17TH ANNUAL MOST POWERFUL WOMEN IN BANKING

AMERICAN BANKER®

OCTOBER 2019

americanbanker.com

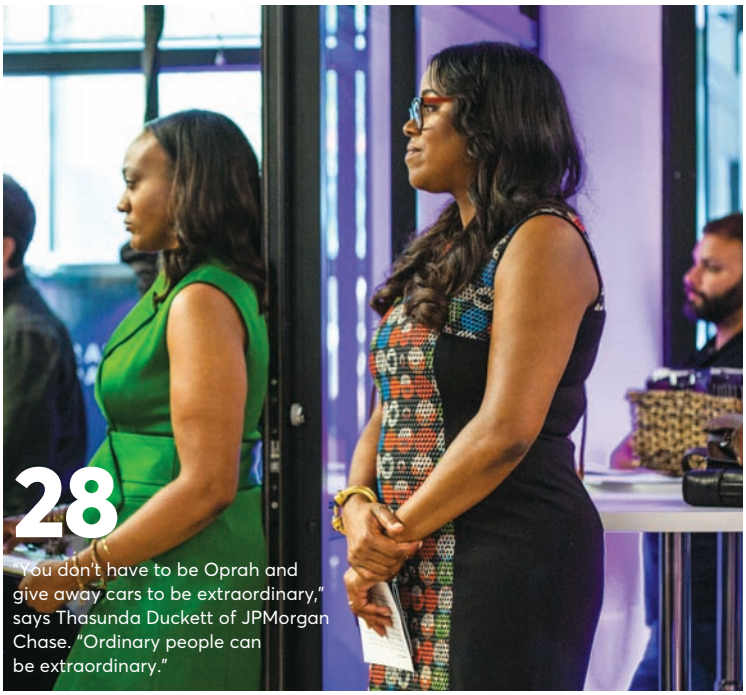
Left to right:
Paulette Mullings Bradnock | BNY Mellon
Mary McNiff | Citi
Ernie Johannson | BMO
Cary Grace | Aon
Michelle Seitz | Russell Investments
Julieann Thurlow | Reading Cooperative Bank
Maria Veltre | Santander
Helga Houston | Huntington
Jennifer Strybel | HSBC


THINK SOCIALLY RESPONSIBLE INVESTING DOESN'T LEAD TO PROFIT?
THINK AGAIN.
#BalanceForBetter


TESCO

Contents

October 2019 | VOL. 129 | NO. 10



Briefings

BankTechnology

Scholarship

BankThink

THE MOST POWERFUL WOMEN IN BANKING

THE RANKINGS

FEATURES

Cover photographer: Sasha Nialla
Artist: Nancy Olivier
Producer: Patrick McLain
Stylist: Don Sumada
Hairstylist: Osmane Da Cunha
Makeup artist: Carmindy
Lead production: Alex Velasco

AMERICAN BANKER

Volume 129, No. 10

AMERICAN BANKER.COM

Executive Editor Bonnie McGeer
Senior Art Director Nick Perkins
Art Director Robin Henriquez
Contributors John Adams, Laura Alix, Joel Berg, Brian Browdie, Penny Crosman, Matthew de Paula, Jim Dobbs, Marissa Fajt, Glen Fest, Rob Garver, Alan Kline, Eliana Perez, Andy Peters, Jon Prior, John Reosti, Jackie Stewart, Kevin Wack

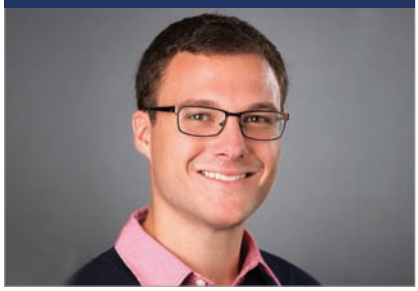
Established 1836
One State Street Plaza, 27th floor, New York, NY 10004
Phone 212-803-8200

Editor in Chief Rob Blackwell 571.403.3834
Managing Editor Dean Anason 770.621.9935
Executive Editor Bonnie McGeer 212.803.8430
Senior Editor Alan Kline 571.403.3846
Editor at Large Penny Crosman 212.803.8673
Washington Bureau Chief Joe Adler 571.403.3832
Technology Editor Suleman Din 212.803.8738
BankThink Editor Rachel Witkowski 571.403.3857
Community Banking Editor Paul Davis 336.852.9496
News Editor Andy Peters 404.500.5770
Contributing Editor Daniel Wolfe 212.803.8397
Digital Managing Editor Christopher Wood 212.803.8437
Copy Editor Neil Cassidy 212.803.8440
Reporters/Producers
Laura Alix 860.836.5431
Kate Berry 562.434.5432
Jim Dobbs 605.310.7780
Neil Haggerty 571.403.3837
John Heltman 571.403.3847
Will Hernandez 212.803.8731
Hannah Lang 571.403.3855
John Reosti 571.403.3864
Gary Siegel 212.803.1560
Jackie Stewart 571.403.3852
Kevin Wack 626.486.2341

Group Editorial Director, Banking/Capital Markets
Richard Melville 212.803.8679
Executive Director, Content Operations and Creative Services
Michael Chu 212.803.8313
ADVERTISING
Northeast
Brad Bava 212.803.8829
Midwest/Southwest
Shelly Schmeling 312.932.9392
West
Sara Culley 831.438.8408
Midatlantic/Southeast
David Cleworth 843.640.3713
Senior Marketing Manager
Jamie Billington
Group Director Custom Marketing Solutions
Virginia Wiese 704.987.3224
Customer Service/Subscriptions
help@sourcemedia.com 212.803.8500
Licensing and Reuse of Content: Contact our official partner, Wright's Media, for more information about available usages, license and reprint fees, and award seal artwork at sourcemedia@wrightsmedia.com or (877) 652-5295. Please note that Wright's Media is the only authorized company that we've partnered with for SourceMedia materials.

CHIEF EXECUTIVE OFFICER ..... Gemma Postlethwaite
CHIEF FINANCIAL OFFICER ..... Sean Kron
CHIEF STRATEGY OFFICER ..... Jeff Mancini
CHIEF REVENUE OFFICER ..... Dave Colford
CHIEF CONTENT OFFICER ..... David Evans
SVP, CONFERENCES & EVENTS ..... John DelMauro
VP, PEOPLE & CULTURE ..... Lee Gavin

MOST READ



Postal banking won't deliver

Proponents of a plan to get the U.S. Postal Service more involved in banking say it would restore profitability. Actually it would lose more money, Ross Marchand, the director of policy for the Taxpayers Protection Alliance, wrote in BankThink.

MOST SHARED

Proceeding with caution

Bank	Credit segments flagged as risky
CenterState	C&I, multifamily
Citizens	CRE, leveraged lending
Huntington	CRE
Texas Capital	Energy, leveraged lending
U.S. Bank	CRE
Western Alliance	Construction, mortgages

Recession worries grow

It's hard to time the next economic slowdown. But lenders, many with lingering memories of the financial crisis, are taking steps to limit exposure in commercial real estate, construction and other loan segments.

American Banker (ISSN 2162-3198) Vol. 129 No. 10, is published monthly by SourceMedia, One State Street Plaza, 27th Floor New York, NY 10004. Subscription price: $149 per year in the U.S.; $229 per year for all other countries. Periodical postage paid at New York, NY and additional U.S. mailing offices. POSTMASTER: send all address changes to American Banker, One State Street Plaza, New York, NY 10004. For subscriptions, renewals, address changes and delivery service issues contact our Customer Service department at (212) 803-8500 or email: help@sourcemedia.com. Send editorial inquires and manuscripts to American Banker, One State Street Plaza, 27th Floor, New York, NY 10004. This publication is designed to provide accurate and authoritative information regarding the subject matter covered. It is sold with the understanding that the publisher is not engaged in rendering financial, legal, accounting, tax or other professional service. American Banker is a registered trademark used herein under license.

Water shortages are a bank problem

Recent studies offer a dire outlook for water levels in drought-prone states. Here's why that's worrying news for lenders

By Jon Prior

Cashmere Valley Bank, based a little more than two hours outside of Seattle, had never considered the water supply as a credit-risk factor.

The $1.5 billion-asset bank had been busy financing land development around the Suncadia resort when the state's restrictions on well digging took effect in 2009. Officials at the Department of Ecology were trying to head off water shortages during future droughts, and their efforts touched off years of wrangling over restrictions on water use and how they impact real estate and rural developments.

Cashmere Valley Bank had financed 15 to 20 projects that had their water consumption restricted. Some even had wells already dug but couldn't use them. Property values collapsed from about $200,000 to $20,000, said Greg Oakes, Cashmere Valley Bank's chief executive. Borrowers began walking away. The bank lost between $5 million and $10 million on the deals.

"They were basically a dry piece of ground," Oakes said.

The U.S. as a whole has relatively low water-related stress, according to recent data from the World Resources Institute. But some states will be facing more drastic water shortages than others, meaning banks with high concentrations of business in these areas could be facing larger risks.

Five states face "high" levels of stress where researchers with the institute estimate farmers, business and municipalities draw more than 40% of their available supply each year on average.

"Such a narrow gap between supply and demand leaves countries vulnerable to fluctuations like droughts or increased water withdrawals, which is why we're seeing more and more communities facing their own 'Day Zeros' and other crises," the researchers wrote in discussing cities reaching the point of turning off their taps.

By 2071, half of the 204 water basins

LOOMIS
Managing **cash** in society.

Transform your financial business with a partner you can trust.

Loomis is proud to offer financial institutions a full range of configurable solutions that help increase operational efficiency and presence without having to grow the physical footprint. These services, backed by the industry's largest cash distribution network, advanced technology, and unmatched support and service, are designed to cut costs, reduce risk, diversify client offerings, and boost profitability.

Accuracy, dependability, and superior performance for your financial institution

loomis.us/managedservices

Comprehensive cash management
Full processing and vaulting services, with complete visibility and robust reporting

Leading cash-in-transit services
The most secure armored transport, with a state-of-the-art fleet and the best-trained staff

The nation's leading ATM service provider
End-to-end ATM solutions, scalable cash forecasting, and outstanding maintenance and security

A partner in Treasury Management
A relationship that can help diversify offerings, scale clients' businesses, and reduce risk

The Loomis advantage
Service, support, transparency, and a commitment to excellence from the industry leader

in the U.S. may not have enough to meet monthly demands, according to a study published earlier this year by researchers with the U.S. Forest Service.

Researchers said that farms will have to adapt the most if water-shortage crises are to be avoided. Irrigation takes up an estimated 75% of water demand in the U.S. Slight reductions in irrigation could be enough to prevent shortages, but the researchers estimate that some freshwater basins will need to see cutbacks by more than 30% to avoid problems.

For ag banks, this is less of a surprise, but the problem looms for a broad range of commercial banks, too.

"We have been taking the issue of water shortages very seriously for a decade," said Ciaran McMullan, the CEO of Suncrest Bank in Visalia, Calif. "The alarm is being sounded to those who are not steeped in the issues that come with the availability of water."

The $931 million-asset bank has a branch in Porterville, Calif., in the San Joaquin Valley. During the state's drought earlier this decade, wells in nearby East Porterville ran dry, and the community's problem attracted international attention. Many residents were forced to leave, leaving their property and sometimes their mortgages behind.

Steve Baker, a hydrogeologist, has been going around the country asking for meetings with banking executives to discuss how they can navigate any restrictions governments will put in place and ways they can safeguard against the kinds of problems Cashmere Valley Bank ran into.

Back in the 1980s, he raised concerns early about what responsibility lenders would have when they took back property with heavy pollution problems. As the costs of cleanups skyrocketed, Baker found himself at the top floor of some of the country's largest banks.

He is now flagging a study published in July by University of California, Santa Barbara researchers. They found that drilling deeper wells — a stopgap measure many in dry areas turn to when water is in short supply — is unsustainable.

At certain depths, it becomes too expensive to drill and the water turns saline anyway, Baker said. Restrictions are inevitable as sources of fresh water run out. This will not just hurt ag banks but lenders financing developments in rural areas that have been experiencing a boom in building, he said.

"We will see more issues," Baker said. "And it can be described in a loss of money. Lenders writing 10-year, 15-year, 30-year mortgages right now, they really need to be paying attention."

McMullan at Suncrest has inserted special stipulations into the bank's underwriting criteria when considering whether to make a loan, such as annual pump tests and determining how many water sources a borrower can draw upon. Oakes at Cashmere Valley Bank in Washington said it took similar steps.

Examiners at California's Department of Banking consider water shortages among the risks banks there must "identify, measure, monitor and control," a spokesman for the agency said in an email.

Oakes said regulators are "asleep on this issue." A clearer picture of the water shortage problem may come into focus next year when a landmark federal government assessment of renewable resources, required each decade, is due.

"I don't think there are a lot of non-ag banks thinking about water," McMullan said. "But if you're doing one- to four-family construction loans, you'd want to know if further development will be challenged by a lack of water supply."

Chain Reaction

Banks are reporting a rise in charge-offs from restaurant bankruptcies

Restaurants, a typical bellwether of broader economic issues, are giving some banks indigestion.

Eateries are heavily dependent on consumer spending, affordable labor and manageable costs for raw goods. All of those areas are under scrutiny as pundits debate the timing of the next economic slowdown.

Several banks have reported issues tied to restaurant bankruptcies this year, including Cadence Bancorp. in Houston, First Financial Bancorp in Cincinnati and Equity Bancshares in Wichita, Kan.

At the $17.5 billion-asset Cadence, exposure to an $8.5 million shared national credit led to a $1.6 million charge-off and a $1 million increase in the loan-loss reserve in the second quarter after a restaurant client filed for bankruptcy protection. More charge-offs could be needed, Cadence warned.

The loan, along with a trio of commercial credits, contributed to a "bad quarter," Cadence Chairman and Chief Executive Paul Murphy acknowledged during his company's quarterly earnings call.

While Cadence did not identify the restaurant, Stephens Inc. analysts suggested in a note to clients that the borrower could be Perkins & Marie Callender's, which filed for bankruptcy protection on Aug 5.

The Memphis, Tenn., restaurant

company is part of a growing list of casual dining chains struggling in a crowded and highly competitive industry. Kona Grill, Papa Gino's, Taco Bueno Restaurants and Ruby's Diner have also sought bankruptcy protection in recent months.

Restaurants have historically benefited from locations near shopping malls and big-box retailers, which are now suffering from declining foot traffic as online sites thrive. Some restaurants also are grappling with rising labor costs, the result of low unemployment and higher minimum wages in several cities and states.

The Stephens team said other banks have exposure to Perkins & Marie Callender's, including Regions Financial in Birmingham, Ala. Regions has cautioned multiple times this year about the restaurant sector.

The fast-casual restaurant subsector is the only industry creating "significant concerns," John Turner, Regions' president and CEO, said during the $127.5 billion-asset company's last earnings call.

The restaurant industry "has been responsible for a fair amount of the one-off problems we've seen this year," said Terry McEvoy, an analyst at Stephens. "So there's an emerging trend."

While the credit problems are still largely isolated, bankers and industry experts are watching to see when they move from one-off issues to something more lasting.

"Everybody has their eyes on potential strains on the economy right now," said Scott Brown, chief economist at Raymond James. "If we start to see stress on consumers and they spend less as a result, restaurants will feel it even more, and that could be an early warning sign of bigger problems to come," Brown said. — *Jim Dobbs*

Up for grabs

Who will emerge as buyers of the hundreds of branches the merging BB&T and SunTrust are divesting?

Now that BB&T and SunTrust Banks have secured shareholder approval of their merger, another big hurdle lies ahead: selling hundreds of branches throughout the Southeast to allay antitrust concerns.

The divestitures could fetch hundreds of millions of dollars, according to analysts and banking lawyers. A deal or multiple deals — essential to obtaining a green light from regulators to form Truist Financial — could be announced within weeks.

Branch sales are likely in a dozen separate markets in North Carolina, Georgia, Virginia and Florida, because that is where the new company would have the greatest market concentration, according to data compiled by the Federal Reserve Bank of St. Louis.

The companies have said that they will divest about $1.35 billion in deposits. The most branches are expected to be sold in Atlanta; Richmond, Norfolk and Martinsville, Va.; and Durham-Chapel Hill, N.C., according to the St. Louis Fed data. In Martinsville, for example, the new company would hold about 40% of the deposits before any divestitures. It would control about 33% of the Atlanta market, 29% in Norfolk, 24% in Durham and 21% in Richmond.

The other eight markets for likely divestitures are Lexington, South Boston and the Eastern Shore in Virginia; Lumpkin County, Wayne County and Milledgeville, Ga.; and North Lake, Fla.

Regardless of how many branches they divest, BB&T and SunTrust cannot simply sell their least desirable locations, said Jeremy Hill, a lawyer at Bingham Greenebaum Doll in Indianapolis who is not involved in the deal.

"They don't want you to take all of your bad branches in a certain market and sell them, if those branches are not going to be independently viable," said Hill, who recently advised German American Bancorp in Jasper, Ind., on its acquisition of Citizens First in Bowling Green, Ky.

BB&T and SunTrust have said about a quarter of their 3,100 branches are within two miles of each other.

Mike McCoy, a SunTrust spokesman, said the two companies expect to engage with the Department of Justice on the divestiture plans. A BB&T spokesman declined to comment.

Numerous rival banks should be very interested in acquiring the branches that BB&T and SunTrust will divest, said Kevin Fitzsimmons, an analyst at D.A. Davidson.

While that competition could put upward pressure on the sale price, the bidding banks also know that BB&T and SunTrust must sell. BB&T and SunTrust will want to limit the number of buyers to contain merger-related expenses, Fitzsimmons said. "Maybe selling them all to one institution would be easier," Fitzsimmons said.

Sam Tortorici, the chief executive officer of the $17.5 billion-asset Cadence Bancorp. in Houston, said in February that he was recruiting teams of loan officers from BB&T and SunTrust.

"With a major merger of equals there's significant disruption, and you typically do see a lot of change of personnel," Tortorici said.

The $12.8 billion-asset United Community Banks in Blairsville, Ga., has recently expanded in markets where BB&T and SunTrust are players, particularly the Atlanta suburbs.

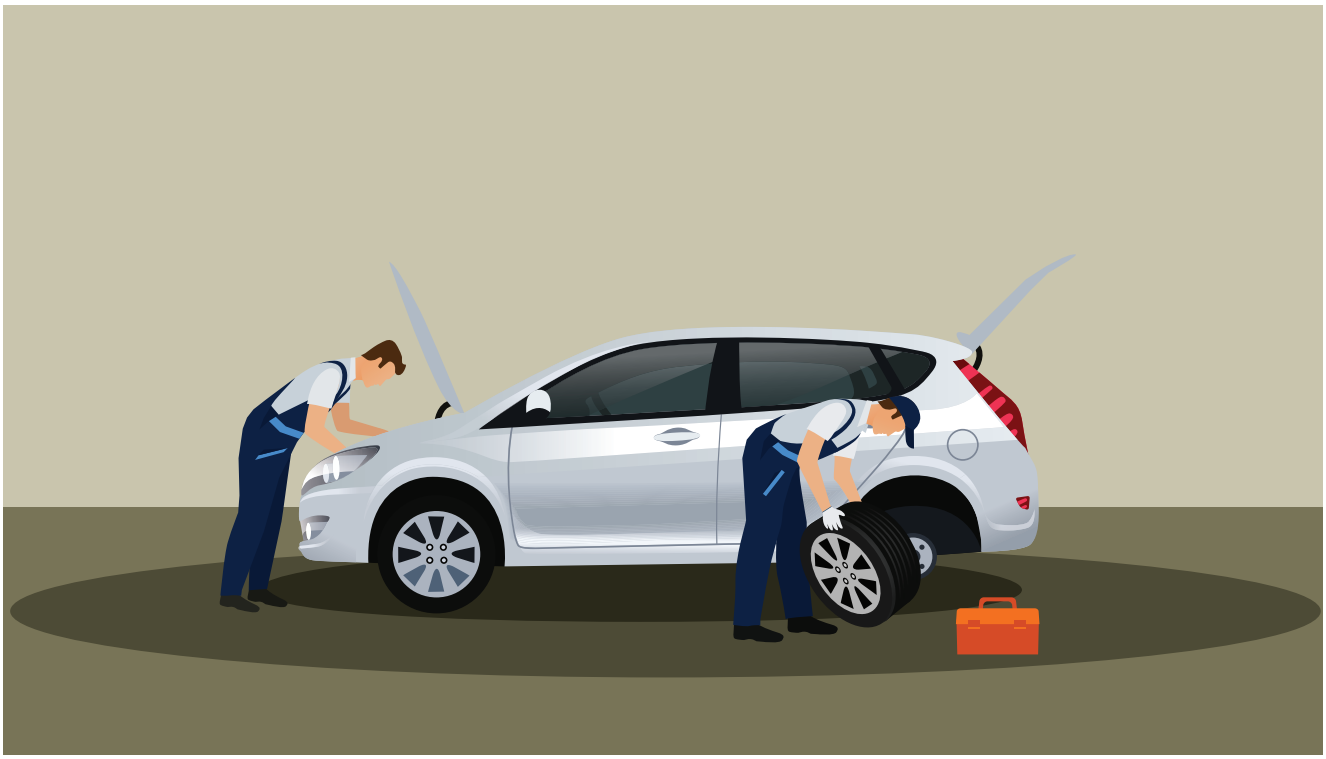
— *Andy Peters*

Congratulations are in order. So here they are.

It takes amazing individuals to bring us all forward. That's why we wanted to publicly congratulate all honorees, including our own Jennifer Strybel, Diane S Reyes and Katia Bouazza, for being this year's American Banker 17th Annual Most Powerful Women in Banking. It's because of their dedication and business prowess that we can all take steps toward an even more successful future.

HSBC

Together we thrive



The slow rollout of faster payments

Community banks and tech companies that are happy the Fed is building a next-generation system are not as pleased with its four- to five-year timeline

By Kevin Wack

The Federal Reserve's decision to build a real-time payment system — against the wishes of a big-bank consortium that operates its own network — has kicked off a new phase in the fight over how Americans will move money in the future.

In the weeks since the FedNow announcement, lobbying groups that cheered the move have begun pressing the central bank to shorten its four- to five-year timeline for the launch. The Fed has said that it expects the new service to be available by 2023 or 2024, and that achieving nationwide reach is likely to take longer.

That timeline is too slow for community banks and tech giants that want a modern, Fed-operated payment network to compete against the system built by the nation's largest banks.

"We need them to move faster," said Cary Whaley, who works on payments policy at the Independent Community Bankers of America. "I'm not saying the Fed should move fast and break things. But by the same token, we need this infrastructure now."

Brian Peters, executive director of a trade group whose members include Amazon, Apple, Google and PayPal, also urged the Fed to move quickly. "The faster they can do this, the better," he said.

One reason the pace of the Fed's progress matters to the project's supporters is that a long lag time could give detractors more opportunities to mobilize political opposition. In the run-up to the Fed's Aug. 5 announcement, the debate over the central bank's role in payments grew more partisan. Congressional Republicans could still take steps to slow or stop the project.

A slow rollout by the Fed also figures to help The Clearing House, the big-bank-owned firm that started its own real-time system in 2017 and is seeking to sign up as many banks as possible.

"When the Fed said that it would be 2023 or 2024 before they would be able to enter the market, we weren't surprised. This is very hard to do," said Steve Ledford, a senior vice president at The Clearing House. "Does that mean there's an opportunity for us between now and then? Absolutely."

Since the Fed's announcement, some observers have speculated about whether the big banks will file a lawsuit in an effort to stop the central bank's real-time system. The Clearing House does not plan to sue, according to Ledford. "We want to win in the marketplace, not in courts," he said.

Ledford also said that The Clearing House will honor a set of business principles — first published earlier this year — for its real-time network. That document includes a pledge to charge the same price to all depository institutions, regardless of their size.

A prior version of the document stated that the principles would only apply as long as The Clearing House was the sole U.S. operator of a real-time payment system. But the most recent published version of the list of business principles no longer includes that caveat.

The Clearing House has said that its RTP Network already reaches more than 50% of U.S. demand deposit accounts. Ledford said that The Clearing House has seen an uptick in interest in the RTP Network since the Fed's announcement.

The question now is whether most banks and credit unions will be willing to wait several years to launch real-time payments through the Fed, or will instead turn to The Clearing House because they feel more urgency.

"Midtier and large-tier banks, they can't afford to wait," said Erika Baumann, an analyst at Aite Group. She argued that the Fed's timeline is so long that "it's almost irrelevant today."

Some observers have wondered whether the Fed established a four- to five-year timetable so that it would be in a position to surpass expectations. And there are several factors that point to the possibility of a speedier implementation.

Because real-time payment systems are operational in dozens of other countries, the technology that the Fed will need is well established. And because the U.S. central bank convened a large task force on faster payments earlier this decade, it has the staff-level expertise needed to hit the ground running.

But the Fed could be slowed by a requirement that it solicit public input, which does not apply to private-sector innovators.

