

FSP

FINANCIAL SERVICES PIPELINE INITIATIVE

Reflecting Chicago's Diversity



YEAR IN REVIEW

2018



Our Focus and Intent

Over the course of the year, the Financial Services Pipeline (FSP) Initiative has created impactful programming to meet the goals of increasing the representation of African Americans and Latinos, at all levels, and improving the overall cultural competency of leaders and professionals within the Chicago-area financial services industry.

With the support of 19 member firms, the Chicago financial services industry engaged in programs and conversations throughout the year, furthering the dialogue on the importance of diversity, equity and inclusion in their respective workspaces.

In 2018, CEO Leadership Council Co-Chairs, John W. Rogers, Jr., Chairman and CEO of Ariel Investments, and Matt Feldman, President and CEO of Federal Home Loan Bank of Chicago, and Helene Gayle, President and CEO of the Chicago Community Trust, engaged with their peers in the industry to discuss the important work of the FSP.

Through initial conversations, the launch of a quarterly FSP CEO Leadership Council dinner began in March. At the first CEO Leadership Council dinner meeting, a candid discussion took place on the important work each FSP member firm must undertake to make progress in the diversity of the industry's candidate pool, suppliers and talent management practices. At the end of the dinner, financial service firms at the table committed themselves to continuing the conversation while ensuring their firm take action on programs that are purposeful and measureable in creating meaningful change.

With the support of Mercer, the FSP Steering Committee reviewed the purpose, value and infrastructure of the FSP to help strengthen the brand value to current and future members. The outcomes of several strategic visioning sessions have been meaningful and are setting the initiative on the path to increased accountability and engagement of FSP member firms.

This Year in Review report highlights programs and outcomes from the active engagement of FSP member firms who support the collective goal of the FSP to increase the representation of African Americans and Latinos, at all levels, and improve the overall cultural competency of leaders and professionals within the Chicago-area financial services industry.

Strategic Review

Over the course of 2018, the Financial Services Pipeline Initiative has created impactful programming to meet the goals of increasing the representation of African Americans and Latinos, at all levels, and improving the overall cultural competency of leaders and professionals within the Chicago-area financial services industry.

With the support of FSP member firms' CEO and Steering Committee members, the Chicago financial services industry engaged in programs and conversations throughout the year furthering the dialogue on the importance of diversity, equity and inclusion in our respective workspaces.

With the support of Mercer, the FSP reviewed its purpose, value and infrastructure to help strengthen the brand value to current and future FSP members. The outcomes in 2018 have been meaningful and are setting the initiative on the path to increased accountability and engagement of FSP member firms.

The results of the Mercer 2018 strategic visioning support the three focus areas of the FSP.

KEY FSP STRATEGIC GOALS

1

Increase representation of African Americans and Latinos, at all levels, within the Chicago-area financial services industry today and in the future

2

Improve the overall cultural competency of leaders and professionals within the Chicago-area financial services industry

3

Improve the reputation of financial institutions within Latino and African American communities

FSP FOCUS AREAS

Diverse Talent Pipeline Programs & Tools

Support and develop programs intended to address systemic challenges within the various stages of the pipeline (early awareness, recruitment, advancement, and retention)

Applied Research, Benchmarking, Metrics

Conduct applied research and develop metrics to better understand current and future pipeline challenges and identify solutions to address them

Shared Learning & Collective Problem Solving

Provide a forum for financial institutions to discuss challenges, lessons learned and best practices

Path Forward

DESIRABLE FUTURE

Chicago financial service industry firms are committed to the notion that by working together, we will have a more significant impact on the workforce diversity than by acting individually. To accomplish the desirable state of the FSP, critical work is needed by the collective. The desirable future includes:

- **30% or more** Board members and senior executives are African Americans (AA) & Latinos; 50% of are diverse
- **Equity and inclusion** are part of the business imperative and executives are held accountable
- **Culturally competent** leaders at all levels
- **Transparency** around career paths
- **African Americans and Latino** workforce upskilled and retrained to address the impact of artificial intelligence and automation

