



The Economic Club of New York

114<sup>th</sup> Year  
634th Meeting

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Lareina Yee,  
Senior Partner, McKinsey & Company

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December 2, 2021

Webinar

Moderator: Stephanie Cohen  
Global Co-Head of Consumer and  
Wealth Management, Goldman Sachs  
ECNY Trustee

## Introduction

President Barbara Van Allen

Good afternoon, and welcome to the 634<sup>th</sup> meeting of the Economic Club of New York, in our 114<sup>th</sup> year. I'm Barbara Van Allen, President and CEO of the Club. As many of you know the Economic Club of New York is the nation's leading non-partisan forum for discussions on economic, social and political issues. We feel our mission today is as important as ever, as we continue to bring people together as a catalyst for civil conversation and innovation.

Over the past year, through our diversity, equity and inclusion programming, we've been leveraging the Club's platform to bring together prominent thought leaders to help us explore and better understand the various dimensions of racial inequity and highlight strategies, best practices, and resources that the business community can use to be a force for change.

We've not been doing this work alone. And we'd like to give a special thanks to our corporate partners, BlackRock, Bloomberg, MasterCard, M&T Bank, Wilmington Trust, PayPal, S&P Global, and Taconic Capital. As well as the many members, speakers, and subject matter experts that have been engaged in the work with us.

A special welcome, this afternoon, to members of the ECNY 2021 Class of Fellows. This is a select group of diverse, rising, next-gen business thought leaders. We also have joining us, students from the Gabelli School of Business at Fordham, and the CUNY Graduate Center. Just a quick note, that applications for the 2022 Class of Fellows are now available.

It's a pleasure for me to welcome our guest speaker today, Lareina Yee, Senior Partner at McKinsey and Company. At McKinsey, she was the former Chief and Diversity Inclusion Officer and she will be discussing the 2021 Women in the Workplace Report. Which is the largest study of women in corporate America and how the pandemic has impacted women and explore the intersectional experiences of different groups of women at work, including women of color, LGBTQ+ women and women with disabilities.

She's an expert on digital sales transformations, sales excellence, go to market strategies, and culture change. She brings 20 years of experience to companies across the value chain.

Lareina founded the Women in the Workplace or co-founded Women in the Workplace, which is a research partnership with LeanIn.org and *The Wall Street Journal*. She's co-authored a significant body of research including *Delivering Through Diversity*, and the *Future of Women at Work, Transitions in the Age of Automation*.

She writes and speaks widely on diversity and inclusion topics. Additionally she was chosen Working Mother of the Year by *Working Mother Magazine* in 2016.

Today's program will begin with opening remarks from Lareina followed by a conversation, and we're very fortunate to have Club Trustee, Stephanie Cohen as our Moderator.

For those of you that don't know Stephanie, she's the Global Co-Head of Consumer and Wealth Management at Goldman Sachs. She's also a member of their Global Inclusion and Diversity Committee, serving as a Global Executive Sponsor of the Women's Network.

Prior to assuming her role, she was the firm's Chief Strategy Office which drove strategy and mergers and acquisitions, strategic investing, and partnerships for the firm.

She led the launch with Goldman Sachs, \$1 billion investment strategy, which aims to increase access to capital and facilitate connections for women, Black, Latinx and other diverse entrepreneurs and investors, as well as GS Accelerate, the firm's in-house innovation engine.

I thank you both for being here. For this event we're going to be using the Chat Box, so

you can enter questions directly into the Chat Box for consideration, and we'll plan on trying to use some or all of those close to the end of the conversation. We will end promptly, as we always do, today at 2:45. And as a reminder, this conversation is on the record and we actually do have quite a bit of media on the line.

So without further ado, Stephanie, the mike is yours.

STEPHANIE COHEN: Thanks Barbara. And thank you Lareina for being here. It's so great to see you. We're all so excited to hear about all of the amazing things that you've done, the studies that you've done, but most importantly, about the Women in the Workplace Report and as Barbara said, this is the largest study of women in corporate America. It's a really important study and it's in its seventh year.

So, as Barbara said, why don't you give some opening remarks about how we should think about this report, how it compares to ones in the past, how the focus is different, what we should take away from this year's study?

#### Opening Remarks by Lareina Yee

Let's just start that it's a pretty somber view that we take a look at where we are. So, over the last seven years what can we be excited about? We can be excited about that

there's signs of hopes of progress. We see that company commitment is higher than it's ever been. It was more like about 70% and it's now closer to 90% of companies see this as a top business priority.

