21st Century Global Leadership:
Global Black Leaders Speak

THE EXECUTIVE LEADERSHIP COUNCIL
The Power of Inclusive Leadership

Change has always been a fact of life in business, but never on the scale or at the speed we are witnessing today. Aided by technology, instant communications, and a 24-hour global business clock, change is fast, furious, and transformative, shaking up even the most established and profitable companies and creating enormous, instant value in companies that are yet unproven.

Successfully adapting to change—learning how to lead, manage, and win in this environment—is not a matter of choice; it is a matter of survival. Moreover, given the broad, transformative nature of this change, it stands to reason that the old ways of viewing and governing the business, and recruiting and developing leaders who make a difference, will not continue to be an effective formula.

Bold, creative, more-expansive leadership that embraces a wide range of perspectives is required to respond to these novel challenges. Those leading the charge will have to be equipped with a combination of the more traditional business IQ, skills and experience, and the attributes that will be required for a new leadership paradigm: EQ, cultural sensitivity, agility, and adaptability. Both skill sets will be essential in the interconnected global marketplace, where the ability to segment and customize as needed will be crucial. This is the new definition of global leadership in the 21st century.

As the preeminent member organization for the development of global black leaders, the Executive Leadership Council (ELC) naturally brings a black perspective to addressing these issues. We ask the questions: What are the implications of this new leadership paradigm for black executives? For those who are managing a pipeline of diverse talent? In addition to posing these fundamental questions, we provide some recommendations in this report, intended to guide organizations in leveraging diversity as a valuable asset as they compete in this new world.

We believe that the conversation about diversity has shifted from "nice to have" and "the right thing to do" to a strategic imperative—the diversity imperative. Dovetailing with ELC's perspective, PricewaterhouseCoopers' (PWC) 18th Annual Global CEO Survey, done in conjunction with the Annual Meeting of the World Economic Forum in Davos, Switzerland, this year highlighted diversity among five key findings. The survey of 18,000 global CEOs concluded that talent diversity and inclusiveness are no longer seen as "soft" issues, but rather as crucial competitive capabilities; CEOs are looking for the right mix of talent and perspectives that are of paramount importance to the future success of their organizations.

Eighty-five percent of the CEOs surveyed by PWC whose organizations have a diversity and inclusiveness strategy say it has enhanced business performance, and 56 percent say it has helped them compete in new industries or geographies. In fact, 89 percent of organizations surveyed plan to increase the number of internationally mobile and diverse staff in the coming two years, and 71 percent said their business actively searches for talent in different geographies, industries, and demographic segments.[1]

ELC recently conducted its own proprietary, in-depth research with 18 CEOs or C-suite executives of Fortune 500 companies, from a wide range of industries. We solicited their views on the prerequisites for effective global leadership today and asked them to describe the opportunities and detours they encountered in their climb to the senior-most levels of management. We also explored with them the implications for talent management systems and what must be done to ensure the diversity representation that will be required as multinational companies compete in the global marketplace. In addition to the group of CEOs and C-suite executives, we interviewed a small group of five up-and-coming leaders, and we present their views.

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1   PWC's Annual Global CEO Survey, 2015, http://www.pwc.com/gx/en/ceo-survey/2015/key-findings/index.jhtml.

New Times Dictate New Leadership Profile

Organizations can no longer afford to limit input into decision-making based on the old world view, where a lack of diversity—of race, age, gender, background, experience, and thought—led to predictable groupthink input and output. Based on our research, we believe that companies that adhere to old models of leadership and decision-making will be at a competitive disadvantage in the rapidly shifting environment.

How can companies and their leadership leverage these changes and challenges to their advantage in the global marketplace? How should they be thinking about positioning their businesses against this backdrop? And, perhaps most important, how should they construct a leadership profile geared to success amid these changes, and how can they implement the systems that will identify, nurture, and develop the best future global leaders? The ability to develop, attract, and retain leadership will undoubtedly have the most profound long-term impact on the ability to succeed in the global marketplace.

We believe that charting the course and steering the ship through very different waters requires a very different captain and, maybe even more significant, a carefully selected and developed leadership team and leaders from throughout the organization. As one of the CEOs we interviewed put it, the status quo is the enemy, adding that he wants to develop the company that will put his company out of business, by grooming a leader who has a different sensibility and skill set than he has. With innovation the dominant competitive differentiator across industries, it is the leader's job to ignite and stoke the fire of innovation, to cultivate an appetite and acceptance of constant change, to shake things up, to question and encourage others to do the same, and to create a safe environment that will nurture new ideas. The new global leader must be inclusive rather than dictatorial.

