

NIGERIA DEI REPORT

2022

An assessment of the state of diversity, equity, and inclusion amongst
the leading companies in Nigeria



Diversity, Equity and Inclusion (DEI)

The future of business is diversity

DEI helps corporate performance

- promotes sense of belonging
- 56% increase in job performance
- 50% reduction in attrition risk
- 35% more likely to outperform industry peers

Nigeria, 3rd most ethnically diverse nation

Yet, DEI quite low



DEI Level = **Too Low**





Diversity: reflection of our differences.

“...presence of differences within a given (workplace) setting... race, ethnicity, gender, abilities, age and socioeconomic class”



Equity: acceptance of individual uniqueness.

“...process of ensuring that processes and programs are impartial, fair and provide equal possible outcomes for every individual.”



Inclusion: sense of belonging.

“...practice of ensuring that people feel a sense of belonging in the workplace.”



ABOUT THE DEI REPORT

The state of DEI in Nigeria



A TEAM OF EXPERTS

Hofstede Insights Analysts
Partner Contributors

2nd DEI Study



FOUR KEY PARAMETERS

Gender Diversity
Age Diversity
Ethnic Diversity and
Educational Background



154 ORGANISATIONS

Two levels:
Management Teams
Boards of Directors



SIGNIFICANT OPPORTUNITIES FOR DEI IMPROVEMENT

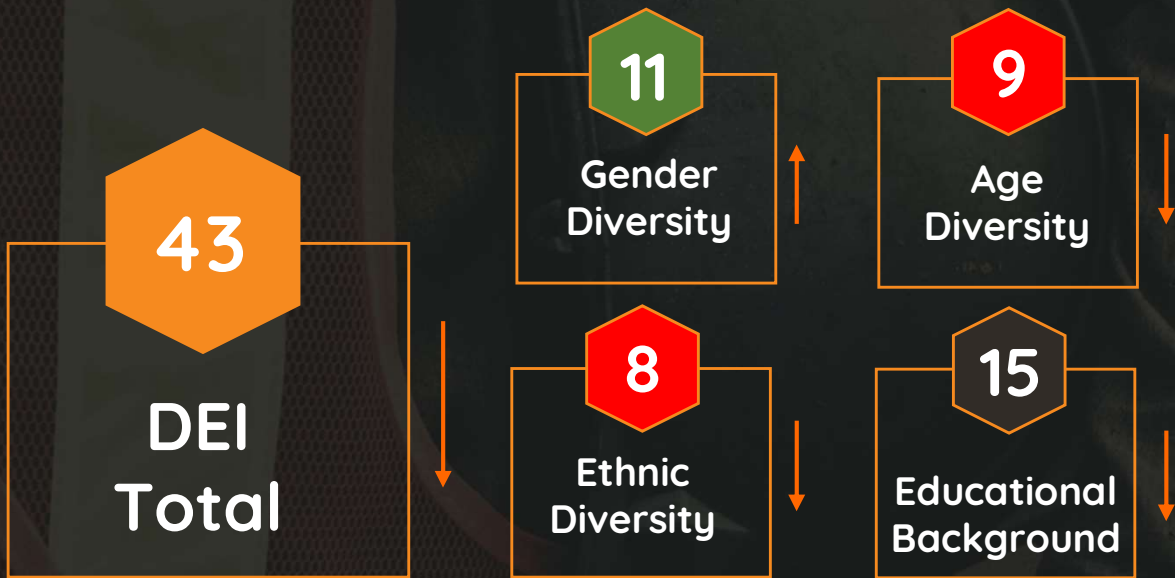
43 points (out of 100)

Average score on four key
DEI parameters,
154 organisations

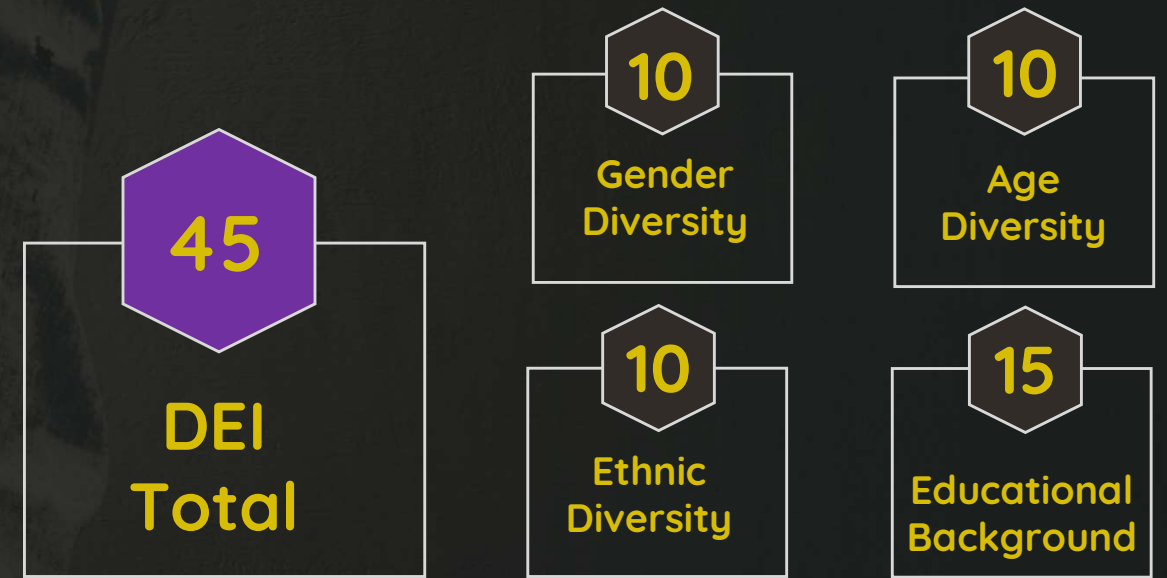
On average, 'failure' on all
DEI parameters except
Educational Background.



2022



2021



DIVERSITY

Nearly seven out of ten leading companies in Nigeria do not show acceptable DEI levels

31% have tolerable DEI level
69% scored less than 50 points.

