

Claiming a Seat at the Table

The road to the boardroom is not always an easy one for diverse candidates in the mortgage industry. Hear from leaders from within the industry what it took to get there, and what they are doing to pave the way for the next generation of executives.

By Mike Albanese

Shirley Chisholm, the first African American woman elected to Congress, once said, “If they don’t give you a seat at the table, bring a folding chair.”

Diverse candidates are not just bringing the folding chair—they are setting up a picnic at the boardroom table—with no intentions to leave. However, the road to diversity, inclusion, and representation has rarely been easily traversed.

Executives from Eagle Home Mortgage, Mr. Cooper Group, and more spoke to *MReport* about the challenges they’ve faced, the success stories that resulted, and their experiences climbing the corporate ladder in today’s mortgage and housing industries.

Taking Notice

A recent hearing by the House Financial Services Committee found that 58% of banking institutions were white in 2018—lower than the national average of 63%. While females make up 51% of the industry, the disparity is apparent in the boardroom—at the senior level, employees are 71% male and 81% white.

Maxine Waters (D-California), Chairwoman of the Financial

Services Committee, called January’s hearing on diversity and inclusion amongst the nation’s largest banks “historic and groundbreaking.”

“I believe we must mirror the world we want to live in ... when representation and equity is an overarching priority in the banking industry, we can develop banks that out-innovate and outperform others and continue to move the needle within the industry,” said Congresswoman Joyce Beatty (D-Ohio) during the hearing.

Dana Dillard, EVP of Corporate Social Responsibility for Mr. Cooper Group, told *MReport* that while a workforce may be diverse, the turnover and opportunities among senior positions are limited, and creating change can be a challenge.

“There are ways to help increase diversity for these leadership roles. One way is as simple as posting open leadership positions to bring more awareness to these opportunities, and ideally a more diverse pool of candidates,” Dillard said. “I also believe in panel interviewing for leadership positions to help ensure there is a strong culture fit.”

Auction.com’s leadership team, according to COO and GM **Min Alexander**, is making sure they do their best not only to recruit

and hire but also to develop the best talent “without barriers” and outdated ways of thinking.

“For us, diversity and inclusion, it’s just saying, ‘We want growth, we want different new innovative thinking, and we’re open to different perspectives,’” Alexander said. “All businesses want the smartest, the brightest, the most creative talent. To get that type of talent pool, you have to see folks with different backgrounds, different ways of thinking, different lifestyles, different ways that they were raised.”

Jane Mason, CEO, Clarifire, said the discussions surrounding diversity and inclusion within the industry are “definitely overdue” and didn’t exist when she began her career. She said it is vital that industry leaders discuss struggles that people are having with accountability and the metrics reported during the Financial Services Committee’s hearing.

“Our companies are struggling with diversity and inclusion results as related to performance,” Mason said. “One of the keys that I would offer today is that access to the data does change behaviors. Collectively, the more we, as an industry, talk about it, and the more we come up with metrics that are acceptable based on the

gender ratios in the United States, the better off we’re going to be.”

Mason recalled instances where she attended meetings and had people ask where the CEO was—when she was standing right in front of them.

“My main experience was when I would walk in the room—there was an unintentional bias for credibility. Not only am I a woman, I’m a small, woman-owned business,” Mason said. “I’m an entrepreneur trying to get started. Our first three customers, which were very large, didn’t see through a gender lens. They opened the doors and gave me the opportunities to perform, which I’ve held high in my value set that I would never let them down.”

Mason has not forgotten those companies that opened doors for her, and she keeps a special reminder to them at Clarifire.

“My theme song has always been Tom Petty’s ‘Won’t Back Down,’” Mason said. “All of our conference rooms are named after Tom Petty songs. I kept that close, and I just kept going and delivering. Deliver with confidence. If you make a mistake, admit it and move on.”

Laura Escobar, President of Eagle Home Mortgage, said the heightened awareness on the issue





is not only positive for society, but for business.

“When different minds come together to achieve a common goal, the results can be nothing but incredible,” Escobar said.

Escobar added that according to a McKinsey study, companies in the top quartile for gender diversity are 15% more likely to have financial returns above their respective national industry medians.

For Escobar, having a diverse leadership is just “smart business.” She added that a recent article by the *Harvard Business Review* found that having a female presence on the board results in better acquisition, better investment decisions, and less-aggressive risk-taking. “Female directors are less conformist than men and more likely to express their independent views because we don’t belong to the good ole’ boys club.”

Charmaine Brown, Director, External Outreach and Engagement, Office of Minority and Women Inclusion, at Fannie Mae, however, noted women are not advancing to C-suite positions and the numbers are even worse for women of color.

She said, of the 532 African American women who earned their MBAs at Harvard Business

School between 1977–2015, just 13% (67) have achieved the highest ranking executive positions. This is compared to 19% (161) for African American men.

