CHAPTER ONE

THE LABOR MARKET

Labor markets are always dynamic, always changing, but usually there are submarkets that operate independently from the economy as a whole. In one part of the country, there may be a huge demand for teachers, for example, but an oversupply of engineers; in other parts of the country, there may be demand for retail workers while there is an oversupply of marketers. And, of course, labor markets differ by sector, and we see today that 94% of retailers are dealing with job vacancy issues. Rarely in the history of the United States do we find what is happening now with the Great Resignation (see Figure 1.1). Today, regardless of industry, job, or location, the thought bubble over the heads of many professionals is something like this: "I am quitting my job because of the [toxicity/banality/purposelessness] of the culture where I work." There have always been people who quit their jobs, but it has never happened before at this scale. In 2021, 48 million people quit their jobs. The year 2021 wasn't a unique year because in 2022 we are still averaging above 4 million people quitting their job *every month*.[1] And this is not just a U.S. economy issue; over 40% of the global workforce is thinking of quitting their jobs. The idea of a job shortage, or the term "Great Resignation," were not even topics people cared about until 2021.

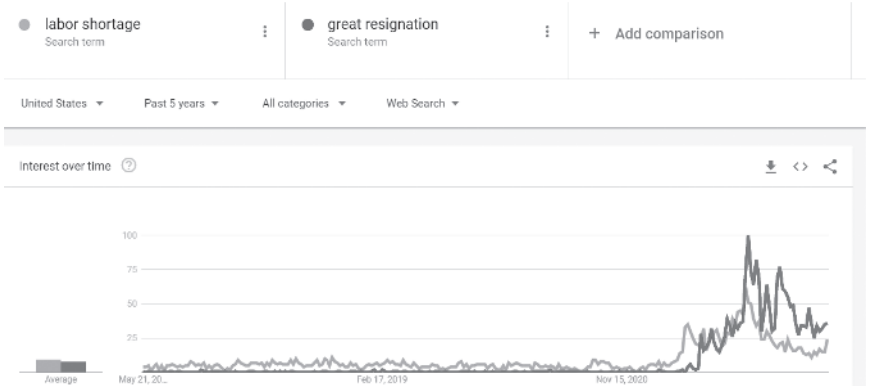

Figure 1.1 Google search trends "Job Shortage" and "Great Resignation."

Now, the idea that people would choose to not work is commonplace, and if you think you have all the leverage as a hiring manager, as a boss, you are tragically wrong. It does not mean that you have to capitulate to every demand from every worker and it does not mean that you have to double the salaries of everyone, but it does mean that you have to meet people where they are and understand the cultural and generational influences impacting people's engagement. You will have to navigate through evolving cultural expectations about work to get the best productivity and leadership value out of your staff. So, the first headwind you face as an organization, the first structural issue impacting your ability to recruit professionals and leaders of color is the Great Resignation. It is a phenomenon impacting all professionals, regardless of race or gender, as Figure 1.1 shows.

THE LURE OF ENTREPRENEURSHIP

A second major factor impacting your organization's ability to recruit and retain diverse talent is the incredible pull of entrepreneurship. There has been explosive growth of celebrity entrepreneurs, and today's celebrity is vastly different than celebrities in the past, especially for entertainers. Forty or fifty years ago, if you look at entertainers from the 1960s and 1970s, like James Brown, the Supremes, or Lionel Richie, all those artists were just celebrities. They sold their music and made their money. But now, in the 2000s, we have artists and entrepreneurs like Rihanna, who is a music star but also has a cosmetics line, or Jay-Z, who has a record label, a talent agency, a publishing house, a clothing line, and a nonprofit associated with his brand. Rihanna and Jay-Z have redefined what it means to be a celebrity because they are celebrities, entrepreneurs, and business moguls and they have built empires that have made them billionaires.

But even though they are powerful (or because of their power) they still wear hats and hoodies and athletic shoes. That is powerful signaling in a status-conscious culture like America. What this also says to people is, "Wow, there is a way for me to be successful in America and not have to spend so much time trying to make white people feel comfortable." So, people of color see that, and they think there is more to life than working for a company—I can start my own business. I am inspired to do my own thing. And it is not just the kid in the housing project who is thinking that way; it is also the Harvard or Stanford Business School graduate who is working at Goldman Sachs or McKinsey & Company. While a lot of people do not have the sort of psychological makeup to actually become an entrepreneur, or they may not have the cushion financially since they have real-world income needs and can't take that kind of financial risk, it is a thought that they have—it is in the back of everyone's mind.

For people of color, we have seen vast changes in entrepreneurship that bear out this new mentality: entrepreneurship among Black women soared over the past decade to 322% with over $51 billion in revenue, and Latino-owned businesses account for 34% of startups.[2] I once approached a Black male partner at McKinsey about a very senior leadership opportunity. As I was easing into my pitch about the role and how it seemed like a logical next step for him in his career, he kept pulling the conversation back to my firm, Protégé Search. I kept thinking that he was just being gracious and complimentary about our success. But he was serious. He declined the corporate role, a front office leadership position at a professional sports franchise, because his next step—his ultimate goal—was to run his own company.

