

LATINOS AT WORK

Unleashing the Power of Culture

By Noni Allwood and Laura Sherbin

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### **METHODOLOGY**

The following research is based on a survey, Insights in-Depth® sessions (a proprietary web-based tool used to conduct voice-facilitated virtual focus groups) involving more than fifty people from our Task Force organizations, and one-on-one interviews with forty-one men and women.

National survey data comes from two large-scale samples of respondents between the ages of twenty-one and sixty-four currently employed full-time in certain white-collar occupations, with at least a bachelor's degree. Survey 1 was conducted online in March 2012 among 3,929 respondents (1,975 men and 1,954 women with 438 Hispanic and 2,454 white respondents). Data from Survey 1 were weighted to be representative of the US population of university graduates on key demographics (age, sex, race/ethnicity, and region). Survey 2 was conducted online in June 2014 among 3,298 respondents (1,578 men and 1,720 women with 468 Hispanic and 1,655 white

respondents). Data from Survey 2 were weighted to be representative of the US population on key demographics (age, sex, race/ethnicity, region, education, and income). For data collected in this report, Latinos are those who identify as being of Latino or Hispanic descent. The base used for statistical testing was the effective base.

The survey was conducted by Knowledge Networks under the auspices of the Center for Talent Innovation, a nonprofit research organization. Knowledge Networks was responsible for the data collection, while the Center for Talent Innovation conducted the analysis.

In the charts, percentages may not always add up to 100 because of computer rounding or the acceptance of multiple responses from respondents.

#### FROM OUR FOUNDER

#### Latinos will account for 80% of US workforce growth through 2022.1

If I learned anything from my training as an economist, it's that numbers speak volumes. And this number's message is crystal clear: corporate leaders need to build workplaces that attract, engage, and retain top Latino talent, or they will miss out on a great deal of value.

As you'll discover in this report, the status quo leaves much to be desired. Too many Latinos who should be on track for leadership roles instead stall out and languish. We find that those who expend enormous energy repressing aspects of their personas are the ones who progress into management, which leads to further alienation and disengagement. So when top Latino talent looks up, they don't see anyone like themselves—a situation that erodes the engagement and impedes the recruitment of other Latinos.

That's a problem, because the Latino market is exploding. Companies need to take advantage of opportunities to tap this growing segment. And as our research on innovation shows, companies with diverse leadership are more likely to improve market share and capture new markets.

Success will depend on leaders and managers getting "culture smart" about Latino talent. Culture-smart leaders understand the tremendous diversity within the Latino demographic; they're sensitive to the stereotypes Latinos contend with; and they're intent on embracing new leadership styles and sponsoring Latinos so they can rise to leadership. With culture smarts, leaders can create the kinds of workplaces in which diverse talent thrives and insights into critical markets get expressed.

- Sylvia Ann Hewlett, Founder and CEO, Center for Talent Innovation



### WHY THIS STUDY

In 2010, Clorox announced the results of a new study the company had commissioned to better understand the "housekeeping lessons and cleaning routines" of Latinas.

The findings, published on Clorox's website, included observations such as "cleaning is a rite of passage, taught by [Hispanic] mothers and grandmothers" and "cleaning is a labor of love that inspires a sense of pride."<sup>2</sup>

Reception of the study in the Latino community vacillated from outrage to bemusement. "Clorox sounds like somebody told them that the point of a Quinceañera is so your foremothers can teach you how to clean. Pretty soon they'll be branding them as 'Cloroxañeras,'" one Latina commented. Another quipped sarcastically, "Clorox: Brown people, make things whiter!" As *Jezebel* contributor Anna North summed up the fiasco, "Who at the cleaning conglomerate thought this was a good idea? Was nobody worried about playing into stereotypes about Latinas as maids and cleaning ladies? Did nobody think that trying to position Clorox products as part of some kind of Latina matrilineal tradition was kind of cynical and insulting?"

Multinational companies based in the US are desperate to unlock this growth market. The key? More insight from those who represent it.

## Huge and Growing

The Latino Market:

## \$1.7 trillion

Latino buying power, currently at \$1 trillion, is projected to reach **\$1.7 trillion within the next four years.** Were it a country, the US Latino market would be the twelfth largest economy in the world.<sup>5</sup>

#### The Latino Workforce:

Latinos will account for 80% of US workforce growth between 2012 and 2022.<sup>6</sup> The pool of highly qualified Latino talent is on the rise as well.



Currently, over

### 3.5 million Latinos

hold bachelor's degrees or higher.7



By 2020, Latino college enrollment is projected to grow by 46%.8

#### LATINO TALENT IS THE KEY TO UNLOCKING THE LATINO MARKET

Prior Center for Talent Innovation (CTI) research demonstrates that teams with one or more members who represent the culture of the team's target end user are 158% more likely to understand that end user, increasing the likelihood of successfully innovating for that audience.

Clorox, for example, might have picked up on the problems with their press release long before it went viral, had their PR team included a Latino who felt empowered to share market insights.

### But Latino talent is not thriving...

LATINOS FEEL THAT TO SUCCEED IN THE WHITE-COLLAR WORKFORCE, THEY CANNOT BE THEMSELVES.



More than 76% of Latinos expend energy repressing parts of their personas in the workplace. They are covering or downplaying who they are, modifying their appearance, their body language, their communication style, and their leadership presence.

## When Latinos cannot be themselves, organizations lose out on...

#### INNOVATION

DIVERSE TALENT CAN UNLEASH INNOVATION WHEN THEY FEEL:



Welcome and included



Free to share their ideas and opinions



Confident their ideas are heard and valued

The majority of Latinos (63%), however, do not feel welcome and included, do not feel invited to share their ideas, and/or do not feel confident their ideas are heard and valued.<sup>11</sup> They're not contributing their insights, limiting the innovative potential of their employers.

Even when Latinos do share their ideas and opinions, companies may lose out on innovation with the power to unlock growth markets because management may itself not be diverse enough to greenlight those ideas for further development. The majority of employees (56%) say that leaders at their companies fail to see value in ideas for which they don't personally see a need. To So if leaders are not Latino or lack inclusive leadership skills, they're not likely to get behind ideas from Latinos that identify unmet needs or solve for critical business problems.

#### A DIVERSIFIED TALENT PIPELINE

LATINOS WHO RISE TO LEADERSHIP OFTEN CHECK THEIR HERITAGE AT THE DOOR.



Latinos who expend a great deal of energy repressing aspects of their personas at work are nearly three times as likely as those who expend less energy to strongly agree that they are being promoted quickly.

Repression undermines an organization's ability to diversify its leadership and talent pipeline. Latinos are the future of the US workforce. When Latinos "bleach" themselves in order to rise into management, incoming or up-and-coming Latino talent is motivated to look elsewhere for employment.

"You start to worry that because you are different, they start looking for the negative things about you instead of openly appreciating you."



#### Successful Latinos Repress Their Identities

When Ruben Sanchez started at a nationally known public accounting firm, he worried he might not fit in. He had entered college on a baseball scholarship, intent on going pro. When that career path looked as though it wouldn't pan out, he focused on establishing himself in a professional career and majored in accounting. But the white-collar world he entered after college was wholly unfamiliar. "I'd never even worn a full suit," says Sanchez, reflecting on his first day. "I was terrified, with no idea how to act."

