

Creating and Cultivating Diverse Networks, Teams and Boards



FEDERAL RESERVE BANK *of* KANSAS CITY

Banking and the Economy

A Forum for Women in Banking

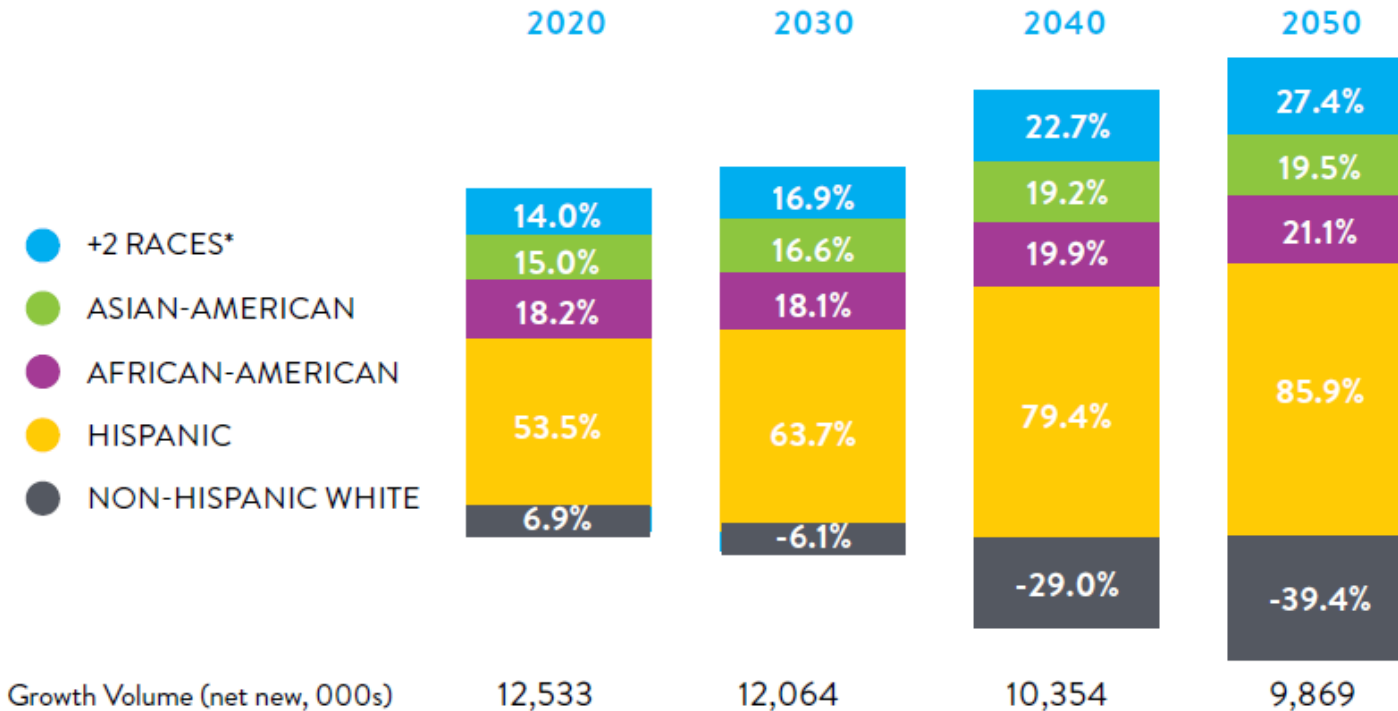
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Federal Reserve Bank of Kansas City