Only six companies scored 70 points or more

DEI Scores, Overall

Above 69 Points

60-69 Points

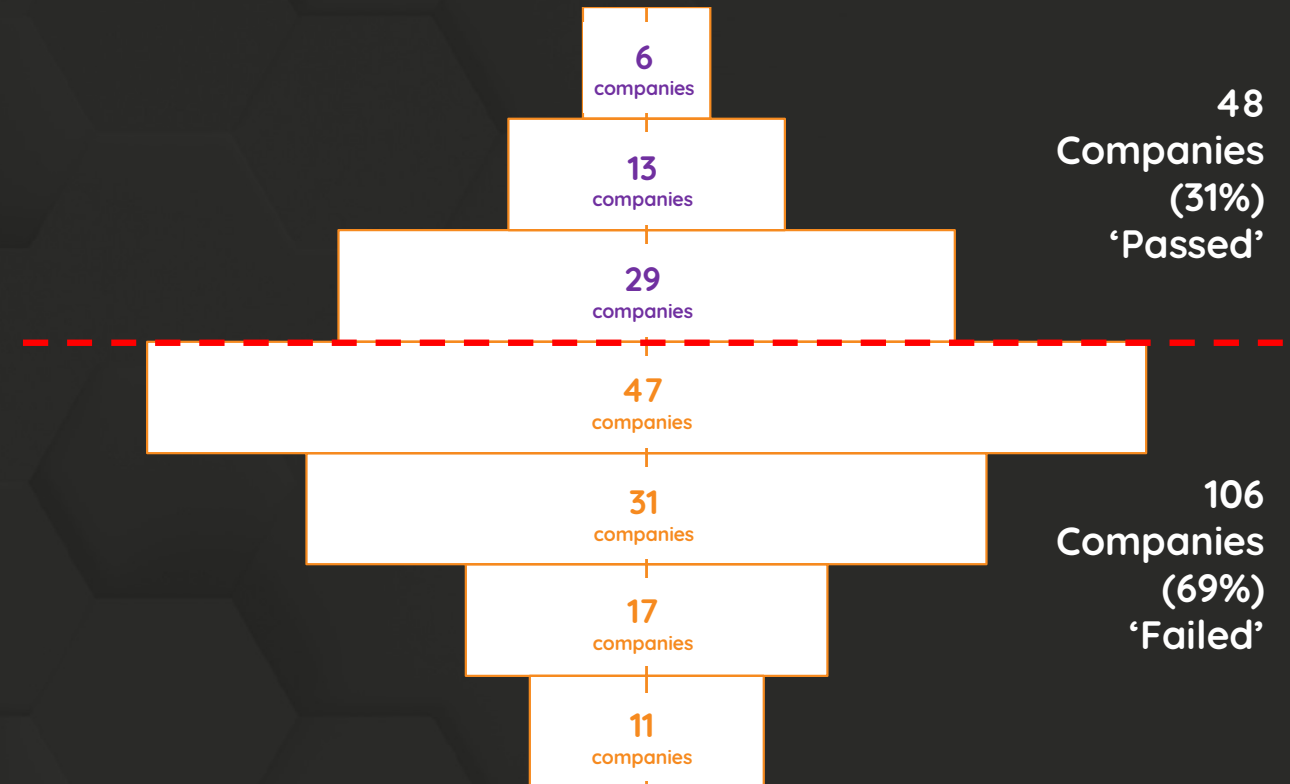
50-59 Points

40-49 Points

30-39 Points

20-29 Points

Less than 20 Points



DEI 'failure' rate, higher in 2022

2022

48
Companies
(31%)
'Passed'

106
Companies
(69%)
'Failed'

2021

52
Companies
(35%)
'Passed'

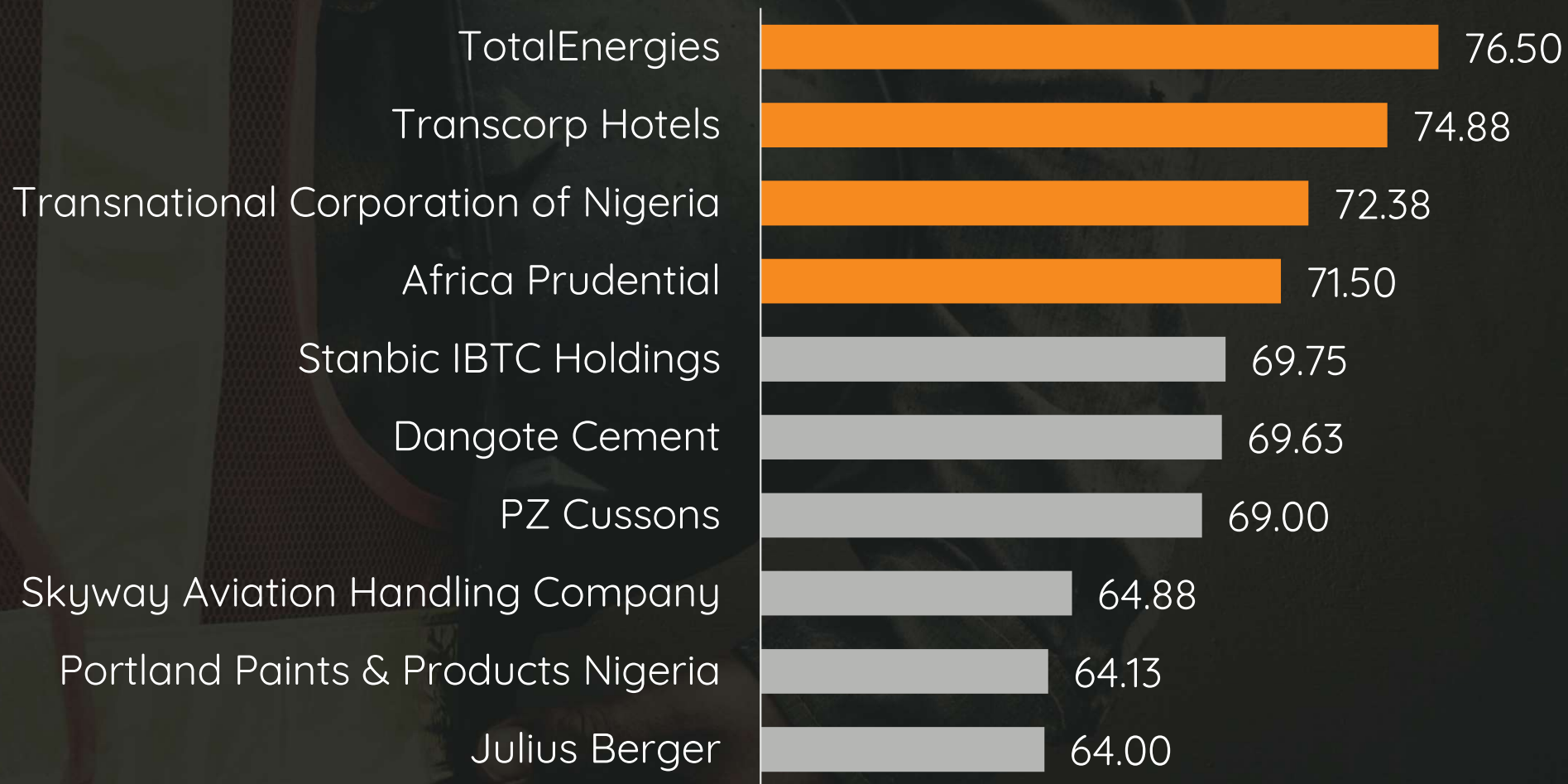
94
Companies
(65%)
'Failed'



