ROBERT TOIGO FOUNDATION

U.S. HOUSE OF REPRESENTATIVES FINANCIAL SERVICES COMMITTEE

Diversity Practices within Financial Services – Retention Returns Survey 2006

Speaker: Nancy A. Sims, *President*
Alternate Representative: Andrew Chapin, *Director of Research*

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Nancy Sims

President

Robert Toigo Foundation

Nancy Sims brings more than two decades of finance industry and organizational leadership experience to the Robert Toigo Foundation ("Toigo") in her role as President of the Oakland, California-based non-profit. During her ten-years as President of Toigo, Sims has spearheaded the non-profits' evolution from a small, grassroots organization to a recognized partner to the finance industry.

Sims' vision and strategic leadership has established Toigo as an organization recognized for developing and delivering highly qualified, sought-after diversity talent as well as a team that provides valued insights into issues relating to diversity, inclusion, and leadership development. Sims is the driving force behind Toigo's relationship-driven operating model and its commitment to constantly forge and foster connections among *Toigo Fellows, Alumni*, industry partners and finance firms as a way to change the face of finance.

Since Sims joined Toigo as President in 1998, the Foundation's network of Fellows and Alumni has grown from approximately 240 to more than 600 today. Under Sims' leadership, Toigo's sponsor base has grown exponentially, as have the services and advocacy/outreach initiatives that position Toigo as the premiere diversity organization focused on leadership development within the field of finance.

Sims brings finance industry experience to her role at Toigo. Prior to joining the Foundation as its President in 1998, Sims served on the non-profit's Board of Directors and as a mentor to Toigo Alumni. Prior to joining the Foundation, she served as Senior Vice President and Director of Marketing for McNeil Capital (1996 – 1998), and Vice President / Client Relations for the RREEF Funds (1981-1996).

Key accomplishments during Sims' tenure as Toigo's President include:

Industry Relationships & Support

- Expanding industry support to include more than 200 finance firms in sectors ranging from investment banking and asset management to institutional investors, alternative investment firms (hedge, private equity and venture capital) and real estate investment/development. Most recently, Sims is leading Toigo's efforts to reach the finance divisions of Fortune 500 corporations that are seeking to attract and retain diverse finance talent.
- Increasing significantly the financial support of the organization, with 2007 sponsor pledges reaching nearly $6.0 million.

- Fostering continuing support among Toigo Alumni, giving back to the Foundation via financial contributions or volunteer efforts.
- Identifying and forging key relationships with like-minded business organizations—including NAA, PREA, REEC, NAIC, NASP, and AAAIM— all committed to increasing diversity leadership within the finance industry through education and manager access to capital.
- Establishing Toigo as a credible thought leadership partner with industry conducting studies and forums aimed at providing finance firms with valuable insights regarding diversity recruitment and retention issues.

Talent Outreach

- Extending Toigo's reach to include undergraduate and young professionals (via ToigoTalks™) and online resources (www.ready-for-finance.com) in response to the industry's pressing and growing need to hire diverse talent.

Leadership Development & Career Services

- Developing and launching a leadership development curriculum and career services that provide support throughout a Fellow's entire finance career—a service commitment that remains unmatched by other non-profits dedicated to diversity and leadership.
  - Spearheaded the development, launch and continued expansion of Toigo's APEx™ (Advancing Professional Excellence) program, a robust training and professional development initiative that provides "soft skill" training and addresses workplace and leadership challenges unique to minority professionals. The APEx™ curriculum was developed and is delivered in cooperation with a team of top-ranked MBA professors.
  - Led development of ToigoPRO™, an online career bank dedicated to connecting employers to Toigo Alumni and Fellows.

Governance & Management

- Transforming the organization's governance structure; mobilizing a 37 member Board of Directors into a highly engaged and effective unit, including the establishment and management of working committees and ambassadorship focused on addressing strategic areas of growth for the Foundation.
- Reshaping the organization from a small grassroots effort to a vibrant professional entrepreneurial operation of 15 professionals represented within three U.S. offices.

Sims received her Bachelor of Arts Degree (dual degree) from Mills College in English and Administration & Legal Processes and attended UC Davis Law School in 1977.

U.S. HOUSE OF REPRESENTATIVES FINANCIAL SERVICES COMMITTEE

Diversity Practices within Financial Services – Retention Returns Survey 2006

Robert Toigo Foundation

INTRODUCTION

Mr. Chairman - Congressman Frank, and members of the Financial Services Oversight Committee, my name is **Nancy Sims**. I am the President of the **Robert Toigo Foundation, a non-profit educational organization committed for the past 19 years to increasing diversity in the financial services industry through support of the top minority students entering careers in finance**. I thank you for inviting me and am honored to participate in this hearing addressing an issue that **the Toigo Foundation believes has critical economic and social ramifications for our society**.

The Toigo Foundation strives for a colorblind finance industry—an industry in which all professional levels reflect our nation's—and the world's—demographic diversity. Our Foundation focuses on facilitating and supporting ethnic diversity (or what some term, identity diversity) because **we are passionate in our belief that a more diverse workforce means more varied perspectives, experiences and thinking, and more equitable access to the capital that creates jobs and other services that enable communities to thrive.**

We promote the role of diverse leadership in decision-making around investments and place great emphasis on the values of ethical behavior, integrity, transparency, and accountability as well as a strong sense of return to community. These values are best seen in our definition of leadership embodied in the nearly 700 talented young men and women of color who hold the distinction of *Toigo Fellow*.

The Toigo Foundation primarily addresses diversity in finance through our Fellowship program for first and second year MBA students, currently almost 130 strong, **and, once a Fellow enters the finance industry as a member of the Toigo Alumni, we support their career trajectory with life-long leadership development, mentoring and career services**. We recognize the need to address the entire spectrum of finance careers, including attracting more minorities to the profession and building the pipeline to all levels of the industry. Expanding our overall approach, last year we launched a program promoting careers in finance directed at college undergraduates, just as their career decisions are taking shape.

The Toigo Foundation collaborates with many prominent business and industry organizations to foster opportunities for our students and alumni, and to push the

diversity dialogue forward within firms and the industry as a whole. Our reputation and collaborative approach are strongly regarded in the industry, and we have forged relationships with more than 200 of the top finance firms, more than 30 top MBA programs, as well as organizations including the New America Alliance (NAA), National Association Securities Professionals (NASP), National Association of Investment Companies (NAIC), Association for Corporate Growth (ACG) and Real Estate Executive Council (REEC). More than 15 of the nation's largest pension plans—plans that together manage many billions of dollars for teachers, policemen, firemen and other public servants across the nation—have recognized Toigo and its work in bringing diverse talent to finance careers with formal board resolutions. Today there are seven Toigo alumni working for some of the nation's biggest pension funds such as CalPERS and New York State bringing the investment talents in the truest form of community giveback – to serve the beneficiaries of these funds. Our talent is emerging in all facets of finance. Given this early stage success of our students, we remain vigilant in our efforts to help the finance industry ATTRACT and RETAIN diverse talent and diverse thinking, and foster advancement to senior leadership in the industry.

The focus of this testimony is on diversity practices within the financial services industry as reflected by young minority professionals, those principally in the 4-8 year post-graduate space. My remarks that follow build on two recent studies—the first, the 2006 GAO report entitled *Overall Trends in Management- Level Diversity and Diversity Initiatives, 1993-2004*, and the second a survey conducted by the Toigo Foundation entitled *Retention Returns*. In addition, the Foundation has taken note of subsequent data presented by the Securities Industry and Financial Markets Association (SIFMA) released in 2007 to offer key insights into recent trends relating to minority talent within the finance industry. T**he Toigo Retention Returns study stresses the impacts on and insights of the very people diversity initiatives are intended to serve, top minority talent in the finance industry**.

THE DEMAND FOR DIVERSITY

It is increasingly recognized that diversity is not only a social good, but an economic imperative. Bringing diverse experiences and perspectives to inform creative decision-making – will generally out-perform homogeneous teams. With the tremendous power and influence of finance, an industry that manages billions of dollars daily and determines who has ready access to capital and who does not, this concept is critical for equitable distribution/access and broader return to communities. This concept of diversity also relates directly to financial firms' ability to do business and compete in the global marketplace. The diverse control of capital leads to not only greater and more diverse opportunities for economic growth it also leads to healthier and more prosperous communities/societies.