Christina Tetreault, a staff attorney at Consumers Union, dissented from the view that the Fed needs to launch its system before 2023. "It's important to get it right," she said.

But her opinion appears to be in the minority. "I think the Fed has indicated that it understands that time is of the essence," said Kim Ford, executive director of the Faster Payments Council, a group whose members include financial institutions, tech companies and businesses that use the payment system.

Indeed, the Fed is taking note of the loud calls for a speedier launch. Ken Montgomery, who is heading the development of FedNow, said that he will be looking for opportunities to beat the four- to five-year target.

"To the extent that we can bring in the solution sooner, we're certainly going to strive and endeavor to do that," said Montgomery, who is also first vice president and chief operating officer at the Federal Reserve Bank of Boston.

Coming to America

The German fintech N26 joins other European neobanks targeting U.S. consumers

N26's new SoHo office has all the design elements of a tech startup — high ceilings, distressed wood, big windows, a pingpong table, beanbag chairs, community meeting areas.

"This is the first office I'm not embarrassed to show off," joked Nicolas Kopp, U.S. chief executive for the German challenger bank. The New York office has moved five times in the few years he's been building the U.S. presence, starting at a WeWork location. Sixty people now work in the U.S. unit, and it is hiring more.

N26 rolled out nationwide in late August and has started advertising on New York City buses, subways and taxis. The company has 3.5 million customers in Europe, and its hopes are high for this country.

It joins other European neobanks coming stateside, including Monzo and Revolut from the U.K. It is also pitting itself against U.S. native challenger banks like Chime, Varo, Qapital and MoneyLion, and U.S. banks' digital-only units, including Goldman Sachs' Marcus, Wells Fargo's Greenhouse and Citizens Bank's Citizens Access.

One lure is fast account opening. Barring a problematic customer risk profile or know-your-customer hiccup, in what Kopp refers to as a "happy path scenario," new customers can open an account in five minutes.

N26 built its own onboarding technology, Kopp said, but relies on partners for data verification and anti-money-laundering checks. A debit card gets shipped within a few days of account sign-up — it will be the first in

the U.S. to not have a signature strip on the back of the card.

Another element is rewards. The company has partnered with retailers like the micro-reading app Blinkist, the fitness app Aaptiv, Luminary and Tidal to provide account-opening incentives.

N26 also says it supports real-time transactions. Sometimes customers receive a text message from N26 about a transaction before the payment terminal they're using displays it, Kopp said. N26 does the heavy lifting here, he said, for instance, by authorizing payments.

Early access to pay is another feature — N26 will provide customers access to their paychecks two days in advance.

Another component is basic money management. N26 lets customers divide their money into subaccounts it calls "spaces." A customer might have a Space for buying a laptop and a Space for a future trip to Bermuda.

So far, Kopp appears satisfied with the startup's progress. The waiting list has more than 100,000 names, and N26 is getting a couple of thousand sign-ups a week.

How can N26 executives afford to do this? In the past, they have said that profitability is not a core metric at the outset. For the U.S., Kopp says this is partly true.

"Long term, we need to build a profitable and sustainable business," he said. "But short term what is more important is to reach users and engage users in our platform, create buzz around N26 and get that scale, then subsequently in parallel steps start thinking about profitability."

N26 has raised $675 million to date. "Changing an industry like banking does require a lot of capital and patience," Kopp said. "It's good that we have strong investors that believe in us making that change and have the patience to work together."

In Germany, N26 customers have reported difficulty getting through to customer service. Kopp said the company has learned from this.

"It's hard to grow a business," he said. "You learn through the process. We've made a few mistakes, and I think the way we've dealt with these mistakes has been transparency, by telling customers we're sorry, we're aware, we're fixing it. — *Penny Crosman*

BofA's digital wallet play

What's behind the bank's bid for a blockchain patent?

Bank of America has joined the likes of Walmart and Mastercard in seeking patents for blockchain technology that could be used for digital currency or a mobile wallet.

BofA's patent application describes a security system for a peer-to-peer network with a digital wallet interface, providing that interface to a user's computing device and instructions for a tiered password system.

The bank contends that security for digital currencies is not adequate and that there is a need for "better" digital wallet infrastructure.

"With the increasing amount of attention being placed on digital currencies such as bitcoin and ethereum, it has become vital to develop digital wallet infrastructure so that holders of digital currencies are able to store their coins safely and securely," the application says.

"However, existing digital wallet infrastructure is underdeveloped and provides many pathways for failure and exploitation."

In an email, BofA's public relations office described the filing as the recording of a "concept" and not a specific product that is in production. The bank has shied away from building its own digital wallet technology, instead relying on fast issuance to enable consumers to use existing digital wallets and ancillary services such as marketing and security that touch the mobile channel.

In its patent filing, BofA describes "blockchain" in this context as a data ledger that stores records that may be used for cryptocurrency, digital content storage, authentication, digital identity, person-to-person payments and ride sharing. Nonfinancial use cases such as electronic voting and medical records are also listed.

The application does not list a use case in as detailed a manner as Walmart did in its patent application, but a tiered security system would give it options as the mobile payment and cryptocurrency markets develop.

— *John Adams*

17TH ANNUAL MOST POWERFUL WOMEN IN BANKING

Full coverage, including slideshows, video and more, available at americanbanker.com/women-in-banking

Photograph by Sasha Nialla

MOST POWERFUL WOMEN IN BANKING

MOST POWERFUL WOMEN TO WATCH

MOST POWERFUL WOMEN IN FINANCE

THE UNSINKABLE CATHY BESSANT

She rose through the ranks of Bank of America by embracing challenges others didn't want. Now the chief operations and technology officer is taking on one of the toughest tasks of the modern age: ensuring artificial intelligence is used responsibly.

By Penny Crossman

Photograph by Peter Taylor

A few hours into a busy morning, Cathy Bessant is on her way to a fireside chat with several hundred interns at Bank of America's Charlotte, N.C., headquarters. As she walks through the lobby, she points to a spot that used to be a gym and is now a restaurant.

"I'm still in mourning, even 10 years later," she says. "I liked the competitive spirit at the gym; it made me do more."

Competitiveness is a key theme of Bessant's 37 years in the banking industry, all but two of which were spent at BofA, where she is now chief operations and technology officer.

Another is the need for a challenge.

When she was in ninth grade, the Title IX civil rights law was passed that prohibited any educational program or activity receiving federal funds from discriminating against women. "Suddenly my high school had a girls' swim team," Bessant says.

She joined because she was a good swimmer who wanted to get faster. It didn't go well at first.

"I've had the agony more than once of getting polite applause and realizing it's because I was last," she admits. "It was humiliating. So I like the challenge of figuring out how to have impact even if I wasn't going to be the fastest."

By senior year, she was captain of the team.

"Not because I was the fastest person and not because I set out for the glory of it," she says. "I set out for the challenge of it."

This same mindset has guided her throughout her career. When she first joined BofA, she jumped at an opportunity that others didn't appreciate. It was a territory in the Rust Belt that included Detroit during an auto industry slump.

"I liked that that was the territory nobody wanted," she says.

She did well enough that she was later sent to run the Florida region when it was losing market share.

"It was, 'Send Cathy,' " she says. "I like being known for fixing things."

Cathy Bessant reviews a security assessment report during an early-morning meeting with her direct reports.

En route from one meeting to the next, Bessant chats with about a dozen people, including one executive she bumps into on the escalator.

AI and the future of work

Not everything she sets out to fix is broken. Her decision to tackle the issues facing society around artificial intelligence is more of a preventive measure.

A few years ago, Bessant, who oversees a $14 billion annual budget, was thinking about artificial intelligence software and the fact that it's designed by humans who build their own biases into it. She considered the role that her company and others should play in making sure AI is used for good and doesn't have unintended negative consequences.

She wanted to go beyond BofA in studying the issue, as it not only affects the industry broadly, but has implications for many others sectors, from government to higher education.

So in April 2018, she worked with Harvard University to create a Council on the Responsible Use of Artificial Intelligence, to bring together people from academia and the corporate world to work on ethical questions around AI.

"The council is focused on societal infrastructure and on bringing to light and having candid discussions about when it doesn't go well," she says.

The group recently saw a demonstration of bias in facial recognition.

"When I change my glasses, facial recognition doesn't recognize me," Bessant says. "The darker your skin is, the less likely the software is to recognize your face."

Lately, Bessant and the council have been focused on the impact of emerging technology like AI and robotic process automation on the workforce of the future.

"Workforce transformation is serious and hard and important," Bessant says. "Our people are very worried and, to me, that means very distracted by it. No company can afford to be idle about that distraction."

While some fear that computers might one day largely replace people in many jobs, Bessant doesn't see it that way. BofA, for example, still needs skilled operations staff, she says.

"How motivated our workers are, how confident they are, is 100% correlated to what service they give," she says. "And more and more, the cost of poor service is huge. There's complete zero tolerance for it. And when you do make a mistake, it's all over social media. Confident, competent people are the only thing that can deliver flawless execution."

But that doesn't mean nothing is going to change. While employees continue to do their daily work, Bessant wants them to be "reskilling" for jobs of the future. She started an internal "university," where the 95,000 people in her group can take online courses and learn how to code, how to design bots, and other skills.

She also intends to double the percentage of open positions in her group filled by internal hires — from 38% to 76%.

Asked if she believes there is merit in bringing in new people with fresh perspectives, who have honed their skills at tech companies like Amazon and Google, Bessant acknowledges there is. That's why her goal is not 100%.

She says the percentage may change over time.

In the atrium of Bank of America's corporate headquarters, Bessant runs into a colleague who's on the board of a local university. She shares strong views about who should succeed the recently departed chancellor of the school.

"But I want managers to feel pressure to pull for the kind of educational models, certification models, internal development and training people need," she says.

AI could be used to help with this, she notes. It could help chart the jobs and education people have as they move from one place to another, to learn, for instance, if people in finance turn out to be great coders, and to see what that career path looks like.

All of this could help with the tech talent shortage and reduce the cost of churn, which she calls a "useless expense."

"We don't need to battle anybody for talent," Bessant says. "We have the talent pool," as long as the company invests in helping employees develop new skills and employees take advantage of the opportunity.

BofA's best-known use of AI is probably Erica, the cognitive voice and chat-driven virtual assistant it launched in June 2018.

More than 7.6 million users have completed 55 million requests through the chatbot. The most popular interactions are transaction searches across accounts, views of proactive insights, bill payments, funds transfers and requests for routing numbers and FICO scores. The virtual assistant also provides a weekly snapshot of month-to-date spending, tracks month-to-month changes to FICO scores, flags upcoming recurring charges, and sends alerts for upcoming payments due on BofA credit cards.

Beyond the AI work of her company and the Council for the Responsible Use of AI, Bessant spoke about responsible AI in seven different talks at the Davos conference this year. She also hosted a private BofA dinner, along

with Dean Athanasia, the company's president of consumer and small business, on the topic of responsible AI with 20 guests from academia, government, chief executives and chief information officers.

Building empathy

Though she's clearly a driven, ambitious Type A — she has climbed the corporate ladder, summited Mount Kilimanjaro and survived breast cancer — Bessant often acts like a Type B: friendly, soft-spoken, patient, empathetic.

Part of this is likely the Southern manners common in Charlotte, where, in a three-block walk through the downtown, multiple strangers smile and say hello. One, a man shouting "Jesus saves" on a corner, pauses to tell a passerby to have a wonderful day. None of them ask for money.

Bessant, who grew up in Michigan and moved around the country for various roles at BofA, has been in Charlotte for the past two decades.

But her warm disposition also could be the result of a lesson she learned years ago, when she was demoted for a year.

Her boss at the time told her: "I see you in community meetings and people love you, and you are not loved in here. You need to go figure out what the difference is."

Bessant realized that when she was out in the community, she was a good listener. She also was more relaxed.

"I had to make changes in my style and embrace being natural and authentic," she says.

Bessant's life has also given her opportunities to acquire an unusual level of empathy.

Bessant and her top corporate communications person, Mark Pipitone, strategize about her next meeting.

She grew up poor, in a 900-square-foot house with six people, one bathroom and no shower.

Her brother was in a car accident in 2013 in which he broke his pelvis in nine places, tore his aorta and both lungs, and ended up in a coma for more than 20 days. He was convicted of DUI manslaughter because the passenger in his car, his girlfriend, died. He also spent time in prison. He will never drive again and may never work again, though he does do volunteer work.

"Most people look at someone like me and would think I didn't know what a probation officer was," Bessant says.

Such experiences have helped shape Bessant, forging a unique blend of strength and sensitivity.

It is something others notice about her.

Henry Cisneros, a former secretary of housing and urban development, once introduced Bessant to an audience as "the unsinkable Molly Brown," a reference to the socialite who survived the wreck of the Titanic and urged the lifeboat crew to go back for more passengers.

Andrea Smith, the chief administrative officer at Bank of America, has a similar take on Bessant.

"She would describe her career not as one that went always up, but one that went sideways and down," says Smith, whose office is next door to Bessant's. "But she was determined to learn from each setback and was always very resilient."

Bessant describes herself as "bulldogged."

"I've never seen a situation I didn't want to take on," she says.

"I'm persistent and even when I've had failures, I get up and do it again. I respect that attribute in people who will take whatever you throw at them and figure out a way."

When Bessant was diagnosed with breast cancer in 2010, her boss, BofA Chairman and Chief Executive Brian Moynihan, encouraged her to take time off during her treatment.

"I said, 'Are you trying to make me crazy?' " Bessant recalls. "If I'm not occupied I will dwell in a bad place. So then I doubled down and said I'm not going to miss a day of work. I missed a few, but that was the goal I set for myself."

When she interviews job candidates, Bessant asks them to tell her about a setback they've had. Often they don't want to admit they've had one.

"You can tell the fake ones; they make up adversity," she says. "But if a person tells a poor story or says they can't recall that they've had one, that they've been on a straight trajectory, I may finish the interview, but my ears shut down."

5G, cloud, inclusion

By virtue of her position, Bessant is keenly aware of emerging technology and the potential impact it will have as it goes mainstream.

One issue already on Bessant's radar in a big way is 5G, the faster communication network technology being rolled out by Verizon and AT&T. "We have to have it," she says. "The ways we intend to use technology in society demand it."

For instance, driverless cars require huge amounts of bandwidth. Wi-Fi networks are easily strained. BofA has two 5G pilots underway now. Bessant is also working to make Charlotte one of the first cities to be 5G enabled.

"It's a dream right now," she says. "We don't have the infrastructure for it to be a reality."

She also wants to make sure all communities have 5G, perhaps with the government's help, so disadvantaged areas don't get left out.

Cloud computing is another priority. Bessant says the hacking of a cloud provider in July validated BofA's current hybrid cloud strategy, in which 80% of workloads run on an internal cloud.

One of the benefits of using a hybrid cloud is that BofA embeds its own security and safety controls.

"The reason we are cautious is that with many cloud providers we still have to maintain our cocoon of controls," Bessant says. "So not only do we pay a third-party expense, but we retain a lot of our internal expense."

BofA will switch to an external cloud only when Bessant is confident that the economics and safety make sense.

Family matters

It's the end of the day, and Bessant says she is taking her brother to a minor league baseball game that night. They go often.

Bessant heads into an auditorium to give a fireside chat in front of several hundred summer interns and executives.

"I have season tickets," she says. "I grew up in a baseball family."

The night before, Bessant, her husband and her brother went out to dinner and, back at her brother's house later, helped him take out the garbage. It had been raining and there was a big divot on the top of trash can. She ended up getting soaked.

Their closeness is something she appreciates. "I have a best friend to watch baseball with, so we both benefit from that relationship," she says.

The final question she gets — what is next for her — is the hardest to answer and the only one she punts on.

She has reportedly been in talks with Wells Fargo about becoming its next CEO, but she declines to discuss that. There is a strong possibility she could stay on several more years at Bank of America in her beloved Charlotte.

Whichever path she takes, she will keep taking herself out of her comfort zone with physical and mental challenges like she did with climbing Mount Kilimanjaro.

And she will keep focusing on causes she personally cares about, such as accommodating people with disabilities.

The worst piece of advice she's ever gotten, she says, is "fake it until you make it."

"A lot of people say it," Bessant tells the interns in her morning fireside chat. "I just don't believe it, and every time I've tried to fake it or act like I knew something I didn't, it didn't work out. I refuse to fake it."□

FROM RISING STAR TO STAR ATTRACTION

Growing up, **Thasunda Duckett's** family used crates as furniture and struggled to buy groceries. Now she's become one of JPMorgan Chase's most visible executives, using the lessons of her past to help guide the company as it undertakes a massive branch expansion.

By Glen Fest
Photography by Ben Norman

On a Wednesday afternoon in early August, a luxury coach bus pulls up outside JPMorgan Chase's new Chapel Hill branch in North Carolina. Though it has darkly tinted windows, the throng of employees and local VIPs know who's arrived.

JPMorgan's top executives, including Chairman and Chief Executive Jamie Dimon, step out one by one for a ribbon-cutting ceremony at the company's first retail location in the state. For most of the employees waving Chase signs and banners, it's their first time meeting the company's leaders, and they cheer each new arrival.

As local TV news cameras begin rolling, Gordon Smith, the chief operating officer, takes the floor to explain why they've come. The Chapel Hill site is the 28th branch opening in an ambitious plan to add nearly 400 Chase locations in new markets across the country, expected to be completed by 2024. JPMorgan's strategy is to build on its retail connections with customers in cards, mortgages and wealth management in the Carolinas and other areas where Chase branches have long been absent.

Smith's talk is the cue for the entrance of another top executive, who happens to be a key player behind the retail growth push he is detailing.

"And as I say that, our head of retail banking … Thasunda Duckett is now in the house!" Smith says in his clipped British accent.

Duckett walks in, past the columns of party balloons, and works her way through a line of greeters who are eager to share hugs and handshakes. The cheers are louder than before, and a nearby corporate staffer takes note with a smile, saying "I bet she gets more applause than any of them."

Duckett, JPMorgan's chief executive for consumer banking, is one of the company's fastest-rising young executives. She's also visible and accessible to a degree that is rare. She is a frequent voice for the company in television appearances and news media. Known as "T" to friends and colleagues, she's a regular visitor to the branches where most of her 48,000 employees work. At corporate events — from branch openings to promotions for the financial literacy campaign she helped roll out this year with Essence — Duckett is a main attraction.

Speaking to the crowd at the new University of North Carolina campus-area branch (on Franklin Street, directly across the street from a rival SunTrust branch), Duckett picks up

In June, Thasunda Duckett emceed an event at the newly remodeled Harlem branch on West 125th Street. She and JPMorgan Chase are encouraging African-American women to take a savings and investment pledge as part of a financial empowerment program. The goal is 20,000 pledges.

Duckett promotes JPMorgan Chase as a brand for everyone, not just the wealthy and middle-class households that banks have traditionally courted. JPMorgan's 400-branch expansion through 2024 allocates 30% of the branches for low-income communities. "For us, this is not an effort. This is not a nice-to-have. This is embedded in our business," Duckett says.

where Smith left off, further describing the mission behind Chase's strategy of entering new markets: doing the right thing. Nearly 30% of the new branches are destined for lower-income communities, which banks have traditionally left to alternative, sometimes predatory, financial services providers that may make the path out of poverty more difficult for the underbanked.

"We're going to be opening branches across all communities. From students, to low-to-moderate income, to affluent, we want to be where the community lives, works and shops," Duckett says.

The mission strikes a chord with Duckett, who grew up in a family that faced economic hardship. She shares her story often in public settings, hoping to spark conversations on change she wants to see in her industry and to encourage success in the communities that need more opportunity and investment.

"It aligns with my purpose in life to inspire others. It really is important when people can see the art of possibility," Duckett says during one of several interviews over the course of the summer.

The branch expansion, announced early last year, has turned 2019 into one of the most consequential of Duckett's three-year tenure as the leader of JPMorgan's consumer banking services.

Some of the new branches are in areas like Anacostia, a largely low-income, African-American community in Washington, D.C. The bank also opened a branch in Camden, N.J., and in June opened the doors to a remodeled branch in Harlem. The West 125th Street location is now a site for regular seminars on household budgeting and small-business topics.

"We look at where we bring our assets to actually meet the needs of a community," says Duckett, noting that Chase serves 26 million households across the income spectrum. "You have to be the bank for everyone to have that number of households to choose our bank."

Duckett has traveled the country to see firsthand the introduction of Chase branches to new communities, including top 10 markets such as Boston, Philadelphia and Washington where the company previously had no retail presence.

She is personally focused on filling the gaps for populations where poverty is pervasive and local needs — jobs, investment and education — are critically inadequate.

"For us, this is not an effort. This is not a nice-to-have," she says. "This is embedded in our business."

The outreach isn't always easy or even sometimes welcomed by residents. Banks are often viewed with distrust given their history of redlining and abandoning many inner-city neighborhoods.

Duckett is aware of the challenge. "There is so much fear, especially in the black community when it comes to banks and other industries," she says. "The way we earn the trust is we'll open up our doors."

Dan Deegan, who works in tandem with Duckett as the head of JPMorgan's market expansion plans, salutes her for putting community needs over profits.

"She challenged us to say it's great to be profitable and great to be successful, but being successful comes in a lot of shapes and sizes," Deegan says.

"It's not only on the financial statement: Are you a value-add to the community or just try to make as much money as you can?"

Duckett's undertaking includes advocacy for change on both sides of the teller window. She is alarmed by a statistic that she regularly cites in interviews: The average net worth for single African-American women is $200, while the average for single white women exceeds $15,000.

"We know there are structural reasons for this," Duckett says. "We know our history, we know what was lost, we know the issues. But part of the opportunity is to say that's not who you are. It was not because you are not capable of building wealth."

A primary aim for the new nationwide Currency Conversations program she is spearheading with Essence magazine is to promote greater financial acumen and knowledge for communities of color — for young black women in particular. At the events, Duckett encourages black women to take the Currency Conversations "pledge" to save money, reduce debt, set a financial goal and, most important, spread the pledge to friends and family in the African-American community.

The goal is to get 20,000 pledges by the end of October.

"Education is the core, but it's how you deliver the education," says Duckett, who brought her husband and children along to the Harlem event that Saturday. "It is about first relating to people. The information is out there, but most people don't think it's for them."

She knows the experience of a lack of financial awareness. Duckett was born and raised in a working-class family, whose breadwinner was a warehouse worker. Her father, Otis Brown, had escaped extreme poverty and Ku Klux Klan terrorism in his home state of Louisiana decades earlier to start a family in upstate New York.

He and his wife, Rosie, struggled to raise their three children (Duckett and her two brothers), but he found steady work driving and loading trucks for companies such as Xerox. A sudden job loss forced the family into a cross-country relocation to North Texas — where things got worse. They moved to a run-down apartment in Arlington, at first using crates as makeshift furniture. In between jobs and paychecks, there were days when there was only baking soda in the refrigerator. Lunch or dinner would often be a serving of red beans and rice. The family car was repossessed.

The Browns' struggles did not impede Duckett's education, a priority in her house. She went to the University of Houston, four hours south of Arlington, earning a degree in finance and marketing — which led to the start of her career in finance, at Fannie Mae in 1996. It was while she was working at Fannie in Dallas and on her MBA at Baylor University that Duckett realized her father's struggles weren't just part of the family history. They were going to be part of his future too.

She recalls the day she asked to help her father plan his retirement, looking over his savings and projected pension and 401(k) payouts. She discovered he had spent years without establishing and adequately contributing to a 401(k) plan, because he wasn't aware he was eligible. "He didn't know it was for him," she says. "I had to tell my dad, 'Your pension is not enough.' "

Duckett showed early leadership credentials while attending classes at Houston. She was the first female student regent. She gained some early acclaim by organizing an intramural basketball tournament that brought

Duckett, shown with guests at the Currency Conversations event in Harlem, is driven to improve educational and life opportunities for young girls of color. She wants her own children, whom she raises with stay-at-home husband Richard (center), to travel around the globe before they graduate from high school.

together students of all types — black and white, the Greek houses, dorms, etc. — for a campuswide event.

When Duckett interviewed for an internship with Fannie's Dallas office as an undergraduate, she quickly made an impression. Though she lost out to a "perfect" candidate chosen for that position, Fannie decided to open up a second spot to fit her in, Duckett says.

After college she joined the government-sponsored enterprise, even though higher-paying offers were coming her way. "I chose Fannie Mae because I grew up in the company," she said. "I felt like, 'You know what? I can bet on myself.' A few extra thousand dollars long term, I believed, was not material."

If her struggles growing up opened her eyes to the reality of poverty, her days in the associate rotation programs at Fannie gave her the foundation for understanding solutions. She worked with different constituencies, including Native American communities, to access down-payment assistance, grants and work programs that put people on the path to homeownership.

Duckett later moved to Los Angeles with her then-new husband, Richard, an ex-Marine and engineer, where she took on bigger roles in account management and fee-guarantee negotiations with banks and investors.

