

Contributions and Barriers to Developing Black and Latino Leadership in the Public and Nonprofit Sectors of the Economy

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The Demographic Imperative

Focus

- Three imperatives for developing leaders of color:
 - Culled from scholars, practitioners, and advocates
- Case Study Results from National Minority Leadership Development Project
 - Contributions and Barriers to Minority Leadership Development

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2

Demography as Destiny

- **Supply-side (Census Projections)**
 - Racial and ethnic minorities are growing at 2 – 4 times the rate of the white population
 - Latinos now the largest minority group
 - By 2050, or sooner, minorities will be the majority
 - Therefore, they will be a larger share of the available labor pool
- **Demand-side need for leaders due to:**
 - Retiring Baby Boomers: executive retirees
 - Expanding Sectors (Public/Non-profit)
 - Need for more diverse leadership overall
 - Especially to serve an increasingly diverse clientele

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The urgency of minority leadership development

- **Three Imperatives**
 - Demographic Imperative—Is Demography Destiny?
 - Sectoral Imperatives:
 - Nonprofit, Government, For Profit
 - Legal Imperative

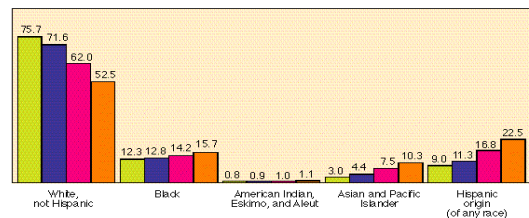
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Demographic Imperative Supply-Side Factors

Current Population Reports
Population Projections of the United States

Percent of the Population, by Race and Hispanic Origin: 1990, 2000, 2025, and 2050
(Middle-series projections)



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6

New York Demographic Shifts

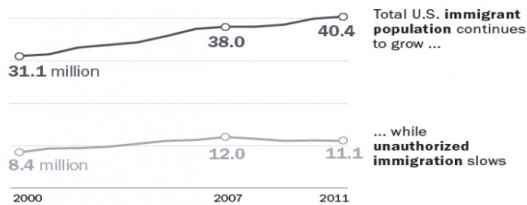
- Whites have been a minority in New York City since the 1980s. But now that shift is extended to the wider metro area, driven by immigration and higher birth rates among immigrants.
- In New York, the proportion of blacks, Hispanics and Asians each exceed their share of the national population.

(New York Times, March 7, 2006, B1)

Sectoral Imperatives

National Immigration Population Increase

Since 2000, the immigrant population has increased by 30%.



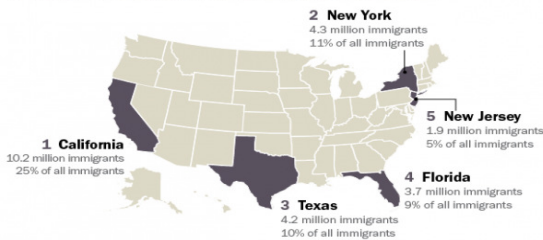
Immigrant population and unauthorized immigrant population estimates based on separate data sets. See Pew Research Hispanic Center, "A Nation of Immigrants," Jan. 29, 2013.

Demand-Side Arguments for Minority Leadership Development Nonprofit & Public Sectors

- Fulfilling Organizational Mission
- Need for Diverse Board Membership (Brown, 2002)
- Serving an increasingly diverse constituency in the areas of (select examples):
 - Arts
 - Education
 - Health Care
 - Local Government
 - Social Services
 - Community Service
 - Policing, etc.

Immigration by State Location

Six-in-ten U.S. immigrants live in just five states...



Pew Research Hispanic Center tabulations of 2011 American Community Survey (1% IPUMS)

“Business Case” For Profit Sector

- Herring, Cedric “Does Diversity Pay?: Race, Gender, and the Business Case for Diversity.” American Sociological Review, 2009
- Key Results:**
 - Racial diversity—positively associated with increased sales revenue, more customers, greater market share, and greater relative profits.
 - Gender diversity—positively associated with increased sales revenue, more customers, and greater relative profits.