Comparisons to leaders of another time, most notably post-World War II, are striking. Without a hint of the command-and-control-style leaders of the past, those we interviewed focused on terms such as "culturally sensitive" and "empathetic" to describe the successful global leader of today. They define a leader who will solicit others' views and virtually demand input. In contrast to the leader of old, "the general" who issues orders, interviewees described someone whose indispensable skills include a global perspective, agility, and the ability to listen and synthesize a massive barrage of information to apply to crucial decision-making.

More specifically, our interviews yielded the following prerequisites and characteristics required for one to become an effective global leader: functional expertise; broad exposure in the organization; clear sponsorship; a variety of experiences that allowed for both big successes and big failures; an appetite for risk-taking; experience with innovation; global exposure through global assignments; experience leading different parts of the organization; exposure to the board; and cultural sensitivity and interpersonal skills (EQ), as well as business know-how (IQ).

Executives who possess this portfolio of skills, experiences, and exposure will meet the key criteria to serve as global leaders for a new era:

Traditional Leadership Profile	Global Leadership Profile
Route up through one functional silo	Route up rotating functions/experience
American orientation	Global orientation
Mono-cultural	Multicultural
Emphasis on tried-and-true solutions	Open to diverse, innovative input
Top-down leadership	Influencer with leaders at every level
Focus on IQ-related skills	Combines IQ + EQ skills

The metaphor that has been most commonly used to refer to progressing in one's career has been "climbing the corporate ladder." This metaphor is being transformed to a broader concept that encompasses touching all critical points of the organization, moving both horizontally and vertically. A manager who ascends to a leadership position in today's environment must demonstrate a knowledge and connectedness to many, if not all, parts of an organization and must have had global exposure, preferably through a global assignment. He or she must also be able to capture and cull information quickly and to articulate the information's significance to the organization.

> *"If you are a linear person, you will have a real challenge being CEO at this time, because it's not just one step at a time. You've got to go down multiple paths, yet develop a framework in which to operate."*[2]

> *"What are some of the skills, capabilities, and attributes that are important for CEOs? You have to have a very open, inclusive, global perspective—the ability to 'connect the dots,' to really assimilate different pieces of information."*

A more relevant visual for this career development progression—rather than a linear ladder where the climber is viewed as an assistant or resource to the C-suite—might be an expansive 360° hub that receives information, then transforms it into something of value for the organization. Consistent with this view, and crucial for organizational leaders today, is a broad view that cuts across the traditional functional silos through which many senior leaders came up.

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2 NB: Indented, italicized sections are direct quotes from CEOs and c-suite executives who were interviewed for this report.

The Pivot: Oversight to Insight

One marked change in the profile of leadership is how new global leaders spend their time, what those we interviewed describe as a pivot from oversight to insight. One CEO we interviewed distinguished between time spent in oversight activities and time spent in insight activities. "It's a fundamental shift," he said, estimating that the majority of his time was now spent on insight-related activities and that he envisioned it shifting vastly more toward insight and away from oversight in the future. Insight is the wisdom acquired from years of experience spent in oversight activities. It is the well-honed instinct or ability to synthesize data and gain a perspective that will inform an action or strategy. It is the ability to see beyond the numbers and superficial information.

Oversight experience is clearly a prerequisite for future leadership roles; it provides the learning, practice, experience, and functional expertise that build the confidence and assuredness for producing insight. With such great demands on their time, global CEOs have to be increasingly judicious about focusing on those activities that will create the greatest value for the organization. Those priorities include insight around talent, ensuring the right team is in place, headed in the right direction, and insight around strategy, developing the roadmaps and appropriate incentives to get to the desired destination.

If the global CEO is engaged in providing insight as the leader, then it follows that there must be other leaders further down in the organization responsible for oversight. This approach represents a future leadership incubator as those below the CEO, while they are leading, are acquiring the skills and expertise that will enable them to develop the insight required to lead a global business. In this new organizational construct there are leaders at every level, not just at the top. The pace of change and innovation now, faster than even a decade ago, demands that critical business decisions are made on the ground at the local level. There is no longer sufficient time to follow the old pathways of decision-making that would flow to the top and back down again for approval. The speed of decision-making has to keep pace with the greatly accelerated pace of business in general and the competition for opportunities.