The pull of entrepreneurship with diverse talent is not a new phenomenon but its dimensions are vastly different now. Black communities have always bestowed on the owners of funeral homes, insurance companies, and dentist, doctor, and lawyer offices premium social status. Immigrant

communities have historically had grocery stores, restaurants, and other services businesses in their communities as well. These businesses provided their owners with not only wealth-building platforms for their families, but they also provided a source of charitable giving in communities of color. They provided the first internships in these communities. I have noted jokingly that of all of the types of middle-class Black Americans, these millionaire-next-door types have been the ones sponsoring the Black Little League team, providing internships for Black teenagers and college students, and, if you are lucky to have a self-made entrepreneur in your family, they have probably paid for the funeral costs for an elderly relative or two.

So, what is different about the Black and brown entrepreneurs of today versus 30 or 40 years ago?

There are three important differences. The first is their ubiquity. Nearly every time a young student or professional of color hums along to a Rihanna or Beyoncé or Future song, they almost always hum along to a lyric about that artist's entrepreneurial ventures. In a genius stroke of promotion, this generation's hip-hop and R&B artists are pushing their champagne, cosmetics, and clothing lines within their songs. As hip-hop entrepreneurial pioneer Sean "Puff Daddy" Combs noted, the goal is to have their consumers listen to their music, use their cologne, wear their clothes, and go to their restaurants and nightclubs. It is a completely integrated brand of products and services first introduced via the artist's music.

The second difference is the youth of these entrepreneurs. It can be hard to make a career shift to emulate Aunt Camille's hair salon if she is 50 years old and you are a 19-year-old sophomore at college. You might be staring at 20 dog years of getting your business up and running, establishing its brand, and servicing customers. On the other hand, young students and professionals are watching artists like Rihanna build massive wealth in an astonishingly short period of time. According to *Forbes,* Rihanna is now worth $1.7 billion. Much of that wealth does not come

from her music career but comes from her business ventures. She is a 50% owner of Fenty Beauty, which provides $1.4 billion of her wealth. The rest of her wealth largely comes from her lingerie company, Savage x Fenty, which is worth an estimated $270 million. These are ventures that Rihanna started in 2017. She is now the second richest Black woman in America (next to Oprah, whose rise to billionaire status took 20 years to Rihanna's 15). Rihanna, Sean Combs, Serena Williams, LeBron James, Steph Curry, and dozens of other musical artists and professional athletes are achieving mogul status *young*. That makes waiting five years for a promotion in corporate America sound like an eternity. And Rihanna's entrepreneurial rise is telegraphed through her music, her social media posts, and other digital and traditional media. If you are a Black professional at a corporate workplace and you are singing Rihanna's song "Work," there is a good chance you are dreaming of having work like *hers*, and not the project you are managing for your boss at your employer.

The third issue that is important to recognize with the pull of celebrity entrepreneurship is that these entertainers and athletes are building businesses *on their own terms*. They are hiring professional attorneys and consultants and established business executives, but also their own family and friends as employees and partners. And they are wearing hip, casual clothes, partying, and living their best lives while they build their empires. Contrast that with the dress codes, commutes, code switching, and microaggressions that diverse talent have to endure in much of corporate America, and is it any wonder that young professionals of color opt for a life of entrepreneurship?

Put it all together and this means that your Millennial and Gen Z talent is constantly bombarded with images of rich, youthful businesspeople of color who built their wealth quickly, glamorously, and on their own cultural terms. It does not mean that it is a hopeless venture to try to recruit them, but not acknowledging this glaring reality is antithetical to any possibility of recruiting and retaining diverse talent.

The entrepreneurial mindset is something that people from all walks of life can have, but unless you are looking for it or understand some of the clues that may arise in casual conversations, you will miss it entirely. For example, on one of my Protégé podcasts I spoke with a woman who, by all outside appearances, looked like a career minded C-suite level executive at a global technology company. She had an economics degree and a law degree from Harvard, and she was senior counsel in this company. The company came to her all the time and said, "Would you like to be in our leadership development program? You are in the legal function now but we think you could broaden your skill set." And when this woman said "no," the company couldn't figure it out. Why not? Why wouldn't you want to participate in a high-profile company leadership program? In the back of her mind she is thinking, "Because I have my side hair care business and this global technology job is the means I have to build up my savings and develop my experience. The corporate job is a venture capital vehicle for me." This is not an isolated example and there are many, many people of color who are building businesses from side hustles while working in corporate America.

YOUR COMPANY'S BRAND OR REPUTATION

In addition to a talent-driven labor market, quiet quitting, and the lure of entrepreneurship, there is the issue of your company or organization's brand impacting its ability to recruit and retain diverse talent. Many organizations will pay attention to engagement surveys and exit interviews and

even monitor employee feedback on sites such as Glassdoor. But few of them monitor or track feedback *specifically from employees of color about their organization*. And trust me, if you are a Fortune 1000 company, there is feedback about your company out there among communities of color.

When I was a law student at Harvard, I had to figure out where I was going to work as a summer associate after my second year of law school. Without a lawyer in my family, I was left to aggregate as much information as I could from legal industry magazines and conversations with professors and fellow law students. I soon amassed an encyclopedic knowledge of which law firms provided the quickest path to partner, which ones had very high billable hour requirements, and which ones had incidences of racism. There was one book, *The Insider's Guide to Law Firms,* that I read cover to cover a couple of times. I soon developed a reputation among my fellow law students as the go-to person for the inside scoop on which law firms were best for Black students. *The American Lawyer* ranked firms in terms of number of attorneys and annual revenue. These rankings were valuable, but they were missing important context for what the lives of professionals of color were like inside these firms.

