



Keystone Partners

Recorded Message: The Hennessy Report from Keystone Partners. A free-flowing conversation with leaders in the HR community talking about themselves, the industry, and their work. Brought to you in cooperation with NEHRA, the Northeast Human Resources Association.

Dave Hennessy: Welcome to The Hennessy Report. I'm your host, Dave Hennessy. To top off our diversity and inclusion series of podcasts, today's guest, who just a few days ago was awarded NEHRA's Frank X. McCarthy Diversity and Champion Award, is Shawna Ferguson, the Managing Director of Diversity and Inclusion at Wellington Management. Shawna gave an awesome acceptance speech at the D&I Gala, and I'm sure all of those who were there as well as those who weren't will be eager to hear more detail about Shawna's passionate commitment to D&I at Wellington.

Next in a couple weeks on the podcast, we have Mark Griffin, the SVP of Corporate HR at CVS. A lot of people don't know how large CVS actually is. They're number seven on the Fortune 500 list, so look forward to that one, and now I bring you my conversation with Shawna Ferguson.

Shawna, welcome to The Hennessy Report.

Shawna Ferguson: Thank you. Glad to be here.

Dave: And congratulations. You, last week, were the recipient of the 2018 NEHRA Frank X. McCarthy Diversity Champion Award.

Shawna: Yes. Quite an honor. Quite an honor. Especially to follow in Frank's shoes.

Dave: Yes. We met Frank in an earlier podcast. What an amazing man. One of a kind.

When you found out, what was the first thing that ran through your mind when they let you know you were gonna be the recipient?

Shawna: To be honest, I said, "Really? Me? I'm just here working away trying to make change happen," and then it caused me to really think about 20 years in this space and all of the work that a lot of us have been doing, and I thought, "Well, I am honored because when I think of some of the other great leaders in this space, many of which are involved in NEHRA, whether it be Ed Hurley-Wales, Jackie Glenn, Paul Francisco, or some of the others that are really trying to facilitate change. It's an honor to be amongst that crowd.

Dave: Great, and is there an early life experience that you're willing to share that, as you look back now, it helped shape who you are as a professional?

Shawna: Yes. Yes. As I think about it ... I'm trying to think about my very first internship that I had that I think guided me in this direction of diversity and inclusion.

So, I went to Lesley University here in Cambridge, Massachusetts, and I remember interviewing back then, with a few of my gray hairs showing there, back then was the time where you went in your



traditional black suit with a white shirt and maybe the certain bowl haircut. Everything was very structured. I showed up with a briefcase that had next to nothing in it because I thought that was the image I had to portray, and I remember interviewing at a local hotel for a HR internship position, and I just knew I was gonna be an HR leader when I went to undergrad.

During the course of that interview, I remember the gentleman noticing the engagement ring on my finger and asking me when was I expecting to get married, and going from there to telling me that they did not have an opening, but they had something in housekeeping, and I left that interview so disappointed and so feeling deflated that I had done something wrong, and first I thought, "Well, I've got on the right suit, got the right haircut, and even though the briefcase doesn't have anything in it, it looks darn good." So, I'm looking the part of an "intern," but I couldn't figure it out, and when I talked to a career service center advisor, she said, "I'm gonna send you on another interview," and I interviewed with Velda McRae at the Boston Company. Total different experience. Also for an HR internship.

Now, I didn't get the internship, but I got something better. I got a mentor from Velda McRae, and so where I'm going with this story is that experience guided me to say that I wanted to see change happen, and it guided me to say, "How can I be part of the change that needs to happen so that whether they are female or not, any young student going in for an interview is not left feeling like their less than."

And that's what started my HR career. I knew I was gonna stay in HR, but I knew I wanted to get after the people who felt like they didn't belong because that's the way I left that hotel interview. The interview at the Boston Company, even though Velda told me that, she said again, "The position has already been filled." She did say, "I want to stay connected with you because we are both Lesley alum, and I want to introduce you to some organizations that can help you."

Velda and Frank are the first two people to introduce me to NEHRA.

Dave: Wow. That is a powerful story how you got into this business. How do you support the leaders? I know they're being measured on this, and certainly as part of the recruitment process, they're involved in that as well. You described that. As far as working inside the organization, how do you support their ability to influence the culture of their teams in a way that is more inclusive? What kinds of support do they get?