Yet when he presented the results of an audit to the firm's CEO and CFO, he realized that accounting was, after all, a game he knew how to play. "Based on their questions, I realized that in some cases, I knew more than they did," he says. "It was a huge eye-opener for me." Intent on winning the game, Sanchez devoted his energy to looking, sounding, and acting like his superiors. When a former manager (from a previous employer) pulled him aside and said, "You want to be successful here? Get rid of the goatee," Sanchez shaved it off the next day.

In fact, assimilating to white-male standards of executive presence has consistently accelerated his career: Sanchez is now VP of operations at Freddie Mac. "While I stayed true to my Hispanic culture at home, I focused on maintaining a conservative approach to my work by not sharing much about my culture or background on the job. I wonder if I would have been as successful back then if I had." he says.

The sacrifice hasn't come without cost, however. Sanchez recalls how alienated he felt during that brief conversation about his goatee. "You wonder, how do these guys perceive me? Are they viewing me as, 'Wow, he's a talented guy, he's got analytical skills, he thinks strategically'? Or is it, 'Wait a second, he's not like one of us..."

#### Rising Stars Lose Role Models

Raul,\* a team leader at a Silicon Valley tech firm, co-founded a company-wide Latino employee resource group. He met regularly with stakeholders to lobby for support and secure funding. He developed a reputation as a leader devoted to diversity and became executive sponsor of the ERG.

Three years later, he stopped going to meetings. He dropped his fundraising efforts. Stakeholder support lapsed. "We figured someone had pulled him aside and told him that in order to move up, he had to get away from this Latino stuff," recalled one of the ERG's active members.

Sure enough, within a few months of scaling back his involvement, Raul was promoted.<sup>12</sup> When he was promoted again a year later, the ERG leaders asked him to step down so they might replace him with someone more openly and actively committed to their mission.

Today, Raul is the firm's Chief Information Officer. But for up-and-coming Latinos, he is no longer a role model. As one ERG member put it, "Not all of us can downplay like Raul did—there's just no way for me to erase my accent."

"I look up, see no one like myself, and have to wonder if there is a future here for me."

- Latino ERG member

# TO MAXIMIZE THE POTENTIAL OF THIS CRITICAL TALENT COHORT, LEADERS AND TALENT SPECIALISTS NEED TO:

- Appreciate the vast diversity within the Latino community
- Understand and address the obstacles that Latinos confront
- Recognize and honor the values that Latinos prioritize

Culture-smart leaders create a workplace where Latino professionals feel they can be true to themselves, contribute their insights and opinions, and lead in an authentic way. When Latino talent thrives, organizations are more likely to meet their goals of diversifying leadership, attracting and retaining top talent—and tapping into the enormous Latino market opportunity.



<sup>\*</sup>Indicates here and throughout the text that interviewee's name has been changed to ensure anonymity.

#### I Time, Inc. Captures the Latino Market

In the late 1990s, when she was working for Time, Inc., Lisa Garcia Quiroz was asked to become the founding publisher of *People en Español*. She was thrilled at the prospect of bringing together her acumen as a seasoned publisher and her heritage as a Latina. "It was a great combination of my head and my heart," she recalls. When she read the business plan for the magazine, she realized she had a real challenge ahead.

Eager to keep editorial costs low, and unsure of their ability to bring advertisers on board, her predecessors had proposed simply translating People into Spanish. Garcia Quiroz knew that strategy wouldn't set the publication up for success. Like herself, many Latinos are bilingual, and could get all of that translated content from the English-language publication. Plus, those Latinos who speak only Spanish follow different celebrities than the Hollywood crowd featured in the English-language edition of the magazine.

So Garcia Quiroz pushed back: *People en Español*, she argued, needed to have a differentiated Latino voice, featuring celebrities who spoke directly to the magazine's readers and stories that reflected their lives. "I would never just go into the CEO and say, 'This is what my mother wants, so this is what we need to make,'" Garcia Quiroz says. "I used my business acumen to really test and prove the opportunity with market research."

While Garcia Quiroz helmed the magazine's creation and launch, she credits company leaders for having the culture smarts to not only get

behind her idea, but to allocate the resources necessary to ensure its success. "The company took my lead in understanding what Latino consumers really wanted—and how eager advertisers were to serve that need," she says. Time, Inc. developed a robust marketing plan—press conferences, Garcia Quiroz's presence at the White House Correspondents' dinner and at the Emmy Awards—to signal the prestige it accorded *People en Español*.

The new business strategy worked. *People en Español* became the best-selling publication for the US Hispanic market, reaching more than 4.2 million consumers each month. Under Garcia Quiroz's leadership, the magazine topped Adweek's "10 Under 50 Magazine" Hot List for three consecutive years in recognition of its outstanding advertising sales and circulation growth.

Garcia Quiroz had succeeded in bringing to light the contributions and achievements of the Hispanic community. "The decision to go with *People en Español* was a deeply personal one," she told the Hispanic Scholarship Foundation, whose Hall of Fame inducted her. "Hispanics needed a magazine that they could call their own... It's important to give a voice to this community so that the business world, and America at large, can understand its value and its worth."

#### Under Garcia Quiroz's leadership,

People en Español became the best-selling publication of the US Hispanic market:





# A DEMOGRAPHIC THAT DEFIES STEREOTYPE

Getting smart about Latino talent means appreciating that there is no single Latino identity.

Some Latinos born in the US come from families rooted in the States for generations; others may have arrived as children, college students, or sought-after professionals. Some have emigrated from their countries as refugees; others have immigrated to the US for its educational, professional, or social-mobility opportunities.

#### A RAINBOW ETHNICITY

"I didn't speak Spanish [growing up]. I'm ninth generation. I mean, I'm as American as apple pie. I'm very proud of my heritage. But I remember moving to LA and auditioning and not being Latin enough for certain roles. Some white male casting director was dictating what it meant to be Latin. He decided I needed an accent. He decided I should [have] darker-colored skin. The gatekeepers are not usually people of color, so they don't understand you should be looking for way more colors of the rainbow within that one ethnicity."

-Eva Longoria, actor/director/producer, as told to *The New York Times*<sup>13</sup> No other talent cohort spans a wider range of cultural, linguistic, economic, and racial differences.<sup>14</sup>

LATINOS HAIL FROM:

50 countries and territories 15

17% of Latinos identify as two or more races<sup>16</sup>

#### LANGUAGES SPOKEN:

Portuguese, French, Creole, Dutch, Mayan or Quechua, to name just a few<sup>17</sup>



38% are bilingual (English/Spanish)<sup>18</sup>



24% speak English primarily<sup>19</sup>



\$75,000+

income in 2010 for a quarter of Latino households<sup>20</sup>

#### Assimilation and Multiculturalism

Making corporate culture more inclusive means understanding not only the diversity of Latino backgrounds, but also the variability in how Latinos relate to their backgrounds.

Latinos inherit a complicated history of identity politics. In post-war America, many Latino families sought to assimilate into US culture—and thwart discrimination—by stifling signs of their heritage.<sup>21</sup> Many parents avoided speaking Spanish inside the home, to prevent their children from having an accent outside.

