



13.65	35.24	10.32	38.78	84.20	120.57
-.09	-1.46	-1.06	-.71	-.22	+1.4



Women of Color in U.S. Securities Firms

Women of Color in Professional Services Series

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Founded in 1962, Catalyst is the leading nonprofit membership organization working globally with businesses and the professions to build inclusive workplaces and expand opportunities for women and business. With offices in the United States, Canada, and Europe, and more than 400 preeminent corporations as members, Catalyst is the trusted resource for research, information, and advice about women at work. Catalyst annually honors exemplary organizational initiatives that promote women's advancement with the Catalyst Award.

Women of Color in U.S. Securities Firms

Women of Color in Professional Services Series

Deepali Bagati

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TABLE OF CONTENTS

FOREWORD	1
CHAPTER 1: A DOWNWARD SPIRAL FOR WOMEN OF COLOR	2
CHAPTER 2: WORKPLACE EXCLUSION	9
CHAPTER 3: CHALLENGING RELATIONSHIPS HINDER SUCCESS	15
CHAPTER 4: OPPORTUNITIES AND BARRIERS	24
CHAPTER 5: WORK-LIFE OR WORK-WORK	31
CHAPTER 6: PERCEIVED INEFFECTIVENESS OF DIVERSITY PRACTICES	37
CHAPTER 7: SUMMARY AND RECOMMENDATIONS	45
TECHNICAL APPENDIX A: SAMPLE PROFILE	55
TECHNICAL APPENDIX B: METHODOLOGY	58
ACKNOWLEDGMENTS	64
CATALYST BOARD OF DIRECTORS	

FOREWORD

INTERSECTING IDENTITIES, DISTINCTIVE DISADVANTAGES

Securities firms are giving increasing levels of attention to workforce diversity and creating inclusive work cultures to attract and retain top talent, impact the bottom line, and court clients across geographies. With changing demographics, talent is no longer just white men, aged 25 to 40. In fact, white men represent only 17 percent of the global talent pool of people with graduate education. Furthermore, an increasing number of minority women and men are pursuing Bachelor's and Master's degrees in business; on average, more than one-third of students enrolled in top-tier U.S. business schools are international students.¹

Despite senior leadership commitment to diversity efforts, firms are not leveraging diverse talent effectively. The percentage of jobs in the securities industry held by people of color is stagnant at about 11 percent. Compared to white men, women and minorities have few chances to advance to management levels within a firm.² In essence, securities firms continue to be dominated by white men, making inclusion of traditionally marginalized groups such as women of color extremely challenging.

To ensure firms attract and leverage the full range of talent needed to maintain a competitive advantage in a global marketplace, it has become a business imperative for securities firms to effectively develop and advance diverse talent by better understanding the hidden biases women of color face.

In this report, we use intersectional analyses to draw attention to the substantively distinct experiences that result from the combination of identities that women of color embody—the intersection of race/ethnicity, gender, and birth country.³ Our ultimate goal is to inform and influence change efforts with knowledge about the distinctive experiences and unique challenges of women of color so that organizations can successfully build inclusive workplaces.

1. American Council on Education, "Minority College Enrollment Surges Over the Past Two Decades; Students of Color Still Lag Behind Whites in College Participation" (October 8, 2003); Securities Industry and Financial Markets Association (SIFMA), *Report on U.S. Workforce Diversity and Organizational Practices* (2007); Jenny Anderson, "Wall Street's Women Face a Fork in the Road," *The New York Times* (August 2006); "Business School Rankings and Profiles," *Business Week* (January 15, 2008), <http://www.businessweek.com/bschools/rankings/>.

2. SIFMA; Equal Employment Opportunity Commission (EEOC), *Diversity in the Finance Industry* (April 2006).

3. Katherine Giscombe, *Women of Color in Accounting* (Catalyst, 2007), p. 4: The "intersectionality" that women of color experience: that is how a person's different attributes and characteristics interact with one another and inform personal and professional identities, experiences, and expectations about privilege and disadvantage in the workplace.

CHAPTER 1: A DOWNWARD SPIRAL FOR WOMEN OF COLOR

INTRODUCTION

Since 1997, Catalyst has released a series of reports on women of color (Latinas, black women, and Asian women) in the corporate sector. This groundbreaking research has drawn attention to the differences in experiences and perceptions between women of color and white women and among various women of color groups. In addition, a Catalyst study on the securities industry found that although a majority of both women and men were satisfied with their current positions and employers, women experienced subtle discriminatory practices in the workplace. However, that study did not delve into the experiences and perceptions of people of color because sample sizes for this population were too small.⁴

The *Women of Color in Professional Services Series* examines the experiences of women of color in accounting, financial services, and law firms. These industries are distinguished by a client-service focus and, according to Catalyst Advisory Services work, firmly entrenched “old boys” networks that make inclusion of outsider groups such as women of color extremely difficult.

This report examines women of color in securities firms that offer financial advice and bring together buyers and sellers of securities and commodities, and manage investments. We interviewed and surveyed “client-facing” employees in firms with Corporate and Investment Banking and Asset Management lines of business. These employees are responsible for buying, trading, selling, and managing stocks, mutual funds, and bonds, and they are commonly known as the “front office.”

More specifically, we compared the experiences and perceptions of women of color to those of white women, men of color, and white men. We also compared the experiences of U.S.-born women of color to those of foreign-born women of color. These analyses have allowed us to highlight how substantively distinct experiences—and related disadvantages in professional development and advancement—result from a combination or overlap of identities for women of color.

4. Catalyst, *Women of Color in Corporate Management Series* (1997-2004); Catalyst, *Women in Financial Services: The Word on the Street* (2001); in this report, 65 percent of women, compared to 13 percent of men, reported that women have to work harder than men do to get the same rewards; 51 percent of women, compared to 8 percent of men, reported that women are paid less than men for doing similar work; 42 percent of women and 55 percent of men reported that projects and clients are assigned fairly within their firms.

HOW TO USE THIS REPORT

Firms can use this report to increase their success in attracting, retaining, and leveraging diverse talent with a better understanding of the differences in experiences and perceptions between women and men, between white women and women of color, and between U.S.-born women of color and foreign-born women of color.

Senior leaders, managers, and peers of women of color can use this report to better understand how women of color experience intersectionality—and related disadvantages in professional development and advancement—and how they can develop authentic relationships and build a truly inclusive workplace.

Human resources and diversity professionals can use this report to learn how they can take women of color's intersectionality into account when devising diversity policies and programs, thus avoiding imperfect execution of diversity efforts—where those targeted by such efforts perceive them to be ineffective.

APPROACH: INTERSECTIONALITY

Intersectionality is an analytical approach for understanding the ways in which different identities that people embody (such as gender, race, ethnicity, immigration status, and class) overlap and combine with one another to contribute to unique experiences of disadvantage and privilege. Identities should not be studied in isolation, but as they interact and mutually shape one another. Intersectionality clarifies experiences that cannot be explained by one identity alone.⁵

[Intersectionality] starts from the premise that people live multiple, layered identities derived from social relations, history, and the operation of structures of power. People are members of more than one community at the same time and can simultaneously experience oppression and privilege.⁶

In today's workplace, disadvantages and advantages play out subtly and are embedded in the daily practices of work. These differences impact how employees perceive their organizations and guide employee behavior.⁷ Intersectional analyses compare women of color in the workplace to white women and men of color, as well as the dominant group, white men, and reveal the meaningful differences and hidden biases women of color face. The complexity of intersecting identities should drive change efforts away from the "one-size-fits-all" approach of supporting women of color and toward a more nuanced understanding.

5. Association for Women's Rights in Development (AWID), "Intersectionality: A Tool for Gender and Economic Justice," *Women's Rights and Economic Change*, vol. 9 (August 2004): p. 1-8.

6. AWID, p. 2.

7. Irene Browne and Joya Misra, "The Intersection of Gender and Race in the Labor Market," *Annual Review Sociology*, vol. 29 (2003): p. 487-513.

In this report, we explored⁸ the intersection of the following identities:

- **Race/ethnicity and gender.** We compared the experiences and perceptions of women of color to those of white women (with whom they share gender) and men of color (with whom they share race/ethnicity). We included white men as the dominant comparison group, and we also compared people of color and whites where relevant and statistically significant.
- **Race/ethnicity, gender, and birth country.** Women of color born outside the United States are an important segment of the talent pool. In our sample, 43.8 percent of women of color reported being born outside the United States. We examined this additional layer of identity to explore how it plays into workplace experiences. Statistically significant findings on birth country accompany relevant figures.

FOREIGN-BORN WORKERS 101⁹

In this report, we define people who are foreign-born as residents of the United States who were not U.S. citizens at birth (including immigrants and both legal and illegal non-immigrants). This portion of the talent pool is growing in number and importance.

- In the United States, 37 percent of immigrants are from Mexico and Central America, 26 percent are from Asia, 12 percent are from Europe, and 9 percent are from the Caribbean.
- One in five immigrants in the U.S. labor force is non-Hispanic white, compared to nearly four of five U.S.-born labor force participants.
- In 2006, foreign-born workers made up 15.3 percent of U.S. civilian labor force.
- In the finance and insurance industry, foreign-born workers hold 12 percent of all jobs.

U.S.-born residents are slightly more educated than foreign-born residents.

- Of U.S.-born residents, 34.2 percent have a bachelor's or higher degree; for immigrants that percentage is 31.1.
 - Of this population, 78.1 percent of U.S.-born degree holders participate in the U.S. civilian labor force, while only 76.7 percent of foreign-born degree holders do.
- However, because 76 percent of foreign-born residents are between 25 and 54 years old (as compared to 67 percent of U.S.-born residents), they are more likely to be in the labor force.

A DOWNWARD SPIRAL FOR WOMEN OF COLOR

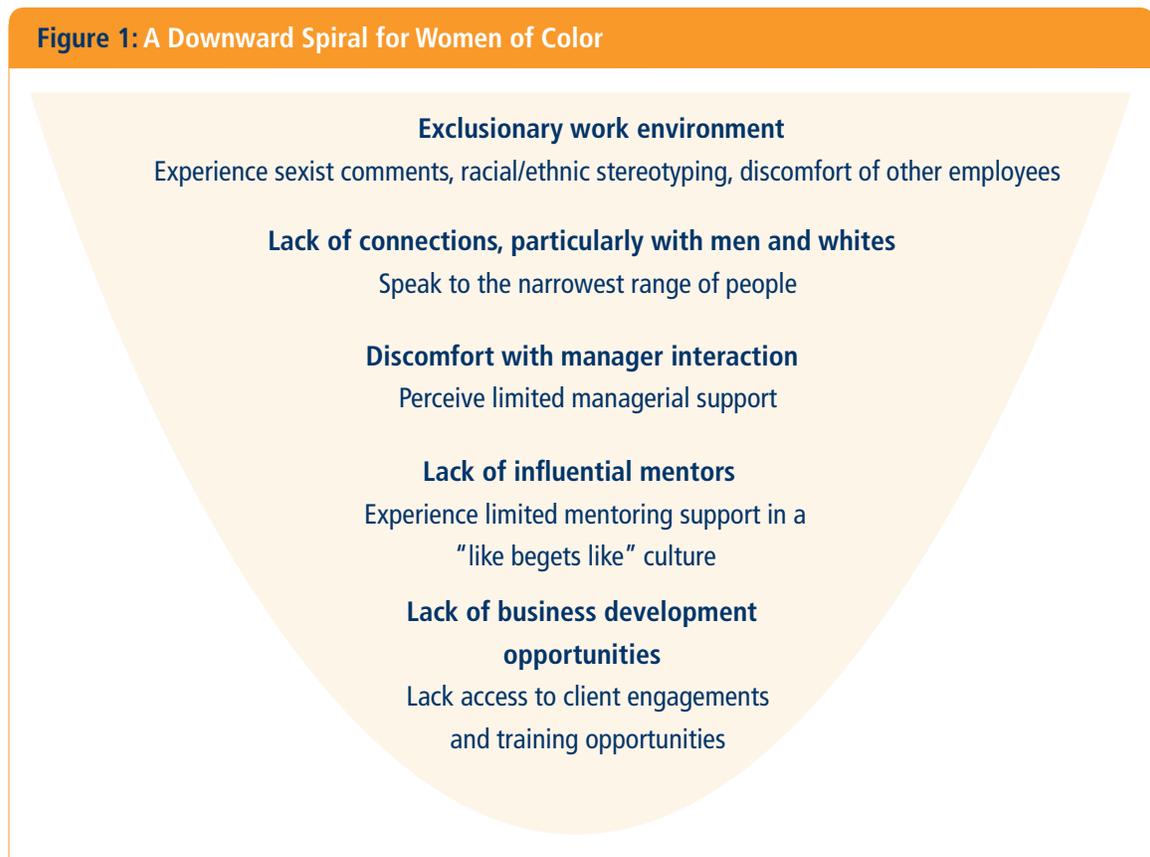
Our analyses found that women of color risk experiencing a deceleration in their career trajectories as a result of the combined effects of race/ethnicity, gender, and birth country. The data showed that white men continue to dominate the securities industry and that an "old boys' club" mentality creates a difficult work environment for all women. Indeed, women of color experience many gender-based disadvantages—also experienced by white women—including perceived sexist comments in the workplace and dissatisfaction with career development and advancement opportunities.

8. We used chi-square tests of significance, custom tables, analysis of variance, and regression analyses statistical procedures. Unless otherwise specified, all findings are significant at the $p < .05$ level of significance. In this report, we do not go into detail about specific racial/ethnic groups, with the exception of a few findings. We plan to analyze in-depth racial/ethnic groups within women of color (black, Asian, and Latina) in subsequent reports.

9. Current Population Survey, Bureau of Labor Statistics, "Table 7: Employed Civilians by Industry, Class of Worker, Sex, Race, Hispanic or Latino Ethnicity, Native or Foreign Born Status, and Year of Entry to the United States," *Annual Averages 2006* Unpublished data (2007); Migration Policy Institute, *What Kind of Work do Immigrants Do? Occupation and Industry of Foreign-Born Workers in the United States*, no. 3 (January 21, 2004); U.S. Department of Labor, "Educational Attainment of Foreign Born Labor Force" (2008), <http://bls.gov/opub/ted/2008/mar/wk5/art02.htm>.

Women of color also share experiences with men of color—as people of color—such as racial/ethnic stereotyping, overall exclusion from the workplace, challenges in understanding organizational policies, and, on average, a higher intent to leave the firm.

Women of color experience additional disadvantages, detailed in Figure 1, attributable to the combined effects of their intersecting identities. These disadvantages start with an exclusionary workplace, lead to difficulties forging connections with others—including managers, mentors, and in informal relationships—and result in fewer business development opportunities. With fewer connections and chances to shine, women of color may advance at a slower rate than others, and, ultimately, many are faced with a “concrete” ceiling.



WOMEN OF COLOR DISADVANTAGED BY THE INTERSECTION OF THEIR RACE/ETHNICITY AND GENDER

Figure 2 summarizes the factors or attributes that may work to the disadvantage of women (white women and women of color), people of color (women and men of color), and women of color. In addition to barriers encountered by people of color (left) and women (right), women of color face barriers specific to their group (middle). Barriers named in the middle of Figure 2 were not encountered by men of color or white women.

Many of these barriers pose severe challenges to women attempting to fit into organizations and forge relationships with influential others. As a result, their development and advancement is compromised.

Figure 2: Disadvantages Based on Race/Ethnicity, Gender, and the Intersection of Race and Gender¹⁰

PEOPLE OF COLOR	WOMEN OF COLOR	WOMEN
Overall exclusivity of work environment including racial stereotyping and lack of fit in communication style	Dissatisfaction with supervisory support and comfort of manager interaction	Experience sexist comments in the workplace
Higher intent to leave	Lack of access to informal networks linked with intent to leave	Dissatisfaction with access to working on high-profile client engagements
Challenges in understanding organizational politics, unwritten rules and norms	Less likely to connect with others at work, particularly men	Cite lack of professional development opportunities
Cite lack of challenging roles on client assignments	Dissatisfaction with distribution of major client assignments, training opportunities	Cite lack of similar role models
Cite lack of influential mentors as a top barrier	Least likely to benefit from informal mentoring culture of "like begets like" (p<.10)	Cite lack of influential mentors as a top barrier
Less likely to connect with whites	Lack of influential mentors among those with mentors	Less likely to be satisfied with career advancement opportunities
Cite diversity practices as ineffective in holding managers accountable, in addressing subtle racial biases	Perceive lack of commitment from senior leadership toward bringing in a diverse workforce	Less likely to believe they can compete successfully to advance
Believe work-life resources lack sensitivity in dealing with diverse people		Cite diversity practices as ineffective in addressing subtle gender biases

As Figure 2 depicts, women of color were more likely than white women and men of color to be dissatisfied with overall managerial support and comfort of manager interaction. Women of color also perceived a greater level of exclusion from, or lack of access to, informal relationships than did men of color or white women. Perhaps resulting from this lack of such connections, women of color were:

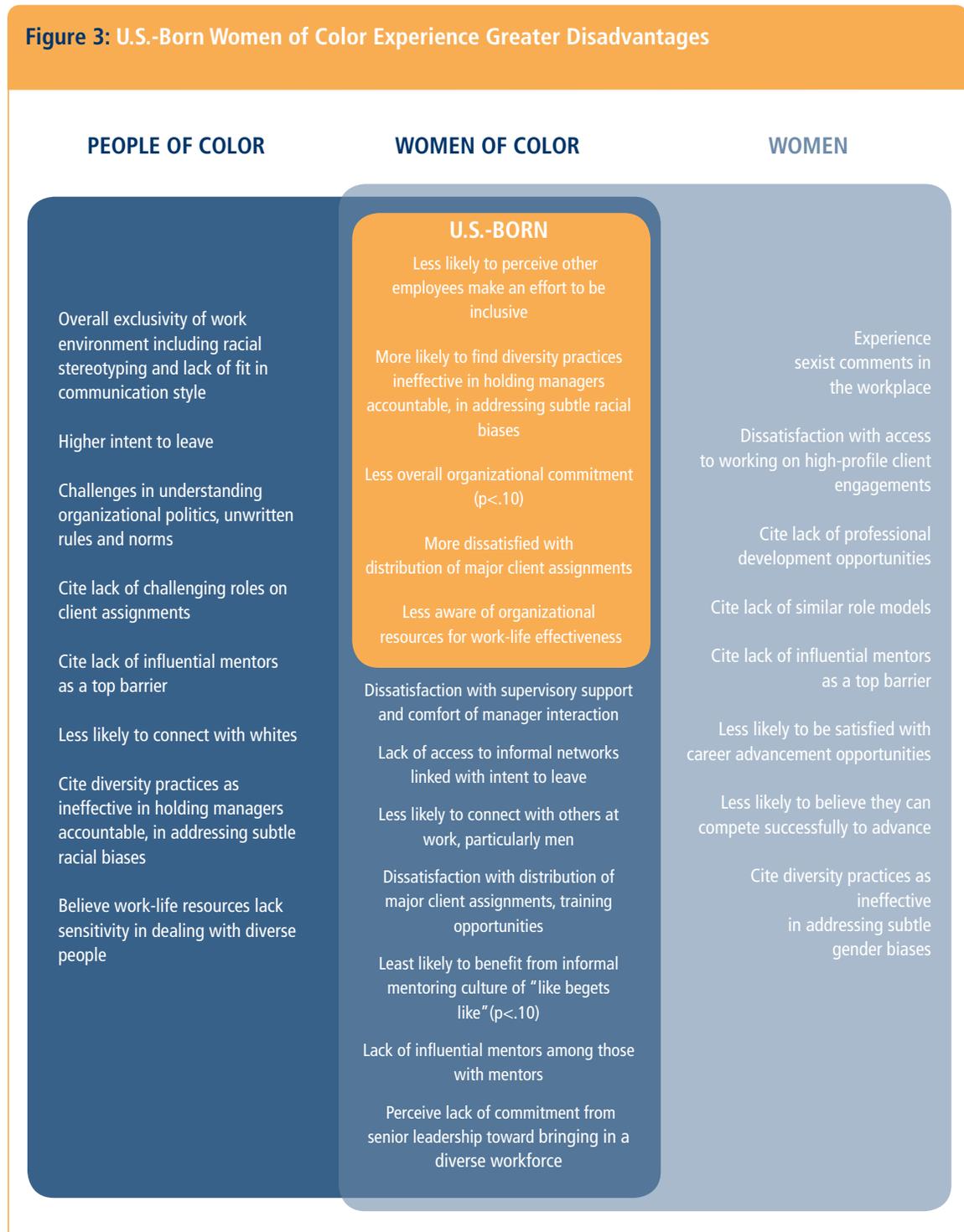
- Most likely to be dissatisfied with distribution of client engagements and access to training opportunities.
- Least likely to benefit from an informal mentoring culture and find influential mentors.
- Most likely to have mentors who lacked influence.