TOP TEN DEI COMPANIES

2022

Top Ten DEI Companies in Nigeria and their DEI Scores



TotalEnergies
Marketing
Nigeria Plc

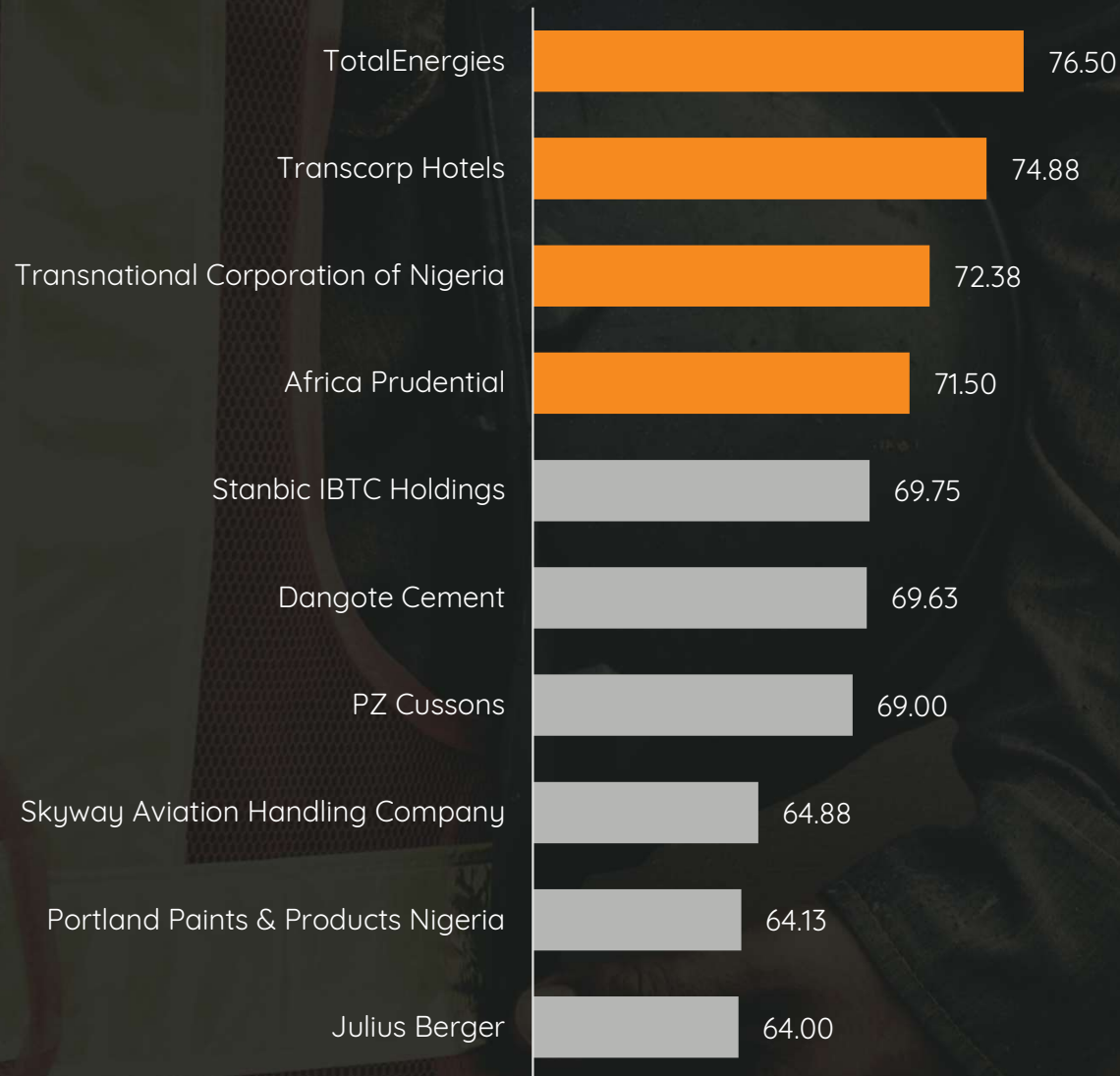
Nigeria's best
DEI company

76.50 pts / 100

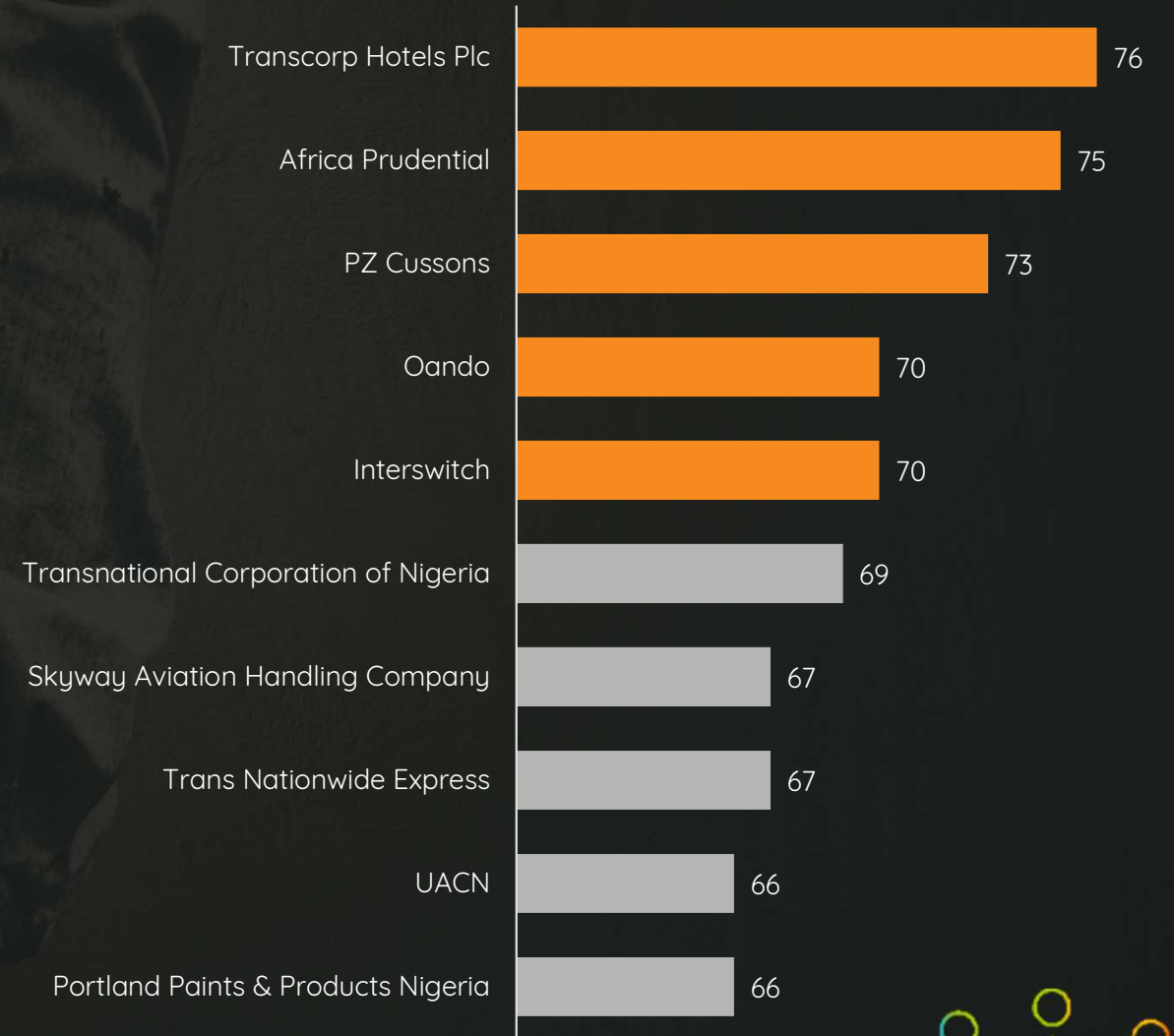


TOP TEN DEI COMPANIES

2022



2021





Only two sectors 'passed'