That said, progress consistently lags results. The area where we see the most progress is in the senior leadership. Think about your C-suite, those reporting to CEOs, your SVPs and your VP's. But when we think about the full body of the workforce in corporate America, we haven't actually seen the type of gains we would have liked to see over the last seven years, as we think about entry level and managers.

And underneath that, one of the things that makes the report very distinctive is that it really looks at the experiences and this is why it's like a great, awesome data set, which is, it has 60,000 men and women told us this year how are they experiencing work. How are they experiencing Covid? Where are some of the sources of inequality? And for that I have to say that this year was a pretty hard year. We continue to see that the road is really tough for women.

And one of the things that really stuck out to me was that we saw that women were working harder and oftentimes less credited. So, in all cases, in terms of taking measures to help others rebalance their workloads, taking time to help the wellness of employees in a very accentuated time at work, they were stepping up far more than

men. But they found that only 25% of them said that they saw any formal credit. So, it's kind of like doing more, and getting less pay, and less credit for that.

I think there are a whole bunch of nuggets like that, which we'll go into, but just to give you a sense of the surface of the report, we always take a look at the foundation of what is the state of the state, the pipeline. That's kind of how many people are at the entry level, how many people are managers, how many people...what's the acceleration of promotions.

We take a look at intersectionality and we take a look at the experience of Black women, Asian women, Latinx women, women with disabilities, LGBTQ+, and then we also take a look and we're always comparing that to the experience to men.

And we also take a look at some major themes. Our consistent themes are around what is the experience of microaggressions, what is the experience of sponsorship. And finally, we'll look at solutions.

With that, there's a lot we can dive into, Stephanie. So I turn it to you to ask any and all questions.

Conversation with Lareina Yee

STEPHANIE COHEN: You mentioned this whole concept around solutions, which, the report is a little somber, but I think we can spend a lot of time focusing on what are the things that we can all do to be part of that positive change?

One of the things you mentioned was that we have seen progress, but that women are really experiencing burnout, particularly given what's going on with the pandemic and you only need to read the headlines to realize, of course, the pandemic is still here.

What is causing the burnout? You talked about it a little bit, but let's dig deeper into what's actually the cause of the burnout and what can we do to help this population?

LAREINA YEE: Let's calibrate where we are. When we looked at burnout last year, we looked at burnout this year. We saw that 42% of women said that they're experiencing high to extreme levels of burnout. 42% that is higher than last year, and higher than men. It's not surprising that you would see a lot of burnout, but I think the fact that it is greater among women, and at a rise, was surprising to us.

And your question is, so why is that happening? Well there's a couple of things. One is, when you think about, put in mind, the average manager, female manager, she runs basically a triple shift. Her first shift is her job itself. And what we saw in corporate



America is we didn't see a drop, a beat missed in terms of results. So, she's delivering her results each and every day.

Her second shift is the fact that she's also doing more office housework. She's taking more time to check in on teams, more time to rebalance, more time to help them in this Covid world. She's checking in on mental health, and she's participating more in diversity and inclusion. By the way, that's unpaid and unrecognized work.

Then her third shift is, if she has kids, is, she goes home and she does a disproportionate amount of housework. And when we thought about, and when we've measured, how much is that home shift, it's on average three hours a day. If you add that up, it's a job and a half, plus everything you're doing.

By all respects, just on that alone, you can imagine that it's not surprising that women are feeling exhausted.

STEPHANIE COHEN: I want to talk about a couple of things. One you said, at the beginning of the report that 90% of companies are focused on this. You've now told us that 42% of women are feeling burnt out. The next obvious thing that comes from that is attrition. And McKinsey wrote a good and interesting piece called the Great Attrition. So I want to bring all of these concepts together.

Obviously, this is not good for the women who are experiencing this, but it's also not good for the workforce more broadly, for companies, and so, how should we think about how the great attrition is interacting with the trends that you just talked about, and what can we be doing about it?

LAREINA YEE: We asked women, are you thinking about stepping back or stepping out? One out of three said they are having that consideration. What's fascinating is, I don't think it's yet the great attrition. It's more great pause or great reflection. What you see is women in corporate America are saying, wait a second, given all of this, do I want to run at this company, and/or do I want to run at this pace?

What we don't see in the data is mass exodus. What we worried about was if all of those women took action on that and exited. You would see about 2 million women leave corporate America. That has not happened. So that's good news.