Shawna: So, I think they're actually getting support in so many different levels. So, one, I would start off giving a shout out to this great group of partners at the firm led by one of our partners, David Chang. He pulled together a group of male partners initially called the Up-Standers, who wanted to support gender diversity at the firm. It is now expanded beyond that initial group. I think there were initial 25. They're probably close to about 60 of them now, and really what they do is they focus on being partners as sponsors, as mentors, and as allies to underrepresented groups.

So, that can include people of different sexual orientation, it can include people of color, and it can include just about any underrepresented group we have at the firm.



So, the managers and leaders are getting connections that way. The other ways that they're getting connections is we are actually looking at building their capability for working across differences. So, in our leadership and management development programs, we've made a very dedicated effort with the head of our learning and development department to integrate diversity education learning into traditional leadership and management learning.

We've worked to integrate concepts of diversity and inclusion. So, for example in our leadership excellence program, the global mindset is a key component of their learning experience of building globally capable leaders. In the manager experience program, which you could consider like a manager training experience, it's a 15-month-long experience, but in the first week in the immersion week, managers get a chance to focus on their own blind spots related to unconscious bias. They also get a chance to really talk about how to create psychologically safe environments where people can really be themselves and open a level of trust with their managers. They talk about managing inclusion, managing diverse teams, so how can they flex their style, and they work on social style differences. And then we have a series of deep dive conversations around diversity and inclusion for those managers afterwards.

So, there's different ways that we're looking at supporting managers from a real training and building capabilities.

Dave: That's part of leadership and management training, overall. It's a piece of it.

Shawna: It's just good management, good leadership for us.

Dave: It's all integrated.

Shawna: Yes.

Dave: That's great. You mentioned your unconscious bias training. Can you tell us a little bit about your approach with regard to that?

Shawna: We're now at a space where we feel that we've got a really good strategic external partner. We're gonna be working with them on building out the unconscious bias suite so that we start with the C-Suite in our investor population of really looking at how to mitigate unconscious bias from impacting our investment decisions as well as our talent decisions. The piece to understand for us is we are organized like a tradition organization and a private partnership, so our strategies need to hit both leadership levels.

So the traditional organization run by a CEO with the CEO directs and so forth, we're looking at having the C-Suite trained in talent decisions around unconscious bias and having some process changes with our committees as two strategies there, and the third strategy looking at our investor population and saying, "Let's look at this from the day in the life of an investor. How does unconscious bias impact even your decision-making process when you're looking at firms and looking at stocks?"



Dave: Really interesting. I mean, you talked about diversity and inclusion, how that's part of management and leadership development, and when I mentioned unconscious bias. You said that's also part of how you treat the investment population as well as how the culture is built, so it's both. Lot of integration.

Shawna: Absolutely because we're thinking about our diversity and inclusion initiative, the business case for us is based on both talent as well as our clients, so we've really taken a look at what do our clients care about? What is it gonna take to service those clients, be able to build rapport and relationships with them, but also be able to empathize with the things that they value so that we can build that into the way we service them.

Dave: When you spoke before, you mentioned moments that matter. Can you tell us a little bit about that?

Shawna: So, this is still a brainchild of mine, but one of the things that we're trying to do with, overall, not just with managers, but with all employees, is to get them to start thinking about those strategic moments where you have an opportunity to either call out someone's blind spot or you have an opportunity to really educate someone on something that they could do a little bit better in terms of their ability to work across differences.

Dave: Sounds delicate.

Shawna: It is delicate. It is delicate, but it starts with language. So, one of the things we've done at our firm is really helped increase our understanding of how words impact other people. I mean, if we all step back, if we're being honest, and we look at all of the tragedies and things going on in the world, some of that is provoked by language.

So, some of the things that we're really looking at is every day that an employee comes into work, there's no way for them to leave who they are at home outside of who walks in the door, so we've started off with offering a conversation around language and really helping in some of the functional teams. Which words actually help or hinder building relationships across differences? So, helping people to stop using words like kiddo or girls when they're talking to grown women or black when they're talking to people of color or African Americans or Africans. Just understanding that words have power, and when you're gonna engage in a dialogue, you want to make sure that you're speaking to someone the way they want to be spoken to, so kind of putting the Platinum Rule into practice.

From there, our hope is to launch a series of real courageous conversations around differences.

Dave: You said the Platinum Rule? I've heard of the Golden Rule. Did you just upgrade it? Or is this...