During the summer after my second year of law school, I worked at Howrey & Simon, one of the fastest-growing firms in the country. Now a defunct law firm, Howrey in the mid-1990s was a 400-attorney litigation "boutique," and it had a reputation as an early adopter of using technology effectively in the courtroom. Howrey was ranked number four in Washington, DC, by most legal periodicals, both in terms of number of attorneys and annual revenue. Even among my Harvard Law School classmates, I felt privileged to work there.

I accepted a full-time associate role there after law school. Howrey did not have an overtly racist or toxic culture. As a Black attorney, you did not die from overt toxicity; you died from neglect. Partners routinely selected white associates over you for much-needed billable work, and few of the

Black associates had any mentors or sponsors. Even worse, toward the end of my first year there, the firm sponsored a team-building golf tournament with associates and partners playing against each other. No Black associate was invited and only one woman was invited and played in the tournament. I was working with one of the senior associates who planned the tournament and was friends with many of my white fellow first-year associates who played in the tournament. Even more, I was an avid golfer.

When a senior partner emailed the entire firm celebrating the camaraderie and fun from the golf tournament, a bunch of Black attorneys decided to meet to vent about this. "Were you invited?" "This is how white associates get ahead and we get left behind." "They say the deal happens on the golf course, but none of us were there, so . . ." were the kinds of comments we shared amid our collective frustration. I wound up writing a rebuttal to the partner's email decrying the whole event as discriminatory and indicative of the barriers that attorneys of color have in their matriculation through majority white law firms. Dozens of women, Black, Hispanic/Latine, and Asian-American attorneys applauded me calling out the firm for this exclusionary event. Some of my fellow first-year associates associated with the event were hurt and shocked by my bold reply. One even asked me why I didn't approach them individually to express my outrage. I simply reminded him that we had shared a beer at my going-away party a couple of weeks ago, and he did not feel the need to share news of the event with me then. The most interesting reaction to all of this, however, is the treatment I got by low- and mid-level Black employees. I went to the basement of the firm where the staff who handled the mailroom and copying worked to produce big copy orders. (Sidebar: No one thought it odd the optics of having the majority Black mail/copy staff in the basement, while the majority of white employees worked in sun-filled offices?) When they asked my name for the order and I got it, the manager called over the other staff, told them who I was—the author of the response about

the golf tournament—and I received an impromptu, mid-afternoon standing ovation from about 30 people. In the aftermath, one legal publication picked up the controversy and wrote a short article on it with a memorable headline: "Black Associate Teed Off Over Exclusionary Golf Outing." I had given notice already that I was leaving the firm to join the staff of a member of Congress by the time of this incident, so I didn't stick around to see what came of my and our protest of the event.

What does this crazy story have to do with your company's recruiting and retention efforts with diverse talent? These kinds of stories exist in the thousands across corporate America over the past 30 years. Where are they chronicled? How do you find out about them? Where is the Glassdoor for people of color? There isn't one yet. These stories are passed around by word of mouth among people of color as they try to evaluate where they should work. I certainly shared my experience with my mentees at Harvard Law and Howard and with my coworkers in the congressman's office and with my Black golf foursome whenever the topic of workplace culture came up. And I heard my female friends' stories of being sexually harassed and passed over for promotions and asked about their hairstyles, and why they weren't married, and worse.

Put together, there is a massive amount of information about your company percolating within professional communities of color. People of color talk. We warn each other about the firms and companies to avoid, about the senior vice president who never gets reprimanded for sexual harassment, about the senior partner who has buffoonish views of Black people. At Harvard Law, 25 years ago, third-year law students would remind the incoming students to largely ignore the official rankings of law firms. There was an unofficial ranking done by Black students at top schools of which firms to look into, and which ones to avoid.

Your company and organization's reputation matters. Whether you know it or not, I am certain that professionals of color in your industry

and sector know about your company or organization. Just as Black and Hispanic/Latine people talk about Atlanta and Boston in vastly different terms based on their diversity and inclusiveness, there is a very strong chance that the professionals you are seeking to recruit already have a formed opinion about what it is like to work in your organization. And in the era of social media and the power of Black Twitter, a negative story about your company can travel at warp speed to prospective professionals and executives.

FIRST-GENERATION BIG-TIME

After acknowledging the particular nuances of the twenty-first-century talent market and phenomena such as quiet quitting, the powerful pull of entrepreneurship on professionals of color, and the role your firm's reputation plays in its ability to recruit and retain diverse talent, there is still a bit more to unwrap about the market for diverse talent. From experience, I believe it is critically important to understand the unique psyche of modern-day professionals of color. In my almost 30 years of working as a mentor, executive coach, and recruiter of diverse talent and as a professional of color myself, I have learned some unique ways of thinking that define this cohort of leaders, a group I have come to understand as first-generation big-time (FGBT).

I'll tell you a quick story illustrative of an FGBT professional of color. I worked at a big company and found myself trying to navigate some fairly complex corporate politics within the executive leadership team. I sought the advice of a few mentors and friends, and I also called my mother for advice. As I noted, my mother is the smartest person I know. Period. She is a three-time valedictorian, a two-time Fulbright Scholar, a recipient of a

MacArthur Genius research fellowship, and a PhD in biology. She is also a former professor, dean, and provost. After describing the situation to her, my mother provided a quick retort: "Son, I can't help you with this." Flummoxed that the smartest person I knew was dismissing my angst because of perhaps some other pressing need, I asked her to reconsider her refusal to offer counsel. She continued: "This is above me at this point. I could help if this was standard issue politics at a university. But this is high-stakes corporate politics in the boardroom and, I'm sorry to say, this is beyond me. Good luck."