Duckett loved Fannie. "I totally drank the Kool-Aid. 'The mission is our business, the business is our mission.' I can still recite it," she says. But Fannie is a secondary-market business, and Duckett craved a closer connection to customers. It wasn't until she happened to deliver a market presentation at a 2004 conference in New York that she was approached by JPMorgan executives in attendance. They asked her if she would consider joining Chase in a burgeoning area for the bank: an affordable lending/emerging market business in New Jersey. She and Richard, a stay-at-home husband, packed up and moved east.

Duckett and Michelle Ebanks, the chief executive of Essence Communications, share a hug at a June event designed to promote JPMorgan's Currency Conversations project.

Duckett's rise at JPMorgan was swift. After four years as a senior vice president in Jersey, she shifted to a regional post overseeing the bank's home lending division.

It was during this time, getting her first experience heading a profit-and-loss center for the bank, that she faced her first hurdle — one that she herself nearly put in the way of a promotion.

Duckett was six months pregnant with her second child when the offer from her boss, Gordon Smith, came along.

Duckett's instinct was to pass, she says. "The first thing out of my mouth was, 'You know I'm pregnant, right?' " she says. "'You know it's going to be a C-section and I'll be out for three months, right?' And they said, 'You're planning on coming back, right?'

"I think that's a moment, there was this vulnerability of doubt, of 'Are you sure you want me?' " she says. "I'm almost giving them permission to say, 'Well, maybe not.' But I say that because the firm never blinked. In a moment where I am doubting myself, my firm, my boss, did not blink. That has stayed with me."

Duckett took the offer and within two years was leading the mortgage division. Her rapid ascent paved the way for another big promotion in 2013, when she became head of the auto finance division.

Within three years, JPMorgan shuffled its retail business by spinning out wealth management and investment services to a new unit under former consumer banking CEO Barry Sommers. In September 2016, Duckett was named to replace Sommers. At the helm of consumer banking, she has helped steadily increase earnings ($32.4 million in net income, or $9.04 per share, in 2018, up from $24.4 million, or $6.35 EPS, in 2017) and return on equity (to 13% last year).

Smith, who first met Duckett in the mortgage sales force, says she "just has a passion, an intellect, and intellectual curiosity that caught my attention. I could see she was a talented businessperson and people like to follow her."

As the retail banking CEO, Duckett's initiatives have included the expansion of digital banking by adding new features to the mobile app, such as account opening.

But the branch expansion is going to be one of her signature legacies, should the full plan come to fruition. Duckett thinks the company can

successfully bridge into these new markets, which represent a $700 billion deposit-growth opportunity, because of the connections the Chase brand has already made.

"In our first D.C. branches, where we started this, we saw customers drive — and you're not going to believe this but I promise you it's true — over 200 miles to open up an account," she said. "Account openings and performance have more than doubled the average we see in new branches at existing markets."

Duckett aims to be an influencer, especially among young black women who do not see many females of color in business leadership roles. "I like to say I am my ancestors' wildest dreams," she says. "I recognize it wasn't that long ago I could not exist in corporate America or in many parts of the fabric of our country.

"When I think about who influences me, and I talk about this publicly, it is the janitors and the cooks and the secretaries who look like me who first entered corporate America that over time allowed me to exist. I draw a lot of inspiration from those shoulders that I'm on."

The Currency Conversations initiative is an outgrowth of the company's new Advancing Black Pathways program for which Duckett is the executive sponsor. The program is marshaling resources to promote apprenticeships and post-graduation roles at Chase for black students, as well as professional development programs for young African-American executives recruited through the company's established Advancing Black Leaders program.

Sekou Kaalund, a Chase managing director and head of Advancing Black Pathways, credits Duckett with sharing her own personal history and her career path to mentor those enrolled in the program. It was a story he first heard nearly a decade ago when both were honorees at an industry function recognizing top African-American achievers under the age of 40.

"She cares about vulnerable populations, and elderly populations, both the banked and unbanked," said Kaalund, who was a member of Chase's corporate and investment bank at the time. "It's all through the lens of her life experience. That's the one thing that resonates to me."

Duckett's respect for those who blazed a trail before her extends to the social campaign foundation she founded in 2013.

The Otis and Rosie Brown Foundation annually issues student scholarships and grants to nonprofit organizations that, according to the organization's motto, exemplify what Duckett sees in her parents: "Extraordinary things can be done with ordinary resources."

"You don't have to be Oprah and give away cars to be extraordinary," says Duckett, who is now 46. "Ordinary people can be extraordinary."

Duckett's career success has given her family the financial wherewithal she could only dream of in her childhood. She has penciled in special plans and goals for her four children, including two she and her husband adopted.

"I want my kids to visit every continent before they graduate from high school," she says.

But her success hasn't shielded the kids — who range in age from 22 to 3 — from the experience of racial strife. She was devastated for her 10-year-old son who in the last school year was called the "N-word" by a white classmate. It rekindled the pain she felt hearing about her father's own childhood suffering, when his house was burned by the KKK.

There are times, she says, that she is the "angry black woman." Yet she has "no choice but to be optimistic," she says, for the future in a country that still struggles with racial divisions.

"I have to believe there will be better days ahead of us than the environment that we live in today," she says. "I recognize what makes our country great is the ideal of a more perfect union. Which doesn't mean we always get it right."

Perhaps one sign of how things have changed was three years ago, with a gesture Smith made after Duckett was promoted to retail CEO. Smith went to Duckett's office that day to celebrate her advancement, when a question came to him.

"I said to T, 'Do your parents know what you'll do for a living?' " Smith said.

Duckett admitted they didn't. Though her father had worked hard for decades providing for his family, he hadn't delved into the nuances of high corporate finance leadership.

"So I said, 'How about I call your dad?' " he said. And the second-highest-ranking executive at one of the world's largest banks called Brown to thank him for putting his daughter on the path that led her to Chase.

"We chatted about 30 minutes, and I explained to him what his daughter did and what an amazing executive she had grown into. I think whatever she sets her heart to doing, she's going to do astoundingly well," Smith said. "She is a real talent." ◻

Most Powerful Women in **Banking**

25

1 CATHY BESSANT

Chief Operations and Technology Officer

Bank of America

Cathy Bessant's day job — managing 95,000 employees in 35 countries and a $14 billion annual budget — would be enough to keep most people busy.

But Bank of America's chief operations and technology officer has undertaken major initiatives outside the office as well, including starting the Council on the Responsible Use of Artificial Intelligence with Harvard University two years ago and working with the North Tryon Advisory Committee on efforts to achieve economic mobility for disadvantaged people in Charlotte.

This year, she has stepped up her involvement in yet another major initiative: helping people with disabilities.

She's driven, at least in part, by her experience with family members with disabilities. Her mother-in-law was a paraplegic, and her brother, with whom she is very close, sustained severe injuries from a car crash in 2013.

"I think everybody, on a piece of paper, is a champion of accessibility and adaptability," Bessant said. "Having personal experience motivates action and helps overcome fear."

Taking care of her mother-in-law taught Bessant to ask questions.

"I'm not shy at all about saying, 'How can I help you? What can I do to make this easier for you?'" she said. "If I get the question wrong, my earnestness comes through. I don't always get the language right, but I'm not afraid to ask."

Bessant is the executive sponsor for BofA's internal Disability Advocacy Network, which supports people with disabilities and their families. DAN has grown under her leadership to more than 7,300 members and 17 active chapters worldwide. In 2018, for the second year in a row, BofA earned a perfect score of 100% on the Disability Equality Index, which is run by two nonprofits, the American Association of People with Disabilities and Disability:In. The index benchmarks companies in five categories: culture and leadership, enterprisewide access, employment practices, community engagement and supplier diversity.

Bessant invested $30 million this year to ensure the company's technology and facilities meet or exceed industry standards for employees and customers with disabilities.

On the digital banking side, she has mandated compliance with implementing the highest level of Web Content Accessibility Guidelines. These go beyond the Americans with Disabilities Act, which she considers table stakes.

If the standards are incorporated at the point of design, "it's not any more expensive; it just takes added thought," Bessant said. "If you have to retrofit, it's expensive."

Technology plays a big role in ensuring financial services is accessible, she said. "How you design a drop-down menu affects whether or not someone can use it."

Bessant is using her position as one of the biggest technology buyers in the world to put pressure on vendors to better serve disabled Americans. She requires vendors to disclose their scores on three disability inclusion indexes, or their plan for being included in the indexes.

"When I'm ready to sign a contract, my people bring me a summary that has the financials and how they've answered that question," Bessant said. "We are exiting one vendor that's a household name because they won't even certify to be ADA compliant. I'm excited about this work because it heightens awareness in these firms and causes them to take action, but that action also creates additional support for the advocacy network of organizations like the American Association of People with Disabilities."

— Penny Crosman

Photograph by Peter Taylor

2 ELLEN ALEMANY
Chairman and CEO
CIT Group

Three years into the turnaround plan at CIT Group, Ellen Alemany continues to remake the commercial finance company she inherited into more of a traditional bank.

CIT's $1 billion deal to acquire Mutual of Omaha Bank, which was announced in August, is another step toward that goal.

The Nebraska bank was a logical fit for CIT, which has been looking to build its base of cheap deposits while also focusing on loans to midsize businesses. Mutual of Omaha Bank has $4.5 billion in low-cost deposits from homeowners associations and $3.9 billion in middle-market commercial loans.

"We're going through a whole de-risking of the company," Alemany said during a conference call shortly after the deal was announced, "and this gets us more into the traditional middle-market banking space."

Alemany, who has been a commercial banking executive at Citigroup and chief executive at Citizens Financial Group, came out of an early retirement in 2016 to take the top job at New York-based CIT, where she had been a board member for two years.

Right away she set an ambitious goal of achieving a 10% return on tangible common equity in three years. She had plenty of skeptics, but in the last three quarters, CIT has posted a return on tangible common equity of between 9.67% and 10.34%.

3 NANDITA BAKHSHI
President and CEO
Bank of the West

When it unveiled a new logo in 2017, Bank of the West did not attach any particular significance to the color. But the San Francisco bank has since announced a series of environmental commitments that make the green hue of the logo seem especially fitting.

Last October, the BNP Paribas unit committed $1 billion to clean energy financing over the next five years. It also pledged not to finance Arctic oil and gas exploration, and has stopped providing financing for fracking, shale and tar sands mining.

"What we don't finance is as important as what we do finance," said Nandita Bakhshi, who is chief executive of Bank of the West and co-CEO of BNP Paribas USA.

Bank of the West also stopped financing tobacco during Bakhshi's tenure. Tobacco generally has been stigmatized because of its harmful health effects, but Bakhshi pointed to its environmental impact.

"There are 4.5 trillion cigarette butts each year that are littered," she said, "and they end up in our lakes, our rivers and our beaches."

Many financial institutions make environmental pledges, but BNP Paribas stands out in a recent report on climate change by the Sierra Club and other environmental groups. It received the highest score out of 33 global banks.

Bank of the West operates in 19 states, some of which rely more heavily than others on the economic activity associated with fossil fuel production. Leaders in states such as Wyoming and Colorado have criticized the bank for its stance.

"It is a serious mistake to pick winners and losers in energy markets, especially to the detriment of your own customers.," Sen. John Barrasso, R-Wyo., wrote in a letter to Bakhshi last year.

Bakhshi acknowledged that the environmental initiatives are not popular with everyone, but she said she feels a responsibility to ensure that the bank's funding makes a positive impact on the planet. "We are playing a very, very critical role in this regard," she said.

4 DIANE REYES

Group General Manager and Global Head of Liquidity and Cash Management
HSBC

From her perch atop a global business that processes $455 trillion in payments each year, Diane Reyes sees the push to bring real-time processing to the United States through an international lens.

HSBC participates in real-time payments systems in 19 countries, including Argentina, China, India, Malaysia and Sri Lanka. Around the globe, 46 nations have introduced real-time payments, according to the London-based company. "So that just tells you that this is not a passing fad," Reyes said.

For years, many U.S. banks were lukewarm about the adoption of real-time payments, perhaps because a modernized system threatened to upend their established business models.

But more recently, momentum in the U.S. has grown. A consortium of big banks started a next-generation network in 2017, and in August the Federal Reserve announced plans for its own system.

U.S. banks that don't embrace the new reality will risk losing their customers, Reyes said. "The market is definitely moving. Anybody who doesn't see it — really I just don't know how that's possible."

Over the summer, Fed Gov. Lael Brainard lamented that the U.S. retail payment infrastructure lags the systems used in many other countries. But that presents an opportunity for the U.S., Reyes argued.

"There's no such thing as really being behind," she said. "If you can take advantage of what some of the other markets have done, then I think you've sort of leapfrogged that period in which you weren't up and running. I think the U.S. is trying to do that."

Last year, Reyes led HSBC's involvement in research into how digital currencies and distributed ledger technology could transform cross-border payments. One of her conclusions was that buy-in from central banks around the globe is critical.

"My personal belief is that regulatory participation is essential," she said.

5 ANNE FINUCANE

Vice Chairman
Bank of America

As political talks over Brexit drag on, large global banks have been preparing for the day when the U.K. is no longer part of the European Union.

At Bank of America, much of that mammoth job has fallen to Anne Finucane.

BofA moved its European headquarters to two new locations, with banking going to Dublin and its broker-dealer going to Paris. Both had previously been based in London. The transition is estimated to have cost the company $400 million.

Following the financial crisis, BofA reportedly pulled assets out of its Dublin subsidiary and moved them to London at the behest of U.K. regulators. So Brexit sparked a reversal.

"Dublin is our headquarters for our European bank now, full stop," Finucane said at a conference in February. "There isn't a return. That bridge has been pulled up."

BofA's vice chairman since July 2015, Finucane took on the additional title of chairman for its Irish entity — known officially as Bank of America Merrill Lynch Europe — late last year. This role gives her responsibility for the European growth strategy and oversight of more than €50 billion in assets and 4,000 employees.

Her duties have included engaging with financial regulators all over Europe, with more of that to come. The European Central Bank said earlier this year that in an effort to curtail risk, it would conduct an in-depth review of the balance sheets of large banks that were moving operations out of the U.K.

For Finucane, one important early career lesson was that she did not have to know everything.

"The most important skills are a desire and willingness to constantly learn, and the hard work to back it up," she said. "This realization set me on the course to be a lifelong learner."

If She Weren't a Banker:

"I would run an art gallery," Finucane said. "I love art."

6 JANE FRASER
CEO, Latin America
Citigroup

When Mexico elected a left-wing populist as its next president last summer, Citigroup initially looked like one of the big losers.

Foreign-owned banks were facing a public outcry over high fees. Legislation introduced in November by the party of President-elect Andrés Manuel López Obrador would have banned banks from charging fees for ATM withdrawals, bank transfers and more.

The bill would have had a big impact on revenue at Citibanamex, the country's second-largest bank.

But instead, López Obrador and Citi have found common ground during his nine months in office by focusing on ways to bring millions of cash-dependent Mexicans into the banking system.

"Cash has a very high correlation with corruption and inequality and violence," said Jane Fraser, Citi's chief executive for Latin America.

Under a legislative compromise that López Obrador brokered, banks can keep charging most fees, but they must expand the services that they offer to Mexico's middle class.

The Mexican president has also embraced a proposal that Citi brought to him as a candidate to allow consumers to make purchases by using QR codes on their mobile phones. The system, which has gotten buy-in from Mexico's central bank and Citi's private-sector competitors, was set to launch in September.

"We're hoping to bring 30 million people into the banking system through this capability," Fraser said.

Under the new system, which is known as CoDi, Mexicans will walk into banks to load physical cash onto a mobile app that they can use to make purchases. Transactions under $400 will be free.

Fraser said Citi will lose a substantial amount of swipe-fee revenue under the CoDi system, but she noted there will also be long-term gains from bringing new customers into the banking system.

"This is the future," Fraser said. "We're just trying to make that future happen faster."

7 THASUNDA DUCKETT
CEO, Chase Consumer Banking
JPMorgan Chase

The LeBron James signature sneaker that Nike unveiled in 2018 has the lion's head logo on the heel that the basketball superstar is known for.

But with the HFR X LeBron 16, Nike added a twist — this time the lion is roaring. That image is the idea of four designers from the famed Harlem Fashion Row collective LeBron commissioned to honor black women.

To promote the shoe, Nike partner Essence created a social media campaign featuring 16 African-American women, including the gymnast Simone Biles, the tennis great Serena Williams and Thasunda Duckett, the chief executive of JPMorgan Chase's consumer banking business.

Duckett is an inspiring sight for many young black women following the campaign: a woman of color in the executive suite of the nation's largest bank. "I had a man who called me and said he wept when he saw my picture because he was able to go home and show his girls, who looked like me, that they too can be a CEO," she said.

Duckett, 46, has been in her role for three years. She oversees 48,000 employees and relationships with 26 million U.S. households.

The workload is set to grow, because JPMorgan this year began an aggressive branch expansion into new markets, including Philadelphia, Boston and Washington. It plans to complete 90 branch openings by the end of 2019 and roughly 400 within five years. At least 30% of them will be in low-income communities, which is a key part of the initiative, not just an afterthought, said Duckett, whose family struggled with poverty when she was growing up in Arlington, Texas.

Duckett's background has informed her career since she joined Fannie Mae 23 years ago in the emerging markets sector. That job led to her arrival at JPMorgan in a similar affordable lending role. Later she was named national director for mortgage banking and then CEO of auto finance. This year she furthered her goal of improved financial education for minority communities when she helped launch the Currency Conversations initiative in partnership with Essence.

8 DIANE MORAIS

President, Consumer and Commercial Banking Products, Ally Bank
Ally Financial

Some executives try to bury their mistakes, but Diane Morais is forthright about what went wrong after Ally started offering mortgages in 2017.

Ally, which is based in Detroit, expected it could sell home loans both to its auto-loan borrowers and its online depositors, two customer segments that previously had little overlap.

To speed its entry into home loans, the $162 billion-asset Ally decided to partner with a vendor. Within about 18 months of the product's launch, however, Morais decided the initial strategy needed to be revisted. "Candidly, we weren't really seeing the type of results that we were expecting or needing to see," she said.

Customer experience, which had been a focus of Ally from the time it announced plans to offer mortgages, was falling short of expectations. Ally spent a lot of time working on improvements but

was hindered by the constraints of the vendor's technology.

So Morais went back to the drawing board. Ultimately, Ally decided to partner with Better.com, a New York-based digital mortgage firm. The alliance was announced in April, and Ally has since been moving its mortgage business to the new platform. The conversion is expected to be finished during the fourth quarter. "Sometimes you have to go back and re-evaluate decisions that you made through a very objective filter," Morais said.

9 STACEY FRIEDMAN

General Counsel
JPMorgan Chase

While the tech revolution has turned many parts of banking upside down, legal departments have generally seen less dramatic change.

But at the country's largest bank by asset size, even the lawyers are now embracing the increased efficiency that well-deployed technology can bring.

JPMorgan Chase General Counsel Stacey Friedman is working to make the legal department faster and more agile. She's formed a Legal Tech Advisory Council, which uses hackathons to help guide and prioritize spending on technology projects. And she has brought the bank's technologists together with its legal department to design and build tools that enable employees to collaborate more.

Last year, Friedman started a program inside JPMorgan's legal department called Leveraging Experience Across Practices. The LEAP program seeks to attract and retain the most talented workers by creating short-term opportunities to handle work that is outside of the participants' normal responsibilities.

Friedman is a former partner at Sullivan & Cromwell, where she was one of the principal architects of JPMorgan's defense in mortgage-backed-securities litigation. She joined the bank in 2012 and became its top lawyer four years later. She oversees a far-flung team of more than 2,000 employees.

A longtime champion of LGBT rights, this year she moved into a leadership role with Pride, a resource group for gay, lesbian, bisexual and transgender employees at JPMorgan. She also makes an effort to assist female employees of the bank in different cities by holding meetings where women can share what is on their minds.

"The women range from junior employees just starting their careers to some of our most seasoned professionals," Friedman said. "Sometimes we simply need to assure folks that we understand their challenges. Sometimes there are specific challenges with a project, a person, a location where I can practically help."

10 ANDREA SMITH

Chief Administrative Officer
Bank of America

At a time when technology and regulations have led many banks to centralize their operations, Bank of America is putting a bigger emphasis on localized strategies.

The bank's nine-year-old Local Markets initiative has been expanded in the last year under the leadership of Chief Administrative Officer Andrea Smith.

"What we've realized is that the key to success as a global company is making it local for our clients, our customers and, importantly, our employees," Smith said.

Under the Local Markets structure, BofA has market presidents in 92 local areas, including big cities such as Chicago and small ones like Amarillo, Texas. These executives serve as brand ambassadors in their regions, meeting with government officials and serving as the point person on volunteerism initiatives, among other duties.

But market presidents do not manage all of BofA's employees in their region, instead holding their titles in addition to other responsibilities as bankers.

In recent months the Charlotte, N.C., company has deepened its commitment to the initiative by ensuring that at least one full-time employee is assigned to each market president. It has also created a strategic plan for each market. These plans lay out goals for everything from hiring to philanthropic giving.

The localized structure allows BofA to track metrics such as customer referrals by geography rather than just by business line. The initiative has also made it easier for BofA employees to pursue new positions outside their current business unit.

"Now you can go up from a teller to a financial adviser to a commercial banker," said Smith, who has held a number of senior positions at the bank. "It allows people to stay in their home market and still advance their career."

Wells Fargo, a BofA rival that long prided itself on its localized structure, has been centralizing its operations in response to regulators' concerns.

But Smith said BofA sees the Local Markets initiative as a competitive advantage. "We think this is absolutely something that is differentiating us against our peer group."

11 KATE QUINN

Vice Chairman and Chief Administrative Officer
U.S. Bancorp

Earlier this year Kate Quinn was confronted with an unusual workplace question: "What would you rather be chased by — 100 duck-sized horses or one horse-sized duck?"

The query came during an informal "Ask Me Anything" session that U.S. Bancorp held for the first time earlier this year. The online event, which will be held annually, gave far-flung workers the opportunity to get to know some of the bosses on a more personal level.

Quinn laughed at the memory of the rapid-fire questioning. "You couldn't really think very hard. So you really opened up a lot and shared a lot that you might not normally share," she said. "And I think people really appreciated it."

Quinn joined the Minneapolis company as the chief marketing officer in 2013 after many years in the health insurance industry. Now she oversees strategy, government relations, communications, marketing, corporate social responsibility, customer experience, data and analytics, and human resources. The Ask Me Anything session was an example of her effort to improve the employee experience.

In an interview, Quinn said that companies have long been focused on the experience of customers. "But there are very few organizations that have applied that toolkit to the internal employee experience."

When new employees join the company, Quinn wants to offer more than the traditional HR orientation. She wants to ensure that the new hires' offices are clean and inviting, and that they receive an enthusiastic note from their manager. "They seem like small gestures, but those simple actions go a long way in helping someone feel welcome," Quinn said.

12 DOROTHY SAVARESE

President and CEO
The Cape Cod Five Cents Savings Bank

Dorothy Savarese wants her employees to think creatively.

In July, the chief executive of Cape Cod Five Cents Savings Bank introduced a companywide innovation contest to facilitate the sharing of fresh ideas. The effort is part of her goal to encourage experimentation with new and emerging technologies.

Employees can submit ideas periodically and have them reviewed by the relevant committees inside the bank, whether it's a new customer product or change to the technology infrastructure. The winning idea will be made part of the bank's monthly priorities and the operations group will be asked to implement it.

While some community banks are wary of pushing the envelope, Savarese argues even smaller institutions — Cape Cod Five has roughly $3 billion of assets — can't be complacent.

"We're always looking ahead and knowing that change is critically important," she said.

Last year, the bank made inroads on process automation, freeing up employees from repetitive work such as account maintenance. It is expected to soon deploy a similar feature for accounts payable, which executives hope will give the bank better visibility into customers' financial data.

Additionally, the bank is working on a pilot project that leverages data and artificial intelligence to interpret customers' behaviors and needs.

"We want to increase customer engagement with some of our cognitive insights," Savarese said. "We're evaluating cognitive engagement modalities like robo-advisers and chatbots."

13 KAREN LARRIMER

CEO of Retail Banking and Chief Customer Officer
PNC Financial Services Group

Karen Larrimer is saying "no" more often. Wearied by unending demands on her time and concerned for women facing the same challenges, she decided to establish firmer boundaries.

"I've taken myself off some boards and been upfront about my time limitations and priorities," said Larrimer, who oversees retail banking for the $406 billion-asset PNC Financial.

"When I was invited to chair a particular organization, I laid out conditions before I accepted," Larrimer added. "No 7:30 a.m. meetings because I'm taking my kids to school. Limitations on how many events I need to attend because I need to prioritize family time. …

"Guess what? They accepted," she said. "Why haven't I been doing this all the time?"

Now, Larrimer is encouraging other women to think harder about prioritizing. "I tell them they can do it all — if they set and communicate appropriate boundaries and then enforce them."

