

EXCLUSIVE INTERVIEW TRANSCRIPT

Date: Feb. 22, 2019

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EM: I'm looking forward to digging into what you guys are doing over at KeyCorp around diversity and inclusion, particularly around fostering gender diversity among bank leadership, which is the focus of my article.

I looked at your own background. You've worked at a lot of big banks, [including] some time at Bank of America Corp. before coming on board with KeyBank, and you've been Key's head of diversity and inclusion for the past year.

And just so you know, diversity is a big goal for Bank Director as well, and something we're trying to explore editorially and at our conferences. We definitely understand the value that can bring to an organization. With all that said, I was wondering how your background has... taught you about how diversity can be, should be, could be effectively promoted throughout an organization, particularly in your case, at KeyCorp.

KM: Okay, so you started with me and my background. What I'm going to do is connect myself [and] my background to how Key operates and why I am here at Key and with Key today, and quite honestly in my role that I'm in today considering my background.

I believe, to answer the spirit of your question, there are challenges and there are opportunities for everyone in corporate America, but specifically on the focus around banking. Banking has historically been a predominantly male-run industry, but you see over many, many years you've seen many women be able to have opportunities to be given jobs and roles where they can then amass the experience that would get them to leadership ranks. And so throughout the course of my career, as you see, I've had lots of different opportunities at different organizations, but I'll say in coming to Key, what I realized here is a really firm and demonstrated commitment to creating opportunities for women as well [as men] in our senior ranks.

As you very well know, Beth Mooney is our CEO and not only a woman CEO, but she is a fabulous top-talent banker within the industry, in the profession,

who just happens to be a woman. When you're really focused on finding the right talent to occupy available seats within your organization and ensuring that you're inclusive on who you're giving those opportunities to, you ultimately find that some of that talent could potentially be a woman who is in your space, ripe and ready for an opportunity, and just have to be willing to give the woman those opportunities.

If you look at Key, for example, before I go back to me, our board is very diverse. Our overall organization is approximately 66 percent women, and we have approximately 35 ... I'm going to say almost 40 percent women in our leadership ranks as well. So that doesn't happen by accident. That happens when you have a very direct and deliberate and committed focus to diversity and inclusion across all the programs and policies within your organization.

Now to get back to me specifically, let's talk about Key and talent development, for example. As you can see, my role has historically been in finance throughout all of the things you've been able to read about me. But when an opportunity came open within our organization and our executive leaders, we're looking for who is the talent we want in that seat, I was given the opportunity to take that role, and here I am as a woman sitting in this seat at a senior level within our organization, having a true opportunity to get the seat to do the role as talent in the organization.

And so I said all that to say, if you think about within our space here at Key, what we really do is from the bottom of it all things that we do every day in every way, we have a deliberate and committed focus to diversity and inclusion that's underscored in all of our processes, all of our talent management, talent development and workforce, workplace and marketplace aspects of how we do business.

EM: You mentioned having that [diversity and inclusion] doesn't happen by accident, and you mentioned having a deliberate focus and a deliberate approach in floating the best talent up, which includes women and includes diversity. If you're looking at diverse candidates, you're going to have a greater pool of great talent to choose from.

I wanted to get a bit more into the components of what Key's doing on diversity and inclusion, particularly for women in the context of my article. I wanted to know, what are some of the important components of that program? What are some of the key things that you're doing that are part of that deliberate focus to promote the best talent and diverse talent?

KM: Okay, so let's talk about the entire ... I call it the lifecycle of your HR and workforce processes. A few years back we were very deliberate and strategic about embarking on a strategy where we wanted to make sure we improve the diversity of our hires. That meant making sure that we provided education and

resources to our leaders and to our recruiters, that we made sure we expanded awareness about Key, who we are, the things we do, our commitment to diversity. And we're very focused and deliberate about our branding and our messaging as well. And we also wanted to make sure we stress in our relationships, on campuses, in our communities and professional organizations anywhere we could potentially attract talent.