By the 1990s, many families had adopted a more "tossed salad" approach, favoring multiculturalism in lieu of assimilation—a trend documented by Harvard sociologist Nathan Glazer in 1993.<sup>22</sup> Parents taught their children to embrace their "Latino-ness" and assert it with pride, precisely because it distinguished them.

Today, the workplace includes Latinos of all generations, some of whom will assert their cultural heritage with pride and others who persist in seeing themselves as Americans first. As Millennials replace Baby Boomers and Gen Xers in the workforce, however, there is undeniably a tendency among Latinos to assert one's roots. ("For this group," as one talent specialist observed, "authenticity and self-expression are of utmost importance"). Meanwhile, Latinos of earlier generations may find themselves under pressure to acknowledge and celebrate a cultural heritage they disavowed or never knew growing up.



Depending on their upbringing, Latinos may be more inclined to play up or play down their heritage.

# ASSIMILATION UNWILLING POSTER CHILD

Matthew Dominguez\* is half Cuban-American (his paternal grandfather moved to the US in the 1800s to start a cigar importing business). But he identifies as white, having spent much more time with his mother's Irish-American family than his father's Cuban relatives. In college, he found himself often put into groups with Hispanic or African-American members, because professors assumed he'd be more comfortable. In the workplace, that trend has continued: Dominguez is constantly asked to represent Latinos at his company, even though he doesn't speak Spanish or identify as Cuban. "It's a really odd position to be in," he says. "I wish the ERG [employee resource group] leaders all the best, but I don't have time to devote to all of these extra-curricular activities they're asking me to take on. It's not a priority for me, since I don't even feel part of the group."



When Daniel\* entered high school in the late 1980s, his family moved from a community in Florida that was predominantly Latino to a small town in New Hampshire. After his first day of school as the new kid among mostly white classmates, someone threw a rock at his mother's door. Daniel might easily have responded by denying his heritage, given his Anglo last name and light skin. Instead, he asserted it—something his mother championed, as she was going door-to-door petitioning neighbors to bring Spanish-language cable channels into their community. "Those were hard years," says Daniel, now a manager at a large accounting firm. "But as a result I became an activist for Latinos in college. Even today, I look for ways to tell colleagues about my heritage and work on ways to support other Latinos in my company. I want others to see that our bilingual skills and cultural diversity are sources of advantage in our careers."

### **SUCCESS STORIES**



#### KEITH BICKEL

Keith Bickel, senior vice president of Mortgage Policy at Bank of America, grew up on the island of St. Croix speaking "Spanglish." But because his father had grown up in extreme poverty in Puerto Rico and fought hard to get himself a college education, he raised Bickel to seek the best education he could find as well. Says Bickel, who came to the US to attend the University of Pennsylvania, "In that way, he set me on a path of achievement."



#### **EUGENIA CORRALES**

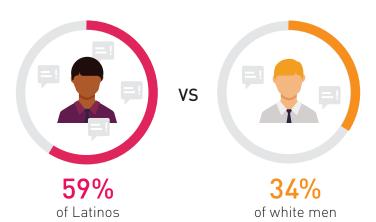
Eugenia Corrales, SVP of Product at ShoreTel, was born in Costa Rica to an engineer father and a scientist mother. It was assumed that she would follow in their footsteps. "Being a Corrales Flores in Costa Rica brought with it a lot of pressure and some big shoes to fill," she recalls. To fill them, she attended Grinnell College and Stanford University. "That's when I fell in love with this country and the opportunities it provides," she explains. "I was independent and able to form my own professional reputation. When I graduated, I was recruited really heavily into tech firms in the area—and I've never left."



# LATINOS CANNOT BE THEMSELVES AT WORK

For Latinos who cannot or will not repress their heritage, the workplace is a minefield of slights and snubs. When introduced to clients, a longtime colleague mispronounces their name. At a quarterly meeting, a top executive misremembers their title. New hires confuse them with admins. Over time, such micro-aggressions chip away at Latinos' confidence and amplify the message that they are outsiders. As one Latina observed, "Can my colleagues possibly take my ideas seriously if they don't take the time to learn my name or credentials?"

Latinos are more likely to experience slights and snubs at work than white men:



#### More South Americans are Misunderstood



**67%** of Latinos of South American descent



58%
of Latinos of Central
American & Mexican
descent<sup>†</sup>



**55%**of Latinos of
Caribbean descent<sup>++</sup>

...have experienced slights and snubs at work.

### AMONG LATINOS OF SOUTH AMERICAN HERITAGE WHO HAVE EXPERIENCED SLIGHTS OR SNUBS AT WORK

40% say colleagues mispronounce their names

38% feel other people are given or take credit for their contributions 34% say colleagues tell them jokes that make fun of certain ethnic

or religious backgrounds

"I can't tell you the number of times someone has said, 'I better not cross you, or you'll send the narco-traffickers after me.' Of course I know Colombia has this bad reputation for drug trafficking, but I have no idea how to respond in that situation. My instinct is to say, 'Hey, not everyone from Colombia is like that,' but I don't want to make the other person think I have no sense of humor"

- HR Consultant

<sup>&</sup>lt;sup>†</sup>Includes Latinos of Mexican, Mexican-American, Chicano, and Central-American descent.

<sup>&</sup>lt;sup>++</sup>Includes Latinos of Caribbean, Cuban, or Puerto Rican descent.

### Among Latinos who experience slights and snubs at work...

"Because my parents were both professors in Argentina and had friends who were academics, I grew up thinking

everyone had a PhD. Imagine my surprise when I entered grad school in the US, and had to proactively ask

for teaching responsibilities! The professor assumed

—Ana Pinczuk, SVP and General Manager, Backup

and Recovery Business, Veritas

because I was Latina, I wouldn't be up to the task."



31%

feel colleagues are unaware of their credentials



22% say colleagues have no idea of their seniority



27%

say colleagues mispronounce their names "Early in my career people tended to say, 'Oh, your name is Pablo, you should work on Latin American policy.' I'm enamored with the continent and its rich cultural history, but my professional interest lay elsewhere. I had to fight to work in East Asia, instead."

—**Pablo Quintanilla,** Senior Manager, Government Affairs and Public Policy for Asia-Pacific, Salesforce



22%

say colleagues tell them jokes that make fun of certain ethnic or religious backgrounds



-Financial Analyst



18%

feel excluded from after-work get-togethers

"When I was a first-year associate at a large accounting firm, I remember a few of the other first-years talking about their golf game. I told them I also played, and they burst out laughing. None of them could believe a Puerto Rican from the Bronx could have experience on a golf course."

—Tax Accountant





#### Not surprisingly, Latinos feel undervalued and excluded at their companies.



27%
"Cannot be myself at work"
-Among non-US born, 35% feel this way



36%

"Have to work harder than my peers to feel included"

-Among non-US born, 44% feel this way

#### BREAKDOWN OF LATINOS WHO FEEL THIS WAY:

40% of South American heritage

23% of Central American & Mexican heritage

21% of Caribbean heritage

#### BREAKDOWN OF LATINOS WHO FEEL THIS WAY:

47% of South American heritage

34% of Central American & Mexican heritage

36% of Caribbean heritage

"People constantly assume a young Mexican woman wouldn't have a college degree. That undermined my credibility—and my confidence—when I was starting out in my career. If people assumed I didn't have a good education, how on earth would they take my ideas seriously in a meeting?"