But the bad news is, is that they're still thinking about it. If you wanted the part about silver linings for companies, the opportunity is, if they haven't acted on it, and it's very obviously a risk, what can you do to mitigate that risk and actually retain the women that you have.

STEPHANIE COHEN: This is true across levels, but a lot of the things you've been

talking about certainly apply to more senior women. You've mentioned that we've made progress at those ranks, and I think there's a lot of focus at companies. But we haven't fixed, kind of the root cause of some of those problems. Let's talk about the leadership pipeline, because I think given the scope of your report, the longevity of your report, you actually have really good data and thoughts around this.

I want you to talk about what you mean by the broken rung, and why that's so important as it relates to us understanding the real potential to get women through the leadership ranks of corporate America.

LAREINA YEE: We start pretty good. We start at 48% representation across all industries. There are a couple of exceptions, but largely we start near a population parity. That's pretty good, 48%.

But when we go all the way to the top, Stephanie, as you're thinking about those reporting to the CEO, it's 25%. Now that's up several percent than it was several years ago, but it's still a fraction of the talent.

If we look at CEOs, that number is more like 5%. That's kind of what we mean by the pipeline. The entry all the way up. The broken rung is the fact that what we found is we start to lose women at that very first promotion. So, for every 100 men that receive their

first promotion from entry level to that first time you get that uptick, that very first opportunity. For every 100 men, only 85 women receive that same thing. And we test this year-over-year, and that numbers stays stable.

And if you're a woman of color, that number this year was 79%. For every single person that goes up, for every male, there are less women. That inequity at the very beginning, just expands over time. So, even if you accelerate promotions and you have parity at the VP level, you've already lost a lot of women.

STEPHANIE COHEN: Okay, so, you've mentioned the issues, particularly with women of color. I want you to talk to us about why that's the case, and then I want to start talking about some solutions. What can companies be doing to target that moment in time at that first promotion?

LAREINA YEE: For women of color the experience is more extreme. All of the things that you see for women with respect to men, just imagine a more extreme thing. And then, your question is, so why is that happening. What's different about the experience of women of color.

One of the...sort of the two major things that we see that are very different is the experience of more enhanced microaggressions, up to two to three times more likely

than women overall. And being an only. Let me just unpack those two very quickly.

Microaggressions are the day-to-day things that happen to you. It's things like being mistaken for someone much younger. Being asked or surprised that you're language capabilities are as good as they are. Sort of being talked over or interrupted. All of these type of things that happen day-to-day. Think of those as thousands of grains of sand that kind of just holds your feet back. This is just an everyday experience for women of color.

The challenge is, is that they also are experiencing at the same time, being an only. And what that is, is the experience of walking into the room and being the only one of your kind, the only woman, the only Black woman, to walk into that room. And what you experience and what we see in research outside of McKinsey as well as what we see in our own research is that, in that moment, you have two simultaneous thoughts. One, is the experience of extreme isolation and two, a feeling of pressure to positively represent every stereotype of what makes you an only.

Those are some of the experiences. Now, coat that with lack of allyship and lack of sponsorship, and women of color, even though they are equally ambitious to be leaders in their organization, are saying, but my day-to-day experience doesn't add up. So, I would love to be a greater leader, I buy into the mission, and purpose of my company,

but I don't feel supported to succeed.

STEPHANIE COHEN: Obviously, there's a lot of things to unpack there, and there's a lot of things, by the way, in those specifics that we can do to help solve the problem.

What should companies be doing more systematically to help women, particularly women of color to get past that first promotion to that second promotion? And that will obviously help that individual, but that also creates less only situations, the more of them we get through the pipelines. What can companies be doing?

LAREINA YEE: Three things for folks to think about. The first thing is, one of the things that companies tend to do very well is to think about the quality of their promotion practices at the top. There's a reason why we're starting to see more women at the top. And a very, very simple thing to do is to take those practices and pull them all of the way through your organization to the very front line.

What we often see is that there's great data transparency, there's anti-bias training. There's all of these ways in which there's wider sourcing at the very top, but those practices aren't related to the very beginning. So one, is just to use your own best practices.

The second thing is what is the power of allyship. And we've talked a lot about allyship,

and I think of it as a trio. You want to be a mentor, you want to be a sponsor, you want to be an ally. The thing about allyship is, when we look at the experiences of Black women, we compare to Black women with allies, Black women without allies. And what we saw is for all of those microaggressions, Steph, that I mentioned to you, for Black women with allies, their experiences were closer, almost exactly to White women. Black women without allies, they were like, half or even a third of that experience.

