



Good Things Happen
Ep 5_Changing Needs of Talent_Podcast Audio Transcript_FINAL

Jorian:

Competition for talent is greater than ever. Wall Street firms are no longer just looking for the brighter minds from the tried and trusted elite colleges and universities for investment bankers, they're casting their nets wide for problem solvers, for the questioning. Diversity goes far beyond the idea of gender and race. Careers within institutions is so much more varied than you might imagine. The days of Wall Street firms being made up entirely of economics and mathematics graduates is over. But what kind of talent flourishes in financial services? What are the changing needs of talent and what drives them to join the companies that they do today? We're gonna find out.

Jorian:

Hello, welcome to Good Things Happen. I'm your host, Jorian Murray. I help businesses tell better stories. Today I'm joined by Kevin Johnson, Chief of Staff at Citi's Institutional Client Group and Erika Irish Brown, Diversity Equity and Inclusion Officer and Global Head of Talent at Citi. We're discussing the changing needs of talent along with the ever-evolving definition of diversity and how it fits or modern Wall Street company like Citi, as well as the importance of supporting candidates with a culture that allows them to do their best work. Erika, before we get into the world of talent and diversity, I'd love to hear more about you. What's your story? Were you always heading for Wall Street as a five-year-old?

Erika:

Well, my parents thought so because apparently, I was a very good saver as a young person. And even there's a story about me saving checks, not realizing that they had to be deposited. I've always been a strong math and science student, what we now call STEM. I'm a graduate of Stuyvesant High School. I'm a native Yorker, born in bred in Brooklyn, educated in New York state. I went to college upstate at SUNY Albany and attended Columbia business school. So, I'm a New Yorker and really enjoyed my time working at Wall Street firms and putting my analytical and quantitative skill sets to work at the firms I worked for prior to moving into the diversity, equity and inclusion field. As you can imagine, when I started on Wall Street 30 years ago, there weren't people like myself in roles like mine. And I was one of very few women, one of very few black people and certainly one of very few black women. So for those of us who felt the opportunity to give back, to try to make a difference and to try to create an environment that now we would call inclusive. I was one of those people and I spent as much time on my role of my day job as a banker as I did with my second job as a leader to try to drive diversity, equity, inclusion at the firms I work for.

Jorian:

Brilliant. What an introduction, Kevin, how do you follow that? Let's hear about your story. Tell us your path into the role that you now perform?

Kevin:

Yeah, I would say that I was not destined for Wall Street like Erika. It certainly showed some sort of prowess in math, in science, but I'd say I didn't necessarily know where to go with those things. I think finance, from my perspective, was sort of like being an accountant or a bookkeeper. That was probably the extent I understood about this particular part of the world. And I think for me a more natural path to success was probably athletics. I competed in the junior Olympics from the time I was like nine years old

in track and field. And I did that probably up through the age of 16. Played football - recruited to colleges for that. And so I sort of thought my pathway to being able to make an impact in my communities would be sort of through sports and sort of as sort of like a first option. I think my dad had the foresight, my mom had the foresight, that education was probably going to be the thing that unlocked my path the most. So they were like on me all the time about like "you're going to college". And I think the drive for athletics or music were probably pushing me in that direction. So they probably were okay with the attention that I gave to it.

Kevin:

I'm kind of the opposite of Erika, but similar in some ways. I'm a native, Baltimorean just 40 miles north of the nation's capital in Washington, DC. Born, raised and educated, went to public schools. One of the oldest public schools in the country, we produced a lot of US Senators, Governors, a few Nobel prize winners. So that was a great launching pad. It's kind of funny. You mentioned economics majors. I myself was a sociology and economics major with someone trying to figure out what to do with it. And I think Wall Street became a natural pathway after sports was over because the competition, the comradery. I started out in sales and trading - the pattern recognition was quite similar to things I had done in sports or music but it also had a very similar arc.

Kevin:

So, I think you'll probably hear me say something similar throughout our talk about like the commonality of different arcs. So while I stumbled on this path, it's been a very rich one for me, a rewarding one for how I interacted with the world. And no matter how many times I've thought about leaving, it seems the opportunity to be a good citizen has always been best for me inside of financial services.

Jorian:

Wow. I've got so many threads from both your introductions and we're gonna dig deeper into everything that you said. I'd really like to start though with the word diversity. I suspect it means lots of different things to different people and Erika who, you know, is a chief of diversity. What does it mean to you? What changes are you trying to make?

