

LESSONS IN MINORITY EXECUTIVE DEVELOPMENT WHY FEW ADVANCE AND MOST PLATEAU

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Despite forty years of executive development research, equal employment opportunity and affirmative action, the study of the success and failure of minority executives in organizations is both scarce and very recent. In fact, a review of more than twenty-five years of literature on executive development shows that of approximately 12,000 studies and articles on the topic, nearly all were virtually silent on the issue of race with less than 1% considering its impact on the selection, development and advancement of executives within corporate America.

One very obvious explanation for such a glaring omission is likely the historical absence of minority executives available for study within the ranks of America's major corporations. Although there can be no disputing the fact that minorities have made significant progress in advancing to mid-level managerial and professional ranks over the past three decades, the results for executive advancement have been far less impressive. Research conducted by Fortune Magazine in 2005 determined that in 1970, there were only twenty-five minority senior executives in U.S. Fortune 500 corporations. A decade later, minorities accounted for only 2.4% of all Fortune 500 executives. According to the U.S. Labor Department's Glass Ceiling Commission Report published during the 1990's, a person of color only had a 33 to 1 chance of becoming a Fortune 500 executive in corporate America when compared to a white person.

These dismal statistics, while not surprising to many, are nonetheless alarming, given the estimated billions of dollars spent on diversity initiatives by organizations over the past two decades. However, these statistics also have the potential to serve as an impetus for constructive social and organizational change, if the problem of minority executive under representation can be better understood and addressed in a serious way. If the problem continues unacknowledged or ineffectively unaddressed, it will have far reaching implications for many, if not most organizations as well as society as a whole in the not too distant future. In fact, the leadership talent shortage being widely reported today is very likely a present indicator of this problem. Adding to the current shortage is a forecast reported by Psychological Associates, an executive assessment and development consulting firm, that approximately 50% of current Fortune 500 senior executives will leave their positions over the next 5-10 years.

Compounding the leadership talent shortage is another compelling driver in that the demographic shift in the general U.S. population and labor force foretold twenty years ago in the Hudson Institute's Workforce 2000 is now a reality. According to 2000 U.S. census and labor statistics, people of color comprise approximately 30% of the population. The current rate of minorities entering the U.S. labor force is far outpacing that of white men and is a trend that is projected only to increase into the foreseeable future. A startling insight into these changing demographics is that today, it is estimated that 40% of all U.S. citizens currently under the age of 25 years of age are non-white with

non-whites comprising 45% of those under 10 years of age. If this trend continues over the next few decades at its current pace, whites will no longer be the majority racial group within the United States and a multi-cultural society would be achieved in which the population of no racial group is dominant.

So, what are the implications for organizations in the future? Studies show a strong positive correlation between leadership diversity in organizations and diversity throughout these organizations. As an organization's leadership composition and perspective broadens and becomes more diverse and inclusive, greater diversity and inclusion occurs in the composition throughout the organization, reflecting the values, similarities and characteristics of the leadership. Conversely, it has been shown that a positive correlation also exists between a lack of leadership diversity within organizations and a lack of diversity throughout these same organizations. So, a major dilemma facing organizations today is that given the current labor market and population trends and obstacles inhibiting the development of more inclusive environments in which minority executives can develop, advance and contribute their full potential, what must these organizations do differently to ensure their future sustainability in the face of the increasingly more diverse, multicultural landscape we are already witnessing?

A Harvard Business School study of successful minority executives conducted by Thomas and Gabarro and reported in the late 1990s provides compelling insights for organizations interested in attracting, retaining and developing minority executives, and for minorities interested in executive development and advancement. The study first determined that organizations and individuals have to come to grips with the reality that prejudice, racism, lack of comfort, and an unwillingness to take risks and advocate for people of color continue to be major barriers to minority executive advancement. Even minority executives were sometimes unwilling to advocate for other qualified minorities because of the perceived greater risk and scrutiny their advocacy would create, or felt threatened by more minorities in a world they perceived was only accepting of token minority representation of one or a few. Success in addressing this problem would appear to occur, in part through the efforts of organizational leaders who understand that diversity is a growing business imperative; their increased awareness and acknowledgement that racism is still a significant problem affecting our human social condition; their willingness to lead the engagement of frank and candid dialogue about race and inclusion within their organizations from multiple perspectives; and followed by collaborative, courageous action and necessary resolve to effectively address the problem.