The Facts: Multicultural Population Growth

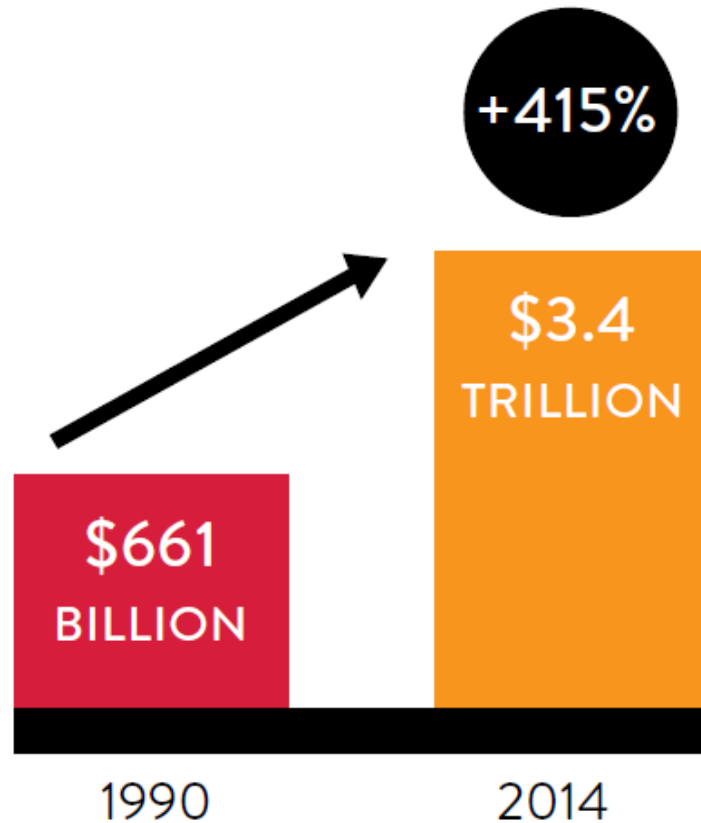


Source: U.S. Census Bureau, Population Projections, December 2012

*Includes native American Indian and Native Alaskans (AINA) and Native Hawaiian & Pacific Islanders (NHPI)

The Facts: Buying Power

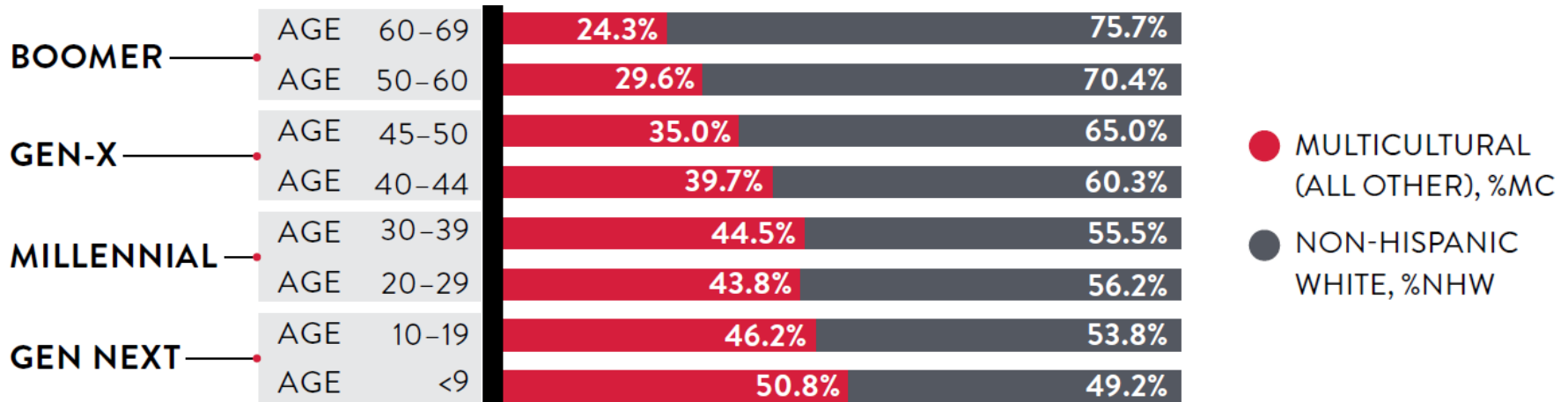
U.S. MULTICULTURAL BUYING POWER



Source: Selig Center for Economic Growth,
U.S. Census Bureau

The Facts: Generations

AMERICAN DIVERSITY BY GENERATION



More than 60% of employers say they are experiencing tension between employees from different generations, according to a survey by Lee Hecht Harrison (USA Today)

Source: Nielsen Pop-Facts, CY 2014 aggregate of single year age by race by ethnicity (ASRE) with collapse Race/Ethnicity into "core" diversity cohorts.