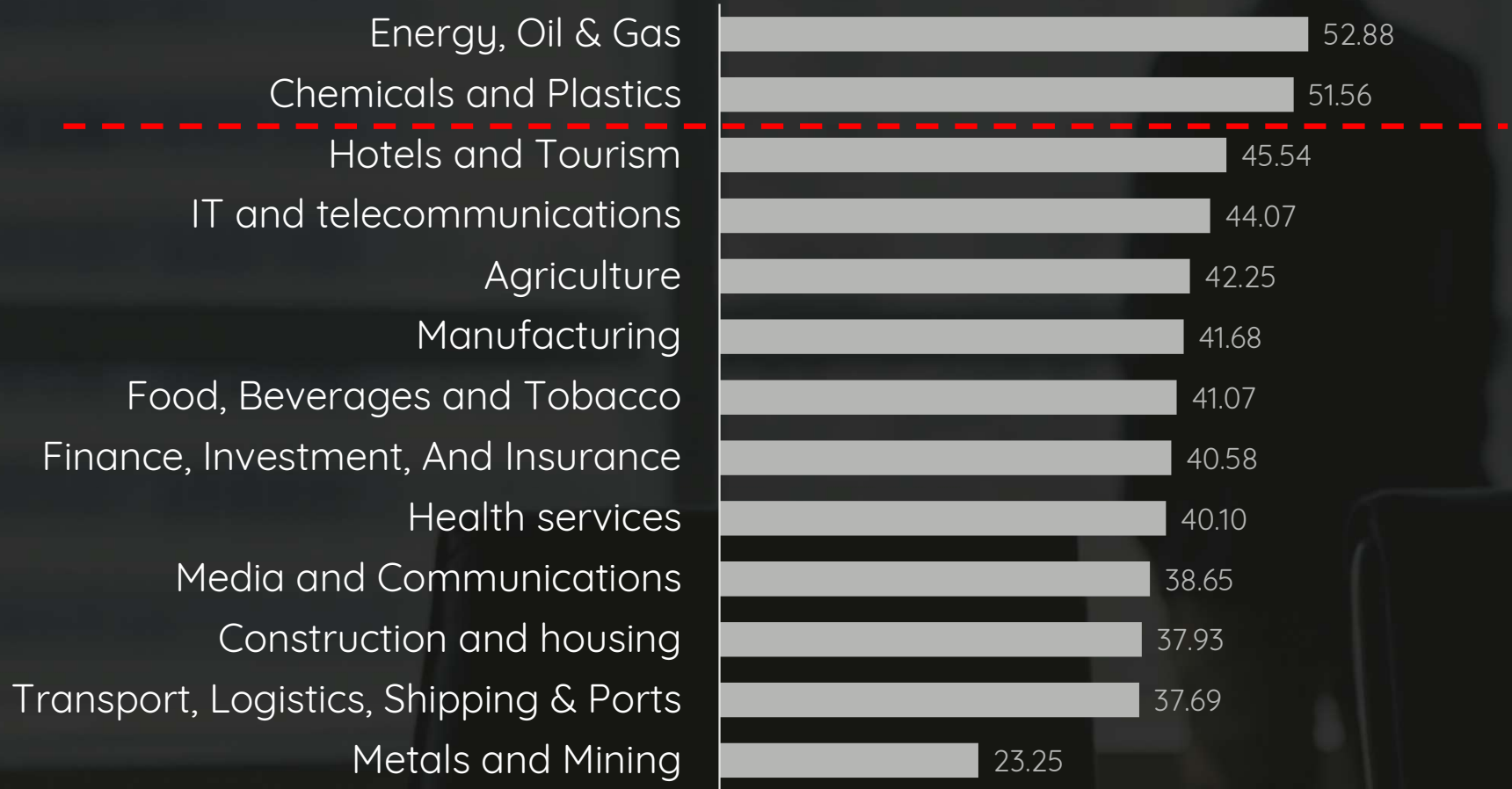
Energy, Oil and Gas industry

Best average sectorial DEI score

52.88 pts/100

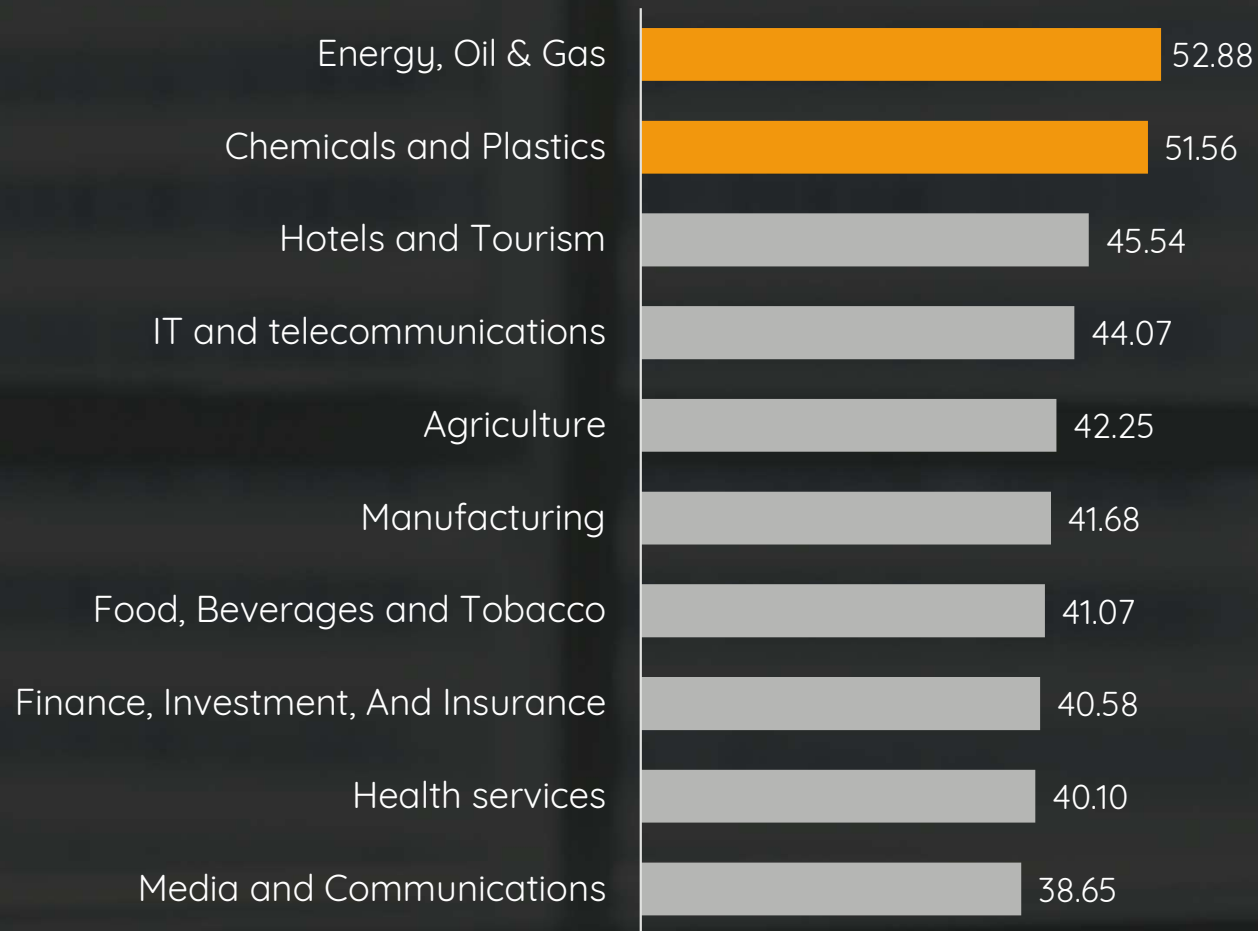
2022

Industries Ranked by DEI Scores

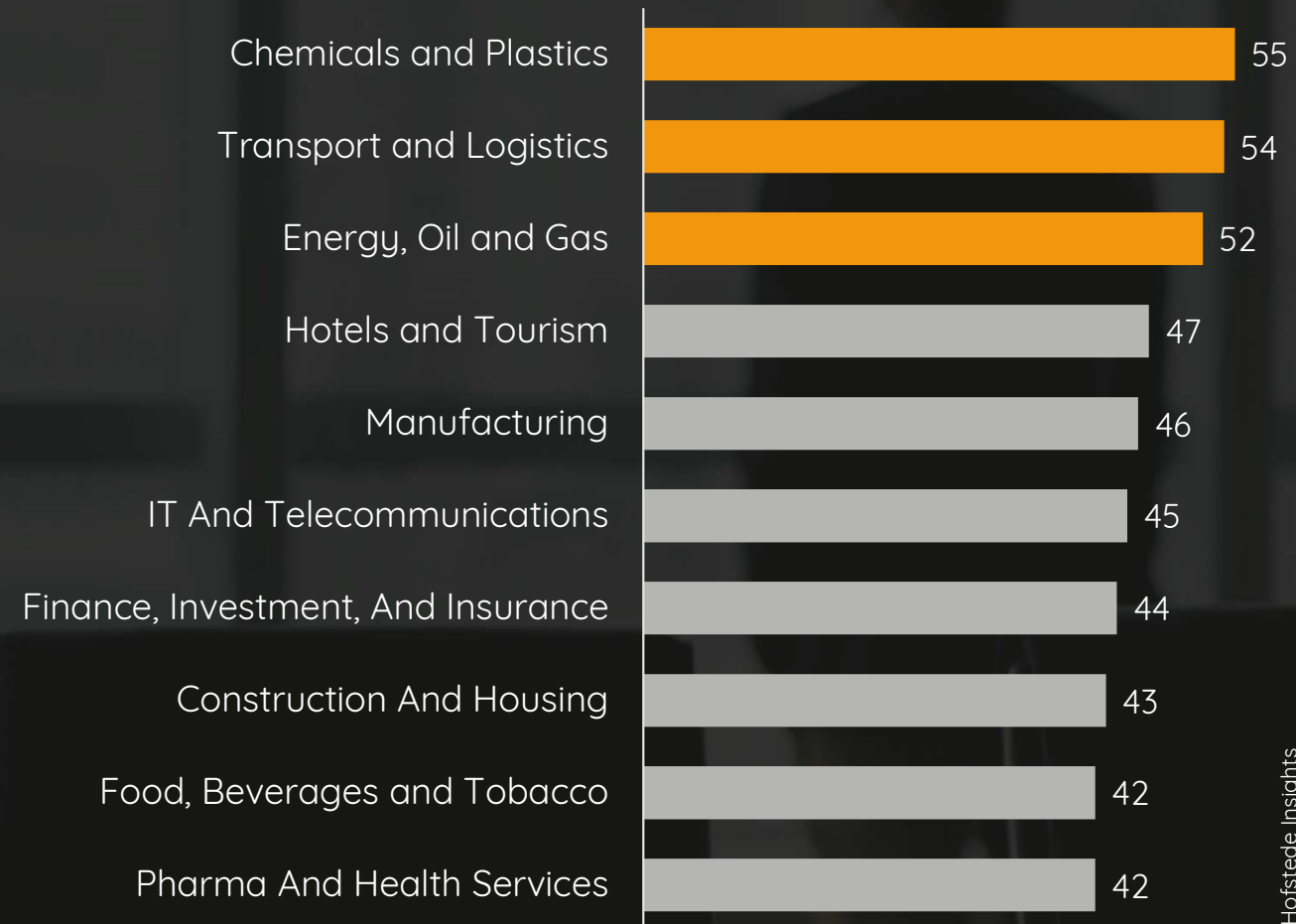


DEI ACROSS INDUSTRIAL SECTORS – TOP TEN INDUSTRIES

2022

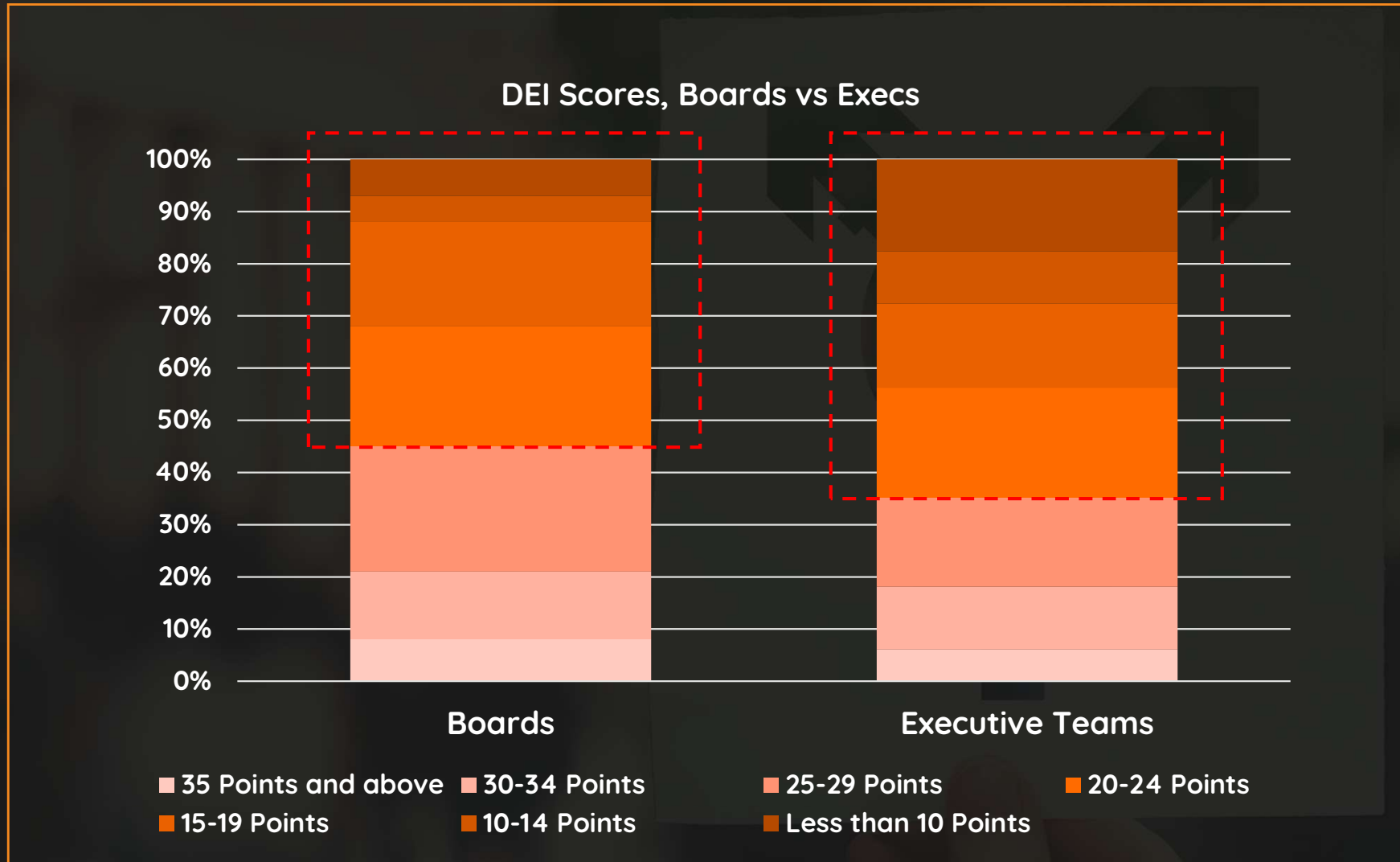


2021



DIVERSITY

Boards of Directors and Executive Teams



Boards comparatively more diverse than executive management teams



66% of companies 'failed' management team DEI

58% 'failed' in Board DEI

 Proportion of companies that scored less than 25 points (out of 50) on DEI in their Management Teams or Boards, respectively