> *"The development path for someone who wants to become CEO includes the ability to amass a lot of information and distill it down to actionable items."*
>
> *"CEOs of the future are initiating different conversations, are engaging the world community in a different way. Technology helps you to do that and that is a beautiful thing!"*

It's a process of continual learning for everyone, even the CEO, who is no longer assumed to have all the answers but, as part of that speed of change and inherent curiosity, continues to gather input on new developments of which he or she needs to be aware. That can be tricky when you don't know what you don't know, so regular access to groups in the organization that see things through a different lens is critical.

> *"The most important group I work with is the new millennials group that I tapped into and brought from underground to be part of my top team. Some of them are mentoring me and, quite frankly, they've brought me up to speed faster than I ever could have done with the old guard around me."*

The American Way: No Longer the Only Way

Many of the CEOs we interviewed observed how vastly the global economy has shifted from one in which everything was done the American way and people everywhere had to submit to our approach to conducting business, including English as the language by which business was conducted. Social media continues to transform every industry and reinforces the "customer is king" mentality, creating the opportunity for every single customer to be heard and to have an impact. In the new leadership paradigm, global leaders have to surrender the view that the American way is the only way to conduct business if they want to successfully compete in a global marketplace. They must leave behind the "we make, they take" mentality and consider the more complex routes of personalizing a global business down to the individual customer level.

As globalization has rendered borders virtually meaningless, today's global leaders must exhibit the aptitude and the appetite to learn about other cultures, either through their own immersion or by leveraging the intellect and experience of the team. The impact of digital communication and regulation has intensified the need for leaders who are culturally curious and culturally sensitive as they seek to adapt to customer demands and maintain their firms' competitiveness.

> *"You have these contradictory forces at work where the income inequality gap has widened and there are more people moving up the ladder. And that obviously is causing a level of social instability, to put it mildly, as well as providing some opportunity."*

> *"Navigating those forces is an incredible challenge, particularly when you overlay the convergence of online and the behavior of people and how they live their lives. And all of this occurring at lightning speed!"*

The Implications for Black Leaders:
The Cultural Adaptation Advantage

Despite some of the additional hurdles often in the way of black executives as they build careers as aspiring global leaders in their organizations, many of the current leaders we interviewed referenced what they view as some real advantages they believe black executives possess. These advantages not only highlight the attractiveness of black executives as leaders but also underscore diversity as a strategic imperative for successfully building critical customer relationships in other geographies.

The prevailing view was that black executives are more culturally literate—more adaptable, accepting, and embracing of other cultures—by virtue of the fact that they have had to navigate two cultures at home all their lives: mainstream American culture and the minority culture to which they also belong. They have proven cultural agility and are, therefore, more apt to be sensitive to, connect with, and adapt faster to customer specificities and cultural nuances, even prior to gaining actual international experience.

> *"You have already navigated a couple of cultures to get to where you are, so they expect that you've got a better understanding [of other cultures] than an Anglo-American. That's been my experience. I think it's real, and it's an advantage we can use as black leaders."*

Interviewees went on to describe other crucial traits, including not only cultural awareness but also the empathy important in global leaders today, which black executives may possess in greater abundance than counterparts from the dominant white culture because of their different experiences. Black executives working in or visiting key global geographies send the message that they are there to listen, learn, and collaborate, not to impose the American way of doing things, which may or may not be successful in achieving strategic objectives in that part of the world.

Organizations that operate in a competitive global environment—virtually all if you include not only physical sites but also relationships and supply chains—are eager to recruit those who are culturally adept and comfortable working with a wide range of individuals from different backgrounds. This distinction, a comfort level and ease of relating to more than one culture, is viewed by those we interviewed as a positive way of differentiating black executives from their strictly mainstream American peers.

> *"Companies are looking for people who understand how to work and be successful in different cultures and different economies."*

> *"As blacks, we have always been outside the big norm. What's happening is that the norm is no longer the norm that we have to fit into to be successful."*

Respected More Abroad Than at Home

Many of those we interviewed shared their own experiences of being embraced as "ambassadors" for their companies when working abroad, sometimes to the extent that they felt more accepted and respected in corporate environments outside the US.

The business leaders we tapped surmised that acceptance and respect is due in part to the fact that those in other parts of the world recognize the historical disadvantage and particular challenges blacks have had to overcome in the US. Consequently, they figure that if you have made it to this level of responsibility in an American organization, successfully circumventing all the roadblocks, you must really be good at what you do.