If you think about that from the talent attraction perspective, that would be step one. Then step two, as we started seeing results connected to that, so during that time we had about 60 percent of our hires were female, and 28 percent were minorities. That doesn't happen by accident. It happened because of our deliberate focus around strategically trying to improve our diversity of hires. And one other thing I'll add is a focus on ensuring that our candidate slate [was] diverse as well, right? You have to not just attract people, but you have to bring people to the table that want to be a part of the organization and give people a real shot at the open roles.

That covers attraction and hiring. Then what happens after you hire people into your organization? You can't forget people are there and not have inclusive talent development processes as well for people. We have a number of leadership development programs here, where our female representation has generally outpaced from other populations within our organizations. We have executive development programs for top-level execs, and then we have accelerated development programs, what I call mid-level execs, and 29 percent of our program participants were female and our representation of a target population of 29 percent. If you think about that, we're assuring that we're deliberately being inclusive, and women are having the same opportunities at those development programs as everyone else in our organization.

As you think about our next level pipeline of talent, so our other leadership development programs for junior and mid-level managers, 43 percent of our participation was female in those programs versus 33 percent representation in those programs for our target population. Think about that. Not only are we being deliberate and strategic about how we're hiring people, but then we're also saying, "Hey, while we have people in our environment, let's make sure everyone within our space—male, female, diverse, non-diverse—[has] the same opportunities to get access to these talent development programs in the spirit of making sure we have top talent, regardless of ethnic or gender diversity." So, to part of your first question, making sure we have some equity in these processes, and we don't make a misstep somewhere and potentially overlook talent that is sitting in our organization just ready for an opportunity to develop.

And another thing I'll add is our mentoring. We have a pretty robust mentoring program too, and I'm going to talk about mentoring, and I'm going to talk about

sponsorship separately, but we have a pretty robust mentoring program where we have 450 participants just last year alone, and 70 percent of our matches—mentor/mentee matches—had at least one female, and we had a significant component of those groups that were multicultural as well, meaning you can get guidance, coaching, development from somebody who doesn't look like you or who isn't in the line of business you're in or who hasn't had the experiences you've had. It's all about where are you going to get the guidance, coaching and development that's the best for you, whoever you are and where you would like to take your career.

When you look at it like that and you're totally inclusive, all of your programs and processes have that underlying foundational aspect of diversity and inclusion to them. The output ensures that your women get opportunities, that your diverse populations get opportunities in addition to your majority population as well.

One of the things I'll add is our outside partnerships. We strategically align ourselves where we can get the best thought leadership and collaboration from external organizations, as well. Some things that are pretty profound in our industry now is the work that's being done by Catalyst, as CEO champions for change. The work that's being done by Paradigm for Parity. You may be familiar with the work that Bloomberg is doing around their gender equality index. We're involved and at the table with all of those discussions. We don't assume we always get it right. What we're out there doing is looking for people who are weathering the same storm as we are, as we all move toward equality in our industry and see who has best practices, who has ideas, what can we gauge and learn from.

And I mentioned earlier, 66 percent of our workforce is made up of women, and about 55 percent of those women are in leadership roles. Think about that. People come to us for expertise sometimes too, because our numbers demonstrate that, to your point, the specific things we're doing are working for us, and they could work for others as well.

One thing I've neglected to mention, and give me a chance to say it here if you don't mind, is our employee resource groups. We have employee resource groups for lots of different affinities or individual characteristics ... we call ours KBING, Key Business Impact and Networking Group. We have a Key women's network; our women's network not only creates and expands opportunities for all of our employees to fulfill their largest potential, it also helps support their career development, mentoring and coaching. It provides networking and business initiatives as well. We find a lot of opportunities to do business with women through what we call KeyWin, and then we have actually a business enterprise called Key for Women, which helped us connect with businesses as well.

This isn't just about women, right? This is about, we have a population of women in our organization who want to come together, rise and grow through the ranks together, from junior level to executive level. But we know we have to have allies across our organization that's going to work with us as well. I'm proud to say the executive sponsor of that KeyWin, our business network, our KBING, is actually one of our executive leaders, who happens to be a male. Think about what we're teaching him in terms of support and sponsorship of women.