**Bottom-Line Imperative (For-Profits):
U.S. Buying Power by Race/Ethnicity and Year**
(source: Humphreys, J.H., Selig Center for Economic Growth, 2012)

Race/Ethnic Group	2010	2012	2017
African American	\$947 billion	\$1 trillion	\$1.3 trillion
Asian Americans	\$609 billion	\$718 billion	\$1 trillion
Latino/Hispanic	\$1 trillion	\$1.2 trillion	\$1.7 trillion
Native Americans	\$87 billion	\$103 billion	\$148 billion
Total	\$2.6 trillion	\$3 trillion	\$4.1 trillion

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Legal Imperative

Evidence Emphasizing the Importance of the Law

□ Skaggs, S. Effects of Discrimination Litigation on women and blacks in management.

□ **Key Results:**

- **Race**—law suit filings increase African American managerial representation (American Sociological Review 2009).
- **Gender**—law suit filings increase female managerial representation (American Journal of Sociology 2008).

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16

The Legal Imperative

Legal Imperative

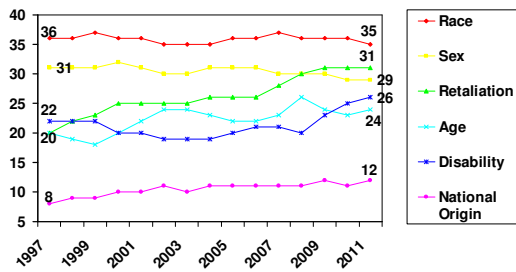
The Cost of Racial Discrimination Lawsuits (in millions)

Company	Year	# of Plaintiffs	Settlement
Coca-Cola	2000	2,200	\$192.5
Texaco	1996	1,400	\$176
Sodexo	2005	3,000	\$80
Abercrombie & Fitch	2003	17	\$40
Amtrak	2000	800	\$16
Ford Motor Co.	2005	3,400	\$11
Cracker Barrel	2004	42	\$8.8
Sunoco	2004	200	\$5.5

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17

Legal Imperative
The need to reduce or avoid costly lawsuits
Percentage of EEOC Discrimination Allegations
(FY 1997 Through 2011)



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Legal Imperative

The Cost of Sex Discrimination Lawsuits (in millions)

Company	Year	# of Plaintiffs	Settlement
Home Depot	1997	25,000	\$104
Rent-A-Center	2002	5,000	\$47
Dial Corp.	2003	486	\$10
Boeing	2004	29,000	\$72.5
Morgan Stanley	2004	340	\$54

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18

Summary

Why the urgency of minority leadership development?

- Scholars, practitioners and advocates claim:
 - Demographic Imperative
 - Sectoral Imperatives:
 - Nonprofit, Government, For Profit
 - Legal Imperative

Case Study

National Minority Leadership Development Program* (NMLD)

History and Mission

- 1969 Founded to bridge city governments and minority communities following the civil unrest of the 1960s
- 1974 NMLD program becomes a 501(c) (3) nonprofit organization
- NMLD mission
 - 14 month leadership development program that includes:
 - Rigorous academic course work
 - Nine-month mentorship assignment
 - Culminating in an MPA degree

State of the Literature

- A Gap Between Scholars and Practitioners
 - Demography does not necessarily equal destiny (Friedman & DiTomaso 1996)
 - Disagreement over what constitutes “effective” diversity efforts (Kalev, Dobbin, Kelly 2006)
 - Diversity initiatives viewed as a deliberately “fluid” concept designed to preserve rather than change the status quo (Collins 2011)

Research Questions

- What can a group of successful middle class black and Latino men and women teach us about developing leaders of color?
 - How do NMLD fellows define leadership success?
 - What factors contributed to their leadership success overall?
 - What barriers impeded their leadership success?