What we see is that the basic act of allyship makes a huge difference. And that's an everyday action. You don't need to be the CEO, you don't need to be the head of the group, you can be anyone in a company and stand up for others who are different than you.

The last thing I would just say, really quickly, is that part of this also is managers. One of the questions I often ask companies is, how are you empowering your front-line, first-line managers, for this to be part of what makes them successful?

STEPHANIE COHEN: Particularly, the second one, I think, gives people a lot of power to make a difference. I think you can go through a bunch of these stats and you can start to feel powerless to improve them, particularly if people are lower down in the organization, and the fact that you can kind of take control and really do things to help, I think is quite useful.

Lareina, you talked about the second shift. You went through three shifts, and you talked about the second shift, and you talked about this kind of corporate housework, can you give a little bit more texture around what that is, what the stats are, how that's really impacting people's ability to be successful, things like burnout and then, what companies can be doing, again, to make sure that they're not feeding into those issues?

LAREINA YEE: When we went back to some of the examples, it's kind of all of the people work. The examples we gave is, during Covid, helping people, checking in with their teams more, all of these things which seem like basic leadership, in the survey, what men and women told us, is that women managers were stepping in far more often on these. And then women managers themselves, were saying that they were spending more time.

I think the first thing about that is those are things you should spend time on. Especially during Covid. If there was ever a time that you wanted stronger people leadership, it was certainly now. And in a time when people needed it, more so than ever.

The challenge is, is that it's not evenly distributed. One thing is there's an opportunity for more men to step up. This shouldn't just be, if women are good at it, or if women are working on it, that doesn't mean that everybody else is excluded. So that's one thing.



The second thing is, like anything that's a priority at work, it should matter. That's why we asked the question, do you feel, did you receive any formal level of credit for it. And formal level could be that it was written in your review, maybe it was part of why you got a promotion. It could be that you got a salary bump up or it could just be a formal recognition of your contribution. And when only a quarter of women felt that way, I think that just leaves you feeling like, wow, I do the right thing and my company doesn't recognize it.

This is, I think, where a lot of companies struggle, which is this sense of consistency between what you say and what you do. Because if I say, CEOs, how many of you care, they all raise their hand. And they mean it, like authentically mean it.

But then how do you cascade that all of the way down so that the everyday experience of women is consistent with that aspiration?

STEPHANIE COHEN: I want to take dishearten to this point that people actually don't feel like it's valued. One of the things, there's a bunch of studies run, is how important it is to give people recognition. And I love your views on this. There are some gender differences in terms of how important it is to give people public recognition. We happened to have launched something recently, internally, where you can basically, very publicly, say thank you to people and recognize people for good work.

Can you talk about the importance of this? Can you talk about what CEOs say? But talk about what other people, everyday people in the organization can be doing to be giving people recognition for this type of stuff, but just in general, for a job well done.

LAREINA YEE: I mean, look, a job well done, gratitude, it never gets old. And I don't think that's a gender thing. You can be a man or a woman, and that actually, that feels really good. I don't think it's that women per se, there's not evidence that women need it more. It's that everybody thrives on that. That type of recognition, that type of open gratitude is something that improves culture.

The key thing is, can people feel more comfortable giving that feedback. It's not just thank you for delivering the sales results of the quarter, it's also, how did you get there. And what that speaks to, is less a piece of gender, and probably more a shift in what we value amongst our leaders.

STEPHANIE COHEN: There's actually this really great Adam Grant quote that talks about the fact that, like just feeling gratitude maybe good for you, but expressing gratitude is really how it lives and has real impact. I think that's true for everyone.

LAREINA YEE: By the way, if you wanted to say, well what is the business case for that? I would say that women who feel, women who experience fairness in the

workplace, and not even preference, just fairness, they put fairness and commitment, are three times more likely to stay. Three times more likely to want to advance and three times more likely to say, they're happy where they work. The talent value is there.

STEPHANIE COHEN: Yes, and this gets back to the great attrition and all of these other things that companies are really grappling with.

You mentioned this a little bit, but I want to go back to it, which is this idea of, in this case, because we're talking about women, but, what men can be doing by the way, what White women can be doing as it relates to women of color. When men come to you and say, I want to help, but how do I feel comfortable in the women's network? How do I actually make a difference, rather than saying, yes I care about this. What is your response to that? So that women aren't disproportionately doing all of the diversity and inclusion work.