Shawna: No. There's many of us. We're gonna be preaching to the choir here. So, many folks in the D&I space know about the Platinum Rule.

Dave: You're gonna have to tell me.



Keystone Partners

Shawna: Okay. So, the Platinum Rule is all about treating someone or talking to someone they deserve to be talked to or the way they want to be treated where the Golden Rule tells you to treat someone the way you would be treated. So, it's really focusing on your audience, and we're using that rule as we think about diversity and inclusion to help each of us, including myself, to flex our styles to say, "When I'm talking to one individual," and the reason why I bring up the African American one is because in this space for the number of years, I've heard people say, "Now, Shawna," and they'll come to me on the side, and she goes, "Is it appropriate to refer to you as black or African American or Caribbean African American? What do I call you?" And I say, "Well, me personally, call me Shawna and not late for dinner."

I said, "But you have to listen to how the person self-identifies," because some of us do not want to be called African American. Some of us want to be called black. Some of us do not want to be called a color, so they don't want you to call them black. They want you to recognize that they've talked to you about their home country of Africa, and they are African.

And so what we're doing is making sure that with all the skills of unconscious bias, working across differences, style differences, managing across generations, all of these different diversity training offerings that we're also getting back to basics or just how can we relate to each other in the way that our audience wants to be related to?

Dave: Wow. That's great. How has it changed Wellington, all these great things that you're doing? Is there anything you can point to with regard to the culture that's different now than if maybe somebody was working here 10 years ago or 15 years ago? Something that happened that you said, "That never would have happened 10 years or 15 years ago," or something?

Shawna: So, I would say, I'll speak to my six and a half years at the firm. One of the things that I noticed has changed is I felt when I joined the firm, it was the firm always had a passion, long before I got here, around diversity and inclusion overall, but I felt like I was going out and seeking and trying to find where that passion is. How can I get some champions who are on board with this plan for change, right?

Now, we're at the point where it's like a waterfall, and I'm trying to keep up with the firm. I feel like they're leading me and saying, "Ferguson, I'm ready to talk about my D&I commitment plan." I'm like, "Whoa! Okay!" We've got an off-site. We want you here. I mean, our head of finance, just to back up a minute, they talk about two of the key leaders you need in any type of traditional organization on board with diversity and inclusion is your CEO and your CFO. Well I will tell you here today, our CEO and CFO are both on board, and they are both saying, "Okay, what else can we do? How can we think outside the box? How can we look at what others are doing and learn from them but customize it and make it our own?"

An example of this, and just so you know I'm not blowing smoke, is our...

Dave: We love examples on the podcast.

Shawna: ... CFO asked last year for his HR generalist and I to partner with him in planning an off-site fully dedicated to diversity and inclusion for his full finance team, and so we did, and he took us off-site, we



went over and rented a room at the Children's Museum, and literally focused not only on the diversity and inclusion commitment plan for his team, but we really got in and did some of the work around case studies and thinking about where some of the places that we ourselves can volumize and amplify the I in inclusion so that we will get more diversity.

We had a guest speaker come in to really share her experience from the government in terms of diversity and inclusion, like really dedicating time, and so I would say we went from having just a passion and activities to really having action, and to me, dedicating substantial time, not the 30 minutes on anyone's agenda, but real meat to dig into the numbers to really look at the feedback coming from employees. I mean, when I started six years ago, we didn't do a talent engagement survey across the whole firm and really hear from the people, "How do you experience Wellington from the seat that you sit in?"

We looked at some numbers at a high level, but now we're going down with the help of our diversity committee and going down and saying, "Let's do some predictive analytics around what do we need to do in order for those numbers to change over time?"

Dave: You know, Shawna, you're in an interesting industry here, financial services. What are the challenges and opportunities with regard to D&I in your industry?

Shawna: Oh, boy. Do you got a couple hours? Well, and I think, I mean I should say that coming from the biotech industry before I came into financial services is I don't think we're any different than any other industry in the standpoint that this is a challenge for all industries, right? But I got a chance in working in biotech and pharma to see the evolution over time.

For our industry, we still will have a time horizon. So, some of the challenges that face us is one, the supply and demand. For our firm, Wellington is roughly around the 3,000 employee mark, so we're a small but mighty and powerful firm is the way I like to think of us.

Dave: Certainly a great brand...

Shawna: Great brand.