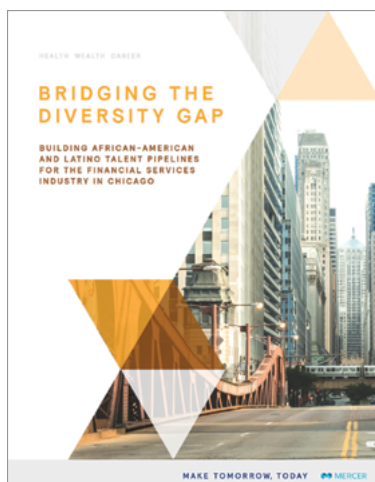
UNDESIRABLE FUTURE

If we do not leverage critical research and translate those into action items there will be undesirable outcomes that will impact the representation of African Americans and Latinos within the Chicago-area financial services industry, today and in the future. The undesirable future includes:

- **Automation and AI** result in layoffs
- **Employees** are forced to be freelance and lose full-time employment protections
- **Dismantled access** to higher education for low-income students
- **African American, Latino and Asian** populations are divided within and between [e.g., colorism, immigration]
- **Increased costs** and diminished quality of life in Chicago
- **Financial Service** industry reputation declines
- **Discontinuation** of FSP

As the FSP continues its march toward increasing our city's African American and Latino talent pipeline and industry cultural competence, **we encourage you** to share in this effort by **promoting** the FSP to interested financial services firms, **sending** talented individuals to our online resume portal and **ensuring** that African American and Latinos interested in financial services understand that there is a collaborative of member firms seeking their talents and experience in the Chicagoland area. For more information, visit [FSPChicago.org](https://www.fspchicago.org).

Measures of Diversity and Inclusion



RESEARCH DRIVING OUR WORK

Over the last five years, FSP has produced several research reports, led and conducted by research partner Mercer. The research supports that FSP participating firms are at different stages of their diversity and inclusion journey. The research finds that the business case for diversity and inclusion is not fully internalized by the overall industry.

Most efforts tend to focus mainly on recruitment, leaving ample space to improve the retention, development and support of people of color as they advance in their careers, and to build more inclusive work environments. The 2017 Internal Labor Markets (ILM) analysis supports this argument and provides updates to the data when comparing the analysis from 2014 to 2017:

LOWER RATES OF PROMOTION

Over the last three years there are now consistently lower promotion rates for African American and Latino talent.

FINDING TALENT IS A STRENGTH

African American and Latino talent is hired at greater rates and continues to be a strength.

DIRECTIONAL CHANGE OF ATTRITION RATE

Since 2014, the gap in attrition rates has narrowed, but rates remain higher for African American and Latino talent.

Major Changes in ILM: Then and Now

2014	PROMOTION	2017
Favorable promotion rates into manager level	● This is unexpected!	Consistently lower promotion rates for African American and Latino talent
HIRING		
Roughly equal or favorable rates of hire	● Finding talent is a strength	African American and Latino talent is hired at greater rates
RETENTION		
Higher rates of attrition, especially at Managers level	● Directional change	The gap in attrition rates has narrowed, but rates remain higher for African American and Latino talent

Source: Mercer

In addition to the ILM, several participating financial service firms added on to the participation of conducting an internal employee experience survey resulting in over 11,500 Chicago-area financial services employee total respondents.

The overall employee experience highlights differences in career advancement across groups:

- The favorability of career perceptions rises consistently with each higher career level for white males, but not so for other groups
- Both African American men and women experience a notable drop in perceptions of fairness around opportunities, as they reach the highest ranks
- Latina respondents show a consistent drop in career-related satisfaction at senior level management and above

Factors Most Influencing Satisfaction with Promotions for Professionals & Above

	AFRICAN-AMERICAN	LATINO	WHITE
Opportunities to utilize strengths/abilities	●	●	●
Quality of leadership	●		
Constructive feedback from supervisor		●	
Opportunities for professional development	●	●	●
Treated fairly in opportunities	●	●	●
Treated fairly in distribution of rewards	●	●	●
One or more professional champions/sponsors in my company			●

Source: Mercer

- Driver of satisfaction with promotions
- Driver rated less favorably by African American and/or Latino respondents vs. whites

KEY INSIGHTS

1 Retention remains the single most powerful leverage point for increasing representation of African Americans and Latinos at the highest career levels.