Furthermore, while people of color were less satisfied than whites regarding the overall effectiveness of diversity efforts in creating an inclusive work environment, women of color also perceived a lack of commitment from senior leadership in bringing in a diverse workforce.

10. Findings noted under "People of Color" are significant according to either chi-square tests or analyses of variance of mean scores at the p<.1 level and represent findings that are uniquely significant to people of color (i.e., these findings were not obtained for women as a group). Similarly, findings noted under "Women" are significant according to either chi-square tests or analyses of variance of mean scores at the p<.1 level and represent findings that are uniquely significant to women (i.e., these findings were not obtained for people of color as a group). "Women of Color" represents instances in which findings for women of color were significantly more negative, at the p<.05 level, than those for both men of color and white women, based on chi-square tests, analyses of variance of means, or regression analyses.

WOMEN OF COLOR DISADVANTAGED BY THE INTERSECTION OF THEIR RACE/ETHNICITY, GENDER, AND BIRTH COUNTRY

In addition to the barriers faced by all women of color, U.S.-born women of color were more disadvantaged than foreign-born women of color in the areas described in the U.S.-born section of Figure 3—adding to the already complex intersection of race/ethnicity and gender presented in Figure 2.



U.S.-born women of color perceived a greater level of exclusion, especially when it came to relationships with other employees, than foreign-born women of color did. They also perceived diversity efforts at their firms to be ineffective in addressing subtle racial biases and providing adequate training for managing a diverse workforce. These women were more likely to have lower organizational commitment and to be disadvantaged by inequitable distribution of important client engagements.

U.S.-Born Black Women and Foreign-Born Asian Women Are Particularly Disadvantaged

People from different races/ethnicities have vastly different experiences in the workplace because race/ethnicity is linked to status and power differentials. In the United States, these differentials are in large part the result of the social and historical contexts of slavery, racial segregation, and discrimination based on skin color.¹¹ Findings on U.S.-born black women, in contrast to those on foreign-born Asian women, highlight the complexity of these power differentials.

U.S.-born black women perceived greater exclusion from the workplace than other women of color, and they were most likely to perceive diversity practices as ineffective in creating a climate supportive of women of color and addressing subtle racial biases. They were also most challenged in developing strong relationships with their managers and finding influential mentors.

In contrast, we found that foreign-born Asian women were less likely to have a communication style that is typical at their organizations, which impacted their ability to fit in at work and posed a barrier to their advancement.¹² These women were also more likely to cite childcare responsibilities and long work hours as challenges to achieving work-life quality and were more likely to believe that not adhering to the face-time culture would have negative career consequences.

However, U.S.-born black women and foreign-born Asian women were least likely to exchange work-related or personal resources and information with those senior to them (in addition to being least likely to speak to men, whites, and women of color). This marginalization creates additional barriers to connecting with others and finding influential mentors.

11. Catalyst, *Advancing African-American Women: What Managers Need to Know* (2004).

12. In *Advancing Asian Women: What Managers Need to Know* (Catalyst, 2003), we found that foreign-born Asian women who immigrated to the United States as adults and spoke a language other than English at home were less connected with others in the workplace and less satisfied with their career advancement and their relationships with managers.

CHAPTER 2: WORKPLACE EXCLUSION

Learnings at a Glance

- **People of color were more likely than whites to experience workplace exclusion.**
 - U.S.-born women of color perceived a greater level of exclusion than foreign-born women of color did.
- **Both women of color and men of color experienced hidden biases and stereotyping in the workplace and reported making more adjustments to fit in than whites.**
 - Of all women of color, U.S.-born black women, followed by foreign-born Asian and U.S.-born Asian women, were most likely to believe they had to make adjustments to fit in.
- **Although relatively few people of color agreed that other employees feel uncomfortable around members of their racial/ethnic group, they were significantly more likely to agree than whites.**
 - Of all women of color, U.S.-born black women, followed by foreign-born black women, were most likely to agree.
- **Women of color were least likely to believe decision-making is shared across levels and felt least empowered to challenge how things are done in their firm.**

Understanding how the workplace is perceived by women of color is the first step in gaining insights into the challenges they face. Previous research has found that women and racial/ethnic minorities are more likely to feel excluded, which leads to job dissatisfaction and a lower sense of well-being. Furthermore, those who are most dissatisfied do not intend to remain in the organization.¹³

This chapter uncovers the hidden biases, subtle discrimination, and intersectionality women of color experience. It also demonstrates that both women and men of color may experience stereotyping in the workplace and may have to make more adjustments to fit in than whites.

13. Michal E. Mor Barak and Amy C. Levin, "Outside of the Corporate Mainstream and Excluded From the Work Community: A Study of Diversity, Job Satisfaction, and Well-Being," *Community, Work, & Family*, vol. 5, no. 2 (August 2002): p. 133-157; Glen D. Moyes, Patricia A. Williams, and Behnaz Z. Quigley, "The Relation Between Perceived Treatment Discrimination and Job Satisfaction Among African-American Accounting Professionals," *Accounting Horizons*, vol. 14, no. 1 (March 2000): p. 21-48.

SENIOR EXECUTIVES SET THE CONTEXT

Senior executives describe workplace exclusion, stereotyping, and double standards as challenges for women of color in securities firms. The following quotation from a white male executive illustrates how securities firms are a difficult environment for all women.

It is a little bit of a frat-house mentality...a tough environment to work in. It takes an extraordinary woman, one with tough skin...It is not for everyone. When you have 300 people [mostly white men] sitting next to one another all day long and all of a sudden the market is a little bit slower, sometimes people start cracking jokes, teasing each other. Nothing terrible, but just a little bit of a potentially challenging environment.

—White man

These quotations describe the stereotyping experienced by women of color.

When it comes to promotion and advancement, especially as you go higher up, Wall Street is still very much a white male environment...Most of the decision-makers are white males. And I think an element of comfort or lack of comfort is created in terms of discussions of white male candidates versus women or person of color candidates...There is an implicit bias.

—Asian man

Women of color get tripped up just going into the VP population. There tends to be a mentality that because we are more in staff roles and highly populate the back office—the support to support—we are viewed at lower levels, not in sophisticated roles. This is a hard image to break through.

—Latina

In this quotation, a Latina executive distinguishes the experiences of women of color from those of white women—women of color have to prove themselves over and over again.

We [women of color] still have to prove ourselves over and over again. I mean, I have friends who are white women...They have the same kind of emotional turmoil. I think the real problem is that white women have to pay the price and prove themselves, but there is a point where they become recognized and don't have to any more. For women of color, at every new engagement, we have to start from scratch.

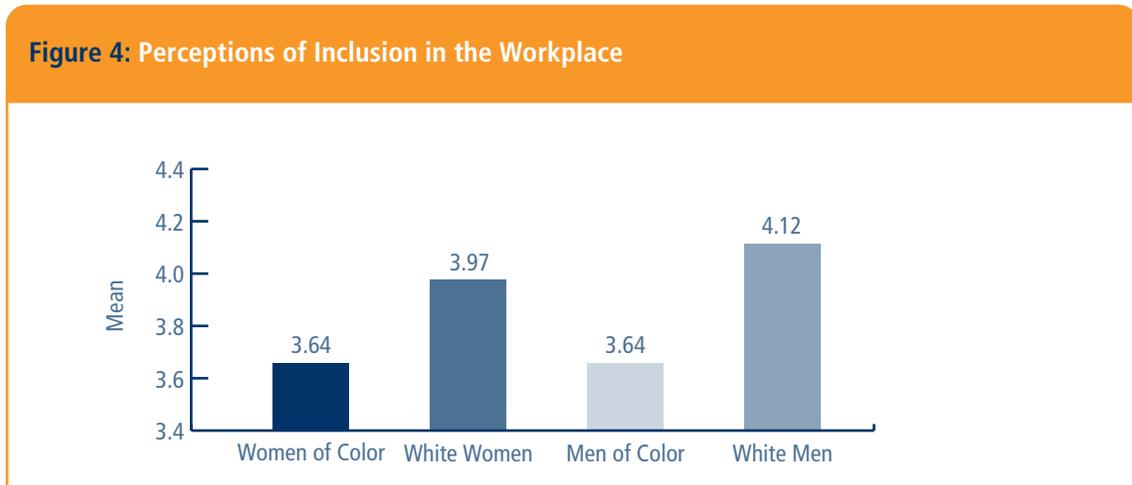
—Latina

PEOPLE OF COLOR PERCEIVE A LESS OPEN AND INCLUSIVE WORKPLACE

We used an inclusivity index¹⁴ to assess overall perceptions of openness of the securities firm workplace. This index included questions on stereotyping, decision-making, and adjustments to fit in. As shown by the

14. See Technical Appendix B for a description of measures making up the inclusivity index and its reliability.

differences in mean scores depicted in Figure 4, we found that both women of color and men of color rated their workplaces as significantly less open and inclusive than whites did.



Close to one-half of all employees felt excluded from decision-making and information-sharing across levels, but people of color were more likely than whites to feel exclusion related to stereotyping and lack of fit. It is noteworthy that out of all demographic groups, women of color were least likely to believe decision-making is shared across levels and felt least empowered to challenge how things are done in their firm.

- Women of color (44.7 percent) were significantly less likely than white women (57.6 percent) and men of color (53.8 percent) to agree that decision-making is shared across levels.
- Women of color (55.2 percent) were also significantly less likely than white women (64.6 percent) to believe employees can challenge the way things are done.

The following quotation from a Latina captures the challenges faced by a non-U.S. native in getting past the “outsider” status.

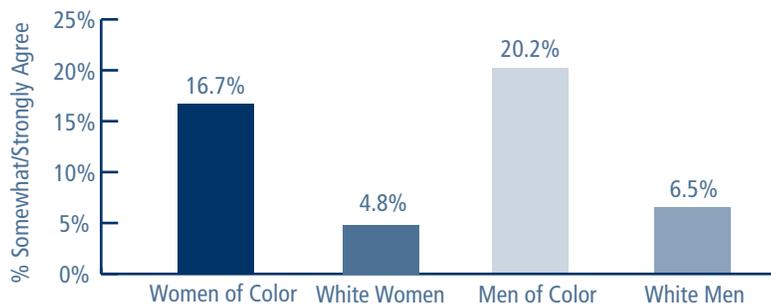
For some other Hispanics on the floor, what I’ve noticed is that if they have an accent it can be harder for them...But the same is true if they’re foreign, culturally different. There was this one guy from Argentina...He had a lot of trouble when the group went out after work for drinks and they started talking about sports, baseball, football, etc...He felt that he couldn’t join in the conversation because he just didn’t know about the things that they were interested in. It’s the language, culture, and also just not being able to understand some of the inside jokes people make on the job.

—Latina

PEOPLE OF COLOR EXPERIENCE STEREOTYPING

Prior Catalyst research on the securities industry has already shown that racial/ethnic stereotyping in the workplace is reported by people of color. This experience makes it challenging for them to fit in and forge relationships.¹⁵ As shown in Figure 5, approximately 20 percent of both women of color and men of color, compared to 4.8 percent of white women and 6.5 percent of white men, reported being subject to racial/ethnic stereotypes at their firm.

Figure 5: "I Am Subject to Racial/Ethnic Stereotypes at My Organization."



The following quotations from an Asian woman and a black woman bring to life the stereotyping experienced by women of color and illustrate how such stereotypes can create double standards.

The stereotype for Asian women is that they're quiet, don't really speak up, don't really demand anything of their boss...That's the stereotype we're fighting to begin with. So you feel like sometimes you have to overcompensate by really making sure your boss knows what you're doing, what you're working on. And when you're working with different people within the firm, outside of your group, and 80 percent are white males, you do think about these things.

—Asian woman

If I'm given an assignment, I'm going to go after it full speed ahead. I'm very aggressive but very tactful in being aggressive to get my job done. They will say I am too aggressive. But for my white counterpart, they will say, "Oh, she's ambitious." Why is it that she's ambitious but I'm overly or too aggressive?

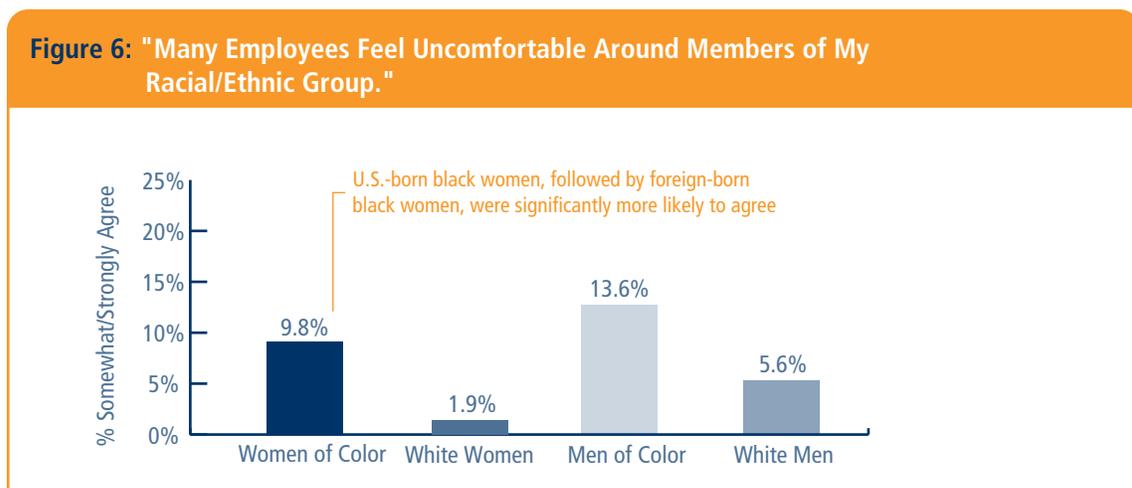
—Black woman

15. Catalyst, *Women in Financial Services: The Word on the Street* (2001).

MANY PEOPLE OF COLOR FEEL UNCOMFORTABLE AT WORK

People of color were less likely than whites to agree that racial/ethnic differences were appreciated in their firms: 64.5 percent of women of color and 54.2 percent of men of color agreed, compared to 80.0 percent of white women and 77.9 percent of white men.

As shown in Figure 6, although relatively few people of color agreed that employees feel uncomfortable around members of their racial/ethnic group, they were significantly more likely to agree than whites. Furthermore, U.S.-born black women, followed by foreign-born black women, were significantly more likely than other women of color to agree.¹⁶



This quotation from a Latina describes one of the challenges of being different from the dominant, white male group, especially when it comes to relationship-building and networking.

You know, people will not hang out with you if you sound different or if you look different. They're just not going to. They don't really like you...if you're going to make yourself stand out.

—Latina

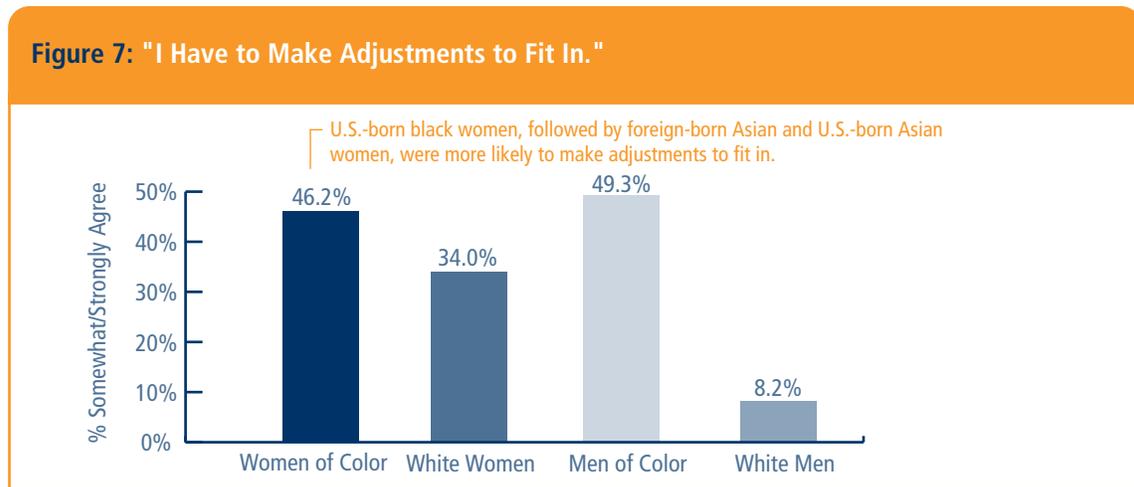
In the following quotation, a black woman describes the general perception of black people in her firm.