Sometimes on overseas assignments, there is an initial novelty factor that must be overcome, as one leader we interviewed described in some detail:

> *"We had a manufacturing leaders meeting in Europe. I was new on the job and this was my first team meeting. I walked into the room, and I could see the stares on their faces, in some cases, their mouths open. To those who didn't know me, my first comment was, 'Hello, and yes, I'm black. Now let's get over it and go to work.'"*
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> *Thus began a highly productive relationship with the team. As this executive put it, "The reality was I worked harder to establish myself as a leader in the US than I did globally."*

As he explained, international colleagues accepted at face value that he belonged as a leader in the room, while the assumption at meetings with those who didn't know him in the US was that he was there as a result of what they believed must be lower, EEO-prompted standards—that he had not really earned his place at the table.

In other regions, most notably Asia, respect and acceptance were driven by company affiliation and title, with much less attention paid to race, unlike in the US. One CEO said it "rocked my world" at first when he realized that his position created a sort of "protocol of treatment" and a certain formality of respect from others in meetings.

> *"I hate to say this," he shared, "but it was almost like, hmmm, I guess I can kind of feel what it's like to be white and male in America."*
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> *"In the Caribbean and Asia, in particular, there isn't that baggage of questions about whether your title is legitimate. Being American and black in certain circles is an advantage."*
>
> *"I worked my ass off, but even when I got to the executive ranks it was just constant, prove and proven. As soon as I got to China, they never questioned my credibility or capability."*

The Black Experience: Getting In on the Ground Floor

Think of career development as akin to an elevator: If you miss getting in on the ground floor it's much more difficult to make it to the top. At each succeeding higher "floor," one is expected to gain mastery of another set of skills and accumulate additional experience.

When one is being evaluated for increasingly senior positions in the organization, the "scorecard" that lists one's competencies should measure up appropriately with what is viewed as the must-haves for leaders. Those we interviewed expressed the view that black executives, in particular, must stop at every floor, or have all the precise prerequisites to be considered for a leadership role. Gaps are cause for concern, indicating that a candidate may be a risky choice without a proven track record in key areas, and sponsors are unlikely to put their political capital behind that choice.

Many of those we interviewed examined the reasons black managers may miss crucial leadership opportunities, and also offered some proactive measures organizational leaders can take to ameliorate this problem.

Virtually all large organizations now work to identify those they deem "high potentials" relatively early in their tenure. The organization is prepared to invest in these chosen few by supporting their career development and ensuring they acquire the right experience and skills to enable them to succeed to key future leadership roles. This selection process assumes that as those viewed as most promising are asked to step forward, others are left back, and it's clearly understood that not everyone can be chosen and nurtured to this extent.

But the key questions are, Who are the top talent, and how are they being identified? What is the process? The assertion from those we interviewed, is that black executives are not often chosen for the short list of candidates for a global leadership role. They are therefore not assigned to those roles and tasks that would build the prerequisite skill set to be considered for a global leadership role.

> *"Who are we providing these broad development experiences for? Who is judged to be top talent to come into this program? I think that's the nub of the race issue."*

Many executives we interviewed indicated the likelihood of unconscious bias at play in the talent management process. There is a natural inclination, as one executive put it, for people to promote and mentor people like themselves. Quite simply, they feel more comfortable doing it.

Progress in ensuring vital diversity likely entails sponsors, established leaders in the organization who enable talented managers to skip floors on the career "elevator." In accelerating the development of those identified as future leaders, organizations should consider redefining "the track" from something strictly linear in progression to a more bold approach that identifies diverse talent early in their careers, and nurtures their growth and development with tailored opportunities.

Disrupting the status quo in this way is a quicker route to progress and gaining the benefits of diversity, from the perspective of the organization, and also sends a strong signal to talent. "We believe in your leadership potential," this approach communicates, "and we're prepared to invest in your development." This is an important message to high-potential individuals, whose skills mean they will be in demand and who may otherwise seek opportunities elsewhere.

For their part, next-generation leaders must take an active role in their own development—as both the executives and the high-potential individuals we interviewed stressed—by willingly and courageously raising their hand for challenging global assignments.

Tolerance for Failure

As blacks ascend to higher organizational levels, and the stakes rise accordingly, they may be saddled with an additional burden beyond proving their competency for a position, especially if others believe they were unfairly beat out for an opportunity.