The study highlighted the success factors contributing to minority executive development and advancement, but also highlighted the difficulties that minorities experienced. The study's results demonstrated that successful minorities, who did advance to the executive ranks faced greater scrutiny, were allowed 60% fewer failures, required to achieve 30% more successes, and spent an average of 3-4 years longer in their early career stages than comparably qualified white peers who advanced. These findings are contrary to Rosenbaum's earlier research findings on the concept of the career tournament, in which candidates competed for and earned advancement to higher levels of their organizations

through superior performance when compared to their peers. The Harvard study suggests that there may actually exist two different tournaments or two different sets of rules, one for whites and another for minorities.

Research also indicated that successful minority executives developed a number of adaptive skills. Political savvy and organizational agility were requirements for most successful executives, regardless of race. However, successful minority executives also developed bi-cultural awareness and competence, often beginning early in their lives, and developed and maintained a strong sense of their own racial identity while understanding and adapting successfully to the dominant racial culture. This bi-cultural competence was a requirement for success that their white peers did not need, and were often not even aware of as a requirement for success of minority executives. It can easily be argued that bi-cultural awareness and competence, while creating additional developmental demands, is in fact a positive outcome. However, research has shown the development of unhealthy adaptations by minorities as well.

The Center for Creative leadership, a Greensboro, NC leadership development research organization has also studied the challenges faced by minority executives. CCL reported on these and other unique dynamics operating in the perception of minorities in predominantly white-male dominated organizational hierarchies, dynamics of which whites again were often not aware. Assumption of similarity was one such dynamic faced by minorities in which many whites assumed that their own perceptions of equity were shared by all, much to the frustration of many minorities. Another dynamic was miasma, identified by CCL to explain the uncertainty and lack of trust reported by minorities toward the dominant culture, which was caused by their perception of having to continuously manage themselves in the face of lower expectations, distortions and misperceptions about their behavior held by whites. Miasma became particularly debilitating over time because it consumed considerable energy. The perception of constantly having to prove oneself while keeping one's guard up, whether an accurate perception or not was also detrimental for many minorities. The adaptation for many is the development of a dual-consciousness at work, where one's attention is divided between the self-awareness of one's minority status and resulting perceived reactions from members of the majority culture, and simultaneous awareness of the demands of performance in the role as a senior executive.

The CCL research also cited the perception held by many minority professionals, managers and executives that in order to be successful in the workplace, they had to hide their racial identities at work and assimilate within the dominant culture because such differences were not understood or welcomed. Such beliefs, whether real or perceived caused assimilation fatigue and other detrimental effects on personal and social well being and effectiveness, not to mention diminished professional enrichment and satisfaction. Organizations also lose in other ways. In a 2005 Harvard Business Review article, Hewlett, Luce and West discussed the rich leadership experiences many minority executives gain from their work in minority community, social and religious organizations. This developmental experience is often invisible to their work organizations because these executives choose not disclose it due to concern over how

this aspect of their racial identity would be perceived within the dominant culture of their workplaces. The authors advocate that organizations would benefit significantly by better tapping this hidden leadership experience and expertise gained by minority executives in their organizations, provided these executives perceived such disclosures would be valued and appreciated.

At a senior executive forum convened in 2003 at the National Association of African Americans in Human Resources Conference in San Francisco, approximately 100 senior HR executives discussed a condition they identified as “the cumulative effect” to describe the recurring, long-term, harmful consequences of negative racial experiences and adaptations on mental and physical health, as well as on interpersonal and social relationships. What was most insightful about participant reactions was the overwhelming similarity of experiences and perceptions shared by African-American executives who represented a wide range of organizations from all regions of the United States, most of whom had never met before the forum. For many in this group, this shared debriefing of their experiences was a dramatic breakthrough and highlighted the importance of a strong support network for open dialogue, candid feedback, peer coaching, counseling and mentoring in an environment free of miasma and its negative effects.

The difficulty in identifying minority executive talent reported by many organizations is caused in part by the withdrawal and turnover of high potential minorities experiencing frustration caused by this disparity. The Fortune magazine research cited earlier determined that in facing such prospects, minorities were leaving or deciding not to enter corporate life at more than twice the rate of their white counterparts, many choosing entrepreneurship instead. In a 2007 Washington, DC Business Diversity Summit, the Executive Leadership Council, an organization representing approximately 500 African-American Fortune 500 executives reported similar findings that in spite of advancement gains made by minority executives, an increasing number were leaving corporate America to pursue non-profit work, entrepreneurship and other careers, and were not being replaced by other minorities, essentially serving to reverse the progress made in preceding decades.