This one anecdote captures much of what I mean when I describe an FGBT professional. *A first-generation big-time professional is a highly credentialed and qualified person of color who finds themselves trying to navigate corporate politics beyond their level of experience and exposure*. They are players in the corporate tournament without the right equipment. In my case, I was not first-generation college. And I was not first generation to organizational politics. I was first generation as someone with the ambition to be a CEO of a complex corporation trying to navigate through the culture of corporate America. I was operating at a level where my functional capabilities far exceeded my understanding of how to navigate the politics of the corporate tournament. That is what it means to be first-generation big-time.

This issue came up in a meeting with Jamie Dimon, CEO of JPMorgan Chase. I met with him through a networking group of senior-level African American executives who hosted private dinners with CEOs of major corporations. Dimon asked the group of 30 of us what was the most important thing he needed to know about diversity in the workplace. I said to him, "At your level, if you have a person of color in the executive ranks who you interact with on a frequent basis, if they have arrived at that level—at one of the largest and most influential financial institutions in the world—then you have got someone who got to the top of the mountain with likely

much less social infrastructure, mentoring, or support than your white colleagues." I got a blank stare. I continued: "The one thing you want to do with a person of color in the C-suite is not let that competency go dormant. And the way to do that, the way to leverage that executive of color, is to put them into business functions and business lines that are heavy with ambiguity, where the business needs out-of-the-box thinking and a leader comfortable with ambiguity."

The reason that a qualified leader of color is a likely great choice is that, in my opinion, we overindex on the leadership competency of resourcefulness. If you are JPMorganChase and you have to start a branch in Detroit, and you don't know how you are going to do that, send that leader of color. That person has already shown that they can get to the top of the mountain without the same mentorship and sponsorship as their white colleagues. They likely have a supernatural level of grit. They are not getting to the C-suite in an air-conditioned bus that rides along paved roads. They got up there by riding goats, talking to sherpas, sleeping in a cave, and then they arrive at the top and say, 'Hey, I'm here, too.' If you ask leaders of color who have become CEOs, they will tell you that grit played a much bigger role in their success than anything else. Yes, they caught some breaks like everyone else and yes, they are brilliant, but grit is always a part of the calculus. It is always a part of the formula.

Grit is a hallmark of FGBT. These professionals defy odds, surpass their upbringing and environment, and go on to make an impact in a significant way. I know this from firsthand experience. I just joined my first board of directors. In a couple of meetings, I sat next to someone who has $500 million, maybe a billion dollars, of net worth; I have never sat next to anyone with that kind of money in my life. When we do an offsite, we play at an exclusive golf course, which costs a quarter of a million dollars to join. At the driving range at this course, I am hitting balls next to a PGA Tour champion who is there with his swing coach preparing for a

pro tournament in a couple of weeks. So, while I did not grow up playing on PGA Tour golf courses, I do know how to repair the divot marks and the greens when playing in a foursome. I know when you are a guest, you defer to the member, that you tip the caddies with cash, and that you wear the right clothes and shoes. There are certain protocols to follow at an exclusive golf course and it is not anything like watching a Knicks game with your buddies at your house because, to compete at the highest levels in the corporate tournament, you have to act the part even if the situation is entirely new to you. Grit, social grit in particular, is hugely important for FGBT professionals in their career.

I would put myself in the ninety-fifth percentile of understanding how to navigate within these social situations. I find myself spending a lot of time with mentees helping them understand the cultural nuances of existing in these nearly foreign environments. And it is still sometimes a challenge for me. Despite all the upper-class experiences I have had in my life, I still see them through the eyes of the little Black kid on Ray Avenue in New Orleans, with a next-door neighbor in jail for attempted murder and the biggest drug dealer in town down on the corner and everybody on welfare except for our family. No matter how comfortable I get, I look at the corporate world through that lens, and it is different. And yes, I went to Harvard Law and have spent decades in corporate America as an executive and consultant, but it was not until I was 40 that I felt truly comfortable within the affluent white culture of the average American company. I spent a decade or more learning in real time with sometimes negative consequences.

One of the defining moments for the FGBT professional is realizing that you are on your own, understanding that you have run out of cultural influencers who can help you on this journey. For me, there was not a lawyer in my immediate family. We had a distant cousin who had been a lawyer, but nobody knew what to wear at an interview, nobody knew the life

of law firms. My mother could help me prepare for the Rhodes Scholarship and the Truman Scholarship application processes, but she could not help with which law firms to work at or which ones to avoid.

For many FGBT, the process of making sense of important career decisions can be haphazard and uninformed. During my second year in law school, I was internally perplexed trying to choose which firm I should work at after my second year. I was in line at the school cafeteria and a woman in my section said, "Hey, Rory, the deadline's approaching for picking your summer associate job . . . where are you going to go?" And I responded, "Well, I'm trying to decide between two firms, and I'm really stuck." After I told her the two firms, she said: "That's not even a close call—one firm is one of the fastest-growing firms in the country, and the other firm, well, you could have gone to any law school to get the job at the other firm. Take the job with the first firm." And at that moment, as a second-year law student with no other contextual framework for that decision (and as a budding FGBT attorney), that woman's testimony was gospel.

