*The Insightful Leader* Podcast Transcript
**Dialogues: "I'm Looking For Systemic, Permanent Change Right Now"**

Ginny CLARKE: Everybody needs to come clean with themselves in this moment and really get deep down and real, and have a conversation with yourself about what you believe, and stop hiding behind the corporate culture and that little veil of protection that you think keeps you absolved. Stop living in the denial that this isn't your problem. It is.

   **[MUSICAL INTERLUDE]**

Jessica LOVE: Welcome to a special bonus episode of *The Insightful Leader* from the Kellogg School of Management. When we planned our podcast season, we didn't plan on a global pandemic or massive social unrest prompted by the police killing of George Floyd. So over the next few months, we will be periodically sharing some of the conversations that are occurring between Kellogg faculty and business leaders, looking ahead at what comes next for these leaders, their companies, and their industries.

In recent weeks, the killings of unarmed Black citizens by police have prompted widespread outrage and calls for change, and not just to the criminal justice system. Business leaders are also being asked to take bold action to dismantle racism, and in particular anti-Black racism, in America. So what might that look like in practice?

Ginny Clarke serves as the head of leadership staffing at Google, and is an expert on diversity recruitment. She's also a Kellogg alumna. Clarke spoke with Nicholas Pearce, a clinical associate professor at Kellogg who also serves as a pastor and consultant.

In the conversation you're about to hear, Clarke and Pearce pinpoint the deep-rooted barriers that keep organizations from achieving true diversity and equity. And they discuss how leaders must use this moment to reflect, to learn, and to make serious strides towards racial justice going forward. They begin by discussing COVID-19, but quickly move onto discussions of systemic racism and the response they would like to see from the business community.

   **[MUSICAL INTERLUDE]**

Nicholas PEARCE:  So, I mean there's some much ground we could cover. Talk to us a little bit about your view of diversity and inclusion in this COVID moment.

CLARKE: I think we, we can't take our foot off the gas when we talk about things like representation and progression, attrition, hiring. I'm responsible for diversity at the leadership level. So that's the sort of top 2% of executives that we're hiring and that we're managing at Google. And I want us to make sure that we're focused on the right things—that we don't all of a sudden pivot and say, "Oh, let's try to save the rest of the world" when we're not taking care of our own and making sure that there is representation—that we've all those of us who have historically been underrepresented, continue to have a seat at the table.

PEARCE: Yeah. I mean, I think that's right. I mean the diversity game for a lot of organizations has really just been a numbers game. So you said we should make sure we understand what diversity, equity and inclusion are all about. What is a kind of back of the envelope definition you would use?

CLARKE: You know, I think it's become, you know, sort of an office or a function, even though it's not really a function, it's a center of excellence in most organizations. And I've had the pleasure of actually doing a number of chief diversity officer searches in my time. And what I've noticed is a vast variance across these organizations and a vast variance in the kinds of individuals that they put into these spots. Very often, they are women. Very often they are people of color. And that, that seems appropriate on its face. But my concern is, a lot of these programs or these centers of excellence, they're not looking to be embedded. And the cynic in me, having done this work now for 25 years, says it can become a bit of a dumping ground for everything that senior leaders don't necessarily want to have to deal with. "Here, fix this. We don't have representation here. You fix this for us. Fill the supply of underrepresented talent." When in fact those aren't the root cause issues that are getting in the way of having representation. Of having a happy and successful core. Of underrepresented individuals in the company of employees that were underrepresented who are faring well. Because when you look at the engagement surveys at Google and at other companies, you see great disparities in the way that people of color are experiencing the organization. And, you know, there should be accountability for that. And that's where my concern is, that the DEI organizations and those people leading them—great, successful competent individuals in those chief diversity officer roles—don't necessarily have the authority. They have influence, yes, and they're called upon and their wisdom to make comments and to say things and support some of the other leaders. But they, and the rest of their organizations don't have the real authority to impact change. And to set the accountability that the CEO should be setting forth among all of his or her direct reports.