Limitations of Prior Research

- Little is known about how to prepare people of color for leadership positions.
- Much has been written about diversity and inclusion in the private sector, but comparatively little is known about what goes on in the public and nonprofit sectors of the economy.
- Not much has been written about the workplace experiences of middle class Latinos in absolute terms and relative to blacks and whites.

Methods of Data Collection NMLD Alumni

- Focus Groups
 - New York
 - Washington, DC
- Survey (response rate 50.4% = 391 of 776)
 - Black women (n = 122)
 - Latinas (n = 65)
 - Black men (n = 88)
 - Latinos (n = 69)
- In-depth Interviews—(5) very successful alums; 1-1.5 hours duration

Sample Description

Percent of National Minority Leadership Development Sample in Middle Class (N=391)

%Post Graduate Education in addition to earning MPA					
Master's Degree other than the MPA	Ph.D.	JD	Ph.D. in Progress	None	No Answer
12%	5%	3%	1%	21%	57%
%Annual Salary					
>\$200,000	\$199,999-100,000	\$99,999-\$50,000	\$49,999-\$30,000	<\$29,999	No Answer
4%	25%	49%	11%	3%	8%
%Span of Responsibility					
Hire Others	Fire Others	Set Pay of Others	No Authority		No Answer
57%	50%	41%	37%		6%
%Span of Control					
<100	51-100	21-50	1-20	None	No Answer
6%	2%	8%	59%	21%	4%

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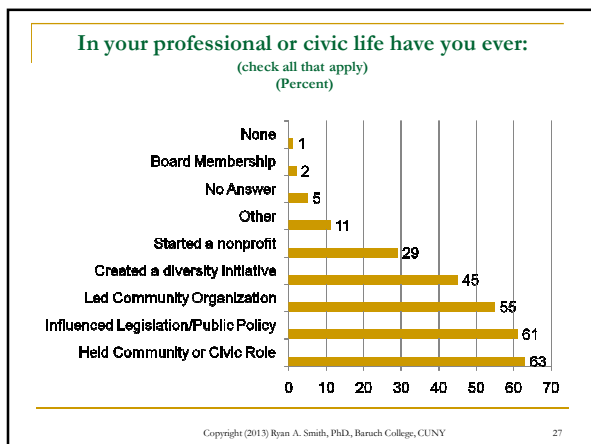