Over the last year one of Larrimer's work priorities has been the October 2018 launch of PNC's national digital retail strategy. The plan offers customers outside the company's traditional footprint a high-yield online savings account as well as an array of digital products supported by a limited number of branches in select markets. The company says the new branches are growing at five times the rate it typically sees from a de novo office in its legacy footprint.

And with digital products assuming a higher profile at PNC, Larrimer devised a new approach to ensuring they're fully stress-tested before bankwide adoption. Products are tested first among a small group of friends, then a wider circle of pilot-testers and finally a larger group of bank customers, before a wider rollout. Her "Crawl, Walk, Jog, Run" approach has since been adopted by the entire bank as a best practice, with teams using it whenever they launch a new product.

14 LESLIE GODRIDGE

Vice Chairman and Co-Head of Corporate and Commercial Banking
U.S. Bancorp

It's hard to understate Leslie Godridge's value to U.S. Bancorp.

Since being recruited away from the Bank of New York in 2007, Godridge has been largely responsible for building U.S. Bancorp's corporate bank from a regional operation to a nationwide powerhouse. By 2014, it had tripled its annual revenues and now accounts for nearly one-fourth of the company's pre-provision profits.

Godridge has also been an expert recruiter and groomer of talent, as evidenced by the large number of men and women she has managed who now hold leadership positions across the $470 billion-asset company.

And Godridge has been the driving force behind the company's push into real-time payments. She was hand-picked by Chairman and Chief Executive Andy Cecere to manage the company's involvement in the rollout of the national platform and oversee the development of faster payments applications for commercial clients.

Godridge joined U.S. Bancorp as head of national corporate special industries and global treasury management and was promoted to her current role of vice chairman and co-head of corporate and commercial banking in 2016. She is one of 13 business heads serving on the management committee and is on the board of its banking unit, U.S. Bank.

Outside of U.S. Bancorp, Godridge actively supports nonprofits in New York, including Junior Achievement, Big Brothers and Big Sisters and the Women's Forum, an organization of professional women that among other things helps fund educational opportunities for women 35 and over who have suffered hardships.

Godridge's efforts, though, go well beyond serving on boards or fundraising committees of those organizations. With Junior Achievement, she spearheaded a program in which students visit U.S. Bancorp offices to shadow bankers for a day. And in a new partnership with Big Brothers Big Sisters that starts this fall, high school students will come in to learn interviewing skills that will help prepare them for the workforce.

Lots of Giving:

Godridge is on the U.S. Bank Foundation board, which, in 2018, gave $57 million in grants to nonprofits across the country.

15 HANNAH GROVE

Chief Marketing Officer
State Street

Over the past year, Hannah Grove has implemented a new "Follow the Sun" strategy for the marketing department of State Street Corp., adding new hires in Poland and India. While the impetus was a desire to cut costs, the results went beyond helping the bottom line.

"We are tapping into really amazing skill sets — social, digital, and analytics," she said. "It's more capacity for us to provide better solutions for our stakeholders and is reducing reliance on third parties."

The initiative increased marketing's headcount by 33%, while reducing staff costs by approximately 10%. Grove, the chief marketing officer, now has 100 employees in her department.

Moving toward a global marketing department also makes sense for the company, given that State Street serves clients in 26 countries with 40,000 employees.

The results of the global hub are a nimbler and increasingly diverse marketing department, Grove said. "The team we have in India are really sophisticated at giving analytics and dashboard to us on a weekly basis," she said. "With that we can pivot quickly on strategy."

The implementation involved establishing new centers in Bangalore, Krakow and Gdansk, and developing new processes and infrastructure that enable the team to work together.

Expanding the marketing department was just one part of Grove's activities over the past year. She also oversaw the communications strategy for State Street's largest acquisition to date — the $2.6 billion purchase of Charles River Development, a provider of investment management tools.

The acquisition is part of State Street's plan to build a platform that connects the front, middle and back office as a single provider.

16 ANNE CLARKE WOLFF

Head of Global Corporate Banking and Global Leasing
Bank of America

Bank of America's Anne Clarke Wolff wants to get more Hispanic and African-American college students to think about a career in the banking industry.

The head of global corporate banking and global leasing at the BofA Merrill Lynch unit, Wolff earlier this year personally recruited two young men of color to participate in its summer internship program with a simple goal of exposing them to banking and all it has to offer.

Wolff, who sits on the board of Colby College, said that from what she has observed, many Hispanic and African-American students are simply not considering financial services jobs. By sponsoring the two young men, Wolff is sending a message that banks need to be more intentional about bringing people of color into their training programs if they ultimately hope to diversify their leadership ranks.

Wolff has been head of global corporate banking and leasing since 2011. The corporate bank provides credit, cash management and other services to roughly 2,100 of the world's largest companies, and the equipment leasing business serves more than 64,000 clients worldwide. Last year, corporate banking revenue increased 1% despite tightening loan spreads, while leasing revenue climbed 6% from a year earlier, to a record $2.2 billion.

Wolff and her team are also working closely with the investment bank to strengthen BofA's capabilities around environmental, social and governance matters.

Last year, the company participated as a lender on six of the largest ESG loans globally, totaling $22.6 billion, and this year it committed to deploying $300 billion in green bond issuances and other low-carbon initiatives by 2030, more than doubling its previous commitment. The corporate and investment banks are also parlaying that expertise in ESG — short for environmental, social and governance — into an a new advisory service that helps companies define and set their ESG agendas.

17 AMY BRADY

Chief Information Officer and Technology and Operations Executive
KeyCorp

Amy Brady wants people to know that you don't need to head to Silicon Valley for a high-tech job. The chief information officer of KeyCorp is keen to spread the word about tech opportunities in Cleveland.

In 2018, Brady got involved in the Blockland Initiative, whose initial aim was to create an ecosystem of employers and colleges to capitalize on the emergence of blockchain technologies. It was eventually widened to encompass all types of tech innovations.

"It started off as a discussion about how to not let blockchain technology pass us by," Brady said. "It has become an effort in how to put technology on the map in Cleveland, so for people who grow up here, they don't have to leave for the West Coast to get a job."

Brady is on the executive committee of Blockland Cleveland and co-chairs its talent node committee.

Brady can list the many ways the Ohio city should be considered a tech magnet. Naturally that includes the $140 billion-asset KeyCorp, which has invested billions of dollars to upgrade its tech capabilities; much of that spending went to hiring tech talent.

Cleveland also boasts several large companies that rely heavily on technology, including the insurance giant Progressive and the Cleveland Clinic, one of the nation's top health care providers.

"We are a place where, if you want to innovate, you can do that," Brady said.

18 RANJANA CLARK

Head of Global Transaction Banking
MUFG

It's hard to keep up with Ranjana Clark.

Last year she was named to a new role of chief transformation officer at the $168.1 billion-asset MUFG America Holdings, tasked with helping the company innovate. As of late August, she had another new role, even while keeping many of her previous responsibilities.

Clark is now overseeing global transaction banking. She is also still head of transaction banking for the Americas and Bay Area president.

She will manage global aspects of the business, including strategy, sales, client delivery and service, product development and risk management, while serving in the newly created role of deputy head of the transaction banking group.

"Transaction banking is changing rapidly around the world, which creates new opportunities for innovation and growth," she said.

It's clear Clark welcomes taking on new tasks. Asked why she took the chief transformation officer job last year, she responded, "I love to learn and this was a completely new discipline and a whole new part of the organization."

She also considers tech an exciting area. "New technology is being adopted in our company and the banking business," she said. "It's great to think about how you can harness that to advance the customer agenda."

Among her accomplishments in the past year, she led the rollout of a tool aimed at creating a better customer service experience. It improved the process for employees and customers alike.

"The speed of response communicating back to clients has improved to 80% on average," she said.

Additionally, what had been expected to be a two-year implementation was finished in about six months. That quick turnaround was part of the agile strategy Clark implemented. It is a business process that brings all parties to the table early to make decisions about how to move forward. And it made a pronounced difference in shortening the time needed for developing the tool.

"It's not just talking," Clark said. "It's literally having a cross-functional team where all groups are represented so decisions can be made more quickly."

— Marissa Fajt

Photograph by Erin Patrice O'Brien

19 ERNIE JOHANNSON

Group Head, North American Personal Banking and U.S. Business Banking
BMO Financial

BMO Financial has long supported the United Way, but branch employees and others in its U.S. personal and business banking group had not been all that engaged in past fundraising efforts.

That changed when Erminia "Ernie" Johannson, then the group head for U.S. personal and business banking, became co-chair of BMO Financial's North American United Way 2018 fundraising campaign.

With a goal of increasing engagement, Johannson encouraged employees to go out in their communities to spend more time volunteering and see firsthand the programs the United Way supports, and they responded in record numbers. More than 90% of employees both companywide and on Johannson's team participated in fundraising and related events and her team alone raised close to $1 million — $100,000 above its stated goal.

The success of the campaign is a testament to Johannson's skills as a leader and motivator and goes a long way toward explaining why BMO Financial Chief Executive Darryl White keeps giving her bigger and more important jobs.

Johannson was the chief risk officer for a number of business lines in Canada and the U.S. when she was tapped in early 2018 to head personal and business banking at BMO Financial's U.S. subsidiary, the $123 billion-asset BMO Harris Bank in Chicago. The Canadian banking giant has made no secret of the fact that it wants the U.S. bank to produce nearly a third of the company's profits, and Johannson's charge was to improve delivery, service and profits of the retail operations largely through digital transformation.

She so excelled in that role — driving sharp growth not just in profits, but also in employee engagement scores — that earlier this year White expanded her responsibilities to include oversight of personal banking in Canada. Johannson also continues to head North American retail payments, a role she has held along with her myriad other responsibilities since 2015, and since 2018 she has been a member of BMO Financial's 13-member leadership team.

"Ernie has an incredible passion for delivering an exceptional customer experience, with an excellent track record of innovating and generating sustainable profit growth in rapidly changing environments," White said in announcing the promotion in May. "With her expanded mandate, she will support our ongoing efforts to accelerate growth."

Johannson's leadership style is to be "transparent about everything" — business line financials, customer perceptions through such metrics as net promoter scores — and to break down barriers that hinder decision-making. "If you are in branch, we don't you waiting for headquarters to tell you what to do," she said. "Own your branch and run it like you are an entrepreneur." *— Alan Kline*

All artwork appearing in these photographs was provided by artist Nancy Olivier.
https://nancyolivier.com

20 ROSILYN HOUSTON

Chief Talent and Culture Executive
BBVA

"Obviously, it was a very bold move. But I felt like if I didn't do it, no one would."

That's Rosilyn Houston, chief talent and culture officer at BBVA USA, explaining why she made it her job to challenge a longstanding policy that barred executives at her bank from serving on corporate boards.

Houston, who for many years has advocated for women and minorities in the banking business, said she saw the policy as particularly harmful to them. Women and minorities already have enough trouble finding their way into senior management roles in the business world, she said. Since those are the ranks from which most corporate board seats are filled, denying them the opportunity to serve as a director was further perpetuating an opportunity gap.

In pushing to change the policy with the bank's parent company, the Spanish banking giant Banco Bilbao Vizcaya Argentaria, she presented it as a growth and development opportunity for key employees. Once she had re-cast the issue in those terms, she said, it quickly changed senior management's way of thinking.

"It wasn't a hard sell," she said. "It was just someone asking a question — me — and challenging the status quo, and also presenting the story of what this could be doing to hurt chances of people in our workplace to have the right to play critical roles."

This was also the year in which Houston welcomed a second woman onto BBVA USA's 13-member management committee. When the bank began looking for a new chief compliance officer, she pushed to broaden the search criteria in order to get more female candidates. Then Houston went further and made the case that the CCO role needed to be part of the most senior circle of management.

21 YOLANDE PIAZZA

CEO, Citi FinTech
Citigroup

Yolande Piazza has an easy way to tell that efforts to improve gender equity in her technology group are working — more than half of her team are women.

Today, women make up 52% of the team at Citi FinTech, a startup-within-a-bank that serves as Citigroup's innovation lab. Moreover, the majority of Citi FinTech's leaders are women, including its chief operating officer, chief financial officer, head of people and talent, and head of operational risk and control.

Piazza, the chief executive since 2016, said there was no formal procedure in place to boost the number of women, Instead, women have been drawn to Citi FinTech by its recruiting efforts. "The minute you put the word 'passion' into a job description, it attracts a different type of person," she said.

"FinTech is very much a learning playground. It's a lot of young people in an environment where they can try out other disciplines, to allow people to build their repertoire of skills."

Piazza commends CEO Michael Corbat for raising the issue of gender imbalance at Citigroup. Earlier this year, Corbat described as "disappointing" and "ugly" the fact that median pay for women globally at Citi is 71% that of men, and median pay for U.S. minorities is 93% of the median for nonminorities.

Citi decided to be candid about these statistics as it reaffirmed its goals to increase the number of women and minorities in leadership roles. "This transparency makes me feel proud to work at Citi," Piazza said. "The firm sent a clear message that we are willing to confront these challenges head on."

BBVA

Creating Opportunities

Creating Opportunities for all

We proudly congratulate Rosilyn Houston on being named one of the "**25 Most Powerful Women in Banking**." As the Chief Talent & Culture Executive for BBVA USA, she is an inspiring example of our mission to bring the age of opportunity to everyone.

Rosilyn's leadership helps fuel a workplace culture of highly engaged team members who work hard to meet the needs of BBVA's clients and communities. We applaud Rosilyn for being ambitious, bold and courageous, which is creating opportunities for our organization and our industry.

And we congratulate each of this year's honorees for their fine examples and contributions. Well done.

22 HELGA HOUSTON

Chief Risk Officer
Huntington Bancshares

A small gesture early in Helga Houston's banking career has informed her approach to guiding younger bankers on sometimes delicate matters.

One day while she was working at Bank of America, a senior leader took Houston out for a drink following a meeting with the board of directors. "You really know your stuff," the older woman told Houston, "but you look down when you talk. People can't hear you, they can't understand you and it doesn't exude confidence." That moment made a big impression on Houston, now the chief risk officer at the $108 billion-asset Huntington Bancshares in Columbus, Ohio.

"I didn't work for her, but she cared enough to take the time and have that conversation with me," Houston said. "It just reminded me how important it is to give honest feedback to others."

Sometimes that can mean encouraging a mentee to take a new role, as Houston recently did when her department went through a series of organizational changes. She guided one of her employees, a young woman who's active in the African-American Business Resource Group that Houston sponsors, into a job where she would assume responsibility for consumer banking risk.

"It's a huge role," Houston said, but one she knew the young woman was ready for. And she echoed the words of that senior leader, telling the younger woman, "You can do this. You have everything you need."

Houston joined Huntington in 2011, and today is one of the first people Chairman and Chief Executive Stephen Steinour consults on critical business decisions. With oversight for the risk management framework, she leads more than 500 employees and plays a major role in business strategy and capital allocation.

Houston said her father initially encouraged her to pursue a financial services career, first as a real estate appraiser, but it was lending that really sparked a passion in her.

"I love solving problems for people," she said. "Helping businesses succeed and working through that, that's what resonated for me. It was always about, how do you use the business of banking to help solve problems?"

One of the big picture problems Houston is focused on solving is cultivating the next generation of risk management professionals. She tackles that partly through her work with the Risk Institute at Ohio State University's Fisher School of Business. Huntington Bancshares is a founding member of the institute, which aims to introduce risk management skills into the curriculum and spark students' interest in the field of risk management. Houston serves on its advisory board and guest lectures graduates and undergraduates in finance, with an emphasis on risk.

She has also sought out the opinions of risk professionals in other industries.

Recently, Houston said she was chatting with another chief risk officer, this one at an energy company, and the two began sharing best practices. — *Laura Alix*

23 SANDY PIERCE

Senior EVP, Private Client Group, Regional Banking Director and Chair of Michigan
Huntington Bancshares

Sandy Pierce wanted to better understand how to help colleagues further their careers, so she came up with four questions that are now used in talent reviews at Huntington Bancshares.

During 41 years in banking, Pierce has mentored hundreds of colleagues and interviewed countless employees. But she struggled to understand what truly motivated them. "Each of us has a story that shapes who we are — it is the 'why' behind everything we do in life," Pierce said. "What could take years in annual performance reviews and formal coaching sessions, I discover in one conversation."

Now all of Huntington's 16,000 employees are encouraged to answer these four questions: What is your story? What drives you? If you could have any job in the company in two years, what would that position look like? And, on the path to achieve your professional passion, what areas of development do you feel would be most helpful?

"It's so powerful," said Pierce. "When we have talent reviews and talent planning, other executives ask me, how do you know that about a person? And I know, because I ask."

Asking probing questions led Pierce to tackle another problem.

Last year, Pierce was put in charge of Huntington's regional presidents council, a group of 13 regional presidents and 23 community presidents tasked with creating a consistent strategy across the $108 billion-asset company. They found that just 4% to 6% of customers bought insurance from Huntington. "A light bulb went on that said, we are doing something wrong," Pierce said. "It's because we were not engaging, we were not aligned and we were not talking to each other."

Pierce created another group — consisting of Huntington's four business segment heads and a subset of regional presidents — that is now ensuring each region knows what the others are doing.

24 PATRICIA HUSIC

President and CEO
Centric Financial

Patricia Husic has long been haunted by an incident involving a friend's 18-year-old daughter, who was abducted at gunpoint from a community college's parking lot. Though the young woman later escaped unharmed, it reinforced Husic's concerns about safety, particularly for her workforce.

"The story has never left my thoughts," said Husic, president and chief executive of the $732 million-asset Centric Financial. "Although she was not physically harmed, the emotional impact is very traumatic to the young woman and her family. It is important to be aware of your surroundings."

This year her Harrisburg, Pa., company started offering self-defense training sessions for its employees, roughly 60% of whom are women. Husic was especially concerned about employees who work late hours or travel alone on business. The sessions included four hours of intense training on physical maneuvers and situational awareness techniques.

Each of the three sessions held in June and July had a roughly 50% participation rate, Husic said.

"How to make eye contact, when to fight back, what do you do if somebody approaches you with things," Husic said, listing some of the topics covered in the sessions. "We also get employees off-site to learn some physical moves."

Husic's focus on empowerment goes beyond self-defense training. She has also invested in the next generation of female leaders, helping to mentor young girls and encourage them to consider a career in banking.

In November, Husic was invited by the American Heart Association to speak to teenage girls from Milton Hershey School about the STEM field and career opportunities in the financial services industry. At first none of these ninth-graders raised their hands when Husic asked if they would pursue a career in banking. As the conversation continued, however, more than 50% of the girls expressed an interest in exploring the field further, Husic said.

"It was inspiring to see the young women sit around the tables and their faces light up," she said. "These are transformational years for them and we need more women talking to younger females before they pick and choose a career."

25 LAURA LEE STEWART

President and CEO
Sound Community Bank

Laura Lee "Laurie" Stewart often jokes that she has never met a microphone she didn't like.

That passion for speaking up has shown through Stewart's long career in banking.

Stewart, the president and chief executive of Sound Community Bank and its holding company, has been a strong advocate for the banking industry by participating in various trade groups. She has chaired the Washington Bankers Association, served on advisory boards for the Federal Deposit Insurance Corp. and the Consumer Financial Protection Bureau and chaired the important governmental affairs committee for the American Bankers Association.

Starting in October, Stewart will serve a one-year term as chairman of the ABA, making her only the third woman to hold this position in more than 140 years. During her tenure, Stewart intends to focus on supporting educational initiatives to get younger people interested in banking careers.

She also wants to highlight the phenomenon of credit unions buying banks. This year more than 10 banks, a record number, have agreed to be sold to credit unions. Stewart knows the issue well: She led the conversion of Sound, formerly A.G.E. Federal Credit Union, from a credit union to a mutual savings bank in 2003.

"I think this is an issue that diminishes communities and is important to review from a public policy perspective," Stewart said.

Promoting diversity in the C-suite is another goal for Stewart as ABA chairman. This is something she already does at Sound. The Seattle bank's chief financial officer and chief operating officer are women.

When Nasdaq asked Stewart to ring the closing bell earlier this year, she brought along senior female leaders and held a raffle for an employee to win an all-expenses paid trip to attend. She encouraged all the attendees to bring their daughters with them. In the end, four young girls were on hand. Stewart hopes this is just one more way to inspire the next generation of female business leaders. — *Jackie Stewart*

Most Powerful Women to **Watch**

25

1 MARY MCNIFF

CEO, Citibank

Citigroup

Early in her career, when colleagues would begin to reminisce about their college days, Mary McNiff would often casually remove herself from the conversation.

Back then, slipping away just seemed easier than telling co-workers that her parents didn't have the money to send her to college and instead she took accounting classes at night and on weekends while working full time at the former Abbey National in London.

As her career progressed and she moved into larger roles, however, McNiff began to be more forthcoming about her background and, in doing so, found that she was actually helping others open up about what they may be hiding or any other anxieties. She recently shared her story at an internal town hall that was broadcast globally and was "overwhelmed" by the feedback she received from colleagues at all levels.

"A lot of people can relate to my story, and they feel comfortable telling me their stories," she said. "It's made me more approachable."

McNiff, who grew up in England, said that she ended up in accounting school because her mother had one rule: She had to choose a profession.

"I could have become a plumber. I could have been an electrician. I chose accounting," she said.

It obviously suited her. Over a 30-year career, McNiff has run auditing teams on four continents for business units of Abbey National, Barclays, JPMorgan Chase, Lloyds Banking Group and, since 2011, Citigroup, where she is now chief executive of its Citibank unit.

McNiff, American Banker's No. 1 Woman to Watch for 2019, was promoted to the CEO role in April after the retirement of Barbara Desoer. For the two years prior, McNiff was the global bank's chief auditor, and before that was the chief administrative officer for Citi's Mexico and Latin America region.

In her new role, McNiff is largely responsible for protecting the safety and soundness of Citibank, which accounts for about 75% of Citigroup's nearly $2 trillion of assets. She is involved in setting strategy and developing new business as well, but her chief mission is making sure the bank has the proper risk procedures and policies in place to ensure that it can withstand an economic downturn.

She is also now part of the 15-person leadership team that reports to President and CEO Michael Corbat and sets overall strategy for Citigroup. In that capacity, she oversees global data aggregation and reporting for the company and chairs the business practices committee, which is responsible for making sure that its business practices across the globe meet the highest standards of professionalism and ethical behavior.

Like other top leaders at Citi, McNiff is committed to diversifying the global workforce. She co-leads Citi's Hispanic/Latino group and, in that role, works to develop skills training, networking events and other programs aimed at helping Hispanic and Latino employees find opportunities to advance within the company.

McNiff acknowledges that it may seem odd for "a British girl of Irish descent" to lead the group, but she spent several years in Latin America and has a love for Hispanic culture. Given her own personal history, McNiff also believes she can be an inspiration.

"A lot of the people don't have college degrees, so I think they can relate to me a bit," she said. "They might look at me and say, 'McNiff's done it, why can't I?' " — *Alan Kline*

2 KELLY COFFEY
CEO
City National Bank

City National Bank in Los Angeles has been growing rapidly since Royal Bank of Canada acquired it in late 2015, and now it's up to Kelly Coffey to keep the momentum going.

The new chief executive joined City National in February from JPMorgan Chase, where she had been CEO of its U.S. private bank since 2015. She is just the fourth CEO, and the first female CEO, in City National's 65-year history and one of only a handful of women leading a top-40 U.S. bank.

Coffey has wasted little time making her presence felt at the $51 billion-asset bank, which is best known for providing banking services to the entertainment industry, but which also serves a wide range of small and midsize businesses and high-net-worth households.

Coffey has hired more than 120 people since February, including news heads of risk management, marketing and treasury services, and several new teams of bankers across the country. She has inked major marketing deals with the T-Mobile Arena and MGM Grand Garden Arena in Las Vegas that, combined, will significantly raise City National's profile in one of its most important markets. Most recently, Coffey struck a deal to buy FilmTrack, a Los Angeles-area payments provider that helps clients in the entertainment industry calculate, track and analyze distribution revenue and payments.

In the second quarter, City National contributed $57 million to RBC's bottom line, up 12% from a year earlier. Since the RBC acquisition, City National's assets have jumped by nearly 50%. Coffey aims to build on that growth by expanding its presence outside of California. "I see a company that serves America's largest and most dynamic markets … with a much larger business in New York and along the East Coast," Coffey said.

3 ELLEN FITZSIMMONS
General Counsel
SunTrust Banks

The pending merger of BB&T and SunTrust Banks is the industry's biggest in at least 15 years, and Ellen Fitzsimmons has been right in the thick of it.

Fitzsimmons, SunTrust's general counsel, was instrumental in developing and negotiating the terms of the merger of equals, as well as in designing the structure of the combined company, which will be called Truist Financial and will be headquartered in Charlotte.

Since the deal was announced in February, Fitzsimmons has also spent significant time meeting with customers, small-business owners and community leaders to gauge how the merger might affect them. She has come away from those encounters convinced that scale matters if banks are going to maintain a reliable network of branches in underserved communities while investing in the products, services and digital capabilities that they need to stay competitive.