EM: That's an important point, because it is not just about women, it's about women and men working together and fostering that equality.

KM: Yes. And then from a sponsorship perspective, think about how the groups come together. We talked about our mentoring. It is important to make sure people don't only feel as if they have a place to come together and network and collaborate. But we also know that we are supporting each other and sponsoring each other. That's just core to fundamentally who we are and our culture. And when you're doing that just as a general course of business and you're potentially focused on being inclusive, we're making sure we're not leaving anybody behind who actually wants the opportunities.

EM: Now, I was wondering if you could quickly address—because you were mentioning a lot of measurement, which I think goes back to that intention and focus and being very deliberate. And I noticed on Key's website that those metrics are very visible in terms of this is the percentage of women in different roles and different ethnicities as well. I was wondering if you could speak to the importance of that measurement and that transparency. I'm not internal to Key, and [I was] able to get a good view of what's going on just based on the numbers. Could you speak to that?

KM: Here's what we have wanted to make sure we've done. We've always said it is important for us to be very transparent about our workforce, our workplace, our marketplace, diversity statistics. You'll see on our website that we are very deliberate and intentional about making sure we have the ability for people, like you mentioned for yourself, to be able to find what are those things that define us at Key.

We were very deliberate about putting our workforce statistics out so anyone can see what percentage of our workforce ... and as you'll see on what you saw there, we go from our board to our junior-level representation, and we go across gender and ethnicity on what we put there. We were also very deliberate about putting our pay equity policy out there as well. If you go to the bottom of that chart and click, you'll see our response, and lots of people are putting information out there now, but if we're going to be a part of

those organizations I spoke to earlier, we have to also be willing to demonstrate where we are and what we're doing, so people who are watching can see as we make progress and improvement that the things we're saying are really things we're doing.

We are very frank about our numbers. We know that if people see those things, it may be uncomfortable for us to expose, but it is what it is. So we can't step to the microphone at any point in time and say, "We're committed to diversity and inclusion," and not be willing to also be transparent so people can watch our progress, and people can watch if we decline a little bit and hear us submit to how we're going to get to where we're aiming to be.

We're very mindful about the types of things that help drive diversity and inclusion in our organization. As we're thinking about what types of things we want to demonstrate, we work individually with all of our leaders, and we say this is a part of us, who we are as part of our culture, it's a part of our business. What things do you believe we should measure in your space to help us see your progress around diversity and inclusion?

For us, we say it's not about counting people, it's about making people count. While we put information out there that talks about how many women we have, we want to know what are these women doing within our organization? Are women having opportunities within our organization to do the things they want to do? We don't want to force anybody some place they don't want to be, because you can't be successful like that. But, if women really want to ascend to the leadership ranks, they can look up in our organization and see it is possible. There are women in our space. Who do we need to connect you with? What do we need to teach you? What programs are available for you, and what can we do to help you achieve the success you'd like to achieve at Key?

In doing that with all of our business leaders, it helps the business leaders think about what types of programs, what types of industry-specific opportunities, are out there vertically in their space that may not exist in another vertical space. We don't plain-vanilla cascade. What has to happen? We ask each leader, if you are specific to this industry, what are the things people, all people, women and diverse populations included, need to have access to? What are the programs, what things do we need internally to make sure your entire population has the right opportunities? And then those are the things that we will monitor and measure and ultimately report in individual quarterly line of business dashboards. Are these things moving the dial for you, or should we do different things?

For example, one of the things one group had significant amount of success with was [the composition of] their interview panels ... not every group had thought about that. And we came back and said, "As an enterprise-wide best practice, think about who you are putting in front of your candidates." Are we demonstrating who we really are at Key, or are we being a little bit more specific around who we want a person to meet? That's important for us to think about, and we're being very mindful about doing that as one of the best practices across our organization.

