

The Great Reimagination in Human Capital: What's ahead for 2022 and beyond

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Michael Stephan: Welcome to Deloitte's Capital H podcast, the Great Reimagination in Human Capital: What's Ahead in 2022 and Beyond. And today we have the great honor of being joined by Cynthia Bowman, who's the chief diversity and inclusion officer as well as the talent acquisition officer for Bank of America. She serves as the chief strategist for diversity and inclusion and talent acquisition globally,

focused on leading programs, initiatives, and policies that actively support the bank's diverse and inclusive workplace and recruitment strategies. Cynthia, thanks so much for joining today.

Cynthia Bowman: Thanks for having me.

Michael Stephan: Cynthia, to start us off, you have dual roles as both the chief diversity and inclusion officer and the talent

acquisition officer for the bank. Can you share a little bit about both roles and how they intersect?

Cynthia Bowman: Absolutely. So, I've been in the role serving as the chief diversity and inclusion officer for some time now and our goals and priorities are really simple. One is around talent. Our goal, simply put, is to mirror the clients and communities that we serve at all levels. And if you look at our

most recent annual report, you'll see that we do that as a collective company. We've been over 50% female for years, as well as we're now over 49% people of color as an organization from a perspective of racial ethnic diversity.

Our goal, however, is to look like the world we live in at every level, and so what we've been sharing in the human capital management section of the annual report is how we've been closing the gap at the top of the house, levels one through three, through senior roles, as reported by EOC statistics, as well as for our manager population, and we've been very transparent in sharing our data and driving a commitment and accountability through our leadership team.

But just because you have representation doesn't mean that you have an inclusive work environment, and so we've also been focused on several things to drive a culture of inclusion for all at Bank of America. And we measure that through our diversity inclusion index, and I'm proud to say over the years that the trend in how our employees are responding to how we create an inclusive environment is very strong. And we measure that through two key levers. One is, "Can you bring your whole self to work at the bank?" And then the second lever is, "Do you feel like you have equal access to opportunity regardless of difference?" And we have several questions that fundamentally relate to those two.

But then to support those efforts, we have several things that we support at the bank, including our employee networks, our Inclusion Learning series, our Courageous Conversation series, and a series that we call Let's Get Real.

And then the last priority is really around clients and communities. We say we want to leverage D&I as a driver of growth and that is primarily focused on a lot of the work we do outside of the four walls of Bank of America, not only for our clients but the communities we serve. One example of

that would be our work called Enterprise Pathways where we've committed to hire another 10,000 individuals from low- to moderate-income neighborhoods. On the talent acquisition side, I would say the intersection is really about building a great place to work, and I'm responsible for hiring tens of thousands of people every year into this great organization.

Michael Stephan: Cynthia, it's super impressive to hear about how the goals and ambitions tied to your role as the chief diversity and inclusion officer carry forward into your focus on acquiring new talent, but frankly giving opportunities to racially and ethnically diverse talent inside of the broader society. So I love how you connected those two pieces there.

The last couple of years have been challenging with the pandemic. I'm curious to learn how Bank of America has kept their employees engaged throughout this pandemic.

Cynthia Bowman: Yes, the last couple of years have been challenging for all of us. We not only experienced the pandemic, but we also saw the disproportionate impact of so many individuals throughout the world and particularly in the United States, due to things like health, re-skilling and job creation, and small business support. And so, I would say that now that we sort of are moving from a pandemic into an endemic, hopefully, we are starting to see that the market is responding to that and we are seeing market drivers that have absolutely changed the workforce landscape and candidates have a bit more choices, particularly in an environment where so many people are focused on hiring and bringing people back to work.

And so, therefore, I think the demand for talent is really starting to surpass what we saw during the pre-pandemic levels. If you look at some statistics, for instance, on Indeed, last month job postings were up 61% versus February of 2020. I think that further indicates an increased demand for talent. In January and February also, we saw

offers that were declined for competing offers in the industry, so this was also a statistic, I believe from Indeed, that we're up 22% versus the same period of 2019.

And so, what it meant was during the pandemic, organizations, like we did at Bank of America, really needed to focus on several things to support their employees. One I would say is how do you support them during the health crisis? Those are things like supporting your teammates' health and safety, returning individuals to the office safely, et cetera. It's also important I think during this time, during the pandemic and now, to really promote the physical, emotional, and financial wellness of your organization and your employees.

For instance, for the ninth year in a row, we held medical premiums flat for any US employees earning less than \$50,000, we enhanced tons of benefits for our employees, we introduced new cancer support, we provided no-cost virtual medical consultations, and the list just goes on and on.

In addition to that, we make commitments to do things like raise our minimum wage or during the pandemic we committed not to let go of any of our employees. And then we provided additional support for childcare, adult care, parental leave, which our policy is 26 weeks for the birth or the adoption of a child. And then we also focused on financial wellness, and there's so many things that we did, including tuition assistance, \$22 million, we offered free one-time expert college admissions coaching.

