

# BUILDING A PIPELINE OF AFRICAN-AMERICAN AND LATINO TALENT IN THE CHICAGO AREA PRELIMINARY FINDINGS AND DISCUSSION OF RESEARCH

NOVEMBER 20, 2014  
CHICAGO



## MERCER TEAM:

Rick Guzzo,  
Bess Tschantz-Hahn,  
Alina Polonskaia,  
David Jackson

# 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
- .....
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



PROJECT MANAGEMENT AND STAKEHOLDER COMMUNICATION

# PARTICIPATING ORGANIZATIONS

The following organizations participated in the research



**Bank of America**



**BMO**  **Harris Bank**

 **Mesirow 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 by 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

## CONTACT INFO

Alina Polonskaia, Project Leader and Qualitative Research Lead

[Alina.polonskaia@mercer.com](mailto:Alina.polonskaia@mercer.com)

---

Rick Guzzo – Internal Labour Market Research Lead, Senior Advisor

[Rick.guzzo@mercer.com](mailto:Rick.guzzo@mercer.com)

---

Bess Tschantz-Hahn – Survey Research Lead

[Bess.r.tschantz-hahn@mercer.com](mailto:Bess.r.tschantz-hahn@mercer.com)

---

David Jackson – Relationship Manager, Senior Advisor

[David.jackson@mercer.com](mailto:David.jackson@mercer.com)



