



Making Milwaukee
A REGION OF CHOICE
for diverse talent

May 2019

MMAC Metropolitan Milwaukee
Association of Commerce

Making Milwaukee a Region of Choice for Diverse Talent

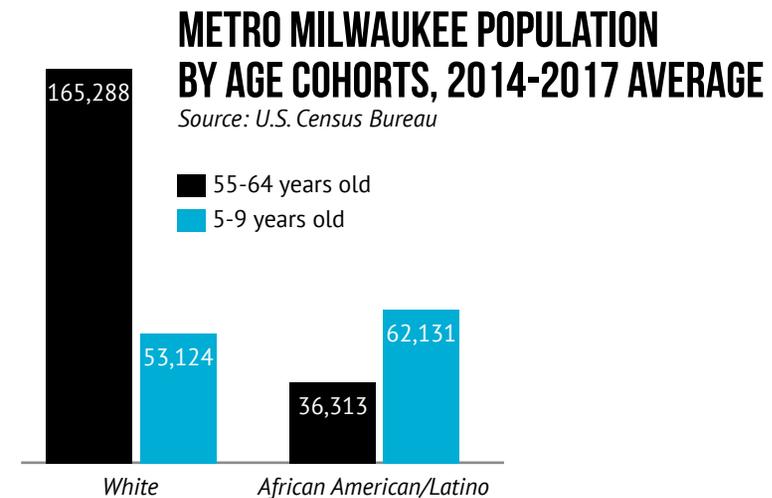
CRITICAL CHALLENGE & COMPETITIVE ADVANTAGE

Metro Milwaukee is facing a convergence of trends that make developing, elevating and leveraging all talent a critical imperative. Ours is a region with a widening gap between the number of projected job openings and available people to fill those jobs – approximately 35,000 openings may go unfilled in the next three years.

When it comes to net migration, more people are moving out of the region than into it – especially younger people with higher skills. And our population is increasingly diverse. Yet African Americans and Hispanics in our region face greater economic disparities than virtually any of 20 peer metros.

We need a collective strategy to address these challenges and impact our ability to compete globally and ensure a prosperous future for all.

Consider the demographic shift from those residents ages 55-64 and our youngest generation, ages 5-9.



“There is glaring economic disparity between the inner city and suburbs and resulting segregation.”

- MMAC Survey response

LEVERAGING OUR ASSETS & REDUCING OUR LIABILITIES

Metro Milwaukee's current momentum is well documented and celebrated. The past decade has seen a resurgence in downtown development, urban housing, new entertainment venues and overall job growth. In 2020 the Democratic National Committee will hold its presidential convention here, shining a national and international spotlight on all the region has to offer. These gains will be sustained and strengthened if we address our liabilities.

In late 2017, MMAC surveyed its board of directors and leaders from its member companies on the best assets and biggest

liabilities facing the region. A strong and growing economy, outstanding institutions of higher learning and world-class arts, culture and entertainment are all huge positives. To continue to progress we must reduce our liabilities. And the biggest liability according to more than 500 responses? Racial disparity.

ASSETS

- Quality of Life
- People
- Higher Education
- Economy
- Business Climate

LIABILITIES

- Racial disparity
- Low high school grad rates
- Declining workforce
- Lack of leadership
- Too few start-ups

MILWAUKEE DOES NOT MEASURE UP

MMAC compared metro Milwaukee to 20 peer regions across the country on seven measures of prosperity across White, African American and Hispanic populations. We then ranked each region on each indicator, compiling a total score for each region in the comparison. The best score a region could achieve was 7 (1 point for first place in each category) and the worst score would be 147 (21st place in each category). Here's how Milwaukee stacked up:

PROSPERITY RANKINGS

Total points accumulated from seven measures

Ranked best to worst

PROSPERITY GAP BETWEEN:

White		African American		Hispanic		African American & White		Hispanic & White	
1. Minneapolis	30	1. San Antonio	17	1. St. Louis	24	1. San Antonio	33	1. St. Louis	29
2. Raleigh	34	2. Baltimore	23	2. Baltimore	34	2. Nashville	37	2. Detroit	46
3. Baltimore	37	3. Raleigh	34	3. Raleigh	50	3. Baltimore	52	3. Baltimore	56
4. Chicago	37	4. Charlotte	35	4. Detroit	57	4. Charlotte	54	4. Cincinnati	58
5. San Jose	45	5. Nashville	36	5. San Antonio	59	5. Portland	57	5. Oklahoma City	58
6. Milwaukee	63	6. Portland	50	6. Cincinnati	64	6. Pittsburgh	62	6. Columbus	60
7. Charlotte	66	7. Chicago	62	7. San Jose	65	7. Orlando	63	7. Kansas City	64
8. Salt Lake	73	8. Orlando	65	8. Kansas City	68	8. Columbus	66	8. Orlando	65
9. San Antonio	73	9. Kansas City	72	9. Orlando	70	9. Oklahoma City	67	9. San Antonio	65
10. Kansas City	76	10. Pittsburgh	79	10. Columbus	74	10. Indianapolis	72	10. Salt Lake	70
11. St. Louis	77	11. St. Louis	82	11. Chicago	77	11. Kansas City	74	11. Portland	72
12. Nashville	79	12. Columbus	83	12. Minneapolis	79	12. Louisville	75	12. Nashville	77
13. Memphis	80	13. Indianapolis	87	13. Nashville	82	13. Buffalo	81	13. Cleveland	84
14. Orlando	86	14. Detroit	89	14. Portland	84	14. Indianapolis	82	14. Memphis	87
15. Portland	87	15. Oklahoma City	91	15. Salt Lake	88	15. St. Louis	82	15. Chicago	88
16. Columbus	102	16. Louisville	102	16. Memphis	90	16. Raleigh	84	16. Raleigh	88
17. Detroit	103	17. Minneapolis	103	17. Cleveland	94	17. Cincinnati	91	17. San Jose	97
18. Indianapolis	103	18. Cincinnati	104	18. Oklahoma City	96	18. Cleveland	102	18. Indianapolis	98
19. Cleveland	105	19. Buffalo	121	19. Charlotte	108	19. Chicago	105	19. Minneapolis	105
20. Cincinnati	111	20. Cleveland	123	20. Indianapolis	118	20. Minneapolis	127	20. Charlotte	118
21. Oklahoma City	123	21. Milwaukee	138	21. Milwaukee	125	21. Milwaukee	139	21. Milwaukee	123

Understanding the BARRIERS & OPPORTUNITIES

METRO MKE ALL FIRMS W/ 100+ EMPLOYEES, 2016

Relationship: Total Employment to Management

	Total employment		% Management	
ALL	367,133		44,045	12.0%
Men	183,464	50%	26,632	60.0%
Women	183,669	50%	17,413	40.0%
White	267,217	73%	38,593	88.0%
African American	52,914	14%	2,086	4.7%
Hispanic/Latino	27,970	8%	1,497	3.4%

The MMAC Board formed a committee to study where the business community could make an initial impact and determined that it would focus on **increasing management diversity**. Developing, adding and promoting diverse managers would likely result in corresponding improvements in recruiting and retention and raise overall economic status.

A total of 27 corporations and five public entities agreed to participate in a comprehensive research process to better understand the barriers and opportunities facing African American and Hispanic managers.