But what we consistently make sure is that we like to say, "You can bring your authentic self to work at Key," and you'll see that in anything we write. You'll hear that in anything we say ... and then we challenge ourselves to make sure that your authentic self is actually given a seat at the table, given an opportunity, given a fair shot to demonstrate what do you bring to the organization.

So you heard earlier, I didn't want to make it about me. I wanted to make it about Key, because all of us exist for the good of Key, but there's different components of each of us regardless of who we are that are valuable. When we come together, we're one cohesive collaborative unit doing the best work for Key overall, and it takes all types of people to do that work. We don't want to leave anybody behind.

EM: You mentioned looking also at the business lines in terms of figuring out essentially what works, and you talked about leadership development and the networking groups, and you provided that great example from that one group in terms of interview panels. Are there other practices or even benefits or perks or programs that maybe you haven't mentioned, but that you feel have been very successful in promoting specifically gender diversity but diversity in general as well?

KM: Okay, so as a recap, we talked about our employee resource groups. We talked about our mentoring programs, which are both formal and informal. We talked about our talent development programs at all levels of the organization. I'm going to talk to you about one more thing we do here. We have these things called line of business champions.

What does that mean? Every organization has a person in their space responsible for driving and influencing diversity and inclusion across their organization. While they represent a vertical space, they're a committee of people that represent all of the vertical bases that come together to think about all enterprise and corporate functions, capabilities, products, policies, procedures, and think about how to ensure that we have a lens of diversity and inclusion specific to their business. And when you have that person

represented in every group, we make sure we've covered the holistic scope of Key across our geography and footprint as well.

We're very specific to make sure our footprint goes from Maine to Alaska, and we know things are different geographically across the country as well, not just my business line. And so, we try to make sure we incorporate everything we had into all of our policies and procedures across our footprint. And that group come together in front of leadership best practices, but also externally as they learn things about the business they support as well.

And while they're doing their work, we have 11 of these employee resource groups, but we have 100-plus chapters across the country. While they're doing their work, they're listening, they're hearing, they're learning about opportunities of things we could do different and/or better for all of our represented groups. They're looking at who the workforce is and finding opportunities. They're coming back to their HR and recruiting partners in asking about availability of potential candidates in the workforce.

We're out and about, learning who is the top talent in the industry that we could bring back to our organization. Maybe not just for my specific vertical, but to share with somebody on the committee in a different vertical that I met a talent that would be great for Key, but not a great fit for my org. Let's share who we've met, that could be a somebody we should bring into our organization.

I say that to say that's one additional group of people we have in our organization on our council that exists aside from our D&I council, which I haven't even mentioned to you yet. We have a diversity and inclusion council that has all of our executive leaders. There are a lot of business champions on supplier diversity teams as well that come together to really help set the strategy of what do we want to be able to say and report and measure as success for us at the end of the day as it relates to D&I, and that council, the D&I council, is led by [KeyCorp CEO] Beth Mooney. She is the chair of that council, and she participates in all those meetings and all of those discussions.

Some of them are brainstorming, where we share benchmarking and best practices about what people are doing, and some of them are things that we've noticed we'd like to have or employees have said they'd liked to have, that we'd like to try to develop on their behalf, that would help us be inclusive.

EM: What I'm hearing with all that too, and that's something we hear on the risk and compliance side, is making sure you have promoted it organization wide,

where everyone has a responsibility towards it. And it sounds like Key has developed a culture where diversity and inclusion is also something that becomes everyone's responsibility in some form, or everyone's contributing.

KM: We say it's everybody's business at Key to ensure that diversity and inclusion are part of the framework of how we do business. It's not just my team, it's not just the council, it's not just a committee, it's not just the line of business champions, it's how we do business, and it's core and fundamental to our culture. We like to say, "We don't have a strategy and then we have a diversity and inclusion strategy." We say, "We have a corporate strategy, and diversity and inclusion are components of that strategy," and consistently make sure that it's all the right level of intersectionality between that at all times.