LAREINA YEE: I would say, let's just take a look at everyday actions. How many are on your team? Why don't you catch up with them and ask them, how their experience is going. You could even say, look, I read this study, and does this apply to your experience? Do you see yourself in this data? And you may be surprised that they'll say yes and they'll tell you exactly what they're experiencing. I think just the act of asking and listening and starting a pretty authentic dialogue, that's one thing you can do.

The second thing you can do is, what we see is so valuable is to interrupt discrimination or bias when it happens. If you're at a meeting, let's just say, we're in a corporate meeting, there are lots of people around the table, you and I are the only women, that's not unusual. In fact, actually that's great, because we're not only. And someone starts talking over us. And repeating our point later and taking credit for it.

As an ally, you would say, oh that's really interesting, Harry, I think Stephanie just made that point. Stephanie, do you want to come back and finish what you were saying.

That's just standing up for it, right when it happens, and if I'm a male manager, I mean, the loyalty that you will get from even just one or two of those interventions.

I mean, it matters a lot. I have a story. I was a client; I was an analyst. I had just started at McKinsey, so it's like 20 years ago. I was sitting in the conference room, and I got there early. I had all of my analysis ready. I was so excited to contribute. I felt like we had a really good recommendation. I was just focused on the numbers and analysis.

And the senior executive pointed at me and said, why is she here. And without skipping a beat and he probably thought I looked really young, he probably didn't even think I worked at McKinsey. In any case, without skipping a beat, the senior partner said, she's running the workstream on your most important business imperative. So, we're here to hear what she has to say. I think it's going to make a difference. Flattened the whole

room.

This is 20 years ago, and I still remember it as like a moment of allyship. I think for both women and men who are saying, how can I be an ally to people of color, both men and women, how can I be an ally to women, it really isn't that hard.

STEPHANIE COHEN: I want to link that comment to the microaggressions that you talked about earlier, particularly for women of color. I think the reality is, everyone's focused on this. Meaning people say it's a priority. I think they genuinely care to your point. But your data actually shows that microaggressions, particularly for women of color is actually not going down.

Why is that? And how can we make sure that people realize when those moments happen, that they've happened and they need to do something about it? They're not listening to it knowing that it was a microaggression and not doing something, they're actually just not hearing it as a microaggression.

LAREINA YEE: One thing you can do is actually just to take a week and observe how often you see it. If you were just to log it, you'd probably find that it happens far more often than you realize. So, part of this is opening up the awareness. I think that's one thing. And investing a little bit of yourself and a little bit of vulnerability asking your team.

So, those are a couple of things we mentioned.

The other thing is, there is something about prioritizing the actions that matter. One of the things that we see is that there's a bit of a disconnect in terms of how people think women of color want to be supported, like what's important to them, and what isn't important to them.

The number one thing that women of color say shows allyship is opening up opportunities professionally. That's a very pragmatic thing. And it's something very reasonable for any manager to do. What we found is that less than 10% of managers were actually doing that, of those who said they were allies. So, 80 to 86% said I'm an ally, and only 10% of them were taking that action.

A really simple thing to do is to say, well, how many women of color and frankly, you can even take men of color in this exercise, are on my team, and what are some opportunities I can create?

An opportunity doesn't necessarily mean a promotion. That's a pretty high stakes one. What about the small ones, maybe leading a presentation so that they get more visibility, maybe bringing them into a really important project, helping them expand their networks. What are the actual professional opportunities?

STEPHANIE COHEN: And what is the way to break people's mind-set of, you have to have done these three things in order to be prepared to do that job? What is the mind-set break we can have for people, so that they're willing to take risk on people that maybe don't look exactly like them?

LAREINA YEE: Yeah, so a couple of things. One is, and this actually is going a lot better in the senior executive ranks, is to widen the criteria for what we're looking for. As an example for boards, if you're just looking for former CEOs for board members, for sure, you're not going to find very many women, because women represent about 5% of the Fortune 500.

If you widen that out to a broader criteria set, you might actually see more people. I think that's one thing that we've seen. And that's something a lot of company are taking action to recruit from historically Black colleges. Part of that is just opening the aperture of where you look for talent. That's a simple thing.

The next thing really is, how much data and transparency are you putting into this? It's hard to actually remember everything every day, but there should be systems on place behind you. You shouldn't be sitting there say, gosh, have I remember to think about the women's slate. That should actually be part of all of your talent processes and it should be pretty transparent to you where you stand.