During times like the pandemic and coming out of that, it's really important for people to feel like a company has leaned in and provided ways to support its workforce and its employees. That's where you find stickiness, that's where you find retention of talent, and that's how you create great places to work for where people want to come and stay.

Michael Stephan: Cynthia, that sounds fantastic, and what I appreciate so much about what you just shared was the recognition that there is a spectrum of perspectives and experience and needs. And that you and the organization worked really hard to serve that spectrum because, as you know, many of the preferences and experiences are deeply personal.

Cynthia, we've seen the concept of reimagination come up in conversations with clients and in the media. How can companies reimagine their talent strategies? What can they do differently to recruit, develop, and promote diverse talent.

Cynthia Bowman: So, I would say that what's important is to really, I think, first start with accountability and strong leadership from the top—board, CEOs—that this, meaning the focus on diversity, equity, inclusion, and strong talent management practices, are a part of how you operate, not something separate and distinct from business strategies. It has to be a part of the fabric of who you are as a company and really be driven from the top down as well as bottom up. And so, our focus here is absolutely embedded in all that we do. It starts at the top, the commitment of the board, our CEO is the leader of our global diversity and inclusion council. He's been the chair since he's been CEO, he does not miss a meeting. It sets an expectation around its importance.

And I think it's important to hold leaders accountable for driving a diverse workforce and an inclusive workplace. In addition to that, you can have programs and initiatives. But I don't know that programs and initiatives, although they have a lot of great aspects to them, are the solution if you don't have accountability. They have to be coupled together. But certainly, you should focus on your recruiting efforts. Where are you recruiting? Are you recruiting at tribal institutions? Hispanic-serving institutions, HBCUs, as well as PWIs? You should focus

on how you develop and retain talent. What are your practices? Do you have policies in place that create diverse slates? Do you have stay conversations?

You should focus on things that help connect your talent to the company. And those are all the benefits and the programs that I just talked about. In addition to that, you should think about your pay equity, and do you have equal work for equal pay, particularly from the perspective of male/female or from majority groups versus those that have historically been the minority. And I think you have to support with honest dialog on topics that matter to your organization in a way that drives inclusion. And it's not about who's right or wrong, but it's about creating empathy and understanding around difference through conversation and dialog.

Michael Stephan: Cynthia, building a little bit on the thread that you talked about a minute or so ago around C-suite and executive engagement and accountability. What advice would you give to our listeners on the importance of executive alignment? And how have you taken the lead on building that alignment around the broader organizations specific to the diversity, equity, and inclusion efforts?

Cynthia Bowman: Yeah, as I mentioned, first and foremost, D&I is truly embedded in all that we do. It absolutely starts at the top. We have commitment, as I mentioned, from our board, our CEO, our global diversity inclusion council, really to push and ensure we're driving progress, because it's all about outcomes. It's not about another initiative, it's about what outcomes are you driving to look like the world you live in and create an inclusive workplace.

I would also say that our CEO, as I mentioned, is extremely passionate about D&I. You can't just talk the talk anymore, you have to walk the walk, and you have to show outcomes associated with your commitments. As an example, we rolled out some manager training and D&I was

the first module where we really talked to all of our leaders across our company about accountability. Not just about terms and concepts, but really what does accountability look like? And what kind of actions when you think about the lifecycle of talent? And, in those critical moments that matter, how can you be a better leader to create an inclusive environment for all?

I also would say that, when it comes to sort of the C-suite and executive engagement, it's important to have routines and governance and forums, where there's open discussions on topics of diversity, or what are some of the social challenges that we're seeing, how are we gonna respond to those as an organization or should we? And so, we have a lot of open dialog that starts at the top where they're highly engaged. And I think that's also equally important when you think about some of the issues that we deal with in the world that we live in. Sometimes those are somewhat polarized, and it's not about who's right or wrong, we have people probably on every side of every issue at a company, but it's how you create empathy and understanding around that difference that enables us to really drive inclusion, and that definitely starts at the top.

Michael Stephan: Thank you for that. Cynthia, in our 2018 Deloitte Global Human Capital Trends report, we started having this conversation around the concept of the social enterprise. And if you think about the role of stakeholders in the market, not just stakeholders inside the organization, we've seen the topic of stakeholder capitalism come to fruition over the past few years. As we think about the next phase of the social enterprise and stakeholder capitalism, how should we be thinking about ESG and diversity, equity, inclusion, and how can maybe these efforts be better measured?