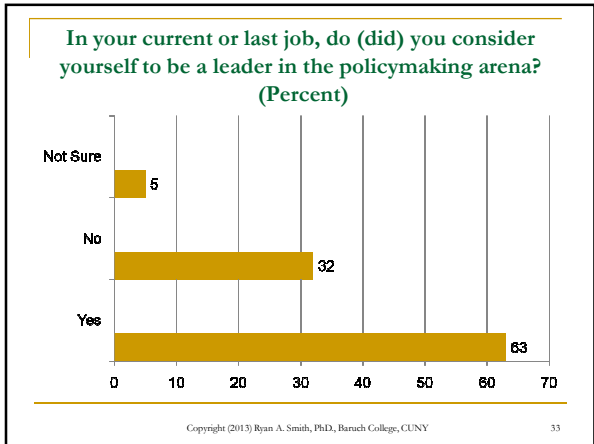
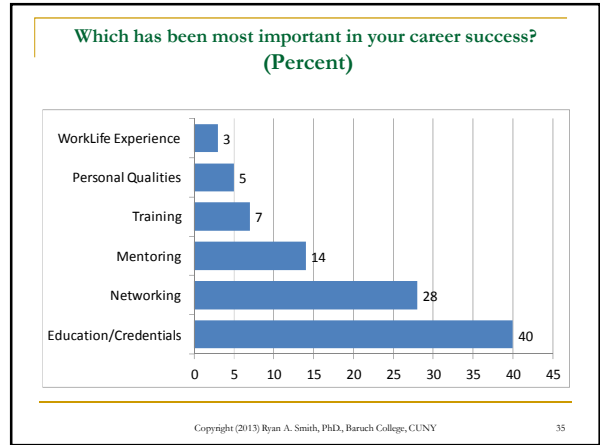
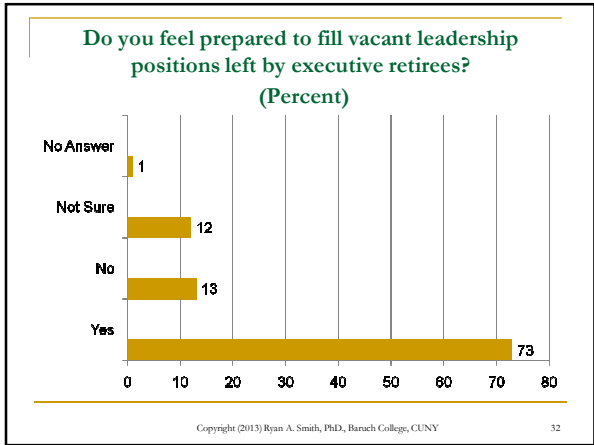
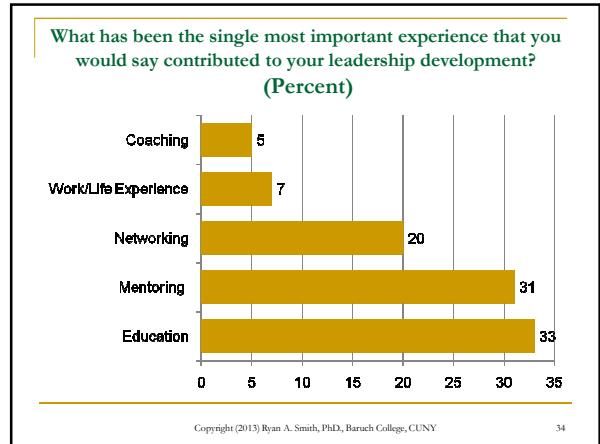
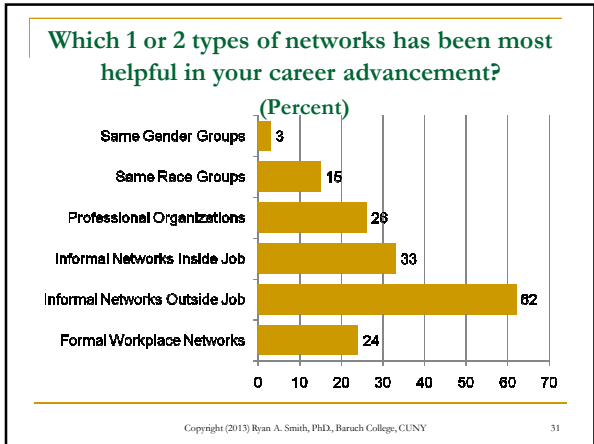
Sample Description, cont.

National Minority Leadership Development Sample by Employment Characteristics (N=391)

Employment Status	%	Employment Sector	%	Organization Provides Service in	%
Full Time	69%	Government	40%	Human/ Health Serv.	30%
Part-Time	6%	Nonprofit	27%	Arts/Culture/ Recreation	3%
Temporarily Employed	2%	Private/ Corporate	11%	Neighborhood/ Community/ Social Justice	25%
Homemaker	0%	Consultant	7%	Education	34%
Unemployed	5%	Self-Employed	9%	Environment	1%
Retired	14%	Philanthropy	2%	Other	6%
No Answer	4%	No Answer	4%	No Answer	1%