PARTICIPATING ORGANIZATIONS*

Advocate Aurora Health
Ascension Wisconsin
BMO Harris Bank
Briggs & Stratton
Chase Bank
City of Milwaukee
Children's Hospital of WI
FIS Global
Froedtert Health
GE Healthcare
Godfrey & Kahn
Grant Thornton
HUSCO International
Johnson Controls
KPMG
ManpowerGroup
Marcus Corp.
MATC
Medical College of WI
Metal-Era
MillerCoors
Milwaukee County
Milwaukee Metropolitan
Sewerage District
Milwaukee Public Schools
Milwaukee Tool
Northwestern Mutual
Old National Bank
Quarles & Brady
Robert W. Baird
Rockwell Automation
Seaway Bank
WEC Energy Group

**Represents an employment base of 130,000*

Diversity & Inclusion

COMMITTEE MEMBERS & CONSULTANTS



Carla Cross
Cross Management Services



Tony Mallinger
Metal-Era



Greg Wesley
Medical College of WI



Jeanette Mitchell
African American Leadership Alliance



Marjorie Rucker
The Business Council



Julie Granger
MMAC



Cory Nettles
Generation Growth Capital



Corry Joe Biddle
FUEL Milwaukee



Emily Phillips
Robert W. Baird



Nick Turkal
Aurora Healthcare



Kelly Grebe
MillerCoors



Austin Ramirez
HUSCO International



Michele Matthai
Rockwell Automation



Christopher Rowland
ManpowerGroup

MMAC engaged two firms – both with significant experience in diversity and inclusion research and practices – to create a baseline of information on the barriers and opportunities to working and living in Milwaukee.



Genyne Edwards, JD, partner with P3 Development Group is an experienced consultant and attorney who has worked in community development and social enterprise for more than 20 years. P3 Development designs strategic solutions businesses who value equity and inclusion.



Dr. Robert Rodriguez is president of DRR Advisors, a consulting firm specializing in ERG leader development, Latino talent initiatives and diversity strategy. He has worked with over 200 corporations since launching DRR Advisors in 2010.

RESEARCH PROCESS

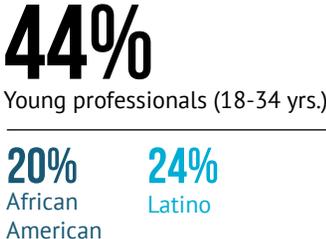
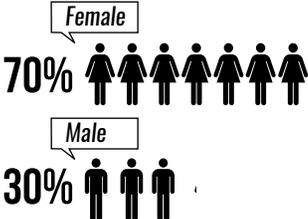
The MMAC research on diversity and inclusion spent eight months researching. Efforts were made to include input from as many African American and Hispanic/Latino managers as possible to produce qualitative and quantitative data. Inputs from each phase of the research informed the next, providing a textured feedback loop.

The process began with a 30-question survey that participating companies sent to their African American and Hispanic managers. Responses included both qualitative data and open-ended comments.

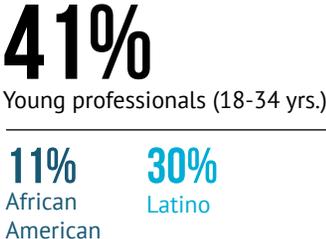
These responses informed focus group discussions, segmented by race, gender and age. In April, participants gathered for a session to learn about and react to the results, as did nearly 30 human resources and diversity and inclusion professionals. Finally, 15 CEOs participated in one-on-one interviews to test ideas and early recommendations.

Survey Demographic: 1,100 respondents

PRIVATE COMPANIES



PUBLIC ENTITIES



SURVEY DATA POINTS

Black/African American

51%

feel they must hide or downplay their African American culture in the workplace

6%

have an internal Black/African American leadership development program

2%

have an internal Black/African American executive caucus to advocate for African American talent advancement

37%

send employees to external Black/African American leadership development programs

6%

have executive coaches assigned to internal Black/AA talent

Top 5 career hurdles for Black/African Americans

71%

Lack of Black/African American in senior leadership

62%

Limited exposure to opportunities

57%

Being stereotyped

55%

Trust issues with colleagues and leadership

48%

Discrimination against Blacks/African Americans

Hispanic

45%

feel they must hide or downplay their Latino identity in the workplace

5%

have an internal Latino executive caucus to advocate for Hispanic talent advancement

3%

have an internal Latino leadership development program

18%

send employees to external Latino leadership development programs

4%

have executive coaches assigned to internal Hispanic talent

Top 5 career hurdles for Hispanics

66%

Lack of Latino role models

56%

Being ignored or overlooked

45%

Not effectively tooting our own horn

39%

Struggles with Latino identity in the workplace

34%

Discrimination against Latinos in the workplace

FOCUS GROUP INSIGHTS

In December 2018, MMAC consultants conducted 17 focus groups with a total of 152 participants. Taking the data from the survey, these conversations allowed for a deeper dive into the themes, thoughts and experiences of the participants.