Cynthia Bowman: I work very closely with Andrew Plepler, who leads ESG for Bank of America. And the elements around particularly the S and G, the social and the

governance are so closely tied to concepts like equity and inclusion and diversity. And so, your question really was around, how do you measure it? I think that is the key question and why, for me, when I came into this role, and I believe I've been here now over six years, I first started off with not only creating those three simple priorities, but I put metrics in place with data and reporting so we knew exactly how we were progressing, and you can see the results of that in our annual report, which is very data-driven around our diversity and inclusion outcomes.

We measure that through representation, we measure that through our inclusion index, and then we measure the social elements to the work we're doing to support the broader communities. One example of that is the \$1.25 billion that we announced over five years as a company, soon after the murder of George Floyd. And although we have been doing that work in the social arena for years, it was our opportunity to double down on some of those commitments. So how do you tie it back to the same thing? For the investments that we're making more broadly in the community or for our own clients, how are we measuring the impact of those in the various communities and in the clients that we serve? So, I will contend that it is incredibly important to agree on what measures will define success for you, how you report those in a consistent way over time, such that you also are enabled to create corrective action when the outcomes aren't necessarily the goals that you set aspirationally for your organization.

Michael Stephan: Cynthia, that's a great perspective. And I know that many organizations are wrestling with the different sets of data to measure and watch in order to determine improvement and progress, because progress is definitely a motivator for the workforce. So, the fact that very quickly and early on in your tenure, you established some clarity

around what those metrics are, and continue to evolve them, is clearly serving you well.

Cynthia Bowman: Absolutely. To me, it is an absolute must in this space. Because one of the quotes I love is, "There is no try, just do." And how can you do if you don't even understand the basic metrics that are the baseline and what you need to do to achieve them. So, when I came in the role, we created an updated report. And that report now I can tell you diversity data across our markets, across our regions, for any business, for any sub-line of business, across the enterprise, by level, in the organization, by senior role, by the management population, as well as the key levers that drive representation, which is hiring, promotions, and retention. So, it's just really important to find a consistent way that every area within your organization can look at the same data coming from a central source to help drive accountability, action, and change.

Michael Stephan: Well said, and I know accountability, action, and change was also a big part of commitment that Bank of America announced in 2020, which is a \$1 billion four-year initiative to advance work related to racial equality and economic opportunity. I think the following year, this year, increased the commitment to \$1.25 billion over five years. Can you talk a little bit about how the bank came to that decision last year and maybe an update on how that's going so far?

Cynthia Bowman: Absolutely. So that commitment really accelerated work already underway, really to help drive racial equality and economic opportunity for various communities, but specifically for Black African American, Hispanic Latino, Asian American, Native American, Pacific Islanders, particularly groups where the data would show that they were disproportionately impacted particularly due to the pandemic. And

the commitment was aligned to our focus on driving responsible growth for our clients, our shareholders, our employees, our communities, and advances a lot of progress that we are committed to drive in four key areas.

We decided that we would focus on health to address equities of access to health care. We want to focus on jobs. How do we upscale and rescale workers and create a pipeline of talent for the future? We wanted to focus on small businesses. How do we support small and minority-led businesses, particularly those were impacted greatly during the pandemic? And then the last area was housing. We wanted to create a path to affordable housing, as well as neighborhood revitalization.

And so, we focused on these areas because they were where systemic long-term gaps have existed and where significant change is required, quite frankly, for progress. And that progress we wanted not only to occur, but to be sustained. So, when you think about to date, we directly funded or invested already more than \$450 million, and that's in addition to other ways that we continue to make an impact on our community.

That included about a \$36 million to 22 minority deposit organizations and community development financial institution banks that support minority-owned businesses. That's in addition to our already approximately \$100 million in deposits to NBIs in our existing \$2 billion CDIF portfolio.

We've also provided more than \$300 million over 100 equity funds. Those funds will help provide capital to diverse entrepreneurs and small business owners. And of the funds we've invested in, approximately 70% are led by underrepresented managers, so traditionally underrepresented areas.

A \$10 million grant to fund the Center for Black Entrepreneurship in partnership with Spelman College, which is where I graduated from undergrad, as well as Morehouse College. My husband is a grad, and my son is there today. And \$25 million to 21 community colleges, which also included historically black colleges and universities and Hispanic-serving institutions.

Another \$25 million as a founding partnership to the Smithsonian's new initiative on race. It's called Our Shared Future: Reckoning Our Racial Past.

And then lastly, another \$1.35 million in support of mental health initiatives for young people in partnerships with various external organizations.

And we're just a few years in, but the work will continue to drive out, hopefully, and create more economic opportunity in the future within the communities that we serve as an organization.

Michael Stephan: Well, Cynthia, it's incredibly clear that you are an organization that is not going to settle or get complacent. Congratulations to you and the team, and the entire organization on such tremendous momentum and impact already.

Cynthia Bowman: Thank you.

Michael Stephan: Looking back over the past two years, what have been the major leadership lessons learned that you're carrying forward this year and beyond?

