



# Closing Racial Wealth Gaps Will Have The Biggest Impact On Persistent Inequities In This Country

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***John Rice, CEO and founder of Management Leadership for Tomorrow (MLT), shares powerful lessons for overcoming headwinds and navigating race in corporate America in this Leading in the B-Suite interview with Rhonda Morris and The ExCo Group's Adam Bryant.***

Morris: Tell us about some important early influences that really shaped who you are today.

Rice: Three very special Black women and my father, and I'll start with my dad. He was the person who put race in perspective for me and whose perspectives about how to move the needle to marginalize racism have probably had the biggest influence on the focus of my organization's work and my career.

He passed away about 12 years ago. He grew up in South Carolina in the Jim Crow era of the 1920s, and so his whole view of life was through the prism of race and racism. When he was very young, he moved to New York to be with his older brother and go to college. He ended up going to World War II and served with the Tuskegee Airmen. After the war, he saw German POWs—some of whom were relocated to the US—treated better than he and other Black people who fought for this country. The Germans, because they were White, were able to be served in restaurants, they stayed in hotels and could do things he was not able to. This deeply hurt him.

He moved to California, went to grad school, got his PhD in Economics at Berkeley, and then spent

most of his career in the public sector. He was a professor at Cornell and then went to the World Bank, the Treasury Department, and the Federal Reserve. After grad school, he went to India on a Fulbright fellowship, and when he got there, he realized that race was a determining factor only in the United States. Most other countries didn't view race the way they did in the U.S. and instead focused more on caste and religion. That experience helped him understand that racism was not his problem—it was White people's problem.

That allowed him to free himself from the burdens of believing that, for some reason, things in the United States had something to do with him or that he was inferior in some way. He would tell us that regardless of how people view you and how they treat you, you have to understand that you are just as good as anybody else.

His overarching perspective was that you had to tackle the economic levers critical to advancing racial equity in this country. That perspective has meaningfully shaped our work at MLT (Management Leadership for Tomorrow), where we expand economic mobility and transform people of color's career trajectories. We believe that if you can close the racial wealth gaps, that will have the largest influence on the many persistent inequities in this country.

My mom grew up in Maine and was very poor. Her experience was the classic example of getting to college and achieving the American dream. She grew up as a child of Jamaican immigrants. My grandfather was a janitor at the local music store, and my grandmother was a domestic worker. They put my mother and all four of her brothers through college on scholarships, and they all went on to become professionals.

My mother dedicated her career to higher education policy. In the '70s, she worked with the College Board and was essentially one of the key architects of the Pell Grant legislation that's helped about 100 million low-income people in this country get to college. Watching her do the work she did and listening to her phone calls gave me first-hand exposure to what it took to effect change, stick with something, and overcome the ups and downs needed to have an impact.

I also spent the first ten years of my career after graduate school working in the private sector—for five years with Disney and five years with the National Basketball Association, while I built MLT on the side at night and on weekends. My mother gave me the reinforcement and the confidence that I should pivot as soon as possible and take my best shot at building this social sector organization. She'd tell me, "Look, John, if all else fails, and everything else goes wrong, you can always come home to the room you grew up in, and that's not so bad." She gave me the confidence of a backup plan.

Another very special Black woman in my life was my godmother, who took in my sister and me when I was about ten years old while our parents were going through a bad divorce. She was the consummate social entrepreneur. She founded and led an arts organization in the Washington D.C. area called the Duke Ellington School for the Arts. She would take me along and let me observe how she built relationships with high-profile donors, supporters, and performers. She was never intimidated and engaged with these amazing people as peers. That helped me understand the importance of building relationships.

The last person I'll mention is my sister, Susan Rice, who was Obama's National Security Advisor and UN Ambassador and now works on domestic policy for the Biden administration. We were very close growing up and went through a lot of challenges as young kids at home. She refused to allow those challenges to distract her from achieving her goals. That enabled me to not make excuses for myself

and focus on what I thought I could achieve and accomplish. She always set very high standards, not just for achievement but also for high integrity. She has supported me and been my best friend since I was a little kid.

Bryant: What do you think about this moment in history, given that we saw a lot of momentum around racial equity after the killing of George Floyd, but now there is pushback on many fronts?