Erika:

Well, diversity by definition just means different, right? And, the differences that we all have and to your point, it's much more than race and gender. It's attributes that are both inherent and acquired. And, I rarely say diversity as a standalone because for what I do and what I think is most important at environments like Citi and other firms is to think about diversity, equity and inclusion, right? Because even you can have diversity without equity and inclusion, and there's no great gain there in terms of productivity and outcomes and thought leadership and innovation. So you really do wanna make sure that the equity and inclusion is there and especially the inclusion because you're not getting the benefit of diverse backgrounds, diverse thoughts, perspectives, experiences, if there's not trust and the ability to share and talk and have a healthy discourse so that you can come out with better outcomes and make better decisions, then you're not getting the value out of that diversity.

Erika:

So it's really important that you think about both diversity and inclusion. And I'm so pleased that even over the course of my tenure in this space, people have realized that you also need that equity, right? Because if it's not equitable, if people aren't being compensated equitably, if there aren't equitable

opportunities, there are so many things that can impact what overall outcomes are that are not dictated by the person, their abilities or intellect, their thought leadership. But rather how they're treated or how they're not treated and what opportunities they do or don't have or how they are able to contribute or not. So for me, I think about it very broadly at the firm. We think about it broadly. There are certainly dimensions of diversity that can be measured. That should be measured. When you think about the global talent pool for a firm as global as Citi, that we should be accessing and make sure that we have the best and bright in talent from around the world to make sure that we reflect the communities, the clients, the customers that we serve. So there are certainly reasons to think about how we measure diversity and what we might like to reflect in our workforce. But more importantly is getting that inclusion. So you get that higher performance that comes from diverse teams and you get the better outcomes, the bottom line outcomes that our shareholders and it's important that we achieve for them.

Jorian:

Kevin, anything you would like to build on from what Erika has said?

Kevin:

Yeah. I think when I think about diversity, I think about sort of two things: one of which is when you think of diversity, you think of difference. And one thing that I think when we have this discussion, what we're talking about a lot of times are the unequal outcomes that we see once we sort of identify the differences in employees. And one thing that I like to think of in this space is that to me, bad systems are just bad systems and they actually impact all people. What we end up seeing when you look at the data is that bad systems impact different groups so that we may all be facing the same storm, the pandemic being a good example of that. But depending on what boat you're in, will depend on how you sort of ride out the storm.

Kevin:

And what we found is people of color, people who are poor tend to fare worse in bad systems than people who have means, resources and ways to navigate those systems. I think that's sort of like the baseline that I start with. And then I think to Erika's point about how do you get the value out of diversity? I think it comes down to what problems are you trying to solve? And as a bank or any profit making institution, you're like, we want the highest returns. And then that's just like the baseline. And then people say, you can be as creative as you want to go about doing that. And as long as you clear our hurdle, we'll leave the capital with you and you can continue to go about what you're doing. I came from the municipal business, public finance investment banking.

Kevin:

And I was fortunate to work with folks who started in the business in the seventies or eighties, who really built this tremendous architecture for municipal governments to be able to leverage different revenue streams, to go about providing services based infrastructure that if you think about the economy - getting something from Amazon's warehouse to your home is built on having great roads, trains, ports and all of these things that are funded by taxpayer dollars. For a long period of time, that system has worked as it has. But as we've had lower tax bases, people want to pay less taxes. What you end up finding out is our ability to provide infrastructure, provide services doesn't necessarily work with the system that we've had in the past. Now, as you try to continue to solve these problems, you need fresh ideas, right?

Kevin:

And so it may have worked to have a more homogenous employee set where you pull from the same schools, same places, same people who look alike for a period of time, because all you were doing was running the store as-is. When you get to these inflection points where you're looking for additional areas where you can find revenue. We had an offsite here for one of our groups and they had a group of military employees come speak about their experiences in the military about problem solving, learning from mistakes, but also learning from successes, like the debrief process from every activity that you do. That's a very diverse skillset that we have here. And a lot of times we put those people into a job and we ask them to do the job, but we don't necessarily tap into the life that they had before they got started here. And I think that's what we have to try to be better at is extracting value from the beauty of having people who have seen the world through different lenses.

Jorian:

I'd love to think that there are some people listening to this podcast who may never have considered joining a financial services organization. And both of you have had real diverse careers within a financial service organization. So, I'd love you both briefly to talk about your journeys. Erika, you've recently joined Citi. I'd love your first impressions of Citi, cuz I'm sure many people who don't know Wall Street organizations, they probably think one firm is just like the other is just like the other. I know that not to be true, cuz culture is so important. So, tell us about your journey through your career but also your first impressions of arriving at Citi and how would you capture what you've experienced.