I took the job at the firm my classmate suggested. I was one of 25 first-year litigation associates, and I was largely ignored. I was subjected to daily microaggressions and that racially exclusionary golf tournament they hosted. I was miserable. I had a mentor who promised he would be available to me, but he was very busy. I was put on menial work. Looking back, the summer associate job I *did not take* might have changed my life for the better. There was a Black partner there who wanted me to be his protégé and I blew off the opportunity because this was not a high-ranked, prestigious law firm. It was not the kind of firm that the top students at Harvard, Yale, or Stanford law schools went to. The guy I dismissed was Bill Kennard, who two years later became general counsel of the Federal Communications Commission (FCC), then became chairman of the FCC, and later, Managing Director of the Carlyle Group, and finally, at the end of his career, U.S. Ambassador to the European Union.

No matter how successful my career has turned out, there is no way to spin that I made the wrong decision here. Even if I still would have quit practicing law, having a professional relationship with someone of Kennard's character and influence would have been beneficial to my career in many ways.

Hindsight, of course, often teaches us valuable lessons. This scenario is something that predictably happens to an FGBT; you have outrun your ability to frame important career decisions contextually. So, you make very dumb decisions. You select the big, prestigious law firm based on their ranking and you ignore the offer to apprentice with a powerful mentor at a less prestigious firm. You don't have anyone who can tell you that law firm rankings mean nothing about your development as a young associate. You don't have anyone to tell you that, in the first few years of any profession, a powerful mentor can supercharge your career. You are, to put it mildly, professionally clueless. You are FGBT through and through.

And if being oblivious to the basic fundamentals of smart career decision-making is not enough to stymie your development, there are the cultural cues you can miss as an FGBT. When I began at Harvard Law School I started seeing, at scale, the vast financial and network differences between the other students and me. When you are sitting next to somebody and their name sounds familiar and you wonder why. Oh, because their parents are always in *Harvard Magazine* about the millions of dollars they give to the school. Or you sit next to someone whose family started a law firm in New York as a Jewish family because they were discriminated against and prevented from getting a job at other WASP firms. You are classmates with people whose parents are partners at elite law firms, and you are the first person in your family to attend law school. As an FGBT professional, you start seeing this gap and you realize that you have no idea how to manage corporate culture, let alone the corporate culture of a law firm, let alone the corporate culture of East Coast law firms.

My fellow classmates at Harvard Law—not all of them, but some of them—grew up steeped in affluent, white European culture. We all go on yachting trips during our summer associate clerkships, but they know what to do, what the terminology is, how to participate, how to *be*. They tell stories about being at the yacht club as a kid. They know the acronyms and can tell inside jokes. They know all the cultural cues about etiquette and they have never been the misfit at a corporate outing. They know that you wear a blazer on the weekend at work events, not a suit. They know how many drinks to have at a cocktail party, how you hold the drink in your left hand so you can shake hands with your right hand. They know whether you can show up at a party late or whether you have to be there at a specific time, and whether you should bring a gift or not. They know the precise timing of how long a story should last, how risqué the punchline can be, and what questions to ask ("How's the family?" is the universal rapport builder at cocktail parties, it seems). All of these cultural cues are obvious to people who grew up somewhat privileged, but not obvious when you don't grow up in that environment.

I went directly from college to law school and then directly into the workforce, so I understood pretty quickly that I needed to figure out this cultural stuff. I did not want to be caught unaware; I did not want to be the misfit at the party, so I tried to master the art and science of cultural alignment in business. Part of the reason I became a mentor was because I sensed that a lot of people of color didn't know any of these cultural cues, so I decided I needed to tell all my friends, because I knew they were as clueless as I was. The FGBT professionals of color are at a huge disadvantage when it comes to all the nonbusiness, non-skills-based parts of corporate America, and a lot of them, like me, had to figure out this on their own. While there is no doubt some of my white friends had to learn it as well, almost all of my Black friends, Hispanic/Latine friends, and Asian American friends had to learn it, too.

Now that you have been introduced to FGBT professionals of color, let's dive a bit deeper into this cohort of employees. Specifically, I have identified four core value systems within the FGBT community. Almost always, these professionals are meritocratically qualified, have high ambition, a lack of sponsorship where they work, and have a tension between social impact and commercial outcomes within their careers. Understanding these value systems can prove vital in your efforts to recruit and retain these professionals.

Meritocratically Qualified

One way to spot FGBTs is by their résumés. They are almost always highly credentialed, both academically and professionally. These Gen X and Millennial professionals grew up in a post–Civil Rights era (1970–2000) where Black and brown folks were making spectacular, trailblazing achievements in politics, business, sports, entertainment, and the social sector. I was born in 1970 and came of age when Jesse Jackson ran for president of the United States, David Dinkins was mayor of New York, Oprah Winfrey and Bob Johnson were building billion-dollar media companies, and Michael Jordan and Magic Johnson were diversifying their fortunes beyond sports. As I witnessed these amazing achievements, I was encouraged by my parents and teachers and mentors that, with hard work, delayed gratification, and talent, I too could take my place among the ranks of these uber-successful leaders of color.

With this unshakeable belief in meritocracy, many of us succeeded in mostly white high schools and colleges and graduate schools, and almost certainly entered majority white places of work. We believed our talents and achievements would be enough. We built amazing résumés with

national scholarships, high honors from prestigious schools, and sky-high grade point averages. What separates this generation from previous generations of professionals of color is that we entered white workplaces en masse starting around the 1990s. Many of our parents and grandparents were successful in blue-collar or social service or small business endeavors, but few of us had successful family members with significant experience in corporate America. In that way, we were blazing new paths in this foreign landscape, confident we were qualified to be there.