2 Financial services industry must **increase promotion rates for African Americans and Latinos**, while continuing with retention efforts, to increase representation at higher levels.

FSP Winter Event Programs

EXPANDING THE POOL

Finding Diverse Talent Closer to Home

JANUARY 10, 2018

At the beginning of the year, the FSP hosted a panel discussion offering fresh, collaborative strategies to enhance and expand the industry's sources of local African American and Latino talent within Chicago. Alternative local recruitment channels were presented to broaden and enhance diverse candidate sourcing.

FSP talent acquisition leaders and external partners attended to hear panelists represent their organization's mission and to discuss collaborative strategies to enhance and expand our sources of local African American and Latino talent within Chicago's financial services industry.

50
Attendees

PANELISTS

Mick Weltman

Executive Director,
Associated Colleges
of Illinois

David Baker

Executive Director,
America's Urban Campus

James Sison

Office of Institutional
Advancement, IIT Stuart
School of Business

HOSTED BY

Morgan Stanley

FSP 2018 WINTER FORUM

JANUARY 29, 2018

Community leaders from nonprofit organizations and financial services professionals discussed our collective efforts around connecting with young people about the financial services industry.

The group then joined breakout sessions to discuss ways to strengthen outreach about the financial services industry and the wide scope of career opportunities it provides.

Attendees saw a demonstration of the newly launched [FSP Career Toolkit](#) and the [FSP External Partner Geographic Map](#).

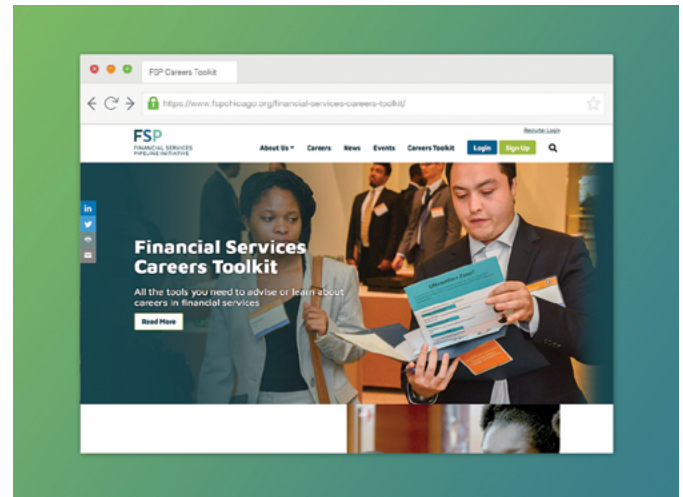
The FSP Career Toolkit is a collection of online resources for use by young people, FSP member firms and partner organizations who work with schools and students in high school and early college.

Topics cover:

- Industry Overview
- Careers in the Industry
- Career Pathways

Over the year, FSP connected with over 200 Chicago Public School (CPS) counselors and other service providers to get their thoughts and feedback on our Financial Services Industry Career Toolkit. (Continued on page 10.)

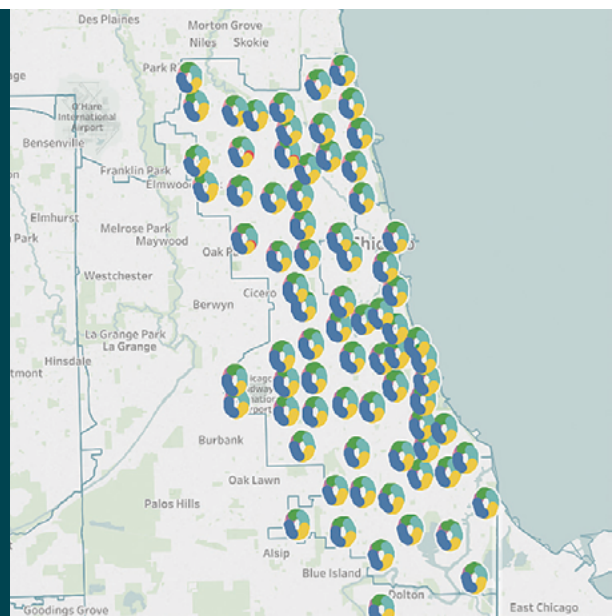
30 Representatives
from 18 nonprofit organizations



Representatives **19**
from FSP 8 member firms

What the Map Shows

The Chicago neighborhoods in which over 30 non-profits and partner organizations are working. The map shows areas where the FSP can work with non-profits to create new programs to promote financial services industry awareness.