On a positive note, the Harvard study also showed that minority executives who successfully advanced had persevered in the face of racial disparity, seeing it as simply another challenge to overcome, had an extraordinary passion for their work, and used their extra time on the “racial proving ground” to sharpen their skills, broaden their core competence with carefully chosen assignments, and formulated broad, diverse networks of mentors and developmental relationships. Many of these minorities ultimately advanced to senior positions faster than their white peers due to this additional preparation and development. These findings contradict the view of many affirmative action opponents who believe that affirmative action encourages the advancement of less qualified minorities, as the study showed the opposite was true. Minority executive success was also dependent on organizations that saw diversity as a business imperative and senior leaders who took a personal interest and led by example to address the problem.

Cross cultural work relationships can be a source of tension and anxiety for many. A preference for other people possessing similar characteristics as one's own characteristics is normal, regardless of group affiliation. The problem occurs when a preference becomes confused with a requirement or qualification. This natural preference may also help explain a frequent concern voiced by organizations that in spite of their best intentions, qualified minority executive talent is difficult to find. Beliefs and assumptions certainly affect perception, expectations and actions confirming the power of the self-fulfilling prophecy. People tend to find what they expect to find as this expectation creates its own reality. A study conducted by Tsui and O'Reilly demonstrated that white males often experienced psychological anxiety as minority and female membership increased in their traditionally white male dominated work groups and organizations. Not surprisingly, this tension and anxiety is often heightened when set in the context of cross cultural mentoring relationships.

Mentoring relationships are critical to the development and advancement of emerging executive talent. In fact, next to challenging career assignments and experiences, such relationships offer the richest developmental value for protégés. However, there are frequently special challenges to be overcome when race is a factor. The need to address this difficulty is critical since white males hold the overwhelming majority of senior executive positions and as a result, are most likely to occupy key positions and serve as senior level mentors within their organizations. Unfortunately, lower expectations reportedly held by many white mentoring executives, in part due to lack of awareness, racial bias, discomfort with differences or an unwillingness to risk their own reputation and credibility are obstacles that often impede the developmental progress of minority protégés.

Equally distressing was the mistrust minorities often felt, even for the most well meaning and well intentioned white mentors, often resulting in assumed and inaccurate perceptions of bias, which led to resistance on their part to necessary critical developmental feedback and limiting the potential value to be derived from the relationship. Minority protégé defensiveness, whether real or perceived also caused reluctance by white mentors to give constructive, critical feedback, further limiting the benefits of mentoring. The research demonstrated that cross cultural mentoring relationships were most effective when white mentors and minority protégés were able to discuss race openly; when white mentors were willing to give critical feedback to minority protégés without fear of being labeled as racially biased; and when minority protégés were less sensitive to perceived racial overtones and bias, and instead focused more on the value derived from the feedback in their development.

Minorities who stalled or plateaued before reaching the executive ranks tended to be less patient, made more frequent, fragmented career moves choosing fast promotions over meaningful assignments, became pigeon-holed in unchallenging, repetitive assignments, and had narrow, less diverse developmental networks, often relying on a single advocate for support and guidance. Such limitations stalled or plateaued the careers of executives, regardless of race, but plateaued minorities also demonstrated less political savvy,

organizational agility, were less resilient in the face of racial inequities, and possessed less bi-cultural experience and competence than those who advanced.

These studies provide many important lessons. For organizations truly interested in attracting, retaining and developing minority executive talent, leaders must become personally involved and committed for the long term; acknowledge the challenges and engage in difficult organizational conversations from a wide range of perspectives; recognize the organization's cultural factors affecting diversity; create collaborative relationships with key constituents and diversity advocates; facilitate developmental relationships within their organizations; monitor and manage executive career paths and opportunities; and evaluate their efforts and results.

For the current and future generation of minority executive leaders, the lessons are equally clear. They must develop deep self-awareness and knowledge; take ownership of their careers, personal health and well being; demonstrate a willingness themselves to be advocates for diversity; choose work they have a passion for and organizations that are a good fit; be willing to persevere against racial barriers with the belief that such barriers can be overcome; use the additional time on the racial proving ground to sharpen their skills and deepen their competence and confidence; build diverse, supportive relationships and understand that additional personal sacrifices are required for success.

There is no dispute that progress in minority executive development and advancement has been achieved in past years. However, it is equally true that significant barriers still remain. The growing presence of minorities in leadership and executive roles that were previously the exclusive domain of white males is a major paradigm shift for many if not most organizations, and has not been an easy one, particularly for those pioneering minority executive leaders. However, a new imperative threatening the sustainability of many organizations themselves now presents itself. With the post-baby boomer demographic shifts already occurring, organizational leaders will have to think and act differently to ensure their organizations can be sustained in the multi-cultural world of the future. This challenge is an opportunity for the OD profession to lead, participate and facilitate a renewed dialogue on the issue of organizational diversity and inclusiveness and have a greater impact and relevance in the growth and development of all leaders and the organizations they lead.

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