I remember joining the speech and debate team at my all-Black high school. We were one of a handful of Black high schools competing in this overwhelmingly white extracurricular activity in New Orleans and throughout Louisiana. Perhaps 20 years prior, in a segregated Louisiana, we would not have even been allowed to compete against white students. And perhaps 20 years later, we would not have had the intense motivation to compete and win in these tournaments. But in the 1980s, we felt especially compelled to show we could win against our white competitors. Indeed, we took a special pride in being from an all-Black school and winning first place as a team in 11 of 13 statewide tournaments. We worked hard. We were qualified. And we won. There is nothing more FGBT than beating white folks at something in which they perhaps do not expect us to be competitive.

It is also worth noting that the FGBT professional's belief in meritocracy tends to be most ripe in the beginning or middle of their careers, before microaggressions, apathy, or outright racism dull their belief in the fairness of the system. As a result, your entry-level and middle managers of color tend to have more faith and belief that their merits will triumph them in the corporate tournament. As we will detail later, it is important to harness this optimism (via early and specific performance feedback, for instance) as early as possible to sustain these professionals through the inevitable valleys in their careers.

High on Ambition

With their belief in meritocracy and their gilded résumés, FGBT professionals tend to have higher aspirations than their white counterparts. In a 2022 study—"Women in the Workplace Report"—by McKinsey & Company and LeanIn.org, it was noted:

> "Black women leaders are more ambitious than other women at their level: 59 percent of Black women leaders want to be top executives, compared to 49 percent of women leaders overall. But they are also more likely than women leaders of other races and ethnicities to receive signals that it will be harder for them to advance," the report finds. "Compared to other women at their level, Black women leaders are more likely to have colleagues question their competence and to be subjected to demeaning behavior—and one in three Black women leaders says they have been denied or passed over for opportunities because of personal characteristics, including their race and gender."[3]

I can attest that at every company I have ever worked, I have wanted to be the CEO. As I sized up my mostly white and male competition, I was never dissuaded against whether I could stack up against them. With a couple of organizations, I came to have grave doubts about whether my spectacular performance and ethics would be recognized as such, but I never suffered any lack of confidence in my abilities versus my peers. On one episode of Protégé Podcast, I interviewed a classmate from Harvard Law. I asked him why he would launch an entrepreneurial venture while he was in a cushy leadership job at Viacom. He noted: "Once I realized I was not on track to be CEO of Viacom, there was no point in staying at the company." I found it fascinating that a Black executive making $500,000+ per year would walk away from a salary that put him in the top 2% of all

American earners to launch a business with no guarantee of such income. In his view, he was not going to be CEO, so it was time to leave.

I think this all-or-nothing phenomenon exists within FGBT professionals perhaps because we lack the generations of corporate role models in our families. Perhaps if my classmate were a third-generation corporate executive at a Fortune 500 company, he would understand the benefits of that level of financial privilege. He might have an aunt who had a spectacular summer home built from the stock options of a 30-year corporate career. He might have had a grandfather who had an endowed scholarship at a tony independent school and thus understood what that privilege meant to his grandson when he attended that school. But without that generational perspective, my friend, like many FGBT professionals, has an all-or-nothing approach to his career in corporate. Or maybe, as someone inspired by the Sean Combs and Rihannas of the world, he only aspires to be the CEO of whatever organization he works for, whether his own venture or Viacom.

Another reason could be that my classmate looked at the senior leadership team at Viacom and saw no one more qualified (and likely few equally qualified) than him, a Harvard College and Harvard Law graduate. I have interviewed and mentored hundreds of FGBT who felt the same. They chafed under the bizarro scenario where they were constantly asked to jump through hoops to prove their value when their less-qualified white counterparts got a pass. This is something I have experienced in my own career. When I left one majority white company to join another one, my boss asked me why the company could not retain African American talent. I was hesitant to respond to the question because I wondered whether he was ready for the brutal honesty his question required. I demurred, but he signaled an openness to a frank conversation. I told him: "The Black professionals at the firm are way more qualified than many of our white counterparts. We are asked to genuflect to prove our worthiness here and the truth is that this is the least impressive group of people most of us have

ever been around." I was right; my soon-to-be former boss was not ready for that level of candor. The look on his face suggested that he never for once assumed that Black people thought some of their white colleagues were intellectually and professionally inferior. As highly ambitious FGBT professionals at the firm, most of us thought exactly that.

Lack of Sponsorship

With impeccable qualifications, belief in meritocracy, and ambition, FGBT professionals of color would probably be the first horses to bet on in the tournament for senior management at American companies, right? Unfortunately, that is not the case.

According to "The State of Black Women in Corporate America," a 2020 study:

> "Black women are much less likely than their non-Black colleagues to interact with senior leaders at work. This lack of access is mirrored in a lack of sponsorship: less than a quarter of Black women feel they have the sponsorship they need to advance their career. It also means Black women are less likely to be included in important conversations about company priorities and strategy, and they have fewer opportunities to get noticed by people in leadership."[4]

And according to a 2022 study by Recruiting Daily, the situation is bad for both Black women and men: "More than half of Black Americans, 55%, say they've never had a career mentor, according to a survey by the non-profit Jobs for the Future. According to the survey, almost half of Black Americans, 45%, said they have consulted either a formal or informal mentor at some point. Of those, 77% said their mentors shared the same race or ethnicity, a commonality they found useful."[5] A 2020 IBM report, "Untapped Potential: The Hispanic Talent Advantage," found that

41% of the Hispanic executives surveyed say they have benefited from formal mentoring and on-the-job training.[6] That means nearly 60% had no formal mentoring or training or didn't benefit from it.