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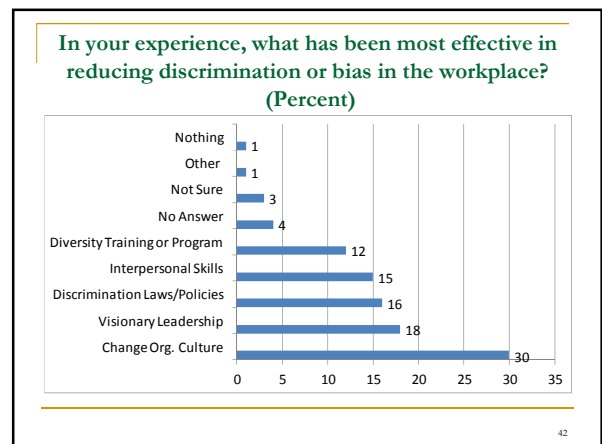
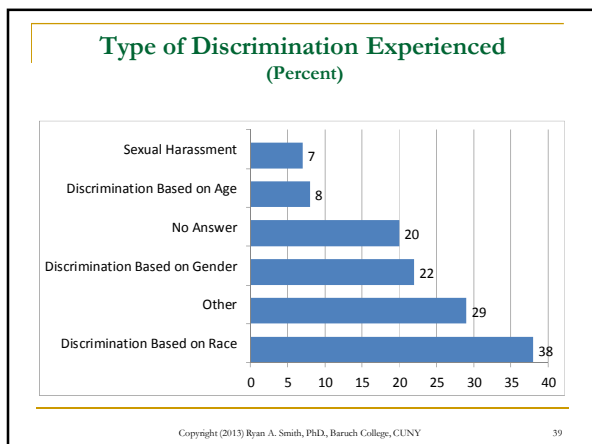
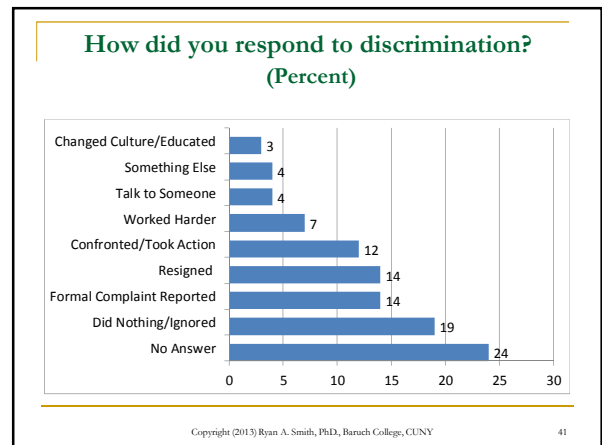
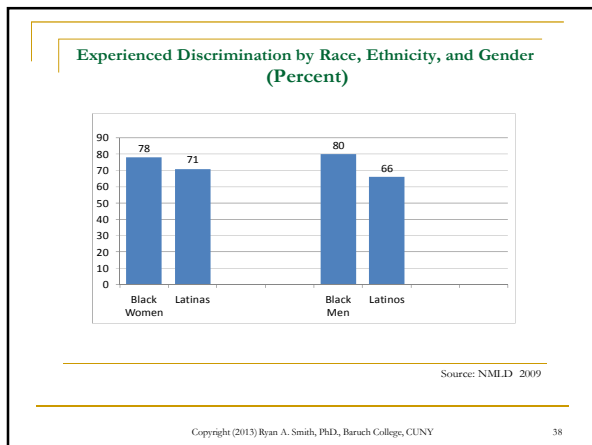
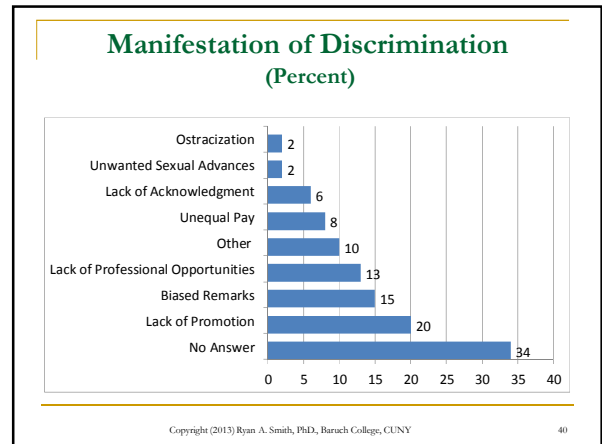
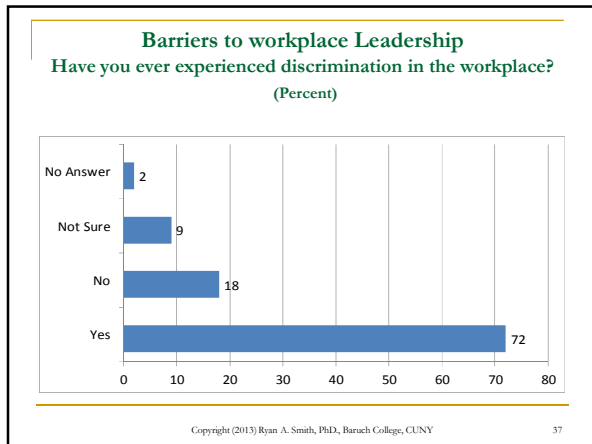
Summary