Finance firms, like all businesses today, need to attract and retain young professional talent, including those from the Millennial Generation (born 1980–2000) who are just now entering the workforce. The finance industry, like so many other service and manufacturing industries in our country, are just now beginning to understand the new workplace demands and expectations of this next generation of workers. Millennials, based on published research, expect diversity—in part, because that is what they have known all their lives. They have been raised, schooled and socialized in multi-cultural environments. For them, diversity is a given. For those that enter the finance industry workplace and find a different world—their loyalty to their firms and to the profession will surely be questioned and jeopardized. As Lynne Lancaster and David Stillman write in their book When Generations Collide, "Millennials are way beyond *accepting* diversity; this is a generation of future workers that will *expect* it." Firms that fail to deliver will fail in their ability to attract the next generation of talent.

The demand for diversity in the finance industry is reaching a critical juncture. Finance must embrace diversity as a core management principle to ensure it is best equipped for the future.

SIGNIFICANCE OF GAO FINDINGS

The GAO report released in June 2006 focused on diversity trends at the management level in the finance industry from 1993-2004. The Toigo Foundation finds the conclusions of this report generally accurate and we make special recognition of several key points.

1. Diversity has not significantly increased and diversity initiatives in the finance industry aren't having the desired or needed impact to significantly increase the representation of diversity within the industry.

The report concluded that general diversity at the management level in the finance industry did not change considerably during this period, although some racial groups experienced a greater increase in representation than others. The report also projects that, despite progress in terms of increases in minority representation at the middle management level (from 1993 through 2004, the percentage of minorities in management level positions increased from 11.1% to 15.5%--an annual average rate of increase of just 0.4%): "If the representation of minorities continues to increase at a rate of 0.4% per year, people of color will account for 32.3% of managers within the finance sector in 2050."[i] This finding shows that diversity initiatives in the industry, particularly retention of minorities, are not having the desired or needed impact to significantly increase the representation of diversity within the industry. For the investment of time and financial resources by some firms to this imperative, the process has unfortunately been inefficient and less effective than intended. We cannot afford for this process to creep along at this pace and undermine the economic and social potential a diverse finance industry offers.

2. Financial firms lack top to bottom buy-in for diversity initiatives, impacting minorities through lack of mentorship, poor day-to-day performance management, and even insufficiently designed diversity programs.

The report notes that a key detractor of diversity initiative success is the lack of buy-in through the ranks of finance firms. While there is much discussion and support at the highest levels, the day-to-day practice of cross-cultural management falls short. The Toigo Foundation agrees with this conclusion and we note that minorities and women are in much greater need of mentoring and gaining advocates on their behalf than their non-minority counterparts. In addition, we emphasize that many diversity initiatives have been insufficiently designed to address the issues around diversity and retention. For example, diversity training, as some firms have implemented, often has a negative effect by imposing ideals on mid-managers with limited structure, often no actual accountability, and in most cases vague intended outcomes. Another example is seen through the creation of diversity committees within firms to address the above concerns. Ironically, these committees often consist entirely of senior staff, which is representative of the homogeneity at the senior levels of the firm.

3. Though the GAO data doesn't directly show this, levels of minority representation decrease as the seniority of the levels increase emphasizing the importance of retention of top minority talent.

The GAO report recognizes that the data presented by EEOC does not disaggregate the "officials and managers" category – which includes the lower and mid-level management positions as well as the most senior levels. A recent SIFMA survey presented data more closely aligned to the classifications reported by the Retention Returns survey. Specifically, the SIFMA data showed clearly that the level of minority representation dropped at each higher level of management, with the lowest percentage of minorities at the highest level (the average people of color representation at finance firms is 14.5% at the Senior Manger level; 8.4% at the Managing Director level; and 6.5% at the Executive level)**.** This data reinforces the findings of the Retention Returns survey that critical support mechanisms for retaining minority talent are not widely effective. It also reinforces the focus of the Toigo Foundation on retention methods versus recruitment as the most pressing issue for the finance industry.

4. A critical mass of minority talent at senior levels as role models and mentors is a critical goal that will lead to even greater diversity.

The conclusions of the GAO report present the need for role models to stimulate even more minorities to enter the field. Toigo believes in building this critical mass through our full range of programs, including our educational campaign on careers in finance at the pre-MBA level (ToigoTalks™). We also encourage firms to reconsider sometimes rigid recruiting and performance management systems that do not allow for creativity in identifying high achievers or for developing talent of color for advancement within the industry. Flexibility and creativity in recruitment models can go a long way in drawing talent to firms and retaining it.

TOIGO FOUNDATION STUDY FINDINGS

In Toigo's 2006 survey: Retention Returns, we examined issues affecting minority talent within the finance industry—issues relating to recruitment of talent, and, of even greater importance, regarding retention of minority professionals. Our goal in conducting the survey was to provide the industry with candid perspectives and insights from the very individuals the firm's diversity initiatives were intended to serve. To conduct the survey, Toigo reached out to more than 450 mid-career minority professionals and received responses from more than 300 (more than 60%) emphasizing the urgency and importance of the issue. We compiled and analyzed the data/information and conducted follow-up focus groups to delve deeper and to confirm our conclusions. Recently, we also held two further follow-up focus groups to examine key issues raised. The following is a summary of the key conclusions of the Retention Returns survey and analysis and note that some of the information provided here is also provided in support of our comments regarding the GAO survey above:

- **There is a recognizable patter to the Cycle of Departure experienced by minority professionals.** For the *Retention Return* respondents, the domino effect resulting in voluntary departure follows a similar path or pattern of events, including limited access to key deals which leads to a lack of visibility, and in turn leads to a lack of recognition and proportionate rewards. Ultimately it all leads to the employee's departure.

- **There continues to be a lack of commitment and follow through related to diversity issues.** Though there is much rhetoric surrounding diversity in the finance industry, even many diversity initiatives being implemented, the impact of those initiatives is limited.

    - 34% of respondents in the *Retention Returns* survey noted that no efforts are being made by their firm to specifically retain people of color.

- **Performance management is a critical factor in an individual's decision to stay or leave a firm.** Firms are not doing a good job of clearly defining and articulating what a model of success looks like, or of communicating constructive feedback to support the advancement of people of color. There is still more subjectivity than objectivity in the process that often works against minority professionals.

    - more than half of the *Retention Returns* respondents feel they are moderately, somewhat, or not at all awarded and recognized in a similar fashion compared to non-minority peers.

"The review process should be transparent. If I am average, why am I average? And more importantly, how can I move forward and excel? — Toigo Alumni

- **Mentoring and leadership support are vital to the career of minority professionals.** If you are not picked by a senior person and protected, or advocated for, then you are, in the words of several *Toigo Alumni*—"ruined." The challenge remains that as a person of color you are less likely to be picked by a senior leader to be mentored.

    - As reported in *Retention Returns*, only 21%—or roughly one in five—survey respondents indicated their firms have formal mentoring programs in place to aid to minority retention efforts.

    - Of those surveyed with formal mentoring programs in place, less than 20% believed that mentoring was considered extremely or very important with their firm.

The turning point for minority professionals is the four to eight year mark post MBA (nearly 35% of *Toigo Alumni* fall in this category). Through Toigo's career counseling services, we know that this career "marker" represents a critical turning point during which many personal and professional considerations are made, when individuals consider leaving a firm or even the industry, thus impacting retention. Most importantly, it's at this stage in a minority professional's career when mentoring, constructive feedback and advocacy regarding an individual's performance and potential have the greatest impact. Not coincidentally, this is also the time when a professional within the finance industry would know if he or she was either on track to become a senior leader—or not. Focusing particularly on mid-career professionals, these conclusions must be addressed by any finance organization to affect meaningful change in its workforce.

We recognize the aggregate diversity data varies by industry sector (from investment management to private equity to investment banking, for example) and by size of firm. We believe that by recognizing and addressing our general conclusions, firms can strengthen current operations or engage in new and improved practices for retaining diverse talent.