Engagement

“Corporations as well as other organizations need to recognize that having ERGs isn’t enough to say that the organization supports and encourages diversity. In my experiences, organizations will have these resource groups only to get people ‘comfortable.’”

Representation

“The current non-black/AA and non-Hispanic/Latino leadership must acknowledge the existence of the lack of representation of these groups and be more receptive to increasing the representation of these groups for a competitive advantage.”

Organizational Accountability

“If Diversity & Inclusion is part of senior leadership’s goal and it’s a part of the organization’s business goal — you’ll get the money, you’ll get the support, you’ll get the programs.”

Support & Development

“You need to have a sponsor to move up in an organization. You cannot, you will not, do that alone. Somebody else has to speak on your behalf. If it’s just you speaking on your behalf then you’re considered combative or aggressive, but really you’re just being an advocate.”

Culture

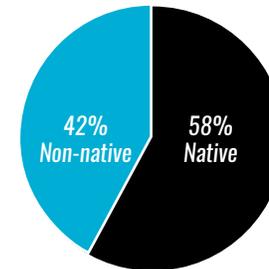
“The culture of this city has always been one of very segregated, and it really does not matter what your credentials are. Most of the companies that an individual would want to work at, especially after achieving those credentials, are not conducive because you are expected to downplay your intelligence.”

African American Participant Demographic Profile

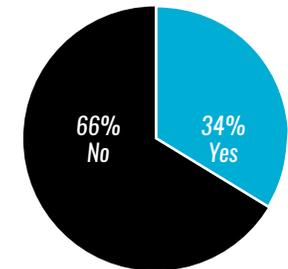
Total of 88 AA focus group participants



Native/Non-Native to MKE

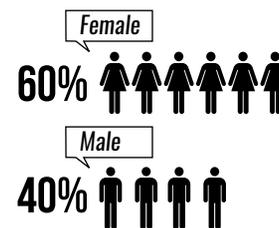


Serve or Have Served on Non-Profit Board

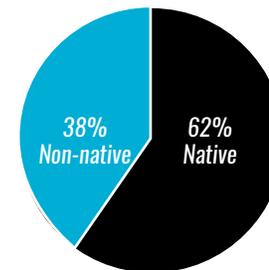


Hispanic Participant Demographic Profile

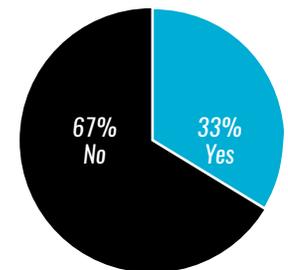
Total of 64 Latino focus group participants



Native/Non-Native to MKE



Serve or Have Served on Non-Profit Board



TALK BACK SESSION INSIGHTS

Participants' recommendations

Participants in this research process provided critical insights into which efforts, initiatives and programs in their companies are creating opportunities for the attraction, retention and advancement of African American and Hispanic professionals. Participants expressed a desire to learn more about the research and discuss the findings. On April 4, 2019, nearly 50 individuals gathered for a "talk-back" session.