“Let’s pay more attention to issues of intersectionality, where multiple stigmatized identities overlap, we know that outcomes are less favorable. People with disabilities and our LGBTQ colleagues still fear rejection and backlash and cover at work, which negatively impacts productivity and engagement. One size does not fit all, and solutions need to be equitable,” Brown said. “Finally, some people continue to struggle with diversity and inclusion and believe that it violates fairness and justice principles. It’s critically important to address these misperceptions and be clear about why diversity and inclusion and equity is both a business and moral imperative.”

“I Am Not Interested in Golf”

Fitting into that aforementioned “good ole’ boys club” was not easy for Escobar.

She said one thing she did during her now 30-year career—and something she has told her two adult daughters to do—is

listen to sports news.

Escobar said she had to stay educated to have something “non-work related” to talk to her male colleagues about.

“I feel like before we had to do so much to fit in, often taking away from myself, from my authentic interests. Today, women don’t have to do that anymore,” she said. “Today you can talk about families, hobbies, travel, current events. You don’t need sports to be interesting or to fit in.”

Escobar noted she became a “sports boss” but quipped: “I am not interested in golf.”

“It took me quite some time to constantly listen to what was happening, and what the Masters was, and who was attending, and what Tiger Woods’ handicap was—non-interesting items to me,” she said. “I would much rather talk about the vacation I wanted to take in Greece and get opinions.”

Auction.com’s Alexander said, regardless of what people look like and where they’re from, “Everyone has a struggle.”

“I do think that when someone meets me for the first time, they have stereotypes and preconceived ways of where they assume they know me,” she said.

Alexander, reminiscing about her start in the industry, said she

worked in strategy consulting with several male colleagues. She said her male colleagues tended to be more formal, adding: “The way that I would learn to adapt is to mirror how they were acting, sometimes for the better.”

Alexander said she has mirrored some of the ways men would sit, act, and even talk to each other during a meeting.

“Some of it is that you don’t bring 100% of yourself, or you refrain from talking about your family, or you refrain because of some of the ways that personal information could be viewed. ... I have had comments where I was asked, ‘Are you able to do this? You’ve got children,’” Alexander said. “That’s something that hurt me quite deeply early on because I’m looking at my manager and thinking, ‘You also have children. Are you limited because of yours?’”

Mason said women in the industry need men just as much as women to help with sponsorship, accelerating careers, mentoring, and coaching to create a diverse pool of candidates.

“It’s already happening. If you take a look at the Financial Services Committee reports, some people are participating already and leading the pack,” Mason said.

The American Mortgage Diversity Council —Celebrating Our Differences

The American Mortgage Diversity Council (AMDC) promotes diversity and inclusion throughout the mortgage industry. The organization provides a platform for the collaboration of mortgage industry leaders for the advancement of diversity and inclusion dialogue. The organization develops and provides tools and strategies to create an understanding and appreciation of individual differences in thought, experience, race, ethnicity, culture, religion, style, sexual orientation, and gender identity. Move business practices forward to embrace diversity and inclusion as essential to innovation and optimal business results.

For our annual Diversity issue, *MReport* spoke to member organizations to learn about why they believe a commitment to diversity and inclusion is so important, what benefits they gain from AMDC membership, and how embracing and celebrating our differences can make our industry stronger.

AMDC MEMBER INSIGHTS

“The industry is becoming more diverse and companies are taking a closer look at ensuring that their talent is representative of their customers by focusing on attracting and retaining diverse talent.”

—Lola Oyewole, Head of the American Mortgage Diversity Council



“The more proven data that you can share with an industry or within an organization, the more you’re going to impact the change in that organization.”

Mason said there is evidence of progress within the industry but using data and metrics within your organization is critical for behavioral changes across the board.

In response to a report from December 2019 that found only 6% of CEO positions within S&P 500 companies are held by women, Dillard said, “We have a long way to go.”

“That is why I feel strongly that my generation of leaders must spend extra time with younger team members to ensure they are getting the tools and training needed to succeed and work their way up. ... To achieve a truly diverse and inclusive culture, we need to focus on cultivating a pipeline of young leaders,” Dillard said.

Giving Back

Mason said her company strives to make diversity a key part of its company culture. Clarifire is currently 60% female.

She said that differing viewpoints—whether they come from men or women, regardless of

“Those organizations that can engage their full workforce to embrace diversity and inclusion will realize the most significant, long-term benefits.”

—Marti Diaz, Chief Human Resources Officer, MCS

background or ethnic profiles—increased diversity can help spur innovation. After all, the more different mindsets that are approaching a problem, the more likely one or more of them will spot angles that others might miss.