While many expressed the view that it's one shot only for blacks, so they had better make it count, they were also adamant that this attitude must change if organizations are to boost minority representation in leadership ranks.

> *"You can't just say to people, 'You got your shot. Let's see how you do, and if you fail we'll get somebody else.' You just can't do that to people. You've got to give them the required support, strength, and underpinning. You've got to stay with them, and you've got to ensure their success."*

Many of the leaders we interviewed believe that, for all minority groups and women, there is far less tolerance of failure, even though failure is widely acknowledged as a necessary aspect of growth and development. The view we heard expressed repeatedly was that failures stay with these groups longer and taint their potential to move up further and faster in the organization.

One CEO we interviewed distinguished between business failure and personal failure. In a business world where there is now a premium placed on innovation, entrepreneurial ventures of all sorts are encouraged, some even incubated by old-line companies that are striving to learn new tricks from these experiences.

Even with careful bets placed, not all these ventures will succeed, but those that don't can still create significant value for the people tasked with running them and their organizations. Those who don't acquire this sort of experience, who don't take the gamble, and whose organizations don't bet on them, will not gain the credentials and competencies required for future enterprise leadership.

Particularly because they may be offered fewer opportunities, black future leaders need the encouragement and support to jump into the fray, even though success is not guaranteed. And along with that opportunity, and often higher risk, they need permission to fail, just like everyone else, and to learn from failure, albeit with a support structure of experienced leaders who can counsel them on how to improve the odds of success.

Roadblock to Development:
The Assignment Matters

With the real or perceived low tolerance for failure among black executives, it is even more critical that the black executives, or those managing a pipeline of black talent, manage the kind of roles and experiences these executives acquire while navigating the environment. Corporate staff positions can be rewarding career options for many, but some executives we interviewed viewed them as a detour and something of a trap for those who may set their sights on top enterprise leadership positions.

Often, diversity candidates are hired into staff, rather than line, positions where they may get stranded and may not be offered opportunities for broader experiences required for leadership positions. These roles may at first glance appear to be plum assignments because they are senior roles and may offer access and visibility to senior management. If there is no precedent for movement into line positions, however, these positions can become a dead end or a roadblock to true management positions that are prerequisites for a C-suite-level role.

It is important that black leaders be offered assignments that will showcase their management talent and ability to manage and lead in global assignments. Making these appointments early in executives' careers is viewed as crucial, especially to develop the broader holistic global leaders who are now required, rather than the narrower functional experts of the past. To ensure time for proper growth and seasoning, those identified as promising leaders must gain experience in line positions in markets or businesses early in their careers if they are to develop the broader worldview that will be critical to them as enterprise leaders.

> *"Getting into the line business of these companies is crucial to development because the pressure is on. You've got to deliver."*

When the desired path to development is blocked and promising future leaders are passed over, it is almost inevitable that the organization will lose talent. Those we interviewed were quick to include women, not just black women, in this conversation, with many bemoaning the tremendous loss of opportunity for both women and their companies. Some mentioned the need to tailor development to different groups.

> *"We can't afford to lose valuable talent. We need to change career plans, career paths. We'd better do something different from what we're doing right now."*

> *"Four and possibly five generations will be working side by side. We have to make sure that all of our development is consistent, but that it's also tailored to the needs and opportunities that different generations have."*

When Encouraging Diversity Is Not Sufficient

Given the new global leadership paradigm, diversity of thought, of experiences, and of people is no longer merely a nice extra. Diversity is a required and strategic imperative if companies want to develop and retain leadership in their industries. As a result, it is no longer enough to encourage diversity; talent systems, goals, and broad measures and measurement systems must be implemented to ensure diverse organizations and diverse management teams.

Greater awareness and urging from senior leaders to ensure that diverse candidates are considered for high-potential spots will not always have the desired effect, so leaders often must resort to targets to boost numbers and shift the status quo, countering the natural tendency to see and select from only the familiar.

In accordance with the old maxim attributed to management guru Peter Drucker "What gets measured [and perhaps rewarded] gets done," some leaders raise the urgency of nurturing diverse candidates with leadership potential by attaching numbers to that goal. One leader shared that it didn't matter how much he exhorted his reports to include diverse candidates among those in consideration for high-potential positions; the leader only saw progress once he put specific criteria in managers' performance plans for how many underrepresented minorities and women would be advanced in their organizations.