GENDER DIVERSITY

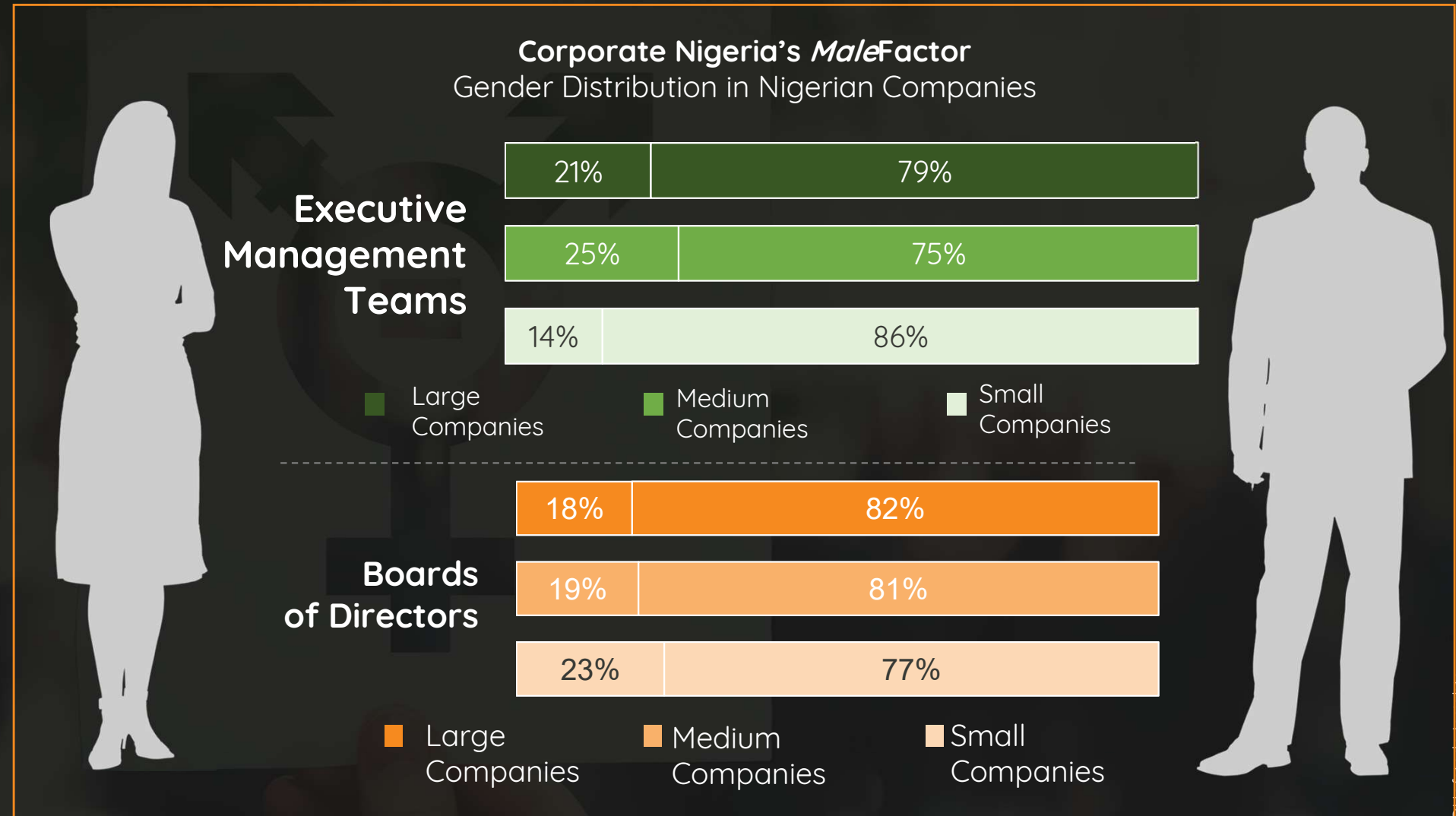
Gender balance in corporate Nigeria: **STILL** a major challenge

Men still dominate highest corporate positions in Nigeria

In Nigeria's largest companies, women are:

26% of executives

21% of directors



GENDER DIVERSITY

Gender balance in corporate Nigeria: STILL a major challenge



Only 16 Female CEOs out of 154



GENDER DIVERSITY

Gender balance in corporate Nigeria:
a major challenge

33 companies
no female board members

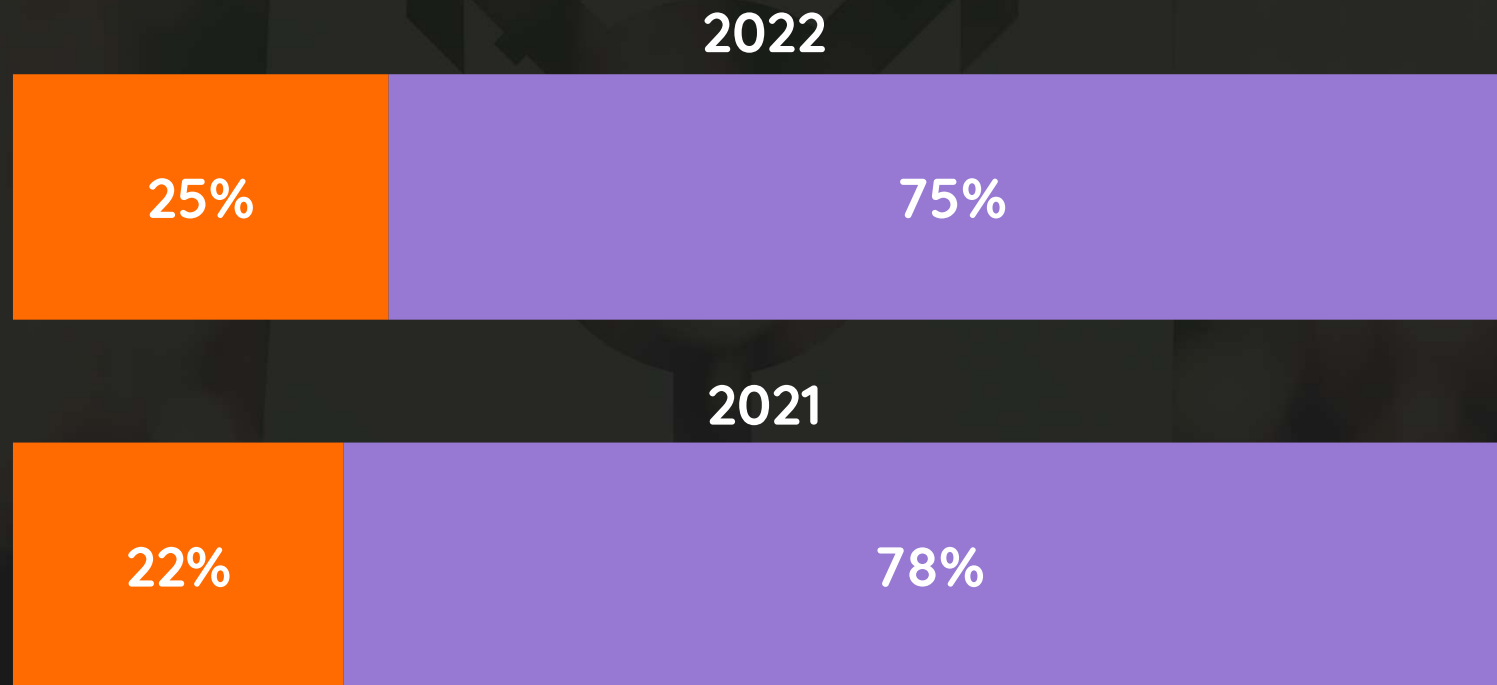
41 companies
no female Exco members

17 companies
no women on both boards and executive
teams.



GENDER DIVERSITY

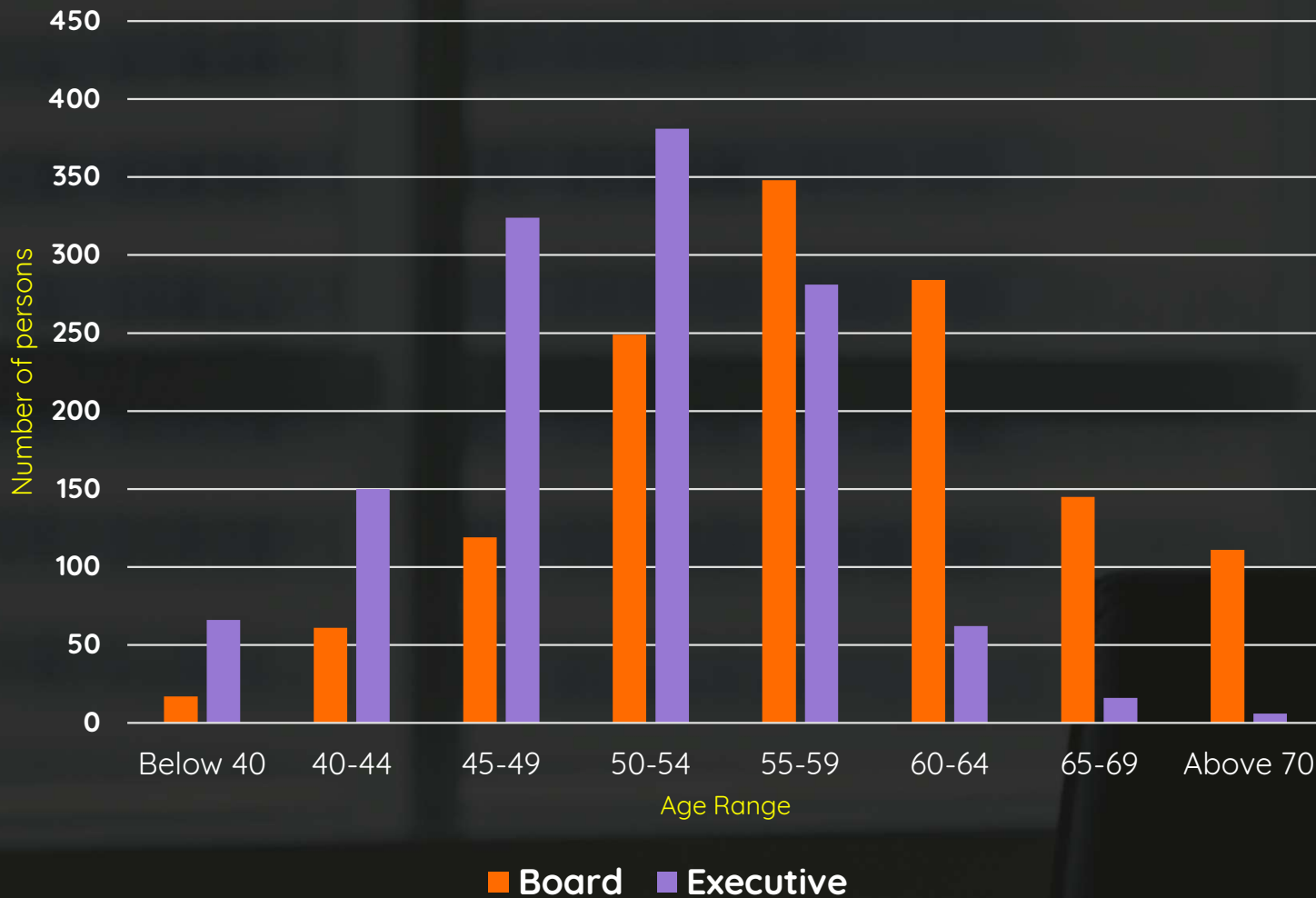
3% increase in the composition of females in corporate leadership (boards + mgmt) in 2022





