

Diversity

On June 18, 2019 the Eindhoven University decided to henceforth exclusively appoint female professors and members of staff. This decision resulted in many reactions in the Netherlands. Once again impetus was provided to the discussion about diversity in the Low Countries. Is it truly functional to exclusively appoint women as professors? Is it in the interest of science? This discussion is also relevant when appointing people for boards of supervisors directors.

In Europe and also in the United States they are often strongholds of elderly white men. You can change this by exclusively appointing women in case of vacancies on boards of supervisory directors and then preferably even non-white, young women. Will you then have better performing boards? Perhaps, but not as a matter of course. The Volkskrant of June 29, 2019 included an interesting summary of recent research on the functionality of diversity (“Diverser werkt lang niet altijd beter” – *“More diverse does not always work better”*).

This functionality is not always there. It follows from worldwide consistent scientific research that groups with more diversity are often less-performing. Diversity does work when it comes to diversity in ideas. The members of a group must (be able to) stimulate each other with their divergent thoughts. Diversity in demography (ethnicity, gender, age, nationality) rarely leads to better results. It appears that relatively homogenous teams cooperate better. This is probably due to the fact that they better recognize themselves in each other. As a consequence they start performing better individually and in the group. The researchers: “The political correctness regarding diversity implies that we believe that diversity is good and easy. However, in groups that are diverse we need to work very hard to make them work well. Until we appreciate this reality, we actually make it more difficult on ourselves to reap the fruits of diversity.”

The creation of team spirit and mutual confidence are very important to ensure that diversity is successful. You must also be able and willing to understand when diversity is required and when it is actually not. For instance, if you want to develop an app specifically for elderly people then a development team that is diverse in terms of age will not likely lead to better results. A team with mostly elderly people is then more functional. Diversity as an objective of its own can therefore have an adverse effect. Then how does this work with boards of supervisory directors?

The functionality of a supervisory board is determined by three factors: the sector (financial, IT, education and so on), expertise and experience. Hence, at a bank the supervisory board will mostly consist of expert and experienced ‘financial literates’. In IT you want to see people with a background in information science. During the selection it makes sense to create a basic group with key experts. Diversity on ethnicity and on gender is fine, however not an objective of its own. For some boards of supervisory directors relevant experience is so important that it must be decisive during the selection: preferably a board with more experienced men than a board with a few experienced men and a few unexperienced women (or vice versa). The latter appears to be disastrous for effective cooperation. Apart from this basic group of material experts you can appoint a number of satellite supervisory directors. These are people who do not necessarily have the sector-specific expertise but do dispose of additional expertise required for the business and for the supervisory board. Think about a lawyer, an economist, et cetera. These satellite supervisory directors may well have a different demographic background because they are already non-specific within the group. This way you will have a form of diversity that is not counterproductive.

The moral of the story is that together you should properly consider how you want to realize diversity and simultaneously focus on the interest of the business. That requires a well-developed plan. Diversity for the sake of diversity is not in the interest of the business.



[Frank Kunneman](#)
VanEps Kunneman VanDoorne
Attorney at law | Partner

T +5999 461 3400 ext. 254
E kunneman@vandoorne.com