46
attendees

Engagement	Representation	Organizational accountability	Support & development	Additional takeaways
<ul style="list-style-type: none"> • CEOs should invest in ERGs by providing a budget that demonstrates their support • Board sponsorships for people of color would be a huge win • An external facilitator to lead critical workshop conversations to build connections and a safe space for people to share their real-life experiences 	<ul style="list-style-type: none"> • Diversity and inclusion metrics should be included in the organization's compliance report • Integrate mentorship intentionally to lead people of color through the corporate ladder • Start targeting younger, school-aged children to build the talent pipeline 	<ul style="list-style-type: none"> • Develop a public scorecard rating companies' D&I metrics and the population that the organization serves, partners with or provide business • CEOs should experience the culture of their employees and observe those who are not in managerial roles 	<ul style="list-style-type: none"> • Develop a standardized scorecard with performance criteria for identifying employees with high potential • Require employers to be intentional in promoting leadership development opportunities • Create space for internal/external coaches to be assigned to AA/Latino employees 	<ul style="list-style-type: none"> • Ensure companies take these action steps as seriously as they would their product output. • Continue to host meetings for diverse managerial talent and with our CEOs • Build objective measures that are publicly shared, so the organization and the community can see how things are progressing • Create a pledge that CEOs will sign, commit to and report on • Don't repeat this process in two or three years if no action has taken place

Feedback from leaders in

DIVERSITY & INCLUSION & HUMAN RESOURCES

On April 10, MMAC held a meeting with nearly 30 Human Resources and Diversity and Inclusion professionals from participating corporations. The goal was to discuss and test the ideas and recommendations of diverse employees with the practitioners on the front lines of attracting, developing and retaining this talent.

There was broad agreement around the following ideas:



Focus on making sure you measure. Metrics and resources are needed for sustained impact.



A public pledge by our CEOs will demonstrate top-down commitment.



The value of working on this issue as a collaborative builds transparency, trust and shows we're focused on making a difference.



There is a need for workshops/education to openly discuss unconscious bias that will broaden perspectives and help make the environment more inclusive.



We need to admit and address the livability issue – adopt “radical hospitality” to create an environment in our companies and communities where everyone is welcome.

CEO INTERVIEW INSIGHTS

The final step in the research was sharing the results with CEOs. Consultants conducted 15 face-to-face interviews with top leaders from a variety of industries. Responses to the results were overwhelmingly positive, but included some words of caution.

15
Executives interviewed

 <p>Unfavorable reputation</p> <p>Milwaukee's reputation (bias, disparities and segregation) and culture is a barrier to recruiting and retaining diverse talent, but it is unclear how companies can impact regional culture.</p>	 <p>Regional effort to attract, recruit, & retain</p> <p>A regional, collective solution is needed among the top Milwaukee employers to attract, recruit and retain diverse talent. Programs like MKE Fellows show some promise at reaching the next generation of leaders.</p>	 <p>Company mentorships</p> <p>For companies that have been on an inclusion journey for more than 5 years, there are key learnings and some progress, but there are more opportunities to operationalize D&I strategies that will have real impact.</p>	 <p>Inadequate talent pipeline</p> <p>Many believe the region lacks a pipeline of diverse talent and are unsure how they can better access talent. The difficulty is exacerbated in technical fields.</p>
 <p>Focus on the diverse talent here</p> <p>Due to lack of success in recruiting diverse talent to Milwaukee, greater focus should be on retaining local talent or encouraging those who left Milwaukee to consider returning.</p>	 <p>Backlash from other employees</p> <p>There is some concern that additional coaching, sponsorship and investment in people of color may lead to resentment from some white employees who feel their own career advancement is not a priority.</p>	 <p>Partner with the community</p> <p>Greater cooperation, coordination and innovation with community partners may be effective.</p>	 <p>Benchmark progress</p> <p>Executives generally agreed that diversity metrics should be tracked but no agreement on the accountability measures.</p>

STRATEGIES ENGAGEMENT

Ensure employees are connected to their company and each other.
By developing affinity relationships, employees have a stronger voice and believe they belong.