PEARCE: Yeah. So I think that you've hit on a really critical point about how many diversity officers or heads of diversity or vice presidents of diversity or directors or whatever the title may be, a lot of them have been set up to fail by virtue of the fact that they have not been given the political, social, organizational resources that are necessary to drive change. And in many cases, I think a lot of companies are using these chief diversity officers as window dressing, which I think has led them to view them as very expendable in the COVID moment.

CLARKE: I don't think it's necessarily about the resources into that function. And this isn't an "either/or," so hear me, you know, this is a "both, and." It's not just the resources for the function. It's the ownership of the behaviors of the individuals who are driving change at the organizational level. And that's the CEO's direct reports.

PEARCE: Yes!

CLARKE: So if those individuals are not being held accountable for what they are doing and their respective organizations, as it relates to representation, progression, attrition, and other kinds of policies, giving individuals opportunities to drive change and to lead initiatives and to create innovative products and efforts. That to me is as crucial. So it's less about money. It's more about impact and accountability.

PEARCE: Yeah. I agree with you 100%. So you are arguing to an extent that perhaps these roles as they are currently constituted are being set up to fail, which I think is one of the factors

that, in most CEOs' hearts, has led them to look at those roles as expendable in the COVID moment. When the organization is trying to focus on their most pressing basic needs for survival and for solvency, the sorts of window dressing roles—that are at least in their minds are window dressing roles—become expendable. Yet I think there's a pretty significant miscalculation on these leaders' parts, because none of the reasons why diversity and inclusion mattered before COVID have gone away. Without diversity, inclusion, and equity efforts, you stand to, you stand to receive quite a bit of backlash from your customers, backlash from your employees. You will suffer from less innovation. You will suffer from less thoughtful decision-making processes. You will have less customer insight. Your diverse talent will ultimately be alienated. And now in a COVID moment where we're seeing diverse talent being at greatest risk, now you've got a real issue on your hands—

CLARKE: You do.

PEARCE: —that some of these chief diversity officers are now being called into solve. Now let's add to that what some people are calling the COVID 1619 pandemic, right? So if we think about COVID-19 as the novel coronavirus, the COVID 1619 pandemic is referring to racism as a pandemic that has been running in the American background and in the foreground for 400 years. And the whole idea of 1619 is a reference to the fact that in the year 1619, the first ship carrying slaves from Africa arrived to the shores of Jamestown in the North American British colony of Virginia. Right? So when we think about the story of American success over the last several centuries, it is undeniably written with the ink of racialized violence. And so now after centuries of state-sanctioned Black suffering, now in the wake of the executions of Ahmaud Arbery in South Georgia, and Breonna Taylor in Louisville, Kentucky, and George Floyd in Minneapolis, Minnesota, cries for justice have turned to demands for justice. And those have turned to outrage and widespread protests across the country and around the world. Now companies are thinking, "We better do something. So let's go get those diversity folks who we didn't really value that highly and get them to work, to craft a message or plan something, or, or help us put an ad campaign together, help us to make a, a social media post for Blackout Tuesday." How do you make sense now of not just diversity in the COVID-19 moment, but diversity and inclusion in the COVID 1619 pandemic.

CLARKE: I'll use a bit of a colloquialism and that is, "it's about to get real." This is where the rubber meets the road. This is where the reality, the harsh reality, is staring people in the face, quite possibly for the first time—in our history, and certainly in a lot of leaders' existence, right?

PEARCE: So what should be happening? What should organizations be thinking about doing? What does credible leadership look like in this moment?

CLARKE: As a Black woman and the descendant of slaves, this cuts close. And I've had a roller coaster of emotions in the last few weeks. It's been quite rough, I have to be honest, and I didn't necessarily see it coming. And I said to my son yesterday, "You know, it feels like it's a scab that is being pulled off very, very slowly. And we haven't come to the place where it's all the way off and the true healing can begin yet." So I have to say that this is still quite emotional. I think what credible leaders look like to me, like they're having some of those difficult conversations that they've simply not had before. And I've had people say, "What should I be doing? You know, tell me what to do." And that, to me, you know, I almost feel like it's a bit of a cop out, but I try to offer something. It's like, "You know what, go educate yourself on Black history in this country, go learn what the year 1619 means. And go watch something like *13th* by Ana Duvernay to understand mass incarceration and the historical references and implications of Jim Crow." To

me, that's the stuff that a credible leader needs to do before they just try to say, "What should I be saying to the external market and to our," you know, whoever their followership might be that they're trying to appeal to. There's got to be a real, genuine sentiment here. And because frankly, people like me, as an employee and also as an observer to other organizations, I'm cynical right now. So the words are simply words. And just throwing money at something that's not going to make me necessarily feel better. I'm looking for systemic permanent change right now.