I think you get the picture here.

So why are professionals of color mentored and sponsored less than their white counterparts? In a word: risk. Professionals of color are seen as a risk to be mentored or sponsored because senior leaders in companies and organizations want their advice and counsel to help executives win in the corporate tournament. And these senior leaders, consciously or unconsciously, know that white men are more likely to be promoted and to take their eventual place in the ranks of senior leadership. I simply don't buy the idea that senior white men mentor younger white men only because they have social affinity with them. I have seen too much evidence of white men crossing lines of class, orientation, and personality to go out of their way to mentor white men who they had little in common with other than their white maleness. I think white men mentor white men because they are making bets on who will win the corporate tournament. And based on the fact that white men overindex in leadership roles in corporate America against their demographic makeup in the country, these white men believe they are betting correctly.

I once helped develop a mentor protégé program at a company. The data from the company's previous mentoring initiatives showed a clear preference among white men, the power brokers at the company, to mentor younger white men. Not the strong performers at the company, the white men. So we suggested changes. We had mentors and protégés complete surveys as if they were on a dating app. We received data about who the strong performers were. And then we matched the strong performing protégés with an executive mentor who shared some core values and interests. Know what happened? All of the matches were a success. Years later, the company revealed to me that, for quite a few women of color in

particular, these mentor/protégé matches were transformational. Women of color in the program were promoted at a higher rate than white men. Some had changed departments and had made incredible impact in their new functional or business groups. The novel but commonsense approach of breaking up the cabal of white male mentor/protégé relationships in favor of a more data-driven approach profoundly changed career outcomes for FGBT professionals of color at this company. And I bet it led to more white men mentoring young professionals from diverse backgrounds in the future without being prompted. We proved it wasn't so risky to mentor that young Filipino woman. It is like enjoying a pomegranate. Once you get over your biases, you find yourself opened up to an entirely new and positive experience.

The Tension Between Social Impact and Commercial Outcomes

Another hallmark of FGBT talent is the tension between succeeding in the corporate tournament and making a social impact. Sandwiched between the tremendous success of corporate leaders like former Xerox CEO Ursula Burns, former American Express CEO Ken Chenault, and Vista Capital founder and CEO Robert Smith are the murders of Breonna Taylor, George Floyd, and Tyre Nichols. FGBT professionals of color can find staying on a corporate career path to be lonely and unfulfilling. The ever-present thought bubble over the heads of FGBT talent is "What am I doing to help my community?" We will discuss later in the book how to harness this instinct, but let's first understand how deep this sentiment is among FGBT professionals of color. Typically, an FGBT employee makes several conscious levels of inquiry to understand whether their current job at their

current employer helps them make the impact they desire. I think there are three levels of analysis in this decision-making process.

The first layer of this analysis is figuring out what their employer is doing in terms of DEI. Is it meaningful and authentic or reactionary and superficial? Is the DEI strategy sustainable, or is it dependent on the superstar chief diversity officer's demands on senior leadership? And by now, every senior executive should expect that professionals of color know chapter and verse about the company's track record on discrimination and racism at the company, with its marketing, and with its product/service development and roll out. FGBT employees discuss these matters via Slack or text among other FGBTs and they go on Black Twitter and chime in anonymously and read about their employer's boneheaded moves.

The second layer of analysis is for FGBT professionals to figure out what they are doing in their own individual role to make a meaningful social impact. I have a long-time friend who now leads a foundation for a multinational delivery services company. She worked for several years as a lobbyist for the company but found the work largely unfulfilling. Through her work with frontline staff, she uncovered the startling reality that these delivery professionals often witnessed acts of human trafficking at the homes where they dropped off packages. During my conversations with her, she often wondered how she could make that particular issue—ending human trafficking—part of her day job. Fiercely committed to this cause, she seriously considered leaving the company to take a job at a nonprofit. With some advocacy and mentorship, she finally made it happen. Five years after our conversation, she leads the company's corporate foundation, and one of their major initiatives is ending human trafficking. My friend was not only retained by the company an extra five years and counting, but she is now making a tremendous difference for people who are victims, or who are at risk, of human trafficking.

It is, however, unrealistic to think that every professional of color will have an opportunity to carve out a unique professional niche like this that matches their personal values. For most FGBT staff, working within employee resource groups (ERGs) can provide a community of kindred spirits who share similar cultural values, traditions, and longings to socially impact their communities in a positive way. This is a third layer of analysis for FGBT regarding whether they can actualize their social impact aspirations at their company. ERGs do wonderful things like paint schools in underserved communities, mentor underserved students, partner with and donate funds to Black, Hispanic/Latine, Asian American, and Indigenous nonprofits. In doing so, they boost the morale of FGBT staff of color and increase the likelihood of a company retaining them. ERGs provide such an easy win for companies that I don't understand why every company over 250 employees does not actively encourage the formation of these internal groups. I once worked at a company where the culture was so toxic that women and people of color actively desired to launch ERG groups but were afraid it would send the wrong signal to management. There is more to sustaining a thriving ERG group than simply launching one, including tying the ERG group's mission to business priorities, interesting and meaningful programming, a culture of trust and transparency, and executive sponsorship. But companies will not—and do not need to—get all of this right out of the gate. Launching an ERG group can provide a simple way to connect with the values of your FGBT talent.