"The future of banking will require greater scale and scope to make these necessary investments," Fitzsimmons said.

Once the merger closes, Truist will be the nation's sixth-largest commercial bank, with roughly $441 billion of assets and operations in 17 states and the District of Columbia. Fitzsimmons will be part of the executive management team, serving as both Truist's chief legal officer and its head of human resources.

Fitzsimmons is a relative newcomer to banking, having joined SunTrust in 2018 from the freight railway giant CSX, where she was general counsel and head of public affairs. Still, in the short time she's been in the industry, Fitzsimmons has made quite an impression. Bill Rogers, SunTrust's chairman and chief executive, said that Fitzsimmons has broken down the silos between the in-house attorneys, outside counsel, government relations and corporate communications to focus them on the same goals. "She brings common sense and insight to the team room and the boardroom."

4 HAFIZE GAYE ERKAN

President

First Republic Bank

First Republic Bank has been understandably mum about who might replace founder and Chief Executive James Herbert when he retires in two years, but Hafize Gaye Erkan, its 39-year-old president, is considered a leading candidate.

Erkan, a native of Turkey who received a Ph.D. in operations research and financial engineering from Princeton University, joined First Republic as its chief investment officer in 2014, added the title of chief deposit officer in 2016 and a year later was promoted to president of the bank — Herbert's second-in-command.

Her meteoric rise continued earlier this year, when she was appointed to the San Francisco bank's board of directors — a move some analysts have speculated positions Erkan as Herbert's heir apparent.

Erkan is in the CEO conversation because she has been such a valuable contributor to First Republic's success. In the five years she has been with First Republic, assets have more than doubled to $100 billion, and wealth management assets under management have nearly tripled to $138 billion. Deposits have increased 138% to $83.4 billion.

In her role as president, Erkan oversees the bank's investment portfolio and deposit franchise, and she manages operations in the New York and Boston regions.

She has also been a driver of innovation, spearheading a range of technology and educational initiatives aimed at empowering employees to make decisions that improve service to the entrepreneurs and high-net-worth households that account for the majority of First Republic's customers.

Erkan also sits on the board of Gradifi, a technology company First Republic acquired in 2016 that provides employers with tools to offer student debt reduction as an employee benefit. First Republic offers the benefit to its own employees, and roughly 25% are using it. "The private sector needs to step forward and play a leadership role in solving this problem," Erkan said.

5 LORI BEER

Global Chief Information Officer

JPMorgan Chase

Of the world's 10 largest financial services firms by revenue, only JPMorgan Chase has a woman as its chief information officer.

Lori Beer joined JPMorgan as managing director of global technology five years ago, was promoted to CIO of its corporate and investment bank in 2016 and a year later was named global CIO and to the company's 12-person operating committee. She manages an annual budget of $11 billion and about 50,000 technologists across the retail, wholesale, and wealth and asset management businesses. The team is responsible for JPMorgan's technology and infrastructure worldwide.

Beer's team is also tasked with executing on the "mobile first, digital everything" strategy laid out by Chairman and Chief Executive Jamie Dimon. That entails overseeing investments in everything from faster payments technology to a new online small-business lending platform.

Banks' tech priorities are immense and will only increase, and one of Beer's big concerns is that there won't be enough workers to meet the industry's demands. It's estimated that there are more than 2 million unfilled jobs in STEM fields and that the shortfall could swell to 3.5 million by 2026.

Meanwhile, the gender gap is getting worse. In 1995, 37% of computer scientists were women, but that number has since fallen to 24% "and if we do nothing, in 10 years, the number of women in computing will decrease to just 22%," Beer said.

Beer has made recruiting and nurturing female talent one of her top priorities. Under her leadership, the firm is actively supporting programs such as Girls Who Code, which introduces high schoolers to tech careers, and Tech Connect, a training program within JPMorgan Chase for aspiring software engineers who don't have tech backgrounds.

"The program has brought some great women technologists into the firm — women who might otherwise have embarked on a completely different career path," Beer said.

6 ANGELA MAGO

President, Key Commercial Bank
KeyCorp

A turning point in Angela Mago's career came in 2003 when she took a role at KeyCorp working out problem credits.

Mago to that point had always been on the business development side of banking and at the time was a team leader in Key's health care lending practice. She was asked to move over to the credit risk side when the senior housing portfolio started showing signs of stress, and she accepted because she believed the group's underwriting processes were weak and needed improvement.

It was "out of my comfort zone" and "several of my peers discouraged me from accepting the role, but I felt it was important to achieve long-term success," she said. "We needed to put our house in order for the viability of the business."

Mago was only in the workout role for about 18 months, but it turned out to be a career breakthrough.

Executives recognized that she had strong risk management skills to go along with her acumen as a lender and named her head of the health care banking group. It was Mago's first time leading a business unit.

She served in that role for eight years, until 2011, when she was promoted to head of the commercial mortgage banking group. She has been promoted three more times since — to head of KeyBank Real Estate Capital, co-head of Key Corporate Bank and, earlier this year, president of Key Commercial Bank.

Beth Mooney, KeyCorp's chairman and chief executive, said that Mago's "proven leadership" led to her latest promotion. In 2018, the real estate capital group, which she continued to run after being named co-head of the corporate bank in 2016, generated record revenue of $1 billion as it helped clients raise $57 billion in capital and produced record mortgage banking volume.

As a longtime commercial real estate lender and one of highest-ranking women at Key, Mago has made it her mission to improve female and minority representation at both the bank and in her industry. In 2015 she revamped the internship program within KeyBank Real Estate Capital to intentionally open it up to more women and minorities. "Building a diverse pipeline and investing in the development of our talent is the best way to change our industry," she said.

7 ELLEN PATTERSON

Group Head and General Counsel
TD Bank Group

If there's been a downside to the #MeToo movement it's that some men have pulled back from engaging with women in the workplace out of fear that their actions might be misinterpreted.

That so concerns Ellen Patterson, the general counsel at TD Bank Group, that she has spearheaded a program across the Toronto company's footprint that aims to counteract any #MeToo backlash and reinforce the idea that men need to be a big part of any organization's diversity and inclusion efforts.

Patterson, who chairs TD's global Women in Leadership program, has brought in subject matter experts to lead forums that engage employees in frank discussions about relationships in the workplace and encourage them to open up about any anxieties they may have. Patterson said that "open dialogue and proactive engagement" will allow the company "to build on our track record of success to create an even more inclusive and diverse workplace for the future."

Patterson's group provides legal and compliance advice to all the company's business lines, oversees anti-money-laundering and risk mitigation efforts and runs all internal investigations.

She believes collaboration across business functions produces the best outcomes. A few years ago, Patterson had the compliance team work closely with business line heads in structuring TD's Community Reinvestment Act program. This involved ceding some responsibilities in order to establish clear accountability for meeting the CRA requirements. The result was an "outstanding" CRA rating in the years since.

8 BITA ARDALAN

Head of Commercial Banking
MUFG

Tepid loan demand, falling interest rates and heightened competition from nonbanks are just some of the headwinds facing commercial lenders these days. Revenue growth could be particularly challenging for an institution such as MUFG's San Francisco banking unit, which has a conservative credit culture to begin with and is not one to loosen loan terms in order to win deals.

But Bita Ardalan, MUFG Union Bank's head of commercial banking, believed her bank could expand its credit appetite without compromising safety and soundness.

So, armed with data from multiple sources, as well as their deep insight on the markets the bank serves, Ardalan and her team last year put forth a proposal to the bank's top management and board of directors that made the case for taking on a little more risk. Senior leaders and directors ultimately supported the move and Ardalan and her team have since been identifying new niches, tweaking underwriting guidelines and addressing biases in loan processes and policies.

Longtime Loyalty:

Ardalan has remained at MUFG Union Bank ever since starting her career there in 1986 as part of its management training program.

"These changes will significantly increase our growth potential while maintaining our culture of strong risk management," said Ardalan, who joined MUFG in 1986 and climbed steadily up the leadership ranks before taking her current role in 2015.

That MUFG Union is going outside of its comfort zone to pursue new opportunities is a testament to Ardalan's track record of success. More than a dozen years ago she established a business line providing financing to private equity firms and it's now one the bank's largest and most profitable niches. Under Ardalan, the commercial bank has since established successful niches serving the health care, technology, agriculture, environment, nonprofit and wine industries, among others.

Ardalan is a self-described workaholic, but she said she's learning to slow down. "I still work very hard at my job, but I also make time for all the people and things I love," she said.

9 BETH JOHNSON

Chief Marketing Officer and Head of Virtual Channels
Citizens Financial Group

In her role as head of virtual channels at Citizens Financial Group, Beth Johnson is relentlessly focused on making banking simpler for consumers.

Last year, for example, when the Providence, R.I., company was building its new direct bank, Citizens Access, Johnson and her team acted as the voice of the customer, employing focus groups to test and retest the design to ensure that it was intuitive and users could open accounts in a matter of minutes.

That engagement is a big reason the direct bank has gotten off to such a fast start. Within three days of its launch last fall, Citizens Access had brought in deposits from all 50 states. By the middle of this year it had amassed roughly $5.4 billion of deposits.

Under Johnson, Citizens has invested heavily in technology and data analytics tools that have helped drastically reduce how long it takes to open an online account at its main bank and drive strong growth in personal and home equity lending.

Next up is a mobile revamp. Johnson has enlisted a Dutch company, Backbase, to build a cloud-based mobile platform. A prototype developed to showcase the capabilities offers a glimpse of what's to come: The branch locator function is 30 times faster than a similar function on its existing platform. "To be a leading bank in digital space, Citizens must be able to react quickly to changing customer needs and rising competitive pressure from money-center banks and new fintech entrants," said Johnson, who is also the company's chief marketing officer.

10 JENNIFER STRYBEL

Chief Operating Officer
HSBC Bank USA

Early in her career, Jennifer Strybel took a leap of faith when she followed her mentor's guidance and moved into a risk role that she wasn't entirely sure meshed with her operations background. "I am not a risk person. This is just not me," she remembers thinking at the time.

Ultimately, the move paid off, and it has benefited her ever since. Strybel, now the chief operating officer at HSBC Bank USA, credits that job as director of credit policy for corporate credit management with giving her the experience she needed in later roles, including managing a global service center for HSBC in the Philippines.

"It was a calculated risk that gave me greater exposure to the bank and the way that we operate," she said. "If I didn't do that and develop a bit of a curiosity for things a bit outside of my wheelhouse, I might not have ended up in the role that I have today."

That's a lesson she shares with younger bankers she mentors. She now sees it as part of her responsibility to pay it forward — for example, by taking part in resource groups for younger employees and mentoring them both formally and informally.

Strybel took another calculated risk more recently, this time while overseeing a tech overhaul called Project Greenfield. The multiyear effort replaced the bank's entire core banking system and upgraded its out-of-date IT architecture in a single step.

The improvements ultimately reduced the bank's technology footprint by 25%, saving roughly $55 million in IT costs every year, and improved its data quality and governance, according to HSBC's estimates. It also laid the foundation for new tech initiatives in its retail bank.

While the core replacement was initially supposed to go live at the end of 2017, Strybel decided to delay the project by nearly nine months. It wasn't a popular decision. The team was fatigued and many people just wanted to be done with it.

But even though a majority of the coding requirements were completed on time, Strybel felt that more testing was needed. She had seen other banks launch new core banking systems prematurely — to disastrous results — and did not want HSBC to make headlines because frustrated customers were locked out of their accounts.

She stuck to her guns.

"It was smart of us to wait, do more testing, fix our defects and get in a platform and a system that works for both our customers and our employees," she said.

Her team ran nine dress rehearsals, or mock conversions, and more than 42,000 test cases to root out kinks in the system. It meant long hours and often working weekends to get the project finished. Her team dealt with the stress and pressure of the situation together, creating a casual environment on the Saturday and Sunday shifts, Strybel said.

She and her team often sported "Keep Calm and Carry On" T-shirts as a way to maintain perspective.

"It's not life or death," she said. "When you put it in perspective, we weren't doing brain surgery. We were doing some technology changes. So stay calm." — *Laura Alix*

11 MELISSA STEVENS

Chief Digital Officer
Fifth Third Bancorp

As the chief digital officer at Fifth Third Bancorp, Melissa Stevens puts a lot of emphasis on team-building.

Last year, for example, when the Cincinnati banking company launched a sponsorship partnership with Nascar's Roush Fenway Racing, Stevens brought her team to meet with Roush's operations director to learn what makes one of stock car racing's most successful teams tick. They witnessed how every piece of the operation was interconnected and vital to Roush's success. The meeting helped to reinforce Stevens' oft-repeated message that it's teams, not individuals, that drive results.

Judging by the pace of innovation at the $169 billion-asset Fifth Third, the message is clearly resonating. In the three years since Stevens joined Fifth Third, it has rebuilt its consumer and commercial digital channels to improve service; launched an online consumer loan platform; rolled out apps that help consumers hit savings targets; and created its first innovation lab, ONE67.

Tim Spence, Fifth Third's head of consumer banking, payments and strategy, said that Stevens has "driven transformational change" that has touched nearly every aspect of the company. She has also emerged as one of its most trusted leaders, as evidenced by the fact that all business line heads have allocated significant portions of their annual budgets to Stevens' innovation team. "This shows how she isn't just transforming our company, but how other leaders see her as the one who will lead us," Spence said.

Her Motto:

"You can get a lot done, if you don't care who gets the credit."

12 JILL CASTILLA

President and CEO
Citizens Bank of Edmond

Here's the kind of influence Jill Castilla has in community banking circles.

Dozens of times each year, Castilla, the president, chief executive and vice chairman of Citizens Bank of Edmond in Oklahoma, is invited to speak to banking groups eager to hear her thoughts on topics ranging from her leadership approach to the need for more women in C-suites.

While traveling, Castilla will often visit with other community bankers who might want to pick her brain about her bank's tech innovations or unique marketing strategies or her social media prowess. And on those visits, she frequently carves out time to meet with younger workers — usually women — with whom she has connected over social media and now mentors remotely.

Castilla, whose bank has just $267 million of assets and only one full-service branch, is so in demand because

of the energy and fresh thinking she brings to the role of the bank CEO. In an increasingly competitive financial services marketplace, the tiny Citizens is thriving, thanks largely to tech innovations Castilla has pioneered — like a recently opened unmanned branch that features Wi-Fi and meeting space for customers — and the loyalty it has built through Castilla's relentless promotion of the bank's customers and the broader Edmond community.

Castilla, who joined Citizens in 2009 and was promoted to chief executive in early 2014, admits that when she first started speaking at conferences, she mostly saw it as an opportunity to build Citizens' brand.

More and more, though, she came to realize that it was an opportunity to advocate for more women in the corner office. Bank CEOs, most of whom are men, are always thinking about succession, and one big reason community banks merge is that they have no clear successor, Castilla said.

"Speaking in front of these groups about my bank's story may not only inspire CEOs to think differently about their banks, but because it is me, a female bank CEO, standing on the stage, it may inspire them to think differently about who their successor may be," Castilla said.

Moreover, she added, "it could result in more community banks avoiding M&A."

Castilla received another significant honor this year when she was named a civilian aide to the secretary of the Army, a two-year unpaid appointment in which she serves as a bridge to the public for the Army. Each state appoints two aides, usually a prominent business leader, in part to help with recruiting efforts and provide advice on local issues. As a former soldier in the Army and the Oklahoma National Guard, Castilla welcomed the appointment.

"I'm honored for my story to come full circle and to support the force that built me," she wrote on Twitter.

13 SHARON HAWARD-LAIRD

Head, North American Treasury and Payment Solutions

BMO Financial Group

It didn't matter to David Casper, the U.S. chief executive of BMO Financial Group, that Sharon Haward-Laird had never held a revenue-producing role when he tapped her in 2016 to run one of the company's most important business lines — treasury and payment solutions.

An attorney by training, Haward-Laird at the time was the company's head of corporate communication, government and investor relations, and before that was general counsel in the capital markets group. In both roles, Casper said, Haward-Laird exhibited strong leadership, first navigating BMO Capital Markets through a thicket of regulatory challenges following the financial crisis and later taking charge of the company's internal and external messaging by combining the communications, government relations and investor relations functions under one umbrella.

"I had no doubt that Sharon was the right leader for the role," Casper said.

Haward-Laird is making Casper look very smart. In the last two fiscal years, the treasury and payments solutions unit had the highest return on equity of all BMO Financial's business lines. Revenue in the 2018 fiscal year increased 35% from just two years earlier, growth Casper attributes to Haward-Laird's leadership in addressing product gaps and redefining the service model to be focused on customers' needs.

Haward-Laird is involved with a number of internal resource programs at BMO Financial and has been an especially active supporter of mental health initiatives. It's an intensely personal issue because her daughter struggles with depression. Last year, Haward-Laird led the creation of a mental health awareness program that aims to destigmatize such issues. She said she believes that her passion on this sensitive topic is making BMO Financial more of a "safe place to talk openly about mental health."

14 LIZ WOLVERTON

Chief Strategy and Customer Experience Officer
Synovus Financial Corp.

Liz Wolverton had only been the digital strategy lead at Synovus for a short time when she realized that a project that took a year and a half to develop — and which was only 90 days from being complete — wasn't going to work out.

She also knew that not everyone at the table of executives before her would accept that conclusion. The project wasn't just any new initiative, but a new online and mobile platform—Synovus' first launch of a customer-facing digital platform in more than 10 years.

"New concepts are often met with skepticism and raised eyebrows," said Wolverton, executive vice president and chief strategy and customer experience officer at the Columbus, Ga., company. "But I have never been too concerned with being the 'odd' voice in the room."

Wolverton recommended the digital platform, My Synovus, be delayed and made more ambitious. It needed a new design that rethought how the company engaged with its technology partners. Ultimately, Synovus launched the platform in February of this year. Within 60 days, the Apple app rating for Synovus improved 50%. My Synovus helped drive overall revenue growth of 10% to $1.4 billion. Net income increased 55% to $410 million and EPS was up 60% to $3.47.

15 SHARON MILLER

Head of Small Business
Bank of America

When Sharon Miller was tapped to lead small business banking at Bank of America in June 2016, she says it was her dream job.

Miller, who joined BofA in 1996 as a financial adviser, now leads a 2,500-person unit that plays an increasingly important role in the $2.4 trillion-asset company's combined operations.

Small-business banking generated revenue totaling $4.4 billion in 2018, up 11% from 2017. More recently, Miller's group pushed its way to the top: as the No. 1 small-business lender in the country, according to BofA. "There's nothing more rewarding than knowing we're making the dream of owning a business possible for millions of people," Miller said. "I'm honored to be in the business of helping them succeed."

Given BofA's size and 4,300 branches, it's no surprise Miller's customer list is extraordinarily lengthy: 11 million business-owner clients — including 1.2 million women. Miller would like to see more women customers, so she is using her position to expand opportunities for female entrepreneurs both inside and outside Bank of America.

For example, Miller helped develop a program that refers women entrepreneurs who aren't ready for bank financing to a network of 260 community development financial institutions around the country. Miller and BofA also teamed with Cornell University in Ithaca, N.Y., to launch the free, online Institute for Women's Entrepreneurship in September 2018. It has set a goal of instructing 5,000 women by 2023. The waiting list for the summer 2019 session topped 13,000.

Miller scored one of her biggest successes last year when she adapted BofA's consumer rewards program to small-business banking. Clients with at least $20,000 on deposit get perks like special rates and fee waivers. About 385,000 business owners enrolled in the first year, depositing $67 billion and receiving $175 million in benefits.

16 MARIA VELTRE

Head of Digital, Innovation and Payments Strategy
Santander U.S.

Maria Veltre knows what it's like to feel disrespected. Early in her career, she was in midsentence when a senior executive turned her back and walked away. Veltre vowed never to make others feel the way she did in that moment, no matter what their situation or station.

That experience helped inspire her work as chief marketing officer for the U.S. unit of the Spanish company Banco Santander when she was asked to build a campaign around the concept of respect. She decided to shine a spotlight on an under-respected population: the working homeless.

Santander launched "In Someone Else's Shoes," which invited people to experience a day in the life of "Jen," a nurse living out of her car. At a microsite or an augmented reality expo, audiences walked through some of the setbacks someone like Jen might face — for example, coming home to find a boot on her car or a smashed window. According to the National Coalition for the Homeless, a quarter of homeless people in the United States are employed.

The campaign netted Santander a Webby Award for its use of augmented reality and a Shorty Award for using its platform to advance a social good.

It also helped the bank associate its name with the concept of respect and funneled some money to a worthy cause, raising $200,000 for Heading Home, a Boston-area nonprofit that helps homeless people secure permanent housing.

"Thinking, behaving, experiencing things like you're in someone else's shoes is a way to respect them, to understand them, and to build respect through understanding," Veltre said of the campaign. "It was our way of drawing attention to a population that's in need of respect."

Veltre joined Santander in September 2016 and was promoted last year to head of digital, innovation and payments strategy for the U.S. unit. In that role, she is in charge of launching new products and services in Santander's U.S. markets and using digital technology to streamline operations and payment strategy, among other responsibilities.

Shortly after she entered the banking industry, Veltre said she discovered a passion for finding insights in data and turning those into a reality. The tools to help her do so have evolved significantly over her 33 years in the industry, she said.

Augmented reality, for example, made possible the "In Someone Else's Shoes" campaign, which Veltre said the bank will repeat again this year. New content marketing tools have also enabled Prosper and Thrive, a web hub created to appeal to millennials with personal finance advice. Veltre said the point of the site isn't to sell more bank products.

"We don't think that's necessarily authentic, and we try to write in an authentic way," she said.

Rather, it's an effort to make more millennials aware of Santander as a brand, she said. To determine whether it's working the way they want it to, the bank's marketing team looks at factors like the number of page views, time spent reading articles, and surveys of consumers before and after having visited the site.

For Santander to be able to reach its goals, it's critical to cultivate talent, Veltre said. Some of that means keeping up with what's going on in the industry, staying in touch with specialty firms that know the latest technology, and networking in search of new talent to bring onto the team. But it also means making sure her employees feel supported in their work environment.

"It may sound a little trivial, but in some ways it's about how people feel," she said. "It's the little things that matter; it's the little things that people notice every day."

— Laura Alix

17 JULIEANN THURLOW

President and CEO
Reading Cooperative Bank

Julieann Thurlow remembered the young woman's story well. In telling the banker how proud she was of her mother for buying her first home, the 20-year-old shared a surprising detail: At the age of 12 she had translated for her Spanish-speaking mother throughout the entire loan process.

It was an eye opener for Thurlow, the president and chief executive of Reading Cooperative Bank in Massachusetts. She recognized that if she wanted to get serious about reaching the unbanked in her community, she needed to meet people where they were. That meant providing financial products they actually need and giving them access in their native language.

That conversation was one of many Thurlow had over the course of an eight-month program hosted by Harvard Business School. Reading Cooperative joined other members of the private, public and nonprofit sectors from the city of Lawrence to collaborate on spurring economic development in the city. Those discussions helped the $578 million-asset bank shape its approach to the city — and the issue of getting more people into the mainstream banking system. "We recognized early on that if we took Reading Cooperative Bank as it does business in Reading, and plunked it in the middle of Lawrence, we'd be no different than any other bank that's there," Thurlow said.

A former mill town on the Merrimack River near the New Hampshire state line, Lawrence is the poorest city in Massachusetts. The city is predominantly Hispanic and has a large immigrant population. Reading Cooperative was negotiating for a downtown site where it hopes to open its first Lawrence branch.

Some local, regional and national banks already have branches in Lawrence, but Thurlow isn't really interested in stealing deposit share from those institutions. She wants to go after the people using alternate financial services, such as check cashers and payday lenders.

Reading Cooperative can offer them cheaper and safer financial products than such firms, she said, but many people are also blunt about the fact that they don't trust banks. If she wants to win them over, then Reading Cooperative can't operate like every other bank in the city. Thurlow plans to staff the branch with people who live in Lawrence, know the city and speak Spanish. She plans to offer check-cashing services at the new branch and eventually small-dollar loans and other credit-building products.

The proposal to offer check-cashing posed some challenges, including that the service complied with the Bank Secrecy Act and other anti-money-laundering laws. Thurlow also had to sell the plan to her board of directors, who were reluctant about getting into the check-cashing business.

To do that, she took them on a tour of the city. She showed them the mill buildings being redeveloped into loft apartments, the stores and art galleries popping up along the main drag, and the blossoming restaurant scene.

And she kept hammering home another important piece of context for her directors: As a cooperative, the bank is not bound to quarterly earnings and can take a longer view on projects like the forthcoming Lawrence branch.

"It's not out of bounds for our type of bank," Thurlow said. "We were actually founded so that working people could own homes." —*Laura Alix*

18 JENNIFER SMITH

Chief Information Officer
Zions Bancorp.

Not long after he became chief executive of Zions Bancorp. in 1990, Harris Simmons wrote a 450-word treatise titled "Our Guiding Principles" that laid out the Salt Lake City company's priorities and expectations of its employees.