PEARCE: You said a lot, Ginny. I agree that this is a raw moment. It is a difficult moment. I have also received many phone calls and emails, mostly from white colleagues or white clients of my consulting company, that are looking for some absolution of their guilt. And in the process, some idea of a path forward. And in many cases, what I have found is that they have not taken the time to educate themselves about the issues. And they assume that because I hold four academic degrees, and hold various titles that people think of as prestigious, that all of these racial injustices must have passed me by. But by virtue of the fact that I'm telling them that they have not, now their eyes are being enlightened to this new truth that they never conceived of before.

CLARKE: Right.

PEARCE: And that is, that is challenging, which is why, when you say, you know, what, what credible leaders should be doing is learning and educating themselves and watching *13th*, it's hard for me because a lot of people will study the issue to death and do nothing about it. And people will say, well, "As long as I lead with empathy and issue a heartfelt statement that conveys my deep, deep hurt and pain, then I have done my job." And the reality is that is not at all the totality of the job. The job of leaders is to first connect, but then lead. Writing an email or a letter conveying your thoughts and prayers is an initial act of leadership, but that is something that anyone can do. What leaders must do, in my opinion, is to take stock of the social, political, organizational, economic, and other sources of capital at their disposal and deploy it in ways that are just. Which is why I would think that this moment is not so much of a diversity and inclusion issue, as much as it is a moral leadership issue. Which gets back to your point about CEOs wrongly outsourcing a lot of this to chief diversity officers. I'm not saying that the chief diversity officer has no role. What I am saying is that the chief diversity officer cannot be employed simply to be the conscience of the CEO.

CLARKE: Thank you!

PEARCE: If, so that is a job that they will never be able to hold longer than five minutes, because no one likes to be called out by someone who is on their team as a follower, telling them what they should and should not do more or less of.

CLARKE: You just used a word that is in my vocabulary on a very deep level and that's "consciousness." And I think about it in several terms—not just sort of your moral consciousness of what's right and wrong, but your own inner barometer. And I think a lot of people have lost that inner voice, that knowing place in themselves. But I think there's an individual level of awareness that each of us need to come to grips with. And it means that's where you're facing your own biases. That's where it's facing your own fears, your own trauma, your own angst, all of that stuff. Everybody's bringing their baggage, right, and your beliefs. And until an individual

faces those—Black people included! Everybody needs to come clean with themselves in this moment and really get deep down and real, and have a conversation with yourself about what you believe, and stop hiding behind the corporate culture and that little veil of protection that you think keeps you absolved. Stop living in the denial that this isn't your problem. It is. It's everyone's problem. And we each need to come clean with ourselves on a very profound level before we're going to go out into the world and try to create a systemic change.

PEARCE: I love that. I love that. A lot of my students sign up for my diversity class because they want to learn the "how to's," right? They want to learn how to build stronger organizations, how to build a diversity strategy, how to leverage diverse talent, how to, how to, how to. And where I start them is not giving them the how to's. I start them with the opportunity to first examine who they are as individuals.

CLARKE: There we go.

PEARCE: Because each of us brings, as you said, baggage. Each of us brings life experiences. Each of us brings beliefs. Each of us brings a number of social identities to the table. And a lot of us are suppressing the true self by not coming to terms with who we are. A lot of us are hiding behind the mask, sending a representative of ourselves to work every day. And I think that first being able to own the fact that each of us has a diversity story of some sort, each of us has things we are afraid of, things that we are perhaps ashamed of, things that we are joyous about, things that we are saddened by. And by being able to engage in the radical act of self-acceptance and self-disclosure in a safe environment, that positions us to then have conversations about, "How do I navigate interactions in such a way that I am building an inclusive environment?" Making sure that all voices have a space at the table and making sure that everyone feels that they can have a sense of belonging—that their authentic voice is the one that's being invited, not the fake, behind-the-mask version of themselves.