Erika:

I'll start my journey with a few fun facts that connect Kevin and myself. It's funny, cuz it seems like we have such different backgrounds, but we have a lot in common, as well. I, too, was an athlete both in high school and for a part of my time in college. I've always felt that that also primed me to start a career on Wall Street in terms of my competitive sphere. My mentality to work as part of a team to both be a leader as well as a member of a team. And just to be really driven for performance and discipline. At the time I was an analyst, discipline was super important in terms of the hours we worked and the pace and it was unrelentless. I also was an economics major. So that's something else that we have in common. And I do think economics is a lot broader than finance. I was a finance minor, but I think it also gives you a broad perspective.

Erika:

It led me to my first analyst role in public finance. I too really thought the outcomes of raising dollars through and capital for municipalities through issuing muni bonds. Some of the outcomes were really tremendous in terms of what we were funding. And I remember one of the first deals I worked on was for a hospital here in New York city in Harlem which was at the time the state of the art hospital in the center of Harlem, 30 years ago now. So I definitely appreciated working in a part of the bank that really financed tangible things, roads, hospitals, and funded the public needs that so many people that I knew actually sort of benefited from what was provided publicly by the government. So that was my start in terms of my career on Wall Street.

Erika:

I did work in government, as well. I worked in the Clinton administration at the US Treasury. I've always liked to understand both sides of the business. How clients make decisions, how bankers make recommendations, how markets work and going to the US Trade was a great opportunity to understand

both financial policy capital raising at the federal government side, the federal financing bank, as well as how you make long term decisions that impact not just the transaction itself, but have a lasting impact over a long period of time. So after business school, I went into corporate finance and found my love and passion in high yield capital markets. And as I mentioned earlier, all along the way, I was very involved in trying to recruit new recruits to the firm, especially women and people of color. I was very involved in different scholarship programs at the firms I worked were hosting and internship programs that firms sponsored.

Erika:

So diversity inclusion was always my passion. So when I had the chance to move off the line and move into a full-time diversity recruiting role at the firm where I started at Lehman brothers, it was a prime opportunity and also a time in my life that I was thinking more about legacy and impact. I had become a mother at that point and thinking about what impact I could have, what legacy I could leave, what could be different for the next generation of women and people of color working on Wall Street than some of the challenges that I felt I had experienced. And it was a prime opportunity to move into the, the up and coming field of diversity and inclusion. So after a few roles in, in diversity recruiting, I realized that it was important not just to create opportunities for people to work on Wall Street and bring them into these firms.

Erika:

They had to be invested in, they had to feel like they were included and have the opportunity to be successful and thrive and get promoted. And not just sort of walk in one door and have a hole in the bucket where you were losing people as quickly as you were bringing people in by the recruiting efforts that were happening. When I had the opportunity to move into a full-time role as a chief diversity officer, that was really a privilege because then I could think about the entire employee life cycle in terms of track, recruit, retain, develop, promote. And really think about how I could influence an overall firm's culture. So coming to Citi, it was really a privilege because not only was it a platform to think about diversity equity inclusion of the firm, but also to lead talent globally for the firm.

Erika:

And those are two things that intersect, right? If we think about talent and the global talent pool that we're pulling from and the different perspectives and experiences and product expertise and regional knowledge that we want for all of our senior leaders to have? You know, we have to place a diversity lens on the future leadership of our firm. You know, we also have the good fortune of having a diverse board. We already have a diverse executive management team and those were all things that attracted me to the firm and the opportunity. I think is also reflected in our culture. I do think that Jane speaks a lot about empathetic leadership, a bank with a soul. The language that she uses sets the tone at the top, the tone must be set at the top and for what I've experienced, it has permeated the organization. It's part my job as well, to help it permeate the organization and to create mechanisms and systems to make it a sustainable part of our culture. To make sure that our reward systems, our evaluation systems, how we recruit, how we develop people are all in line with the culture of the firm, the values of the firm, our leadership principles, and that it manifests itself in terms of the outcomes, right?

Erika:

So whether or not it's an outcome in hiring decisions, an outcome in a succession plan for senior leadership. Those are all things that I get to lead at Citi. And I've found a lot of interest, enthusiasm and

great partnership across the firm in trying to achieve these objectives. So for my eight months at Citi, it's been a really rewarding and positive experience when I started at Citi virtually. So when we initiated return into office, it was really helpful for me to be able to start to meet people in person, experience the physical environment at Citi. Our offices, our people, you know, have coffee with people in the lobby and it really came to light for me then. So I've been made to feel very welcome. And, I do feel like I have not only a seat at the table, but a voice at the table. And for that I am really enthusiastic about this role and do feel like I've been empowered to make an impact here at Citi.

