5 steps to tackle your board's diversity problem the right way

Boardrooms conjure up images of older, middle-class white men. When you look at the statistics, it's easy to see why.

Women rarely get a seat in the C-Suite – and when they do, they're paid _40%_ less than their male colleagues. Just _6%_ of FTSE 100 CEOs are women; and for women from ethnic minority groups, that number plummets to zero. _Working classes_ are also underrepresented in directorial roles, and companies are scrambling to do better.

Whilst quickly hiring candidates from marginalised groups to change the optics might feel like a solution, token hiring won't fix the systemic issues at the root of the diversity problem. To diversify boards, C-Suites and senior management, companies need to transform how they hire at every level, starting with these steps.

1. Transparency around demographics

Before we can begin to fix diversity issues, we need to understand how deep they run. Record the gender, ethnicity and class background of your board members, and look at the data for senior management too. This information will give you an accurate picture of your company's current makeup, and what needs to change.

This information must then be made publicly available; because companies need to be held to account if we are to see lasting change. The _FCA_ now requires that listed companies must disclose data on the demographics of their boards. Companies big and small should follow suit.

2. Mandatory reporting on pay data

Next, you'll need to dig out and publish pay data. We know that there's a _73%_ gender pay gap for female directors. So don't stop at disclosing data on the gender and ethnic diversity of your board; analyse pay cheques at all levels to identify disparities and understand where change is needed.

Currently, it's only mandatory for UK companies to publish gender pay data. But breaking this down even further according to ethnicity, class and other marginalised groups is crucial to inform next steps and drive meaningful change.

3. Diversity quotas

Now it's time to put those insights to good use. The majority of companies will have uncovered disparities in how high people are climbing and how much they're getting paid, based on proxies like gender, class and ethnicity. Based on who is affected and by how much, set targets to make your board more representative of different groups, and to make pay equitable across the team.

It's sometimes feared that diversity quotas encourage cultures of token hiring. But when employment gaps have been so stagnant and vast for so long, they're a necessary part of forcing companies to diversify quickly and changing the outlook. Companies must actively lift up marginalised groups to compensate for barriers which leave them on the back foot to start with; and to create diverse senior role models for younger colleagues rising through the ranks. Having a quota and setting a deadline to achieve it helps companies hold themselves to account.

4. Fairer hiring processes

When standards have been set, companies must consider how they'll go about

achieving them consistently. Head counting and hurried hiring may fix diversity issues on the surface. But unless you commit to creating equal opportunities for all groups, you'll find yourself back where you started eventually. Achieving diversity requires a complete overhaul of hiring processes.

First, employers must start by widening the talent pool from which they're recruiting their board. Ensure that roles are advertised externally, and don't stand for personal referrals. Nepotism is not inclusive.

Once applications are in, they must be anonymised. When we know identifying information about candidates – like their postcode, their previous role, their name or their gender – it can lead to unconscious bias and ultimately, discrimination. None of these proxies have a bearing on a candidate's ability to do a job well, so the employer doesn't need to see them in the application process.

Next, companies should assess candidates for the specific skills required for the role in question, using structured interviews and work-based tests. This will ensure the process is objective and that biases around 'culture fit' or shared interests cannot cloud hiring decisions.

5. Inclusive cultures

It's no use giving marginalised groups a seat at the board table unless they're also given a voice. We know that diverse boards _boost business performance_. But in order to create a boardroom (and wider workplace) where each member feels empowered to contribute, employers need to foster inclusive cultures.

It's not enough to make diverse hires. Ongoing training, learning and support is required to ensure your culture is truly inclusive. Ensure all members of your board know who to raise concerns with if they're feeling excluded, uncomfortable or discriminated against. And to help root out unconscious biases and prejudices, invest in training courses to educate all staff on diversity and inclusion – why it matters and the role they have to play in creating an inclusive culture. Being in a senior position in a company doesn't mean you don't have lots to learn.

Khyati Sundaram is an expert on diverse recruitment and CEO of _Applied_

Article by KHYATI SUNDARAM