While he was aware that many in the organization said some candidates were only promoted because he, the CEO, was pushing for them, in the end it didn't matter. They deserved these promotions, he asserted confidently, and he saw it as the only way to expand selection beyond the "usual suspects."

While some view actions like this as similar to the quotas of the past, leaders we interviewed do not see it that way. They view this approach as a way of promoting those who are qualified, promising future leaders and the only practical way to circumvent the unconscious biases operating within those making these selections and deciding who makes the cut. They may claim to be looking at people objectively—and indeed may believe that they are—but that is why it is called unconscious bias and why it must be actively counteracted if minority representation is to increase.

In addition to interviewing established black enterprise leaders for this report, we wanted to capture the experiences and voices of up-and-coming black leaders for comparison and contrast. Those we interviewed are members of the Calibr Global Leadership Network, a subsidiary of the ELC, charged with developing the next generation of black executives.

The Voice of Next-Generation Leaders

▶ **No existing internal pipeline**

"As we begin to fill our senior roles and what is required for the future of a function, we have a significant gap in our talent requiring us to acquire talent externally."

"There is a need for the company to become more diverse, and the majority of those diverse experiences—and some of those in leadership ranks—come from external hires."

▶ **Importance of cultural awareness**

"As we deal with vendors and partners around the world, cultural awareness leads to better performance and increased effectiveness."

"As we look to diversify and penetrate different markets around the globe, we find that cultural awareness helps us understand triggers that cause people to act or buy."

▶ **Sink-or-swim mentality**

"We're more likely than our [white] counterparts to be offered high-risk/high-reward positions. If you knock the cover off the ball, you're lauded. But if you don't perform, it won't be, 'Well, good try,' but 'He got this chance, and he didn't perform well.'"

"Many times our [white] counterparts get multiple chances. When someone taps you for a role, ask what kind of support you will have to ensure your success."

▶ **Creating diversity of thought**

"Leaders have selected people like me to be part of cross-enterprise think tanks to look at potential business opportunities. With that sort of exposure to different people and ideas, working as a team, we pool our insights and move forward with a recommendation to senior leadership."

"Our organization doesn't talk a lot about diversity. I think you should be color-conscious, because we all bring different things to the table."

▶ Assumptions based on race

"I traveled to Europe with some white male counterparts and the assumption was that I was the junior person in the room until one of them deferred to me for a decision."

"It's just naturally assumed that we're participants and not leaders."

▶ Gender differences

"In other parts of the world, black males are shown as rappers and athletes. When you sit down and talk to people, the reaction may be, 'Wow, you talk differently. You don't talk like we've seen on TV.'"

"The gender dynamic between black males and black females is real. There is always some level of surprise when a male is articulate."

▶ Less opportunity

"Our [white] counterparts are given more opportunity and leeway, and are advanced purely on potential, versus diverse candidates who have to show more of a track record of proven success or experience that will translate to the new role."

"I don't see that opportunity happening unless you have an advocate or two in the room."

"You definitely have to have a sponsor."

▶ Stepping forward

"Unlike some of my [white] counterparts, I've demonstrated more flexibility. I could move to Asia, travel more. So naturally, I've risen to the top of available candidates, whereas if I hadn't been that flexible I'd probably be at the bottom."

"If you have an opportunity to do something abroad, try to do it."

Conclusion: Accelerating Change

With only five black CEOs currently heading the largest companies (Fortune 500)—and only 15 total ever to have held those positions—there is still a long way to go before corporations reap the benefits of diversity at the top.[3] CEOs and their C-suite colleagues we interviewed had thoughtful advice for other leaders and organizations, based on their experience climbing to the top of their own organizations, on how to promote the diversity that will be a key element of success in the 21st century and beyond.

ELC's Top 12: From good intentions to lasting impact

1. **Design profiles for key leadership positions by linking them to strategic objectives.** Make sure to go beyond the usual suspects by first identifying the "what," the skills and experience required, and then who fits the requirements.

2. **Recognize the importance of emerging skills in the new business world order.** Carefully assess and nurture potential for these skills, such as empathy, agility, and cultural sensitivity, in addition to traditional skills and experience that will be increasingly important, and be sure to factor them into consideration when promoting leaders, especially for global assignments.

3. **Mind metrics.** To propel diversity goals, we recommend tracking progress, at regular intervals, on the number and percentage of black or multicultural talent in C-suite positions; on expat assignments; on C-suite succession charts; and in the pipeline for global or stretch assignments. In addition, turnover among this group should be tracked according to three-year trends, as should engagement in the organization health survey and within talent management systems.