Jorian:

Kevin, tell us your story. I think you started at a bank and you've come back to a bank, you've done some amazing things in between. Now, tell us about what you did, but also tell us why you think being in a bank enables you to achieve the goals, both your personal and your professional goals.

Kevin:

I think going back to this idea of like the arc of your story and I kind of wish I would've met Erika probably when I was in high school or at least like a freshman in college, because a lot of my career has followed a very similar arc to hers and it probably would've made the pathway a little straighter if I had seen or heard the story of someone who had similar passions. But if you think about like shading, like you take a blank sheet of paper, you put it over a quarter, you take a pencil and you shade on it. And then you end up with the image of the pencil on of the quarter, on top of the white sheet of paper, at some point, I think for me, like what I've been able to accomplish.

Kevin:

It was always under the white sheet of paper and I was on this journey and I couldn't quite articulate what I was trying to do when I was a kid or playing sports. But I think it's become clear that economic development and economic impact has been like the driving force of the decisions that I've made. Trying to put myself in a position to first and foremost, make Baltimore a better place than the one I grew up in. And there's been some steps backwards, some steps forward. So that's been a passion, but as my world view has changed, as my community has grown from living in London, spending time living in Jakarta in Southeast Asia, I've also started to realize that there's a lot of Baltimore's out there. There's a lot of places that feel like home.

Kevin:

It's quite striking that in some ways being in a middle income country, like Indonesia, felt a lot more at home than like living in Manhattan in some ways. Because there's this sense of community and no matter how much you're sort of climbing, people are trying to like help their village at the same time, trying to help push their country forward. And so that ethos has driven my career decisions. We mentioned it with why I chose sales and trading. That was a great experience. It took me to London Business School. I traded through the financial crisis. So it gave me this opportunity to interact with the world and understand how the world systems I learned about in textbooks as a undergraduate - how those things come to life in a real way and the impact that they have in people's lives.

Kevin:

I can remember sitting in Canary Wharf. I was at another bank at the time of the financial crisis. I'm watching my us Congressman the late Elijah Cummings on TV. And he's talking about what's going on. We weren't even in the throes of the crisis yet. And I remember writing my Congressman a letter saying "Hey, saw you on television.

Kevin:

I'm one of your constituents. You don't know me, if there's anything I can do to be helpful, I'm happy to speak with you. I realize most of the letters you'll be getting, won't be people offering help, but people who need help." And I ended up meeting him after that. He read the letter and he ended up being my mentor for a long time. And I serve on the board of his charity, helping young leaders in my hometown. And so coming out of the financial crisis, I sort of had this somewhat existential crisis. I was young enough that I could stop doing what I was doing and do something else. But far enough along in the process that financial services had been a great experience that I didn't wanna leave.

Kevin:

So at the time I was at a hedge fund, I was studying at Columbia public policy and I was really getting into infrastructure at the time. And really just trying to understand why do banks exist? I was reading the paper every day and being told that I was a villain and a bad person. And I was thinking that that doesn't describe me at all. And also the importance of what we do was apparent that, while we hadn't lived up fully to our potential as an industry with the financial crisis, that our ability to sort of rebound from that would be determined by the people who stay and how we push forward from the mistakes that were made for me, that meant moving away from secondary markets, as important as they were and getting closer to the action. So I left sales and trading behind, moved into public sector and infrastructure, investment banking in the municipal business.

Kevin:

And that was a great experience. So much so that it led me, like Erika talked about, to try to understand the other side. I only understood the world through the eyes of working at a hedge fund, working at banks. So large financial institutions. I became a Franklin fellow during the Obama administration, went to work in the state department and was a senior economic advisor there focused on infrastructure in Southeast Asia. And. I think what one thing that sticks with me about that time, or two things as Erika was talking about the talent that represents the places where we want to be. One, there was a Citibank inside my long term living. I lived in a Marriot long term living and there was like a Citibank there.

Kevin:

So the representation of the firm I would come to work for was there. The project I was working on. There was these young kids, they were like 20 years old. They were quite talented.-They built a website for us for what was a lot of money for them, a great opportunity to work for the US Government. What I was struck by was just the talent and the design and the embracing of their culture, the colors that they use to make it come alive, that resembled like the batik fabrics that they wore.