NEXT STEPS: TIME FOR CHANGE IS CRITICAL

The time for change could not be more critical. Discussion of the future of diversity calls attention to the populations that are served by the Toigo Foundation. The views of the next generation of leadership within finance on the environment in which they can demonstrate their talents and thrive should be of interest and concern to all involved in the dialogue around inclusion. In particular, attention should be given to the newest generation in the workforce – Millennials, who, as noted above, are putting forward new workplace demands and expectations to employers. The Toigo Foundation has adapted our programs to address the soft-skill training and awareness to this group of future leaders who don't understand exclusion in the same way as their predecessors. Finance firms must also recognize this shift.

Since the release of the Retention Returns survey in 2006, Toigo has continued our analysis of workplace diversity practices, including incorporating the Millennial generation. The survey itself gained considerable momentum in 2007 leading to the Foundation's invitation to host alumni panels for several prominent financial organizations for senior executives to hear, first hand, the candid perspectives of young professionals and their recommendations on how the finance industry can improve its day-to- day efforts to attract and retain diverse talent.

Despite some progress in the industry, many findings and conclusions of our survey have been reinforced in recent months. The 2007 SIFMA workforce diversity survey shows that a representative group of financial firms still do not have specific diversity initiatives with goal setting and performance measurements outside of basic recruitment targets. We note that many of those that do, particularly those with Diversity Officers, don't have direct accountability to the CEO. As a result, the efforts become tangential with limited potential impact and too often are funded (or not) based on the organization's profitability.

The SIFMA data, as we noted above, also confirms a steady decline among representation of professionals of color as one looks to higher levels of management, with the lowest representation at the Sr. Manager to Managing Director level(s). **The Retention Returns survey offers that this trend will continue if greater focus is not placed on the Associate to MD progression and what methods of performance management, mentoring and professional development are required to increase the pool of potential talent for promotional consideration.**

"I have an outstanding track record at my firm, experienced steady promotion and am given frequent accolades on my work. However, at this point in my career – 7 years post MBA with this firm – I have no clarity as to what my next steps are to achieve executive leadership." — Toigo Alumni

KEY TAKEAWAYS

In reviewing the GAO report, Toigo's Retention Returns findings, and other industry reports, I offer the committee three important themes to consider as you think deeply about the finance industry, the need for inclusion and the critical importance of attracting and retaining more diverse talent at all levels of leadership.

1. Day-to-Day Matters. The support—or lack of—of a direct manager or supervisor has the greatest impact on the careers of diverse talent. Often small (and to some, seemingly insignificant) day-to-day indignities add up to feelings of frustration—and eventually to a tipping point leading to departure. These day-to-day issues range from avoiding performance dialogue to limiting access to certain clients and deals. And we found that too often, these type of interactions and missed opportunities fall outside of senior management mandates to cultivate a more diverse workplace. Buy-in and accountability at all levels—from the boardroom to the business units and line managers— are critical to the success of diversity initiatives.

2. Change Must be Systemic. Many diversity programs that are in place are going for a quick fix versus identifying and implementing change that will become part of the organization's DNA—part of the way it naturally operates and works. Organizations must engage in critical self-assessment to really affect change. Just as manufacturing firms embraced total quality management as a way to be more competitive on a global basis, finance firms must find ways to make diversity a core part of the way they operate. In a seminal article published in the Harvard Business Review entitled "Making Differences Matter: A New Paradigm for Managing Diversity", Professor David Thomas and Professor Robin Ely point out that expectations play an important role in the outcome of teams or groups that are "identity" diverse (or ethnically diverse). "If people belonging to an identity diverse group expect to generate benefits, they are more likely to realize those benefits," according to their research. If finance firms promote the value of diversity from

a business standpoint and from the top down communicate the value of diverse teams working together, the results—based on research findings—will surpass teams that are less identity diverse.

3. Finance firms must implement diversity initiatives with accountability. This means placing diversity at a higher level, as a management issue rather than a diversity issue, recognizing that it impacts the bottom line. Meeting specified retention goals should be one of the key metrics for effective management—and as a result, should be linked to compensation and bonus awards. Only then will managers take steps to cultivate and keep their teams in place. Alternatively, firms might consider incorporating a component of the incentives to managers who excel at retention (versus recruitment) of diverse employees. This latter approach would eliminate the punitive aspect of tying retention to bonus/compensation packages. Toigo understands the process of linking retention goals and compensation is a complex and challenging process however, it is worth exploring methods to implement.

4. Mentoring Makes a Difference. For those of us who have benefited from the guidance and wisdom of a great mentor, we know this. Importantly, for professionals of color, mentoring is a key component for career advancement and support over the obstacles the can lead to disenchantment and the cycle of departure. Despite the studies and thought leadership, including the work of Professor Dave Thomas at Harvard Business School, reinforcing the importance of mentoring as a way to ensure minority (and all) professionals will thrive, formal mentoring does NOT exist within many finance firms today. And if it is in place, it is often done with a “check the box” approach and not directly tied to efforts to RETAIN and advance diverse talent. Strong and committed mentoring, both formal and informal, is a critical element to assisting minorities through challenges surrounding diversity in the industry. Firms need to find ways to mentor—and make it matter. Retention Returns offers that mentoring should be focused at the mid-career level, bridging the critical gap where the GAO study and the SIFMA data present the largest drop-off minority representation. Through support at this level there is greater potential to realize the objective of appropriate representation of diverse leaders at all levels of the industry.

The Toigo Foundation plans to continue to study the career trajectory of Toigo and other diversity talent in the finance industry. Building on the traction gained by the initial Retention Returns survey we also intend to conduct a follow-up study in 2009. The Board and the Staff of the Toigo Foundation are encouraged by the open dialogue today. We feel strongly that the support Toigo is providing to our Fellows and Alumni as they navigate through their finance careers - in soft-skill training and career guidance - is having a positive impact and facilitating a more diverse leadership in finance. **We recognize this success seeing nearly 40% of Toigo talent in senior roles; with others poised to follow. We also know we must continue this momentum by ensuring our talent is both achieving the model of leadership we discuss above and also positively contributing to achieving the diversity and inclusion goals discussed here.**

I thank you again for inviting The Toigo Foundation to be part of this important dialogue and look forward to any questions you may have, either today or through follow-up inquiries.

Retention Returns: Insights for More Effective Diversity Initiatives

A Report by the Robert Toigo Foundation

November 2006

Retention Returns:
Insights for More Effective Diversity Initiatives

Preface

Retention of talent—specifically professionals of color—has long been a challenge for many firms and industries, and finance is no exception. After investing significant resources, time and energy to bring in the best and brightest talent, too often organizations are faced with an unpleasant and costly reality: the candidates they worked feverishly to recruit are leaving.

For the past few years, the Toigo Foundation has witnessed a disconnect between what young professionals perceive as valuable at their workplaces relative to where finance firms often invest their resources. Our hope is that Retention Returns provides insights or reaffirms to finance firms and Fortune 500 companies alike where diversity recruiting and retention initiatives are succeeding and where, in fact, they may be contributing to a sense of disenfranchisement that ultimately leads to an employee's departure.

As you will discover in Retention Returns, it is often a series of events—feelings of disconnection, limited access to deal flow, not being heard, of being passed over for significant opportunities, and compensation issues—that send many talented employees elsewhere. Not surprisingly, the fact that a firm heavily promotes its commitment to diversity, yet fails to substantiate that commitment (by linking business operations, management compensation and bonuses) is contributing to the retention issue. While similar factors also come into play with retention of non-minority employees, they appear more acute when it comes to young professionals of color.

A critical point of difference between Retention Returns and other diversity surveys is that it presents insights from the very people diversity programs are intended to attract and retain. As we were developing the survey, we found that the vast majority of studies and surveys available to date focused on gathering insights from the HR department or executives, rather than from people of color within the organization. We hope that by offering this differing viewpoint, we can help inspire or encourage continued dialogue, new thinking, new ways of working and help garner meaningful results. This survey is intended to offer perspective to various sectors of the finance industry, realizing that each sector may be at different stages of development and implementation around diversity.

Creating, orchestrating and analyzing a survey of the magnitude Toigo envisioned were lofty goals. To help us achieve them, we worked in collaboration with Heidrick & Struggles, an international executive search firm. Together, our teams polled over 300 ethnic minorities within the finance sector, including Toigo Alumni, Fellows and other professionals of color employed by finance firms and Fortune 500 companies throughout the United States.