Dave: ...recognition, and...

Shawna: Awesome culture. I mean, I think some people underestimate just how down to earth and fun it is to work here because we work hard, and we're known for this conservative, very reserved firm.

Dave: Yeah, I can even say hard to get in because you're in the career management field. Hard place to get in, and once you're there it's great.

Shawna: Absolutely. Absolutely. I would agree with that, and we're working on getting our name out there. Again, back to your other question, one of the things that did not happen six years ago is we stayed very private, and it was with intention because we're all focused on serving our clients. What



Keystone Partners

we've learned over time that we can still service our clients and raise our public profile at the same time, especially in underrepresented communities.

For our industry, the challenge is not a lot of people know about the asset management industry. Not a lot of them know about the buy side. Then when you cut that, you cut those populations by who knows about you, who are from these underrepresented groups. That goes way down. And then the skillset. Who has the skillset to work in a small but mighty and powerful firm? And often our jobs are niched, so they're looking at multiple skills.

Dave: How is the work you're doing in D&I, because it's obviously having a big impact where you said you used to have to knock on doors, now they're knocking on your door, so it's really part of the culture at Wellington. How is it impacting the business results? Is there something about the client relationships or the way the organization just works more effectively? Is there some things that you can point to that's making Wellington ... It's easier for them to reach their goals because of the work that's been done in this area?

Shawna: So, what I would say from ... I'm glad you asked the question because you really want to look at ROI, and you want to look at what are the outcomes you're really seeing? So, I'm gonna use our client firm framework because that's our mantra, and that's the way we do everything. From a client standpoint, I am specifically remembering a situation with one of our business developers came back and said it made a difference to the client, and they told him, "For us to see a diverse team sitting in front of them," and that same client said, "I want to see change over time and your numbers progress."

The other thing I should tell you with that is we actually in our business case step back and looked at our RFPs where we could say, "How many clients are asking some diversity related question?" to really make the numbers drive the solution or impact the business case. And so we did that over a three to four year timeframe where we saw our clients are starting to ask more questions around "What's the diversity make-up of the team? What are your strategies to move the needle over time?" So, they want to know that this diversity of thought is not just this tagline and this social line that says, "Oh, we believe in diversity of thought." They want to know that you believe in both the cognitive diversity, which is that diversity of thought, but the identity diversity because they know that you need both. There's no brains that come without bodies that I know of yet, so ...

The other thing I think that's been a tangible thing if we go from client to firm is something that I'm really proud of Wellington about is I now start to see us using it on a very simple level of mixing up the decision-making teams. So, our committees, our CEO has a hand in selecting who's on committees. Where the real beauty is he's not the only one looking at what's the diversity by background, by function, by geography. Even the way people think. He's paying attention to is this someone who can play the contrarian in this committee? Is this someone who will bring the numbers aspect? Is this someone who will bring the peoples aspect?

So, now I see others following him, and as a D&I officer, there's no greater gift than working yourself out of a job where they start to do that, and you can step back and go, "Okay, I can focus on some other things now."



Dave: That's great. Keystone produces this podcast in cooperation with NEHRA, and you just won the diversity award, so we have the NEHRA question of the podcast.

Shawna: Oh boy.

Dave: We ask it every time, and it is what advice would you give to a young up and coming HR and/or diversity and inclusion professional to possibly reach the position that you've reached in your career? What advice would you give to somebody that's earlier in their career?

Shawna: Earlier in their career ... I do things in threes, so for those listening to this podcast that know me personally, they already know it's coming. They're gonna say, "She's gonna give him three things."

One, I would say just from a mindset, don't sweat the small stuff because this work is hard. You're not gonna make everybody happy all the time, so you gotta tap into courage. Courage is really a key skillset needed. Two, I would say early in your career if this is something that you're passionate about doing, go and get the education for how to manage diversity and inclusion strategies. I think, for me, when I was early in my career, I said to myself it was not enough to be African American; it was also not enough just to be an HR practitioner. I wanted to know what is the difference between being an HR specialist or generalist and being a D&I leader. Are there some strategies that I need to learn?

And so I went to Cornell's program for diversity and inclusion practitioners so that I could build the skill and the capability to do this work well.

Dave: It's often thought of as the leading HR organization.

Shawna: Yes. Absolutely, and they have an HR so that you can blend both skillsets together. Georgetown now has a Master's degree program in it. And then the last thing I would say is always keep a board of mentors, and I go back to thinking...