"Your family must be so proud of your success." I try to shrug it off, but that one is tough. It means they don't understand what a great education I had to begin with—or that I come from an upper-middle-class background. But I worry that I would sound like a defensive snob if I were to correct them. I wish I had an ally to help me in those scenarios."



#### TO HELP LATINOS FEEL VALUED AND INCLUDED,

#### **CULTURE-SMART LEADERS...**

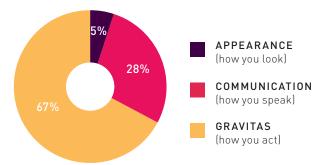
- Ask an employee how to pronounce his/her name—and help others get the pronunciation right by stepping in with a correction.
- Act as staunch allies. When Latinos are diminished or attacked, even in a conversation where they're not present, inclusive leaders speak up in their defense. They do not let slights or snubs go uncontested.
- Ask employees to help them become better informed about their backgrounds or heritage.
- Insist that the quietest voice in the room be heard. That can mean reining in dominant voices or keeping others from interrupting.
- Make it safe for others to throw out risky or unorthodox ideas—by offering one themselves, first.
- Support ERG efforts to celebrate Latino heritage or socialize Latino customs. They also show support by attending ERG events or playing a visible role in the proceedings.

- Converse with reticent team members before the meeting, assuring them they will express support for any ideas that they bring to the table. Alternatively, leaders might offer to voice their ideas for them, while giving them credit—to ensure the idea gets proper consideration.
- Call out a Latino employee's unique credentials or expertise when introducing them to others.
- Include all team members in after-work get-togethers.

# EP NORMS HOLD LEADERS BACK

In the first five years of her career, Maria\* rocketed up the ranks of the Venezuelan office of a European energy company. In Venezuela, her managers told her they saw her as a precocious engineer with a lot of potential. Encouraged by her progress, and eager to move closer to the company's core operations, Maria fostered relationships in the company's biggest US office. Then, three years ago, she garnered a post in Dallas. It was a horizontal move, into a role with similar responsibilities, but one Maria figured would jet-propel her career even further. Since transferring, she's stopped rising, even though she exceeds her financial targets. "I'm never told that my ideas are bad," Maria says. "But I constantly get feedback on my delivery. I'm told that I'm too brash, too loud, too quick to jump to conclusions. In essence, I'm not subtle enough for the company culture. I don't understand why they can't just pay attention to my ideas and forget about my delivery."

EXECUTIVE PRESENCE (EP) signals to others that you are leadership material. Senior leaders say that the factors that contribute most to EP are:<sup>23</sup>





53% of Latinas and 44% of Latino men say that EP at their company is defined as conforming to traditionally white male standards



43% of Latinas and 33% of Latino men say they need to compromise their authenticity to adhere to the EP standards at their company Latinos concur that professionals should remain calm in a crisis, "show teeth" when challenged, and radiate charisma in order to be perceived as leaders. <sup>24</sup> But how Latinos exhibit poise, show teeth, or command a room likely differs from how Caucasians perform these aspects of gravitas.

And therein lies the rub: To be seen as leaders, Latinos must exude authenticity. Yet at the same time, they must conform to executive norms that have been defined by white men.

For rising Latino talent to fulfill its leadership potential, employers must widen the filter they apply on what confers executive presence, as diverse self-presentation and communication styles can prove effective. Latino employees, in turn, should adopt existing norms to the degree they feel they can afford to do so. The rule of thumb, as one HR specialist observed: "behave in a way that's authentic to you but appropriate for your environment."

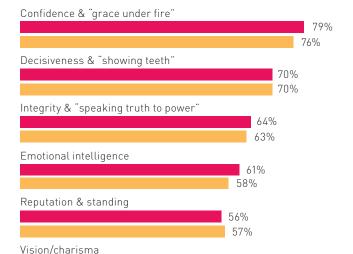
"I can't count the number of times I've been asked to Anglicize my name, to use 'Lucy' as a nickname. My father, who died when I was young, chose my name. It's one of the few links I have to him, and I'm not willing to let it go. I am twisting myself into a pretzel to adapt to my company culture, and they can't budge an inch to call me by my given name?"

—Luciana,\* focus group participant

#### **TOP ASPECTS OF GRAVITAS<sup>25</sup>**

(According to senior leaders)

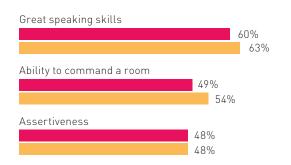




50% 54%

#### **TOP COMMUNICATION TRAITS**<sup>26</sup>

(According to senior leaders)



#### DRIVING CULTURE CHANGE

Leaders who prize authenticity over conformity elicit powerful market insights from Latinos by making them feel included and valued. Two field-tested tactics:



#### PAINT RICH PORTRAITS.

"People want to learn. They're open to taking in more information, but it's up to us to drive engagement and awareness of our differences, which is counterintuitive. Using personal stories and sharing profound background details helps create a strong connection amongst people that are otherwise very different in background, experiences, etc."

—Ileana Musa, Managing Director and Head of Global Client Segment & Strategy, Bank of America Merrill Lynch



### PRIZE LANGUAGE SKILLS IN EVERY GEOGRAPHY.

"I firmly believe in the power of bringing your whole self to work. Promoting a culture of authenticity enables organizations to embrace different backgrounds, cultures, and perspectives to contribute to business results. This can be something as simple as bringing foreign language skills, such as speaking Spanish, to the table. At a company level, this helps us engage with our customers and the communities in which we live, work, and serve. At an individual level, this leads to cultivating deeper connections with colleagues."

—Eduardo J. Ramos, Executive Vice President, Chief Audit Executive, American Express



"I'm Cuban. Cubans are loud. We talk with our hands.

We want a spotlight on us. That's my identity, and I use it.

I can't walk into a board meeting and jump on the table
playing Celia Cruz, but I use it. To folks who want to be
the norm, I say, 'If you want to be average, be average;
if you want to be middle-management, go for it. But if you
want to rise to the top, be Latino. It's an advantage."

-Roly Orama, SVP, Western Territory Claim Manager,
Chubb Insurance



#### TO BURNISH LATINOS' EXECUTIVE PRESENCE.

#### **CULTURE-SMART LEADERS...**

- Model executive presence that celebrates their own cultural distinctions.
- Acknowledge that presentation styles differ; what matters is that presentations be effective and persuasive.
- Make coaching available to Latinos whose speech patterns, command of English, grammar, or accents impede communication.
- Encourage employees to seek out leadership roles in the ERG or outside the organization (community organizations, school boards, charities, and non-profits) as preparation/development for business leadership roles.
- Help managers understand that an accent is not a liability and may in fact be unchangeable—a "non-negotiable".

- Encourage Latino employees to seek out and seize speaking opportunities, whether as members or leaders of professional networks or community organizations.
- Create an environment in which difference of any kind is celebrated as a competitive edge for the business in terms of both talent and innovation.
- ✓ Talk up external role models—speakers, clients, customers, vendors, partners, political leaders, entertainers, celebrities, or other public figures—as well as leaders within the organization whose success derives from claiming rather than repressing their Latino identities.

