

Diversity by Design – The New Face of Corporate America: Spotlight on Hispanic Leadership

Written by Judy Turnock



Left to right: HACR CEO Roundtable Moderator Norma Garcia (Telemundo), George Chavel (Sodexo), HACR CEO Roundtable Host Randall L. Stephenson (AT&T), John W. Chidsey (Burger King Corporation) and Leo Kiely (MillerCoors)

Hispanics represent 15% (nearly 50 million) of the U.S. population and continue to be the fastest growing population segment. Some estimates indicate the actual number could be as high as 60 million and that by 2050, the Latino population could reach 30% of the total U.S. population. Since Hispanics have the highest employment rate of any U.S. non-white group and their purchasing power is nearing \$1 trillion, their power as consumers will only continue to grow, along with their potential as a source of corporate intellectual capital.

For more than two decades, the Hispanic Association on Corporate Responsibility (HACR), a coalition of 13 national Hispanic advocacy organizations, has been the driving force in guiding corporations to leverage this opportunity. HACR, along with its corporate members, advances greater Hispanic inclusion in corporate leadership, the C-Suite and the boardroom through corporate partnerships and signature leadership events.

Sharing CEO Wisdom and Experience

The May 2009 CEO Roundtable was the pinnacle of the 17th Annual HACR Symposium: *The Power of Hispanic Inclusion*, held in Dallas. It provided key insights into current Hispanic inclusion efforts from host Randall L. Stephenson, chair, chief executive officer and president of AT&T, as well as featured presenters John W. Chidsey, chair and chief executive officer of Burger King Corporation; Leo Kiely, chief executive officer of MillerCoors; and George Chavel, president and chief executive officer, Sodexo. Top Hispanic executives from corporate member companies as well as national Hispanic leaders were able to share in the CEOs' wisdom and experience, thus enhancing the understanding of perspective on both sides of the issue.

The discussion covered innovative strategies and effective models for increasing Hispanic participation in Corporate America through employee retention, outreach and leveraging brand loyalty, especially important given the rapidly increasing Hispanic Market Consumer (HMC). "The CEO Roundtable is a

terrific forum for exploring issues of critical importance, both to the Hispanic community and to Corporate America,” reported AT&T’s Stephenson.

Companies known to value diversity and inclusion will attract and retain the highest-quality talent across ethnicity, race, gender, age and other factors, such as cultures, work styles, lifestyles, management approaches and professional background.

Diversity and inclusion, all urged, are clear business advantages.

“With the world around us becoming increasingly diverse, being inclusive is not only the right thing to do as a good corporate citizen, it strengthens our business,” said Chavel. “At Sodexo, the social and economic contributions of our Hispanic employees are fundamental to our goal of making every day a better day in the communities we serve. It is an honor to share these success stories with HACR as we work to achieve even greater inclusion for Latinos at Sodexo and throughout Corporate America.”

The dynamic peer-to-peer dialogue proved to be a high-level networking experience. “The CEO Roundtable has allowed us to share success stories with current and future corporate members on how to increase the number of Hispanic consumers and employees to grow market share, increase stockholder value and maintain leadership positions in a changing marketplace,” said HACR Chair Ignacio Salazar, president and chief executive officer of SER-Jobs for Progress National, Inc.

Encouraging and Sustaining Hispanic Corporate Leadership

Companies readily acknowledge that diversity and inclusion are competitive advantages, but achieving the promised rewards requires nuanced approaches and changes in corporate culture. Hispanic executives gathered at the 2009 HACR Corporate Executives Forum (CEF) in Dallas, where they discussed business issues and daily challenges and shared solutions based on first-hand experience. The CEF is a high-level, influential and effective group, whose vision is to increase retention of Hispanic executives throughout Corporate America. These kinds of collegial strategy sessions have been successfully used to empower African-American corporate executives who are members of the Executive Leadership Council. The CEF follows that model, with Hispanic executives providing sustenance, encouragement, solutions and, ultimately, business opportunities to one another.



2009 Participating Corporate Directors, left to right: back row, Luis Nieto, Alejandro Silva, Tom Castro; middle row, Michael Montelongo, Monica Lozano, Charles Garcia, Patricia Diaz Dennis, Donna Alvarado, Aida Alvarez, Gilbert Casellas; front row, Pastora San Juan Cafferty, Maria Sastre, Cari Dominguez, Vilma Martinez, Nina Vaca, Patricia Salas Pineda

Increasing the Number of Corporate Directors of Hispanic Heritage

With the latest figures showing Hispanic directors holding less than 4% of corporate director seats on the largest corporate boards, the turnout at the 2009 HACR Corporate Directors Summit was impressive. Seventeen corporate directors came to Dallas in May to attend the three-day Summit. Increasing the representation of Hispanics in corporate governance has proved challenging, and the experience and perspective of these corporate directors provide the best information for assisting corporate partners who want to build the number of Hispanic board members.

“Companies that want to achieve success in a global marketplace need a board that reflects the communities in which they do business as well as the population overall. Ensuring Hispanic representation on their board of directors and in the executive suite is essential to achieving this diversity,” said HACR President and CEO Carlos F. Orta. “HACR’s goal is to increase Hispanic presence on corporate boards and executive staffs, which will help to identify best practices in the area of corporate responsibility.”

Participants discussed the challenges and opportunities that come with board service, as well as more general topics like best practices in corporate governance and strategies for creating a pipeline of Hispanic senior executives. An action plan for increasing Hispanic representation on corporate boards is in development.