In analyzing and reflecting upon the data, we found the insights addressing issues of retention to be of the greatest significance and, as a result, have dedicated the majority of this piece to that strategic business challenge. Throughout Retention Returns, we have identified areas in which the Toigo Foundation can continue to provide guidance and services to the growing network of minority professionals we support, as well as the organizations in which they work. We have also cited other resources and studies that may be of interest.

Changing the landscape will take time, but we believe that by working together and engaging in a collaborative dialogue we can better tackle issues facing professionals of color. As a result, we believe firms will see measurable returns, most notably a more loyal and diverse workforce. With a close pulse on the lives and feelings of our Alumni and an unwavering commitment to help firms recruit and retain top minority talent, Toigo has a unique vantage point on diversity retention challenges.

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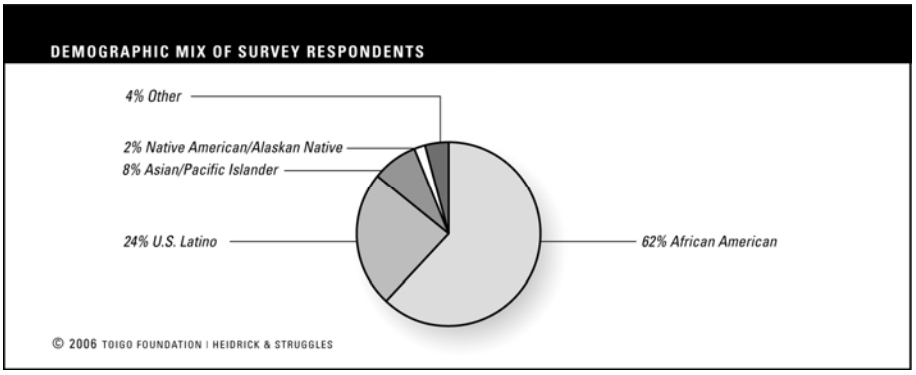
About the Survey | Demographics

To gather insights presented in "Retention Returns," more than 490 professionals of color were contacted to participate in the survey. Over 300 responded (60%), a remarkable response rate which Toigo views as an indication of these professionals' commitment to finance and their strong desire to have an active voice in helping to make their firms and the industry more successful in this area. The respondents included full-time professionals (260 total) and second year MBA candidates (40 total). The data and themes presented in this report focus on issues raised by the 260 respondents employed full-time.

Outreach of survey respondents focused on Toigo Foundation Alumni and their colleagues. While it represents a fraction of professionals of color in today's finance firms, we believe their responses and input are representative of the opinions of a broader base of professionals of color working within the field of finance.

All Retention Returns respondents are MBA graduates from the nation's top 25 graduate business school programs—all are people of color. More than 60% of respondents are African American, 24% Latino, 8% Asian/Pacific Islander, and 2% Native American/Alaskan Native. The respondents are employed in a range of finance sectors (see Appendix II for charts indicating firms by sector represented in survey responses.) Over two-thirds of respondents have been with their current employer for less than four years—a critical employment timeframe from the perspectives of both the employees and employers. The success (or disappointment) during this career phase can significantly impact the retention of minorities in finance today. Seven percent (7%) of respondents have spent more than eight years with their current employer, perhaps representative of the comparatively high turnover and abbreviated tenure of employees in the finance industry.



In addition, focus group sessions were conducted for survey participants to share added insights regarding recruiting, mentoring, leadership development, performance reviews and more. Information gathered during those small group sessions has been incorporated into this report.

Executive Summary

In analyzing the findings from the Retention Returns survey and the subsequent conversations from the focus groups held with professionals of color regarding firms' retention efforts, key themes emerged. These findings represent important issues that finance firms committed to improving retention of diverse talent are hopefully considering as they evaluate their current practices—and are inspired to adopt new ways of working.

- **The Cycle of Departure**: Recognizing the Pattern. For the survey respondents, the domino effect resulting in voluntary departure follows a similar path or pattern of events, including limited access to key deals which leads to a lack of visibility, and in turn leads to a lack of recognition and proportionate rewards. Ultimately it all leads to the employee's departure.

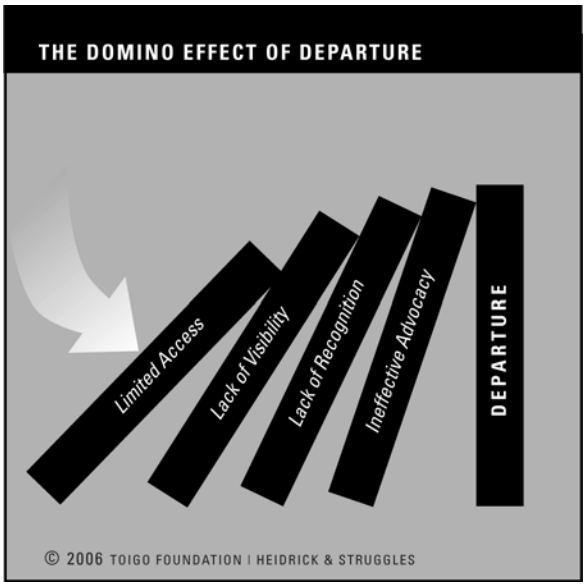
- **Mentoring Matters—When Done Right**. Formal mentoring and support network initiatives were unanimously cited as critical elements of support in a firm, yet less than 20% of respondents perceived their firms to have a firm-wide commitment to mentoring.

- **Performance Management: Be Clear, Be Open.** Having a plan in place to manage expectations (and disappointments) is a fundamental part of a robust and open performance review process. Failure to gain access to systematic feedback and support leaves candidates with a feeling of disillusionment—and often serves as the impetus to move on.

- **Institutional Priority and Individual Execution Are Critical**. The majority of our respondents do not believe retention is recognized as a strategic priority in their firms. Why? It may be communicated at the top, but day-to-day interactions indicate a disconnect between leadership and line managers. In order to drive real and tangible results, firms need to link HR/diversity efforts with overall operations, including linking a portion of line managers' compensation to diversity-related recruiting and retention goals. This approach has its champions and its detractors—and will likely be an area of continued focus for finance firms as they evaluate their diversity efforts.

Minority Retention: The Cycle of Departure

34% of respondents indicated the firms in which they work have no formalized diversity efforts in place.

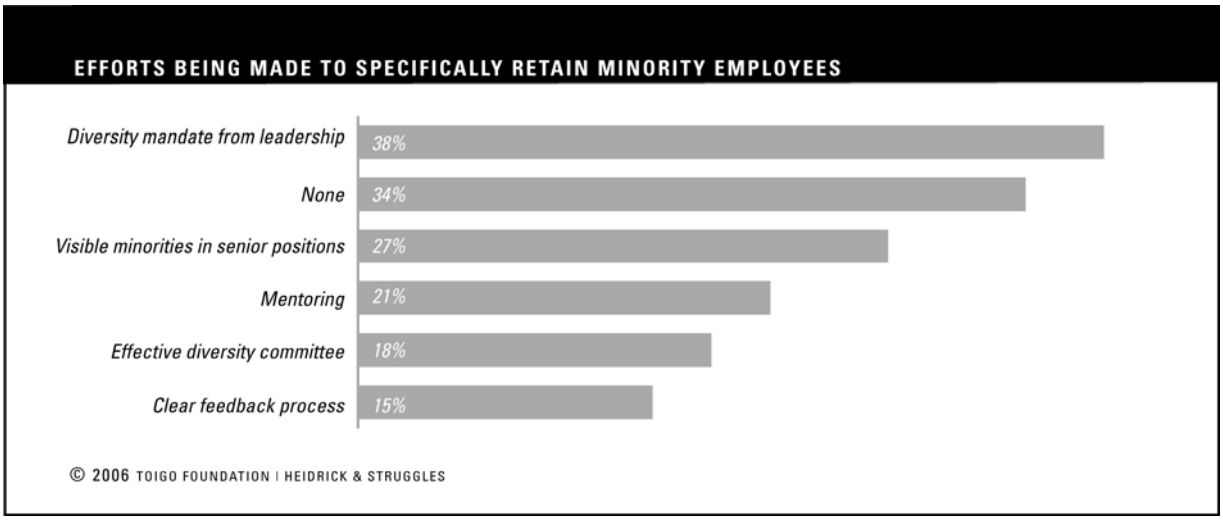


For many professionals of color, the decision to seek employment elsewhere comes after a series of predictable—and often avoidable—events. Understanding the need to watch for patterns and what factors trigger the domino effect are important steps for firms as they tackle the challenge of retention.