Cynthia Bowman: I've learned a lot in this role because I talk to so many people who have perspectives, viewpoints, backgrounds, and experiences that are very different than my own, and I actually think that that's healthy. And I want more people to talk to people who don't have their same views and perspectives and listen to understand, not just to reply. Because what I've learned is that most people's intentions are good, but we have to be more aware of the situations of all to help influence how we think about truly

creating an environment that is equitable for everyone.

And I think in order to do that, you have to lead with empathy and grace. I think you have to give space for grace. Everyone's not going to say things right the first time or you're not going to always agree, but I think we can grow together.

I think we have to focus on mental health. And we have seen a lot of the statistics in the growth and the impact that the pandemic has had. And I think for our youth and for our employees in the broader workplace, it's a critical topic and a lesson learned that every organization should really be thinking about their offerings and services.

And then I just think, look, support of everyone during these challenging time is key. And I've learned that by reaching out and connecting with my team, asking them how they feel in key moments, debriefing major issues that are happening in the world, and taking some time off an agenda just to kind of let people know that we care about topics.

Inclusion doesn't have to be super complex. You can start with asking people have they ever felt excluded. Is there anything I'm doing as a leader that's not creating an inclusive environment for you? How did you feel when this particular topic happened, or this situation occurred?

Michael Stephan: I love that. I certainly also really appreciate that the conversation around the importance and value of emotional intelligence in leaders is getting more and more airtime than it has historically, for sure.

Cynthia Bowman: I think it's a business imperative.

Michael Stephan:

I agree. And I also loved your statement about seeking to understand. I heard a quote that said, "Seek to understand before

being understood." And I think dedicating the time to really listen and ask questions is key to any form of leadership regardless of level.

Cynthia Bowman: Absolutely.

Michael Stephan: Cynthia, as we close out the episode, I'll ask you a two-part question. Let's start with the first one. What can our audience do now to advance DEI efforts?

Cynthia Bowman: I think this one is pretty straightforward. I would ask you first, do you have a clear, compelling, and simple strategy that is measurable and well understood? And if the answer is no, I would suggest to go and create it.

The second thing I would say is you have to go beyond the business case. We are beyond the business case. We know, and there's all types of research, including research that was conducted by Deloitte, that will tell you that companies that are more diverse and inclusive outperform their peers. So, the question really is not more of the business case, in my opinion, but putting pen to paper and creating a strategy that starts to drive more inclusion and diversity in your organization.

And then, as I mentioned before, it is super important to measure it and then report over time on your progress. And to the extent that that can be top-down driven, which is how it is at that bank, I think that that will help to enable success and set expectations around the commitment and the ownership of the results by the business, not just HR, not just DEI, but by the leaders who are in positions to hire, attract, and retain talent in the organization.

Michael Stephan:

So, sticking on the topic of DEI, as we look ahead, what do you see as the future state of DEI for the balance of this year? And then where do you see it going over the next two to five years?

Cynthia Bowman: I think there's still so much more work to do in many places. And I'm proud of the fact that I do think that the maturity and the progress of the work we're doing at Bank of America has evolved over time and has been foundational to our organization. But every company is not at that same stage or that same level of maturity.

At the end of the day, it's all about transparency and accountability. Be data driven and hold yourselves accountable and the leadership team accountable for success. I think those are the key elements for the future of diversity.

But at the end of the day, it's about creating a workforce that looks like the world you live in across every level, not just at the entry level. It's about creating an environment where people can walk in the four walls of your company and not feel like they have to be someone else when they come in or when they leave.

And it's about equity. It's about creating processes that remove bias, promote more inclusion in your everyday practices from the time you hire, how you onboard, how you conduct calibrations, how you retain talent, how you recognize talent, how talent leads your organization.

You should be asking the question across every lifecycle of decisions that leaders make around how we remove bias. How do we mitigate it? What are the key practices

that we know help drive more inclusive workplaces or environments? And put those in place. Because it's really all about business practices, where decisions are made by leadership, and ensuring that those are embedded in your business practices, your business reviews, and not something that's perceived as separate and one-off.

And from a talent acquisition perspective, look, there's a war for talent right now. So, to the extent that your benefits, your programs, your brand stands for inclusion, I think you find now that the classes coming in, particularly off campus, regardless of the institution, they want to see a focus on ESG. They want to know that you care about diversity inclusion

So, it's really important for companies to align though their practices to the topics that matter most to this next generation and help to elevate that so that you can not only win the war for talent, but keep the talent and drive internal mobility and success for your workforce.


Michael Stephan: Well, Cynthia, thank you. We so appreciate your time. We are grateful for your perspectives, your experiences, and your stories. Thanks so much for spending time with us.

Cynthia Bowman: Thanks for having me. It's been a pleasure.



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