

FUTURE OF THE BOARDROOM

BOARDROOM BIASES 2022

Survey findings summary.

Future Directors Institute
community survey March 2022.



**FUTURE
DIRECTORS.**

What boardroom biases do we need to cut out in 2022?



Paul Smith, FDI Founder and (soon to be) middle-aged white guy who cares about boardroom biases & helping people overcome them.

That's where this initiative started, but the results of the Boardroom Biases survey have landed somewhere a bit more nuanced.

Biases, specifically limiting or discriminatory biases and beliefs, can impact decision making in the boardroom and a variety of unintended ways. Sometimes even countering our efforts to create a more equitable and representative boardroom culture.

It's not simply enough to point them out. FDI's good friend and US Independent Director Beverly Cole, says we need to ask a few critical questions about our individual and collective behaviours in the boardroom.

"Have we created a board culture of collaboration (non-confrontation and "true discussions")?"

"Do you feel comfortable articulating biases and do we ask if a view slows business opportunities and business growth?"

The big C word (COVID) and its associated uncertainty, has made us less sure of our opinions. That's a good thing. It opens up space for more honest convos.

We hope the report keeps us asking and reflecting, and in this instance, let's hope we don't go back to business as usual.

A handwritten signature of Paul Smith in black ink.

BOARDROOM BIASES REPORT 2022

EXECUTIVE SUMMARY

In March 2022, we set out to find out what beliefs and biases you think prevail in and around the boardroom. The survey explored a wide range of conscious and unconscious biases and the extent to which they perceive these biases still exist in the boardroom. Note that we were not trying to measure whether the respondent held these beliefs or biases, but whether they had experienced or observed them.

We had good diversity in our respondent pool, with representation including ethnic and cultural diversity, diverse abilities, and a range of identities that experience marginalisation.

As we launched the survey on International Women's Day, it's unsurprising that three-quarters of respondents identify as female.

There is a significant spread in the responses, but the key interesting trends are highlighted below.

Overconfidence bias in the boardroom has been busted

Almost unanimously, respondents disagreed that statements correlated to overconfidence biases were still present in the boardroom. This is unsurprising, given the context of global pandemic, inter-state conflict, and economic uncertainty. It's pleasing to see that even experienced directors are identifying that ongoing development and training is needed for all directors. Critical thinking and questioning of executives is highly valued.

Authority bias is being eroded

The tendency to defer to the 'leader', to more senior board members, or to the majority are all less likely to be seen. This is a positive development for good governance, with lone voices being able to raise issues to be discussed seriously.

Explicit biases re gender and race are on the way out

Overt comments and assumptions weren't experienced by our survey respondents. But covert ones? Yes. Unfortunately.

Less tone, more talk

Our respondents found directors are dealing with the content of their colleagues, not the emotion with which they say it.

Good news for young directors

Age biases are down, with 50% of our respondents seeing beliefs about experience becoming more inclusive, and less emphasis on 'earning your stripes'.

Boards are still recruiting for comfort

If you think like the existing directors, you're believed to be the best director for that org. We got a strong reading on that. The trouble is, you need people who think differently and make you uncomfortable to grapple with decisions in all four dimensions.

Beware of the beauty bias

There's still a preference to believe the thoughts of a well-presented director. Remember that books aren't their covers.

STATUS OF BIASES IN THE BOARDROOM 2022

Our 40-question survey assessed how much respondents agreed or disagreed with a selection of beliefs, biases, or cognitive distortions impacting thinking and behaviour in the boardroom.

There is strong consensus from respondents that these kind of biases are less common in the boardroom than they used to be – but this doesn't mean they have 100% disappeared.

There's some unhelpful biases still influencing decision making and culture in the boardroom – and they deserve to be called out.

- Affinity bias
- Appeal to novelty
- Availability bias
- Beauty bias
- Belief bias
- Confirmation bias
- Curse of knowledge



Appeal to probability

Overconfidence bias

Authority bias

Conformity bias

Experience fallacy

Gender bias

Horns Effect

Race bias

Age bias

Anchoring bias

Optimism bias

Planning fallacy

Tone policing

Our respondents are less certain about whether these kinds of assumptions or beliefs are on the way out or sticking around.