If I go into a conference room, shut the door, and it is two of us [black women] in there, I think they think it's a conspiracy...doing something that we should not be doing...scheming, what have you. If you're standing in the elevator with another black woman or a male, just be quiet, don't say anything. But if there's a white person there, "Hey, how was your day? How are you doing?" It's okay to do that.

—Black woman

16. Difference in means: U.S.-born black women, 2.49; foreign-born black women, 2.27; other women of color, between 1.4 and 2.02.

People of color were also significantly more likely than whites to believe they must make adjustments to fit in. As shown in Figure 7, between 46 and 50 percent of both women of color and men of color believed they must make adjustments to fit in, followed by close to one-third of white women. Not surprisingly, white men were least likely to feel they have to make adjustments to fit in. Furthermore, U.S.-born black women, followed by foreign-born Asian women and U.S.-born Asian women, felt most strongly of other women of color that they must make adjustments to fit in.¹⁷



This quotation from a black woman describes the burden of fitting in as being on individual women of color.

On interpersonal skills, [my mentor] said, "I don't care if you don't like beer. When you go out with these traders and brokers, you order a beer, drink half of it, it doesn't matter." It was stuff like that...I went out to those events, and ordered a beer. It's so much better, you know?...She was saying go to these events, even if you don't feel welcome, even if they didn't invite you, if you hear about it, go.

—Black woman

17. Percentage somewhat/strongly agree: U.S.-born black women, 63.3 percent; foreign-born Asian women, 61.2 percent; U.S.-born Asian women, 58.3 percent; other women of color, between 29 and 43 percent.

Learnings at a Glance

- **People of color appeared to have less favorable relationships with their managers than whites.**
 - People of color were significantly less likely to believe that their manager helped them understand organizational politics and evaluated their performance fairly.
- **Of all groups, women of color reported the least managerial support.**
 - Women of color were significantly more likely than white women to be dissatisfied with comfort of manager interaction.
 - Women of color were significantly less likely than white women to perceive that their managers were willing to extend themselves to help them perform to the best of their ability or to help them understand organizational politics.
- **Women of color were least likely to be satisfied with their mentoring relationships and with coaching on how to become politically savvy in the organization.**
 - Women of color were particularly challenged in making connections with influential others, resulting in lack of mentors; for those with mentors, the result was a lack of influential mentors.
 - Women of color were significantly challenged in forging connections with managers, mentors, and with others in informal relationships.
 - U.S.-born black women and foreign-born Asian women were more disadvantaged than other women of color in developing relationships with those senior to them.
- **Women of color also spoke to a limited number of firm colleagues—across demographic groups, business units, and levels—to exchange work-related or personal resources and information.**
 - Women of color were significantly less likely than men of color, white women, and white men to speak with men.
 - Although both women of color and men of color were significantly less likely than whites to speak with whites in the workplace, women of color were even less likely to speak with whites than were men of color.

In this chapter, we draw attention to how women of color experience managerial, mentoring, and informal relationships, and we highlight the impact of these relationships on the success and advancement of women of color in firms.

In the relationship-based environment of firms, “who you know” impacts staffing on important client engagements, high-visibility assignments, access to critical information, and professional development opportunities. The data showed that women of color face barriers in connecting with others in the workplace, and, in particular, with men and whites. These findings suggest that women of color experience exclusion in securities firms—widely dominated by white males—which makes it extremely challenging for them to develop relationships with influential others in the workplace, negatively impacting their development and advancement.

SENIOR EXECUTIVES SET THE CONTEXT

Senior executives cited relationships with managers and mentors, as well as informal relationships, as essential for advancement in securities firms. Their insights describe the exclusion faced by women of color and how it impacts their ability to forge relationships at work and access mentors and informal networks. The following quotations note how important the relationship with managers is to the retention, development, and advancement of women of color.

We don't do a good job of retaining women of color and other minorities because the organization, the managers, and the supervisors can't relate all that well...Most of the managers are white males and...if you have a hard time relating to your employee, you will have a hard time developing them...You will have a hard time retaining them.

—White man

There is no double-checking or making sure assignments and engagements are allocated fairly...It is really up to the business and manager.

—Asian man

You don't just get good grades here...To get noticed, you have to go above and beyond that. We are looking for people who are captains and real leaders. Those types of people tend to succeed...In terms of the process, your manager typically determines your readiness for a promotion and puts you up.

—White man

The following quotations underscore the importance of mentoring and networking.

All women that make it into this business are talented and have what it takes to succeed... The determining factor for their success and advancement is a mentor...who really supports them and takes an interest in furthering their career, giving them opportunities, giving them the ability to grow and prove themselves.

—Latina

Just doing the work well is a given; but it is much more the fact that I have networked internally and externally in my field [that has helped me advance].

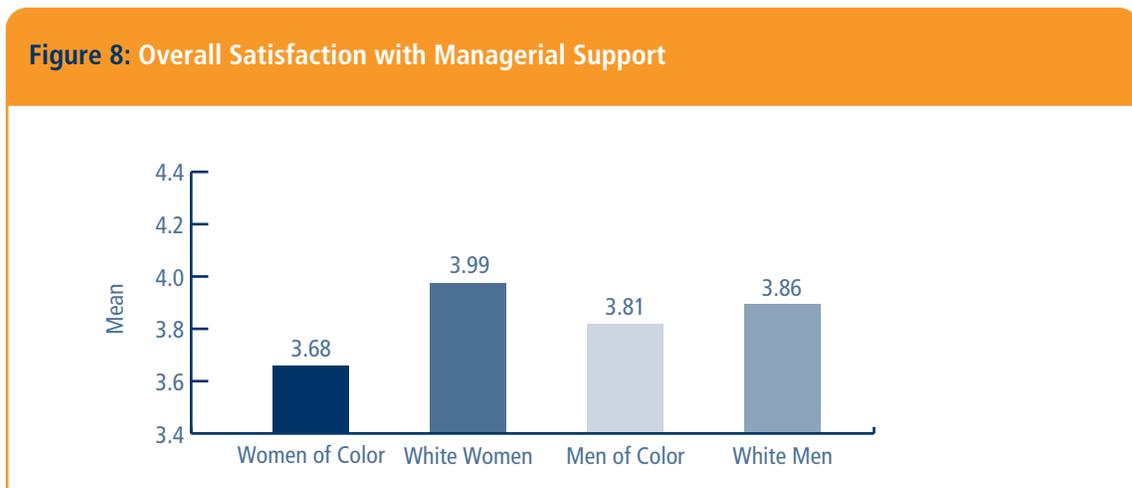
—White woman

Successful people have excellent communication skills and are well networked with senior people in the organization. They are able to understand the politics and navigate through it without getting tripped up.

—Latina

WOMEN OF COLOR HAVE LEAST MANAGERIAL SUPPORT¹⁸

As depicted in Figure 8, while all groups reported relatively high levels of managerial support, white women reported most satisfaction. On the other hand, women of color were least satisfied.¹⁹



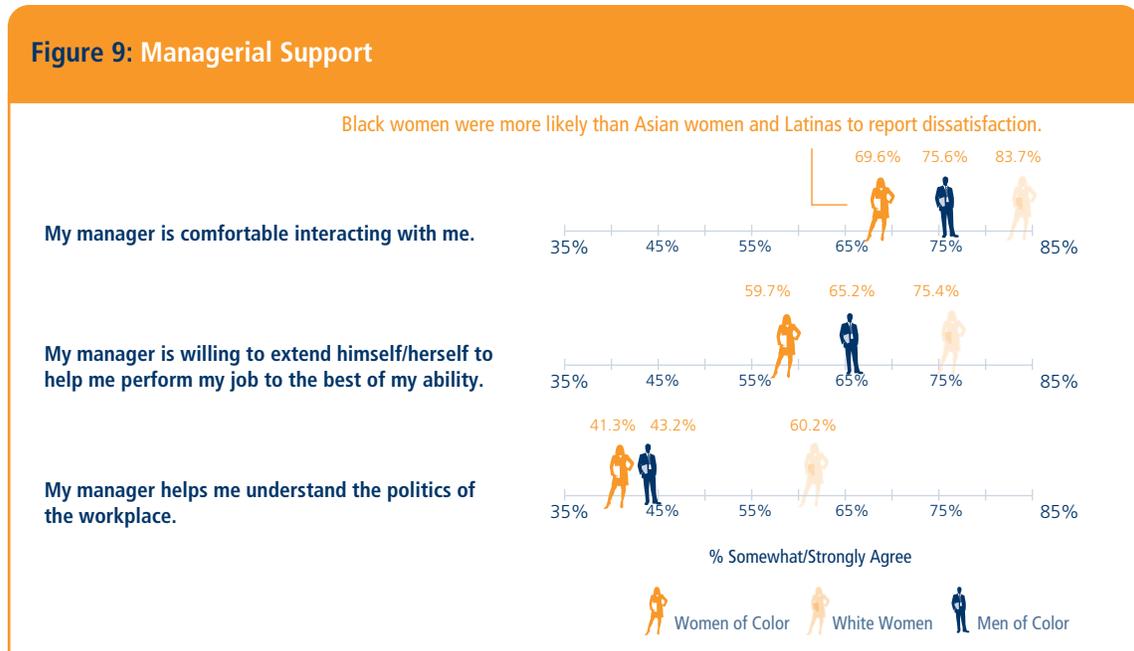
People of color (women of color, 41.3 percent; men of color, 43.2 percent) were significantly less likely than whites (white women, 60.2 percent; white men, 53.4 percent) to agree that their manager helps them understand organizational politics. This may explain the Chapter 2 finding that people of color were more likely than whites to cite “not understanding organizational politics” as a barrier. In addition, women of color were significantly less likely to agree with the following statements.

- My manager evaluates my performance fairly (women of color, 66.8 percent; men of color, 68.1 percent; whites, 75.4).
- My manager provides opportunities for visibility (women of color, 52.6 percent; white women, 65.8 percent).

18. A majority of managers referenced in this section were men and white.

19. See Technical Appendix B for more detail on this index.

Figure 9 illustrates how much more likely white women were to have stronger relationships with their managers, who are often seen as the gatekeepers to their employees' careers, on the following attributes of managerial support.²⁰ Furthermore, black women were more likely than Asian women and Latinas to report dissatisfaction with comfort of manager interaction.²¹



The following quotation captures the importance of an employee's relationship with his or her immediate manager—for the firm as well as for individual women of color.

I have been in both positions—with a great manager and with a lousy one—and I think it makes a difference...When you have a great manager, you're included, you're coached, you're encouraged to participate in things, and you're promoted...I don't think people actually quit jobs, they quit their bosses when the lines of communication are not good. So if a manager's losing people constantly...this manager needs training.

—Latina

SECURITIES FIRMS DO NOT FOSTER A MENTORING CULTURE

Prior research shows that mentoring relationships are effective in developing and retaining people of color and women employees. Additionally, a characteristic common to successful executives of color is their strong network of sponsors and mentors.²²

Our findings suggest that securities firms do not foster a mentoring culture. As shown in Figure 10, more than two-thirds of the respondents reported not having a mentor. Women of color were least likely to have a mentor.²³

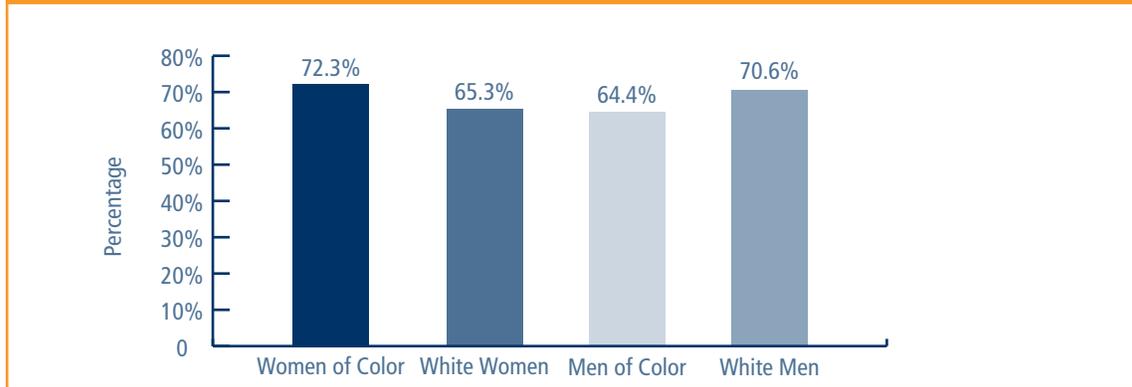
20. Data for white men is not included because no statistically significant differences were observed.

21. Percentage somewhat/strongly agree: black women, 55.1 percent; Asian women and Latinas, more than 70 percent.

22. Catalyst, *Women of Color in Corporate Management* series (1997-2004); David A. Thomas, "The Truth About Mentoring Minorities: Race Matters," *Harvard Business Review*, vol. 79, no. 4 (April 2001): p. 98-107.

23. The Robert Toigo Foundation with Heidrick & Struggles, *Retention Returns: Insights for More Effective Diversity Initiatives* (2006).

Figure 10: Respondents Without Mentors



To gain insights into the characteristics of mentoring relationships, we asked the respondents with mentors—27.7 percent of women of color, 34.7 percent of white women, 35.6 percent of men of color, and 29.4 percent of white men—about their mentors. The results revealed two aspects of the mentoring culture that appear to disadvantage women of color.

Mentoring relationships developed from informal relationships within the firm.

- More than 80 percent of those with mentors reported having a mentor from within their firm (women of color, 90.9 percent; white women, 93.0 percent; men of color, 84.7 percent; white men, 94.6 percent).
- Of those with mentors, more than 60 percent reported having an informal mentor—not someone assigned to them as part of their firm’s formal mentoring program (women of color, 64.7 percent; white women, 63.1 percent; men of color, 66.2 percent; white men, 65.0 percent).

Mentoring relationships were based on “like begets like.”

- Of those with mentors, men were significantly more likely to have male mentors (women of color, 44.9 percent; white women, 46.9 percent; men of color, 79.0 percent; white men, 82.7 percent).
- Whites were significantly more likely to have white mentors (women of color, 69.2 percent; men of color, 67.6 percent; white women, 94.0 percent; white men, 86.6 percent).

The following quotation illustrates the importance of informal mentoring.

It’s the more natural relationships and bonds being formed that may have more impact... Mentoring meetings after work, at a bar...can really establish an informal relationship, which is valuable to getting the insider tips on how to behave, how to fit in, how to advance.

—White woman

The following quotations describe some of the challenges women of color face as they seek informal mentors.

You can do [mentoring] on an informal basis, but it's not as easy as, "Oh, yeah, just find a mentor and that's it."...Yes, you can find one, and they can help you. But it's not that simple.

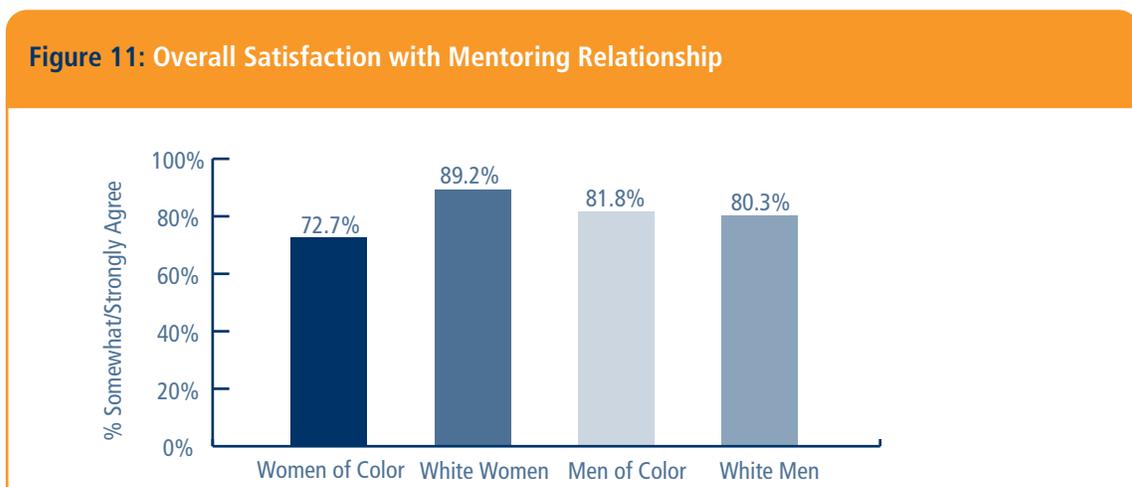
—Latina

There's not a database of mentor availability because a lot of times you might approach somebody, and they tell you, "No, I don't really have the time." Or, "Oh, yeah, I'll do it," and they actually don't do anything.