According to a recent Conference Board study, employees want more than great benefits and compensation from their employers (those ranked 8th on the expectation list.) Interestingly, challenging work was the most mentioned expectation of employees, followed by open, two-way communications and opportunities for growth and development.[1] As Generation Y individuals—those born after 1982—come into the workforce, HR experts and organizational management professionals believe this issue of "workplace experience" will become an even more prominent decision factor for joining and staying with an employer.

While more than one-third indicated their firms communicate a diversity mandate from the most senior levels of leadership, a nearly equal number of Retention Returns respondents also indicated that their firms have no institutional efforts in place to address minority retention. Fewer than 20% indicated that their firms effectively utilized diversity committees as a way to solidify its diversity efforts. Based on Toigo's work with firms of varying size and industry focus—from investment banking to alternative investing, private equity to real estate investment—the commitment of professional time and resources toward diversity initiatives varies widely. Toigo is investing in programs aimed at helping firms that will most benefit from establishing more formalized diversity programs.

As you see in the following chart, only 15% of respondents indicated that clear feedback processes were in place as part of efforts to retain professionals of color. As part of its APEx coursework and Career Services advisory sessions, Toigo reinforces the responsibility that each professional should assume for identifying appropriate ways to seek ongoing feedback while promoting their potential and demonstrating excellence in their work. In short, to forge their own open channels of communications.



How the Domino Effect Starts

Based on respondents' feedback regarding the few formal or structured efforts that are in place to retain professionals of color, we see a pattern of departure emerging:

- **Key Deal Access**: Assignment to plum deals with high revenue-generating potential is limited. Focus group respondents felt this limitation is primarily driven by many firms use of an informal process of allocating deals that appears to be heavily tied to membership in the "old boy network."

- **Internal Exposure/Visibility**: Exclusion from lucrative deals leads to a lack of visibility in the organization. Research and thought leadership published by Laura Morgan Roberts of Harvard Business School and Dr. Stacey Blake-Beard, Associate Professor of Management at Simmons School of Management and member of the Research Faculty at the Center for Gender in Organizations, sheds light on the challenges—and importance—of the issue for professionals of color. "…the most effective means for managing visibility is to adopt a combination [of] knowing how to stand out in critical moments and slip under the radar when needed. In taking a more nuanced, or 'tempered,' approach to managing visibility, anyone operating as 'the only' in his or her organization, will have a powerful tool to demonstrate competence, establish credibility, build connections, counter negative stereotypes, and stay true to themselves while playing the tournament game of career advancement."[2]

- **Recognition**: The lack of access to key deals and lack of visibility results in professionals of color not being recognized for their contributions. Professors Laura Morgan Roberts and Stacy Blake-Beard note: "There are several reactions to the minority professional who seeks and/or receives this heightened visibility: her every action is scrutinized; her judgment may be questioned; her performance is evaluated closely and criticized vigorously. Small errors are held up as proof of this leader's incompetence rather than seen as opportunities to learn from their mistakes and hone important skills."[3]

- **Effective Advocacy**: It is critical to have a sponsor to advance in the competitive finance culture. Many of the established firms—particularly in the investment banking space—have formalized programs for internal mentoring, coaching and advocacy in place. Yet, many firms do not. As more professionals transition from other industry sectors where they have benefited from formalized mentoring programs, the value of these programs will become even more apparent to finance firms of all sizes and focus.

To solve a complex problem at work, professionals predominately turn to colleagues rather than computers.[4] Studies at MIT in the area of social networking show that "people with rich networks tend to solve problems faster, and with better results."[5] In finance firms, where the business of relationships is as critical as analytical and technical knowledge, establishing a social network is critical to a professional's short- and long-term success. And, by extension, to the professional's career satisfaction and loyalty to their employer.

"Leaders need to understand how social identities influence the way employees experience the organization's work and culture," write the authors of a Harvard Business Review (HBR) article, "Rethinking Political Correctness." "By developing a deeper understanding of those who differ from them in gender, race, ethnicity, sexual orientation, and so on, leaders learn to anticipate how employees are likely to read situations… leaders can intervene early and respond effectively when situations arise, as they inevitably will." To develop that type of insight, the authors note, requires leaders "to build trusting personal relationships with senior-level staff who represent the organization's diversity."[6]

Importantly, professionals of color are (or perceive themselves to be) outside of the "informal" mechanisms of information sharing and social networks, including lunch or coffee with peers, being invited to drinks, socializing with managers. Both Rob Cross (University of Virginia) and Wayne Baker (University of Michigan) are exploring the role that the quality of a professional's network has on the person's performance. In one study, the colleagues found that the "energy spent between people during interactions is four times a greater predictor of performance than the information we bring to bear.[7] Clearly, this set of findings supports the old adage emphasizing the importance "who" you know, an adage that remains increasingly relevant—a challenging obstacle for professionals of color that firms need to be increasingly aware of and work toward resolving. Toigo's APEx training offers key strategies to its participants on building their "social capital."

Only 1 in 5 survey respondents indicated their firms have formal mentoring programs in place to help retain minority talent.

Reversing the Trend

The following recommendations are presented to firms committed to finding ways to forge tighter integration between daily operations and diversity retention goals throughout their organizations.

- **Communicate a Clear Path for Advancement**. Communicate clear, objective metrics for an individual to achieve career advancement and secure positions of growth and leadership within the firm. Improve channels of communication—both informal feedback and formal review processes—to help guide employees along this identified career path. When it comes to a clear path for advancement, the variables, of course, are many.

  At smaller firms, for example, the path may not be clear since it has never been forged before (or, in fact, there may not be room for growth at all.) For those firms that believe they have clearly stated metrics for advancement (and many do), issues can arise when the metrics are not objectively applied by all in leadership positions. Communicating the path is the first step, without an objective application of the metrics; your efforts will be undermined.

- **Adopt More Transparent Review Processes**. Strive to preserve objectivity in meaning. Begin to objectively measure an employee's movement or progress along the clear career path. Among our respondents, Asset Management was often cited as a more egalitarian environment since a money manager can always be judged on the basis of his/her portfolio performance, eliminating the subtle inequities that impact minorities' access to deals/visible positions/access to senior management in other areas of finance like investment banking. The lack of clarity, or transparency, in how deals are assigned was raised frequently as a point of frustration by survey respondents.

- **View Performance Review as a Development Opportunity**. Effective appraisal programs represent more than a time to set a person's salary. The programs should incorporate skills development via coaching from supervisors or others on the team. Rather than viewing the interactions in formal performance reviews as an opportunity to reflect on past performance, this benchmark should be used as a training opportunity with a focus on the employee's future development and growth. Just as training is focused on achieving growth and professional development, performance management can be viewed in the same light.

- **Provide More Options**. In an effort to retain strong professionals of color who are not positioned to succeed in their current role, firms might consider a formal process for evaluating these employees for other opportunities that might be a better "fit." The concept of internal mobility, and a focus on core competencies that are transferable between lines of business, has been gaining traction within firms. Communicating to professionals that options exist—and that an exit is not the only answer—may be one way to keep talent in-house and ensure that both the professional and the firm are realizing the most from the relationship.

- **Foster Social Networking**. For professionals, personal networks deliver tremendous advantages—ready access to private information, the ability to tap into diverse skill sets, and power. For professionals of color, research shows that the value of mentors and networks is critical to their success and longevity with a firm. There are many ways in which professionals can build and capitalize on their networks. Firms that foster networking efforts, including the active support of affinity groups and alignment of these groups with strategic goals, will in turn boost their diversity initiatives.