Dave: Right from the early part of your career, right?

Shawna: Right from the early part of your career. I go back to thanking NEHRA because a lot of the mentors and peers that I have today all came from NEHRA, and they will help challenge you and make you good.

Dave: Similar question, but I get different answers, and your old friend, Beth Grous is the one that gave me this question, and what advice would you give to your 25, 30-year-old self, if you could write a letter of career advice?

Shawna: My 25-year-old self ... I am a bit of a workaholic, so I'm a work hard play hard gal. I would definitely say go on more vacations. For my young self, it is that really don't sweat the small stuff; to really understand what are the big ... Focus on what you really want to have come out of your career. The other thing is not to ... When I say don't sweat the small stuff from a personal standpoint I think



sometimes for some of us type A folks, and I'll self-disclaim that Beth would say, "Yep, Ferguson's a type A."

Dave: Put her in there, too.

Shawna: Yes. Yes. Takes one to know one. Ed Hurley-Wales. I could go on ... is be patient with yourself because you need time to go from novice to mastery in your skillset, and so don't approach this like it's undergraduate school of freshmen. I've done this once, check; now I go to sophomore; now I go to junior. The HR evolution that needs to happen in building your capability and competency. Put the C in competency. It's along a spectrum, so realize that you've got to do something repetitious in order to get to the mastery level. Forgive yourself for mistakes and look at them not as mistakes and as you found a way to do something better the next time.

So, one of the things that I learned from a manager that I had at Genzyme, Ellen Reifsneider, and one of the things that she did for me as a manager, and I use it today when I manage other people, is she used to ask me three questions every time I finished a project so that by the time the performance review came, I used those three questions as my reality check for myself.

The first question she would ask me is what went well because as a type A, you always want to go with, "Man, I should've did this. I didn't do this right." She would say, "What went well?"

The next thing she would ask is where did you get stuck so that you kind of realize...

Dave: Not what went wrong, where did you get stuck?

Shawna: Where'd you get stuck? And then she would say, "If you had one thing you would do differently next time, what would it be?" So, it would focus your brain to look at what would be the game changer. It would focus your brain on thinking about getting stuck than thinking about wrong. It's a slight difference in wording, but again, what I said, words have power, and I use that now with my current team. I use that with myself.

Dave: That's a great tool. But I have just a couple silly questions. What gives you energy, Shawna?

Shawna: Teams. I draw my energy ... I think I was made for this work because I am not the type of person who can work in a silo by herself. I really draw off the collective wisdom and intelligence of a team.

Dave: If you could go to dinner with any living person in this world, who would it be and why?

Shawna: Oh my goodness. This won't be public. My sweetheart won't hear this, right?

Dave: No. I won't send it to him.



Shawna: If I could go to dinner with any public figure, who would it be? It would either be Oprah ... No, I want both of them. I want Oprah, and I want Michelle Obama so that we could have a sister girl talk over dinner that's not recorded. I got some questions.

Dave: Who's the performer, artist that you enjoy the most?

Shawna: Some of my friends call me a throwback, which it means I'm a young woman with an old woman's spirit, so I'm a love of all things dancing and music. Angie Stone is one of my favorite artists, so if you ever hear Angie Stone, she has...

Dave: I have never heard of Angie Stone.

Shawna: ... the music and the soulful soundfulness of the 1970s, and it talks real talk, so she's one of my favorites.

Dave: That's great. Well, Shawna, I've learned a lot just having this conversation with you. Thank you so much for being a guest.

Shawna: Thank you very much.

Recorded Message: Thank you for listening to The Hennessy Report from Keystone Partners. Be sure to subscribe to listen to all of our conversations with leaders in HR. Go to keystonepartners.com and click on the podcast button.

The information, opinions, and content presented in this podcast are for general information only.

Views, thoughts, and opinions expressed in the podcast belong solely to the speaker, and not necessarily to the speaker's employer, organization, committee or other group or individual.

Keystone Partners assumes no responsibility or liability for any errors or omissions in the content of this transcription. The information contained herein is provided on an "as is" basis with no guarantees of completeness, accuracy, usefulness or timeliness.

© Keystone Partners and The Hennessy Report. 2018. All Rights Reserved.

All other trade names or company names referenced herein are used for identification purposes only and are the property of their respective owners.