Status quo bias

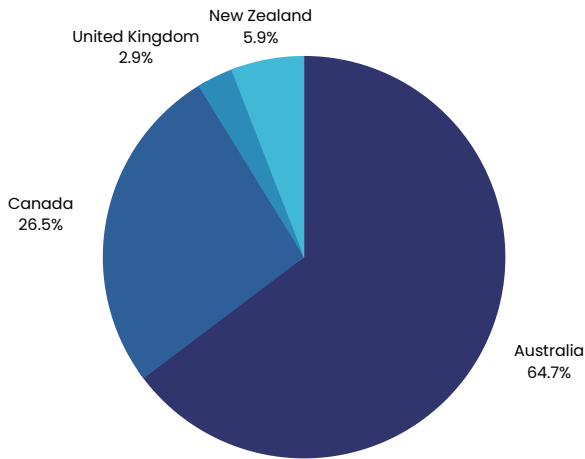
Halo effect

N.B.: Responses are our respondents' personal experiences and observations, and are only intended as indicators of trends, and should not be read as a universal experience.

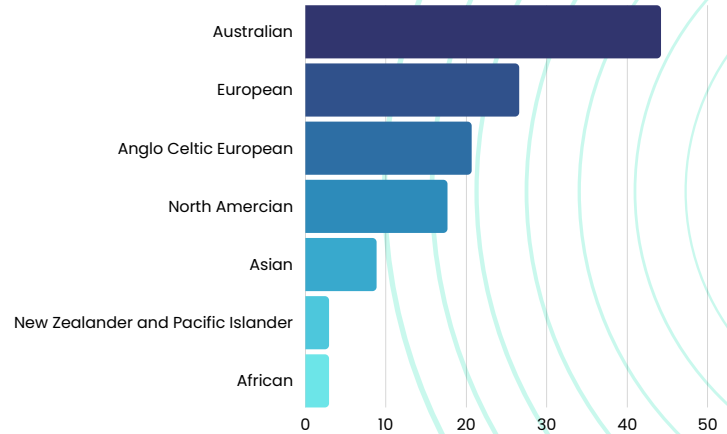
RESPONDENTS PROFILE

We had 34 respondents to a 40-question survey.