AGE DIVERSITY

Needed: better representation of younger people in Nigeria's corporate leadership

Age range distribution, Board vs Executive



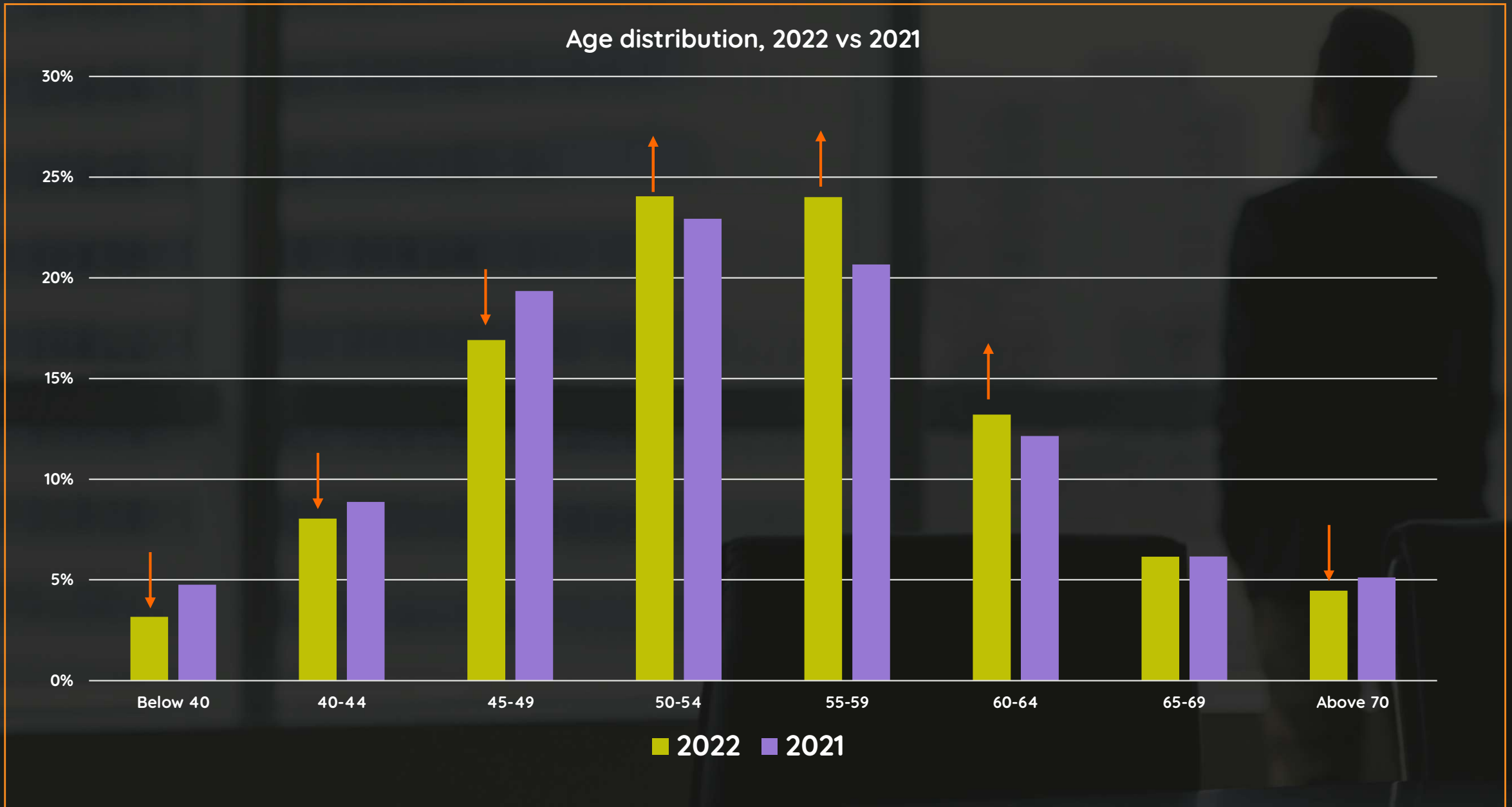
	Board	Executive
 Youngest age	33	32
 Oldest age	92	79

- Only 1% of board members and 6% executives below 40 yrs

Modal age range

- Board members: 55-59 yrs (26%)
- Executives: 50-54 yrs (30%)

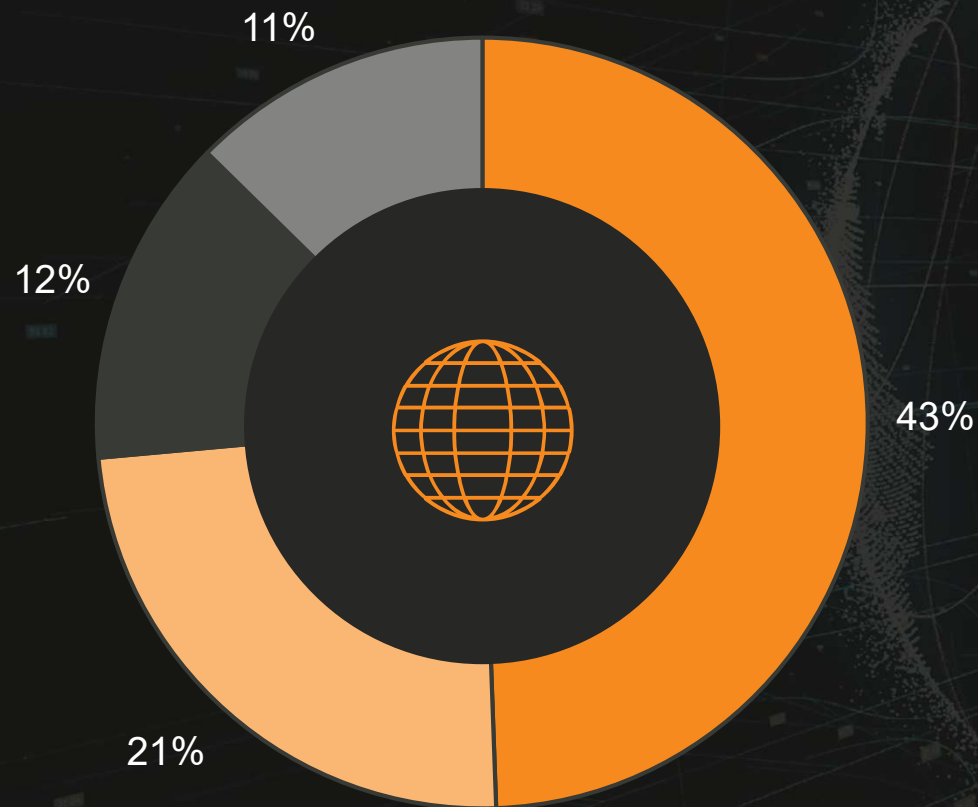
AGE DIVERSITY



ETHNIC DIVERSITY

A long journey ahead

Composition of Boards & Exco members in Nigeria's Leading Companies



■ South-West ■ South-East ■ South-South ■ Other Geo-Political Regions



43% of individuals on ExCo teams and boards from Nigeria's South-West geopolitical region



South-East, and South-South, 21% and 12%, respectively.