  Just as a company relies on its board of directors for objective and expert advice in a broad range of functional areas, professionals should view and actively manage their network as a source of wisdom and insights. Professionals should consider reaching out and building connections with individuals with varying degrees of professional experience or years "in the field." Importantly, as each person's roles, responsibilities and perspectives change, so will their advice. The result will be a richer contribution of differing points of view. In a networking piece in HBR, the authors advise, "If you've introduced yourself to your key contacts more than 65% of the time, then your network may be too inbred."[8]

  Additionally, recognizing the importance of forging both strong and weak ties is critical. While strong connections give you considerable rapport, there are also benefits to be gained from having a network with weak ties—people you don't know well but who may be helpful. Research suggests that one of the most common ways people find jobs is through information and connections from the weak ties in their networks. Mark Granovetter at State University of New York, Stony Brook writes in "The Strength of Weak Ties: A Network Theory Revisited," that "weak ties provide people with access to information and resources beyond those available in their own social circle; but strong ties have greater motivation to be of assistance and are typically more easily available."[9]

Mentoring Matters—When Done Right

Mentoring and networking have become cornerstones of talent development. While many firms have formal mentoring programs in place, the survey findings and focus group feedback indicates that it may be time for organizations to carefully evaluate these programs to ensure they are realizing maximum benefit. The structure of the formal mentoring program, who is involved, how accountability is assigned and reviewed are all factors in the overall success of the program.

Protective hesitation—the fear of being called racist or sexist—can prevent mentors and supervisors from sharing information and providing critical feedback regarding an individual's performance or actions.

At the core of every mentoring relationship is trust—a willingness of partners to authentically engage one another. Mentoring provides "real world" information, advice, encouragement, and access to networks that might otherwise be unavailable to women and people of color. Mentor relationships can contribute significantly to the development of a professional of color's confidence, competence, and credibility, or what Professor David Thomas of Harvard Business School labels the "three Cs." In Thomas's groundbreaking research, he shows that in a professional environment, mentoring relationships are critical to all professionals, but for professionals of color, they play an even more vital role in career development.

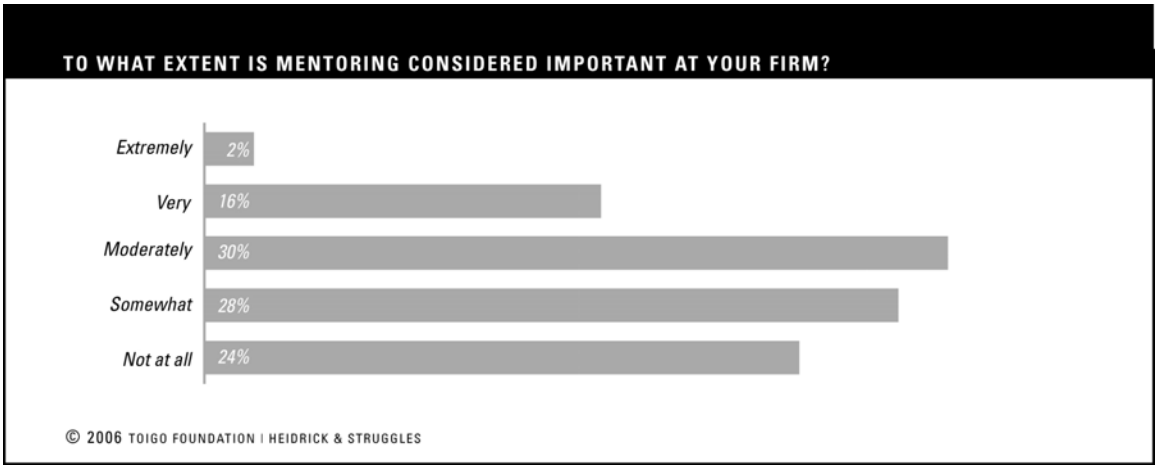
Enabling the type of trust needed to foster meaningful mentor relationships often becomes more challenging as mentoring partners cross-racial lines, according to Blake-Beard. A member of the Toigo Foundation's APEx faculty and a recognized authority on mentoring, Blake-Beard works closely with Dr. Regina O'Neill of the Sawyer School of Management at Suffolk University to address mentoring issues and provide robust mentoring training. Both note that several challenges related to mentoring across dimensions of diversity may emerge for professionals of color, including issues such as "tokenism," challenges that can come into play because people of color or women are often one of a few and subject to stereotyping. This dearth of other minority colleagues naturally places them in a spotlight, making learning more challenging as a result of the added scrutiny.[10] Blake-Beard and O'Neill work with Toigo Fellows and Alumni to recognize other issues when it comes to the care and nurturing of mentoring relationships. Protective hesitation—the fear of being called racist or sexist—can prevent mentors and supervisors from sharing information and providing critical feedback regarding an individual's performance or actions. Instead, mentors and supervisors can default to a comfort zone, avoid potentially difficult conversation and tell their protégés they are doing fine.

Work to Be Done

The findings of Retention Returns indicate that while only 21% of finance firms have mentoring programs in place, the majority of firms fall short when it comes to the care and feeding needed to make these programs productive for all. Of those surveyed, 18% indicated that mentoring was considered either extremely or very important in their firms, with the remaining 75%-plus indicating only a moderate (or worse) sense of importance. Nearly one-quarter of respondents said mentoring was not considered important in their firms. Feedback from Retention Returns also indicated that less than one-third of employers actively monitor their mentoring programs to ensure that benefits are being realized.

To truly be effective, organizations cannot approach mentoring as a "check off the box" or a stand-alone program. While mentoring programs can represent a very important part of an organization's diversity efforts, they should not be the first and only effort.

Investing resources, specifically, the time and energy of key executives, is fundamental to the success of any formal mentoring program. The survey responses indicate that even when there are formal mentoring programs in place, limited monitoring and structure provided by the organization means the full value of the program is not being realized.



Elements of Success

The dynamic established between the mentor/mentee is fundamental to the long-term value of the relationship. Based on survey respondents' feedback, key elements to foster include:

- **Access:** Having a powerful or influential mentor only mattered if the mentee had sufficient or consistent and frequent access to the mentor. A powerful mentor might be too busy to provide real and substantive mentorship. Over 90% of the respondents considered "access to the mentor" to be "very" or "extremely" important. Interactions should occur in different formats. In-person meetings, based on Toigo's experience, are essential at the start of the relationship to establish trust. Moving forward, scheduled calls as well as in-person meetings prove valuable, with email providing a convenient way to exchange quick thoughts.

- **Constructive Feedback**: Honest, candid feedback is the cornerstone of successful mentoring relationships. According to survey respondents, 94% indicated that their assigned mentor's ability to provide feedback was of paramount importance.

- **Advocacy:** A mentor's ability and willingness to sponsor or advocate on behalf of a mentee also ranked as a top attribute in the relationship, with 83% of the respondents ranking this attribute as "very" or "extremely" important. Respondents also provided insight into qualities in the mentor/mentee relationship that had little or no bearing on the benefits they gained from the interactions. These factors should be considered as firms work to either establish formal mentor programs—or retool existing ones:

- **Gender**: Only 10% of the survey respondents considered having a mentor of the same gender "very" or extremely "important", with 40% ranking this quality as "not at all" important.

- **Ethnicity:** Only 16% of the survey respondents considered this quality to be "extremely" or "very" important, with 29% ranking this quality as "not at all" important.

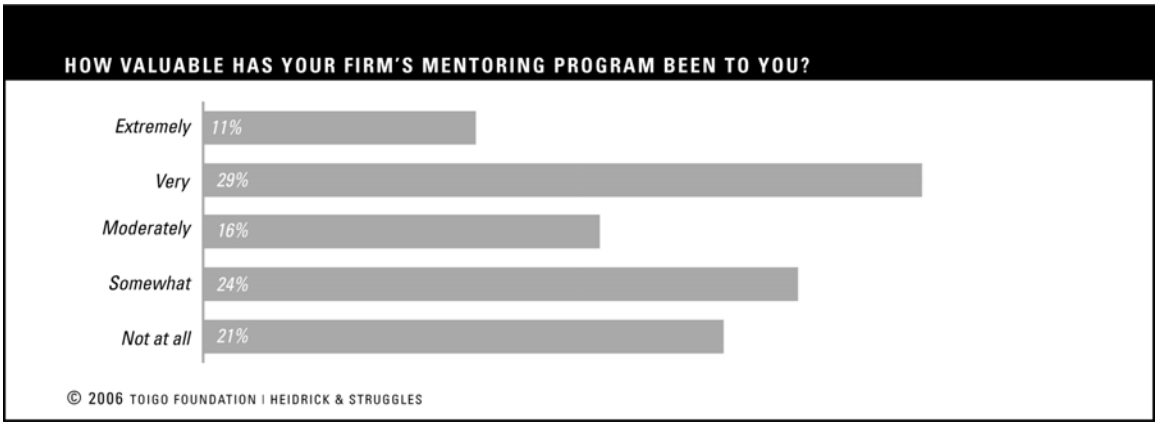
The Value of Informal Mentors

Over 80% of the respondents indicated their relationships with informal mentors—individuals they rely on who are not a part of the employer's formal mentoring program—have proven to be either "extremely valuable" or "very valuable." This compares to just 40% who rated their relationships with their formal mentors with the same value levels.

