

BUILDING A PIPELINE OF AFRICAN-AMERICAN AND LATINO TALENT IN THE CHICAGO AREA

PRELIMINARY FINDINGS AND DISCUSSION OF RESEARCH

NOVEMBER 20, 2014
CHICAGO



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OBJECTIVES OF THE FINANCIAL SERVICES PIPELINE INITIATIVE

FSP INITIATIVE OBJECTIVES

1. Increasing the representation of Latinos and African-Americans, at all levels, within the Chicago area financial services industry
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2. Improving the overall cultural competency within the Chicago area financial industry.

RESEARCH

- A supply and a demand assessment of the African-American and Latino talent in the FS industry in Chicago
- Led by Mercer

ACTION PLAN

- Research-based recommendations for future actions
- Target audience: financial sector and key stakeholders in the public, private and nonprofit sectors in Chicago

KEY DEFINITIONS

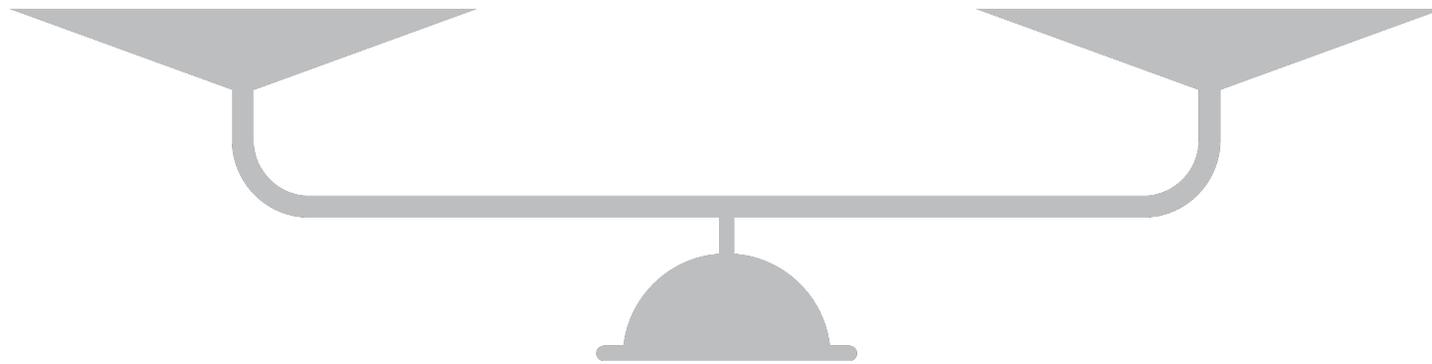
The FSP Initiative understands the financial services pipeline as a stream of talent comprised of a community of supported, well-prepared individuals advancing towards entering the financial services sector or growing professionally within

TALENT SUPPLY

Supply side of the talent pipeline refers to the skills, needs, preferences, and choices of African-American and Latino talent as they are entering the financial services industry and going through their career journey within the industry