The rest, only 11% of corporate leadership, altogether

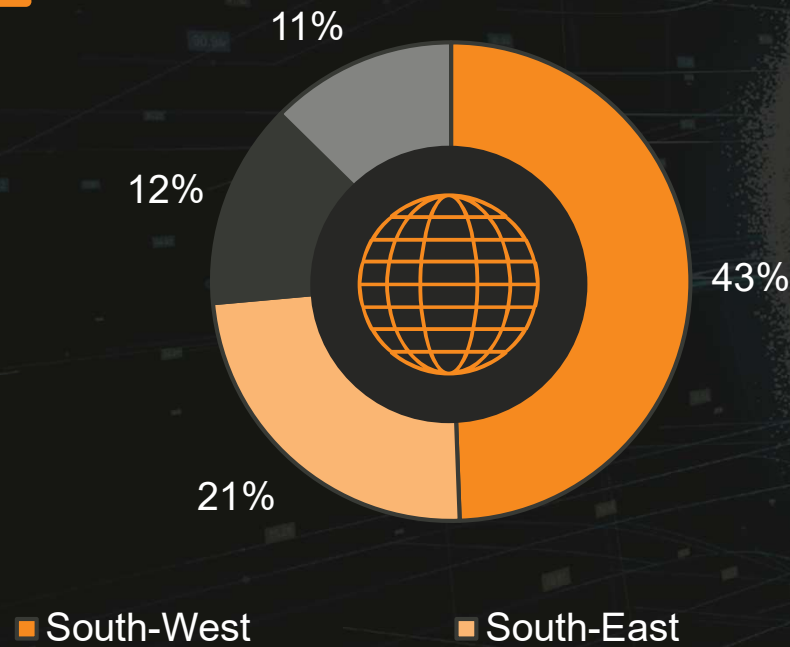


ETHNIC DIVERSITY

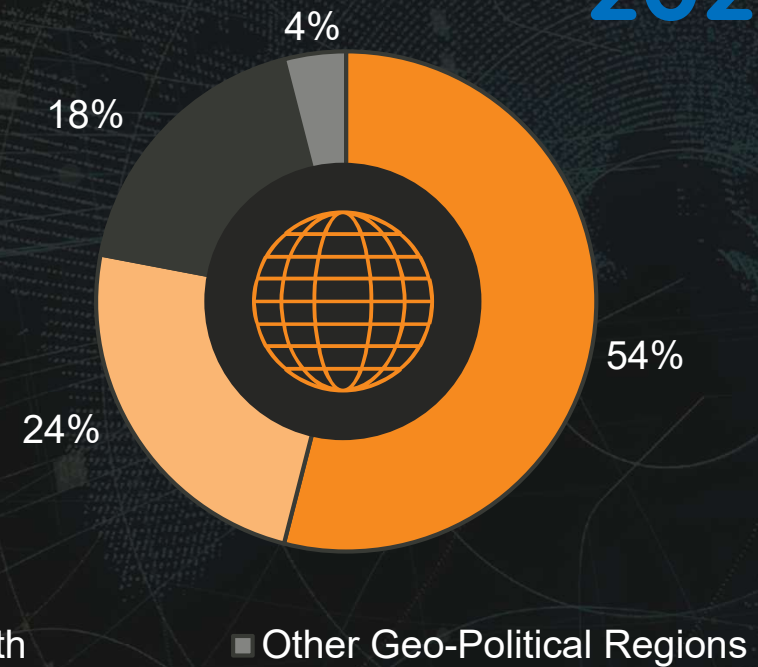
A long journey ahead

Ethnic Composition, 2022 vs 2021

2022



2021



■ South-West

■ South-East

■ South-South

■ Other Geo-Political Regions



EDUCATION DIVERSITY

Companies 'passed' this parameter on average, but there is still room for improvement

Percentage of Exco or board members with one or more degrees in the four main disciplines



Several individuals have multiple degrees in different disciplines.



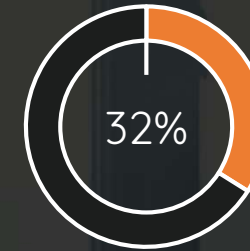
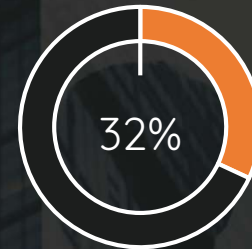
EDUCATION DIVERSITY

2022

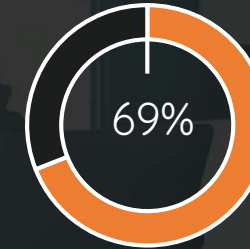
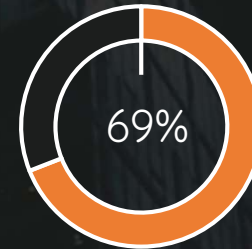
2021



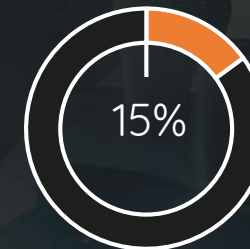
STEM



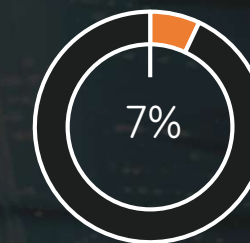
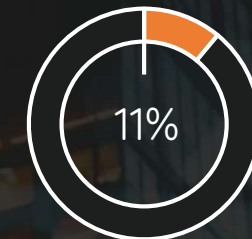
Business, Mgmt. &
Finance



Liberal Arts & Law



Pure Arts



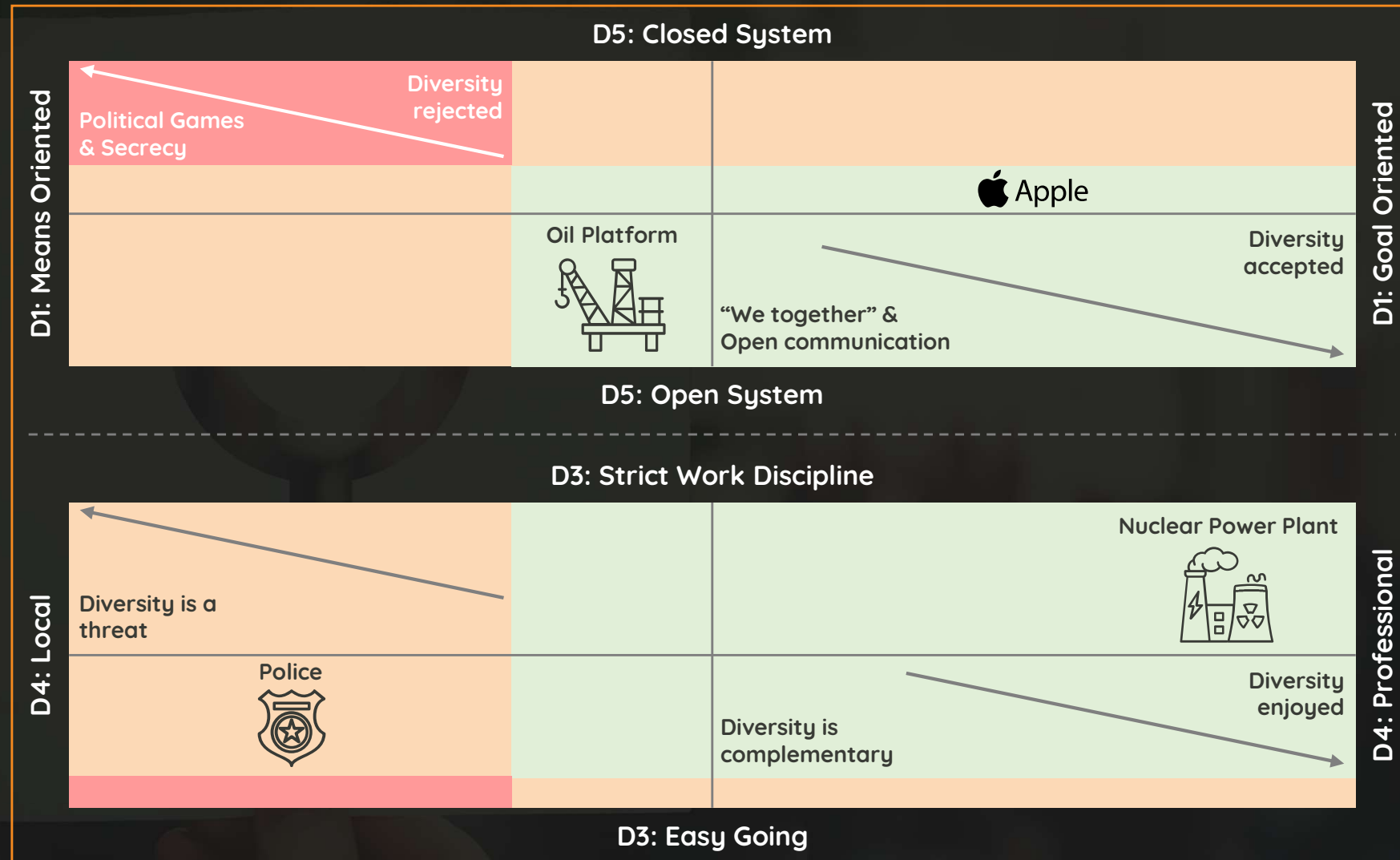
LEVERAGE CULTURE TO IMPROVE DEI



Companies can finetune their culture to improve DEI, using Hofstede Insights' Multi-Focus Model™.