# LATINOS LACK SPONSORS

After years of working as an individual contributor at Bank of America, Veronica Duluk was tapped for a talent management program and assigned a senior-level mentor. "You can do more," her mentor told her. "You should be managing people." She connected Duluk to other people in the company to help her discover which direction she wanted to go, then connected her to opportunities outside of investment management, where she transitioned into a management role.

Today, Duluk is a strategic planning manager at Wells Fargo, a role that allows her to guide and empower younger team members as she herself was guided and empowered.

Duluk's mentor qualifies, in our book, as a sponsor: a leader who can lend career traction by vouching for a protégé publicly or by pushing for her promotion behind closed doors. Professionals who have a sponsor are far more likely than unsponsored professionals to be satisfied with their career progression—what we call the "sponsor effect."<sup>27</sup>

Professionals in our sample who lack sponsors are less likely to:

And more likely to:



ask for stretch assignments



have one foot out the door 29





be satisfied with their rates of advancement<sup>2</sup>

## What is a Sponsor?

A SPONSOR IS A HIGH-VISIBILITY ADVOCATE WHO, AT A MINIMUM...

- Believes in me and goes out on a limb on my behalf
- Advocates for my next promotion
- ✔ Provides "air cover" so I can take risks

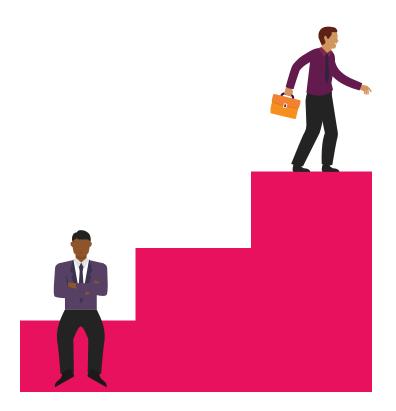
#### AND ALSO DOES AT LEAST TWO OF THE FOLLOWING:

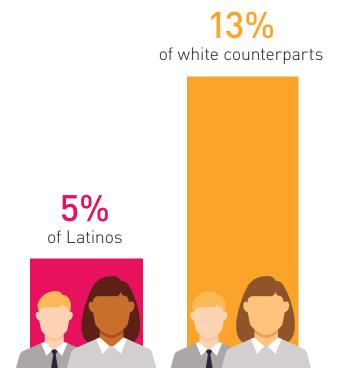
- Expands my perceptions of what I can do
- Connects me to senior leaders
- ✓ Promotes my visibility
- ✓ Provides stretch opportunities
- Gives me advice on "presentation of self"
- Connects me to clients/customers
- Gives honest/critical feedback on my skill gaps

## The sponsor effect for Latinos is substantial—but few Latinos have sponsors

Latinos with sponsors are 42% more likely to be satisfied with their career progression than Latinos without sponsors.<sup>30</sup>

Full-time, high-earning professionals who have a sponsor in large companies.<sup>31</sup>





Why do Latinos lack sponsors? We have several theories. Latinos are more likely than Caucasians to avoid sponsoring other people of color, our 2013 research suggests, in part because they fear it will be perceived as favoritism, but also because Latinos are more inclined than Caucasians [13% vs. 5%] to see protégés of color as less qualified.<sup>32</sup>

Latinos are twice as likely as Caucasians (46% vs. 23%) to say there are disadvantages to having a sponsor of color.<sup>33</sup>



Compound that with the fact that only **7% of Caucasian** leaders feel obligated to sponsor anyone, and it's easy to see why so few Latinos find the powerful advocates they need to succeed.<sup>34</sup>



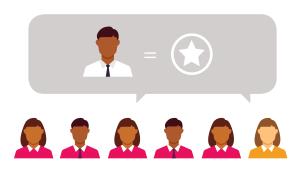
Focus group participants have also pointed out that, while it may seem counterintuitive, being warm and outgoing does not make it easier to approach senior leaders for backing. On the contrary, says one El Salvadorian, a strong respect for authority and hierarchy means that few Latinos will be making overtures "up" to potential sponsors. "Just because we are 'friendly and nice' does not mean we are comfortable establishing personal relationships with strangers, such as executives we have not met, or disclosing our stories to just anyone," she says. "It is particularly hard as a Latina to approach a senior male leader and not be misunderstood in your warmth."

Finally, focus group participants made clear that the myth of meritocracy is alive and well:

"It's engrained in us from birth," a systems analyst explained. "Don't make waves.

Don't ask for favors. Just do your job."

Latinos are nearly 5 times more likely than Caucasians (19% vs. 4%) to say that having an African-American, Asian, or Hispanic protégé will be perceived as favoritism<sup>35</sup>:



## MEN AND NON-US-BORN AT PARTICULAR RISK

Among high-earning professionals in large companies,

Latinas are three times as likely to have sponsorship than Latino men (9% vs. 3%).





What may account for this difference: Latinas have access to both women's and Latinos' mentorship programs and employee resource groups.





Latinos who are born in the US are **six times** as likely as Latinos born elsewhere to have sponsors (6% vs. 1%).

#### Without Air Cover, Latino Talent Stalls

A few years into her role as an executive at a major credit card company, Sofia's\* boss urged her to develop a product for the Latino market. She hesitated. Throughout her career she had tried to fit into the corporate setting by downplaying her Puerto Rican heritage. She toned down her jewelry, restricted her hand gestures, and reduced her wardrobe to black, white, and grey apparel. These strategies had worked: she was, after all, an executive.

With the encouragement of her superiors, however, she decided to take the risk of "outing" herself as Latina. She put her reservations aside and dug in. When she sized up the market, Sofia discovered the US Latino population was bigger than the entire population of Canada. She learned about Latinos' cost-conscious habits and found ways to help new borrowers feel comfortable with credit and financial responsibility. For each product targeting Latinos, she created strategies and marketing plans. The more value Sofia uncovered, the more energized she felt. She relaxed her body language, wore her large bracelets and earrings to work. "It was a thrilling time, personally and professionally," she recalls.

But when Sofia debuted her suite of new products to management, she got shot down. Citing budget constraints, those same superiors who had encouraged her to tap into her heritage underfunded her innovations and repurposed her marketing campaigns to appeal to all minorities. "It was enormously frustrating," says Sofia. "Not even my boss came to my defense." Her prospects for advancement faded with her project. But as Sofia saw it, there was no going back to her former repressed self. "I still wear my jewelry," she says. "I've become a fierce advocate for the Latino marketplace. But I'm sidelined as a result. I've risen as high as I'm going to rise."



## Johnson & Johnson Captures the Latino Market

As director of global marketing services for Johnson & Johnson, Liliana Gil Valletta co-founded a Hispanic employee resource group that differentiated itself by having a clear business agenda. "I was determined that we would not fall into the stereotype of just celebrating Cinco de Mayo each year," she recalls. She also saw it as an opportunity to better align with senior leadership, as the CEO held strategic meetings with ERG leaders semi-annually.

Her strategy more than worked. Under Valletta's leadership, the ERG launched Proyecto MAS, a cross-functional initiative that documented the business case and multicultural size of prize for the pharmaceutical sector.