(Continued from page 9.)

Pictured to the right, Corliss Garner, Vice President and Senior Manager of Diverse Markets, Community Affairs at BMO Harris Bank, represented the FSP throughout the year to connect with Chicago Public School professionals and interns to gain their insight about how the FSP can help as they talk to others and learn more about the industry.

Additional materials are being added regularly to the FSP Career Toolkit to support early awareness of the industry.



TESTIMONIAL

Halleemah Nash, Chief Partnership Officer, **The Academy Group**

"We have been using the FSP Careers Toolkit to help students understand the career opportunities available to them in financial services as they begin to plan their future."

HEAR WHAT YOUNG PEOPLE ARE SAYING about internships in Chicago's Financial Services Industry.

Future Studies



Internship Roles





Zuno Photography

BE CAREERWISE

Workshop for Professionals in the Industry

JANUARY 30, 2018

The "Be CareerWise" development seminar boots leadership performance and engagement with a focus on building career development plans and supporting career conversations for those employed in the financial services industry. The workshop was led by Robyn Clark of SuccessWise Consulting.

Over 23 attendees from FSP member firms attended and found the workshop to be very informative and useful in supporting discussions with their management of their future career aspirations. Additionally, the interaction among attendees and tools provided added value to their experience.



Be CareerWise Sandra Rolnicki of Supervision & Regulation (left) and Michelle Kittrell of Central Bank Services (right) Federal Reserve Bank of Chicago

FSP Spring Event Programs

FSP CEO LEADERSHIP COUNCIL DINNER Shared Learning & Collective Problem Solving

MARCH 28, 2018

During the March CEO Leadership Council dinner, a candid discussion took place on the important work each member firm must undertake to make progress in the diversity of their employee base at all levels, suppliers and talent management practices. At the end of the dinner, firms committed themselves to continuing the conversation while ensuring their firm takes action on programs that are purposeful and measurable in creating meaningful change.

On July 12, 2018, the CEO Leadership Council met for their second quarterly dinner where Aon presented on the Apprenticeship Program as part of the FSP Shared Best Practices and Information Learning. The discussion was informative as the Apprenticeship Program is an "earn-and-learn" model intended to making candidates job ready.



Representatives from The Chicago Community Trust, Northern Trust Corporation, Ariel Investments, Federal Reserve Bank of Chicago, Mesirow Financial, U.S. Bank, Federal Home Loan Bank of Chicago, Illinois State Treasurer, William Blair, Morgan Stanley and CIBC.

ACCELERATED LEADERSHIP

An Efficacy Experience for Professionals of Color

MAY 7, 2018



Workshop facilitated by Korn Ferry

In May, the FSP sponsored, “Accelerated Leadership: An Efficacy Experience for Ethnically Diverse Professionals,” an all-day workshop. Leaders in the financial services industry shared insights on a range of topics, including how to take ownership of one’s own career development. One common theme highlighted was the need to develop a strong, supportive network

Diverse leaders of tomorrow need to foster relationships proactively and demonstrate their commitment to the organization. In addition, individuals should demonstrate self awareness and should know where they need to develop.