STEPHANIE COHEN: I want to go back to the allyship piece and particularly the allyship gap. Can you talk about maybe what the difference really is between women of color and White women and then what actually White women in particular can be doing to help narrow the gap and really be supporting and championing women of color?

LAREINA YEE: Sure. The basic piece is the intent to be an ally is much higher, so something like around 86% of women will say, and managers will say, that they want to be an ally. And then you break down all of the actions. That's where we fall down. Largely, I think we've talked through a lot of them.

One is, creating professional opportunities. Two would be, where a bias occurs, or a microaggression, do you interrupt it, do you stand in for it. Are you asking how they're doing? Do you take genuine authentic care? These are some of the types of things. And do you listen? That's like a really huge piece of it. Are you authentically listening? Those are the set of actions.

Part of, for White women I would say, what we see is actually White women senior leaders have been spending more time than all others on this. And I would have to say, we need that contribution to continue, and what we need is for women to encourage their male peers to do the same.



STEPHANIE COHEN: You talked about \_\_\_\_\_. We recently launched an initiative called One Million Black Women, which was a \$10 billion commitment in direct investment, and \$100 million philanthropic commitment, and it really focuses on this, like 90% wealth gap, that exists for Black women.

One of the key things that we did in that program was listening. Our idea was, we know this is a problem, we have all of the research that says this is a problem, but we're not going to say we have all of the answers. We're actually going to go out into the community and we're going to listen.

You've mentioned it a few times, but can you talk a little bit more about what individuals and companies can be doing to truly listen? One-on-one listening, group listening, in-person listening, what are the things that everyone should be doing so that they're really hearing what the real problem is, and by-the-way, the what help people feel like they really need.

LAREINA YEE: I think some of the practices, aside from one-on-ones which you have already discussed is, a lot of companies over the last year and a half have launched a series of courageous conversations. And what that is a format where you can actually have a very vulnerable conversation, both from a manager's perspective, as well as the people of color community that you may be trying to talk to. So, part of it is, how do you

have formal courageous conversations?

The other piece is, for leaders, how do you express some vulnerability? So, you may not actually understand and actually saying, I don't understand, I am on a journey, I'm not going to get this right. Here's what I'm hearing. Here's what we can try and do. Again, this may not be right.

The other thing I would say is, feedback that we've heard a lot, especially from the Black community has been, come prepared, do some of your homework. And I think a lot of companies have reading lists and have a lot of ways that you can actually come prepared for the conversation, so that you're not coming in cold, and saying, well, just tell me what I should do, which kind of just puts it back on the person of color to be like, I'm the minority and you want me to solve it for you. Can you come a little bit prepared and come with some ideas and then let's discuss whether they're going to work.

All of that is the listening part. But I think with the listening has to come a couple of actions. You're going to have to feel like your day-to-day experience is somewhat different. I believe the number is \$86 billion of corporate money has been invested in Black communities and in improving racial equity. And that is authentic, genuine commitment. That is amazing. The point in time that we are, that, that has happened is incredible.

The challenge is, when we looked at women in workplace findings for both Black men and women, in particular, we didn't see that the workplace experience has improved significantly. I just say that, not as a red light, more as a yellow light, which is, committing the funds is step one, but we still have a lot of work to do.

STEPHANIE COHEN: Yeah, and this is a really difficult, uncertain time that we're all going through, and certainly the pandemic was very difficult for almost everyone. You talked about a bunch of the issues that women have had, but now we're transitioning back.

The workplace has changed, the way the workplace happens changes, there are less people probably sitting in that office behind you than there were two years ago. Can you talk about how you think women, in particular, are going to fare as we transition from where we are right now in the pandemic, to hopefully a brighter day, what we should be watching out for and how we make sure that women, particularly women of color, don't take a step backwards?

LAREINA YEE: The crux of this is going to be, how creative we are at flexibility. Before the pandemic, the number one barrier that women cited as being something that made them pause at work is a lack of flexibility. Then we had Covid and we had too much flexibility. We had flexibility with no boundaries, just work from home 100%. As we go

back, we asked, how many days a week would you ideally want to have the flexibility to work anywhere. And 90% of all employees said, definitely at least one day.

But what you saw is that women were more likely to say that they would prefer two to three days. And the reason I mention this is the idea of hybrid or flexible work, if we just snap back to the way we were before, I don't think that's going to work.