EM: I feel like we're touching on cultural elements at this point. Are there any other aspects that you think are important to note in terms of how Key has been working to create that culture where everyone has a role in including D&I within the strategy, and in fostering diversity within the organization? Is there any other component that you feel is important to address in that cultural aspect? Because in my view at least, I think can be one of the trickiest parts of the piece is the cultural aspect.

KM: I would agree with you. You have to have a culture that appreciates and respects the value of diversity and inclusion for any of the things you say to really manifest their way into how you operate. For us at Key, we honestly believe that it is every person's responsibility and ultimately accountability to lift up our peers, our colleagues, our communities to make sure we're deliberately inclusive. And you've heard me say that a few times, so really deliberately inclusive about making sure diversity and inclusion are our strategic priority, and then quite honestly, we demystify it in our culture. We make it very clear that inclusion is what we do. Diversity is who we are. We are all diverse by default. We don't have to do anything to be diverse, but we absolutely and positively have to commit to doing those things that make us inclusive and demonstrating that is core and fundamental to who we are.

We're very mindful that we're supportive of each other. We're respectful of each other, we give each other chances. We take calculated risks when we have an opportunity available. ... We're going for the talent that has demonstrated the readiness and willingness to excel when an opportunity opens. And that means the talent. You didn't hear me say the male talent, the female talent, the diverse talent, the non-diverse talent—the talent, period. Who has demonstrated readiness, willingness and availability to move into a space? You heard me talk about my role. I had no background in the role that I'm in today, but I have been given an opportunity to occupy this space. That

goes back to readiness, willingness, to take on a seat and demonstrate what you can do for the organization of who we are.

Culture is important, it's got to be core and fundamental in every org, every individual in your organization, not just the leaders that we're talking about today, but every individual in your organization has to be committed to being deliberately inclusive, and has to hold themselves and each other accountable for demonstrating inclusive behavior.

EM: Is unconscious bias addressed in any direct or indirect way at Key? I know some organizations do some training around it or some things around it. Just curious how that is incorporated into the approach.

KM: We have a deliberate focus on unconscious bias. It's been over a year ago now, actually now that we've rolled this in 2019. We launched some very specific training. We did not make it required across our entire enterprise. And having said that, over 85 percent of our employees actually took the training. And that makes sure you actually are aware and in tune of your biases.

Then, we are moving into what's called courageous conversations. Now that you are aware and in tune, and you don't have to have malicious intent for you to potentially misstep, we said we're going to create an environment where it's a safe space, where we want to do this walk toward being D&I together, and so we are going to now move toward courageous conversations and really have as an introspective thought around the biases that we have learned about.

We're proud of the fact that over 85 percent of our employees have actually taken that training. But we're even more excited about the journey we can move forward with together, now that we have those insights and that awareness.

EM: Was there anything else that you think's important to note relative to how you guys are promoting and developing female leaders in particular?

KM: I would say less about developing female leaders in particular, but more about our culture and our environment. Because I think the fact that who we are speaks to what we do. What we've always said within our organization is what's important to us is that we can make sure we're articulating what we're doing, doing it right, doing it well, participating in the right external organizations, like I mentioned to you earlier, to make sure we're being very inclusive. But what's more important to us is how we treat each other when no one's looking. We're very mindful internally that our culture is core, and as

we continue to focus on looking for opportunities for people, it is important to us that we have everyone's perspective and thoughts. And that's what helps us ensure that we're not missing having women around the table or having ethnic diversity around the table, because we believe you can be the best you as an organization if you are having the right amount of discussion, different perspectives and engaged employees that have diverse perspectives of thought. And that's how we ensure that we're being inclusive.

I know your piece is specifically about women, but I want to go back to our statistics around the women in our workplace. We're not specifically aiming to have more women in our workplace. We're aiming to be inclusive and have top talent. And we recognize that that talent comes in all shapes and sizes. So, we are ensuring that we get the best talent to occupy a seat. And in doing that, we're ending up with 66 percent women in our organization. And that to me is the success of being mindful, of being focused and deliberate about being inclusive.