Picture on left: Left to right: Audra Bohannon, Partner at Korn Ferry, Tara John, Head of Talent & Learning at BMO Harris, and Burl Thornton, Senior Vice President at Northern Trust

Picture on right: Courtney Hollins, Senior Business Project Manager at the Federal Reserve Bank of Chicago, (program participant) and Karen Phifer, VP, US Talent Advisor at BMO Harris (program volunteer)

97%

of program participants would recommend program to their colleagues

93%

of program participants felt workshop met their needs & expectations

FSP Summer Event Programs

COURAGEOUS CONVERSATIONS

Understanding Privilege & Becoming a Better Ally

JUNE 14, 2018



Daniel Hill, the Chicago author of **White Awake: An Honest Look at What it Means to be White**, and Jeffery Marcus, General Auditor and Senior Vice President at the Federal Reserve Bank of Chicago had a Courageous Conversation.

The conversation provided a new perspective on being a white ally, and how to be an agent of reconciliation in our increasingly diverse world.

"The conversation was honest and raised issues that made some individuals uncomfortable. I appreciated the authentic discussion." - Attendee

"Being able to talk about white privilege in the financial service industry was big!" - Attendee

First FSP event for

> 50%

of attendees

86%

of attendees said event helped them become more culturally competent

> 95%

of attendees said event met their expectations

WINTRUST DIVERSITY MIXER

JULY 12, 2018



John W. Rogers, Jr., Chairman and CEO of Ariel Investments shakes hand of intern.



Melissa Donaldson, Vice President at Wintrust with summer interns.

FSP SIGNATURE EVENT Annual FSP Summer Intern Career Conference

JULY 12, 2018

The Annual FSP Summer Intern Career Conference provides a space for industry leaders to educate and inspire the next generation by opening up at a more personal level, as well as an opportunity for young talent to share their ideas and expectations with seasoned professionals.

The 2018 conference focused on empowering interns to be their authentic selves by identifying their unique traits and skills in order to be successful in the financial services industry.

120 interns and students attended the conference



Attendees smile in a selfie picture at the annual intern career conference

INTERN CAREER CONFERENCE Social Media Highlights



@FSPChicago

2,390 organic impressions on Twitter

Financial Industry Firms retweeted for additional visibility and reach

PROFESSIONAL TRAINING & SPEED NETWORKING

SEPTEMBER 6, 2018

Professionals in the industry participated in an opportunity to engage with junior employees across Chicago who are new in their careers or those who simply wish to enhance their networking skills.

The speed networking event facilitated opportunities for professionals to effectively engage with a diverse work team; have crucial conversations and understand cultural biases.

70 Participants

HOSTED BY
 NORTHERN TRUST



Participants connecting during speed networking session.

INTERN CAREER CONFERENCE Social Media Highlights

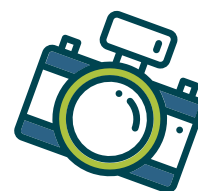


 /fsp-chicago

145
organic impressions on LinkedIn and 16 new followers and **16 new followers**

Snapshots

FSP champions and leaders speaking about the FSP



May 7, 2018

FEDERAL RESERVE SYSTEM
EEO/DIVERSITY & INCLUSION
CONFERENCE
IN WASHINGTON, D.C.

Nokihomis Willis and Jamica Quillin

May 10, 2018

CHICAGO COMMUNITY
TRUST PAC MEETING OF
FINANCIAL ADVISORS

Matt Bruce and Jamica Quillin

May 17, 2018

PRESENTATION ON
FSP CAREERS TOOLKIT
TO HIGH SCHOOL
CAREER & GUIDANCE
COUNSELORS IN THE
CHICAGO PUBLIC SCHOOLS

Corliss Garner, Jeremy Lewis, Ellie Forman

May 21, 2018

FEDERAL HOME LOAN BANK
OF CHICAGO COMMUNITY
INVESTMENT ADVISORY
COUNCIL AND BOARD
OF DIRECTORS

Nokihomis Willis, Connie Lindsey,
Melissa Donaldson

June 6, 2018

FEDERAL RESERVE
BANK OF CHICAGO &
ST. LOUIS JOINT BOARD
OF DIRECTORS MEETING

Matt Feldman

August 7, 2018

PRESENTATION OF TOOLKIT
TO ONE SUMMER CHICAGO
STUDENTS, A PROJECT
OF THRIVE CHICAGO'S
OPPORTUNITY YOUTH
STRATEGIES

Peggy Mueller

September 27, 2018

FEDERAL RESERVE SYSTEM
MINORITY BANKERS FORUM
IN CHARLOTTE, NC

Melissa Donaldson

October 11, 2018

HUMAN RESOURCES
MANAGEMENT ASSOCIATION
OF CHICAGO SUMMIT 2018

Rick Guzzo, Melissa Donaldson,
Jamica Quillin

Member Firms*



Morgan Stanley



William Blair



*Thank you to Holland Capital Management, one of the founding members of the FSP.