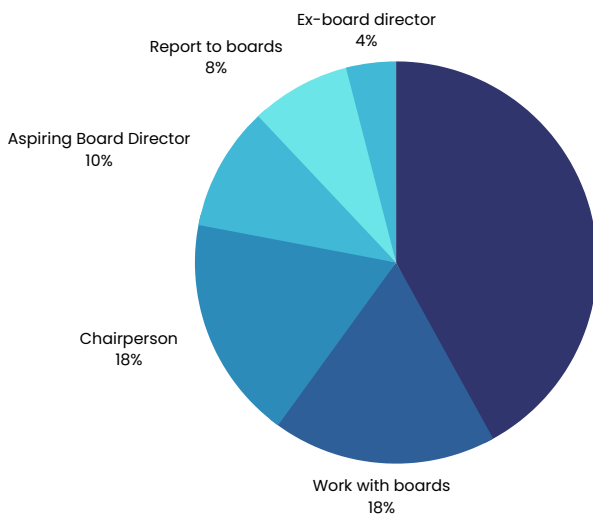
COUNTRY OF RESIDENCE



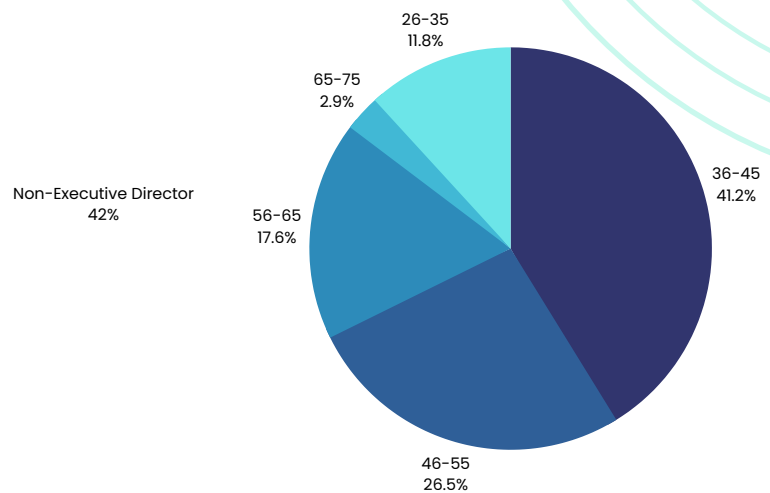
CULTURAL BACKGROUND



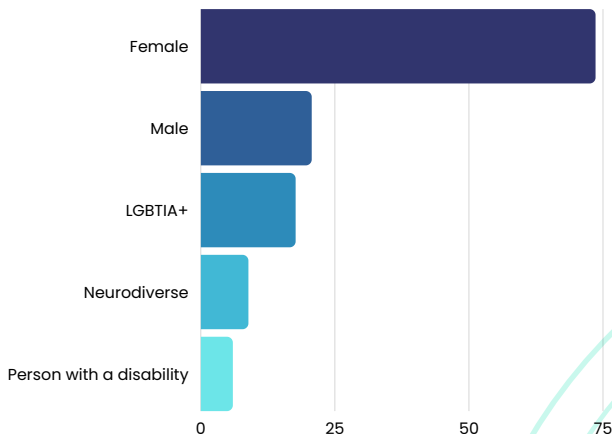
CONNECTION TO BOARDS



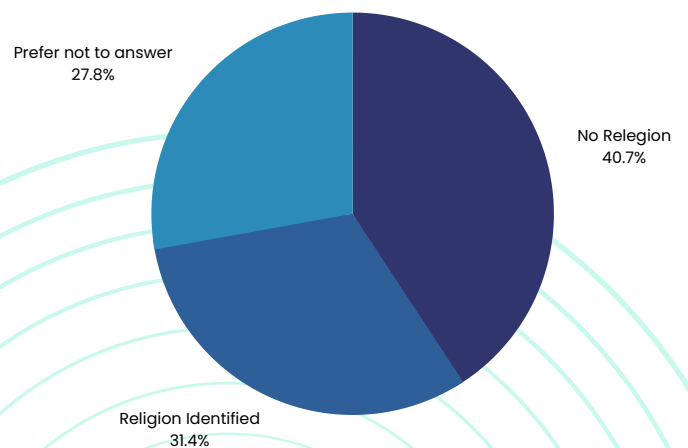
AGE GROUP



IDENTITY GROUP



RELIGION



This survey was launched the week of International Women's Day, which could account for the high proportion of female participants.

Putting these findings into action

SO, WHAT TO DO NOW?

Here are some tips for becoming more aware of your own biases

- Take some of the [Harvard Implicit Association](#) tests to see if there are any unconscious biases you want to work on.
- Use some of the below reflection questions after your next couple of board meetings to see if there are some cognitive shortcuts you want to rewire.
- Book in some quality conversation time with someone you know thinks about issues very differently to you.

Spending time in respectful, thoughtful conversation without trying to change each other's opinions or points of view helps expand the lenses we bring to our own thinking and helps illuminate our blind spots.

Reflection questions for cognitive biases

- What contribution to a discussion or debate did someone make that really surprised me?
- How did that person think about this issue differently to me?
- What are three strengths of that contribution?
- How did I feel about that contribution?
- What was my first instinct?
- How can I build this lens into my thinking in the future?

ABOUT FDI

DEVELOPING DIVERSE BOARD LEADERS,
READY FOR THE CHALLENGES OF
TOMORROW, SINCE 2015.

Our purpose is
to create
generations of
board directors
fit for their
future, and the
world's.

BECOME A FUTURE DIRECTOR

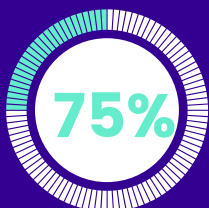
A Future Director is fit for their future and the world's. They see the boardroom as a flashpoint for global and organisational change. They are actively shaping a fairer, safer, smarter future for their organisations and societies. They're eternally curious, listen with two ears and one mouth, and have a healthy dose of imposter syndrome. Above all, they know they cannot be a Future Director without a community of support. That's where the FDI training and community of (un)like peers comes in.

PROGRAMS DESIGNED FOR OPTIMAL BOARDROOM LEARNING

- »»» High quality experiential and practical learning
- »»» Relevant, real-world, apply immediately
- »»» A safe space to learn what it takes to be a board director

WE CELEBRATE AND NURTURE

- Inclusive leadership inside and out of the boardroom.
- The courage to say NO to the status quo.
- An 'always-learning' mindset.
- Awareness of the bigger world and the board's impact.
- Bringing new thinking and tools to boards.
- General boardroom badassery.



of active FDI alumni
currently sit on boards

6-8 
MTHS

typical time to first
board role

750+

Program grads over
past 7 yrs

4.7 

avg rating from
Program alumni

FUTURE OF THE BOARDROOM
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