Simmons has amended the document only once since then, about a decade ago, after Jennifer Smith, then Zions' chief auditor and now its chief information officer, urged him to add this paragraph: "We strive to make our clients stronger by creating economic opportunity for them; our goal is to provide products and services that strengthen our customers, not weaken them. We want to be proud of the customers we're associated with, and we want them to be proud to be associated with us."

Simmons said that Smith offered up this suggestion before banks started getting lots of negative attention for their business practices, and that goes a long way toward explaining why she is "such a great leader and a phenomenal colleague."

"In each role, she has brought a strong and analytical intellect, the ability to lead gracefully under pressure, and a determination to do the right thing for the long term good of the organization," Simmons said.

Smith joined Zions in 2006 and has been its chief information officer since late 2015. Her biggest responsibility these days is overseeing the replacement of Zions' core loan and deposit systems, but Smith has taken great care to ensure that the conversion project is not standing in the way of other tech priorities. Last year, the tech team under Smith rolled out a new, and much faster, application for account opening, rebuilt the internet banking platform for cash management customers and simplified deposit operations.

19 LUANNE CUNDIFF

President and CEO
First State Bank of St. Charles

Innovation in banking typically means developing or investing in some cutting-edge technology that will appeal to younger, tech-savvy customers. But to Luanne Cundiff, the president and chief executive of First State Bank of St. Charles in Missouri, it can also mean finding new ways to meet the needs of senior citizens who aren't all that interested in sending a payment via mobile device or completing a loan application online.

With life expectancies increasing and more and more seniors living with some form of dementia, Cundiff has been devoting considerable resources to helping her $365 million-asset bank better serve this aging population. Its "dementia-friendly" initiative, launched last year at the suggestion of an employee who was seeing signs of dementia in aging customers, is designed to help seniors better understand their financial situations and how to avoid being scammed by acquaintances or even family members. The bank now requires all employees to complete dementia-friendly training, and branch procedures, products and employee practices have all been updated to support and protect these customers.

"Our program is a work in progress, but our employees are now more mindful of the needs of these customers," Cundiff said. "The more we can do for them, the better off they will be and our employees can feel good about the help we provide."

Of course, it's also important for banks to be innovating in the more traditional sense or else they risk being left behind, Cundiff said. First State Bank last year rolled out a digital mortgage application system that lets borrowers initiate the application process online, and that effort has helped to reduce closing times by an average of six days. It is also among the community bank members of the Zelle person-to-person payments network.

"In this digital age, customers expect immediate fulfillment of their banking needs," said Cundiff.

D.C. Outings:

Cundiff has been part of two meetings with President Trump to discuss challenges facing community bankers.

20 PAULETTE MULLINGS BRADNOCK

Chief Audit Executive
BNY Mellon

Paulette Mullings Bradnock is on a mission to bring more diversity to BNY Mellon's workforce, and she is leading by example.

The chief audit executive at BNY Mellon since 2015, Bradnock last year hired nearly 80 professional auditors for her team, many of whom were women and/or minorities. Bradnock, an African-American who was born in Jamaica, made sure she was considering a diverse pool of candidates by recruiting at National Association of Black Accountants' events and by reaching out to women and minorities on LinkedIn.

Bradnock also speaks regularly at events inside and outside of BNY Mellon on the importance of diversity and inclusion in an organization and rarely misses an opportunity to engage Chairman and Chief Executive Charles Scharf in conversation on the topic.

BNY Mellon's newest board member, Alfred Zollar, is African-American, as are two recent additions to Scharf's leadership team: Lester Owens, head of operations, and Jolen Anderson, the global head of human resources.

Bradnock manages a global team of more than 360 auditors.

Her group is primarily responsible for ensuring that BNY Mellon, the world's largest custody bank, is complying with all laws and regulations and that its financial reporting is reliable. Under Bradnock, the audit department has also taken the lead on monitoring and testing the bank's cyberdefenses.

Outside of BNY Mellon, Bradnock serves on the boards of trustees and audit committees of the Alvin Ailey American Dance Theater and Queens College, City University of New York, her alma mater. And she is a member of the executive committee of the Securities Industry and Financial Markets Association's Internal Audit Society.

Additionally, she is a member of the Group of 25, a forum where the chief auditors of the world's largest financial services firms gather to exchange ideas and discuss leading internal audit practices. —*Alan Kline*

21 KATE DANELLA

Head of Enterprise Strategy and Consumer Bank Products

Regions Financial

It didn't take Kate Danella long to rise through the leadership ranks at Regions Financial.

She joined the Birmingham, Ala., company in July 2015 as the wealth strategy and effectiveness executive and less than a year later was promoted to head of private wealth management.

Last year, in one of his first personnel moves after being names Regions' president and chief executive, John Turner named Danella his head of strategic planning and corporate development, a newly created post, and in June of this year Turner added to Danella's responsibilities by selecting her as head of consumer bank products and origination partnerships.

Danella is now one of 10 Regions executives — and the only woman — on the management team who report directly to Turner. In her newest role, Danella is responsible for driving overall business results for consumer and small-business deposits, credit and debit cards, unsecured lending, auto lending and real estate lending, as well as overseeing fintech partnerships for lending and payments. Regions' consumer bank serves more than 4.3 million households and small businesses and has more than $30 billion of loans.

As head of strategic planning, Danella works with department heads to identify strategic priorities across all business lines and communicating those priorities, and management's vision for the company, to investors and employees. Danella has also been a driving force behind Regions' decision to improve maternity and paternity benefits. She and her husband adopted a baby boy in early 2018 and at the time Regions offered no maternity or paternity leave, only six weeks disability for birth mothers. Danella helped to set a policy that offers three months of fully paid leave for birth mothers and six weeks of fully paid leave for fathers, domestic partners and adoptive parents.

22 MARLA WILLNER

Head of Corporate and Specialty Banking

TD Bank

Marla Willner has returned to TD Bank to be its head of corporate and specialty banking, and she has a plan for building the unit she leads into a national powerhouse.

Before leaving in 2015 to become head of investments at Brightwood Capital Advisors, Willner had been with TD or its Toronto-based parent, TD Financial Group, for 15 years. She held a number of top jobs in investment and corporate banking and played a key role in separating the corporate bank from its commercial bank so that it could make larger loans.

A Notable First:

In May 2018, Willner became the first woman named by TD Bank to lead a revenue-generating business.

Willner rejoined the $314 billion-asset TD Bank last year, and among her strategies for accelerating corporate and specialty banking's growth is to reach outside of its Maine-to-Florida footprint for new business. For example, TD has long served state and local governments in its markets, and now it is pursuing opportunities in other states, and has several deals in the works

Under Willner, TD is also taking its higher education lending national, broadening its health care lending to include new niches such as behavioral and mental health facilities, and working closely with the commercial real estate team to raise the lending limits on CRE projects for high-priority clients.

"We had ambitious growth goals in a saturated footprint," Willner said. "I knew we needed to expand nationally, develop new revenue streams, increase our exposure limits and find ways to collaborate."

Willner, who reports directly to TD Bank President and Chief Executive Greg Braca, has also been breaking down the silos that have historically existed between the specialty lending businesses she oversees. She created a new leadership position on her team, head of process excellence, to address operational issues and streamline processes across five lines of business.

Outside of TD, Willner serves on the board of the Women's Prison Association, overseeing a program that helps formerly incarcerated women re-enter society.

23 MICHELLE DI GANGI

Head of Small and Medium-Size Enterprise Banking
Bank of the West

Michelle Di Gangi has already seen tremendous success in running small and medium business lending for the $91.5 billion-asset Bank of the West. Small-business banking has grown at a 6% compound annual growth rate since 2008, and her unit accounts for 30% of Bank of the West's pretax net income, with a portfolio topping $13 billion.

But this year she stretched even further. Among other things, she spearheaded the launch of WE Source, an online tool that helps female entrepreneurs with insights into funding, networking, strategy and other business essentials.

It's part of the bank's larger Women Entrepreneurs Initiative, which Di Gangi leads. Through the project, Bank of the West has made strategic investments in Grameen and a number of community development financial institutions in its Western U.S. footprint, leveraging tens of millions of dollars in microloans to entrepreneurs, especially women-owned businesses.

Di Gangi also introduced a digital express-lending portal where small businesses can access as much as $100,000 in as little as two days. But her biggest initiative may have been implementing a new organizational structure that allows for remote interface through secure videoconferencing as well as screen and document sharing.

Di Gangi has used her growing prominence inside the bank as a platform to raise awareness of unconscious bias. She's worked closely with documentary filmmaker Nora Poggi, sponsoring screenings of Poggi's film, "She Started It," which chronicles challenges faced by five female tech entrepreneurs. "I created a safe environment for team members to share their views and experiences," Di Gangi said. "The obvious bias is the easy one to deal with, but so often we don't realize what we're doing."

24 STEPHANIE NOVOSEL

Head of Commercial Banking
PNC Financial Services Group

As head of commercial banking at PNC Financial Services Group, Stephanie Novosel knows full well that competition for loans is intense and that to win business banks need to add value that goes beyond offering competitive loan terms.

So last year, Novosel undertook a project in which she surveyed decision makers at about 70 companies to get a sense of what they expect from their bankers, now and in the future.

What she found, among other things, is that they want relationship managers to be educated in the industries they are serving and well versed in all the products the bank has to offer — beyond just loans — and how those products can work together for maximum effect.

Armed with that information, Novosel has been developing a new commercial platform that relies heavily on technology to help relationship managers better connect these dots so that they can meet clients' needs more efficiently while providing more targeted advice. The program is still a work in progress and PNC won't discuss the proprietary technology it's using except to say that it is giving commercial bankers access to "extensive internal expertise" in specific industries and tools that streamline processes between a relationship manager and a client so that their "first face-to-face meeting feels like their third."

"If we don't have the foresight to look ahead and create actionable vision, we'll be left behind," Novosel said. "You can't wake up one day and flip a switch; you need to develop strategies that steadily build for tomorrow."

Novosel has been PNC's head of commercial banking since 2011. Her group initially served clients with annual sales of between $10 million and $30 million and has been expanded several times since to include companies with as little as $5 million in sales and up to $50 million.

She most recently took on direct management and oversight of PNC's 25-person equipment finance team.

25 JOANNE WYPER

Head of Commercial Banking Operations
Citizens Financial Group

Bumping up against a deadline to renew a contract with a third-party vendor in India, Citizens Financial Group faced a difficult choice — continue with a partnership that was inefficient and try to improve it, or build a new system in-house, at a significant upfront expense.

Joanne Wyper, the head of operations within Citizens' commercial bank, favored scrapping the partnership and investing in robotics software that could automate processes and ultimately speed up payments and other transactions, reduce customer wait times and lower costs. But some senior executives were skeptical that an in-house system would generate meaningful cost savings and expressed concern that it wouldn't be ready before the outsourcing contract expired.

Wyper's view prevailed, and over the course of a year, she and her team were able to develop a dozen robotic process automations, re-engineer more than 50 processes and train colleagues on the work that was being moved back to the United States.

The transition, completed just before the contract was to renew, is expected to eliminate 5 million handoffs per year and reduce annual vendor costs by $1 million — savings that the Providence, R.I.-based company is reinvesting in other tech priorities. The redesign also reduced the onboarding of cash management clients from about 62 days to 22 days.

Wyper and her team largely operate behind the scenes, but she has been instrumental in changing how Citizens' bankers interact with clients. Historically, bankers would provide the highest-touch service to the most profitable clients, while smaller clients "would be relegated to an 800 number," Wyper said. Last year she spearheaded a new concierge model, with business clients of all sizes assigned a single point of contact.

Most Powerful Women in **Finance**

25

1 MARY CALLAHAN ERDOES

CEO, Asset and Wealth Management

J.P. Morgan

Though some other high-ranking executives at JPMorgan Chase have moved into new roles, Mary Callahan Erdoes is staying put. Erdoes, who is widely considered a potential successor to Chief Executive Jamie Dimon, has now led the company's asset and wealth management business for a full decade.

Asked in a recent interview if she might find a new role appealing, Erdoes demurred. "I love my job, and I think I have one of the best jobs in the world," she said. "I don't think anyone should be in a job where they're thinking about and pining for the next job, because it doesn't make them great in the job they're in."

Erdoes continues to deliver strong financial results for the country's largest banking company. Last year, the division that she leads which is part of the investment bank, J.P. Morgan, reported net income of $2.85 billion, up 22% from 2017. Clients entrusted the division with $2.7 trillion last year, a figure that is up about 12% from three years earlier.

"We are very fortunate that we have such smart people working for us, that are producing great outcomes for clients," she said. "And as long as we do that, clients vote with their feet."

Erdoes said that one key to success is a willingness to abandon investment strategies that are not working well. Her team has closed 229 funds over the past few years while launching 125 new products.

"You're always trying to figure out, is there something that has changed in the markets that would allow you to do better?" she said. "I think we do that probably better than anybody else in the industry."

Erdoes also has been focusing on enhancing JPMorgan Chase's digital investment offerings. Its You Invest platform, which enables do-it-yourself investing, was launched in 2018.

"Everything we do — that we say to a client, do for a client, help a client with — we want to be able to have a client be able to do that with us or with themselves," Erdoes said.

Ninety percent of You Invest users had not invested with JPMorgan Chase previously, she said. They also are younger than those who use advisers in branches.

"This is hitting a whole other client base that maybe doesn't feel the need to come in and have a face-to-face," Erdoes said.

Erdoes' tenure as one of Dimon's deputies has not been without controversy lately. The 23-year company veteran has faced scrutiny on two separate fronts.

Over the summer, The New York Times reported that Erdoes overruled compliance officers who had recommended cutting ties with the financier Jeffrey Epstein after he pleaded guilty to sex crimes in 2008. Epstein had brought other wealthy clients to JPMorgan Chase, and Erdoes was reportedly concerned about losing that business.

JPMorgan Chase issued an emphatic denial of the article, and Erdoes declined to discuss the matter in her interview.

The asset and wealth management division also was at the center of a 2015 settlement in which JPMorgan Chase agreed to pay $307 million after an investigation by the Securities and Exchange Commission found a preference to put clients in proprietary products without proper disclosure. Erdoes said the SEC case was entirely about disclosures and denied the company ever had a practice of pushing clients into higher-priced, in-house investments. "That's not how we operate here," she said.

"We're super-proud of the disclosures that we have now," she said. "We think for sure they are industry-leading, and our goal is to keep them that way." — *Kevin Wack*

2 ABIGAIL JOHNSON

Chairman and CEO
Fidelity Investments

Fidelity Investments may not have been the first asset manager to roll out low-cost index funds but, in August 2018, it became the first to introduce index funds with zero fees and no minimums.

The move rattled the stock prices of its rivals and drew attention from analysts, who describe Fidelity Chairman and Chief Executive Abigail Johnson as getting more aggressive after falling behind in the index-fund war.

"I like to think that we've caught up now," Johnson said in a rare interview, in November 2018, with Bloomberg Markets.

The new funds may not be highly profitable for Fidelity, which manages about $2.8 trillion in assets. But that's not the point. The funds will help introduce the company to younger investors who favor simple and affordable options.

"We need to find other ways to get people to give us a try," Johnson said. "Having a no-minimum, no-fee offering seemed like a pretty good way to get people to consider us with the minimal amount of friction possible."

Johnson has made other changes, including automatically sweeping cash in new brokerage and retirement accounts into a money market fund that, when Fidelity publicized the change in August, had a yield of up to 1.91%. One analyst called it a shot across the bow at Charles Schwab.

Still, Johnson left little doubt that the Boston company founded by her grandfather remains committed to actively managing its customers' money. "That's the core value proposition that we've been known for forever," she said.

In trying to expand that business, Fidelity aims to be more appealing to women. Staffing is part of that. Last year half of the new hires in its branches were women, Johnson said, "and that's in an industry where less than 25% of licensed professionals are women."

In a related initiative, Fidelity is redesigning branches to make them more inviting to women and to financial novices.

"We had gotten feedback that our branches were too corporate," Johnson said. "The same people who did our offices did the branches, so I guess it wasn't that surprising. It's just that no one ever stopped to think about it."

Popular Product:

Fidelity says its new index funds raked in $5.7 billion in assets in their first year.

3 MARGARET KEANE

CEO
Synchrony Financial

Margaret Keane believes companies have a moral obligation to prepare their employees for the jobs of the future.

As artificial intelligence advances, new jobs will be created, while others will be reinvented or disappear. That means companies need to invest in educating and training their employees, said Keane, the chief executive of Synchrony Financial. "It's the people who are the ones designing, training and operating AI systems," she said.

Her $106.4 billion-asset company is trying to be proactive by helping employees earn a degree. It offers up to $24,000 for full-time employees and $5,000 for part-time employees per year for tuition reimbursement for higher education degrees. Employees can pursue a new degree or complete one they couldn't finish previously.

The areas they can study depend on the type of role that fits into their career trajectory. This year the program was expanded to cover degrees in the education and health care fields, since there is a growing demand for jobs in those areas. Since 2015, the company has reimbursed almost $10 million to employees.

Synchrony is also piloting boot camps with local tech talent organizations like Thrive to offer employees training in coding, software and IT. "It's important for all of us to actively pursue new skills to ensure a better future for ourselves and the company," Keane said.

In line with that thinking, Keane is embracing AI. The Stamford, Conn., company has created a platform for real-time machine learning models that can make credit decisions in seconds. Sydney, an AI-enabled virtual assistant, can answer text-based questions, such as inquiries about new account openings and payment options, for cardholders. And Synchrony is also using robotic process automation for routine tasks.

Synchrony had its most profitable year in 2018, earning $2.8 billion, a 44% jump from 2017.

4 CHARLOTTE MCLAUGHLIN

President and CEO
PNC Capital Markets

The dot-com bubble was deflating and the war on terror ramping up when Charlotte McLaughlin began running PNC Capital Markets.

The job now is very different than it was in the summer of 2002. But it has been evolving at an even faster pace lately.

One of her most recent big moves — the acquisition of Ambassador Financial Group — illustrates the point.

It was McLaughlin who identified the Allentown, Pa., business as an ideal candidate to bolster the financial institutions group that she added to her responsibilities four years ago. With its investment banking, M&A advisory, capital markets and balance-sheet management capabilities, the business, now rebranded as FIG Advisory, allows the group to expand its offerings.

It is key to McLaughlin's larger plan of pivoting away from handling transactional banking products to providing more of an "advisory mindset and toolkit," as she puts it. McLaughlin credits this transition with helping boost revenue from her business by 15% last year.

She is also helping to develop the business in other ways. Last year she tapped PNC's technology innovations team to facilitate a "30 New Ideas" workshop for her team.

In reviewing the ideas participants came up with to solve business problems and generate new products, McLaughlin identified seven themes to guide future technology investments.

One idea that has already been implemented is the introduction of application programming interfaces that work with multiple payment platform providers to streamline and automate foreign exchange transaction processing

All the changes afoot have increased the demands on her team, as has the expectation from clients of ever more speed and responsiveness. "We check email before we brush our teeth in the morning," McLaughlin said.

5 DIANE OFFEREINS

President, Payment Services
Discover Financial Services

Houston has oil. New Orleans has jazz. Silicon Valley has innovation. Can Chicago become known by 2030 as the home of gender equity?

That is essentially the goal announced this summer by the Chicago Network, whose new chair is Diane Offereins, Discover's president of payment services.

"Being part of the Chicago Network community has been incredibly rewarding for me," said Offereins, who has been a member since 2008 and became chair in 2019.

As part of its new "equity principles" campaign, the network — a group of roughly 500 senior female leaders — is asking companies and organizations to pledge to work toward gender equity in leadership roles by 2030. Participants file confidential reports every two years on the percentage of leadership roles and board seats held by women. So far, 70 have taken the pledge, including Discover.

Offereins is also finding ways to advance women's careers at the company where she has worked for more than 20 years.

She is active in an employee resource group known as Professional Women Impacting Results and recently joined a colleague at an event to speak with younger women from across the company. The leaders talked about the importance of finding senior-level mentors in other departments and creating support systems at work and at home.

"We know it is not always easy to take that first step to initiating a career conversation with someone much higher in the organization, so we are always looking for ways to help," she said.

6 CANDACE BROWNING

Head of Global Research
Bank of America Merrill Lynch

In the business of providing investors with critical intelligence, making sure you've delivered the information they need is only half the job.

Understanding how the audience wants to consume it is just as important.

Candace Browning, head of global research for Bank of America Merrill Lynch, has had the first part of the job covered for some time. The research division she built at BofA's investment banking arm is consistently rated as among the best in the world by the industry media, and its corporate access program is similarly well regarded.

But new regulations touching on the interaction between research organizations and their clients (like MiFID II) and a generational shift among consumers of financial research forced a reconsideration of the way her group's corporate access offerings were delivered.

When the team realized that direct contacts between investors and management teams after corporate access events were on the decline, Browning said, they knew the process had to be restructured.

Rather than offering investors access to individual management teams, Browning's division began structuring corporate access events around larger disruptive themes — driverless cars, the trade war, e-sports — and bringing in not just chief executives, but subject matter experts from companies working in or affected by a particular area of interest.

"We're adding more thematic and strategic access and that kind of fits with what we see going on in the world, where there are these big disruptions and big changes," Browning said.

"Clients in general are looking at big themes, and it's become very popular, particularly with millennials," she said. "And the second thing is that with the way that the world has evolved over the last five or six years — the pace of change is incredible — it really lends itself to this type of programming."

Evidence of success can be found in the numbers.

Since BofA implemented this new approach, attendance at corporate access events is up among both investors and corporates, and the number of post-event direct contacts between them is up by 12%.

7 JOYCE CHANG

Chair, Global Research
J.P. Morgan

Joyce Chang's goal is to provide consistently unique insights to investors.

Achieving that goal depends on using data to quickly assess the market impact of everything from trade wars to geopolitical anxiety. Emphasis on *quickly*.

But the work gets more difficult every year as the amount of available data explodes and the world becomes more interconnected.

"It's become much more important to deliver globally integrated research," said Chang, who was promoted to chair of global research in January. "You have to be able to talk about the change in market structure, not just macro and industry trends, but the decline in market liquidity and market depth, and the rise of algorithmic trading. Those are paradigm shifts."

Artificial intelligence is essential to J.P. Morgan's efforts to develop timelier and shrewder reads on the impact of trends like the worldwide rise of populism.

It has a populism index built on searches of thousands of conference call transcripts and other company documents to identify what is potentially of most concern to executives. The firm also has a geopolitical anxiety index and a trade war index, among others, said Chang, who leads a team of more than 900 people.

"We now track more than 25,000 company earnings reports, call transcripts and news stories, " she said. Those are mined for keywords "that indicate what CEOs are concerned about to measure business sentiment and confidence rather than relying solely on scheduled macro releases of data to come out."

An example of the output: In the second quarter of 2018, the most frequently mentioned phrase was "tax reform." The third and fourth quarters saw "tariffs" and "recession risk" top the list.

Chang's strategy is apparently paying off. For the second year in a row, Institutional Investor named J.P. Morgan the top global research firm.

8 REBECCA PATTERSON

Chief Investment Officer
Bessemer Trust

Rebecca Patterson learned the importance of fostering a sense of community as part of a workforce from her first job.

When she joined the Washington bureau of the St. Petersburg Times (later the Tampa Bay Times), her fellow journalists made her feel part of the team as soon as she arrived.

"Everyone had each other's backs," Patterson recalled. "We worked so hard, but also made time to know each other personally and enjoy each other's company. I have been so lucky to be part of cohesive teams like that many times during my career and I realize how special and important it is to try to cultivate."

Now serving as chief investment officer of Bessemer Trust, Patterson schedules — and improvises — team-building games, such as pet photo contests and blind taste tests of guacamole.

The cohesiveness that these activities build makes a difference when it comes to oversight of more than $78 billion in assets that Patterson and her team of roughly 90 people manage. "

We communicate a lot," she said. "I can focus on our investment platform, our team and our strategy because I know I have the right people all over the details."

While Patterson has left journalism, she still enjoys researching and writing investment insights. She also listens carefully to clients. One, a former chief executive of a Fortune 500 company, advised her shortly after she joined Bessemer in 2012 to think of her role as driving a car. He said that she needs a team of great people supporting her so she can focus on staying on the road.

Patterson said she always keeps that in mind. "I am so lucky to have an amazing team," she said. "When they need me to pull over and help them think through an issue or solve a challenge, they know I'm there for them immediately."

Top Read of the Past Year:

"Big Debt Crises" by Ray Diallo. "Understanding historical patterns and thinking through potential policy responses is critical for any investor," Patterson said.

9 JULIE MONACO

Global Head of Corporate and Investment Banking Coverage for Public Sector
Citigroup

Julie Monaco knows the key to making Citigroup the top investment bank to governments and governmental organizations across more than 120 countries.

Fill your team with people who have a passion for economic and public policy, and who study even when away from the office how to eliminate poverty, fight corruption and grow economies.

"You establish yourself as a trusted adviser to governments by genuinely caring and demonstrating knowledge of the things that keep them up at night," said Monaco. "It goes without saying you have to deliver the service governments want Citi to provide, but you have to raise the bar to a whole other level of engagement on the macro issues they're trying to solve."