Together with her team, Valletta mapped the Latino market opportunity for each disease area, from HIV/AIDS to depression. Her work earned her several private meetings with the chairman, as well as multiple opportunities to present to the J&J executive committee. "Having the chairman's support absolutely accelerated my progress to advance this effort and even discover an unmet business opportunity," says Valletta, who ultimately translated her experience at J&J into XL Alliance, a multicultural marketing firm she founded in 2009 that enables Fortune 500 companies and business leaders to unlock the power of multicultural markets. Her firm uniquely combines the rigor of big consulting methodologies with the award-winning power of creative professionals to reach diverse audiences successfully.

## Cultivating Relationship Capital

"So many Latinos assume that, because they are incredibly hard workers, and very bright, that should be enough. Relationship capital is about more than asking for favors. They need to learn how to earn sponsorship—and cash in on the relationship capital they build—by delivering for their senior leaders."

—Ileana Musa, Managing Director, Head of Global Client Segment & Strategy,

Bank of America Merrill Lynch



"I chose my protégé, who is Latino, because he took the initiative to approach me, ask for what he needed—and then made it easy for me to deliver it."

> —David Brickman, EVP, Head of Multifamily, Freddie Mac

"Latinos certainly need coaching on how to leverage relationship capital in the corporation to find sponsors. But it is of vital importance, for senior leaders and their firms, to sponsor diverse talent."







"I require that all senior leaders who report to me sponsor diverse talent. It's consistent with the values of our organization, and it's the right thing to do. I feel very lucky to be in a position to do that."

-Ricardo Anzaldua, EVP, General Counsel, MetLife



#### TO WIDEN ACCESS TO SPONSORS.

#### **CULTURE-SMART LEADERS...**

- ✓ Talk about relationship capital and the importance of cultivating a sponsor inside and outside the company.
- Sponsor talent unlike yourself—although Latino executives shouldn't hesitate to sponsor rising Latino talent. Sponsorship of diverse employees should be part of an organization's overall Diversity and Inclusion strategy.
- Educate other managers (including Latinos) on the business case for sponsoring talent across lines of difference
- Give clear, actionable feedback on executive presence.
- Give Latino protégés feedback on executive presence.
- Provide "air cover" when protégés come under fire or need public advocacy.
- Provide opportunities for Latinos to showcase their skills, insights, credentials—or leadership in action to potential sponsors through work-related initiatives or special projects.
- Defend protégés from unfair, biased criticism as they grow into stretch roles.

# CAREER GOALS AND VALUES COLLIDE

For the vast majority of Latinos, family and community come first.

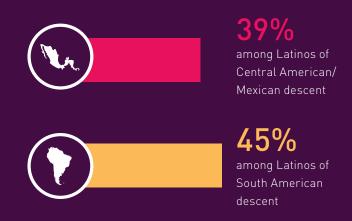
Lifting up and looking after others, we find, is a top value: 89% of Latinos aspire to have a family, have long-term rewarding personal relationships, help their children be successful, help their spouse/partner be successful, or help their extended family be successful in their lifetime.

But Latinos we interviewed consistently spoke of sacrifices made, professionally, to ensure that offspring and relatives flourished. One VP, a single mother for eighteen years, explained how, when she got transferred to Northern California, her brother followed with his family to ensure that her son did not grow up alone. When subsequently her brother got a plum assignment in Southern California, she took a salary hit to follow him. "It was totally worth it," she says. "Why deprive my son of having his cousins close by? That's far more important than moving up to the next salary band."



would turn down a promotional opportunity if they thought it would reduce time with their children or loved ones, or their commitment to their communities.

#### THAT NUMBER RISES TO ...



# Latinos tell us they similarly prioritize their teams and colleagues:

"I don't see my direct reports as associates. I see them as people. I'm transparent and candid with them, just like I am with my family. It's not about me. It's about the others on my team. And so I've gone unrecognized at times because I'm not out there just watching my own back. It's a relief to be working at a company where this outlook is more the norm."

—Ana Ceppi, VP, Business Development HealthCare and Financial Services, Univision





"I like to help others to succeed together. I'm not a one-man show. I like to form teams, get people excited and successful. I was lucky I ended up here because that's how we differentiate ourselves from our competitors."

—Juan Coppola, co-head of Client Coverage for the Americas, Morgan Stanley

## FINANCIAL INDEPENDENCE IS HIGHLY VALUED

Born in Los Angeles to a family of five siblings, Linda\* has been working since she was thirteen years old—first to help pay her Catholic school tuition, then to pay her college tuition. At college, working as a receptionist at an ad agency, she won the favor of executives at the company by making sure they had everything they needed and by making small talk with visiting or prospective clients. Unasked, she delivered the mail to all associates, and helped support the CEO's assistant.

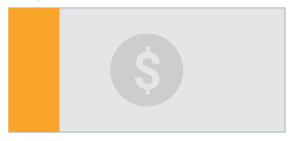
At her performance review, her manager heaped on the praise and said, "I can get you twenty-five cents more an hour." Linda said, "That's not acceptable. I need to be making much more. It would take two people to do what I do in a week." Two days later, she became the highest-paid person ever to hold her position.

Working in pharma today, Linda continues to make more than her peers. Indeed, after speaking with a recruiter from a competing company, she's come to realize she makes more than her peers at other companies. That's important to her. "Frankly, it's the main reason I'm still at this company," she says. "It's hard to walk away from that paycheck."

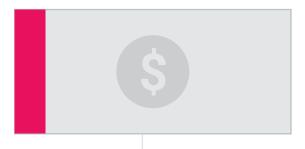
The vast majority (86%) of Latinos aspire to provide for their families, be financially independent, or accumulate significant wealth, in their lifetimes. Many are supporting families that extend across borders and income brackets. Among those who just came to the US, one Central American talent specialist explained, there is an expectation that they must provide not only for family that accompanied them, but for family members left behind. "We never forget how fortunate we are to have had the opportunity to come here," she says. "So we feel we must always take care of any family member that needs financial support."

#### YET ONLY...

**18% of Latino men** say they have high compensation in their work or careers.



11% of Latinas say they have high compensation in their work or careers.



Even though 46% of Latinas that are married or living with partners are their families' primary breadwinners (earning 51% or more of the household income)



And **29% of Latinos** feel that their careers do not improve their chances of being financially independent.

## What Does Financial Independence Mean to You?

Focus group participants define the term:

"Control over my money without having to worry about supporting those outside of my immediate family."

"Being able to support myself tomorrow if something tragic happened to my husband."

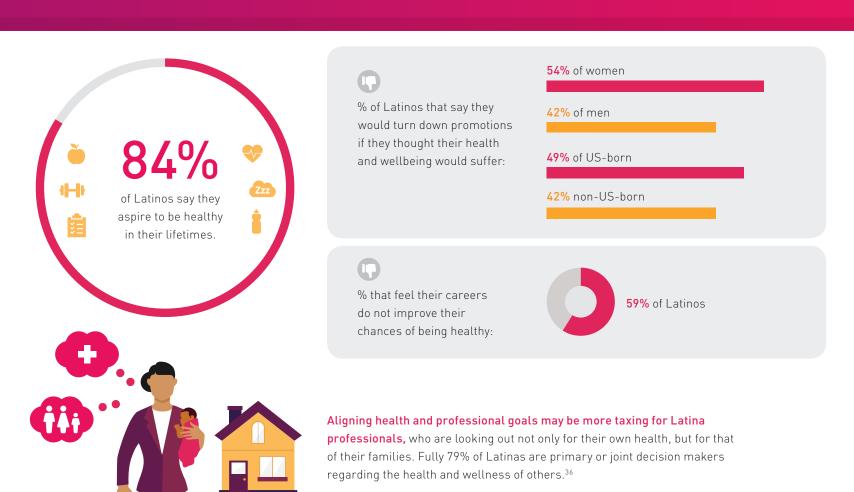
"I want to show I can do things myself—that I don't have to rely on my family to support me."