Key research insights	Recommended actions	Ownership	Progress metrics(s)
<p>52% are not involved in an employee resource group (ERG)</p>	<p>Strengthen top-level engagement in ERGs to provide additional exposure and adequate funding</p>	<p>Companies</p>	<p>Corporate survey</p>
<p>60% believe 'compliance with legal requirements' is the main objective of their company's D&I program</p>	<p>Convene an affinity alliance for cross-company ERG leaders</p>	<p>MMAC</p>	<p>Interest/participation</p>
<p>32% feel their company culture results in strong acceptance of minority employees</p>	<p>Drive culture change and strategies from the top down (including Board, CEO and C-suite) and throughout all levels the organization</p>	<p>Companies</p>	
	<p>Include questions on employee surveys related to cultural inclusion or institute separate survey</p>	<p>Companies</p>	<p>Corporate survey</p>
	<p>Hold a forum for diverse employees to have open dialogue with CEOs</p>	<p>MMAC</p>	<p># Participants</p>
	<p>Convene Hispanic and African American professionals to discuss common issues and concerns</p>	<p>MMAC</p>	<p># Participants</p>

STRATEGIES REPRESENTATION

Recruit and advance people of color in management/leadership roles

Key research insights

28%

of respondents feel their company adequately recruits minority employees

19%

agree their company provides career advancement for minority employees into leadership positions

14%

agree minority employees are adequately sponsored by senior leaders

11%

agree minority employees are adequately represented in senior leadership

Recommended actions

Commit to interviewing a diverse slate of candidates

Communicate clear pathways for advancement where possible

Support efforts to match employees with mentors, sponsors and board opportunities

Ownership

Companies

Companies

Companies

Progress metrics(s)

Internal corporate tracking

Internal corporate tracking

Internal corporate tracking

STRATEGIES

ORGANIZATIONAL ACCOUNTABILITY

Articulate and demonstrate a commitment to inclusion through policies and practices with leadership accountability

Key research insights

39%

agree that managers are inclusive in their leadership practices

33%

agree that every employee has equal opportunity to succeed at work

28%

agree there is fairness in performance and compensation decisions

27%

agree that promotions are given fairly to those with the most merit and strongest performance

Recommended actions

Ownership

Progress metrics(s)

Implement/expand implicit bias and cultural competency programming

Companies/MMAC

of Participants

Develop partnerships between leading companies and those beginning their work in D&I: build necessary muscle to execute on strategies

MMAC with interested corporate partners

Corporate partnerships

Create a roundtable for candid discussion among CEOs and top leaders on what's working and what's not

Corporate partners/MMAC

Roundtable participants

Develop online toolkit for launching a D&I initiative

MMAC with CDO group

Downloads

Public pledge to support this effort and its goals

MMAC/Companies

Corporate partners

STRATEGIES

SUPPORT & DEVELOPMENT

Provide the tools necessary for professionals of color to grow and advance

Key research insights	Recommended actions	Ownership	Progress metrics(s)
<p>40% have a mentor currently</p> <p>25% have a sponsor currently</p> <p>Respondents described Milwaukee as “cliquey” – hard to break into existing networks and power circles</p>	Start increase formal mentorship and sponsorship programs	Companies	Internal corporate measurement
	Invest in/enroll employees in leadership development programs	Companies	# Participants
	Create program to connect employees to community leadership	MMAC	#Attendees/rating of program value

STRATEGIES CULTURE SHIFT

The overall culture of an organization and the larger metro community plays an important role in employees' decisions to stay or relocate.