TALENT DEMAND

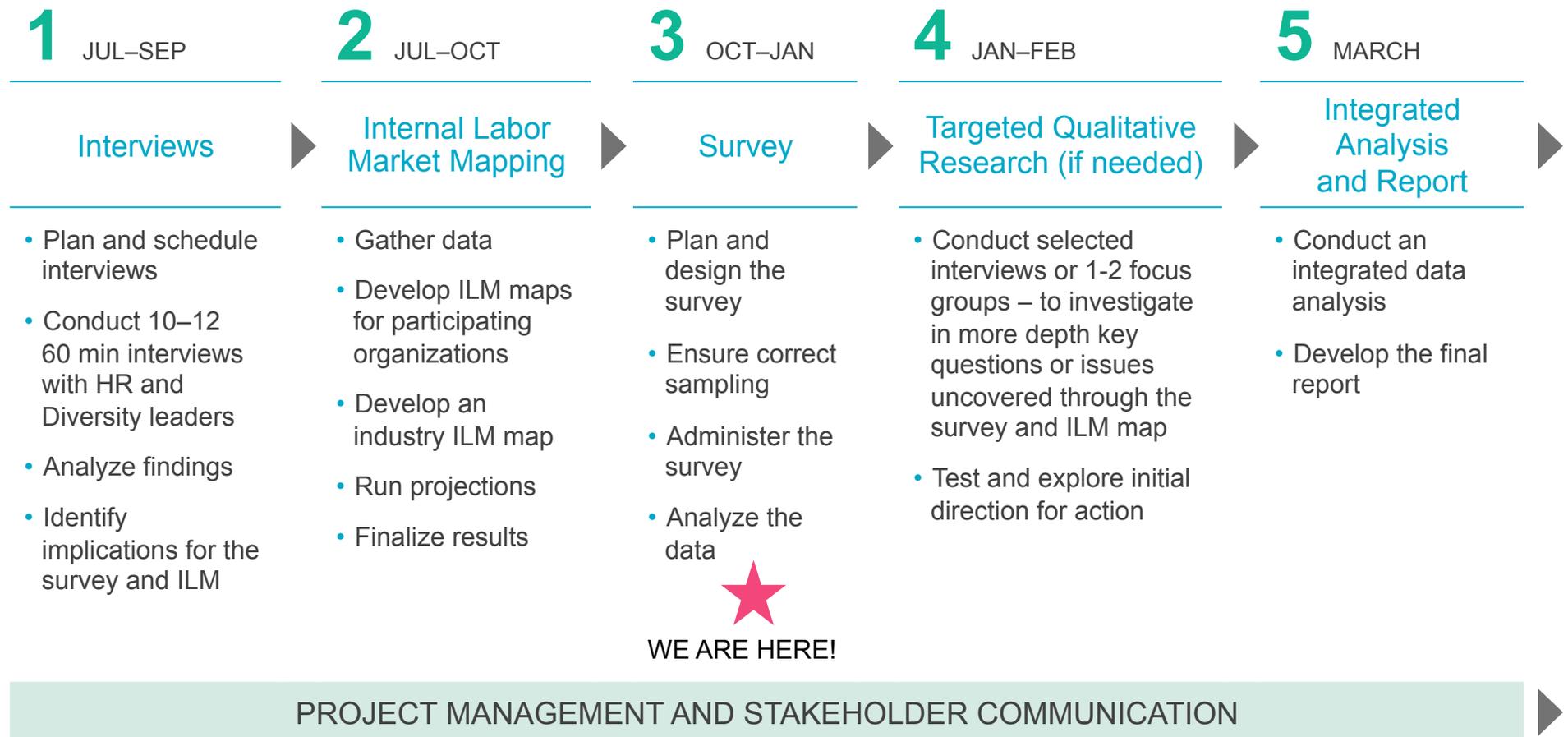
Demand side of the talent pipeline is indicated by the hiring, promotion, and retention of African-American and Latino talent by the financial services industry employers



RESEARCH TIMELINE AND KEY COMPONENTS

Goal: conduct an assessment of African-American and Latino talent supply and a demand to build a snapshot of the current reality and provide recommendations for future actions

RESEARCH TIMELINE AND KEY COMPONENTS



PARTICIPATING ORGANIZATIONS

The following organizations participated in the research



Bank of America



BMO  **Harris Bank**

 **Mesrow Financial**

UrbanPartnershipBank 

 **Loop Capital**

usbank



Northern Trust

MDP

Madison Dearborn Partners

 **CME Group**
A CME/Chicago Board of Trade Company

**WINTRUST
FINANCIAL**



**HOLLAND
CAPITAL
MANAGEMENT**

INTERVIEW FINDINGS SUMMARY

1

Participating organizations are at different stages of their D&I journey

2

The business case for diversity and inclusion is not fully internalized by some organizations and the industry overall

3

Most organizations have goals around recruitment, retention, and the development of diverse talent; however they tend to focus most of their efforts on recruitment

4

Most organizations admit they should do better in developing, supporting and advancing diverse talent, and building an inclusive environment so that this talent can thrive and stay

5

The financial services industry needs to be much more future oriented and committed to the transformational change in its business and talent practices

ILM RESEARCH FINDINGS SUMMARY

1

The dynamics of the “internal pipelines” of African-American and Latino talent share certain characteristics

- For both African-American and Latino talent, rates of promotion from Professional into the Manager career level are comparatively high
- However, attrition from the Manager level also is comparatively high for both
- Potential early-career choke points. Rates of promotion from Staff into Professional levels are lower than the promotion rates of others

2

Differences exist in the two pipelines

- At most career levels African-American hiring rates are lower relative to other groups but at most levels Latino hiring rates are higher

3

No net increase in African-American and Latino representation is projected to occur in five years in the two highest career levels in the industry in Chicago

- Assuming current hiring, promotion, and attrition dynamics remain the same

4

Attrition is the single most powerful leverage point for increasing African-American and Latino representation at the two highest career levels

- Changes in attrition, promotion, and hiring dynamics are projected to yield the largest net increases in representation

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