With all of these challenges, there is still one (at least one) more issue to consider. These amazing FGBT professionals, qualified and ambitious, who are resisting the urge of entrepreneurship, who are aligned with your company's value and mission, are still going to be hard to recruit and retain for one simple reason: *they are in high demand*. It is worth emphasizing and explaining this further. Talented and credentialed diverse leaders exist

in every function and industry in the market. Among the usual senior leadership roles in legal, finance, operations, and marketing, the following positions are the roles we have recruited for clients and where we have delivered diverse slates of candidates:

- Chief Economist
- Chief Advancement Officer
- Chief Investment Officer
- Chief Information Officer
- Head of Sales Solutions
- Managing Director, Data Strategy

In my over 20 years of executive recruiting, I have never recruited for a role where I could not deliver a qualified slate of diverse candidates. And yes, I might think I am the world's best diversity recruiter, but the truth is also that these executives exist in every function and business imaginable. *If you have an FGBT executive who is performing well, gels within your culture, and seems to be upbeat and positive about their tenure at the company, you should do whatever it takes to retain them*. And you should do so because of their relative rarity. Rare things are usually more expensive. They are usually desirable in the broader market by others. And when you put that rarity in a professional, they tend to know that they are special. After all, recruiters like me are likely calling them about other opportunities all the time.

I once managed a recruiting project for a fast-growing company in Silicon Valley. This company had about $1 billion in revenue and was seeking a head of sales solutions. An incredibly talented African American woman had reached out to me several months prior to the launch of the search seeking career advice. She worked at a prominent technology company and was wondering what her next career move might be. I remembered that she wanted something with strategy and sales in her next role, which

would fast track her to the C-suite. I reached out to her to discuss this opportunity with our client, and she agreed that it met her litmus test for her next role. After her first-round interview with our client, I set up a call to provide feedback.

"When can I meet the CEO of the company?" she asked. I hesitated because the CEO was not going to be on the interview list. I was sure she would likely meet the CEO after she accepted the offer, and certainly within her first 30 days at the company, but he was not on the interview list. I relayed all of this to her but told her I would ask the client if a meeting with the CEO was possible. She replied: "I'm asking because the CEO [of a Fortune 20 technology company] came on the Zoom interview I had last week and asked me what it would take to get me at the company." Not only did the CEO interrupt a Zoom interview in a half-court shot of recruiting, but the offer the company suggested was double her current salary, and 40% higher than the most aggressive compensation package my client could offer. Not surprisingly, she took the job with the big tech company.

The recruiting overtures we at Protégé Search make to highly qualified executive leaders of color are frequent and intense. When I do an executive search and the candidate is one of these rare executives who has exceptional credentials, spectacular successes at their company, and a tenure longer than five years, I know it is going to take an opportunity of a lifetime to get them to leave that company. I cannot just offer higher compensation or title on behalf of my client. I have to make a cogent and compelling case about why the inflection point in their career matches perfectly with this business need at the company. I know I am not only competing with what should be a strong retention play by their employer, but also with the future executive roles that will come their way by other executive recruiting firms. How we approach cultivating relationships with passively interested diverse talent is to treat them like the superstars that they are. We approach them understanding their rarity—and understanding that,

they, too, are aware of their rarity—and treating them with the respect they deserve.

When I was leaving another corporate job, my boss again asked me why I was leaving. "We have such a difficult time retaining African American professionals, so I'd love to hear your thoughts on what we can do better in this area," he said. I was very hesitant about answering him honestly and wanted to just give a perfunctory exit interview with the standard rom-com breakup mantra: "It's not you, it's me." But that would have been a lie. It was them. It was the culture of the company, the horrible way I was either ignored or harshly treated, the daily microaggressions and, in some cases, overt racism I experienced. I again summoned the courage to be a truth teller and gave my soon-to-be former boss the unvarnished truth. "I think the senior white leaders of the firm feel like Black professionals should feel lucky to work here. It's reflected in the overall culture of the firm and how people are recruited, promoted, and paid. Yet, it's the professionals of color who have the Ivy League degrees and the graduate degrees. Our white supervisors have the state school degrees but come from wealthy families. We are overqualified, yet under-leveled when it comes to title and compensation. We are getting calls all the time from recruiters who offer 50% more money for similar roles. Most of us take these interviews because we think 'it can't be worse than working here'; at least I'll make more money," I said (with the confidence of someone with a brand-new job).

My boss's jaw was almost on the ground. I think he kept a centimeter length gap between his lips for most of my little sermon about The Overqualified Blacks at Mediocre Company. I told him that the firm should hire the white *and* Black talent from Georgia State and Bowling Green, and not hire Blacks from the Ivy League and whites from state schools. I do not know if he took my advice. There are still highly qualified Black professionals at that company and there are still highly qualified white professionals there, too, but there are a whole lot of exceptionally mediocre

white people there with résumés that no professional of color could even get an interview with. This matters in recruiting because my new employer treated me like a rockstar throughout the recruiting process. I had an identified sponsor, was given VIP treatment to their events and programs, and was ensured I would be on a fast track to even more significant leadership opportunities beyond the role they had custom developed for me. Is it any wonder that I left that other company?

Now that you have perhaps a fuller and more nuanced understanding about these ambitious, qualified, and highly sought-after professionals and executives who are resisting the lure of entrepreneurship and the option of quiet quitting, it is time to think through the strategies you can implement to recruit and retain them.