



Getting on board(s)

A new year is an opportune time to re-calibrate—to take a fresh look at working environments and ditch preconceptions. A recent panel organised by Bermuda's [Women in Reinsurance \(WiRe\)](#) deftly tackled this topic from a corporate governance point of view. Its focus was how to encourage more diversity on boards of directors, and in the words of the formidable Fiona Luck, how to break the mold of “Pale, Male and Stale.”

“We still have a long way to go,” admitted Luck, the former XL chief of staff, and non-executive director of the Bermuda Monetary Authority and HSBC Bermuda, who this month was [appointed to the Lloyd's Franchise Board](#). “But we're beginning to understand that fabulous, diverse expertise can percolate upwards, and prospective board members do not need to have already



worked in the C-suite. It's no longer about just being invited, either. Board recruitment has become a real search process."

Fellow panellists included Allied World SVP Tracey Gibbons and Rochelle Simons, Chair of Bermuda's branch of the [Institute of Directors \(IoD\)](#)—through which I'm on my own governance development journey. Having recently gained certificate and diploma certifications in company direction, I'm now focused on full chartered directorship, so the topic of boards and board makeup is never far from my mind.

Luck pointed out that board diversity has become a high priority of today's institutional investors. An example is BlackRock, the world's biggest asset manager, which just last week sent letters to all Russell 1000 companies with fewer than two female directors, demanding they report on efforts to increase diversity—for the health of their longterm business. The message was clear: diverse groups make better decisions.

At a time when the #MeToo and #TimesUp movements are gaining traction in calling out sexual misconduct, it's no wonder the fabric of boards is getting its share of attention. The old boys' network is still very evident on far too many of today's boards, not only in Bermuda, but around the world.

Of course, shaking up board composition isn't just about gender equality and female empowerment; different races, ages, skill sets, backgrounds, and physical abilities help inject diversity of thought and decision-making into enterprises that have been proven to benefit from fresher, more varied opinions. Indeed, board diversity is increasingly being cited as a competitive differentiator, a proven driver of value creation.

Boards need to work harder to understand that truth and to mirror demographics better. Only 21 percent of board seats in the S&P 500 are held by women, and just 15 percent of board seats at the top 200 companies are held by racial minorities.

At the BDA, we're looking at this issue strategically, from a succession and sustainability perspective. Our Board has a dynamic blend of different industry talent, experience, gender, race, problem-solving style, and national heritage. We're now proactively looking to make that



chemistry even stronger through a new liaison with [Board Apprentice](#)—a global programme working to help boards become less homogenous by matching them with diverse candidates on a trial basis. Connecting fresh talent with boards willing to offer on-the-job training is a win-win.

The BDA is privileged to be one of the first host boards for the programme. Our agency is now in the process of vetting potential candidates and we look forward to welcoming our first Board Apprentice this quarter.

“The support we have received so far from the community is very encouraging,” BDA Director and EY partner Jessel Mendes notes. “As more companies sign up, I’m confident we, as a community, will meet some of the goals of the programme—improving business performance by increasing diversity on boards and creating opportunities for board-ready individuals. Importantly, it will support the growth of our own local economy.”

We wholeheartedly stand behind that kind of affirmative approach to creating more opportunities for a broader section of Bermudians. It’s something the BDA is working on in many other ways, exploring new avenues for industry diversity to help fuel economic growth touching a wider segment of our society.

What it means is this: routes to our international business sector that may have been blocked or seemed unattainable in past decades can now open up to an untapped pool of homegrown talent. Dreams can become reality, and by doing so, we all benefit.

ABOUT VIEWPOINT

A monthly blog by BDA CEO Ross Webber, with commentary on industries, issues and influencers affecting Bermuda as a global financial centre. Comments and feedback can be sent to ross@bda.bm

ABOUT BERMUDA BUSINESS DEVELOPMENT AGENCY (BDA)

The BDA encourages direct investment and helps companies start up, re-locate or expand their operations in our premier jurisdiction. An independent, public-private partnership, we connect prospective companies to industry professionals, regulatory officials, and key contacts in the Bermuda government to facilitate domicile decisions. Our goal? To make doing business in Bermuda straightforward and beneficial.