Her team has done that well enough for Citi to claim the top spot in the government category four out of the past five years in a Dealogic ranking of investment banks based on share of revenue.

Last year Monaco set out to further improve the way Citi serves the public sector by adding a global product innovation role to the team. The focus was on trade and transaction services, which is a core part of the public sector business, generating more than 40% of its overall revenue.

Though technology is transforming payments, the public sector had not seen the same level of innovation in this area as the corporate sector had, Monaco said. "I recognized that a growth opportunity was being overlooked."

Now clients are more involved in helping Citi create tailored products, including several expected to roll out within months.

10 KATIA BOUAZZA

Head of Global Banking, Latin America

HSBC

Katia Bouazza learned at a young age the drive that success demands. She arrived in the United States as one of three girls in a family that emigrated from Lebanon, which was then mired in civil war. Bouazza did not speak much English. And she was not a boy.

"My dad really wanted a son, so he raised me like a boy," said Bouazza, who heads global banking in Latin America for HSBC. "I've taken martial arts. I like to drive fast cars and go to soccer games. That gave me a lot of characteristics that ended up being useful in a male-dominated world."

One in particular is a willingness to tackle challenges head-on. She urges women she mentors not to let doubt hold them back either. And she draws on her early experiences in boardrooms full of men to offer these younger women encouragement.

"You're not born being courageous," Bouazza tells them. "The first time I walked into that room, I was intimidated, but you train that muscle. It's something you develop over time."

Ohmmm:

To unwind, Bouazza meditates daily.

Confidence is only half the battle, though. "It does not replace the fact that women are more closely scrutinized than our male counterparts, so you have to be very good at what you do," Bouazza quickly adds.

Beyond offering advice, she has helped put other women in prominent roles. She recruited Ines Vargas, a senior banker previously at Citigroup, to lead HSBC's investment banking business in Monterrey, Mexico, and championed the appointment of Monica Duwe as chief executive of HSBC Chile.

Women mentored and promoted by Bouazza also include the heads of HSBC's loan syndications, transaction management and corporate debt capital markets units.

Bouazza herself also has a new title. When HSBC announced 16 appointments amid changes to top management in April, Bouazza, who previously co-led the bank's Latin American business, was the lone woman selected.

11 TERESA HEITSENRETHER

Global Head of Custody and Fund Services

J.P. Morgan

In his latest annual letter to shareholders, Jamie Dimon, the chief executive of JPMorgan Chase, said that the company's securities services business "has transformed itself into an industry powerhouse" that is allowing asset managers squeezed by passive investing and tight margins to operate more efficiently.

At the center of that transformation is Teresa Heitsenrether, who since 2015 has served as global head of that business.

In that time, Heitsenrether, who began her career as a trainee at Morgan Guaranty Trust 32 years ago, has brought in enough assets to solidify the company's standing as one of the three largest custodian banks in the industry.

Assets under custody reached $25.4 trillion on June 30, up 24% from the end of 2016, a span in which JPMorgan's investment banking unit beat out State Street to be custodian for more than $1 trillion in assets from BlackRock in one of the largest such deals ever signed. Revenue for the securities services business has risen 18%, to nearly $4.2 billion, in the two years that ended Dec. 31.

Heitsenrether credits the growth of the business to the "collective talent and ability" of her leadership team — "great people who not only have strong technical skills but also the leadership skills to inspire others to go above and beyond."

A self-described "problem solver and business builder," Heitsenrether is drawn to challenges. She is the highest-ranking woman in JPMorgan's corporate and investment bank and a mentor to women across the company. She has mentored three of the record 30 women among the company's managing directors in 2019.

Heitsenrether hopes to pass down her love of banking to her children. She and her husband of 28 years met at JPMorgan as trainees and they now have two daughters. "I hope that in some way my experience shows that they can achieve whatever they aspire to without limitations," she said.

12 SUNI HARFORD

President
UBS Asset Management

Ten years into her career, Suni Harford faced off against a colleague who was trying to steal her work. Thanks to her preparedness, she prevailed.

The incident happened on a trading floor while Harford was working in the capital markets business at the investment bank Salomon Brothers.

"So everything's very public, and everybody listens to everybody's phone calls," recalled Harford, who was recently named president of UBS Asset Management after a two-year stint as its head of investments.

This particular morning, Harford was expecting to complete the largest bond deal she had ever brokered. The call came in; the deal went through. She was excited to share the news.

"I turn around to tell my boss," she said, "and this guy is sitting there telling my boss about the deal. Seriously."

That same morning, Harford had stopped by her boss' desk and asked him to cross his fingers for the forthcoming bond deal. So as the co-worker sought to take credit, the boss turned his attention to Harford and said, "Congratulations."

The lesson that Harford drew from the incident: There are effective, informal ways to keep your boss apprised of what you are accomplishing.

"The reality is, every time you schedule a meeting with your manager to talk about your career, it's hard. It's additional work," she said. "Our job as employees is to make our manager's job easier and to keep in front of them with what's going on, without making a big formal deal about it."

Harford said little steps that dovetail with the natural course of your daily workflow — such as arranging a client meeting and inviting your boss to sit in — offer opportunities to promote yourself without being overt.

"There's a thousand different ways to be in front of senior people and improve your visibility in the context of business as usual, as opposed to making it a formal sit-down review," she said.

It has clearly worked for Harford. In addition to being named president of one of the largest asset managers in the world, an appointment that was to take effect on Oct. 1, she was also recently named to the group executive board of UBS.

But what about that other guy?

"Well, he learned a lesson too, I suppose," Harford said. "We never talked about it, but he never tried it again."

13 YIE-HSIN HUNG

CEO
New York Life Investment Management

The entire room was applauding in approval, except Yie-Hsin Hung's son.

Hung, the chief executive of the investment management unit at New York Life Insurance Co., had brought her family to an industry event that was celebrating accomplished women.

"I vividly remember one of the award recipients highlighting that one-third of her firm's employees were female," she said. "For those in the audience, myself included, who have been in the financial services industry for a long time, we saw that as a significant accomplishment."

Yet her college-age son was not impressed. "He turned to me and asked, 'Why is everyone clapping? The time for applause is when it's 50/50.' "

It was a proud moment for Hung as a mother, but it was also a call to action — to redouble efforts to make her industry more attractive to young women.

In 2018, Hung and senior women on her team founded an employee resource group that helps other women prepare for leadership roles through networking, professional development and community outreach.

"I have found that one of the most important skills great leaders possess is the ability to inspire and motivate a team to come together to achieve a greater common goal," Hung said.

She encourages young professionals to learn how to engage others with their ideas by speaking up more and doing presentations for larger audiences. "It's especially important to do this early in one's career journey," she said.

14 KATY KNOX

President
Bank of America Private Bank

Katy Knox took a multimillion-dollar calculated risk soon after being appointed president of Bank of America's private bank in the fall of 2017. Less than two years later, the strategy to spend big on technology for the sake of future growth is paying off.

"When I came in, we did an evaluation of what we call the infrastructure, and I did a tour of 100 or so days of listening to our teams and where the pain points were," said Knox, who oversees a workforce of 4,000 people in 90 offices across 32 states. "It became very clear that we had to make a significant investment in the infrastructure — the client-facing technology as well as the associate-facing technology."

Knox has overseen a 75% increase in annual tech spending at the private bank, which entailed shifting some priorities. "It wasn't popular for folks who lost their projects in order to fund some of this technology," she said.

Further complicating things, BofA also decided to phase out the U.S. Trust legacy brand. But with 85% of private bank clients — all of whom have investable assets of $3 million or more — also doing retail banking with BofA, turning the two platforms into one made sense, Knox said.

The integration is a work in progress. "We've done four big technology releases," she said. "November will be one of our biggest."

Many of the changes are about streamlining and digitizing processes — for example, enabling real-time client enrollment through the use of electronic signatures.

Knox pointed to digital interactions at the private bank — a total of 1.5 million in 2018, up 35% from the prior year — as a measure of success. A revamped mobile app rolled out in September 2018 accounted for half of that growth. This year the momentum has continued, with digital interactions up another 11% through the beginning of August.

Knox is also on a growth tear. By end of next year, the private bank aims to have 600 advisers and be in 50 markets — roughly double what both were when Knox became president.

15 GUNJAN KEDIA

Vice Chairman, Wealth Management and Investment Services
U.S. Bancorp

Gunjan Kedia became an engineer because she was told that she couldn't become one.

"Very few women did engineering in India, and my mom made the mistake of saying that to me; so of course I had to do engineering in India," said Kedia, the vice chairman of wealth management and investment services at U.S. Bancorp.

She relished the challenge. "I'd like to be able to say it was something more profound than that, but it was very difficult to get in," she said.

Kedia had attended an all-girls school, so college was a sharp contrast from a gender perspective. "We were eight of us and a thousand men," she said. The ensuing scrutiny could have been unbearable, were it not for a healthy sense of humor and a positive outlook.

"It sort of toughens you up," Kedia said. "If we got good grades, everybody talked about it; if we got bad grades, everybody talked about it."

Kedia made the honor roll in her first semester, at which point the spotlight really bore down. But she thrived — and even came to be thankful for being a highly visible minority. "When you do well and you're diverse, your positives are also just amplified," she said. "So I don't see it as a negative."

As she navigated a career in data sciences, consulting and financial services, she noticed an "unevenness" in the workplace, she said. "I see younger women struggle. I see some of the disproportionate challenges of home and workload," Kedia said.

She encourages women to seek out employers that show their appreciation by allowing adjustable work schedules. That flexibility is what enabled her to join U.S. Bancorp nearly three years ago.

Kedia lives in Pittsburgh with her husband and two sons, but commutes to Minneapolis nearly every week — much as her husband did the previous nine years, when they lived in Boston and he worked in Pittsburgh.

"You take turns, and you're going to make it work," Kedia said.

16 LIZ MYERS

Head of Global Equity Capital Markets

J.P. Morgan

Liz Myers credits her mentor Jimmy Lee, a widely admired vice chairman of JPMorgan Chase who died four years ago, as an influence in the approach she brings to leading a 220-member team.

Lee advised Myers "to identify and focus on the people I would take with me if I were ever to leave JPMorgan and start Liz Myers Securities Inc.," she recalled. "Over time, I found those people were not just the big revenue generators, but also the ones who spoke up when they saw something that wasn't working efficiently, or were the first to volunteer for a new initiative in the group."

Last spring, Myers, who heads the global capital equity markets group in the company's investment banking unit, channeled that guidance to launch an initiative she called "Change One Thing." The effort encourages everyone on her team to propose improvements that have the potential to benefit the business.

"The changes I have asked everyone to focus on could be, but don't have to be, vast, sweeping changes," Myers said. "It is more about being empowered to propose ideas that add up to an even stronger culture for all of us, and improving the lives of our employees on a professional and potentially personal level."

The initiative reflects Myers' experience at the outset of her career at JPMorgan, which she joined 27 years ago as an analyst. Whether it involved suggesting ways to speed the line for cars that ferried bankers home late at night or to improve the workflow in word processing, "the culture made me comfortable speaking up when things were impeding my productivity," Myers said.

After a relatively young member of her team landed in the hospital for emergency heart surgery, Myers and her management team relied on "Change One Thing" to deepen the commitment to wellness.

In came "protected weekends for junior staff and having people truly disconnect on vacations," said Myers, who taught a yoga class during the company's wellness week to highlight the importance of managing the daily demands that her team faces.

The initiative also builds on work by Myers to inspire a new generation of leaders, who, she said, "are seeking more personal connection with colleagues and a deeper sense of meaning from their work."

17 ELINOR HOOVER

Global Co-Head Consumer Products, Corporate and Investment Banking

Citigroup

Last year, Elinor Hoover became board chair of the Chamber Music Society of Lincoln Center, the first woman to hold the post since the society's founder Alice Tully half a century ago.

Hoover, a classical music enthusiast who co-heads investment banking for consumer products at Citigroup, sees a parallel between the focus she and her team bring to their business and achievement at the highest levels of classical music. "We put the client at the center of every decision and solution, which inspires us to work tirelessly to achieve the best for them," said Hoover.

"At the heart of classical music," she said, "is also a striving for excellence in how musicians practice every day to achieve virtuosity and in how they perform to reach and inspire audiences."

For Hoover, the focus is on creating a climate that supports clients' growth. In September she was to lead Citi's third annual Consumer Disruptive Growth Conference, which brings founders of the latest generation of companies that are disrupting the food, beverage and personal care industries together with executives from the largest companies in their categories.

"Traditional companies are challenged with this disruption and have begun to acquire these emerging growth companies at a rapid pace as a means to incubate the technology alongside their heritage products," said Hoover.

She credits her 76-member team's success to a cohesion that comes from "constantly celebrating the successes as a team," she said.

18 MICHELLE SEITZ

Chairman and CEO
Russell Investments

When Michelle Seitz was head of investment management at William Blair & Co. in Chicago, she often fielded calls from private equity investors who were interested in hearing her thoughts on industry and market trends.

In one such call, with TA Associates, Seitz had expressed interest in perhaps serving on a board of one or more private companies in TA's portfolio. The discussions progressed over a period of weeks and at some point turned to another topic: succession planning at Russell Investments, the Seattle asset management firm that TA had acquired in 2016.

Next thing Seitz knew, she was packing her bags and heading west. Seitz was named Russell's chief executive in September 2017 and added the title of chairman four months later. She is just the seventh CEO — and the first woman in the job — in Russell's 83-year history.

The decision to leave William Blair, where for 16 years she ran the institutional, mutual fund and private wealth management businesses, was not an easy one. Seitz had transformed the investment management unit from a regional money manager for high-net-worth families to a global one with nearly $70 billion of assets under management, and she felt a deep loyalty to the firm and its employees. Seitz and her husband also have five kids, and she was concerned about uprooting them.

But Russell is far larger and she saw an opportunity to have a major impact at a time when, she said, the industry needs to be reinvented to take out duplicative costs, improve value for clients and address the fact that millions of people are not saving nearly enough for retirement.

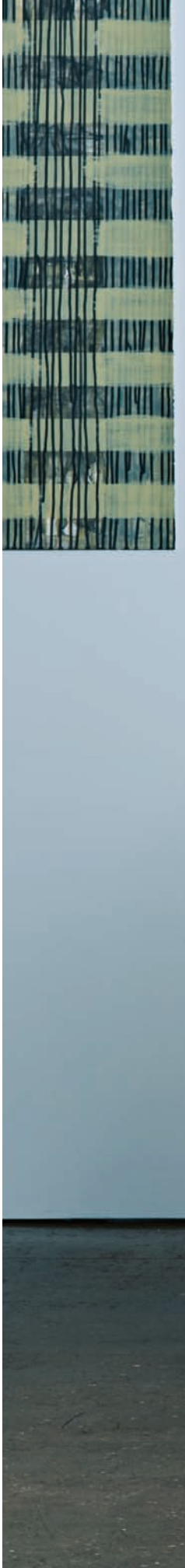
"There is no question in my mind that the industry is in the middle of a massive structural change and I wanted to be at a firm that could make a real difference and drive the industry forward," she said.

Russell is one of the top 75 money managers in the world, with about $260 billion of assets under management. As such, "we are one of the few firms worldwide that has the depth and breadth required to help close this retirement gap," Seitz said.

According to the World Economic Forum, current and future retirees face a $70 trillion shortfall between what they have set aside and what they will need in retirement, and that will grow to $400 trillion by 2050 if the industry doesn't address it, Seitz said.

One of the products she is championing is a personalized retirement account, a technology-driven tool that uses a wide range of data to help build portfolios that are highly tailored to the needs of individuals. Russell has also been investing heavily in technology aimed at eliminating inefficiencies in trading and portfolio management, with a goal of lowering costs, and improving returns, for clients. "Every dollar that you save in transaction fees, in management fees, is critical … to closing that $70 trillion gap," Seitz said.

— Alan Kline



19 TRACEY BROPHY WARSON

Chairman, Citi Private Bank, North America
Citigroup

This summer marked a homecoming for Tracey Brophy Warson, who returned to San Francisco, where she spent most of her banking career, with a new job and a new set of goals. In June, Warson became the first person to hold the newly created job of chairman of Citi Private Bank, North America.

Warson's decision to locate this new position in San Francisco, and her membership on Citigroup's global leadership team, combine to send a strong signal about the company's intentions in the western United States.

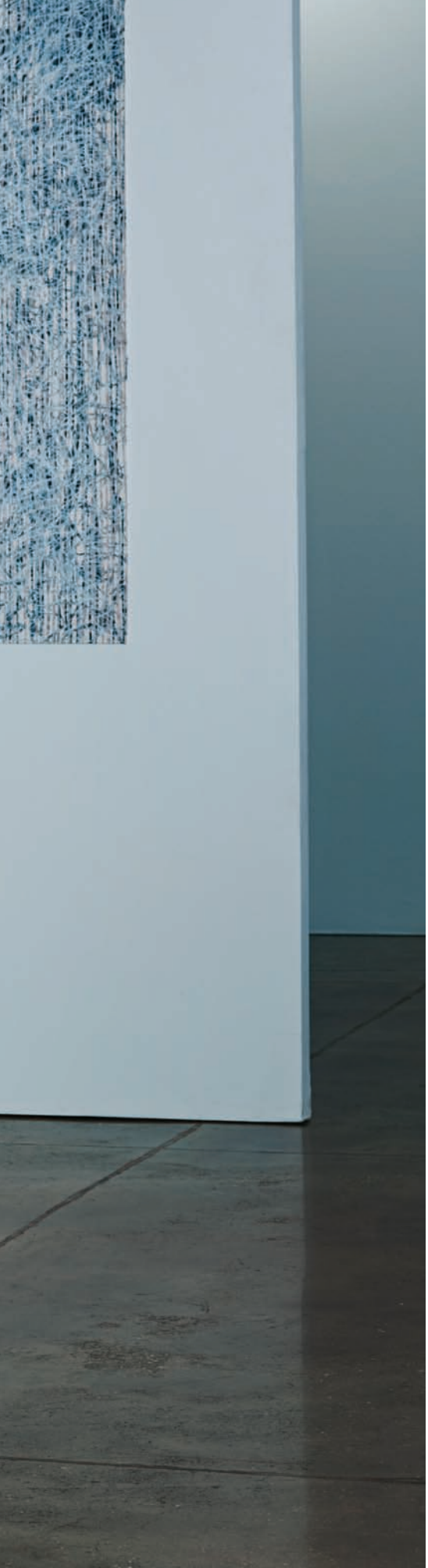
"I saw this as a personal opportunity to spark change and create a new senior role focused on deepening relationships with clients across North America, plus grow the Citi strategy and partnerships in California," Warson said. "This new role focuses on two of my passions: clients and strategy."

She takes on her new position after five years of running Citi Private Bank, North America, a period that saw the business nearly double in size and add more than 1,000 new ultra-high-net worth clients.

As chairman, Warson has begun to partner closely with Citi's broader institutional clients group to bring new capabilities to private banking clients. She will also work with the global leadership team on strategic initiatives, including focusing on digital solutions for clients.

It's this last area where Warson sees herself taking on a crucial challenge. "Digital is the future of work and will continue to become a dominant way our clients will engage with us, especially our next generation clients," she said.

— Rob Garver



20 CARY GRACE

CEO, Global Retirement and Investment Solutions

Aon

A pivotal moment in Cary Grace's career came in her early 30s, when a colleague at Bank of America offered this simple advice: Be yourself.

Grace grew up in Columbia, Md., a planned community outside of Baltimore created in the late 1960s as a place where people of all races and religions could come together to live, work and play. It was a community, Grace said, where opinions mattered, diversity of thought was celebrated and she was always encouraged to be her "best self."

Yet when Grace entered the workforce in 1990, all she wanted to do was fit in. Even as she was rising through the ranks at First Chicago and BofA, she often found herself mimicking the behaviors, and even the clothing choices, of her more experienced colleagues. "I had my share of navy and gray suits from Brooks Brothers," she said.

Then one day a co-worker told Grace that her value to the firm was her uniqueness, not her sameness, and it changed her approach to leadership. She realized that she was putting so much effort into conforming that she wasn't letting others be their best selves.

"When you have permission to be yourself, you just bring yourself more wholly to the game," Grace said. "All that energy I was spending trying to fit in, I now spend trying to encourage others to bring their points of view to the table."

Grace is the CEO of global retirement and investment at Aon, a London-based firm that provides a broad range of risk, retirement and health consulting services to clients across the globe.

She joined the firm in 2011 as president of client services and solutions after 14 years with BofA, where she ran several institutional and private banking businesses. She was promoted to head of the Chicago-based retirement solutions group, Aon's second-largest business unit, in 2016, and now oversees 7,500 employees and assets under management of more than $151 billion. Last year, the group generated $1.9 billion of revenue, or 17% of Aon's total revenues.

In addition to running the retirement solutions business, Grace is in charge of the integration of all acquisitions, including last year's purchase of the Townsend Group, an investment advisory firm that specializes in real estate. She also chairs the board of directors at Aon Trust Co., an Illinois-chartered firm established in 2015 to accept and execute trusts and provide investment services to businesses.

Aon has made a commitment to putting more women and minorities in senior roles, and Grace sponsors several women's networking groups, helped launch a sponsorship program that matches black colleagues with senior leaders across the company and organized an international women's day in which she brought in top executives from other firms to discuss how to create a gender-balanced world. *— Alan Kline*

21 CLAUDINE GALLAGHER

Head of Securities Services for the Americas

BNP Paribas

Claudine Gallagher's leadership skills have been tested to an unusual degree over the past 18 months.

In the spring of 2018, the company had scheduled the migration of 130 people and about $150 billion in assets under administration from Janus Henderson, an acquisition BNP Paribas announced in November of 2017 and closed about five months later.

After the integration, her team worked to transform Janus' historically captive back office into a third-party business line, which not only required new technology but also a complete overhaul of the operations.

At the same time, the securities services division Gallagher oversees was undergoing an internal reorganization. The custody, tax, income processing and settlement teams working in security services were merging with those of the global markets and prime brokerage operations in the United States, Brazil, and Colombia. The goal was to create a shared services team on a single platform with pooled resources and expertise.

Though the changes would lower costs, reduce risk and create new career paths for her team, Gallagher had second thoughts about the timing. "The team's nerves were raw and fatigue was setting in," she said. "My immediate reaction was to stop the process and push the initiative back one year."

After thinking about it for several days, she decided that the team members were stronger than she was giving them credit for. Six months later, Brazil and Colombia had finished the process and the U.S. was underway, said Gallagher. "It was a tough decision, but I'm glad I made it."

Gallagher is the only woman to head one of the three businesses that comprise BNP Paribas' corporate and institutional bank in the United States. She is also one of the few women who serve on the company's executive board for the Americas.

22 BARBARA MARINIELLO

Head of Debt Capital Markets for the Americas

Barclays

In the run-up to a recent meeting at which Barbara Mariniello and her team at Barclays' investment bank planned to host a client for lunch, they decided to dispense with a pitchbook and instead designed a menu featuring courses for each of the topics on the agenda.

The meal began with an appetizer of "Green Bond Salad," followed by a main course of "Steak-au-Probability" and, for dessert, "Great British Pound Cake."

"Our team is known for laughing frequently," said Mariniello, the U.K.-based bank's head of debt capital markets for the Americas.

"Having some fun on the job and finding humor in the capital markets sets a great tone for our group and is one of the reasons we've been successful at gaining market share."

Under Mariniello's leadership, Barclays has led two of the biggest debt deals in history: last year's $40 billion sale of bonds by CVS Health to help pay for its acquisition of the insurer Aetna, and the sale of $46 billion in bonds by Anheuser-Busch InBev to help fund its acquisition of SABMiller in 2016.

Barclays now ranks among the largest underwriters for corporate bonds in the Americas, with a 7% fee share, as of late August.

In addition to keeping her team of 55 people in good humor, Mariniello pushes them to lean into challenges.

"It's a competitive business," she said. "So we ask what else we can do to be a little bit smarter than the next person. If you dig in more, you are going to learn, be rewarded, have more success and feel better about the job you're doing."

Mariniello tends to think of herself as a realist, a consequence, she said, of growing up in New England as a fan of the Patriots and Red Sox in the years before both teams became champions. "I realize you can compartmentalize things and, now look, we have a whole new generation of New England sports fans who are growing up as optimists."

Favorite Getaway:

Spending time on Cape Cod with her family.

23 MICHAELA LUDBROOK

Americas Head of the Global Transaction Bank
Deutsche Bank

Sometimes direction comes from the back seat. At least it did one day as Michaela Ludbrook sorted through a work issue on the phone while in the car. The matter resolved, Ludbrook explained to her son why she had to take the call, and let him know she would need to be on a few more calls that evening to sort out what went wrong.

"The situation is fixed, so why do you need to talk about it tonight?" her son replied.

The response reminded Ludbrook of a realization she's had throughout a career in which she rose to lead both Deutsche Bank's global securities services business and its global transaction bank in the Americas.

