

March 10, 2021

Chair Holvey, Vice-Chairs Drazen and Smith Warner, and the Members of the Committee:

I am Dr. Barbara Ramirez Spencer, an AAUW member of the Portland Branch and an Oregon Delegate to Vision 2020, writing in support of HB 3110 to establish diversity on corporate boards.

The diversity of a company's board is important for several reasons. A board of directors is responsible for representing shareholder interests and making sure the company's financials are accurate, as well as selecting and evaluating the company's CEO. The board sets the tone for the whole company, and its members serve as an example for what the company stands for. As the decision-making body at the highest level of organizational leadership, boards play a critical role in creating an organization that prioritizes, supports, and invests in diversity, inclusion, and equity.

Women hold just 20.4% of board seats among the largest publicly traded companies in the Russell 3000 Index, according to a report by Women on Boards, an advocacy group. Of the 13 Oregon companies on this index, only eight have 20% or more women on boards. While statistics on women board members exist, little has been published on representation by minorities on corporate boards. However, based on the existing analysis of white male board members, a low estimate of minority representation would seem to be accurate.

2021 can be an inflection year for improving gender diversity in the boardroom. The coronavirus pandemic, racial inequities and climate change have sparked large social and economic upheaval have leading corporations to commit to improving diversity at their own organizations.

"It is imperative that we have a rich and diverse sets of opinions and experiences, because those result in better decisions," says Robin Tompkins, chair of Women on Boards Oregon. "Businesses are now challenged to think about their relationships not only with employees and shareholders, but also with customers, stakeholders and communities in different ways."

As an organizational development consultant, I can attest to the positive impact of diversity on corporate boards. The results show increased service, financial and social advancements.

For these reasons, I urge the House Committee on Rules to vote Aye on HB 3110.

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