—Latina

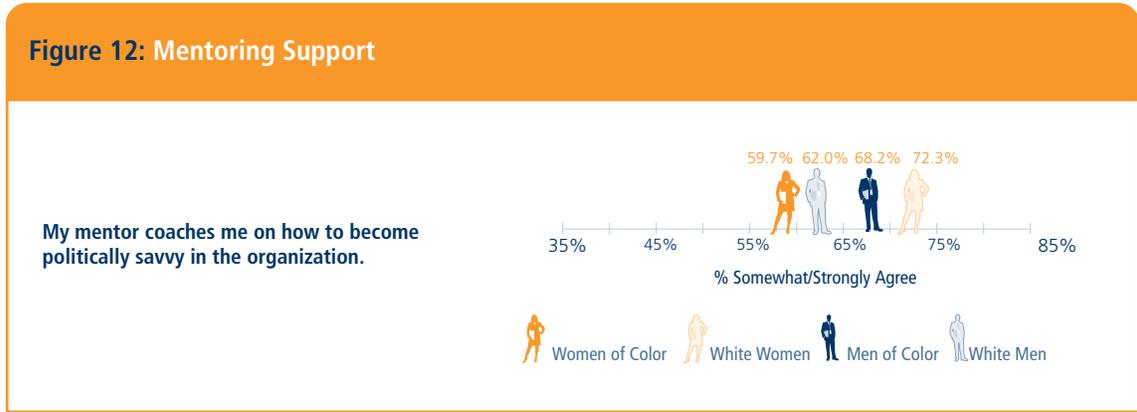
WOMEN OF COLOR HAVE LIMITED MENTORING SUPPORT AND COACHING

Given the informal nature of mentoring and the fact that "like begets like," women of color found it difficult to develop mentoring relationships and create a network of supporters and sponsors, which in turn impacted their development and advancement. Although more than 80 percent of all respondents reported trust and mutual sharing in their mentoring relationships (women of color, 80.5 percent; white women, 86.2 percent; men of color, 82.9 percent; white men, 80.3 percent), women of color were least likely to be satisfied with their mentoring relationship, as shown in Figure 11.²⁴



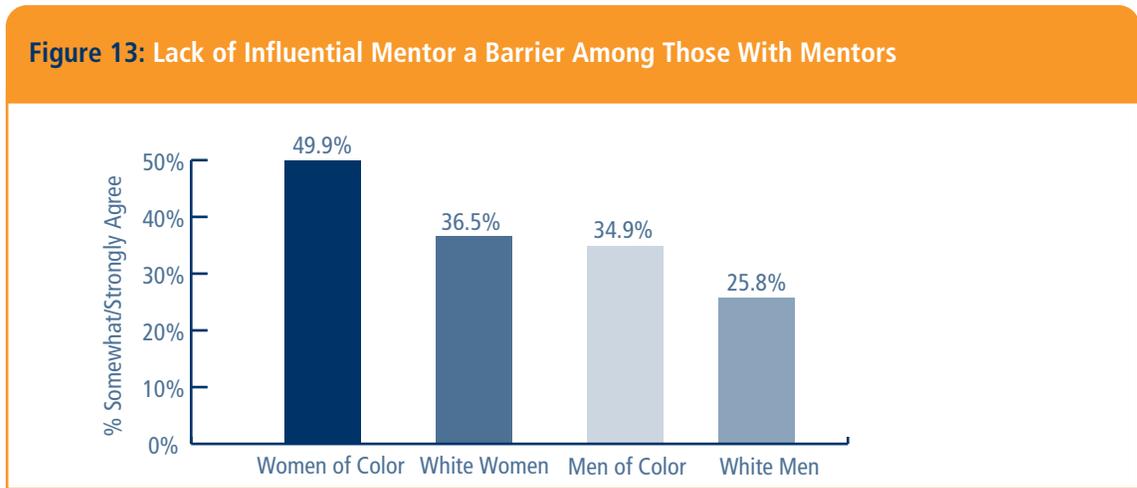
24. Findings presented in Figure 11 are significant at the $p < .1$ level.

As depicted in Figure 12, women of color were also least likely to be satisfied with coaching from their mentors on how to become politically savvy in the organization.²⁵



WOMEN OF COLOR PERCEIVE THEIR MENTORS TO LACK INFLUENCE

We examined barriers to advancement for those respondents who had a mentor and found that “lack of influential mentor or sponsor” was most likely to be a barrier for women of color. This finding, which suggests that women of color perceive their mentors to lack influence, exacerbates the challenges they face.



The following quotation underscores the importance of having an influential mentor.

When you’re trying to find a mentor, and you say, “Okay, I want to get to the VP level; I want to get to the SVP level,” you are digging into deeper issues. I don’t know if mentors are necessarily prepared to do that, and it’s a longer-term relationship. It’s not a once-a-month, “How’s school going? How’s your job going?”...It’s like, “All right, these are the political things that are going on.”

—Latina

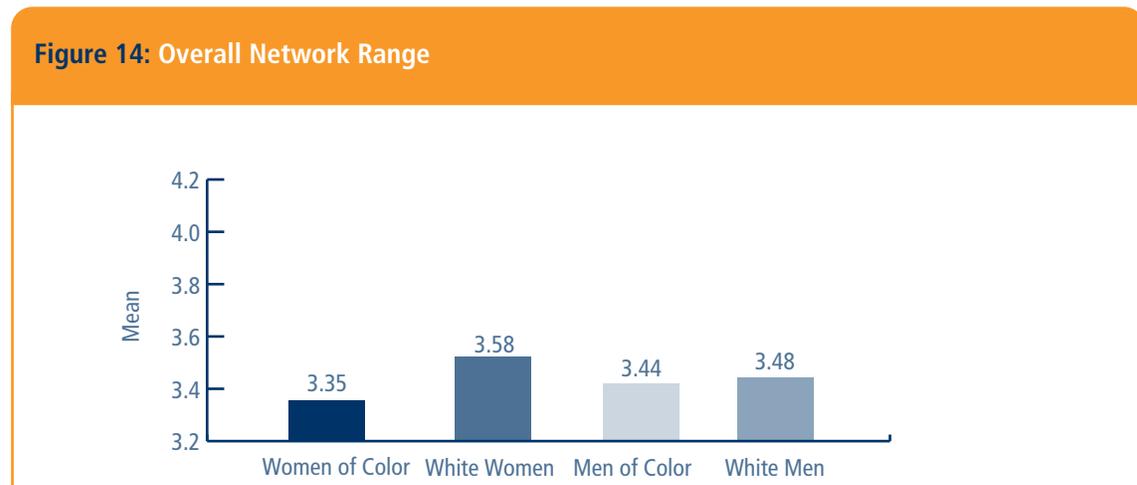
25. This finding is significant at the p<.1 level.

WOMEN OF COLOR HAVE NARROWEST NETWORK RANGE

Research suggests that informal networks comprise the employee connections that are missing from an organizational chart. These connections are critical to the flow of information and in giving employees access to influential others in the workplace. Indeed, informal networks are “a fabric of personal contacts who will provide support, feedback, insights, resources and information.”²⁶

We created an index to measure network range. The index included a series of questions asking how often respondents spoke with different groups across the organization in order to gain information (e.g., about the organization, department, group). Specifically, the groups were differentiated by gender (women and men), race/ethnicity (black, Asian, Latino, white), hierarchical level (peers, senior), and business unit (in your business unit, outside).

As Figure 14 illustrates, women of color had the lowest mean score on the network range measure, reflecting a tendency to speak less frequently with everyone—women, men, people of different races/ethnicities, peers, people senior to them, and people in their business unit and outside.²⁷ On the other hand, white women spoke to the widest range of people, suggesting access to a broad range of people for various types of help and information.

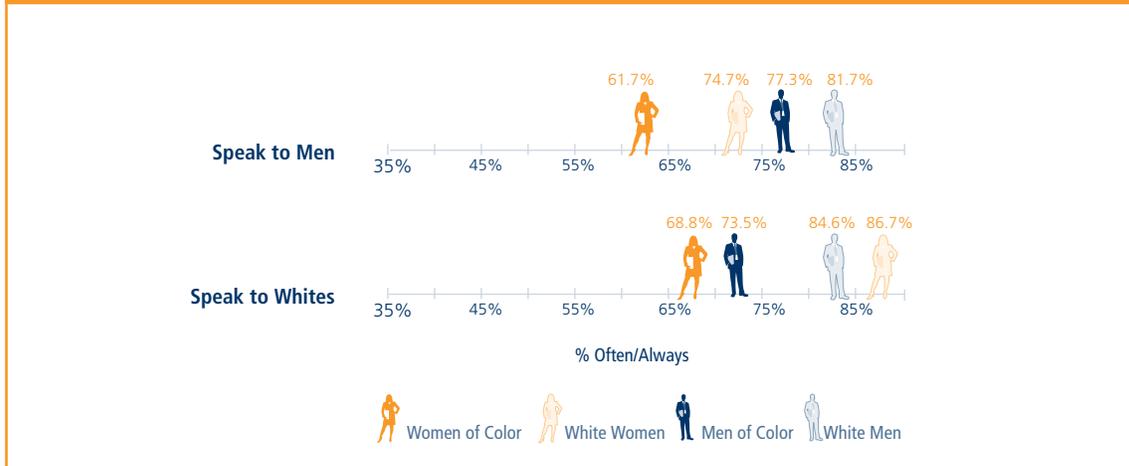


Additionally, women of color were significantly less likely than men of color and whites to speak with men. Furthermore, although both women of color and men of color were significantly less likely than whites to speak with whites in the workplace, women of color were even less likely to speak with whites than were men of color. See Figure 15 for details.

26. Hermina Ibarra and Mark Hunter, “How Leaders Create and Use Networks,” *Harvard Business Review*, vol. 85, no. 1 (January 2007).

27. See Technical Appendix B for a description of measures making up this index and its reliability. These findings are significant at the $p < .1$ level.

Figure 15: Network Range



When we compared women of color with white women, we found that women of color were significantly less likely to speak with:

- Other women (women of color, 66.4 percent; white women, 78.0 percent).
- Those senior to them (women of color, 43.2 percent; white women, 56.0 percent).
- Their peers (women of color, 73.9 percent; white women, 84.2 percent).²⁸
- People in their business unit (women of color, 65.2 percent; white women, 80.7 percent).

The following quotations describe the struggles women of color face as they attempt to forge relationships in a workplace where they have a double-outsider status.

Even just in terms of corporate America's networking strategy—which basically means a bunch of people stand in a room with piano music or no music, and drink—no one knows each other, and all these people just walk up and start talking about nothing. Now, as a little Latina girl, I was in the corner and my mother said, "You don't talk unless you're spoken to."

—Latina

At first it's kind of hard. For example, for me, you go to parties hosted by people from the same ethnic background as you, and I tend to just talk to the people I know. There are other people from different ethnic groups; I would like to talk to them, too. But as a foreigner, I don't know what kind of topic I should talk about at first. So I feel it's a little bit hard for me and I need more time to fit into the culture.

—Asian woman

28. This finding is significant at the $p < .1$ level.

CHAPTER 4: OPPORTUNITIES AND BARRIERS

Learnings at a Glance

- **Women of color, followed by white women, reported the lowest satisfaction with equity and opportunity, including advancement opportunities, perceived fairness, compensation, and consistency between one's experience and level of work.**
- **Women of color appeared to be tremendously disadvantaged by their double-outsider status when it came to business development opportunities: allocation of client assignments, access to high-profile engagements, and training opportunities for business development.**
 - U.S.-born women of color were more dissatisfied than foreign-born women of color with distribution of important client engagements.
- **Women of color reported that not having an influential mentor/sponsor, a lack of similar role models in the organization, a lack of professional development opportunities, and not understanding organizational politics were barriers to their advancement.**
 - U.S.-born black women were more likely to cite a lack of an influential mentor and challenges in understanding unwritten rules and norms in the organization as barriers.
 - Foreign-born Asian women were challenged by not having a communication style that is typical at the organization.
- **People of color have a higher intent to leave than whites.**
 - Women of color and men of color were more likely to intend to leave their firms, and they were significantly more likely than whites to intend to leave within the next few months.
 - For women of color, higher intent to leave was predicted by workplace exclusion, low career satisfaction, and limited or no access to informal networks and social activities.

In this chapter, we examine job satisfaction, advancement, and barriers to advancement. We draw attention to how women of color experience a critical component of advancement: business development opportunities. Additionally, we describe organizational commitment and intent to leave for women of color, white women, men of color, and white men.

Findings suggest that women of color are tremendously disadvantaged by their double-outsider status when it comes to allocation of assignments, access to high-profile engagements, and training opportunities for enhancing business development skills. Additional barriers included a lack of influential mentors, lack of similar role models, lack of professional development opportunities, and not understanding organizational politics.

SENIOR EXECUTIVES SET THE CONTEXT

The following quotation from a Latina executive highlights the disadvantages women of color face when attempting to access professional development opportunities and be staffed on important client engagements.

We are not given the same kinds of opportunities. People don't take the same kind of risks on us. In financial services, it is very much who you know, and when you know someone, they give you a chance. There are not a lot of white men or white women who are investing in us in the same ways they invest in their own.

—Latina

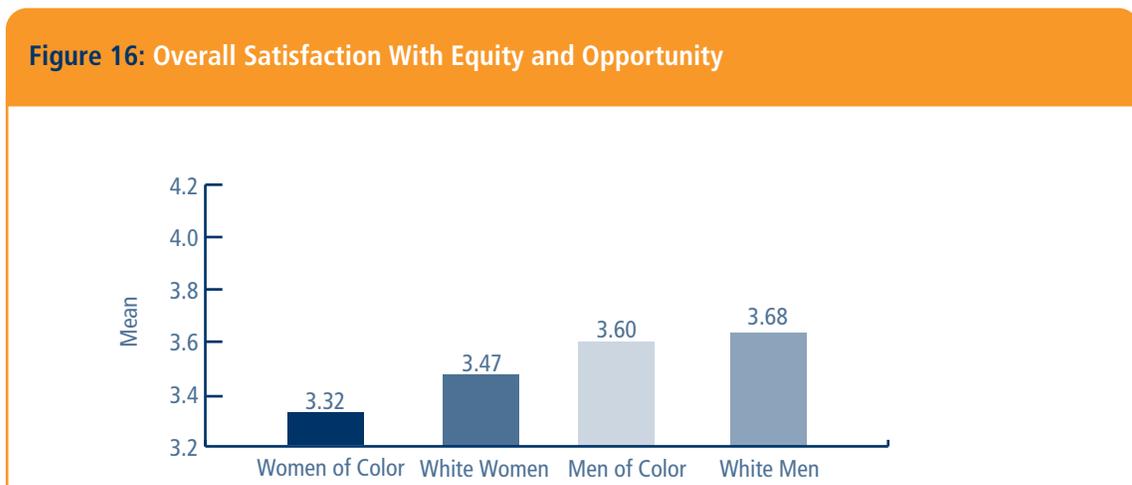
This quotation from a white woman executive raises the question of whether meritocracy exists for all employees.

Meritocracy is fine, but it begs the question of whether it works for all...Are we setting things up so that it feels not doable to be here and the pay off is not there for some people? This is not a place where you are going to find the "reach out, touch someone" type of an approach. What you will find is "navigate your way" type of a mindset...The resources are there, but no one is reaching out and grabbing you.

—White woman

WOMEN OF COLOR EXPERIENCE THE LOWEST SATISFACTION WITH EQUITY AND OPPORTUNITY

Women of color, followed by white women, had the lowest mean score of all groups on overall satisfaction with equity and opportunity, including satisfaction with advancement opportunities, perceived fairness, compensation, and consistency between one's experience and level of work.²⁹



29. See Technical Appendix B for a description of measures making up this index and its reliability.

The following quotations highlight the politics of advancement and illustrate how people with fewer connections receive fewer opportunities to advance—often leading to perceptions of inequity.

It's like trying to get the respect... You see people come in—the young, white males—they perform, they move forward, they get the accolades for performance. And I'm stuck here doing the same thing. And I've seen it happen to other people, of other ethnic groups like the Indians, Chinese... They're sitting there, doing their job, doing a really, really good job, and not being rewarded for it, because they don't play politics.

—Black woman

When you start out junior, there are so many of you that I do think the evaluation is very much performance-based, and whoever performs better will probably advance faster. But the more senior you get, the more it becomes a decision of, "Does she fit in? Do we want her to be part of this club? Is she someone we want to see?"... And there I think interpersonal skills and how you fit in and your relationship and networking skills become more important compared to your day-to-day performance.

—White woman

[Advancement] seems like a popularity contest... How well do you get along with people?... It's all about visibility. Because the senior managers make the decisions as to who gets promoted... The senior managers don't know you or what you do—it's up to your manager to sell you to those people.

—Black woman

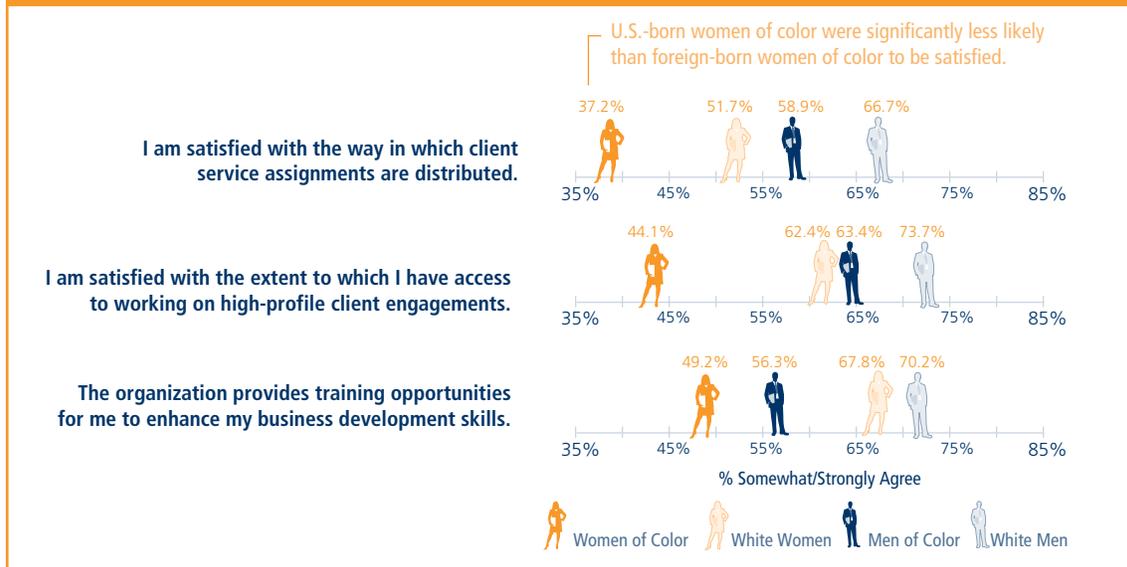
We have a saying in Spanish: "quien tiene padrino, se bautiza," which is, "if you have a godfather, you can get baptized". My mother told me that years ago, and it holds true. It's not only how good you are, but who you know.

—Latina

WOMEN OF COLOR LEAST SATISFIED WITH BUSINESS DEVELOPMENT OPPORTUNITIES

Because building a book of business is essential to advancing in firms, business development opportunities are critical for advancement. There was variation among groups in satisfaction with the distribution of important client engagements, access to high-profile engagements, and training to enhance business development skills, but women of color were consistently the least satisfied with business development opportunities. (See Figure 17.)

Figure 17: Satisfaction With Business Development



Furthermore, U.S.-born women of color were more dissatisfied than foreign-born women of color with the distribution of important client engagements.³⁰ This disadvantage acts as a “concrete” ceiling for women of color in securities firms and poses a major barrier to their advancement.

TOP BARRIERS TO ADVANCEMENT FOR WOMEN OF COLOR

An examination of the top barriers to advancement for women of color highlights their frustrations as double-outsiders in forging relationships and connections at work. Table 1 lists the barriers cited by women of color as compared to white women, men of color, and white men.

