporate Affairs Practice for 5 years, is extremely well networked with talent globally and brings fresh thinking and dynamism to searches. Hannah has written numerous articles discussing the increasing importance of Corporate Affairs and the changing makeup of the role. Hannah is actively involved in Odgers Berndtson's own diversity initiatives.

Hannah is a keen sports woman, although currently most of her exercise is gained running around after her small children. She loves nothing more than hosting a party and is an enthusiastic anthropologist. Hannah spends much time in Africa, visiting her husband's home in Zimbabwe and exploring the continent. Prior to joining Odgers Hannah worked in various roles specialising in communication and marketing recruitment.

Adjectives to describe Hannah: Creative, self-starter, determined, optimistic, authentic, compassionate, collaborative honest, completer finisher.

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