The Facts: Female Networks, Teams, & Boards

According to the Women's Bureau women comprised 47% of the total U.S. labor force

Forbes states 22% of senior roles are occupied by women in the U.S.

27 S&P 500 companies are directed by women

The EEAC states nationally 59% of women work in the Finance and Insurance industry

The Wall Street Journal calculated women account for 28% of the tech-world workforce

The Facts: Minority Networks, Teams, & Boards

The Economic Policy Institute states the majority of the U.S. working class will be minorities by 2032

The EEAC states nationally, 30% of minorities work in the Finance and Insurance industry

Deloitte states in 2016, Fortune 100 company board seats were 17.5% minorities compared to 14.4% for Fortune 500 companies

The U.S. Census states the U.S. is comprised of 22.9% minorities

13.3% of corporate boards of directors are minorities according to the Alliance for Board Diversity

The Facts: Generational Networks, Teams, & Boards

Forbes states there are 5 generations in the workplace today

The Wall Street Journal found that only 28 of the S&P 500 directors are under the age of 40

PewResearch Center states Millennials are the largest generation in the U.S. labor force

Catalyst states by 2025 Millennials will account for three-quarters of working-age people

CNN Money states the Millennial generation is comprised of 45% minorities, compared to 30% for Baby Boomers

The Facts: Diversity and Inclusion National Best Practices

The Right Thing to Do

The Environment: Safe and Productive

The Business Case

The Buying Power

The Law of the Land

The Changing Demographics

Why Should We Create and Cultivate?

Diverse Teams

- Eliminate “group think” if it is not inclusive
- Minimize unconscious bias
- Innovation is derived from diversity and inclusion
- Higher retention, satisfaction, and productivity

Diverse Boards

- Companies with diverse leadership outperform those that don't
- Directors and management teams should represent a company's customers, employees, and communities

Diverse Networks

- Expanding your network expands opportunity to find qualified candidates for teams and boards
- The New Mainstream is comprised of multicultural individuals. They value diversity.