Rice: What we're seeing now is one of three or four racial flashpoints since slavery, starting with Reconstruction. Typically, they were periods of real turmoil, in most cases marked by violence and shocking acts, followed by actions that led to meaningful advances for Black people in this country. With these flashpoints, there's a surge of progress, followed by pushback from White people trying to turn the clock back. The amount of progress at these flashpoints is ultimately a function of the degree to which moderate White people either stepped up and continued to push for progress or got scared and stepped down.

The same thing is happening now. George Floyd was killed, which started a racial reckoning, followed by some real progress and then a significant backlash. We now have people on one side of the divide who are continuing to push for progress and opponents who are trying to take us back in time to a much more straight-White-male-Christian version of this country. It's largely the non-racist, well-intentioned White people in the middle who have significant influence and are ultimately going to decide on the direction. People like me and our organization are doing everything possible to influence the trajectory.

Morris: What is your approach to dealing with the headwinds you inevitably have encountered because of your race?

Rice: The kinds of headwinds I face differ greatly from what my father and mother faced over the years. They had to deal with much more overt discrimination and prejudice. But the headwinds I've had to deal with are ones that, unfortunately, too many folks are still dealing with today. They are the headwinds that stem from being one-of-one or one-of-a-few in the vast majority of professional environments you're in. That was true for me in business school, Disney, and even the NBA.

My experience was being distracted daily in meetings because I was twirling questions around in my head about how people viewed me. Do they view me as someone who earned the right to be here or someone who is here because I'm a person of color? Do they view me as less qualified? If I make a mistake, will it reflect poorly on other people of color? Regardless of the answer, you realize that if you're spending any of your brain energy focused on those questions and competing against peers who spend very little or no time distracted by those questions, you're competing at a disadvantage.

You'll also have a different perspective regarding how comfortable you are taking risks. And when you have a setback, how long does it take you to get back on the horse? How much do you trust constructive feedback or people who reach out to provide advice? How open are you to building relationships? The headwinds I faced were more nuanced than those faced by my parents, harder to translate in my head, and made it much harder to build the genuine confidence that I belonged in the professional environments that I was in.

To make matters more challenging for people of color, most White leaders have no idea that this is going on inside the heads of many of their colleagues of color. As a result, the organizations' interventions to address common issues like higher turnover among employees of color don't address the root causes. The example I use is that organizations often set up a mentor program, matching

people to have lunch once a quarter with a more experienced colleague. But the challenges I'm talking about can't be addressed via a quarterly meeting with someone who doesn't understand the challenges you're dealing with. They require us to move from a mentoring model to a more proximate, hands-on, higher-frequency, higher-accountability coaching model.

That way, you can provide coaching right away to help, say, the African American woman who goes back to her office after a meeting to figure out how to deal with a common problem like a White guy taking credit for an idea, even though he repeated what she said five minutes earlier. That happens all the time. You need a more proximate, coaching-oriented approach so that she can reach out and talk to somebody in real time who can help her get back on the horse and not let that incident cause her to lose confidence and stop sharing her good ideas in future meetings.

Bryant: What career advice do you typically share with audiences of young Black professionals?

Rice: Two things. The first one is what I call "working back." Start with a long view and work back to today. They should invest time in understanding the people in the senior leadership positions they desire over the long term and study three things. First, understand the bar to get to where those people are regarding their skills and greatest strengths. The second area is to understand what they've accomplished and their experiences. And the third is their relationships. Who has been leaning in on their behalf, and who helped them get to where they are today? Unless you understand those three things, then you're probably not doing what you need to do to build toward reaching that bar. Once you understand these three things, think about the implications for what you need to do over the next year or two to work toward your goals.

The second broader point is that I encourage people to invest early and often in building relationships that will serve them over the long term. People say you've got to get to know people who can be mentors and will take an interest in you. That's true, but I like to focus on building relationships with your peers and even people who are one step behind you. Those folks who, if you've worked well together on projects, can be powerful references down the line and can tee you up for great opportunities because they know you at a professional level incredibly well.

So, invest in building relationships with peers and younger people. Do that early and often. Don't ignore those folks, and approach relationship-building without knowing what someone can do for you regarding mentoring or sponsorship. Instead, build the relationship by figuring out what you can do to help advance their professional and professional agenda.