So, the question is, how creative can we be in some of the goodness of working remotely, but also the need to actually be in the office as well. How do you start thinking about that? I think that's going to be the number one thing to watch, is the authenticity of flexibility.

And the thing that women of color, in particular, but all women said that they were worried about, is, if they choose to be more remote, would they miss out or find that it's harder to advance or be seen in the workplace?

The question is, if someone chooses to be out three days a week, would that actually significantly make it harder for them, would that sort of un-level the playing field in some way. And that's something that we can fix.

STEPHANIE COHEN: Yeah, I was going to ask, do you think we should be more

prescriptive around the flexibility and how the flexibility works, because certain populations may decide to take more advantage or less advantage of the flexibility and that will ultimately manifest itself in issues around representation for a promotion and performance.

LAREINA YEE: I'm not sure if we should be more prescriptive, but I do think that there's some real analysis that companies can do to understand the preferences and what is the worker experience. If you just kind of step all the way back and clean shoot it, you say, okay, now that I have many more tools and flexibility than I had before, how might I rewrite the work experience. And oh by the way, what do I need to put in the backpacks of people in order to have a really good experience.

Some of that might be technology. Some of that might be, managers not looking at inputs. Like, how many hours are you in the office. How many activities did you post. But actually more thinking about outputs. So, if someone produces the right output, and they're virtual three days a week, does it really matter that they didn't do FaceTime in the office?

STEPHANIE COHEN: I see Barbara back up here. Barbara, I'm going to do one last question, which is one that came in from the audience before we start it, and then I'll turn it back to you to take the audience questions.

Lareina, a question that came in is, what types of tools and processes should companies put in place to limit or eliminate bias in things like recruiting and talent management?

LAREINA YEE: For recruiting, this is actually a very rich field where I think a lot of companies have done quite a lot here. I think you'd probably just do a walkthrough of your recruiting process and you would put in, kind of, things at every step.

What I mean by that is even just your resume screening, you can always do machine learning to make sure that the way that the resume screening in those that get interviews for that first round, that there's actually lack of bias there. You can actually do interview training. So that people actually have the tools and understand. There's that classic case of the orchestra where when they covered up, whether it was a male or female violinist, all of a sudden all of these female violinists were getting chosen.

For every step of the way, from the resume to the first interview, to the last interview, to checking compensation and making sure that there's parity of comp. Those are processes that are well-grooved and you can certainly improve that.

BARBARA VAN ALLEN: Excellent. We do have a couple of questions here. Let me jump right in.

LAREINA YEE: Barbara I hope they're hard questions.

BARBARA VAN ALLEN: Well one of them actually, I think, is pretty hard. I think the answer will be, also very helpful. This member, I manage an institutional portfolio that aims to invest in companies that manage gender equality issues well, promoting equitable workplaces and combined with strong business fundamentals. Signs that a company will deliver a positive, long-term, shareholder returns. My question is, what types or kind of data information do you think companies should be collecting on these topics and how do they benchmark to compare their companies to other companies? That would go to each of you.

LAREINA YEE: I'll start by saying, if you join Women in Workplace, that is the benchmarking that we do. But underneath that, I think that a couple of things. One, is you should be benchmarking your pipeline and then you should be comparing the variability across your different functions and groups.

If you have six major functions, just make sure that you're not just looking at the average but you're looking under it. I would do your explicit representation benchmarks, and then I would incorporate into your employee survey or something separate a way to understand the experience. Because it's not just, do you have women in your organization. Do you have women of color. It is, what is their day-to-day experience.

And if it's significantly worse than men, that tells you something you have to fix.

STEPHANIE COHEN: I think Lareina answered the question. What I think I want to say about this, is, how important it is to measure results. One of the things that we noticed that was super important that we talked about these types of things in the same meetings that we talked about everything else related to the business. And in the same meetings we talked about revenue growth and margins and market share, we were talking about these types of issues, because they are strategic imperatives for the organization.

I think that leads to real results and accountability which is important, but it also elevates the conversation and the people that you're talking about feel like what you're talking about matters to the business. So, we've found that, that way of shaping the narrative really drives results in an organization.

BARBARA VAN ALLEN: That's very helpful. Another question, is there a double-standard, are White men considered for an opportunity if they check two of three boxes, while women and people of color have to check all three?

LAREINA YEE: I think that there's absolutely cases where that happens. And absolutely cases where it doesn't. I mean, there's such a range. I don't think it's an implied,



happens all of the time. But I think that is something that companies need to check in terms of how are they stress testing their people processes.