Key research insights	Recommended actions	Ownership	Progress metrics(s)
<p>70% of respondents choose to live/stay in the Milwaukee area because of family ties/significant other</p> <p>67% choose to live/stay in Milwaukee because of career opportunities</p> <p>64% feel discriminated against, or the recipient of bias, in the Milwaukee community</p> <p>43% feel discriminated against, or the recipient of bias, in their workplace</p>	Develop campaign to market opportunities to Milwaukee natives in colleges across the country	MMAC	Develop preliminary database
	Explore out-of-market recruiting as a consortium to communicate breadth of companies and opportunities; expand summer internship programs (like MKE Fellows)	Companies/MMAC	Increase internship placements
	Create "Welcome to Milwaukee" on-boarding program for new hires	Community partners	Participation by elected officials
	Convene elected officials from across the metro (Mayors roundtable)	MMAC/Community Partners	Report on MMAC Region of Choice project at the Intergovernmental Cooperation Council meeting
	Research other markets that are making progress and evaluate their strategies	MMAC	Research deliverable
	Create closer connections to community organizations that share this mission	MMAC	Convene/connect with partners
	Leverage/expand existing programs for civic engagement (Greater Milwaukee Foundation – On the Table; Professional Dimensions/MRA summits of D&I)	Community partners	Program expansion

Diversity equals representation. Without inclusion, however, the crucial connections that attract diverse talent, encourage their participation, foster innovation and lead to business growth won't happen.”

--Gallup

Moving from diversity to inclusion:

THE BUSINESS CASE

Throughout the research process, participants and internal HR and D&I professionals made it clear that for real change to occur, it must start at the top. Leaders must own this responsibility in an authentic way.

Recognizing that diversity and inclusion are very different things is the first step in creating people-centered strategies

and practices that can result in attracting, retaining and advancing people of color. Diversity is a demographic reality; inclusion is the intentional action taken to welcome, embrace and celebrate that diversity so that all employees can reach their full potential and give their best performance. Numerous studies by leading academic institutions and business thought leaders have made this case:

- Diversity is associated with improved financial performance
- Inclusive workplaces maximize talent and productivity
- Diverse management teams are innovative and earn a premium for their innovation
- Companies with inclusive talent practices can generate up to 30% higher revenue per employee
- Inclusive organizations are more successful at retaining talent
- Diversity reduces groupthink and enhances decision-making
- Racially diverse teams outperform racially homogeneous teams by 36%.

CALL TO ACTION

At all stages of this research, participants advocated for measurable, accountable goals. Progress in attracting, retaining and advancing employees of color has moved at a glacial pace for the past decade. Applying the theory that “what gets measured gets changed” creates intentionality and urgency to moving the needle. We are proposing the following goals for growth by 2025.

GOALS BY 2025:

- Increase diverse management by 25%
- Increase total employment of African American/Hispanic by 15%

	Current (2016)*		2025 goal	
Total management		44,000		
African American	4.7%	2,000	6.0%	2,500
Hispanic/Latino	3.4%	1,500	4.0%	1,875
<i>Totals</i>	<i>8.1%</i>	<i>3,500</i>	<i>10.0%</i>	<i>4,375</i>

	Current (2016)*		2025 goal	
Total employment		367,000		
African American	14%	53,000	16%	61,000
Hispanic/Latino	8%	28,000	9%	32,000
<i>Totals</i>	<i>22%</i>	<i>81,000</i>	<i>25%</i>	<i>93,000</i>

**All current data based on EEOC Reporting for companies with 100+ employees in metro Milwaukee.*

NEXT STEPS

May – June

Discuss/test strategies with MMAC Board

June Board meeting

Commit to effort, sign the pledge

July

Form steering committee to lead work going forward

September

Public launch and recognition of participating corporations

RESEARCH NOTES

Seven indicators were looked at to measure economic progress among metro Milwaukee's two major minority groups – African-Americans and Hispanics/Latinos. Individual indicators included rates of educational attainment, unemployment, home ownership, poverty, professional workforce, managerial workforce and single female headed households.

Primary source was the American Community Survey from the U.S. Census Bureau with data from the Equal Employment Opportunity Commission (EEOC) also used. Individual measures were ranked among 20 other benchmark metros.

A composite of these ranks showed that metro Milwaukee ranked lowest among the comparables group in minority economic progress.

Furthermore, the gaps between the respective minority group and the white/non-Hispanic population on these prosperity measures collectively ranked as the largest gaps noted among this group of metros.

EEOC data on the extent of managerial employment has been used for goal setting purposes.