Kevin:

The second thing I took away was I was covering the regional chiefs of a lot of multinational firms who were looking to expand and help the state department achieve one of its main objectives, which is

opening up new markets for US companies and creating stronger ties. And one thing that I to realize is that there's a pipeline of deals that bankers can compete aggressively for, hit their targets and firms hit their bottom line. There's another pipeline of transactions that need to be developed, cultivated.

Kevin:

They also will be high returning, but the opportunity cost is you have to take your eye off of the deals that you know how to do, the deals you've always done, but you would say a bank has clients that want to do these new types of deals. Here's this amazing opportunity for me to come back from the state department, go back to a large financial institution with the same impact minded lens, but a different viewpoint on what our clients are trying to do. What are the goals governments are trying to achieve and try to be the person who helps bridge those two things.

Kevin:

In some ways I've been able to do that in other ways, I think that's the promise of what I think the next phase of my career will look like as ESG picks up steam. The amount of capital that's being raised. I think folks who are impact minded will find that there's an opportunity from, oh, you're interested in that go work in the public fine department to, oh no, that's the standard that all companies are being held to. And you need to have an understanding of how that gets delivered for all the services that companies provide and all the opportunities that are out there. And not just in the places where we think are sort of like, or traditionally have been impact minded.

Jorian:

Erika, I can see you nodding almost furiously in agreement with Kevin. Let's imagine that we are talking to someone who's just graduating from college, who absolutely never considered a bank and thinks a bank is a place that just looks at screens and trades. A bank has so much more influence, particularly a global bank like Citi. How would you describe the power that a bank has in creating change? That is progressive?

Erika:

Sure. The first thing I would say is that like any organization banks have all types of roles, right? So everybody that works at a bank is not a banker. I am no longer a banker. There are all types of roles. There is as many technologists at most, as there are at technology firms. The range of opportunities, it's unlimited in terms of the types of roles. And I think the roles that banks can play in societies and in terms of raising capital for customer and clients and municipalities and governments, as well as investing capital, you know, there's so many functions. And the need to create an ecosystem that basically makes the world work. Right? So there are all different areas of banking and there are different industries and areas of interest and needs that can be fulfilled depending on who you are, what your interests are and how you'd like to apply them.

Erika:

You know, working at a bank is not for everybody. I would also say that it's something that individuals should learn more about and investigate opportunities for themselves. And that also gets back to the culture piece that we were talking about. All banks are not the same and the leadership is different. The emphasis is different, the opportunities are different. Even how you learn the business is different. Is it an apprenticeship model? Do you rotate in the program? Are there formalized mentorship programs?



There's so many different things to consider, especially who are you meeting that you feel like will invest in your future? For my career, I think much of my success has not just been cuz I've worked for the best firms, so to speak or in the best groups, but that I've worked for people who invested in me and who wanted me to learn and be good and be better and gave me direct feedback.

Jorian:

Kevin, it's often said about millennials that they have a real sense of purpose about wanting to change the world, save the world. I have three millennials at home who absolutely would subscribe to this. Why would Citi be a good place for these people to come and build their career when they might not have thought about a bank? What would you say to encourage them to come to a place like Citi?

Kevin:

I think Erika hit on this earlier when she talked about Jane's message that we're a bank with a soul. And I think even before she uttered those words, if you just look at what our base principles were when I got here about five years ago, you know, being sustainable, doing the right thing, partnering with our communities, all of these things were already in the language that we use to talk about Citi. Which, by the way, that's not what every bank uses to describe what their purpose is when they have to put pen to paper. Now you can ask, have we always lived up to that? No, but if that's your north star, it means you're gonna make different decisions. It means the type of talent that you look for will be different. I think if I was encouraging someone to take a look at financial services, I think I'd just say the same thing I tell all the 20 year olds that I've mentored over time.

Kevin:

What's a problem you wanna solve? For me I said, it's economic development and communities that have been capital starved. Like I'm passionate about how does capital move and then how do you get it moving to places that achieve what our ultimate aims are, right? Capital is always moving efficiently, but it doesn't always move to places where we necessarily are looking to achieve some greater societal outcome. So pick a problem and then ask yourself, what are my skills? What are my talents? What am I willing to put the work in day in and day out to help be part of that solution? So for me, I chose infrastructure to focus on. You can be a banker, a consultant, an engineer, a lawyer work in the government. You could work for a utility. There's so many different players and you just have to ask yourself, what's the vehicle that's gonna allow you to have the most impact.

Jorian:

That's a great way to end what was a fascinating discussion. I could talk to you guys all night, but we don't have all night. So I will say thank you so much. Thank you for being our guest today.

Erika:

Thank you. I enjoyed it.

Kevin:

Thank you.