And even if you believe you have good ones, you shouldn't rest on those laurels. How do you actively stress test that what you think you're doing is fair is actually what the people who experience it are experiencing.

BARBARA VAN ALLEN: Yeah, on that note, I remember Ginny Rometty at a Club event saying, early in her career she was offered the opportunity to hop from one position that she was still not totally comfortable with, to another, and she went home and said, she's not sure, and she told her boss, I'm not sure. And her husband said, do you think if you were a man or one of your male colleagues that we'd be having this conversation? And so she went back in the next day and said, I'll take it. And her boss said, don't do that again. When you get those, take it.

We do have another question here. How should corporate managers learn to give more gratitude to their workers? Who will educate them on this problem?

LAREINA YEE: Steph, you may have a perspective from Goldman, from your program. I'm happy to kick it off, which is, similar to what Stephanie just mentioned about the data transparency that it sat with the business metrics, I think the point on gratitude isn't

something you do separately. You incorporate it into what you expect of the good leaders. It's not the only thing, but it's one of the things that's important. So, I would integrate it straight in to your expectations of great management. How you evaluate people and also how you train and enable them.

And it should be a component of whatever rubric that you use. That's probably the most authentic place to put it. If you make it a side exercise, people treat it as such.

STEPHANIE COHEN: I think on a lot of this, what we're trying to do is get behaviors that you can kind of really drive at the top, all the way down, into the rest of an organization. Right, we're 45,000 people, how do you get what the top management does, all the way down in the organization. Some of that is rewarding this type of behavior.

When you see the managers, the Vice President level managers, talking and expressing gratitude about the people around them, you need to reward them for doing that. Because you want them to keep doing it. And so, I do think, it's all of our responsibilities to do the behavior, for sure, but then also make sure that when you see that behavior, that you're really rewarding them for doing it.

BARBARA VAN ALLEN: Excellent. Thank you both for sharing your valuable time with

us. Just terrific insights, and I know everyone is going to leave this with a lot more tools in the toolkit to get at it. So, we really appreciate it.

I do just want to mention that we do have some more prominent speakers lined up between now and the holidays. Tomorrow we have Jonelle Procope, she is the Chief Executive Officer of Apollo Theater, and she'll be on a conversation with Charles Phillips, the Managing Partner and Co-Founder of Recognize, also a Board Member here at the Club. She is going to talk about the rise of creative expression and artistry and activism and succeeding through the challenges that were brought forward with Covid-19. On December 7<sup>th</sup>, we actually have two events. First we have Carla Harris who is Vice Chairman of Global Wealth Management and Senior Client Advisor over at Morgan Stanley, and she will be discussing her own career trajectory and learnings and how that shaped her passion for leading and mentoring. Something that we've certainly touched on today. Same day, in the afternoon, we have Ken Bentsen, who is the President and CEO of SIFMA and he and Dr. Lindsey Piegza, the Chair of the Economic Roundtable and SIFMA Chief Economist at Stifel Financial will be unveiling the results of SIFMA's latest U.S. economic survey. Then, of course, we're all looking forward to our first hybrid event since March of '20, we will have in the room, the Secretary of Commerce, the Honorable Gina Raimondo, December 9<sup>th</sup>. That will be at the University Club. And she's going to be sharing insights on the...she's just back from overseas travel, and she'll be sharing insights from that trip and the administration's

efforts to strengthen ties around the world as well as get at, of course, at job growth and supply chain issues. Cathie Wood, CEO and CIO of ARK Invest is going to be in a conversation with Art Laffer the Founder and Chairman of Laffer Associates on December 13<sup>th</sup>. And they will be talking about Cathie's approach to the markets and cutting-edge technologies. And then we'll wrap up the year on December 14<sup>th</sup>, we have Dr. Mary Schmidt Campbell, who's President of Spelman College and she's going to discuss her perspective on leadership and passion for advancing the next generation of Black entrepreneurs in her role as one of the top historically Black colleges.

So, as we close, I do want to take a moment to recognize those of our 339 members of the Centennial Society, like Stephanie, who have joined us today as their contributions continue to be the financial backbone of support for the Club, help enable us to offer our programming.

Again, Lareina and Stephanie, thank you for joining us. We really appreciate it. And thank you, everyone, for taking time out of your afternoon. Please stay healthy and safe and we hope to see you at our next event. Take care.