How to Create and Cultivate

Start with the Business Case

Assess Your Organization

Assess Your Leaders for Readiness for Diversity and Inclusion

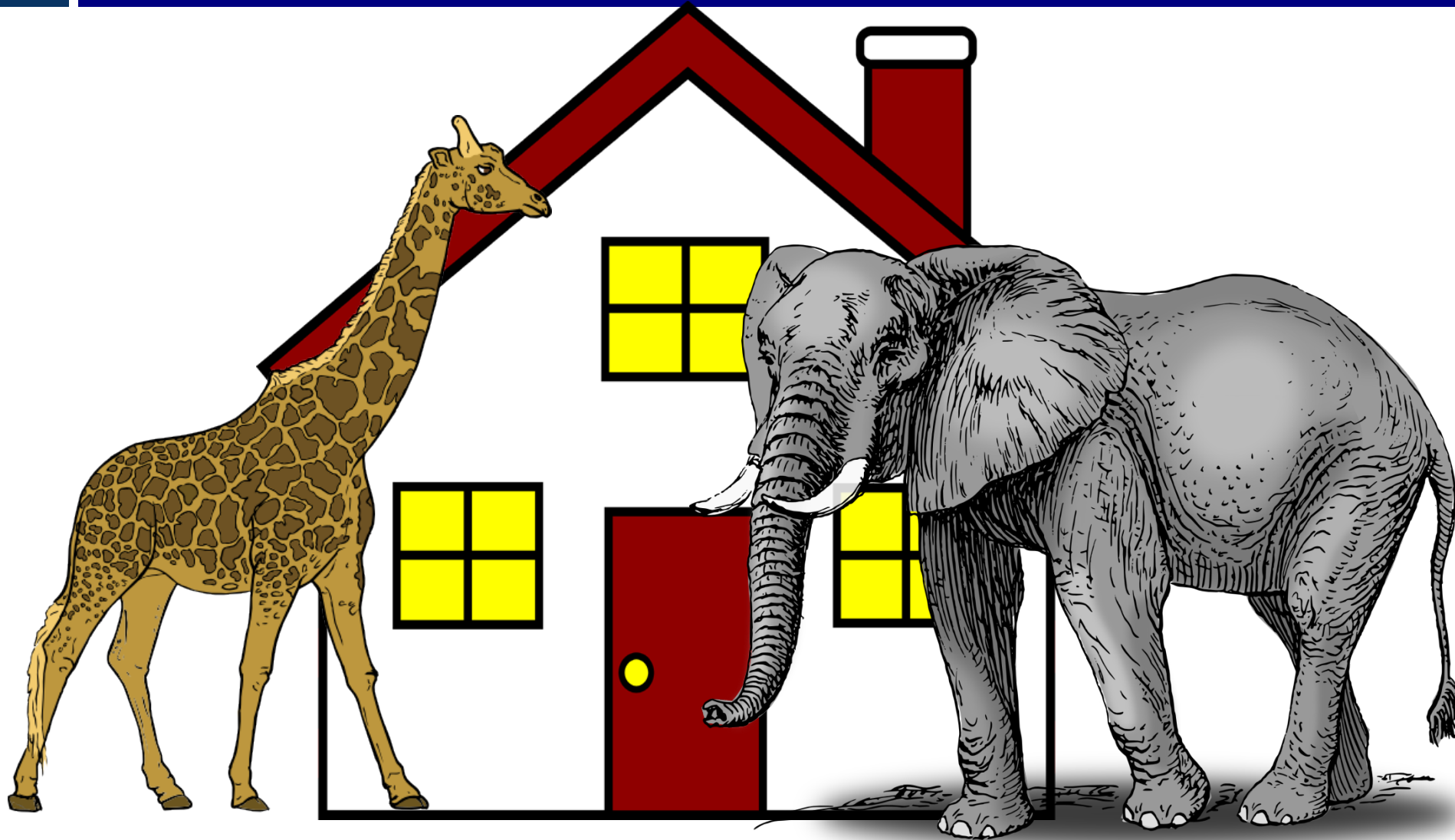
Develop Strong Programs and Services Internally and Externally

Get Involved in Your Community

Set Goals – Accountability and Ownership

Celebrate Wins Along the Way

A Fable: Building a House for Diversity & Inclusion



Cultural Intelligence (CQ)

Harvard Business Review

www.hbr.org

BEST PRACTICE

Knowing what makes groups tick is as important as understanding individuals. Successful managers learn to cope with different national, corporate, and vocational cultures.

Cultural Intelligence

by P. Christopher Earley and Elaine Mosakowski

An outsider's seemingly natural ability to interpret someone's unfamiliar and ambiguous gestures the way that person's compatriots would.

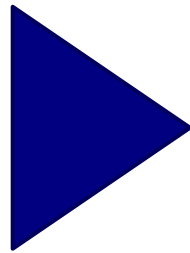
Enhancing Your CQ: Cultural Intelligence

“The call and need of a new era is for greatness. Tapping into the higher reaches of human genius and motivation requires leaders to have a new mind-set, a new skill-set and a new tool-set.”

-Stephen R. Covey

CQ is a new skill needed in today’s workplace.

Mind-Set, Skill-Set, Tool-Set Video

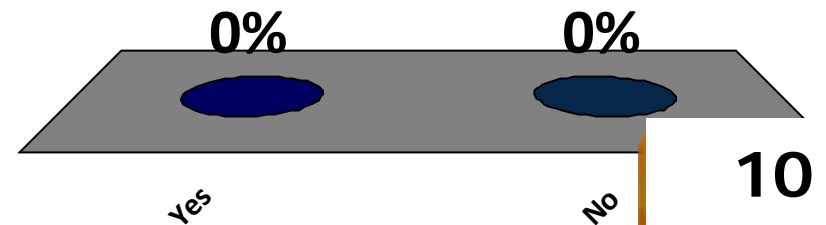


Enhancing Your CQ: Cultural Intelligence

CQ Assessment

Do you believe you have high CQ when interacting with others from a different culture?