Table 1: Top Barriers to Advancement for Women of Color

	Women of Color a	White Women b	Men of Color c	White Men d
Not having an influential mentor or sponsor	34.5% *d	28.1%	35.9% *d	21.2%
Lack of role models in the organization who are similar to me	27.5% *d	26.4% *d	26.1% *d	8.2%
Lack of informal networking with influential colleagues	24.0%	19.5%	28.5%	28.0%
Lack of professional development opportunities	22.1%	20.3%	19.4%	16.6%
Not understanding organizational politics	20.2% *b	10.7%	20.4% *b	12.3%
Lack of challenging roles on client assignments	12.1% *d	9.4% *d	13.6% *d	1.5%

*=significant difference between groups at the .05 level

30. Percentage somewhat/strongly agree: U.S.-born women of color, 40.0 percent; foreign-born women of color, 61.9 percent (p<.1).

Women of color, white women, and men of color were significantly more likely than white men to cite lack of similar role models and lack of challenging roles on client engagements as barriers. These findings highlight the challenges encountered by women and people of color in making connections with the dominant group, white men.

The following quotations emphasize how a lack of similar others makes it difficult to connect with others in the workplace.

There are a lot of smart, excellent, successful people around here [to be your role model]...I can easily find a role model, but I am more willing to see a female, especially a minority woman role model in a group...The culture where I was educated [says] you do not really talk about how good you are. It's better for other people to say you're really good and talk about it.

—Asian woman

For people of color, it is important that you're liked across the firm, and sometimes it's harder to get accepted by other groups, by that third group that you don't talk to very often, because you're not as approachable to them as the white guy who's sitting next to you would be. So you have to be that much more confident and that much more outgoing and friendly to get them to like you.

—Black woman

I'm a grown woman, but I walk into a room, and I don't know anybody. How am I supposed to even begin to bridge that gap and start a conversation with a group of men—predominantly white men whom I don't know—and network? It's a completely different mindset, and no one trains you on how to do that. And I guess they expect you to come in with those skills. Especially Latinas coming straight out of college—they're not trained to interact that way.

—Latina

Both women of color and men of color were more likely than whites to cite “not understanding organizational politics” as a barrier, suggesting that people of color are removed from insider groups in firms. In particular, they were significantly more likely than white women to cite this barrier, suggesting that although white women may experience a sexist workplace, they have relationships and networks in place that provide direct and indirect access to insider groups.

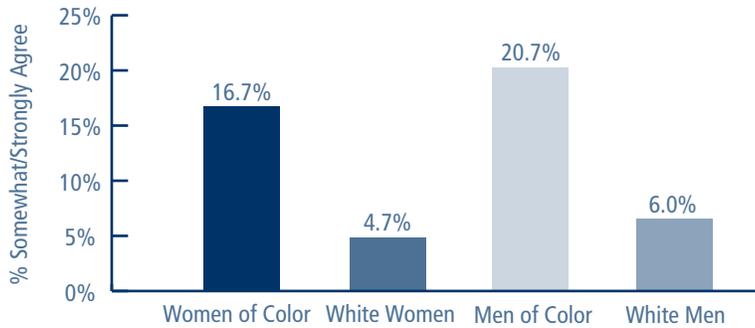
PEOPLE OF COLOR HAVE HIGHER INTENT TO LEAVE

People leave jobs because of push and pull factors. Employers have little effect on pull factors (such as offers of higher-paying jobs at other firms), but they can attempt to hold onto their workforce by reducing push factors (such as an exclusionary workplace and stereotyping). Frequently cited push factors include lack of challenging work, limited development opportunities, lack of role models in senior leadership, unclear career paths, and lack of respect for personal life.³¹

From an economic standpoint, when employees leave and replacements must be hired, recruiting costs, training time, and the lower productivity associated with new employees are expected results. Research suggests that the cost of a professional or a manager leaving an organization is a minimum of the employee's annual salary and benefits.³² In addition, because clients demand the expertise that comes with experience, firms can no longer afford to train their employees and then watch them leave.

As shown in Figure 18, people of color were significantly more likely than whites to intend to leave within the next few months: 16.7 percent of women of color and 20.7 percent of men of color intended to leave within the next few months, compared to 4.7 percent of white women and 6.0 percent of white men.

Figure 18: "In the Next Few Months I Intend to Leave This Organization."



31. WFD Consulting, *It's About Time*, vol. 10 (Winter 2004); Elizabeth D. Almer and Steven E. Kaplan, "The Effects of Flexible Work Arrangements on Stressors, Burnout, and Behavioral Job Outcomes in Accounting," *Behavioral Research in Accounting*, vol. 14, no. 1 (2002): p. 1-34; The Robert Toigo Foundation and Heidrick and Struggles.

32. Saratoga Institute, *The 1999 Emerging Workforce Study* (1999); Catalyst, *Beyond a Reasonable Doubt: Building a Business Case for Flexibility* (2005).

SATISFACTION WITH EQUITY AND OPPORTUNITY PREDICTS INTENT TO LEAVE

In order to better understand what may prompt intent to leave, a multiple regression was conducted with the “intent to leave” index as the outcome variable.³³ For all respondents in the study, satisfaction with equity and opportunity emerged as the most significant predictor—the lower an employee’s satisfaction, the higher his or her intent to leave. Other significant predictors were:

- Access to business development opportunities (the more access employees have to business development and important client engagements, the lower their intent to leave).
- Inclusivity of the workplace (the more inclusive and open employees perceive their workplace to be, the lower their intent to leave).
- Access to informal networks (the more accessible employees find informal networks and social activities, the lower their intent to leave).
- Age (the younger employees are, the greater their intent to leave).

In analyses of each race/ethnicity and gender group, fewer predictors emerged as significant. For women of color, three predictors were significant, in the following order:

- Inclusivity of the workplace (the more inclusive and open employees perceive their workplace to be, the lower their intent to leave).
- Satisfaction with equity and opportunity (the lower employees’ satisfaction, the higher their intent to leave).
- Access to informal networks (the more accessible employees find informal networks and social activities, the lower their intent to leave).

These findings confirm that firms with cultures that exclude and stereotype women of color will find it challenging to retain them.

33. See Technical Appendix B for a description of measures making up this index and its reliability.

CHAPTER 5: WORK-LIFE OR WORK-WORK

Learnings at a Glance

- **In general, there was a stigma attached to seeking work-life effectiveness, and most employees perceived negative career consequences to it.**
- **People of color were significantly less likely than whites to know what organizational resources were available for work-life effectiveness.**
 - People of color were significantly more likely than white women to perceive that work-life resources lack sensitivity toward employees from different racial/ethnic backgrounds.
- **Women of color were more likely to cite childcare and eldercare responsibilities as challenges to achieving work-life quality, and they were most likely to use extended family as a childcare resource.**
 - Foreign-born Asian women were most likely to cite childcare responsibilities and long work hours as challenges to achieving work-life quality; they were also most likely to believe that not adhering to the face-time culture would have negative career consequences.

Studies show that work-life effectiveness programs help firms attract and retain high-quality professionals and are an important factor in employee satisfaction. Furthermore, these programs also advance business success through effective talent management, increased employee engagement, and enhanced productivity.³⁴

It is particularly difficult to achieve high work-life quality in the securities industry, with its fast pace of business, client demands, and face-time culture. In this chapter, we examine the work-life quality experienced by women of color by exploring organizational culture and demands, personal commitments and challenges, and resources and practices for achieving high work-life quality.

The findings demonstrate that the existing culture in securities firms emphasizes “work-work” over “work-life.” Although firms have made progress in instituting programs and policies for work-life effectiveness, the culture lags behind the impetus for change. To create work-life effectiveness programs that are sensitive toward the needs and challenges of women of color, firms have to consider the combined effects of their intersecting identities.

34. Corporate Voices for Working Families, *Business Impacts of Flexibility: An Imperative for Expansion* (November 2005).

SENIOR EXECUTIVES SET THE CONTEXT

Although providing work-life support is often considered a priority as a retention strategy, securities firms continue to struggle in creating a culture that is conducive to work-life effectiveness. The following quotations summarize the existing culture and how it impacts an individual's ability to seek high work-life quality.

The organization gives a lot of opportunity for work-life flexibility, with programs and policies in place. I think the issue is that we are a culture of "execute at all costs"—manage the numbers, clients, relationships, etc...Make sure people know where you are all the time because when they call you, you better have an answer...So even though you have all these resources, you feel like, "I can't take advantage because if I am not here, I am in trouble."

—Latina

I think we have made progress with work-life flexibility...But what really needs to change is to ensure managers know that their employees can be successful and can be productive and efficient even though the time that they may spend at their desk may not be 8, 10, 12 hours...Managerial flexibility can equal successful execution of job responsibilities.

—White man

[Do flexible work arrangements have negative consequences?] I think the right answer is no, but this is...an environment where if you are out of sight, you are out of mind...I can see some people make comments about you not being here and that you are a slacker and that could affect your performance.

—White man

FIRM CULTURES DO NOT SUPPORT WORK-LIFE QUALITY

Data suggest that creating an organizational culture that provides the flexibility needed to achieve high work-life quality continues to be a challenge for securities firms, as this quotation from a Latina illustrates.

Work-life balance. It's on the table and I hear about it, but I think it is a work-work balance, not work-life balance yet.

—Latina

Making work-life effectiveness a woman's issue further perpetuates stereotypes in the culture and makes it difficult to create a culture that provides flexibility for all. The following quotations capture the stigma attached to seeking high work-life quality.

The stigma is going to stay around as long as it's a woman's thing, women with children... Men, for the most part, don't really do it, and people who have other reasons to [seek flexibility], don't do it either...It feels like a Band-Aid approach: "I'm doing this until I can kind of get my life together. Then I'll be back."

—Black woman

I think that partly the reason that men don't use these policies as much is because they feel like that would put them at a disadvantage. So if it would become more of a norm, maybe it would become also more accepted... This involves educating people at all levels. And if men started doing it more, it would be more accepted, and then women would be more accepted doing it.

—White woman

The following quotation describes the general perception of employees who seek work-life quality.

I think [flex work] is looked at differently, not only by your manager, but by your peers. It's almost—I don't want to use resentment—but sometimes it's like, "Well, those people only come in three days. What do they want from us?" So I don't think we've reached that point where flexible working is accepted.

—Latina

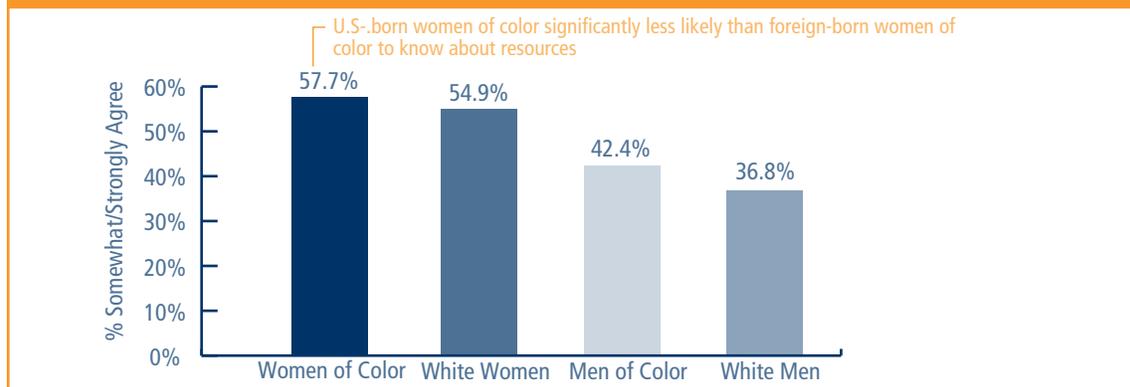
PEOPLE OF COLOR LESS LIKELY TO KNOW ABOUT ORGANIZATIONAL RESOURCES

We asked respondents to comment on their level of awareness of organizational resources for work-life effectiveness and the sensitivity of organizational resources in catering to needs of a racially and ethnically diverse employee base.

Women were significantly less likely than men to know about organizational resources available for work-life effectiveness, and people of color were significantly less likely to know than whites. In particular, U.S.-born women of color were significantly less likely than foreign-born women of color to know about resources.³⁵

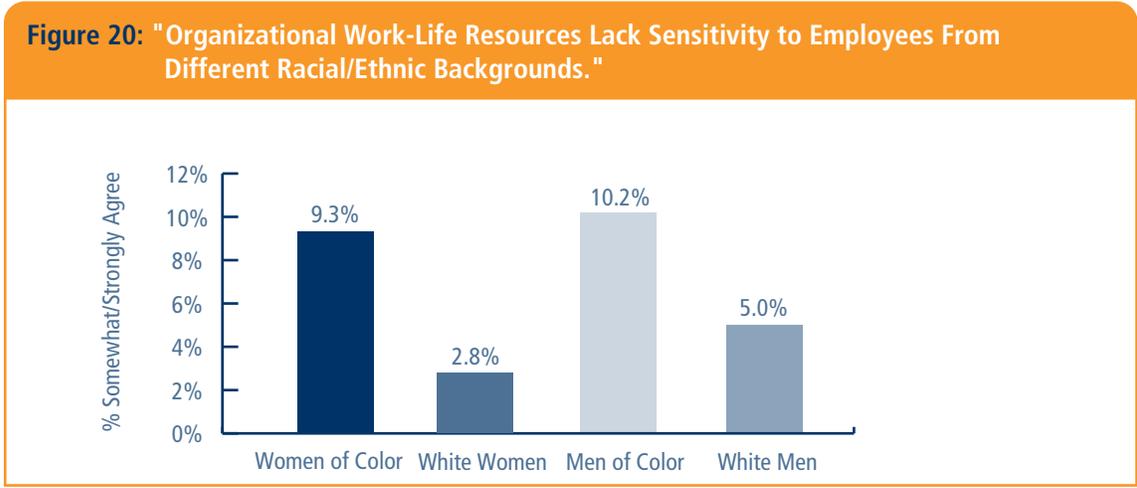
In what appears to be an exclusionary workplace, it is possible that minority groups such as women of color are wary of interfacing with organizational representatives to learn about resources available to achieve high work-life quality. Alternatively, organizational resources may not be sensitive to the work-life support needed by minority groups. It is also possible that firms do not effectively communicate about such resources with these groups.

Figure 19: "I Am Not Aware of Organizational Resources for Work-Life Effectiveness."



35 . Percentage somewhat/strongly agree: U.S.-born women of color, 61.8 percent; foreign-born women of color, 55.8 percent.

Both women of color and men of color—in small percentages—felt that work-life resources offered by their firms lacked sensitivity to different racial/ethnic needs. People of color were significantly more likely than white women to perceive that work-life resources lack sensitivity toward employees from different racial/ethnic backgrounds.³⁶



The following quotation from a black woman captures the perceived lack of sensitivity.

I am an avid churchgoer; I'm always in church. I usually have choir rehearsals in the evening. And I had a manager who wanted me to play a game, go out for drinks, and so forth. And I said, "No" because I actually had to go. He said, "Where do you have to go?" I said, "I have church." So that wound up in my performance review somehow: I'm not a team player and my religion is more important to me than advancing and working.

—Black woman

WOMEN OF COLOR MORE LIKELY TO HAVE CHILDCARE AND ELDERCARE COMMITMENTS

Table 2 lists the personal commitments that may challenge the achievement of work-life quality across race/ethnicity and gender groups. All groups cited long work hours as a major challenge, confirming what is commonly known about the work culture in securities firms.

Women of color respondents were most likely to cite childcare and eldercare responsibilities as a challenge. This is probably because women of color were most likely to report having children under the age of 18 at home (women of color, 36.3 percent; white women, 25.3 percent; men of color, 31.0 percent; white men, 30.1 percent).

36. These findings are significant at the $p < .1$ level.

It is also noteworthy that people of color (women of color, 20.3 percent; men of color, 23.3 percent) were more likely to report having eldercare responsibilities than whites (white women, 18.0 percent; white men, 15.7 percent). Furthermore, women of color were most likely to have primary responsibility for dependent care (women of color, 30.2 percent; white women, 16.8 percent; men of color, 19.0 percent; white men, 10.9 percent).

U.S.-born Asian women, followed by foreign-born Asian women, were more likely to cite childcare responsibilities and long work hours as challenges.

Table 2: Personal Commitments and Challenges

	Women of Color a	White Women b	Men of Color c	White Men d
Long work hours	37.5%	33.5%	38.4%	37.9%
Childcare responsibilities	23.6% *c, d	17.7%	12.9%	10.3%
Personal health	17%	16.6%	11.8%	13.6%
Pursuing education	13.3%	12.1%	12.3%	11.2%
Eldercare responsibilities	9.5%	6.9%	4.7%	4.1%
* = significant difference between groups at the .05 level				

The following quotation describes how commitments to the extended family create challenges for Asian women.

Asians are very family-oriented. I am very committed to supporting my family and my extended family, because we're close... Whenever there's something that arises, I don't know how to broach it with my manager and say: "I need flex time because my uncle, who's my mom's cousin, is not well." I don't know if they'd understand that context, which I know is normal within the Asian community, or at least the South Asian community—to always support extended family. And even with immediate family, I feel like if my mom was in the hospital for surgery that would last two weeks, I would be there in a heartbeat. I don't know if my [white] counterparts would understand that because I don't know if they would do the same.

—Asian woman

WOMEN OF COLOR MOST LIKELY TO USE EXTENDED FAMILY FOR CHILDCARE

Among respondents with children under 18 years of age at home, we found significant differences between women of color and white women in the resources and strategies they use for childcare.

- Women of color (77.1 percent) were significantly more likely than white women (57.4 percent) to use extended family for childcare.
- Women of color (40.6 percent) were significantly less likely than white women (58.3 percent) to employ outside services for domestic help.
- Women of color (22.4 percent) were significantly less likely than white women (47.8 percent) to employ a nanny to help with childcare.
- Women of color (36.2 percent) were significantly less likely than white women (63.8 percent) to employ a babysitter to help with childcare.

CHAPTER 6: PERCEIVED INEFFECTIVENESS OF DIVERSITY PRACTICES

Learnings at a Glance

- **People of color perceived imperfect execution of efforts to create an inclusive environment and address subtle racial biases.**
 - U.S.-born women of color were significantly less likely than foreign-born women of color to believe diversity efforts effectively addressed subtle racial biases.
 - U.S.-born black women were the least likely to perceive diversity practices as effective.
- **Despite having stronger informal networks and relationships with managers and mentors, white women perceived a glass ceiling in the workplace that excludes them from professional development and advancement opportunities.**
- **Women of color were least likely to believe senior leadership demonstrates strong commitment to diversity by hiring qualified, diverse candidates.**
- **Both women of color and men of color were significantly less likely than whites to believe managers were held accountable for developing and advancing women and racial/ethnic minorities.**
 - U.S.-born women of color were significantly less likely than foreign-born women of color to perceive managerial accountability.
- **Fewer than one-third of each demographic group believed managers receive adequate training for managing a diverse workforce. People of color were significantly less likely than whites to agree.**
 - U.S.-born women of color were significantly less likely than foreign-born women of color to believe managers receive adequate training.
 - U.S.-born black women, followed by U.S.-born Asian women, were significantly less likely than other women of color to agree.