CLARKE: Think about it, right? In my 35 year career, I have had to assimilate to work in the companies that I work for. Chase, Prudential, JLL, Spencer Stewart, all of these big organizations, there is a quiet and sometimes not-so- quiet expectation that I had to show up in a certain way in order to be successful in that organization. And there are aspects of the "who Ginny Clark is" that simply have not been welcome. Let's just call that what it is. Do you know the toll that that's taken on me? Thank God God made me resilient, that I am the descendant of slaves who were extremely resilient. It's my resilience that has allowed me to live in both worlds, but it's taken a toll. And thank God I'm able to go into myself and my meditative space to fortify myself during these most difficult times, because this is what I don't think a lot of people understand and appreciate. This is what it means to be Black in America and Black and corporate America. And I'm not militant. I'm not lashing out. You want to talk about hearing and understanding? Understand what it looks like for me to come into organizations and have people assume that I'm not as smart as my resume would show. And/or because I show up as highly competent, which I am, somehow that makes them uncomfortable because of their incompetence in certain areas. And that becomes my problem. And I thereby get held back because I make other people uncomfortable. These are the intricacies and the nuances of what it means to be Black in corporate America, and the toll that has taken on me and countless others. And this is what we need to be talking about and having other people hear. Because that is what leaders need to understand that they have been complicit and allowing people to treat me and others as though we were less than, or because we made them feel uncomfortable. That's *their* stuff. And that's what I'm talking about. It's like, "you need to come clean with you

and your insecurities because you're imposing them on me. I've dealt with mine in order to show up and deal in this environment year after year after year. What are you going to do?"

PEARCE: The nail has been hit on the head, Ginny!

**[MUSICAL INTERLUDE]**

PEARCE: What you just described is the, the consequence of white supremacy in corporate America. And white supremacy is a difficult term that many people equate only to Ku Klux Klan rallies and burning crosses and robbing Black churches. But white supremacy is the underlying belief that whiteness is normative and a right, and everything else is somehow inferior and substandard. So the fact that we, as Black professionals are often put in into positions where we have to edit ourselves, where we have to think about how to translate what we want to say into palatable terms. The reason that you as an African American woman have to think about the balance of your displays of competence with your displays of kindness. The fact that I, as an African American man, have to worry about smiling and showing my hands as a way of disarming others from thinking that I am a threat simply by virtue of the fact that my skin is melanated. This is all part of the project of dismantling white supremacy and building anti-racist organizations. There's a study that I was a part of conducting almost a decade ago. We called it the Teddy Bear Effect. And what we were looking at was how baby-faced Black CEOs were able to advance and be perceived vis-a-vis baby-faced white CEOs. And what we found was that because of the stereotypes that are against Black men as being aggressive and barbaric and threatening, the way to attenuate those perceptions of threat was to engage in disarming mechanisms like smiling, like showing your hands like whistling Vivaldi as a display of cultural capital. Or even literally being baby faced—round face, soft features, cute and cuddly. Who would be afraid of this person? And what we found was that the more baby face you were as a Black male CEO in the Fortune 500, the higher your company was ranked, the higher your total compensation, and the higher your company's revenue was compared to your less baby-faced Black male counterparts. But the exact opposite was true for white men. The more baby faced, they were the worse off their companies and their own personal compensation were. Because while a baby's face is disarming, which helps Black men attenuate those perceptions of threat, for white men, a baby face conveyed a degree of youthful and competence that wound up hurting them. And so the fact that we have to engage in all this calculating around how we show up, what does our hair look like? Can we speak a certain way? All of this is part of the baggage. And one thing that I have seen in this moment that has really actually been quite refreshing as finding a lot of my non-Black colleagues off balance in the way that I have learned to be off-balance every single day.

CLARKE: Right.

