

**BOARD REPRESENTATION  
KEY ACTIONABLE  
TAKEAWAYS  
TOOLKIT**



THE  
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GROUP



# Board Representation Key Actionable Takeaways

Every paper in this series is interconnected. The changes made in the C-Suite and the boardroom impact equity ownership, access to capital, equal pay, and branding and product development. If one of these categories changes, it alters circumstances for the other categories as well. Similar to how we must acknowledge the intersectionality or interconnectedness of our social organizations (such as race, gender, and sexuality), we must acknowledge the interconnectedness of the different facets of gender parity.

The key actionable takeaways below relate to all of these facets. However, first it's helpful to have some context.

## WHY PARITY IN BOARD REPRESENTATION IS CRITICAL

- **Gender inequity begins far from the boardroom.** While most conversations around female representation within C-Suites and leadership positions are centered around the concept of the "glass ceiling," it is actually necessary to refocus energies on paving the way for parity at the lowest rungs of the ladder. In the current landscape, 62 percent of positions at the managerial level are held by men, with womxn holding a mere thirty-eight percent of such positions – which has a direct impact on the pool of "eligible" candidates for positions higher up the corporate ladder. Thus, when selecting board members, executives tend to draw from their own network; if executive-level positions across industries continue to exclude womxn, womxn will continue to be shut out of the boardroom.
- **Now is the time for corporate America to address systemic inequity and discrimination on a broad scale.** Amid national

protests to address the innate culture of racism in our country, there is a general sense that the corporate sector is taking strides to address its own shortcomings. Effectively addressing gender inequity necessitates acknowledging the intersectionality of marginalized identities and working towards solutions that work for everyone.

- **Creating an equitable cannabis industry is a moral imperative.** Legalized cannabis has its roots in the disenfranchisement of marginalized groups, particularly communities of color and the LGBTQIA+ community. As an emerging industry, cannabis has the opportunity – and obligation – to build a culture of equitable and just practices from the beginning. Further, the cannabis industry has the potential to be a leader in innovative regulatory strategies that pursue equity and parity. Many legal cannabis states have written social equity provisions into their regulations – though such programs have not been without significant challenges. Perhaps regulations aimed at specifically ensuring representation of both womxn and disproportionately impacted community members on boards would find more success given that they would face fewer barriers to both implementation of the law and achieving results.
- **Funding is a barrier in the cannabis industry – especially for womxn.** Due to the lack of Federal legalization, securing sufficient funding is more complicated with regards to cannabis. Womxn, in particular, are generally provided less access to funding within cannabis – which perpetuates the narrative that womxn must work hard to "prove themselves" and thus become successful. If we are not funding womxn-founded and led companies, then it is no surprise that we are still struggling to achieve parity in the boardroom.
- **An inclusive culture = a stronger culture.** As employees feel more seen, respected, and valued, they are more likely to succeed and are happier as a result. Hiring and promotion efforts that consciously prioritize diversity go hand-in-hand with reinforcing a strong organizational culture. As companies exhibit fair processes throughout the lifecycle of their employees, more of them will be willing to stay and pursue growth within the company instead of seeking upward mobility externally.

## KEY ACTIONABLE TAKEAWAYS

### Commit to an Inclusive Culture

- Create a strong organizational culture via hiring and promotion efforts that consciously prioritize diversity. These efforts demonstrate fairness to employees across the organization, making them more willing to stay and pursue growth within the company instead of seeking upward mobility externally.
- Cultivate leadership traits from [Deloitte's 2019 State of Diversity and Inclusion](#) that model inclusive behavior:
  - Commitment —promising to treat each employee with respect, empowering individuals to be fully themselves at work;
  - Courage — asking individuals to engage in conversations, no matter how tough, to create more inclusive environments;
  - Consciousness of Bias —cognizance of unconscious biases and educating oneself on how to recognize and check them;
  - Curiosity — listening to varying viewpoints;
  - Cultural Intelligence — asking employees to seek out opportunities to learn about different cultural contexts; and
  - Collaboration — explicitly asking for diverse teams.
- Define and promote allyship as a necessary trait within organizations, to include:
  - Showcasing intersectionality;
  - Advancing a culture that encourages dispelling and unlearning microaggressions;
  - Creating mentorship programs and informal networks — especially ones that incorporate womxn leaders; and
  - Sponsoring inclusion-focused events.
- Foster a culture that encourages new ideas and appropriate risk-taking:
  - Conduct focus groups and forums for discussion in which employees can share their thoughts, fears and suggestions — especially when change is imminent.
  - Engage both men and womxn actively in discussions of their work, and about how and where to make improvements.

- Promote regular meetings within teams to discuss new ideas, and to encourage womxn to share their opinions and unique perspectives.
- Encourage and enable more professional/personal growth opportunities for womxn, such as continuing education and seminars.
- Help womxn feel more involved or at least informed by ensuring a clear, decision-making process.

### Fix the Broken Rung

- Focus on promoting more womxn to initial manager positions, creating parity at lower rungs of the ladder, which catalyzes a ripple effect of a larger pool of candidates for more senior managerial positions.
- Bring manager-level leaders into the fight for gender parity, encouraging decisions at the broadest level that increase efforts toward diversity and employee perceptions of workplace fairness.
- Engage 100 percent of senior leadership in the commitment to gender parity to create a trickle-down effect.

### Cast a Wide Net

- Seek board members with a wider range of skill sets—to include such areas as engineering, digital technology, cyber risk management, supply chain management, operations, marketing, organizational structure, and interpersonal skills—rather than relying only on sitting and former CEOs and CFOs to make up the membership of boards.
- Incorporate recommendations of the article below by EY for "How to Get More Womxn in the boardroom", including mandatory disclosure, measurable targets, board refreshment, nominating committee leadership, investor engagement, investor voting, positive and negative recognition, and professional development.

### Regulate Inclusion

- Capitalize on the cannabis industry's innovative status to take the lead in innovative regulatory strategies that pursue equity and parity
- Consider implementing gender quota legislation or corporate governance recommendations, which can enhance the current and future social equity provisions passed by states legalizing cannabis.

Want to learn more about actions that should be taken to build more diverse boards?

**"How to Get More Women in the Boardroom"**<sup>1</sup> by EY Reporting Kerrie Waring, CEO of the International Corporate Governance Network, explores the correlation between quality board decisions and diverse boards.

In "How to Get More Women in the Boardroom" by EY Reporting, relevant data on gender diversity in boardrooms is explored and several action items are produced. Waring recommends action items such as creating measurable targets, promoting positive recognition, and providing professional development opportunities among others. Click [here](#) to find out more!



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<sup>1</sup> EY Reporting (2019, February 15). How to Get More Women in the Boardroom. Ernst and Young Global . [https://www.ey.com/en\\_us/assurance/how-to-get-more-women-in-the-boardroom](https://www.ey.com/en_us/assurance/how-to-get-more-women-in-the-boardroom)