Minority Bankers Forum

Dr. Andrea Hendricks
Assistant Vice President, Human Resources and Deputy Director of Diversity and Inclusion
The Bank will be known as an inclusive organization where diversity is respected and leveraged to effectively serve our region, the Federal Reserve System, and the Treasury. Our commitment is to create a workforce that is reflective of the diverse pool of qualified candidates in our relevant labor markets. This commitment to diversity extends to the composition of our board of directors and advisory groups, our leadership team, and the community partners and suppliers we support.
The Facts: Diversity & Inclusion National Best Practices

- The Right Thing to Do
- The Environment: Safe and Productive
- The Business Case
- The Buying Power
- The Law of the Land
- The Changing Demographics
The Facts: Multicultural Population Growth

<table>
<thead>
<tr>
<th>Year</th>
<th>+2 Races*</th>
<th>Asian-American</th>
<th>African-American</th>
<th>Hispanic</th>
<th>Non-Hispanic White</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>14.0%</td>
<td>18.2%</td>
<td>53.5%</td>
<td>6.9%</td>
<td></td>
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<tr>
<td>2030</td>
<td>16.9%</td>
<td>18.1%</td>
<td>63.7%</td>
<td>-6.1%</td>
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<tr>
<td>2040</td>
<td>22.7%</td>
<td>19.9%</td>
<td>79.4%</td>
<td>-29.0%</td>
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<tr>
<td>2050</td>
<td>27.4%</td>
<td>21.1%</td>
<td>85.9%</td>
<td>-39.4%</td>
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Growth Volume (net new, 000s) 12,533 12,064 10,354 9,869

Source: U.S. Census Bureau, Population Projections, December 2012
*Includes native American Indian and Native Alaskans (AlNA) and Native Hawaiian & Pacific Islanders (NHPI)
The Facts: Buying Power

U.S. MULTICULTURAL BUYING POWER

$661 BILLION

1990

$3.4 TRILLION

2014

+415%

Source: Selig Center for Economic Growth, U.S. Census Bureau
More than 60% of employers say they are experiencing tension between employees from different generations, according to a survey by Lee Hecht Harrison (USA Today)

Source: Nielsen Pop-Facts, CY 2014 aggregate of single year age by race by ethnicity (ASRE) with collapse Race/Ethnicity into “core” diversity cohorts.
The Facts: Culture in the Workplace

- Deloitte research shows that culture, engagement, and employee retention are now the top talent challenges facing business leaders today.

- Forbes found that office space is now part of building a great culture. Flexibility, entertainment, and bright colorful offices and art make companies a great place to work.

- A survey conducted by Catalyst found that 50% of respondents felt a greater sense of inclusion when they felt personally connected to their company's values.

- According to the Harvard Business Review, workplace stress leads to a nearly 50% increase in voluntary turnover.

- According to Forbes, company culture and the employee experience are the keys to a successful organization.
The Facts: Culture in the Workplace
Enhancing Your CQ: The Facts

- Leadership today is a multicultural challenge.
- The approaches to leadership often leaves out the cultural context.
- Today, almost every leader engages in a myriad of cross-cultural interactions.
- 90% of leading executives from 68 countries named cross-cultural leadership as the top management challenge for their next challenge.
- Executives/leaders report that leading without CQ results, productivity, satisfaction and retention decreased.
An outsider’s seemingly natural ability to interpret someone’s unfamiliar and ambiguous gestures the way that person’s compatriots would.
Do you believe you have high CQ when interacting with others from a different culture?

1. Yes
2. No
CI Gained Through Thought & Observation Strategy

Knowledge (Head)

- Before I interact with people from a new culture, I ask myself what I hope to achieve.

- If I encounter something unexpected while working in a new culture, I use this experience to figure out new ways to approach other cultures in the future.

- I plan how I’m going to relate to people from a different culture before I meet them.

- When I come into a new cultural situation, I can immediately sense whether something is going well or something is wrong.

1. Yes
2. No
CI Gained Through Behavioral Mirroring

**Behavior/Action (Body)**

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

1. Yes
2. No
CI Gained Through Motivation & Belief in Possibility

Motivation/Drive (Heart)

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

1. Yes
2. No
CQ: Four Dimensional Model/Framework

CQ Drive

CQ Action

CQ Strategy

CQ Knowledge
A Fable: Building a House for Diversity & Inclusion
Generational CI – Generational Challenge Video
Understanding and leveraging the differences with each cultural nuance is key to unlocking everyone’s full potential.