4. **Require diverse slates for executive positions.** Some companies already require diverse slates of candidates for every senior management job. Including this as a criterion will help ensure capable diverse candidates are identified and considered, and will ultimately improve representation at the leadership level.

5. **Consider putting some "teeth" in diversity requests to managers.** You may have to add specific numbers, with successful delivery linked to managers' performance plans and incentive compensation, as targets for diversity candidates. Too few diversity candidates may be a signal that your selection criteria are off and may have to be re-examined.

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3   "African American Chairman & CEO's of Fortune 500 Companies," Black Entrepreneur Profile, last modified January, 29, 2015, http://www.blackentrepreneurprofile.com/fortune-500-ceos.

6. **Think "line," not just "staff," when creating career development paths that will promote the global enterprise leadership the organization requires.** Staff positions, while critically important, may be dead ends for those who aspire to the highest leadership ranks. Without line experience, promising black candidates may be precluded from consideration.

7. **Develop a consistent preparedness standard.** C-suite executives and next-generation leaders we interviewed, repeatedly alluded to a double standard when assessing an executive's readiness to assume a more responsible position, with the emphasis on overpreparing black candidates, which means they often miss out on opportunities. Experience and skills criteria for leadership positions should be consistent and aligned with what will be required in the job. Risk of failure can never be eliminated, but it can be mitigated for all with proper systemic support.

8. **Include stretch assignments with needed support for success if you are committed to growing beyond the status quo, in leadership development and the business.** Everyone should have the latitude to fail safely—with support from talent development and management systems, mentors, and sponsors—and to learn from failure.

9. **Provide access to mentors and sponsors.** Support systems, which include mentors and sponsors, will continue to play a key role with next-generation black leaders. In addition to guidance on getting specific positions, and succeeding in them, broader advice on developing a proactive career strategy and pursuing valuable opportunities will ultimately boost the number of black leaders.

10. **Remember that retaining talent is a two-way street.** Particularly for the new generation of up-and-comers, work-life balance is critical, so be flexible, when you can, with demands that tax personal lives. The best talent always has choices, including the choice to work elsewhere, so make flexibility a competitive advantage when the goal is to retain a wide range of talent.

11. **Ensure board exposure for potential enterprise-level leaders.** Exposing future leaders to the board sends a strong message to both candidates and directors. Developing a level of comfort and familiarity, particularly for black candidates who may be less visible in a particular function, will enhance the process when the times comes to fill key leadership slots.

12. **Promote a concerted effort to have an impact on education policy.** Black C-suite executives must get behind the push to develop greater numbers of young people with the skills they will need to build successful careers and enter leadership ranks. Some ELC members are already leading STEM and financial-literacy initiatives targeted at this population.

Perhaps more than any of our recommendations, diversity and inclusion—as with any fundamental organizational change—start at the top. The voice of the CEOs and their teams, both through direct and indirect messages and how they model diversity, is paramount. Does the management team demonstrate and not merely call for the broad diversity required to generate the novel ideas and strategies that are essential to successfully competing in a rapidly changing global business environment? Do leaders possess a combination of critical business skills and the cultural awareness and sensitivity that will also be essential to recognizing and leveraging opportunity in the marketplace? What about the composition of the board?

CEOs must first make sure they have exemplary teams if they hope to convey that diversity and inclusion are priorities in leadership selection, career advancement, and governance. Those actions will be carefully scrutinized and will speak louder than any words, providing the credibility they require to spread this message throughout their organizations and to ensure it is both heard and acted upon.

Finally, it is important to view diversity in the context of global leadership development. As we noted previously in this report, diversity of background and experience is a significant advantage, if not a requirement, for future global leaders. In promoting diverse, promising candidates, organizations are therefore also helping to secure their own futures.

Acknowledgement

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The Executive Leadership Council, an independent non-profit 501(c)(6) corporation founded in 1986, is the pre-eminent membership organization committed to increasing the number of global black executives in C-Suites, on corporate boards, and in global enterprises. Comprising more than 500 current and former black CEOs, board members, and senior executives at Fortune 1000 companies and global equivalents, ELC's members work to build an inclusive business leadership pipeline that empowers global black leaders to make impactful contributions to the marketplace and the global communities they serve. For more information, please visit www.elcinfo.com.

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