"I am the first college graduate in my family, and I've benefitted from the charity of close family—'tios' and 'tias' who are not related to me but who pitch in as if they were. I'm eager to be that Auntie for others now that I am earning enough to do it."

"We definitely put family first. And for Latinas, this is complicated, as we will always be expected to take care of our children, parents, and extended family even at the expense of our career progression or financial gain."

### Latinos want to align health and career goals

Unsurprisingly, most Latinos list health as one of their top life priorities. But the majority think their careers get in the way of achieving that goal.



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TO ENSURE THAT CAREER GOALS AND VALUES ALIGN,

### **CULTURE-SMART LEADERS...**

- Ask Latinos about their worries, priorities, and needs. Understanding how benefits and policies fall short of answering these needs is the first step toward aligning them to meet health, family, and compensation goals.
- Evaluate pay inconsistencies among employees.
- Promote corporate involvement and investment in the community as a tool to attract Latino talent and engage Latino employees.
- Highlight Latinos' work in the community as an investment your organization values and as a commitment it celebrates and seeks to enable.
- Consider work models that incorporate flexibility so that employees can integrate their family and work needs successfully.
- Provide options for employees that preserve their visibility and upward mobility.

- Show employees—particularly women—that leadership roles bring not only greater financial independence, but also more control over time spent with family and the ability to build a healthy lifestyle.
- Signal willingness to negotiate benefits packages on offer.
- Evaluate managers' performance on their ability to build rewarding relationships with their teams—and give them a company-wide shout-out for doing so.



# CULTURE-SMART CORPORATE INITIATIVES

# LANGUAGE EXCHANGE AT AMERICAN EXPRESS

In 2012, the leaders of the UK chapter of American Express' Hispanic and Latin ERG, HOLA, met to determine a unique way to generate impact. "We were looking for a niche," explains Victoria Perea-Usher, global marketing manager and UK HOLA Network lead. "We realized that one of the richest value-adds that HOLA members have both in the UK and globally is a set of language skills that are becoming rapidly more relevant." Thus began Amex's language exchange, otherwise known as the Cross-Cultural Learning Program. The initiative, launched in 2012 in the UK, offers three distinct language learning solutions for American Express employees. The first component consists of introductory Spanish and French language classes; second is a "business improvers" training in Spanish, English, French, Italian, and Portuguese across the UK; and lastly, a series of one-off accent reduction and intonation workshops for colleagues who are not native English speakers.

The program includes different levels of language learning activities. The beginner classes are administered by an outside language teaching organization and are restricted to ten students per class. To provide the best possible instruction to students, Amex charges a nominal fee to attend. "We also award international language certificates at the end of the beginner language course, to recognize employees' achievements," says Perea-Usher. The second part of the program, aimed at business improvers, are monthly peer-to-peer discussion groups where participants of intermediate language levels practice their chosen language skills together. The accent

reduction and intonation workshops are a new offering, being piloted in the summer of 2016.

Gerardo Burckle, vice president and managing counsel for Continental Europe, Middle East, Africa, Latin America, and Canada serves as executive sponsor of HOLA UK. He says the Cross-Cultural Learning Program's success grows out of the magnanimous spirit of its members. "What makes HOLA a very special network is the generosity and pride of its members in sharing vast cultural assets, and putting them in the service of others. Through sharing their languages through HOLA's fantastic language programs and cultural traditions, and through employee events and many other initiatives, the network ensures that it constantly enriches the lives of others across the organization."

In addition to improving language skills, the program provides constant networking opportunities across many business areas. The Cross-Cultural Learning Program creates a venue for employees to network outside of their business units. Program participants even use the network to promote open roles internally: when openings arise, participants will send a message out through the program list.

"A lot of times when you see a job opportunity come up internally, you might not apply because you don't always have full insight into those business areas," Perea-Usher explains. "As a result of this program, we have a higher pick-up rate on the job board."

-Victoria Perea-Usher, global marketing manager and UK HOLA Network lead Since the Cross-Cultural Learning program's inception, enrollment in both the HOLA UK chapter and the program itself have increased dramatically, with a 15% increase year over year. Next, the program will likely expand to the US. With a much larger employee population in the US, Perea-Usher points out, this program could prove to be even more impactful.

# HISPANIC-LATINO LEADERSHIP COUNCIL AT BANK OF AMERICA

Bank of America's Hispanic/Latino Leadership Council (HLLC) was formed in 2012 to help Hispanic and Latino leaders develop strategies to help the bank better serve and attract Hispanic-Latino customers and clients and grow its pipeline of Hispanic-Latino employees across the company. Right off the bat, however, the HLLC had to confront a challenge—identifying Hispanic and Latino leaders. This was difficult because many of the bank's Hispanic and Latino leaders at the time had not self-identified when they first joined the bank. "I was one of those employees, thirteen years ago," says David Solis, national sales executive for Small Business Centralized Sales and a member of the HLLC's advisory council. "I was proud of my heritage but did not think I needed to tell others. In doing so, I could have been overlooked for various things, including the ability to participate in the HLLC."

Through a concerted effort, including CEO Brian Moynihan, the message about the importance of self-identification is being heard. Attendance to the HLLC Annual Summit has grown from 50% to 80% of invitees over the past three years and the Summit received an impressive feedback score of 95% from participants for content and networking. "We have worked hard over the last few years to increase participation and provide participants with robust content and strong internal and external speakers," says Solis. "In turn, we expect our Hispanic-Latino leaders who attend to help make Bank

of America the bank of choice for Hispanic-Latino customers," Solis said. "Bank of America currently services ten million Hispanic-Latino customers and clients but we know that number can grow and that our HLLC members are in key roles throughout the bank to make that happen."

HLLC members are also focused on ensuring the bank hires and retains top Hispanic-Latino talent.

"If you are part of the HLLC, you are expected to play an active role in making sure your business is actively looking for diverse talent and that you are mentoring top Hispanic-Latino talent... We want our top Hispanic-Latino employees to make a career with Bank of America."

—David Solis, National Sales Executive for Small
Business Centralized Sales

### MENTORING CIRCLES AT FREDDIE MAC

How can a company take on two priorities for its Latino community simultaneously? That was the question posed to Freddie Mac's Hispanic development initiative taskforce in 2014. "We were looking to work on both mentorship and increasing active members within the Hispanic community here at Freddie," explains Stephanie Roemer, director of Diversity and Inclusion at Freddie Mac. "Mentoring Circles came up as one option." Through HOLA, Freddie Mac's employee resource group (ERG) for Hispanic employees, the Mentoring Circles program developed around three core objectives: first, to support career development by providing junior employees with exposure to senior leaders; second, to help Latino employees successfully navigate the company and understand its various talent resources; and finally, to align diversity mentoring efforts with the company's talent management programs.

