BlackRock’s Mission is simple – to create better financial futures for our clients. And as I say frequently to colleagues, if we are going to serve our diverse set of clients, we need to have a diverse and inclusive firm. We need to have people with an incredibly broad variety of backgrounds and perspectives, and we need to build a culture where all voices – not just the loudest or the most familiar – can contribute the ideas that will help our clients achieve their goals.

We are delighted to participate in this initiative from the Business Roundtable because it will help strengthen the businesses that BlackRock, as a fiduciary, invests in on behalf of our clients. Companies that fail to take I&D issues seriously cannot fully understand the forces shaping their business, the economy and the world. But efforts like this one can help improve all businesses and create better outcomes for shareholders, employees and customers alike.

I’d like to share some more specifics on our approach to I&D at BlackRock.

The research supporting the case for diverse teams and inclusive leadership argues that this is a better way to deploy human capital, resulting in better talent working at our firm (perhaps staying longer), higher performance, more innovation, less groupthink and greater resiliency. We understand and appreciate that a broad array of voices asking tough questions and continuously challenging the status quo ultimately contributes to better outcomes for our clients, employees and the firm. We believe in One BlackRock with many voices at the table.
Redefining “Best” and Diversity of Mind

The challenges of a diverse world require the innovations of a diverse firm. The “best” person for the team is not necessarily the one with the most skills or the most prestigious background; it’s the person whose contribution will fill a need or expose an existing blind spot, and thereby elevate the team to perform better.

There are many different aspects of diversity, but one aspect that we don’t talk enough about is diversity of mind. It’s a hard habit to break – people who are engineers like to be around other engineers. People from one culture often like to associate with other people from that culture. But if you hire all business majors, all engineers or all people who have one field of expertise, you’re going to have blind spots – you’re not going to have diversity of mind. You are going to lack a robust exchange of ideas that will help you understand the many different ways in which the world is changing.

At BlackRock, we know that this sort of groupthink is the enemy of performance. That’s why we actively seek to break the habit of managers hiring replicants of themselves. Diversity causes us to stop and reflect more deeply on our assumptions and to consider the unique perspectives and insights that each of us brings, ultimately resulting in better outcomes for our clients and a better firm.

Accountability and Leading from the Top

We hold each of our businesses and each of our leaders accountable for progress on inclusion and diversity. During our quarterly business reviews, we conduct focused conversations with each business about their plans and progress, and we make this a considerable driver for compensation for our management teams.

Every year, we also ask our employees what they think is working and not working in our culture and they answer. Ninety-five percent of them responded to our Employee Opinion Survey last year. We listen to their feedback and use it to help inform our Talent & Diversity agenda. This year, in addition to our employee survey, we invited all 14,000 employees globally to a three-day global online conversation to help shape the future of our firm. Senior leaders – including myself – led and engaged in the online conversations to crowdsource employees’ feedback and ideas on critical topics. Every voice was heard.

Lastly, we report our progress against our inclusion and diversity initiatives regularly to our Board of Directors. Our board spends a day and a half every year reviewing talent in each of our businesses. They talk about who would be next in line if we moved a leader to another division or if a leader was hit by the proverbial bus. We have the board reviewing the diverse, next-generation talent that should be our focus over the next year, three years and five years. The board’s role is highly interactive, and it is deeply involved. It creates better accountability at the firm level.

Recruiting, Retention and Development Initiatives

We have made a long-term commitment to increase diversity in our firm through hiring, retention, promotion and development initiatives. We also recognize the scale of the issue and multi-year commitment required.
In recruiting, we:

- Require that we interview a group of diverse candidates for every open job
- Train our managers to be aware of unconscious bias and take steps to mitigate potential bias
- Coach our managers to build high-performing, diverse teams, and to foster inclusion and belonging for all employees
- Review select job postings for potentially biased language
- Hold the recruitment and search firms with which we partner accountable to the same standards

A key component of our leadership development programs is sponsorship, which is widely considered a career accelerator. We closely track the effectiveness of our development programs through promotion rates, role expansions and leadership roles in external industry forums, including boards.

Specific programs include:

- **Women’s Leadership Forum** (WLF), which accelerates the development of our most promising female leaders. Over the past seven years, it has focused on increasing the strategic impact and executive presence of women through a blend of sponsorship, coaching and structured learning.

- **Leadership Excellence and Development program** (LEAD), which targets high-performing emerging leaders in areas where we know we want to boost representation. The program focuses on raising self-awareness of strengths and development areas, skills building, BlackRock case studies, coaching and exposure.

**Culture and Leading Inclusively**

Culture is what unifies us – it’s what brings us together as One BlackRock to help our clients achieve their most important financial goals. Our culture encourages all BlackRock citizens to strive to be open and inclusive leaders and teammates. We can’t assume we know what motivates people; we have to ask them. We can’t assume others know what motivates us; we have to tell them. Representation alone is not enough – we need every member of our firm to feel empowered to speak up and make their best contribution.

Our culture has helped BlackRock make sure we never forget who we are. We have been able to learn from different individuals and different experiences, while never forgetting who we are and what we stand for — and that has been central to our success.