Prior research suggests that for outsider groups such as women of color, whether the workplace is welcoming or unwelcoming is critical in influencing perceptions of organizational commitment and intent to stay. Furthermore, diversity initiatives that are viewed as effective by targeted groups can make a positive difference to organizational commitment and intent to stay with an organization.³⁷

Recognizing this, an increasing number of securities firms are demonstrating senior leadership commitment and support for workforce diversity and creating inclusive workplaces by setting up senior-level councils,

37. Catalyst, *Women of Color in Corporate Management: Three Years Later* (2002); Catalyst, *Women of Color in Corporate Management: Opportunities and Barriers* (1999).

taskforces, and committees to help shape and drive their diversity agendas. Firms are also increasingly holding managers accountable for diversity performance through performance reviews and management-by-objectives methods.³⁸

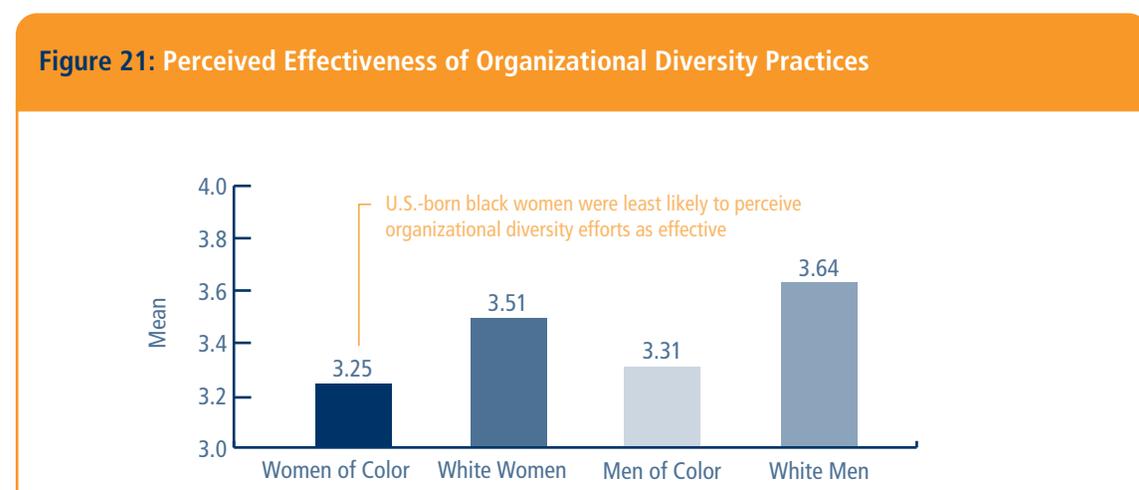
Despite existing diversity and inclusion practices, however, women cite subtle discriminatory practices surrounding compensation and allocation of assignments, as well as double standards in performance, as barriers to their advancement.³⁹ People of color also face stereotyping in the workplace.⁴⁰ Because women and people of color, who are often targeted by diversity and inclusion efforts, find them ineffective, there must be disjunctions and imperfect execution of diversity efforts.

In this chapter, our findings show that people of color perceive diversity efforts to be ineffective in addressing subtle racial biases, and that women experience a sexist workplace. With traditionally marginalized groups perceiving lack of senior leadership support for diversity efforts and lack of managerial accountability for diversity performance, securities firms are unable to fully realize the benefits of diversity. Unless diversity and inclusion programs address the unique challenges faced by women of color—the combined effects of race/ethnicity, gender, and birth country—change is compromised by imperfect execution.

PEOPLE OF COLOR ARE LESS LIKELY TO BELIEVE DIVERSITY PRACTICES ARE EFFECTIVE

Although more than 75 percent of women of color, white women, men of color, and white men agreed that their firms have diversity efforts designed to be supportive of racial minorities and women, people of color were significantly less likely than whites to agree.

As shown in Figure 21, people of color were significantly less likely than whites to agree that these efforts have been effective in creating an inclusive climate.⁴¹ Furthermore, U.S.-born black women were significantly less likely than other women of color to perceive diversity efforts as effective.⁴²



38. SIFMA.

39. Katherine Giscombe, *Women of Color in Accounting*, (Catalyst, 2007); Catalyst, *Women in Financial Services: The Word on the Street* (2001).

40. Ibid.

41. See Technical Appendix B for a description of measures making up this index and its reliability.

42. Difference in means: U.S.-born black women, 2.93; other women of color, between 3.16 and 3.60.

PEOPLE OF COLOR PERCEIVE IMPERFECT EXECUTION OF DIVERSITY PRACTICES

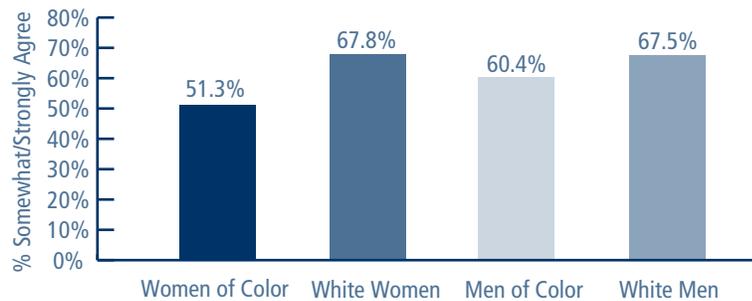
Women of color were least optimistic regarding senior leadership support, accountability of managers, and effectiveness of efforts in addressing subtle racial and gender biases in the workplace.

Senior Leadership Support

Both women of color (35.0 percent) and men of color (36.6 percent) were significantly less likely than whites (white women, 51.7 percent; white men, 53.7 percent) to believe senior leadership demonstrates a strong commitment to diversity by placing qualified women and racial/ethnic minorities in leadership positions.

Furthermore, women of color were least likely to believe senior leadership demonstrates strong commitment to diversity by hiring qualified, diverse candidates, as shown in Figure 22. This finding highlights the entry and recruiting barriers perceived by women of color.

Figure 22: "Senior Leadership Demonstrates Commitment to Diversity by Hiring Qualified, Diverse Candidates."



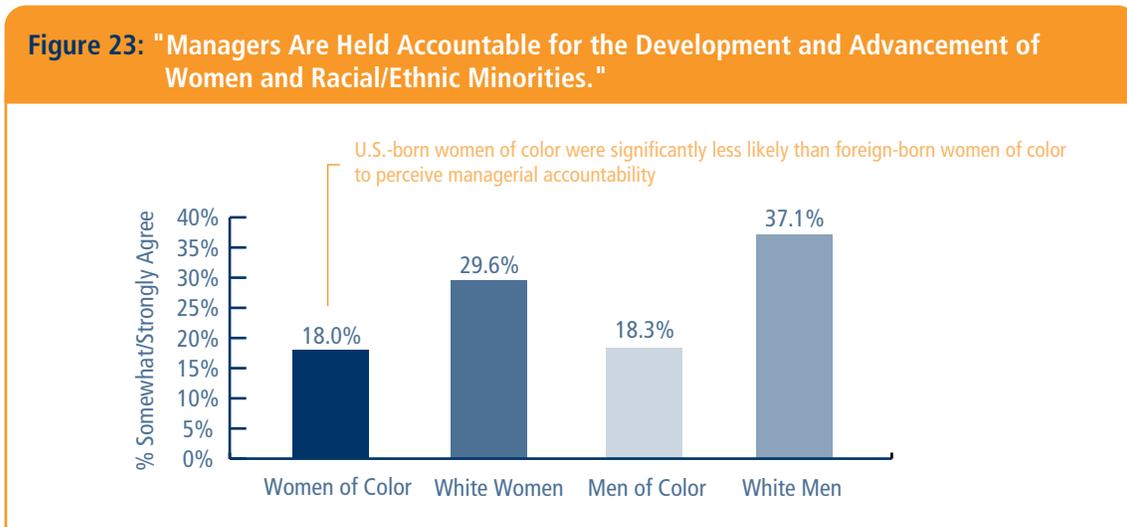
Accountability

Catalyst knows from our Advisory Services and Catalyst Award work⁴³ that accountability is critical for the long-term sustenance and success of any initiative. Furthermore, firms that do not hold managers accountable for diversity efforts are two-and-one-half to six times more likely to fall below the median for representation of women, blacks, and Latinas/Latinos. Although an increasing number of securities firms now hold managers accountable for diversity performance, most firms use performance reviews and management-by-objectives methods that are not linked to financial rewards.⁴⁴

43. The Catalyst Award criteria include four important dimensions—senior leadership commitment, communication, accountability, and business case—essential for sustainable organizational change. Additional criteria for the Catalyst Award include measurable results, originality, and replicability.

44. SIFMA.

As Figure 23 depicts, we found that both women of color and men of color were significantly less likely than whites to believe managers were held accountable for developing and advancing women and racial/ethnic minorities. U.S.-born women of color were significantly less likely than foreign-born women of color to perceive managerial accountability.⁴⁵



Addressing Racial/Ethnic Biases

Stereotyping and hidden biases create an exclusionary workplace for people of color, making it challenging for them to fit in and develop relationships. The following quotation underscores the type of overt discrimination in the workplace that some diversity efforts have not been effective in tackling.

We make collard greens and different things [for Thanksgiving] and I brought leftovers to work. And a [white] gentleman came by—now, I go to the cafeteria and bring lunch to my desk every day, he never comes by—he smelled the food and was like, “What is that you’re eating there? I heard on Howard Stern that he actually does not have anything against niggers.” Now, he said [these things] using a third person...but he used that opportunity to slip something in...without any repercussions. He was just racist all the way around—there are Indians who work in my group and he says things to them as well. I did speak with my [white] manager about it. And he said, “Oh, you know people always joke around here.”

—Black woman

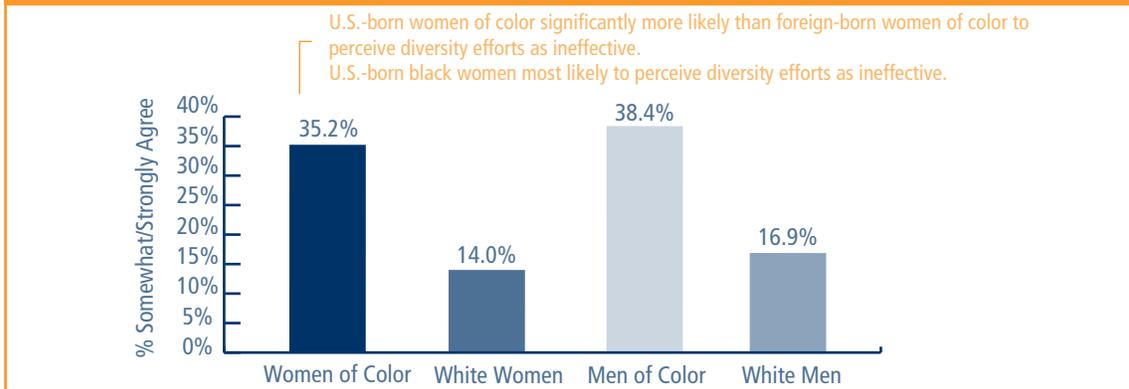
In our survey, people of color were significantly more likely than whites to report that diversity efforts at their firms have failed to address subtle racial biases in the workplace, as shown in Figure 24. U.S.-born women of color were significantly less likely than foreign-born women of color to believe diversity efforts were effective in addressing subtle racial biases.⁴⁶ Furthermore, U.S.-born black women were significantly less likely than other women of color to believe diversity efforts are ineffective in this regard.⁴⁷ This finding demonstrates that diversity policies and programs do not filter down to racial and ethnic minority groups as effectively as they could.

45. Percentage somewhat/strongly agree: U.S.-born women of color, 13.9 percent; foreign-born women of color, 24.1 percent; ($p < .1$).

46. Difference in means: U.S.-born women of color, 3.08; foreign-born women of color, 2.81; ($p < .1$).

47. Percentage somewhat/strongly agree: U.S.-born black women, 59.2 percent; other women of color, between 15 and 40 percent.

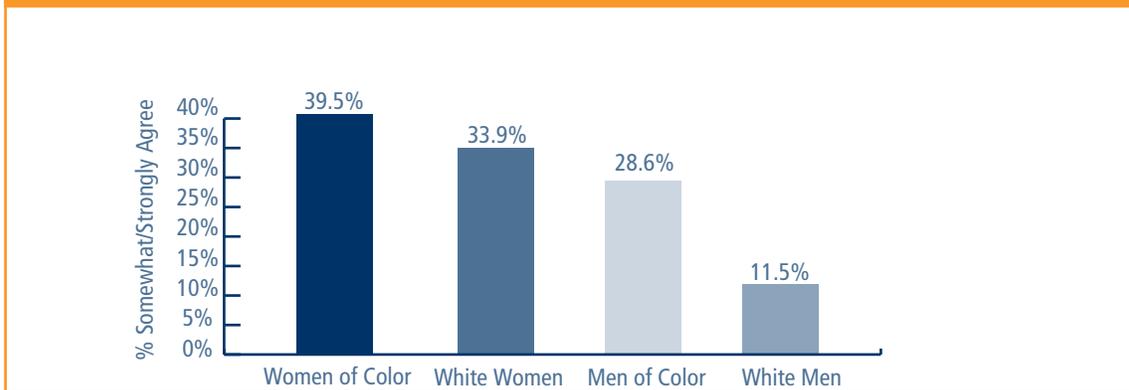
Figure 24: "Diversity Efforts Fail to Address Subtle Racial Biases."



Addressing Gender Biases

Women were significantly more likely than men to perceive imperfect execution of diversity efforts in addressing gender biases. In particular, 39.5 percent of women of color reported ineffectiveness of diversity efforts in addressing subtle gender biases in their firms, while 33.9 percent of white women did. This finding supports the previous data that suggests women in securities firms experience a sexist workplace, and that its negative effects are magnified for women of color.

Figure 25: "Diversity Efforts Fail to Address Subtle Gender Biases."



WHITE WOMEN AND IMPERFECT EXECUTION OF GENDER DIVERSITY PROGRAMS

We know from prior Catalyst research that women in securities firms experience subtle discriminatory practices surrounding compensation, allocation of assignments, and double standards in performance. In the same study—51.4 percent of the sample were white women and 6.1 percent were women of color—women cited barriers to advancement including lack of mentors, exclusion from informal networks, commitment to personal and family responsibilities, and lack of similar role models.⁴⁸

48. Catalyst, *Women in Financial Services: The Word on the Street* (2001).

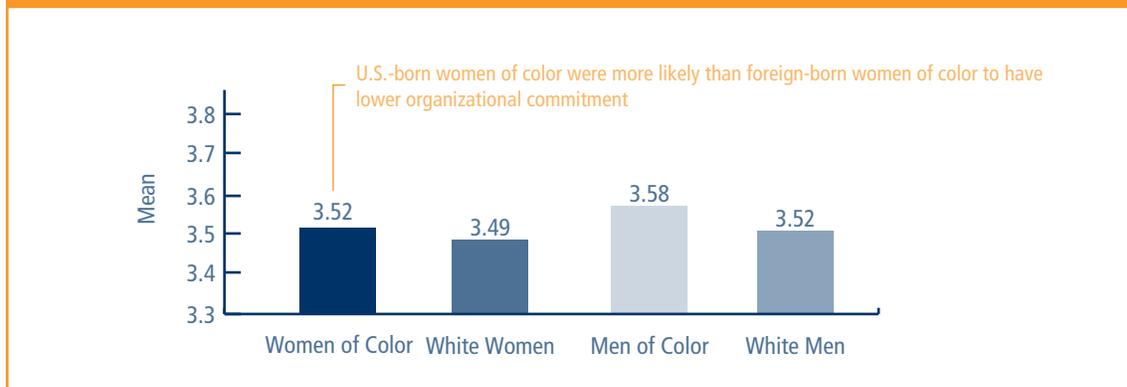
Data from the current study suggest that the culture of securities firms continues to be sexist: white women (15.3 percent) and women of color (12.1 percent) were significantly more likely than men (men of color, 3.2 percent; white men, 6.4 percent) to perceive exclusion on the basis of gender. The following quotation illustrates this double standard.

Men sit on their computer all week long putting together these spreadsheets on their fantasy football teams, and if I'm looking at a bag on the Saks Fifth Avenue website, I get the look, "Oh, look at her shopping. Glad to see you have so much down time." It's your classic double standard... Even when there are [women's networking] events, [men] refer to it as the "girls' club!"

—White woman

A striking finding regarding white women is that despite feeling high levels of inclusion in the workplace, they have low organizational commitment. Organizational commitment is an indicator of the extent to which employees are attached to and identify with their organizations. It is a multidimensional concept that impacts important organizational consequences such as productivity and intent to leave, and it is impacted by job satisfaction and other personal and situational factors.⁴⁹ As shown in Figure 26, white women had the lowest organizational commitment of all groups.⁵⁰

Figure 26: Organizational Commitment



However, white women also felt very included in the organization and were more likely than other groups to believe that:

- Racial/ethnic differences are appreciated in the organization (white women, 80.0 percent; women of color 64.5 percent).
- It is appropriate for employees to challenge the way things are done (white women, 64.6 percent; women of color, 55.2 percent).

49. Alice A. Ketchand and Jerry R. Strawser, "Multiple Dimensions of Organizational Commitment: Implications for Future Accounting Research," *Behavioral Research in Accounting*, vol. 13 (January 2001).

50. See Technical Appendix B for a description of measures making up this index and its reliability. Difference in means: U.S.-born women of color, 3.45; foreign-born women of color, 3.61; ($p < .1$).

This paradox—low organizational commitment, but high levels of inclusion—can be explained by the stronger relationships that white women reported in the workplace and possibly by the proportion of programs focused on gender equity. As described in Chapter 3, white women had the most managerial and mentoring supports of all demographic groups and also appeared to have strong informal relationships and access to information—critical for success in securities firms. However, there are limited numbers of white women in the senior leadership ranks of securities firms. Evidently, white women’s relationships do not translate into advancement opportunities, and they experience a glass ceiling *despite* these strong relationships. It seems that gender diversity programs are effective in connecting white women with others in the workplace, but ineffective in providing professional development and advancement opportunities to them.