The high value placed on informal mentoring relationships is not surprising. Oftentimes, these relationships are forged through social processes of attraction and career similarity—the mentee/mentor are drawn to each other and, as a result, tend to invest added energy and commitment in building the relationship. One-third of the respondents in this section ranked the fact that informal mentors were in the same or a similar field as "very" or "extremely" important.

More than two-thirds of respondents identified their informal mentors through colleagues, while 39% identified their informal mentors through workplace, professional and social affinity groups.

"Formal programs allow you to meet more people, but unless you make a connection with a mentor it will not be successful. Informal mentoring works better." — Toigo Alumni

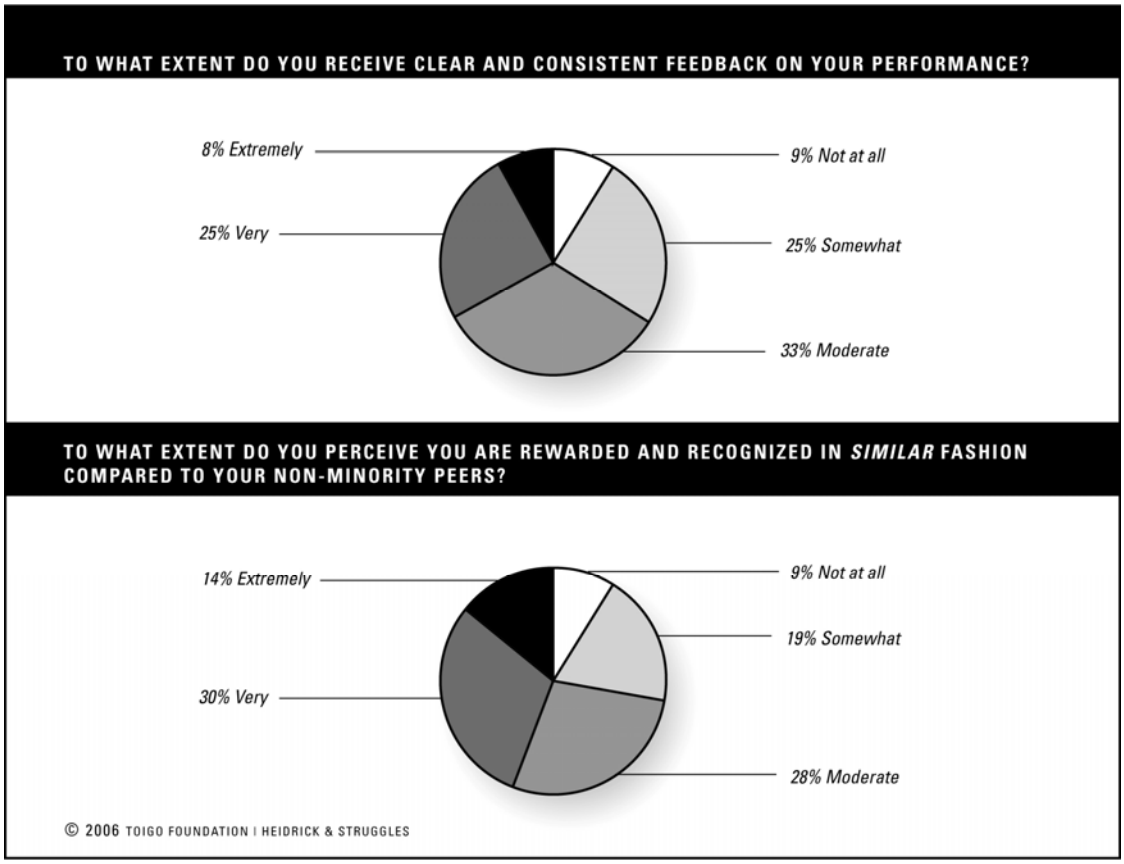


Performance Management: Be Clear, Be Open, Be Timely

On the whole, respondents viewed their employers' delivery of clear and consistent feedback on their job performance as adequate, 33% indicating either "extremely" or "very" clear and consistent feedback. However, over 50% indicated feedback to be "somewhat" or "moderately" clear. This lack of clarity reinforces the need for firms to carefully evaluate their ongoing performance management practices and for young professionals to be more active in soliciting input. Less than 10% indicated they received no formal feedback regarding their performance.

"The review process should be transparent. If I am average, why am I average? And more importantly, how can I move forward and excel?" — Toigo Alumni

When asked about recognition and rewards, 44% of the respondents indicated they believed recognition they received was "extremely similar" or "very similar" to that of their non-minority peers.



However, when it comes to informal modes of communicating feedback relating to job performance and recognition, approximately 40% responded that informal mechanisms were "moderately," "somewhat" or "not at all" the same compared to those used for non-minority peers. Informal methods of communication regarding an employee's performance included emails from a supervisor, office discussions, and one-on-one meetings outside of the annual review process, office gossip and promotions.

Key recommendations to firms regarding performance management include:

- **Ensure Transparency**. Compensation processes should be transparent to employees with performance metrics clearly communicated and objectively applied. Ensuring there is a clear, direct alignment—or logic—between performance and deal assignments (which in turn has an impact on compensation and bonuses) is a fundamental to ensuring transparency. Based on survey respondents' feedback, this lack of logic and transparency is a major contributing factor prompting professionals of color to seek other employment.

- **Identify and Communicate Objective Goals**. Providing employees a clear set of goals toward which they can work, rather than relying on arbitrary and unclear distinctions between levels of performance, helps instill career satisfaction.

- **Provide Consistent Feedback**. While seemingly routine, conducting regular reviews to communicate areas where improvement is needed provides professionals with valuable guidance—and comfort. To be truly effective, feedback on a professional's performance should be a fluid process and not just limited to one formal annual session. In short, the exchange should be a continual dialogue, rather than a static, one-time event.

Institutional Priority, Individual Execution

Finance firms truly committed to reversing the cycle of departure by professionals of color and improving retention need to go beyond addressing stand-alone solutions and examine deeper, more systemic issues that may be contributing to their retention issues.

The advantages of recruiting and retaining a diverse workforce go well beyond social benefits—it simply makes smart business sense to have the collective wisdom and talent of differing perspectives within the firm. "Companies need open and explicit discussion of how differences can be used as sources of individual and organizational effectiveness," write David A. Thomas and Robin J. Ely.[11]

For every organization, the benefits of a diverse workforce will manifest in different ways. For many, multi-cultural teams have led to product innovations and offerings that might otherwise have been overlooked. As today's consumer base becomes more diverse—and the "share of wallet" among minority consumers grows increasingly more powerful—employing a workforce that understands and reflects the cultural differences of your clients and customers becomes increasingly important. A cornerstone of Toigo's mission is based on the belief that a diverse workforce makes for a more profitable, productive enterprise.

The challenge many firms face is ensuring that all within the firm understand and believe in the value of diversity. Not surprisingly, of the 29% of firms in the 2005 SIA/Catalyst study that reported having no diversity program in place, many cited the biggest obstacle for moving forward and launching a program was "buy in from business units."[12]

Firms need to begin to view diversity as one of many organizational dynamics that must be managed in order to achieve optimal performance. "Diversity needs to be integrated into firms operations, and specifically into the way compensation is set. Finance firms are in the business of building relationships—and at the core of every relationship are their people. Having a diverse team brings diverse ideas, cultural experiences and knowledge to the table and makes for a more robust organization. Once firms understand and acknowledge that diversity is as fundamental to their operations as total quality management was to manufacturing businesses, change will begin," said Dr. Pamela Puryear, an organizational development consultant who works closely with the Toigo Foundation.