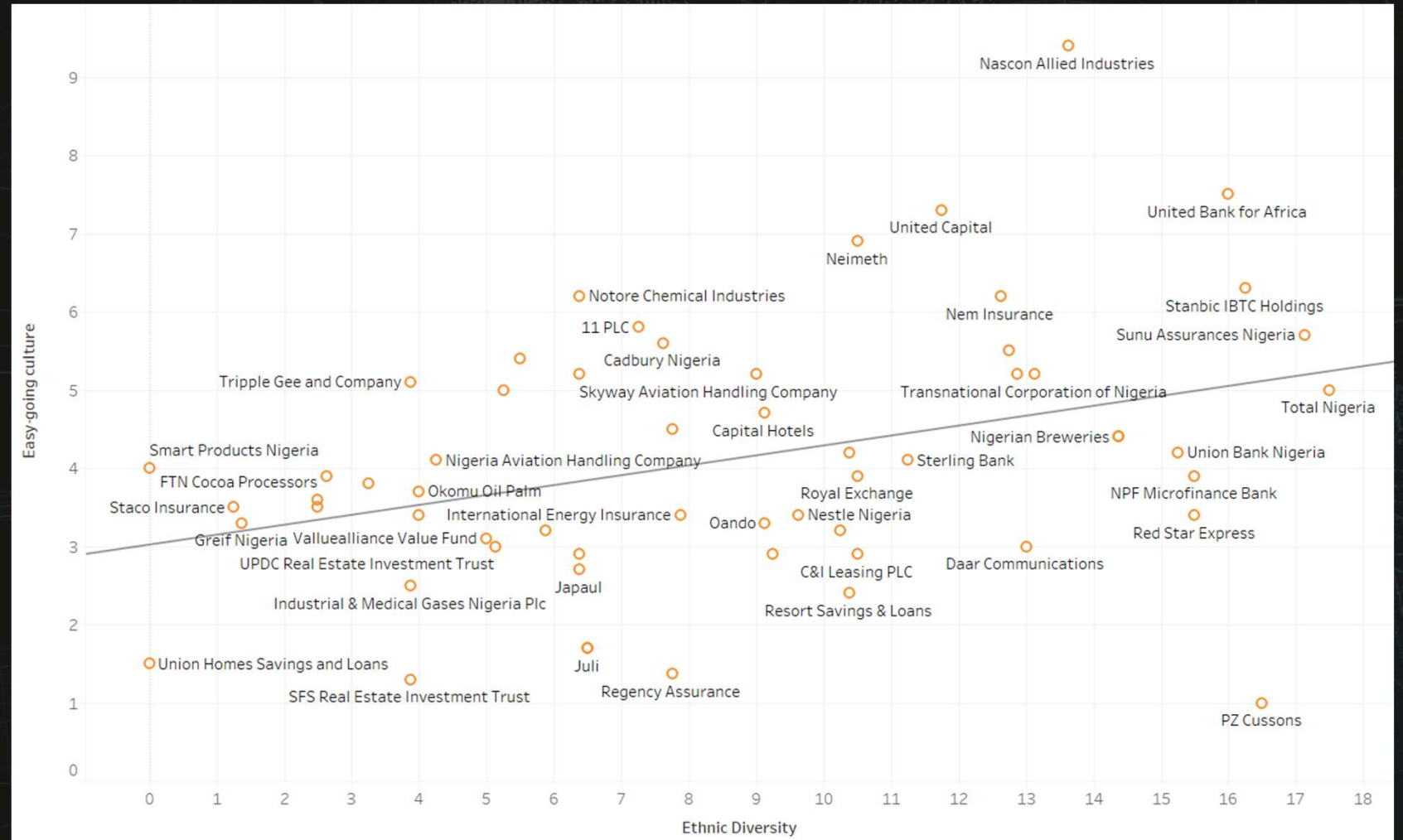
Four of the six dimensions of organisational culture can help build an optimal culture where DEI thrives.



DOCP™ (Dictionary of Organisational Culture and Practices) Analysis

Ethnic Diversity & Organisational Culture

- 0.37 correlation coefficient between easy-going culture and Ethnic diversity
- Organisations with good ethnic diversity are likely to have easy-going cultures
- Easy-going cultures: more creative, more innovative, less burnout



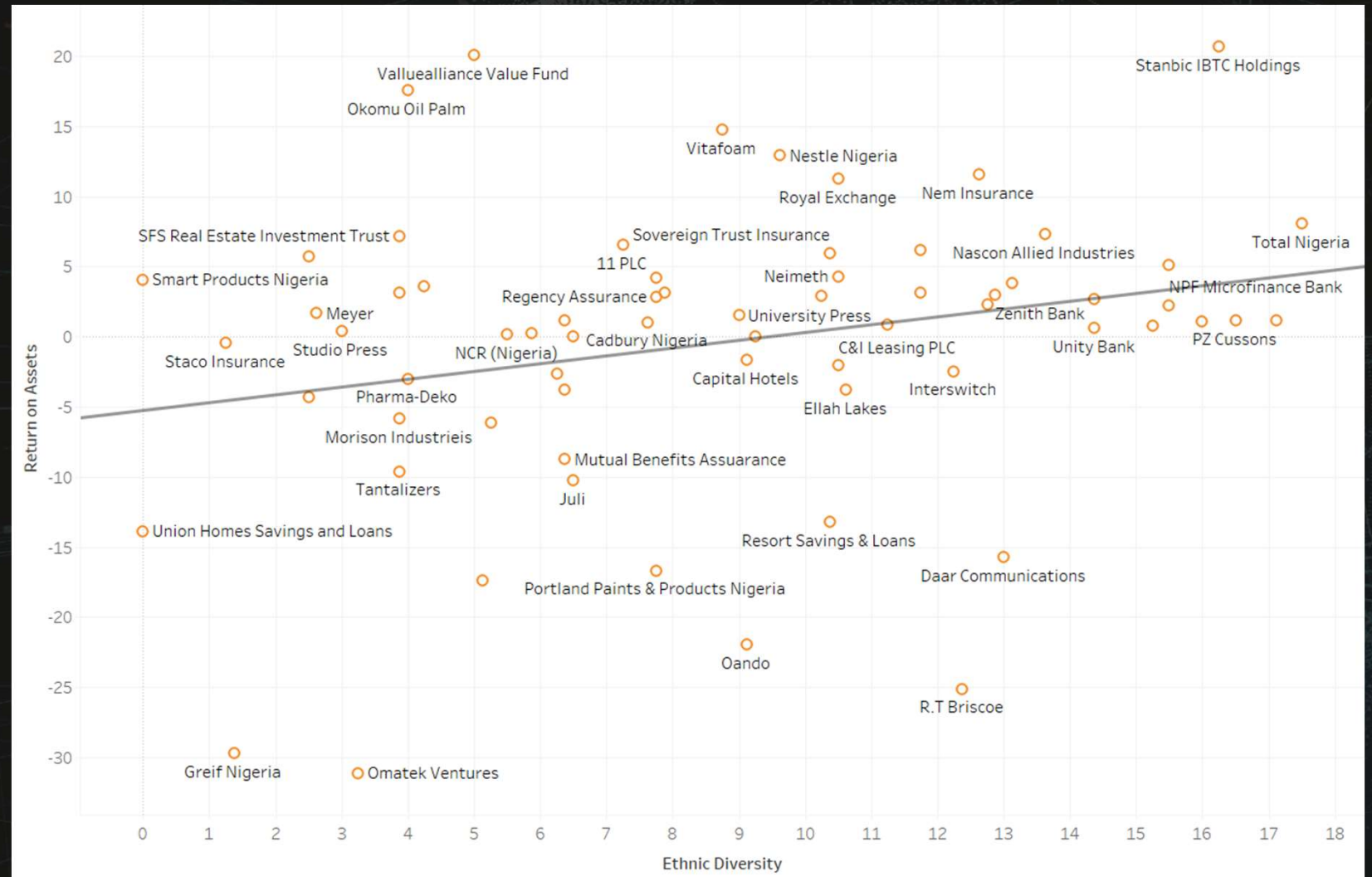
DOCP™ (Dictionary of Organisational Culture and Practices) Analysis

Ethnic Diversity & Return on Assets (RoA)

0.25 correlation coefficient between Ethnic diversity and the Return on Assets

Organisations with ethnic diversity tend to have higher the RoA

Higher RoA = Better Corporate Performance



Conclusion

Lots of work required to improve DEI



Marginal improvement in Gender diversity

Still, a long journey ahead



Organisations have more work to **attract, develop, sponsor, and retain** future generations of diverse leaders at all levels.



DEI is a business strategy; it will bring returns in terms of **employee engagement** and **financial gains**

(Ethnic Diversity → RoA)



ABOUT US

WE MAKE EMOTIONS AND PRACTICES TANGIBLE

Since 1985, Hofstede Insights has been helping some of the world's largest organisations transform their organisational challenges into business success stories, translating academic research into powerful actions.



Culture & Strategy Analytics/Advisory Group



140+ expert facilitators, from 80+ nations,
Located in 60+ countries
5,000+ clients including global corporations,
governments and multilateral agencies from
every continent



HQ, Helsinki Finland. Offices across the
globe.
Africa Hub office in Lagos, Nigeria
Commercial Presence in Ethiopia, Ghana and
Kenya

WHAT WE DO

ORGANISATIONAL CULTURE



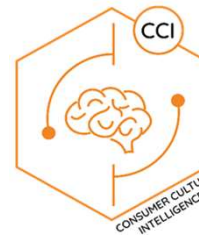
We offer a structured approach to measure, understand & shape organisational culture.

INTERCULTURAL MANAGEMENT



We develop intercultural competencies to optimize international teamwork.

CONSUMER CULTURE INTELLIGENCE



We help businesses, brands and organisations adapt their products, services or messaging to new markets

RESEARCH DATA ANALYSIS



We can assist with meeting your culture-related research challenges.

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