CEO LEADERSHIP COUNCIL

Co-Chairs



Matt Feldman
President and CEO,
Federal Home Loan
Bank of Chicago



Dr. Helene Gayle
President and CEO,
Chicago Community
Trust



John W. Rogers, Jr.
Chairman and CEO
Ariel Investments

Council Members

James S. Austin
Managing Director and
Midwest Regional
Director, Morgan Stanley
Wealth Management

John Canning, Jr.
Chairman,
Madison Dearborn Partners

David Casper
President and CEO,
BMO Harris Bank

Susan Collins
Joan and Sanford Weill
Dean, Gerald R. Ford School
of Public Policy, University
of Michigan (Advisor)

Marsha Cruzan
Chicago Market President,
U.S. Bank

Craig S. Donohue
Executive Chairman & CEO,
The Options Clearing Corp.

Bryan Durkin
CEO, The CME Group

John Ettelson
President and CEO,
William Blair

Charles Evans
President and CEO,
Federal Reserve Bank
of Chicago

Michael W. Frerichs
Illinois State Treasurer

Roger Hochschild
President and COO, Discover

Connie Lindsey
Executive Vice President
& Head of Corporate
Social Responsibility and
Global Diversity & Inclusion,
The Northern Trust
Company

Richard S. Price
Chairman and CEO,
Mesirow Financial

Jim Reynolds
Chairman and CEO,
Loop Capital

Larry Richman
President and CEO,
CIBC Bank USA

Edward Wehmer
President and CEO,
Wintrust Financial Corp.

STEERING COMMITTEE

Co-Chairs



Melissa Donaldson
Vice President, Chief
Diversity Officer, and
Training & Development,
Wintrust Financial



Matt Bruce
Executive Director for
Chicagoland Workforce
Funders Alliance,
Chicago Community
Trust



Nokihomis Willis
Senior Vice President,
People & Culture
Federal Reserve Bank
of Chicago



Perika Sampson
Executive Director
and Regional Diversity
Officer, Morgan Stanley
(outgoing co-chair)

Committee Members

Helena Haynes-Carter
Director, Global Inclusion
and Diversity U.S. Bank

Adriana Camacho
Commercial Real Estate
Analyst, Urban
Partnership Bank

Mary DaSilva
Director and Head of
Human Resources,
Madison Dearborn Partners

Julie Felix
Assistant Vice President,
Diversity & Inclusion
Manager Mesirow Financial

Deidra Jenkins
Chief Diversity & Inclusion
Officer, Americas, The
Northern Trust Company

Tara John
Managing Director,
Enterprise Learning,
BMO Harris Bank

Jon Kaplan
VP, Training and
Development, Discover

Auyana S. Orr
Manager, Community
Affairs, Ariel Investments,
LLC

Allison Pittman
Associate Managing
Director, CIBC

Dave Quinn
Director, Recruiting &
Human Resources,
The CME Group

Tracy Raben
Senior Vice President & Chief
Human Resources Officer,
The Options Clearing Corp.

Jacqui Robertson
Global Head of Talent,
Diversity and Inclusion,
William Blair

Steve Thomas
Senior Vice President,
Mortgage Capital
Markets, Federal Home
Loan Bank of Chicago

Charise Williams
Deputy Chief of Staff for
Civic Engagement, Illinois
State Treasurer's Office



Celeste Wright Harris
Vice President, Human
Resources, Loop Capital



FSP

FINANCIAL SERVICES
PIPELINE INITIATIVE

Reflecting Chicago's Diversity

  #DiscoverFSP
[FSPChicago.org](https://www.fspchicago.org)

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