Toward a Model of Leadership Development

- Three-Pronged Model:
 - Education (Human Capital)
 - Mentorship (Social Capital)
 - Networking (Social Capital)
- Deeper analysis shows that these factors:
 - Increased confidence
 - Established purpose and career direction
 - Broadened personal vision
 - Helped discover passion for career

But persistent barriers remain. . .

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Barriers, cont. Dominant Themes in Qualitative Data

- Lack of Acknowledgement
- Encounters with “White Male Privilege”
- Fear of the “Angry Black Woman” Stereotype
- Experiences with Sexual Harassment
- Weighing the Cost of Fleeing Discrimination

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43

Lack of Acknowledgment, cont.

- “As big and black as I am, **there are times when I am invisible**. I can be at a meeting and say the trees are bright and green, and then the guy next to me says the same thing and everyone claps. I think [to myself] did you not hear me? What is that about?”

(Middle Aged African American woman)

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46

Lack of Acknowledgement and “White Male Privilege”

- “**There is this thing about white male privilege**, like who gets paid attention to. Let’s say we are sitting in front of the governor’s office and we are doing a briefing. We are all key players, but in terms of who is listened to, whose idea is taken, the person who is in charge . . . it is going to go to the white males around the table. . .”

(Middle Aged African American Woman)

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44

Sexual Harassment

- “When I first came to [company], I was the only female Latina on the Northeast from Maine down to Florida. I’ll never forget my first sales meeting a week into the job. **A white male in his 50’s grabbed my face and said ‘you are going to do well because you are so pretty’**. . . He attacked me both as a woman and as a Hispanic.” (Middle Aged Latina)

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47

Lack of Acknowledgment and Fear of the “Angry Black Woman” Stereotype

- “I was on a conference call with a bunch of white men. Everyone was talking over each other, and I did the same. Everyone was trying to assert themselves. But, when I did it they didn’t like it. I am hesitant to speak up because I don’t want to sound like an **angry, black woman**.”

(Middle aged African American woman)

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45

Weighing the Cost of Fleeing Discrimination

- “I am in a company where racism is alive and well. I don’t show it in meetings. I am friendly to others, and they gravitate toward me. I try to find the place in the company that makes me happy. I have been in positions where it has started out cool, and then it got bad. Fulfillment is so important. You have to have fulfillment. Some people can’t leave their jobs. They can’t sustain a \$30,000 pay cut.” (Middle Aged African American woman)

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48

Concluding Observations

- As long as barriers to leadership remain in the workplace, demography will not necessarily lead to workplace diversity at high levels.
- The divide between scholars and practitioners stifle efforts to understand and measure the full value of diversity efforts.
- To develop leaders of color, programs must focus on the three prongs of education, networks, and mentorship (sponsorship)
- Persistent barriers remain:
 - Workplace discrimination is more complex than prior research suggests; not simply white vs. black, but white vs. black vs. Latino
- The individual cost of coping with discrimination cuts across racial/ethnic boundaries and promises to remain a formidable barrier to be reckoned with for future generations despite antidiscrimination laws, affirmative action and diversity programs.