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After decades, little progress **Shira Boss-Bicak**

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HBO hired Ayana Walker as an intern when she was a senior at Frederick Douglass Academy in Harlem, where the cable channel runs a mentoring program for inner-city teens. She says that while her peers were getting summer jobs at The Gap or in supermarkets, she got valuable corporate exposure. Along the way, she worked for and was impressed by higher-ups who were also black women.

The company kept in contact with Ms. Walker, and she worked for HBO again for two summers while in college at SUNY Albany. After graduating in 2002, she landed a job in HBO's marketing department. Now she herself is a mentor to a high school junior at Frederick Douglass Academy.

Diversity "doesn't happen naturally," says Shelley Fischel, HBO's executive vice president for human resources. "My recruiters work hard at it and know anything else is not acceptable."

In the past two decades, diversity initiatives have proliferated at New York companies. A few efforts, like HBO's, have permeated the corporate culture and changed the face of the workforce. Ms. Walker has been promoted twice since she was hired, and Ms. Fischel says 95% of promotions at HBO draw on a diverse list of candidates.

### Behind the curve

But most New York companies continue to struggle. Decades after affirmative action and well behind the multicultural marketing curve, corporate workforces are still disproportionately white and male.

"A company with a diversity initiative in place feels it is doing something about it," says Jeff Greene, vice president of the diversity practice at recruiter Battalia Winston International. "But [the initiatives] just haven't worked."

In New York, which prides itself on ethnic diversity, major employers are bringing up the rear. Advertising agencies here are being investigated for the second time by the city's Commission on Human Rights for not employing enough minorities. The commission's 2006 report showed, for example, that in a city that is 25% black, only 2.5% of employees making over \$100,000 at the 16 agencies examined are black.

In the securities industry, minorities make up about 22% of the workforce but are clustered in the lower ranks, according to a November 2007 survey by the Securities Industry and Financial Markets Association. Nine of the 31 firms polled are headquartered in New York. The report notes that "from the associate level onward, representation of women and people of color decreases at each higher level across the survey organizations."

A third of law firms in New York don't have any black or Hispanic partners, according to a project at Stanford Law School that grades law firms based on their numbers of women, minority and gay lawyers. Cleary Gottlieb Steen & Hamilton, with 48% women, 27% minorities and 4% self-identified gay and lesbian attorneys, is the only firm in the city to receive a top grade of A-.

"People come in and aren't promoted and aren't staying," says Carol Watson, president of Tangerine-Watson Inc., a recruiting firm for the advertising industry. "There's a lack of career development, coaching and mentoring—very little done."

### Making a commitment

A few New York companies are making strides. Consolidated Edison, J.P. Morgan Chase, and Verizon Communications have won awards or recognition for supporting diversity. And online magazine *DiversityInc* recently ranked Merrill Lynch at No. 3 among its top 50 companies, calling it "one of the only brokerage firms that has made a commitment to diversity."

At many local companies, minority retention rates are low, and management ranks remain pale. Local experts point to two major problems: uninspired diversity training, and policies that neglect promotion and retention.

Company diversity policies are often designed around avoiding discrimination lawsuits. That model stresses mandatory diversity training sessions and the creation of "affinity" groups that are often little more than window dressing. Employees suffer from diversity fatigue.

"People have a knee-jerk reaction to diversity: 'Oh no, another EEO thing I have to do,'" says Battalia Winston's Mr. Greene. "Once you put the diversity label on any initiative, it's dead in the water."

The other main feature of boilerplate diversity programs is the now nearly ubiquitous chief diversity officer. Segregating diversity functions can be counterproductive, though. HBO, for example, doesn't have a diversity officer. Instead, "a consciousness about diversity permeates everything we do," says HBO's Ms. Fischel.

An even bigger obstacle to a diverse workforce may be a failure to nurture and promote minority hires.

"A lot of black and Latino professionals end up leaving to start their own businesses in part because they don't see they have a shot at rising," says Carmen Van Kerckhove, co-founder and president of New Demographic, a diversity consultancy in Manhattan.

Only companies that integrate minority hiring and promotion into the overall corporate culture, as HBO has done, will succeed at diversifying their workforces. "The whole issue needs to be reframed as a talent issue," says John Rice, founder and chief executive of Management Leadership for Tomorrow, a nonprofit whose mission is to increase the numbers of African-Americans, Hispanics and Native Americans in business. Strategies that work include executive coaching programs, mentoring and "career mapping," which lays out goals for advancement.

Local experts also champion the idea of putting executives from other parts of the company at the diversity helm, perhaps rotationally. Assigning non-minorities to lead diversity efforts is also key. Mr. Rice points out that companies without a critical mass of minorities in the upper ranks have to find a way to make diversity champions of non-minorities.

Several local companies also see a solution in creating and developing a better pipeline of diverse candidates, an effort that starts with reaching out to high school students.

"Organizations are starting to brand and identify themselves" earlier to underrepresented groups, says Steve Pemberton, vice president of operations, diversity and inclusion for Monster Worldwide Inc.

Pharmaceutical companies such as Pfizer Inc. are reaching out to Hispanic teenagers with a scholarship program. Other companies are widening the pool of candidates by partnering with organizations that serve diverse populations.

To recruit more Hispanic engineers, IBM Corp. recently staged a Hispanic Summit conference for corporate leaders, government officials and community leaders. The company also taps a network of partnerships with organizations including the American Indian Science and Engineering Society and the Chinese Institute of Engineers.

### Getting some help

Diverse professional groups "give us insight and connections and access to a talent pool that helps us at every level of recruitment," says Ron Glover, vice president for diversity and workforce programs at IBM.

Management Leadership for Tomorrow is also stepping up to address the problem of minority retention. This fall, the organization will launch a program that provides five years of outside mentoring and training to new minority hires.

"It will help people stay on the fast track," Mr. Rice says.

### A GOOD SCORE

At Cleary Gottlieb, the only Manhattan firm to score an A- on diversity in a study by Stanford Law School students, 34% of the partners are women, minorities and/or self-identified as LGBT. (Percent that are partners followed by percent that are associates.)

**FEMALE** 17.6%; 48.8%

**HISPANIC** 7.1%; 8.3%

**BLACK** 3.5%; 8.7%

**LGBT** 3.5%; 4.5%

**ASIAN** 2.4%; 12.8%

Source: *Building a Better Legal Profession, 2007 report*, <http://betterlegalprofession.org/leadership.php>

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