



Member: Raymond Ocampo stands on the campus of Keynote Systems in San Mateo, Calif., where he sits on the board. He is a director at five midsize companies.

Boards seat few Asian-Pacific Americans

Prominent Asian-Americans



Andrea Jung
Title: CEO, Avon Products
Boards: General Electric



Jerry Yang
Title: Co-founder and chief Yahoo, Yahoo Boards: Yahoo, Cisco Systems



John Chen
Title: CEO, Sybase
Boards: Sybase, Walt Disney



Carolyn Woo
Title: Dean, Notre Dame University Mendoza College of Business
Boards: Circuit City Stores

Barely 1% of 'Fortune' 500 firms have such members

By Edward Iwata
USA TODAY

SAN FRANCISCO — Despite their stellar business feats and growing numbers in the U.S. population, only a handful of Asian-Pacific Americans wield power in the boardrooms of large companies.

Barely 1% of Fortune 500 companies have Asian-Pacific American directors, according to a recent report by the Committee of 100, a group of Chinese-American leaders in business, academics and the arts.

The committee calls it "a dramatic under-representation of Asian-Pacific Americans," given that the nation's 11 million Asian-Pacific Americans make up 4% of the U.S. population. Asian-Pacific American numbers are projected to grow to 33.4 million by 2050, according to the U.S. Census Bureau.

"We're not here to browbeat people," says Wilson Chu, chairman of a committee taskforce on Asian-Pacific American directors and a partner at the Haynes and Boone law firm in Dallas. "We're here to build awareness and show Corporate America that it has missed opportunities by not considering Asian-Pacific Americans as directors."

Overlooked talent

Like old-time baseball teams that failed to sign black athletes until Jackie Robinson broke the color barrier in 1947, companies aren't using all the talent in the workforce, says Raymond Ocampo, former Oracle general counsel and a director at five midsize companies, including Internet firm Keynote Systems in Silicon Valley.

Ocampo left Oracle several years ago and has never been asked to join a large corporate board. He says public companies need "to examine whether they have blind spots that are preventing them from tapping resources readily available to them."

Asian-Pacific Americans have launched many small businesses and also played leading roles in large corporations. Well-known entrepreneurs include Yahoo co-founder Jerry Yang; Bill Mow, the founder of Bugle Boy Industries; John Tu and David Sun, the co-founders of Kingston Technology; Henry Yuen, the co-founder of Gemstar International; and many others.

Others have climbed the corporate and academic ranks in various industries. Business watchers point to Andrea Jung, the CEO and chairwoman of Avon Products who sits on General Electric's board; Susan Wang, former Solectron chief financial officer and a director at Alterra and three other firms; and Carolyn Woo, business dean at the University of Notre Dame and a director at Circuit City and two other companies.

Many Asian-Pacific Americans also are founders or top executives at young computer and software firms listed on Nasdaq. According to the Committee of 100 report, 31% of Nasdaq 100 firms have at least one Asian-Pacific American director.

Why the dearth of Asian-Pacific American directors at big firms? Recruiters and Asian-Pacific American executives cite several reasons:

► **Low visibility.** Large corporations haven't looked hard enough for strong candidates in their own ranks or at rival companies. Some traditional, low-key Asian-Pacific Americans — hoping their hard work will be recognized — might not sell themselves or lobby for directors' positions. Other well-qualified candidates simply aren't visible enough.

Dipak Jain, the dean of Northwestern University's Kellogg Graduate School of Management, said he received no invitations to join corporate boards when he was an associate dean.

But after he was named dean of a prestigious business school in 2001, the offers poured in. Now, he's a director with United Airlines' parent UAL, agricultural equipment maker Deere and three other firms.

"You really need people in high, visible positions," says Jain, whose marketing expertise and knowledge of India didn't hurt, either.

Asian-Americans in the boardroom

Asian-Pacific Americans and Asians are rare on the boards of the largest U.S. companies, but are common on smaller companies' boards.

Source: Committee of 100

Fortune 500

Percentage of seats held by Asian or Asian-Pacific Americans on Fortune 500 boards, 2003



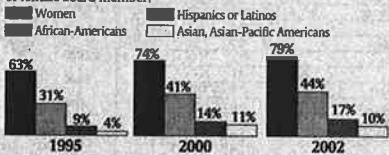
Nasdaq 100

Percentage of Nasdaq 100 companies with Asian or Asian-Pacific American directors, 2004



Minority or female board members

Percentage of Fortune 1000 companies with at least one minority or female board member:



Source: Korn/Ferry International

By Frank Poppo, USA TODAY

► **The good old boys' network.** The high-powered network of executives and directors is opening for women and ethnic minorities, but it's still mostly closed to Asian-Pacific Americans, according to the Committee of 100 report and recruiting firm Korn/Ferry.

Two years ago, 79% of Fortune 1000 companies had at least one woman on their board of directors. About 44% had at least one African-American director, and 17% had at least one Latino director. But only 10% had an Asian-Pacific American director.

Many who work in large corporations hit the "glass ceiling" of discrimination and leave to start their own companies, according to the Committee of 100 and earlier reports by the Conference Board, a global organization of executives.

► **Racial stereotyping.** Asian-Pacific American executives say that some white higher-ups stereotype them as quiet worker bees who lack "leadership" skills. One joke making the rounds: It takes an act of God for Asian-Pacific Americans to get out of engineering and accounting.

"There may be a veneer of acceptance, but deep down, there are these closely held stereotypes of Asians," says Deborah Soon, vice president of executive leadership at research firm Catalyst, recalling her earlier career as a high-tech manager.

Experts say the climate is slowly changing. In the post-Enron era, the Sarbanes-Oxley Act and other new rules and regulations require companies to hire more independent directors with financial, legal and operational backgrounds. Boards are less likely to be the exclusive clubs of old that demanded little work from directors.

That means higher turnover of directors and more openings for the plum jobs, which pay annual retainers of \$30,000 to \$180,000 and can require 200 hours a year of work for each company.

"A significant amount of reshuffling is going on in boardrooms and among directors," says Kyung Yoon, a partner at Heidrick & Struggles in Menlo Park, Calif. "The candidate pool is wide open."

Every company wants marquee names and high-profile CEOs such as Avon's Jung. But they're busy with their firms, or they already serve on too many boards.

Beyond the big stars, recruiters say corporations are looking more closely at the next tier of candidates, including executives who run divisions. Companies also hope to find more directors with cultural and business ties to Asia.

To identify strong contenders, the Committee of 100 has teamed with international recruiting firms Heidrick & Struggles, Korn/Ferry and Spencer Stuart.

"With the demand for directors going up so quickly, it makes sense to look in non-traditional places," says Joe Griesedieck, vice chairman at Korn/Ferry in San Francisco. "There's a tremendous pool of Asian-Pacific American candidates with strong business and community backgrounds."