INVOLVING MANAGERS TO ADDRESS IMPERFECT EXECUTION OF DIVERSITY PRACTICES

Securities firms maintain a difficult environment for traditionally marginalized groups such as women of color to work within. The data have demonstrated that people of color in securities firms experience racial/ethnic stereotyping and women in securities firms experience gender stereotyping.

Firms often cite challenges in retaining minority talent and gaining commitment from the middle management levels to support diversity and inclusion initiatives.⁵¹ The following quotations show that diversity and inclusion efforts can start to breakdown at the managerial level, causing imperfect execution.

If you are the only female in the group, sometimes you feel differently than the others. Sometimes it’s hard to get feedback from your manager because you feel you’re so different in the group. You’re a minority...double-minority—I’m a woman and I’m Asian.

—Asian woman

The senior-most guys are like, “Yeah, yeah, this is great; good for business.” But when you get down to the day-to-day, like the manager you’re looking at and saying, “It’s 9:30, I need to go set up for a [diversity] event,” and there’s a deadline, they couldn’t care less. My experience is that there’s no incentive for middle managers to implement this or support it or to give you time off to go to those events.

—Latina

Not surprisingly, a limited number of respondents to the survey—fewer than one-third of each demographic group—reported that managers receive adequate training for managing a diverse workforce. Furthermore, people of color were significantly less likely than whites to agree.

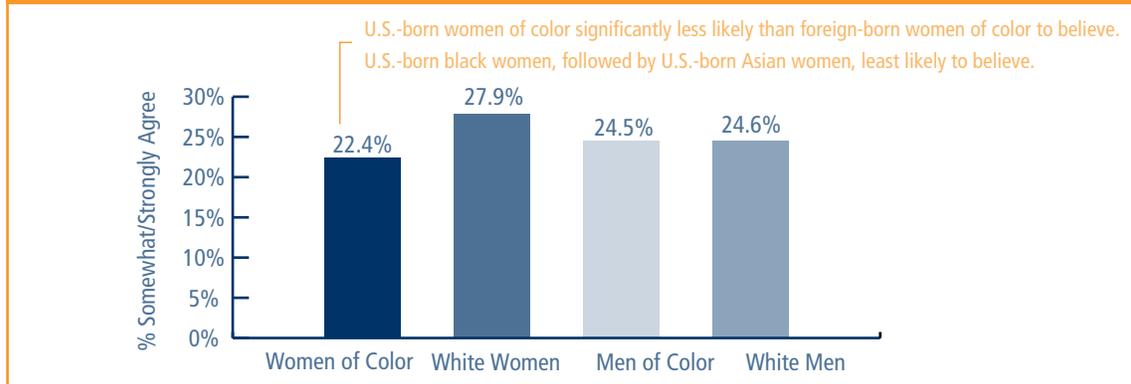
U.S.-born women of color were significantly less likely than foreign-born women of color to believe managers received adequate training.⁵² Furthermore, U.S.-born black women, followed by U.S.-born Asian women, were significantly less likely than other women of color to agree.⁵³

51. General Accounting Office (GAO), *Financial Services Industry: Overall Trends in Management-Level Diversity and Diversity Initiatives, 1993-2004* (June 2006).

52. Percentage somewhat/strongly agree: U.S.-born women of color, 17.6 percent; foreign-born women of color, 29.5 percent; ($p < .1$).

53. Percentage somewhat/strongly agree: U.S.-born black women, 12.2 percent; U.S.-born Asian women, 17.4 percent; other women of color, between 24 and 39 percent; ($p < .1$).

Figure 27: "Managers Receive Adequate Training About How to Manage a Diverse Workforce."



The following quotation highlights how training managers without holding them accountable is not an effective strategy for making change:

The top leaders, the executive committee, the MDs right under them, they are all on board, driving down the initiatives. The issue is middle-manager implementation...A manager gets trained for days on how to manage diversity and how to chart professional development for his staff. Then he goes back to work, and he has that deadline, and he has no time to do any of it [from the training], and no one's calling him up and saying, "Hey, did you do that?"

—Latina

CHAPTER 7: SUMMARY AND RECOMMENDATIONS

This report has drawn attention to the marginalization of women of color in securities firms and highlighted how they are disadvantaged in the workplace compared to white women (with whom they share gender), men of color (with whom they share race/ethnicity), and white men (from whom they are twice removed). The findings demonstrate that white men continue to dominate the securities industry, and an “old boys’ club” mentality makes it difficult for women to develop important relationships. In the relationship-based culture of securities firms, being unable to forge connections with others—including managers, mentors, and, informally, with others—creates a downward spiral for women of color that compromises their development and advancement.

Women of color and white women experience gender-based disadvantages including perceived sexist comments in the workplace and dissatisfaction with career development and advancement opportunities. Women of color and men of color experience racial/ethnic stereotyping, overall exclusion from the work environment, challenges in understanding organizational policies, and a higher intent to leave the firm. In addition, women of color experience unique disadvantages that result from the combined effects of their race/ethnicity, gender, and birth country.

It is imperative for securities firms to understand the differences in experiences and perceptions—between women and men, between white women and women of color, and between U.S.-born women of color and foreign-born women of color—to successfully attract, retain, and leverage their talent. The intersectionality that women of color experience frames the differences that should be considered when devising diversity policies and programs. Otherwise, firms risk ineffective execution of diversity practices.

In this chapter, we recommend steps that can help firms create a platform for inclusion that attracts and retains diverse talent and builds an environment in which all talent can thrive. Additionally, we showcase Diversity & Inclusion Practices that detail how other firms have approached these issues.

BUILD AWARENESS OF THE INTERSECTIONALITY WOMEN OF COLOR EXPERIENCE

Raise awareness of the intersecting identities of women of color and how they create distinctive experiences. Efforts should target various levels of the firm—senior leaders, managers, and peers—and create opportunities for dialogue and discussion between women of color and others in the workplace. They should educate employees on the hidden biases and subtle discrimination felt by women of color that lead to their exclusion from informal networks and relationships. Programs could include informal dialogues and discussions one-on-one and in group settings.

DISMANTLE THE “OLD BOYS’ CLUB”

Examine subtle messages in the work culture that reinforce the existence of an “old boys’ club” and perpetuate hidden biases toward traditionally marginalized groups. For example, firms can identify exclusionary practices by examining communication materials, behaviors rewarded, and examples used in informal story-telling. Institute a zero-tolerance policy toward racial/ethnic stereotyping and sexist comments in the workplace to demonstrate commitment toward inclusion and send a clear message to all employees that this is a serious matter for firm leadership.

EQUIP MANAGERS AND SENIOR LEADERS TO “WALK THE TALK”

Managers are fundamental to how women of color experience and perceive the firm. Equip managers with a thorough understanding of the differences in experiences and perceptions of U.S.-born women of color, foreign-born women of color, white women, and men of color. Use managers as agents to better understand the challenges women of color face and assist them in overcoming barriers to advancement. Equip managers with the tools and platforms to build authentic relationships with the women of color who report to them; hold managers accountable for their retention and development.

The following practices highlight how organizations can create more inclusive work environments by providing strategic support to women of color and creating a platform for discussion and dialogue on race/ethnicity.

PepsiCo, Inc.: Women of Color (WoC) Multicultural Alliance

2007 Catalyst Award-Winning Initiative

PepsiCo’s *Women of Color (WoC) Multicultural Alliance* (the “Alliance”) is a strategic support and resource group closely aligned with the business. The Alliance is a business imperative that focuses on the attraction, retention, and development of women of color within PepsiCo and specifically targets women of color in middle and senior management ranks. The Alliance has created a culture of authenticity and honesty that permeates relationships among women of color and peers and managers, calls attention to the unique experiences and needs of working women of color, and showcases workplace dynamics and solutions related to the intersection of gender and race.

Specific programmatic elements that have led to the retention, development, and satisfaction of women of color at PepsiCo include:

- **Power Pairs®:** This customized coaching program for women of color, their immediate managers, and their “skip-level” managers (second-level managers) uses facilitated dialogue to build personal and professional relationships, help participants better understand others’ work styles, professional interests, and career goals, and foster more authentic and honest relationships. Conversations should convey mutual expectations, identify gaps, and help participants collaboratively develop action plans for working together more effectively. Power Pairs® at PepsiCo has helped bridge many gaps between managers and women of color, including those between gender and race. These rare opportunities to spend quality time with managers have given participants the opportunity to voice their career plans and goals while receiving direct feedback. Power Pairs® has shown solid results: employee turnover among women-of-color Power Pair® participants is one-half that of executive women-of-color employees not participating in Power Pairs®.

- **Women-of-Color Greeting Cards:** These personalized cards are sent out to all newly hired and promoted women of color. They provide women with general information about the Alliance and its mission, as well as a senior contact to use as a resource. While HR provides each division with templates to use, divisions are able to customize their greeting cards.

BP p.l.c.: Addressing Race in BP America, Inc.

BP America recognized a gap between the representation of people of color in management and executive positions within the company. In response, the company introduced numerous initiatives including Race Summits to address inclusiveness by encouraging dialogue between cross-sections of employees. The main objective of the Race Summits was to open up new lines of communication and stimulate employee discussion about race. The initiative took in approximately 750 “thought leaders” at four Race Summits held over two days in Chicago, Houston, and Los Angeles in 2003 and 2004. The Summit participants, from all levels in the company and across gender and racial lines, focused on dialogue and learning from each other. Participants reported very high levels of satisfaction around the two-day learning experience and took the messages and dialogue to team members back in the office. By the end of 2003, an independent survey estimated between 8,000 and 13,000 employees in BP had engaged in a conversation about race as a result of the Summit activity.

CONNECT WOMEN OF COLOR WITH PEOPLE AND OPPORTUNITIES

Provide women of color with mandatory touch points with influential others in the firm through formal mentoring programs, speed networking, and other strategic opportunities. Be aggressive and deliberate in identifying development opportunities for qualified women of color and ensuring they have the knowledge, information, and support necessary for success. Hold managers and senior leaders accountable for developing and advancing diverse talent.

One way for women of color to connect with peers, those from other demographic groups, and those senior to them is through mandatory meetings that facilitate interaction and provide visibility to women of color. They can be orchestrated through programs such as reverse mentoring, one-on-one, or group mentoring, and targeted networking opportunities with senior leaders in the firm. Additionally, since managers are the gatekeepers to their subordinates’ careers, firms should strengthen the “manager-women of color direct report” relationship through programs that build trust in these relationships.

The following practice highlights ways to increase visibility for women of color and help them make stronger and better connections with influential others in the workplace.

The Goldman Sachs Group, Inc.: *Networking Initiatives for Multicultural Women*

The Goldman Sachs Group, Inc., is not new to promoting diversity. In 2007, Goldman Sachs won the Catalyst Award for its *Senior Women's Initiative*, a global effort to increase the number of senior women business leaders. In an effort to make certain that all women are represented in the pipeline, the firm embarked on a mission to better understand the workplace experiences of multicultural women inside and outside the firm.

Following an in-depth external and internal analysis that articulated the challenges faced by multicultural women, Goldman Sachs senior leadership, including the Firmwide Diversity Committee, responded to the compelling business case by launching a new initiative focused on multicultural women. The Multicultural Women's Alliance, comprising managing directors and vice presidents who serve as an advisory board and represent each division and function within the organization, was formed to set the strategic direction for the initiative. The initiative's programs fall under three categories: representation, workplace experience (e.g., manager engagement, job commitment, inclusion), and career development and advancement (i.e., movement throughout the organization).

Multicultural Women's Loft Series

Starting as a grassroots effort in early 2006, the Loft Series was founded by a group of Latina Vice Presidents and is now a well-established initiative that includes Asian, black, and Native American women and is funded and coordinated by the Office of Global Leadership and Diversity. Once every quarter, multicultural women gather to engage in informal conversations with senior leaders who are invited to sit in the hot seat and respond to questions on topics such as performance reviews, compensation, current market trends, assignment mobility, and managing a manager. At the same time, the senior leader gains insight into the challenges faced by these women and becomes more sensitive to their issues. The conversations are confidential, which allows for candid discussions and added comfort. At most, 20 employees attend each gathering, ensuring an intimate group.

Brokering Change: A Wall Street Multicultural Women's Exchange

Recognizing the firm's ability to act as a catalyst for change within the industry, Goldman Sachs decided to extend its efforts to reach external professionals in addition to its own employees. Brokering Change enhances the professional experience of multicultural women by focusing on issues related to their commercial and professional development and providing a platform that facilitates relationship-building and networking across the industry.

The program convenes multicultural women from across Wall Street and the broader financial services industry quarterly to provide them with knowledge and tools to maximize their careers. Events include speaker series, expert panels, career strategies workshops, business roundtable discussions, and best practice sharing on the following topics:

- Professional development, through tools and knowledge to enhance professional portfolios.
- Career advancement, through access to thought leaders and cutting-edge research that identify and address the issues and challenges multicultural women face in the workplace.

- Strategic networking, through exposure to Wall Street pioneers and future multicultural women trailblazers.
- Commerciality, through opportunities to exchange ideas and share best practices to promote authentic leadership and maximize commercial opportunities for multicultural women on Wall Street.

MAKE WORK-LIFE A PRIORITY

To increase work-life effectiveness, securities firms have to dismantle their face-time culture and create a culture that fosters flexibility through easily accessible resources and programs. The following organizational practices provide examples of how to redefine ways in which work gets done and institute programs that emphasize flexibility as a business imperative.

Morgan Stanley: Keep Your Balance

In an intense and active industry, finding the right balance between home and career is not an easy task. One of Morgan Stanley's business principles is "Keep your balance," and to help employees with this task, the firm offers a wide range of programs.

The firm has built a strong and recognizable reputation for supporting work-life concerns. Its welcoming efforts begin before an employee's first day on the job: every new hire receives information on the firm's work-life and diversity initiatives. Every month, the Work-Life team, in partnership with Ceridian, a third-party provider of work-life solutions, offers onsite and online Work-Life seminars (through a product called LifeWorks®), that address topics such as "Managing Stress," "Nutrition for Life," "Options and Resources for Older Relatives," "The ABC's of Consumer Debt," "Understanding Adult ADD/ADHD," and "Staying Strong as a Couple." Morgan Stanley leverages its relationship with the Morgan Stanley Children's Hospital, offering employees access to top-ranked doctors through seminars such as "Infant CPR," "Car Seat Safety," and "Newborn Care and Lactation."

The Work-Life Site is a widely used "one-stop shop" for information on the intranet. It provides information about upcoming initiatives and benefits, articles about past events and awards, and firm policies and benefits, including health units, lactation rooms, childcare, eldercare, perks, and discounts. Employees can also sign up for seminars and programs, such as free on-site Lamaze classes, and read about new services. In addition, HR's Work-Life team updates the site frequently with articles and information on the front page; email blasts also communicate about specific programs.

The biggest work-life events occur every October, when the firm celebrates National Work and Family Month. For the past five years, a national celebration of Work and Family Week, hosted by HR's Work-Life team, has educated employees about opportunities and options available at the firm as well as services available through outside vendors. The 2007 Work and Family Week featured a variety of online seminars, work-life and benefits fairs, and book fairs. Events included onsite and virtual seminars such as "Silencing the Inner Critic," "Caregiving as a Family," and "Fatherhood, the Most

Important Job You'll Ever Have." Vendors such as Caremark Prescription Program, College Coach, Davis Vision, Empire Blue Cross Blue Shield, MetLife Dental, and Morgan Stanley Children's Hospital were present, and various health screenings were also available.

The firm makes every effort to give new parents time to rest, recover, and bond with the addition to their families. It has increased paid parental leave from 12 to 16 weeks for all employees who work at least 20 hours per week following the birth, adoption, or foster care placement of a child. Secondary caregivers may take one week of full-pay leave.

The firm also provides new parents with a kit that contains a well-known parenting book as well as information about the firm's policies and benefits, such as lactation rooms, phone numbers for breastfeeding help, a recommended reading list, and other useful information. The Work-Life team has partnered with the Disability & Leave unit to ensure that all employees on parental leave receive a kit. In addition, new or expectant fathers who may or may not take leave can request kits through the Work-Life Site.

In addition to the new parent kits, in 2006, Morgan Stanley developed four other kits for employees with children ages 2–5, 6–11, 12–14, and 15–18. These kits contain articles, books, CDs, and information regarding firm resources to aid parents and can also be requested through the intranet. To date, more than 4,000 kits have been sent to employees.

Morgan Stanley's aim is to inspire its employees to see their work as much more than "a job" – so that they take pride in being part of a firm where the work is not only professionally rewarding but also interesting and enjoyable. Morgan Stanley is consistently recognized by external organizations and publications for its commitment to diversity and work-life and its developing initiatives. In 2007, Morgan Stanley was recognized by *Working Mother magazine*, *Latina Style magazine*, *Asian Enterprise magazine*, the Human Rights Campaign, *Hispanic Business magazine*, *Family Digest magazine*, *Vetpreneur magazine*, and *G.I. Jobs magazine*, among others.

PricewaterhouseCoopers LLP: Unique People Experience

2007 Catalyst Award-Winning Initiative

PricewaterhouseCoopers (PwC) chose to set itself apart in its quest to attract and retain diverse talent by emphasizing work-life quality, an element missing from the work environment of most professional services firms. Survey data at PwC indicated that dissatisfaction with work-life quality was a major reason people left the firm.

To address this, PwC focused on creating a culture that values time off for vacation and weekends and enables people to take advantage of both formal and informal flexibility options without stigma.

- **Flexible Work Arrangements (FWA):** PwC offers several formal policies or programs for flexibility: reduced hours, flextime, PwC@home, PwC offsite, job-sharing, compressed

workweek, and seasonal employment. These arrangements can be used without stigma; many staff members have advanced to the partner level while using a FWA. In a survey of staff using reduced hours, 95 percent said that the arrangement contributed to their decision to stay with the firm.

- **Firmwide Paid Shutdowns:** In addition to PwC's generous vacation policy of 22 days per year, the firm has provided additional time off to all staff by shutting down entirely between Christmas Eve and New Year's Day during three of the last five years. During that same period, the firm also shut down once for an extended time around Independence Day. While these shutdowns depend on the business needs that calendar year, they are a way for people to truly disconnect and take a totally "guilt free" break from their work.
- **Vacation and Holiday Time Off:** To encourage staff to utilize their vacation benefits, PwC closely tracks use of accrued vacation time. This monitoring is a component of the performance review of supervisors whose staff consistently do not utilize vacation benefits. The results of these efforts are visible: people who have lost vacation time decreased by 6.3 percent in 2006.
- **Email Reduction:** To increase work-life quality, PwC discourages sending work-related emails over the weekend. A pop-up message discouraging email activity appears any time someone attempts to send an email over the weekend. The message reads in part, "It's the weekend. Help reduce email overload for you and your colleagues by working offline...Firm research has shown if you send a note, the recipient feels compelled to respond..."
- **Enhanced Parental Leave:** All new parents at PwC receive 15 days of paid leave in addition to short-term disability benefits and vacation. This time can be used by parents at any time during the first year of their child's life.

