

# Why doesn't Britain have more black bosses?

Hardly any big British company has a black chief executive, while more than a third of FTSE 100 firms have no board members of colour

By [Vinjeru Mkandawire](#) 9 June 2020 • 5:58am

Of the few British companies taking a public stand against racism, most have one thing in common: the absence of black people on their boards and senior management teams.

Sparked by [global protests following the death of George Floyd](#) at the hands of Minneapolis police, British boardrooms are wading into the conversation on racial inequality, even as they face growing scrutiny over their own record.

Black people represent less than 1pc of business leaders running the UK's largest companies, according to research by recruitment consultancy Green Park. Overall, ethnic minority groups accounted for just over 7pc of boardrooms in 2019, down from nearly 9pc the prior year.

The FTSE 100 did not gain its first black chief executive until Tidjane Thiam was appointed to run Prudential in 2009 and the situation has not

much improved since then. Beyond Arnold Donald, chief executive the London-listed US cruise operator Carnival, and Sharon White, chair of the John Lewis Partnership, examples of black people at the top of the largest British companies are few and far between.

It is a similar story across all other ethnic minority groups. There are around half a dozen non-white chief executives or chairmen at FTSE 100 firms, including Laxman Narasimhan, boss of Dettol and Clearasil maker Reckitt Benckiser.

The numbers reflect issues with bias on recruitment and promotion panels, according to diversity experts.

“Nominations committees kid themselves that they are selecting on merit,” according to former Equality and Human Rights Commission chairman Trevor Philips.

“When it comes to the major boards in Britain, the historic tendency has been to appoint people they know. By and large the definition of merit can be condensed into three words: someone like me,” he says. “The idea of what a useful board member looks like rarely extends to people who are black.”

Companies failing to put more black people into senior roles are under growing pressure to behave

differently if they want their brands to survive, adds Philips, who chairs the recruitment consultancy Green Park. “Recent events are so extreme, and the revulsion is so widely shared, that it will become less palatable for people to work with or do business with companies that do not look like they have noticed the way the world is changing.”

The government-backed Parker Review estimates more than a third of the UK’s listed companies are likely to miss targets to have at least one director from an ethnic minority group by next year. Its findings show that 37pc of FTSE 100 companies had no board members of colour.

Boardrooms of FTSE 250 firms fared even worse, with almost 70pc lacking any ethnic minority representation. Across the FTSE 350, 59pc of companies had no black, Asian or minority ethnic directors.

The review, which was set up to improve BAME recruitment onto UK boards, also identified a concentration of directors from ethnic minority backgrounds in a small cluster of companies. Just eight of Britain’s biggest companies accounted for nearly a quarter of all directors of colour.

Part of the challenge of addressing racial inequality is the use of a homogeneous term for a heterogeneous problem, says Dr Doyin Atewologun, lead academic adviser to the Parker Review.

“There are lots of good reasons historically for the ‘BAME’ term. But what it means is that we conflate the experiences of a large group of people who happen to be non-white,” she says.

Little attention is paid to the divergent experiences between the different categories, Atewologun adds: “This means that most public records on levels of representation in workplaces broadly put people into two categories: white and non-white.”

While attempts by corporate Britain to improve diversity are paying off in terms of gender, estimates by Green Park suggest that progress made by FTSE 100 companies means they will not achieve genuine boardroom diversity until 2066.

The lack of representation at the top of listed businesses shows that too many companies cling onto informal power networks built around the “old fashioned idea of cultural fit”, according to Raj Tulsiani, chief executive of Green Park.

“Organisations do have structural prejudice and that is pretty clear for people who look at the numbers – particularly around assessment, recruitment and promotion,” he says.

The result has been a “black brain drain” out of the UK’s largest institutions, with many people of Afro-Caribbean descent either moving to smaller firms or relocating abroad, according to Green Park.

One solution is for firms to bring in more experts on diversity issues. There are about 43,000 “diversity directors” in the UK and 140,000 heads of diversity serving in British companies. However, the vast majority lack formal training or expertise across all the different strands of diversity, Tulsiani says.

Without expert advice, firms are not solving the systemic issues, he warns. “Listed companies have become brilliant at creating narratives around increasing diversity and inclusion, but the reality is that they are still not inspiring much trust.”