Unlike most mentoring programs, the Mentoring Circles focus on

developing group rapport rather than pairing off mentors and mentees. Each of the three circles consists of ten mentees led by two senior employees, usually an officer and director. This nontraditional mode broadens the program's impact, allowing participants to benefit from the experiences of their peers as well as their mentors. Even mentors themselves often find they have something to learn.

"The model works well. It's allowed us to surface some key themes that come up again and again in sessions."

-Ruben Sanchez, VP of HR operations and chair of HOLA

Sanchez led one of the pilot Circles along with HOLA co-chair Liz Immel, who works in Freddie Mac's finance division leading data management and reporting. "Something that comes up consistently is a thirst to learn how to navigate corporate America," Sanchez adds. "Mentees are always hungry to hear about how Liz and I have managed to get where we are. So we're beginning to integrate that conversation into our broader professional development programs."

The pilot series of Mentoring Circles met every four to six weeks for about six months, each session covering a different topic. The first session laid the groundwork for successful mentoring relationships, while the second and third focused on building a core knowledge of company values, culture, and resources, as well as network development. The final session was an "open" session, allowing for mentoring circles to return to topics of particular interest that may not have been fully addressed in previous sessions. "In the beginning, as a mentor, you spend a lot of time drawing people out," observes Immel. "By the final session, folks get so comfortable that they're willing to ask questions they wouldn't ask somewhere else."

While it's still too early for metrics, the initial response has been overwhelmingly positive. Immel says three participants in the pilot program have already taken steps to advance their careers in a new direction. "The

fact that people are doing things differently as a result of our conversations is a positive sign. It's great know we're able to give them that insight early enough in their careers to make a difference," Immel says.

### THE ALUMNI SOCIETY AT METLIFE

The Alumni Society, a collaborative effort co-led by Ricardo Anzaldua, EVP and General Counsel at MetLife, is committed to connecting the Hispanic and Latino alumni of competitive colleges and establishing a deep pool of high-caliber Latino talent. As Latino professionals become an ever-larger component of the US work force, US corporations can use the Alumni Society to source diverse talent for positions from the senior level to the boardroom. "We formed the Alumni Society to respond to the allegation that the talent is not out there, which is really a fabrication," says Anzaldua. "It's not true—but it is true that it can be difficult to find. It's a deliberate attempt to organize our own Latino population to make ourselves more easily accessible to corporate employers."

"By opening membership only to folks that have graduated from top academic institutions," explains Anzaldua, "we engage in a filtering exercise on behalf of corporate employers, and the result is a population whose value we are confident in, and which corporations are eager to mine."

-Ricardo Anzaldua, EVP and General Counsel at MetLife

Only graduates from elite universities (such as Harvard, Princeton, Stanford, and MIT) are admitted to the Society, so the networking opportunities the summit provides make the Society's high-powered members even more influential.

The organization, founded in 2014, held its inaugural Leadership Summit

in June 2015, hosted by MetLife in New York City. The event included more than three hundred Latino leaders and featured a panel discussion on levers to success for Latinos in corporate America, as well as a keynote from Robert Sanchez, chairman and CEO of the Fortune 500 Company Ryder Systems, Inc.

In addition to the summit, the Alumni Society publishes an annual magazine that has received three FOLIO awards for excellence in editorial quality and design. The magazine addresses topics such as the usefulness of employee resource groups, the nuances of the modern corporate ladder, and the effectiveness of universities when it comes to preparing Latino students for corporate leadership. In coming years, multiple annual events may target Latinos with similar credentials who have been in the workforce for less time, or even recent college grads, to strengthen the Society's talent pipeline. "It really is designed, more than anything, to get the top Latino talent talking to each other," explains Anzaldua. "My hope is that the Alumni Society will take root within the various alumni organizations of these institutions and become a permanent resource for the community."

### LEAD PROGRAM AT MORGAN STANLEY

Continuous development and engagement of employees are critical to Morgan Stanley's success. The firm has many successful development initiatives geared towards its multicultural talent, including the Leader Engagement and Development ("LEAD") program.

Now in its fifth year, LEAD is a four-month program intended to develop and retain high-potential black and Hispanic executive directors and vice presidents in North America. In any given year, up to 50% of program participants are women. "One of Morgan Stanley's deepest commitments is to developing diverse talent and improving representation at all levels of the firm," says Susan Reid, managing director and global head of diversity and inclusion. "It's important to invest in our talented employees to ensure their success."

LEAD is designed to equip participants with the skills needed to advance their careers and provide participants with access and exposure to senior leaders and an influential network of professionals to leverage for career and business development. Program sessions focus on firm strategy and culture, personal brand management, communication and executive presence, and effective leadership. Throughout the program, managers are engaged to maximize the development and engagement of their direct reports and to reinforce the importance of participating in this unique opportunity.

"By the conclusion of the program, our hope is that participants develop greater self-awareness, strengthen their leadership skills, and develop stronger insight into how they can increase their impact in the organization," states Reid.

# LATINOS DIVERSE LEADERS PROGRAM AT WELLS FARGO

How does one company go about connecting hundreds of thousands of employees across fifty states and thirty-five countries? To Wells Fargo, the answer is simple: bring them together. Almost ten years ago, Wells Fargo implemented an annual three-day development program called the Latino Diverse Leaders program that brings together high-potential members of the company's widely dispersed Latino population to deepen their leadership skills. "In this way, we introduce people who would never meet each other otherwise," explains Vanessa Walsh, head of leadership and professional development. About thirty high-potential Latino employees from across the company take part in the session at headquarters every year. "We want them to better understand our goals as an organization and, most importantly, the opportunities that are available to them across the company."

Each day of the conference covers a different theme: lead yourself, lead your team, and lead the business. On day one, in partnership with UCLA, participants explore the history of the Latino community and how stereotypes around Latinos affect them on an individual level. On day two, a "strength finder" assessment helps participants figure out where their natural talents lie; with these findings in mind, they work on mastering issue resolution, feedback, and coaching techniques best suited to their leadership styles. Finally, on day three, they tackle core business issues. "With eighty lines of businesses and two-hundred-sixty-five-thousand team members, Wells Fargo is a complex company to understand and navigate," acknowledges Walsh. "It's important for future leaders to be aligned with our philosophy and aware of the company's many functions." Key to achieving this high-level business perspective is the participation of executive speakers, often including CEO John Stumpf.

Since its inception, the Latino Diverse Leaders program has had a remarkable impact: four years after the program's completion, retention rates for participants are 19% higher compared to all other groups at the same level (76% vs. 64%). And promotion rates within a year of the session are a full 60% higher for participants than for non-participants at the same level.

"Our intent is to invest in and grow Latino leadership...

We are committed to helping these leaders build their careers with us."

—Vanessa Walsh, head of leadership and professional development, Wells Fargo

### **ENDNOTES**

- Total forecasted change in labor force between 2012 and 2022 is 8,475,000 individuals, 6,788,000 of which are Hispanic, comprising 80 percent of the growth in the workforce; "Labor Force Projections to 2022: The Labor Force Participation Rate Continues to Fall, "US Bureau of Labor Statistics, December, 2013, http://www.bls.gov /opub/mlr/2013/article/labor-force-projections-to-2022-the-laborforce-participation-rate-continues-to-fall.htm.
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