REEXAMINE THE IMPACT OF DIVERSITY AND INCLUSION EFFORTS

Ensure diversity efforts address the distinctive experiences of women of color and the challenges they face. Conduct regular assessments (e.g., pulse surveys, focus groups) to ensure diversity efforts are successful. Diversity and inclusion efforts can also begin to change the firm's unwritten rules and norms, which have traditionally marginalized women of color. Analyze data by race/ethnicity and gender, and develop programs that address the specific disadvantages women of color experience.

EMPHASIZE COMMUNICATION AND ACCOUNTABILITY FOR DIVERSITY OBJECTIVES

Build authentic relationships between women of color and firm senior leaders by creating direct channels of communication. Develop diversity objectives, tracking mechanisms, and accountability such as metrics, scorecards, and links between diversity performance and compensation or promotion.

The following Diversity & Inclusion Practice details ways to strengthen accountability mechanisms and effectively communicate senior leadership support for workforce diversity and the creation of an inclusive work environment.

Scotiabank—*Unlocking Potential, Delivering Results:*

The Advancement of Women (AoW) Initiative

2007 Catalyst Award-Winning Initiative

The advancement of women has long been a priority at Scotiabank. However, early efforts were largely unsuccessful due to the lack of formal structures, accountability systems, and visible supports. In 2002, a diverse, cross-functional group of the most senior-level women in the organization formed the Advancement of Women (AoW) Steering Committee because they realized that, in order to make change, the process for advancing women needed to become institutionalized.

The AoW Steering Committee conceived and launched Scotiabank's *Advancement of Women* initiative and the seven strategic pursuits that it uses to drive change in the basic functioning of the organization. The pursuits provide a global framework of guidelines and templates that have spawned a multitude of company-wide, local, and business-specific programs. They include senior leadership commitment, accountability, networks, mentoring, talent pool (leadership programs targeted at future leaders), external presence, and career-advancement process. As one of these pursuits, accountability for diversity efforts is critical to driving change at Scotiabank.

The President and CEO and senior leaders (VP level and above) are held accountable for the AoW initiative through their performance goals and review ratings on the Balanced Scorecard, which measures employee performance in four quadrants: Financial, Customer, Operational, and People. The Balanced Scorecard results are linked to overall performance, which is tied to compensation. Accountability for AoW goals cascades down throughout all management levels, with AoW goals that make sense for each level.

Scotiabank also holds leaders accountable for the development of their direct reports and their respective teams. The President and CEO establishes all-bank people targets annually, including specific targets for the representation of women in senior positions, on his Balanced Scorecard. These targets are reviewed by the Board of Directors and used when assessing progress at year-end. In support of the all-bank targets, members of the Executive Management Committee (EMC) establish goals that are aligned with the President and CEO's and then roll these out to their respective business units, where they cascade down to senior leaders and their direct reports.

Examples of AoW-specific goals on the Balanced Scorecard include increasing the representation of women in senior management and at the feeder pool level. Overarching people development goals, which are part of Scotiabank's broader leadership mandate, may track employee opportunities by monitoring the number of cross-functional/divisional moves and the completion of employee development plans.

Each quarter, Scotiabank publishes progress toward AoW targets, including representation of women by job level. Each year, it compares its numbers with government benchmarks and other financial

institutions. These reports are kept on ScotiaWomen's Connection, an internal website dedicated to informing employees about the AoW initiative, as well as providing resources, tools, and best practices aimed at helping all Scotiabank employees to grow and succeed. The availability of this information reinforces the importance of the initiative and enables all employees to track performance. With this level of transparency—critical to the success of the initiative—employees feel engaged and empowered to enact meaningful change.

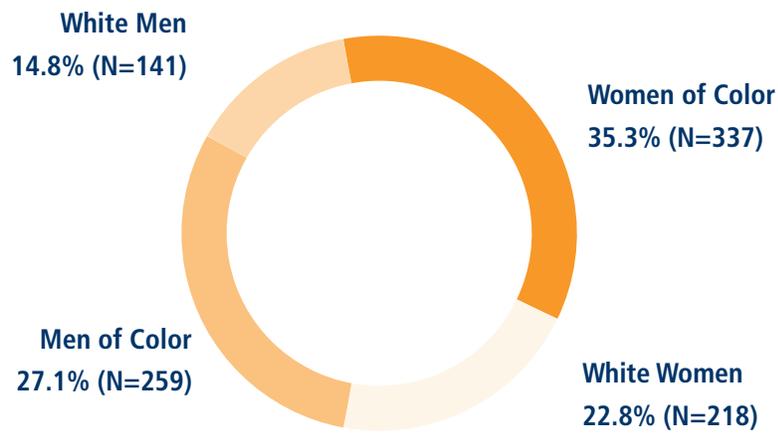
In addition, progress toward overall people development targets on the Balanced Scorecard is tracked through an innovative interactive web tool called People Reports Online, which leaders can use to pull up quarterly and year-to-date all-bank, business-line, and unit-specific data on the representation, promotions, hires, and terminations of designated groups, as well as other measures, such as employee satisfaction and turnover.

Another important component of the formal accountability mechanisms and metrics is Scotiabank's Human Investment Committee (HIC), which has primary accountability for the people side of the business. Chaired by the Executive Vice President, Human Resources and Public, Corporate & Government Affairs, the HIC reviews and approves all major new or changing people policies and programs and reviews and approves key leadership appointments.

By its very nature, Scotiabank's accountability framework promotes the sustainability of the AoW initiative by linking AoW targets to overall organizational goals and strategies, spreading accountability across the organization, and enabling leaders to monitor progress and identify areas for improvement using tools similar to those they use for managing other aspects of their businesses. This accountability helps to ensure strong results. Through this initiative, Scotiabank has significantly improved the representation of women at the senior-management level from 18.9 percent in 2003 to 31.0 percent in 2006. Representation of women at the most-senior EVP/Corporate Officer level increased from 26.7 percent to 36.8 percent from 2003 to 2006. Employee satisfaction scores rose nine points and Return on Equity in the same period went from 16.6 percent to 22.1 percent.

TECHNICAL APPENDIX A: SAMPLE PROFILE

Sample Profile by Race/Ethnicity and Gender



Sample by Level

Title	Women of Color	White Women	Men of Color	White Men
Managing Director	3.5%	3.0%	3.4%	3.1%
Senior Vice President	9.7%	10.1%	9.7%	9.4%
Vice President/Assistant Vice President	33.2%	35.5%	33.2%	33.6%
Senior Associate/Associate	28.6%	29.6%	28.6%	28.9%
Analyst	25.1%	21.9%	25.2%	25.0%

Sample Demographics

	Women of Color	White Women	Men of Color	White Men
Age (mean years)	34.86	36.36	34.04	34.69
Married/With partner	45.1%	44.1%	51.1%	58.8%
With children under 18 at home	36.3%	25.3%	31.0%	30.1%
With eldercare responsibility	20.3%	18.0%	23.3%	15.7%
With primary responsibility for dependent care	30.2%	16.8%	19.0%	10.9%
Born outside the United States	44.7%	8.0%	46.7%	15.7%
Speak a language other than English	65.8%	26.5%	67.6%	29.4%

Sample Occupational Characteristics

	Women of Color	White Women	Men of Color	White Men
Bachelor's	51.8%	64.0%	53.0%	60.5%
M.B.A./Other graduate/Doctoral degree	33.5%	23.0%	42.8%	34.9%
Organizational tenure (mean years)	6.08	6.19	4.41	5.53
Positional tenure (mean years)	3.57	3.91	3.34	4.08
Number of promotions	1.19	1.09	0.84	1.18
Rate of promotion (number of promotions/ organizational tenure)	0.20	0.18	0.19	0.21
Weekly hours of work	50.65	53.08	57.06	56.03

Compensation by Title, Race/Ethnicity, and Gender Group

	Women of Color	White Women	Men of Color	White Men
Managing Director	\$1,741,667	\$1,062,500	\$1,262,500	\$2,500,000
Senior Vice President	\$499,636	\$683,000	\$628,584	\$396,029
Vice President/Assistant Vice President	\$183,545	\$205,812	\$242,095	\$217,160
Senior Associate/Associate	\$140,253	\$126,849	\$150,911	\$159,583
Analyst	\$94,255	\$97,517	\$107,538	\$114,813

SAMPLE PROFILE BY RACE/ETHNICITY, GENDER, AND BIRTH COUNTRY

To understand another layer of intersection, we compared women of color born in the United States with women of color born outside the United States. The following tables capture the demographics, occupational characteristics, and compensation for this group. There were 145 U.S.-born and 113 foreign-born women of color in the sample.

Demographic Information		
	U.S.-Born Women of Color	Foreign-Born Women of Color
Age (mean years)	35.84	36.08
Age at immigration to the United States (mean years)	N/A	14.63
Married/With partner	44.5%	46.5%
With children under 18 at home	37.9%	35.4%
With eldercare responsibility	20.1%	26.5%
With primary responsibility for dependent care	27.1%	36.6%
Speak a language other than English	54.5%	77.9%

Occupational Characteristics		
	U.S.-Born Women of Color	Foreign-Born Women of Color
Bachelor's	50.3%	47.8%
M.B.A./Other graduate/Doctoral degree	30.1%	38.9%
Organizational tenure (mean years)	6.43	6.77
Positional tenure (mean years)	3.82	4.06
Number of promotions	1.26	1.19
Weekly hours of work	49.94	50.13

Compensation by Title, Race/Ethnicity, Gender, and Birth Country Group		
Title	U.S.-Born Women of Color	Foreign-Born Women of Color
Managing Director	\$2,037,500	\$1,150,000
Senior Vice President	\$527,727	\$471,545
Vice President/Assistant Vice President	\$198,034	\$167,385
Senior Associate/Associate	\$145,446	\$134,609
Analyst	\$88,720	\$104,900

TECHNICAL APPENDIX B: METHODOLOGY

INTERVIEWS AND FOCUS GROUPS

The qualitative portion of the study consisted of interviews with senior executives (managing directors) in a subsample of participating firms. The protocol covered the following topics:

- Organizational culture (including work culture, attributes for fitting in, and social networking)
- Organizational structure (including reporting relationships, allocation of assignments)
- Career advancement at the firm (including career advancement model, difficult career points, and barriers faced by women of color)
- Diversity climate (including the context for discussing race/gender and work-life effectiveness at the organization)

SURVEY

For the quantitative portion of the study, a survey tool was distributed to a sample (described in Technical Appendix A) of employees at the top ten largest (by revenue) financial services firms in the United States.

Participating firms fielded the web survey between February 2007 and June 2007, and the surveys were open for two to four weeks at each firm. The survey was sent to a total of 5,300 individuals, and a total of 1,873 responded, for an overall response rate of 35.3 percent. For the analyses in this report, we used data from the 955 front office/client-service employees.

Sample: Catalyst worked with firms to ensure that the titles and business units of employees were comparable across firms. For the purposes of drawing the sample, business units were classified as: 1) Corporate and Investment Banking or 2) Asset Management. In these business units, titles included managing director, senior vice president, vice president, assistant vice president, senior associate, associate, and analyst. Because women of color are underrepresented in securities firms, Catalyst worked with the data vendor to construct a sample that included a substantial number of women of color, particularly at higher levels. After identifying the women of color sample, white women, men of color, and white men subsamples were matched by title and business unit to create the final sample.

Survey Tool: The electronic survey was distributed by a third-party data vendor, and respondents were ensured of its confidentiality. The survey collected the following information:

- Organizational and position tenure
- Level
- Demographics (e.g., race/ethnicity, class background, marital status, educational level)
- Perceptions of work environment/organizational culture
- Satisfaction with career advancement
- Perceived barriers to advancement
- Managerial relationships
- Mentoring relationships
- Informal networks

- Work/life quality
- Perceived organizational diversity climate

Analyses: For the most part, data compare the following race/ethnicity and gender groups.

- Women of color
- White women
- Men of color
- White men

For women of color, we created another analytic category comparing U.S.-born with foreign-born women of color.

We used the following statistical procedures ($p < .05$, unless otherwise specified) to compare groups and highlight the intersectionality that women of color experience.

- Custom tables and chi-square tests of percentage differences
- Analysis of variance (ANOVA)
- Regression analyses

There was a response bias in the men of color and white men samples. The men of color tended to respond to the survey at more senior levels, resulting in under-representation of men of color at the associate and assistant vice president levels. The white men were concentrated at more junior levels, resulting in over-representation of white men at the associate/senior associate levels. The following weights were applied to bring the representation of men of color and white men in the sample in line with levels of women of color.

Title	Men of Color Weights	White Men Weights
Managing Director	.64	.74
Executive Director	.68	.60
Senior Vice President	.92	.73
Vice President	.84	1.21
Assistant Vice President	2.61	1.99
Senior Associate/Associate	.97	.80
Senior Analyst/Analyst	1.03	.98
Assistant/Administrative	.82	1.33

MEASURES AND INDICES

The indices used in the survey tool, along with their reliability ratings, are provided below.

Organizational Commitment Index

Cronbach's Alpha=.625

Respondents rated each item on a scale of 1 to 5, 1 being "strongly disagree" and 5 being "strongly agree."

- I enjoy discussing the organization with people outside of it.
- I really feel as if the organization's problems are my own.

- I think I could easily become as attached to another organization as I am to this organization. (reverse coded)
- I do not feel a strong sense of belonging to the organization. (reverse coded)

Intent to Leave Index

Cronbach's Alpha=.847

Respondents rated each item on a scale of 1 to 5, 1 being "strongly disagree" and 5 being "strongly agree."

- In the next few months I intend to leave this organization.
- Within the next year I intend to leave this organization.
- In the next two to four years I intend to leave this organization.
- I am not seriously considering leaving at all. (reverse coded)

Inclusivity Index

Cronbach's Alpha=.735

Respondents rated each item on a scale of 1 to 5, 1 being "strongly disagree" and 5 being "strongly agree."

- I am subject to racial/ethnic stereotypes in my organization. (reverse coded)
- I am subject to sexist comments at my organization. (reverse coded)
- Many employees feel uncomfortable around members of my racial/ethnic group. (reverse coded)
- To fit in, a person of my gender and racial/ethnic group must make adjustments. (reverse coded)
- Talking about race is considered taboo at my organization (reverse coded)

Organizational Diversity Index

Cronbach's Alpha=.867

Respondents rated each item on a scale of 1 to 5, 1 being "strongly disagree" and 5 being "strongly agree."

- My organization has diversity efforts designed to be supportive of racial minorities and women.
- Diversity efforts at my organization have created a climate supportive of women of color.
- Career development is an important part of diversity programs at my organization.
- Diversity efforts at my organization place too little emphasis on quality of work environment. (reverse coded)
- My organization's senior leadership demonstrates strong commitment to diversity by hiring qualified, diverse candidates.
- Managers are held accountable for development and advancement of women and racial/ethnic minorities.
- My organization's senior leadership demonstrates strong commitment to diversity by placing qualified women and racial minorities in key leadership positions.
- Managers receive adequate training about how to manage a diverse workforce.
- Diversity efforts fail to address subtle racial bias that may exist against members of my racial/ethnic group. (reverse coded)
- Diversity efforts fail to address subtle gender bias that may exist. (reverse coded)

Satisfaction with Equity and Opportunity Index

Cronbach's Alpha=.804

Respondents rated each item on a scale of 1 to 5, 1 being “strongly disagree” and 5 being “strongly agree.”

- I am satisfied with the career advancement opportunities in the organization.
- I believe I can compete successfully to advance in the organization.
- The level of work I am asked to perform relative to my years of experience is appropriate.
- I am satisfied with the compensation I receive for my job.

Business Development Opportunities Index

Cronbach’s Alpha=.654

Respondents rated each item on a scale of 1 to 5, 1 being “strongly disagree” and 5 being “strongly agree.”

- I am satisfied with the way in which client service assignments are distributed.
- I am satisfied with the extent to which I have access to working on high-profile client engagements.
- I have access to organizational budgets reserved for business development.
- The organization provides training opportunities for me to enhance my business development skills.

Network Range Index

Cronbach’s Alpha=.893

Respondents were asked how often they spoke with individuals of the following backgrounds on a scale of 1 to 5, 1 being “never speak” and 5 being “always speak.”

- Men
- Women
- White
- Black/African American
- Asian
- Latino/Hispanic
- Pacific Islander/Native Hawaiian
- In your business unit/practice area
- Outside business unit/practice area
- Those senior to you
- Peers

Managerial Support Index

Cronbach’s Alpha=.918

Respondents were asked to assess their manager on each of the following items on a scale of 1 to 5, 1 being “strongly disagree” and 5 being “strongly agree.”

- Really cares about my well-being.
- Is willing to extend himself/herself to help me perform my job to the best of my ability.
- Provides opportunities for visibility.
- Has high expectations of my performance.
- Helps me understand the politics of the workplace.
- Is comfortable interacting with me.
- Evaluates my performance fairly.

Mentoring Support Index

Cronbach's Alpha=.898

Respondents were asked to assess their manager on each of the following items on a scale of 1 to 5, 1 being "strongly disagree" and 5 being "strongly agree."

- My mentoring relationship is characterized by trust and mutual sharing.
- My mentor helps me navigate the organizational environment.
- My mentor recommends me for assignments which increase my contact with higher level managers.
- My mentor helps increase my contact with clients.
- My mentor coaches me on how to become politically savvy in the organization.
- My mentor suggests concrete strategies for accomplishing career objectives.
- Overall I am very satisfied with my mentoring relationship.

LINEAR REGRESSION MODEL

The following variables were used as control variables in the linear regression models predicting intent to leave.

- Age (scale variable: years)
- Salary (scale variable: dollars)
- Tenure in the organization (scale variable: years)
- Education (dummy variables)
- Level (dummy variables)
- Promotions (scale variable: number)

The following variables were used as predictors.

- Managerial support
- Work environment
- Organizational diversity
- Career satisfaction
- Satisfaction with business development opportunities
- Mentoring support
- Inclusion in informal networks

The model predicting intent to leave for all employees had an overall adjusted R-Square of .323.

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