Mason said the awareness of the unintended bias is the first step in growing a diverse and inclusive workforce. Mason described

the process of being intentional in your awareness: “Looking at yourself and how you receive what the person in front of you is telling you. Taking that pause and going, ‘I shouldn’t react this way even though it’s an old habit.’ The culture of men can be more assertive and disagreeable and louder in its work activities than that of women ... therefore, it’s construed

as not quite as successful. Those behavioral aspects are hard for our society to overcome without working at it.”

Diverse organizations also generate more revenue and more employee engagement, Mason explained. She said she would also like to see the growing diversity extending to vendors.

Mr. Cooper Group celebrated the third year of its diversity and inclusion initiative earlier in 2020, Dillard said, adding the company has dedicated a great deal of energy into building awareness and education about co-workers and their diverse cultures.

“Today, we have more than 15 employee resource teams, and it’s one of the things I’m most proud of,” Dillard said. “I truly believe that if we know more about our peers—their traditions, their belief system, their challenges—we can create more meaningful connections and work better together.”

Carrie Tackett, Safeguard’s American Mortgage Diversity Council representative, said establishing a diverse workforce should be part of any successful corporate culture. Diversity “top-to-bottom business strategy” in the recruitment for all levels of employment.

“This is not limited to our internal workforce. About 40% of our

“I’ve been impressed with the AMDC’s ability to tackle diversity and inclusion issues head-on, while providing resources to its members that advance their Diversity, Inclusion, Equity, and Belonging strategies. AMDC recognizes that one size doesn’t fit all. It’s able to focus on particular challenges that may be unique to some of its members and not lose sight of the bigger picture in terms of industry trends that impact business outcomes.”

—Charmaine Brown, Diversity & Inclusion Leader

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—Dana Dillard, EVP of Corporate Social Responsibility, Mr. Cooper Group



COVER STORY

vendor network—inspectors and contractors—also is diverse. They represent a more than \$90 million spend for Safeguard each year,” Tackett said.

Marti Diaz, Chief Human Resources Officer at Mortgage Contract Services (MCS), said more corporate-sponsored initiatives around diversity and inclusion are being created as companies experience benefits from having a diverse workforce.

However, Diaz added that, for companies to recruit the best employees, they will need to do more than just host events and “post pictures on social media pages.”

“Those organizations that can engage their full workforce to embrace diversity and inclusion will realize the most significant, long-term benefits,” Diaz said.

Sean Ryan, CEO of Aspen Grove Solutions, said the easy part is putting together a diversity program, but the implementation is the challenging part.

“We are dealing with people—and, by their nature, people have many differences. While that can be challenging, it is also very exciting. We have found that embracing those characteristics that make our team members unique, rather than trying to get everyone to follow the same path, is helpful,” Ryan

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—Min Alexander, COO and GM, Auction.com

said. “Aspen uses a combination of data to help this effort including personality types, learning styles, and demographics which, when mixed with scheduled one-to-ones, help us to understand the needs of our team members and allows us to work jointly with them to develop career paths that match their personal goals.”

Diaz said MCS has seen great results around the recruitment,

retention, and promotion of diverse and female candidates. MCS reports that 35% of its management team are minorities and 49% are female.

“Our efforts are largely around providing a work environment where everyone can be successful and grow their career. Promoting from within our business has hands-down been our best D&I initiative,” Diaz said.

Caroline Reaves, the CEO of MCS, has been with the company for 13 years. Diaz said female leaders at MCS don’t just hear about corporate initiatives—they have an “amazing role model” to watch every day.

“Caroline is the biggest champion of our people-development culture, recognizing the importance of an environment where everyone feels comfortable coming to work and where everyone can be successful,” Diaz said. “Caroline dedicates one-on-one time with MCS leaders at all levels, providing real-time feedback and coaching.

“CEOs who commit to providing that valuable coaching can be an organization’s most important D&I asset,” Diaz added.

Alexander told *MReport* that diversity and inclusion work when “folks inside the door open the door” and encourage others.

“The most organic, sustainable way is when company leadership and company boards recognize the need. It’s a talent, just making sure that there are no barriers,” Alexander said. “Not intentionally selecting someone because of the way they look or because of their background. But at the end of the day, we’re all hearts and brains, and if you just judged everyone on hearts and brains and everything

“I have had the absolute pleasure of becoming more involved in the Five Star Institute’s AMDC group. One of the things I most admire and respect about the group is that everyone has a voice and everyone matters. This, in my opinion, is diversity and inclusion at its finest.”

—Jodi Gaines, Chief Client Officer, Insight One Financial

“The AMDC is a vehicle for committed leaders to engage in candid discourse regarding critical issues that impact all facets of the mortgage industry, and I am excited at the prospect of the solutions that the Council and its exceptional members will bring to bear in pursuit of increased equity and inclusion across our discipline.”

—Michael Ruiz, Director, Supplier Diversity, Fannie Mae Corporate Procurement