PEARCE: Having to figure out how to repackage what I'm thinking and feeling. Having to write an email and, and edit it seven times before I send it, because I'm not exactly sure how that's going to come across. That's what I'm hearing with white colleagues who are reaching out all the time. They're saying, "I didn't know what to say. I know I'm supposed to say something. So here's my attempt." And I believe that much of it is coming from a sincere place. The reality is that being off-balance and not quite knowing how to say what you think you want to say, because you're not sure how it's going to be perceived, and now you are worried about how someone else perceives you who is juggling a lower status condition.

CLARKE: Welcome to my world!

PEARCE: Right? It is life-changing. And so for a lot of people, I think they're reaching out to Black professionals because they are looking for us to bail them out of what they feel. And this is one of those moments where I think sitting with the discomfort is actually going to be a generative solution because it is, as you said, Black Experience 101.

CLARKE: Yeah. This is, that's what I mean, when I say it's about to get real. It's because everybody is really starting to have to face their own demons and there's no other way to change. This is part of the hero's journey, right? You've got to confront that shadow, that dark side of yourself. And, you know, it's my hope that—and again, I said it once before, I'm gonna say it again—leaders cannot hide behind the corporate veil, right? That culture. "Well, we're a culture that believes XYZ." I don't care! Because the culture is nothing more than an amalgam of the individual behaviors and beliefs of the leaders—

PEARCE: That's right. That's right.

CLARKE: —who set that tone. So stop hiding behind that. And you go deal with your individual stuff. And come back and I'll have a conversation with you, not the collective.

PEARCE: This is good stuff. I wonder if you can help us think through what structural change might look like. A lot of the current moment that we're in has been catalyzed by the outcry for justice in the wake of the killing of George Floyd in Minneapolis, Minnesota. Just recently, we learned that the Minneapolis city council has undertaken plans to dismantle the police department as it is currently constituted, and rebuild a community-conscious public safety model. That is a radical, structural change. It is not reform. It is not a program. It is not a town hall meeting. It is looking at the system and saying, "There is no right way to effect change in a wrong system. We are going to change the system". What does that look like in the context of many of our organizations at a structural level?

CLARKE: Well, I'm going to speak to it from what I know best, which is the talent space. And, and I, I tend to think that that's, that's part of what's going to drive whatever else happens. It's a function of the people that you have sitting in these roles. And so for me, that structural change means, you know, we talk all the time about accountability. I don't know that that in and of itself is enough. You know, I think things like that we've seen before historically, that's great of holding your leaders accountable, tying their compensation to the level of representation, mirroring that of our country and the rest of the world. As a global company, it should be the rest of the world, not just in the United States. Tying compensation to representation, to hiring— those things for leaders. But I also feel as though a lot of these tech companies in particular are very paternalistic and very, "Oh, we take care of our people. Look, we've got so, and so who's been here for 14, 15 years." You know what, that's part of the problem. They can be doing an amazing job and driving revenues that are sending us into the stratosphere and near trillion dollar market cap. That's great. What about all these other individuals who could be leading in a different way and have even more impact? So change out your leaders. Build really thoughtful succession planning so you don't have the same leader in an organization for 10 years in a company that's 20 years old. People should be cycling through and having an opportunity. People like me should be leading entire functions based on an ability of leadership to see the

full scope of my capabilities and competencies to do more in the organization. As opposed to, "I'm comfortable with Casey over there. And he's going to continue. He's been with us for 15 years and he's going to continue until he decides he wants to leave." And Casey has never been really evaluated in a critical way by his peers, and importantly, by those people that he leads. I also don't think that we make a big distinction between management and leadership. In a lot of companies, I think we mistake someone's pedigree for their skill level. It's a, "You're smart. You have multiple PhDs and patents. Figure it out!" You don't "figure out" leadership. You consciously develop leadership capabilities by being in touch. Yes, you leverage your domain expertise, but you also build. And the way I lead, I have 30 people, it's a relatively small team—I've built strong leaders underneath me and I tap them regularly. They're my pulse. And I'm afraid that a lot of leaders think, "Well, I, you know, I have an organization of a thousand or two thousand people. How can I stay in touch?" There is a way. Listen to what's going on, listen to the people, go down to the lowest levels and get to know some of those people. And understand, and have a vision that you can help them see and build that followership. And then you keep going. You don't become a leader and then just, "fixed!" Your job now is to keep growing as a leader and growing as a person, which comes circles all the way back to my point about you have got to get in touch with you and your stuff. And you've got to be able to build a leadership bench around you who are willing to talk to you about how they're feeling.