CEO As Role Model

The commitment to inclusion starts at the top and must be translated into every area of the workforce if it is to become part of an organization's DNA. When the accounting and consulting giant Deloitte began to address the fact that women were leaving the firm at a measurably higher rate than men, the CEO for the firm viewed it as a serious business concern that could—and should—be fixed. "To overcome the resistance of partners, the CEO actively led the initiative. He put his reputation on the line," writes Douglas M. McCraken in "Winning the Talent War for Women."[13] The result? An annual savings of $250 million in hiring and training costs, with lower turnover, enabling Deloitte to grow at a faster pace than competitors.

Having institutional proclamations are meaningless if they are not backed up and reinforced by day-to-day interactions, conversations, and decisions.

Make the Leap: Diversity as an Institutional Priority

To make diversity an integral part of the culture will require a wholesale shift in the way many aspects of performance assessment and rewards compensation and bonuses are awarded. Linking retention goals and practices to a manager's compensation sends a clear and defiant critical message: retaining a diverse workforce is a critical part of our firm's success, and those who contribute to the effort will be rewarded. Toigo suggests that firms who embrace this type of change will gain a competitive advantage by setting themselves apart from rival firms and help them achieve the diversity workforce goals they map out for their businesses.

There is no more effective way to create a clear and immediate impact on diversity retention than to link managers' compensation to their performance in this area. Meeting specified retention goals should be one of the key metrics for effective management—and as a result, should be linked to compensation and bonus awards. Only then will managers take steps to cultivate and keep their teams in place. Alternatively, firms might consider incorporating a component of the incentives to managers who excel at retention (versus recruitment) of diverse employees. This latter approach would eliminate the punitive aspect of tying retention to bonus/compensation packages.

Toigo understands the process of linking retention goals and compensation is a complex and challenging process—and is one that has drawn both champions and detractors. There are important interim steps that firms can consider and implement that will help move them toward closer alignment of their business operations and a culture of inclusion, including developing business line management skills. Business line managers are exceptionally skilled at analytical tasks and developing business, but too often, managing and developing "human capital" falls beyond their natural strengths and inclination. Firms might consider appointing managers based on their track record of building a team, in addition to their track record in managing a portfolio—or consider a team approach, in which senior managers share responsibilities, with one focused on business development, the other on human capital development. All senior managers should be provided training and metrics to help them succeed in this critical area of management.

Toigo communicates its view of best practices around diversity and the responsibility of each participant— from employee to the organization—in the diagram to the right.

Appendix I: Footnotes

1 ”Its 2008: Do You Know Where Your Talent Is?” Deloitte Research, 2004 Deloitte Development LLC.

2 ”Releasing the Double Bind of Visibility for Minorities in the Workplace.” Center for Gender in Organizations / Simmons School of Management, September 2004. Stacy Blake-Beard and Laura Morgan Roberts.

3 Ibid.

4 ”Its 2008: Do You Know Where Your Talent Is?” Deloitte Research, 2004 Deloitte Development LLC.

5 Research by Tom Allen of MIT summarized in Rob Cross, “The Hidden Power of Social Networks: Understanding How Work Really Gets Done in Organizations.” Harvard Business School Press, 2004, p. 11.

6 ”Rethinking Political Correctness.” Robin J. Ely, Debra E. Meyerson, Martin N. Davidson. Harvard Business Review, September 2006, p78 – 87.

7 “What Creates Energy in Organizations?” Rob Cross, Wayne Baker and Andrew Parker MIT Sloan Management Review, Summer 2003, Vol. 44, No. 4, p. 51-56.

8 “How to Build Your Network,” Brian Uzzi and Shannon Dunlop, HBR, December 2005.

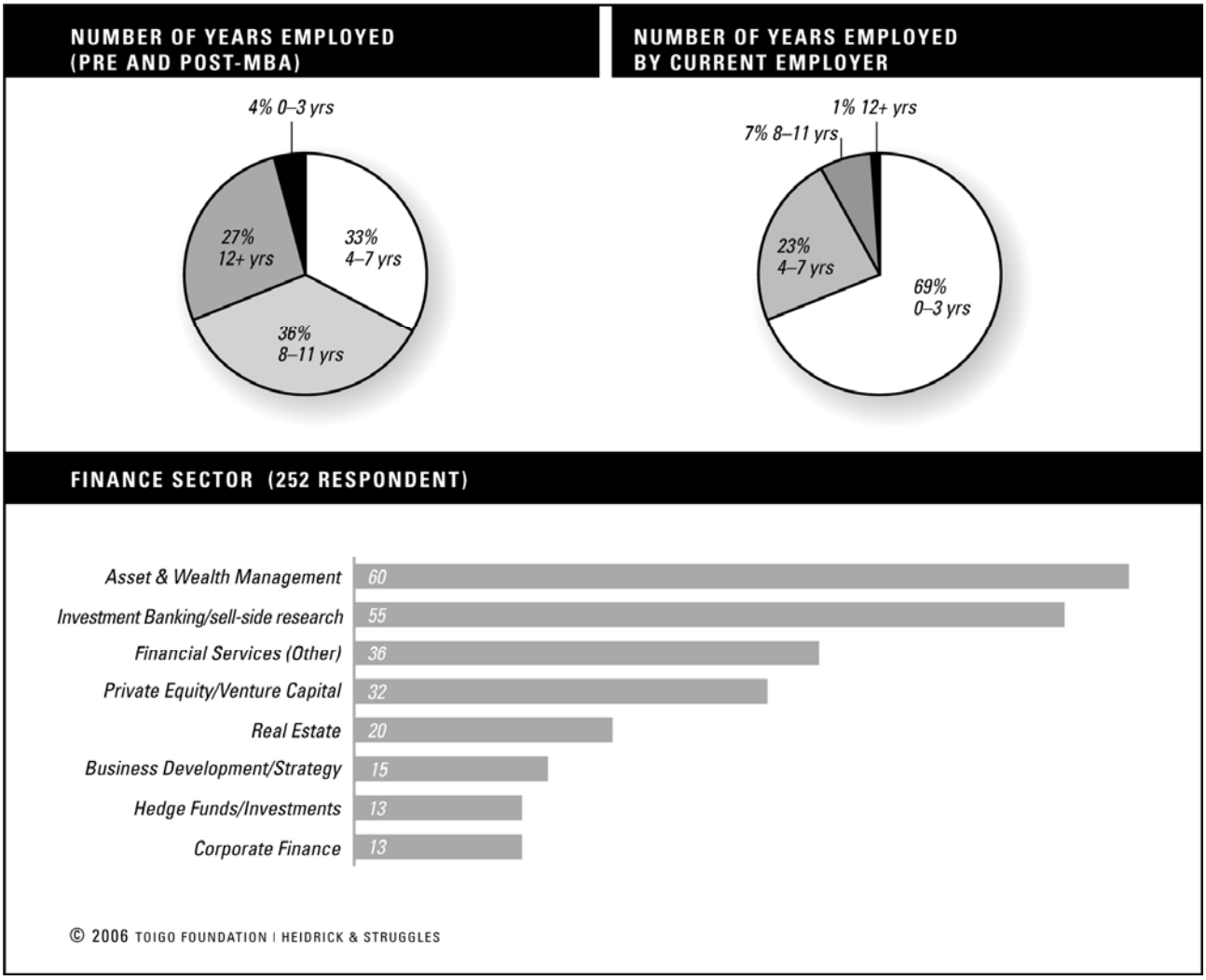
9 “The Strength of Weak Ties: A Network Theory Revisited.” Mark Granovetter, State University of New York, Stony Brook.

10 “Blind Dates?: The Importance of Matching in Successful Formal Mentoring Relationships.” Stacy D. Blake-Beard, Simmons College; Regina M. O'Neill, Suffolk University; Eileen McGowan, Harvard University, 2006.

11 “Making Differences Matter: A New Paradigm for Managing Diversity.” David A. Thomas and Robin J. Ely, Harvard Business Review, September/October, 1996.

12 2005 Report on Diversity Strategy, Development & Demographics, Catalyst/SIA, December 2005.

13 “Winning the Talent War for Women: Sometimes It Takes a Revolution.” Douglas M. McCraken, Harvard Business Review, December 2000.

14 Ibid.

Appendix II: Demographics