1. Yes
2. No



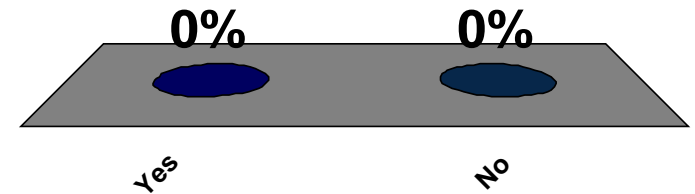
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Countdown

CI Gained Through Thought & Observation Strategy/Knowledge (Head)

- Before I interact with people from a new culture, I ask myself what I hope to achieve.
- If I encounter something unexpected while working in a new culture, I use this experience to figure out new ways to approach other cultures in the future.
- I plan how I'm going to relate to people from a different culture before I meet them.
- When I come into a new cultural situation, I can immediately sense whether something is going well or something is wrong.

1. Yes
2. No

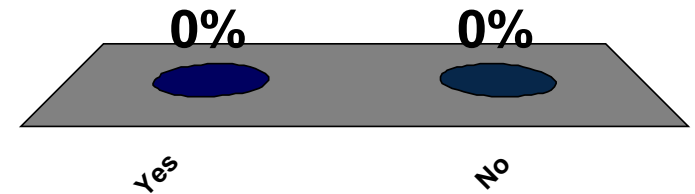


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Countdown

CI Gained Through Behavioral Mirroring Behavior/Action (Body)

- It's easy for me to change my body language (for example, eye contact or posture) to suit people from a different culture.
- I can alter my facial expression when a cultural encounter requires it.
- I can modify my speech style (for example, accent or tone) to suit people from a different culture.
- I easily change the way I act when a cross-cultural encounter seems to require it.



1. Yes
2. No

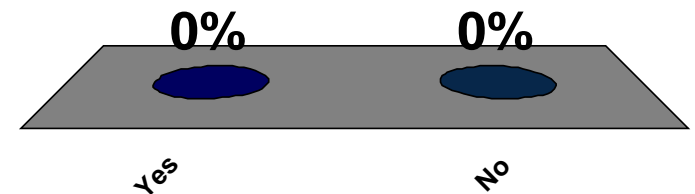
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Countdown

CI Gained Through Motivation & Belief in Possibility

Motivation/Drive (Heart)

- I have confidence that I can deal well with people from a different culture.
- I am certain that I can befriend people whose cultural backgrounds are different from mine.
- I can adapt to the lifestyle of a different culture with relative ease.
- I am confident that I can deal with a cultural situation that's unfamiliar.



1. Yes
2. No

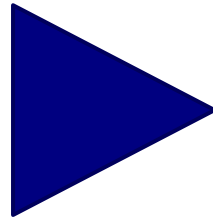
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Countdown

Enhancing Your CQ: Cultural Intelligence

Understanding and leveraging the differences with each cultural nuance is key to unlocking everyone's full potential.

Generational CI - Generational Challenge Video



The Bank: Our Strategies

People

- Workforce, Recruitment and Retention
- Boards of Directors and Advisory Councils

Practices

- Supplier Diversity

Partnerships

- Financial Education and Student Mentoring

The Bank: What We Do

Diverse Teams

- Diverse Leadership Team
- Employee Diversity Council Committee
- Mentorship Program
- Communities of Practice
- Department Diversity Liaisons

Diverse Boards

- Board of Directors and Advisory Councils
- Diversity Strategy Steering Council
- Student Board of Directors

Diverse Networks

- Diversity Recruiting – HBCU's and HSI's
- Diverse local and national community partnerships/summits
- Procurement opportunities with minority and women-owned businesses
- Financial Education Outreach and Programs