I mean, we can get into real tactical things. I'm an executive recruiter. And one of the things that I've been saying forever is "assess on the basis of competency." And that should cut through not for the hiring process, but it should cut through the entire employee lifecycle. Individuals should be assessed on the basis of not just what they deliver, but how they deliver it. What I see, though, is not that same truism. I don't see that consistent assessment being made, that objective assessment. I see a lot of relationships, a lot of orientation and bias for pedigree, a lot of rubrics and things that are unintentionally, possibly, exclusive. And so it's those kinds of practices and policies that need to be honored. And there needs to be that accountability. You can't just have a leader saying "Well, you know, it's a pipeline issue and there aren't enough underrepresented people that you're presenting to me." That's bogus. That's simply not true. I'm not saying there's an abundance of qualified underrepresented individuals, depending on the role. But there are way more than people are willing to consider. So those are some of the things that people need to start really paying attention to at a more tactical level—the day to day way that they are actually running their businesses.

And that's part of the structural change that we need to build in. We don't leave leaders to chance. Leaders are determining the future of the organization. So build them, hold them accountable for great behavior, for leading, listen to the grassroots, listen to your engagement studies and find those pain points, and pull out those people that are demonstrating poor leadership, get rid of them, call the herd and put strong leaders in place that deserve to be there. And I guarantee you, you're going to see a different composition of that leadership team in short order.

PEARCE: Wow. That's a pretty clear call. You know, this is not just to technically competent leadership, but I would argue morally competent leadership. The idea of technical rigor and expressions of competence that are quantifiable in nature, I think certainly has an important role in education. Yet I believe philosophically that education is more about the lighting of a fire than the filling of a toolbox with tools. And I think that there is a responsibility for all of us to recognize that no matter how technically competent we are, that there must be a moral foundation upon which not only society is built, but our organizations are built because they are simply

microcosms of the broader society. And if we want to see the kind of structural change that will last, be sustainable, so that the moment we find ourselves in is the dawn of a new age and not just a commercial break and the long melodrama of injustice and Black suffering. I think that this is really a call not just to empower diversity officers with the tools they need to actually do the job. This is a call for leaders at every level, starting in the C-suite to do what is right, to do what is just, and not outsource doing the right thing to others around them.

CLARKE: But they must, these leaders must come from that place of their own inner knowing. That morality is not looking around and seeing what everybody else is doing and saying, "Well, that, that looks good. I think I'll do that." It's got to come from your own heart. This is where you know something is right or wrong.

PEARCE: I would go so far as to even call it having soul-informed leadership.

CLARKE: There we go.

PEARCE: This is really about what is most essential to each of us. And as I navigate between the marketplace, the academy, and the church as a pastor, I am very clear that human beings are human beings. And no matter what our hands are trained to do, no matter how much information our minds can hold, our souls determine what we do with the information and skills that we have. So I couldn't agree more that this is really an opportunity for us to really advocate for whole-person leadership that will be not only clear on what needs to be done, but courageous enough to get it done.

CLARKE: It's become clear to me that it's no coincidence that we're having this social uprising globally in the midst of a global pandemic. The pandemic sent us inside, sent us home. To me, that's a metaphor for each one of us needing to come home into ourselves. This is a reckoning for each and every one of us. And you can't abdicate that.

**[MUSICAL INTERLUDE]**

LOVE: Special thanks to Nicholas Pearce and Ginny Clarke.

As a reminder, you can find The Insightful Leader on iTunes, Google Play, or our website. And, if you want more leadership insights from real experts, you should sign up for our free weekly email newsletter. It's packed with ideas and research from one of the world's top business schools, the Kellogg School of Management at Northwestern University. To sign up, go to kell.gg/email.

We'll be back soon with another special episode of The Insightful Leader.