"Sometimes having a different perspective is the best lesson," she said.

Ludbrook joined Deutsche in 2014 after nearly eight years at Goldman Sachs and 15 years in operations leadership roles at JPMorgan Chase in London, Tokyo and New York. The experience of working in several countries and with colleagues from a mix of cultures resonated with Ludbrook.

"I learned to appreciate that to be part of some of the most interesting career opportunities you have to put yourself in the best position to be noticed in a way that suits your style," she said.

She also learned to lead by example, a lesson she strives to impart to her team of roughly 630 people.

"It's important to provide real examples," she said. "So celebrate when someone does far more than what's required, and always take the time to acknowledge your team's contributions."

24 MICHAL KATZ

Head of Corporate Investment Banking for the Americas
Mizuho Financial Group

To say 2019 has been a busy year for Michal Katz fails to capture the whirlwind of change that has surrounded her for the past 12 months.

As co-head of Global Technology Investment Banking for RBC Capital Markets, Katz helped create a business that ranked second by number of deals in the tech IPO space this year. Along the way, she guided RBC's participation in some of the biggest IPOs in recent memory, with RBC acting as a bookrunner for the stock market debuts of numerous tech sector "unicorns," including Uber, Lyft and Pinterest.

And then, she resigned.

Katz gave her notice at RBC on Aug. 1, and began her mandatory three-month "garden leave," which will end on Nov. 1. Then she will become the new head of Corporate Investment Banking in the Americas for the Japanese banking giant Mizuho Financial Group.

In many ways, Katz's jump to the role at Mizuho, where she will oversee investment banking across multiple business sectors rather than one, makes sense given her background. She has made a career out of being a bridge between the tech communities in Silicon Valley and New York's Silicon Alley. A native of Israel, she has also forged connections between the tech sector in that country and U.S. investors. Her deep understanding of the world of technology, she said, will help her be effective in her new role. "Technology is underpinning the digital transformation that is touching every industry out there," she said. "We're in this period of disruption, whether it be across our economy or across industries. I would say even society at large is going through all these structural changes."

25 ROELFIEN KUIJPES

Head of Responsible Investments and Strategic Relationships
DWS Group

When she was named the first head of responsible investments and strategic relationships at DWS Group in 2017, Roelfien Kuijpes did not want to see her work trapped in a silo.

"It was, at that point, my vision that this needed to be embedded in everything we do," said Kuijpes, who has worked at DWS along with its forerunner, Deutsche Asset Management, and parent company, Deutsche Bank, since 1995.

That extends far beyond investment strategies, to things like dealing with food waste in the company's offices and being conscious of carbon emissions related to corporate travel, Kuijpes said.

Under her leadership, DWS has seen double-digit growth in assets managed according to principles known as ESG — for environmental, social and governance investing. And it has been creating innovative ESG products for clients, such as a private equity fund that is helping the tech giant Apple create an environmentally cleaner supply chain in China.

But Kuijpes also has worked to embed ESG in the work of asset managers across all classes. She does so through what the company calls ESG-integrated investments, which DWS has been making in Europe for about a decade, but which came to the United States about 18 months ago, Kuijpes said. This approach takes ESG factors into account but does not draw firm lines around specific industries, such as coal. While pure ESG investors would steer clear of an electric utility that burns coal, for example, an ESG-integrated manager would give the utility a look, but also consider its strategy for weaning itself off coal.

Kuijpes traces her environmental consciousness to her childhood in the Netherlands.

"It's part of who I am. It's part of how I was brought up," she said.

Teams
Citigroup
U.S. Bancorp
BMO Financial
Zions Bancorp.
Centric Financial

5

Citigroup

While it's become common for large organizations to pledge to work on gender parity, Citigroup opted this year to take a major public risk in that effort.

It disclosed its unadjusted gender pay gap, a move that none of the other 11 financial services and technology companies targeted by activist shareholder Arjuna Capital chose to do.

Publicly revealing that its median pay for women globally is 71% of the median pay for men did not make for positive headlines earlier this year. Citi said the main reason for this difference is a lack of representation of women at senior levels of the company, reinforcing the need to get more of them into higher-paying jobs.

Citi had already put goals in place in 2018 to increase to at least 40% the ratio of women in the roles of assistant vice president through managing director, up from the current 37%, by 2021.

One initiative to help with this is the institutional client group's operations and technology diversity committee. The group is involved in several programs, including one that helps identify female executives who have the potential to become a director and managing director within the next three years. It then provides participants with sponsors and access to leadership training.

"It's not just Citi but if numerous companies don't focus on advancing women in this targeted manner then you aren't going to move the needle," said Deborah Waters, global head of private bank operations and technology at Citi.

"You have to be conscious about it," added Waters, who has been leading the committee for about a year. "It is starting at the entry level and getting more women into the organization."

Waters also started a Women to Watch program for her team in an effort to give female employees at the vice president level or below more opportunities. Through the initiative, management committed to doing at least five things this year to support the career growth of these women, such as asking participants to lead an important presentation or involving them in meetings that increase their visibility.

Waters is focusing on sponsoring, rather than mentoring, through these initiatives because many employees already receive feedback and direction from others in their daily jobs. She is also homing in on advancing women beyond the vice president level because some end up leaving the company at that point or may be uncertain on how to advance even further. "It's making sure these women are ... getting opportunities," Waters said. "It's giving them a better chance to grow and get into leadership positions they know they can handle."

Headquarters: New York

Financial highlights:

Assets: $1.9 trillion
ROE: 9.2%
ROA: 0.94%

Female representation among corporate officers: 44%

Female representation on operating committee: 33%

THE TEAM

Natalie Abatemarco
Timicka Anderson
Jennifer Breithaupt
Vanessa Colella
Deirdre Dunn
Jane Fraser
Maria Hackley
Javette Hines
Terry Hogan
Elinor Hoover
Jo-Anne Kelly
Ida Liu
Jennifer Lowney
Mary McNiff
Christina Mohr
Julie Monaco
Yolande Piazza
Dena Roten
Mehrnaz (Naz) Vahid
Tracey Warson
Deborah Waters
Sara Wechter

Timicka Anderson
Head of Consumer Retail and Healthcare, Global and National Industries

Terry Hogan
Global Head of Diversity

Dena Roten
Managing Director, Retail Banking

Deborah Waters
Global Head of Private Bank Operations and Technology

Sara Wechter
Global Head of Human Resources

U.S. Bancorp

Mentoring in a corporate setting frequently means a senior leader taking a junior employee under her wing and offering up career guidance and advice over a period of months, or even years. But as U.S. Bancorp's Reba Dominski recently learned, mentoring relationships don't have to be all that formal to be successful.

Shortly after giving a presentation on diversity and inclusion, Dominski, the Minneapolis company's chief social responsibility officer, was approached by a young African-American colleague who was feeling stuck in her career and wanted some advice.

They talked for about 30 minutes, after which Dominski quickly devised a plan of action to prepare the young woman to interview for a more challenging role.

Dominski first called the hiring managers to share the young woman's credentials and tell them why she was a good candidate for the opening.

Then she put the colleague through a couple of rounds of mock interviews to help her refine her presentation.

Two weeks later, the young woman called Dominski to tell her the big news: She got the job.

"She was not feeling challenged and satisfied in her current role and, after speaking with her, it was clear her experience was not being used to its full potential," Dominski said. "We weren't in an official mentoring relationship, but she needed me and my help."

Dominski said that this type of informal mentoring goes on all the time at U.S. Bancorp. Two of the company's most senior women leaders, Chief Administrative Officer Kate Quinn and Gunjan Kedia, the head of wealth management and investment services, often go out of their way to check in on Dominski and make sure she feels supported.

"When there is a culture of support for women, mentoring can be a marathon relationship, but there can also be tremendous value in the quick sprints," Dominski said.

Mary Martuscelli, the western U.S. president of U.S. Bank Private Wealth Management, is working to create environments outside of U.S. Bank where more informal mentoring experiences can take place.

Martuscelli initiated the creation of a group of women in the Phoenix area, all financial services professionals, to provide advice to younger workers in their field and to women who are interested in exploring a midcareer job change.

The group's meetings proved successful, so Martuscelli is now looking to extend its reach through partnerships with universities to re-create those mentoring circles.

The goal, she said, is to reach women "at an earlier phase of professional exploration."

Headquarters:
Minneapolis

Financial highlights:

Assets: $473.1 billion
ROE: 15%
ROA: 1.55%

Female representation among corporate officers:
49%

Female representation on operating committee:
36%

THE TEAM

Ismat Aziz
Betsy Cadwallader
Kristy Carstensen
Reba Dominski
Leslie Godridge
Kandace Heck
Lynn Heitman
Kercedric Holley-Bell
Gunjan Kedia
Felicia LaForgia
Katie Lawler
Janet Lerch
Mary Martuscelli
Beth McDonnell
Kate Quinn
Jodi Richard
Jen Thompson
Judie Verb

Ismat Aziz,
EVP, Chief Human Resources Officer

Reba Dominski,
EVP, Chief Social Responsibility Officer

Kandace Heck,
Chief Audit Executive

Katie Lawler, SVP, Global Chief Ethics Officer

Janet Lerch, EVP, Chief Operational Risk Officer

Beth McDonnell, EVP, Chief Marketing Officer

BMO Financial

For the past 10 years, BMO Financial and its Chicago subsidiary BMO Harris Bank have run a program that introduced directors to the top executives at the bank. Last year, BMO launched a similar program, dubbed Leaders Meet Directors, to let some of its rising stars interact with select directors. At a September luncheon, BMO introduced four board members to 12 up-and-coming leaders at the bank and encouraged them to network and, in turn, seed relationships for years to come.

BMO had a few reasons it wanted to broaden the program beyond the top brass. Meeting with those bankers a step or two down from the executive ranks gives directors a better sense of what's happening at the ground level of the bank. It also gives them potential candidates to think about in future succession planning discussions. The bank says those in the program are typically five years away from senior executive status.

For the emerging leaders, it fosters informal connections and shows them the bank takes an interest in their careers. .

"These directors are highly accomplished business leaders and community leaders. For them to take an interest in you and to have them talk with you as an individual, that goes a long way," said Daniela O'Leary-Gill, chief operating officer at BMO U.S. "These can be turning points in people's careers and it creates incredible engagement."

It also provided exposure to the board of directors for rising female leadership across a diverse mix of business lines, including technology and small-business banking. Women made up 65% of the leaders who participated in the first cohort of Leaders Meet Directors, the bank said.

BMO has also taken an interest in using its employee resource programming to get more women of color on track for leadership roles, said Larissa Chaikowsky, chief operating officer of BMO Wealth Management U.S.

One such program is Linkages, which is intended to address the refrain by hiring managers that they simply don't know what diverse candidates are available for a given job. The program allows executives to meet a pool of select employees in smaller group settings where they can get to know each other.

Chaikowsky said the benefit is twofold: Employees get exposure to executives higher up in the organization and they also start to form new networks at their own level.

"The more people you know in the organization, the more leaders you've worked with and had exposure to at your level and above, gives you more opportunity because you are known in the organization," she said.

Dawn Feenstra
COO, North American Commercial Banking

Kara Kaiser
Managing Director and Head, Workplace Experience, U.S.

Sue Oleari
Chicago Regional President, U.S. Private Bank

Daniela O'Leary-Gill
Chief Operating Officer, BMO U.S.

Salima Yala
Chief Data and Analytics Officer, U.S. Personal and Business Banking

Headquarters: Chicago

Financial highlights:

Assets: $130 billion
ROE: 7.75%
ROA: 1.01%

Female representation among corporate officers: 25%

Female representation on operating committee: 20%

**Financial stats for BMO Harris unit*

THE TEAM

Leslie Anderson
Erica Benjamin
Carolyn Booth
Larissa Chaikowsky
Justine Fedak
Dawn Feenstra
Sharon Haward-Laird
Summer Hinton
Ernie Johannson
Kara Kaiser
Katie Kelley
Shaheena Khan
Niamh Kristufek
Erica Kuhlmann
Kim Liautaud
Cecily Mistarz
Erin Norton
Aine O'Flynn
Sue Oleari
Daniela O'Leary-Gill
Donna Parish
Pam Piarowski
Denise Press
Lois Robinson
Joanna Rotenberg
Dalila Rouri
Deepa Soni
Cheryle Wittert
Susan Wolford
Ann Marie Wright
Salima Yala

Zions Bancorp.

Most banks' diversity efforts take place at corporate headquarters, far from where branch employees work.

But the $69 billion-asset Zions Bancorp. in Salt Lake City is doing things differently. It's pushing ownership for some diversity initiatives out to its field offices, so that rank-and-file employees can have more of a say.

It was a change the company made last year, following a routine review of its diversity policies. Zions is the holding company for eight separately branded banks operating throughout the western United States and the feedback from employees outside of the Salt Lake City area was that they felt left out of the decision-making.

So its lead bank, Zions First National Bank, created a framework through its regional executive management committees in which it designates a diversity, equity and inclusion representative for each of its 12 regions in Utah and Idaho. This way the employees can initiate their own development programming unique to their individual markets, said Shelly Johnson, a senior manager for finance and strategy. For example, they could organize a forum where women in leadership positions share their personal stories with a small audience and candidly answer questions.

Zions is expected to roll out similar changes to its other bank affiliates, which operate in Arizona, California, Colorado, New Mexico, Oregon, Washington and Texas.

Also last year, at the behest of Scott Anderson, the president and chief executive of Zions First National Bank, the company hired Barbara Annis, a consultant specializing in workplace gender issues, to help Zions assess its blind spots and craft strategies to improve.

Annis anonymously surveyed Zions' employees and presented her initial findings at a meeting of senior management, returning later for more follow-up sessions. According to Johnson, Annis said Zions did quite well at promoting gender diversity and providing opportunities for women, but suggested it would also benefit from facilitating better communication between men and women.

Many managers walked away from the sessions with a better understanding of their own unconscious biases about gender, Johnson said. She added that Annis also helped some men work through their anxieties about mentoring and working with women in the age of #MeToo.

Headquarters: Salt Lake City

Financial highlights:

Assets: $70.1 billion
ROE: 10.8%
ROA: 1.14%

Female representation among corporate officers: 51%

Female representation on operating committee: 20%

THE TEAM

Joy Antolini
April Bailey
Lori Chillingworth
Cory Gardiner
Paula Fryland
Mary Holman
Olga Hoff
Dianne James
Shelly Johnson
Jennifer Jolley Johnston
Kristiane Koontz
Crystal Low
Rena Miller
Shannon Petersen
Rebecca Robinson
Aprille Savarese
Deb Smith
Jennifer Smith
Chikako Tyler
Heather White

Joy Antolini
EVP, Human Resources, Zions Bancorp.

April Bailey
EVP, Commercial Banking, Amegy Bank

Cory Gardiner
EVP, Business and Consumer Banking, Zions Bank

Mary Holman
EVP, Private Banking, National Bank of Arizona

Kristiane Koontz
EVP, Banking Transformation, Zions Bancorp.

Rena Miller
EVP, Deputy General Counsel, Zions Bancorp.

Aprille Savarese
SVP, Enterprise Risk Management, Zions Bancorp.

Deb Smith
EVP, Retail Banking Administration, Amegy Bank

Jennifer Smith
Chief Information Officer, Zions Bancorp.

Chikako Tyler
CFO, California Bank & Trust

Centric Financial

When Sandra Schultz first went on a road show to pitch Centric Financial Corp. to institutional investors in 2015, it took her half a day to find her voice and tell the bank's story with confidence.

Three years later, she hit the ground running as she and Centric's president and chief executive, Patricia Husic, set out for a week to speak to potential investors with the goal of raising $21 million in capital. They ended up with subscriptions for more than $69 million, said Schultz. She attributes her growing confidence — and the bank's growth overall — to Husic's leadership and the team of women Husic has assembled to run Centric since she founded the bank in 2007.

In addition to raising capital, the bank undertook a core conversion in 2018 and continued a push into the affluent suburbs of Philadelphia, including Devon, where it has a loan production office and a newly opened full-service branch.

"We've done a very good job of keeping our focus as a team and all working toward the goals that we have set in front of ourselves," said Schultz, who has been the bank's chief financial officer for 11 years.

Centric's next goal is to reach $1 billion of assets by the end of 2020. Assets already have been steadily climbing, jumping 63% from the end of 2016 to $785 million by June 30 of this year.

When the bank crosses the $1 billion asset mark, it will face heavier regulatory scrutiny. In preparation it hired its first chief risk officer, Kimberly Turner, who started in December 2018. She was drawn by the number of women in leadership at Centric, she said.

"This is the sort of senior management team that I wanted to be a part of," Turner said.

At a time when many financial companies are also courting women as customers, Centric believes it has an edge in what it calls Women Centric: Prepared to Lead, a series of quarterly events for female customers and community members.

An event this past summer focused on women's self-defense, Schultz said. The events take place in the Harrisburg area but could be introduced eventually in the Philadelphia area as well.

"It's definitely something you see banks paying more attention to," Schultz said of courting women customers. "What sets Centric apart is our female leadership team. I think it carries a bit more weight when they see the leaders of our organization present at these meetings."

These outreach efforts seem to be helping Centric attract more female customers. The bank said that deposit accounts climbed by 17% in 2018 and that 43% of the new accounts were opened by women.

Headquarters: Harrisburg, Pa.

Financial highlights:

Assets: $785.5 million
ROE: 9.71%
ROA: 1.11%

Female representation among corporate officers: 67% (2 of 3)

Female representation on operating committee: 63% (5 of 8)

THE TEAM

Andrea Ahern
Stacy Beeler
Jan Hastings
Patricia Husic
Michele Light
Flow Lynch
Leslie Meck
Molly O'Keefe
Christine Pavlakovich
Veronica Rodgers
Sandra Schultz
Cheryl Tucci
Kimberly Turner

Jan Hastings
Marketing Manager

Patricia Husic
President and CEO

Christine Pavlakovich
Director of Human Resources

Veronica Rodgers
Director of Enterprise Operations

Sandra Schultz
Chief Financial Officer

Speaking up is a priority for our scholarship winners

Izza Arqam remembers being bullied when she and her family moved to the United States from Pakistan when she was 7 years old.

By the time she was a senior at Francis Lewis High School in Queens, N.Y., she was in the Junior Reserve Officer Training Corps program, leading 34 freshman cadets navigating the awkward transition from middle school to high school. "When they found things difficult, I learned to take them out, sit them down and talk it through with them," Arqam said.

That's leadership, and it is partly why Arqam was selected as one of two winners of American Banker's Young Women's Leadership Award for 2019.

Arqam is studying to be a doctor of osteopathic medicine and is enrolled in a seven-year program at the New York Institute of Technology.

Martina Perez, left, attends Yale. Izza Arqam is a student at New York Institute of Technology.

The other winner is Martina Perez, who graduated from Aquinas High School in the Bronx this year. Perez is passionate about standing up for the rights of women and immigrants, and she credits the summer she spent in a training program at Bella Abzug Leadership Institute for helping her develop the skills she needs to do that effectively.

Perez was such a standout that summer that the institute's founder and chief executive, Liz Abzug, selected her to speak at the International Day of the Girl Summit 2017 at the United Nations. Perez, the daughter of Argentinian immigrants, is attending Yale University, where she is double-majoring in Ethnicity, Race, and Migration and Global Affairs.

Sponsored by Discover, the Young Women's Leadership Awards are part of the annual Most Powerful Women in Banking program and come with a $5,000 scholarship. — *Eliana Perez*

Index of Advertisers

Advertising Contacts

PUBLISHER

MIDATLANTIC/ SOUTHEAST
DAVID CLEWORTH
1160 St. Pauls Parrish Lane
Johns Island, SC 29455
Tel: 843.640.3713
Fax: 843.640.3966
david.cleworth@sourcemedia.com

MIDWEST/SOUTHWEST
SHELLY SCHMELING
One State Street Plaza
New York, NY 10004
Tel: 312.932.9392
shelly.schmeling@sourcemedia.com

NY/NJ/CT/PA/ MA/RI/NH/VT/ME
BRAD BAVA
One State Street Plaza
New York, NY 10004
Tel: 212.803.8829
Fax: 646.264.6800
brad.bava@sourcemedia.com

WEST
SARA CULLEY
173 Spreading Oak Drive
Scotts Valley, CA 95066
Tel: 831.212.2963
Fax: 831.438.8407
sara.culley@sourcemedia.com

SERVICE

DIGITAL ACCOUNT SERVICES
MELISSA VILLANUEVA
One State Street Plaza
New York, NY 10004
Tel: 212.803.6597
melissa.villanueva@sourcemedia.com

CLASSIFIED ADVERTISING
DAVID CLEWORTH
One State Street Plaza
New York, NY 10004
Tel: 843.640.3713
David.Cleworth@sourcemedia.com

CUSTOMER SERVICE SOURCEMEDIA
One State Street Plaza
New York, NY 10004
Tel: 800.221.1809
Fax: 212.292.5216
custserv@sourcemedia.com

Marketplace Showcase

Welcome to the premier monthly showcase of products, services and solutions for the Banking and Financial Industry

LEGAL – FOUNDATION NOTICES

NOTICE

The annual report of **THE EUCALYPTUS FOUNDATION** for the calendar year ended December 31, 2018 is available at the offices of Morris & McVeigh LLP, c/o Charles D. Manice, located at 767 Third Avenue, New York, NY 10017, (212) 418-0500, for inspection during regular business hours by any citizen who requests it within 180 days hereof. The Principal Manager of the Foundation is Frances Setaro.

Marketplace Showcase

Welcome to the premier monthly showcase of products, services and solutions for the Banking and Financial Industry

LEGAL – FOUNDATION NOTICES

NOTICE

The annual report of **THE MELTZER FAMILY FOUNDATION TRUST** for the calendar year ended December 31, 2018 is available at its principal office located at c/o Meltzer, Lippe, Goldstein & Breitstone, LLP, 190 Willis Avenue, Mineola, New York 11501, (516) 747-0300 for inspection during regular business hours by any citizen who requests it within 180 days hereof. The Principal Manager of the Foundation is Mr. Lewis S. Meltzer.

CRA INVESTMENTS

SUBSERVICING

LEGAL – FOUNDATION NOTICES

NOTICE

The annual report of **THE BLUMBERG FOUNDATION** for the fiscal year ended March 31, 2019 is available at its principal office located at 40 Northwood Lane Stamford, CT 06903, (203)-968-6573 for inspection during regular business hours by any citizen who requests it within 180 days hereof. The Principal Manager of the Foundation is Louise Albin.

NOTICE

The annual return of the **EDGAR M. LEVENTRITT FOUNDATION, INC.** for the calendar year ended December 31, 2018 is available at its principal office located at 100 First Street, Suite 1600 San Francisco, CA 94105 (415) 764-2700 for inspection during regular business hours by any citizen who requests it within 180 days hereof. The principal Manager of the Foundation is Richard D'Agostino.

NOTICE

The annual return of the **NINA M. RYAN FOUNDATION, INC.** for the calendar year ended December 31, 2018 is available at its principal office located at 100 First Street , Suite 1600 San Francisco, CA 94105 (415) 764-2700 for inspection during regular business hours by any citizen who requests it within 180 days hereof. The principal Manager of the Foundation is Richard D'Agostino.

You can't fix what you don't measure

By Michael Corbat

Problem solving can't start without an honest assessment of where you are.

Transparency breeds accountability.

Those were just a few of the motivations behind Citi's decision earlier this year to be transparent about a statistic I've described as "disappointing" and "ugly": Citi's unadjusted or "raw" pay gap for women and U.S. minorities.

Our analysis showed that at Citi, the median pay for women globally is 71% of the median for men; and that the median pay for U.S. minorities is 93% of the median for nonminorities.

For us, the data reaffirmed the importance of the goals we announced last year to increase our representation of women and U.S. minorities in senior and higher-paying roles at Citi. We know that is the only effective way for us to meaningfully reduce our raw pay gap over time.

That disclosure prompted some expected — and justified — measure of criticism. Despite our clear motivations, our commitment to progress and a willingness to be transparent and held accountable, we did have concerns about taking this step. I'm sure those concerns exist at other companies. Let me offer my perspective on a few.

People will confuse the raw gap — really a measure of a representation problem — with our pay equity review. We conducted a pay equity review of our male and female colleagues globally, accounting for a number of factors to make the comparisons meaningful, including job function, level and geography. On an adjusted basis, we found that women globally are paid on average 99% of what men are paid, and we took steps to close that gap. We then went one step further and released our unadjusted or "raw" pay gap for women and U.S. minorities — which measures the difference in median total compensation when we don't adjust for any factors.

Yes, confusion occurred, but not nearly to the extent feared. The conversations around pay equity, internally and externally, are more robust and informed, and most people get the distinction. For those who don't, we get an opportunity to explain the difference. And explain again, if necessary. The fact is that both numbers are important, but for different reasons, because they tell us different things.

We will be criticized for not making progress fast enough. Probably. That said, I think most understand that change of this nature takes time. We're tackling this challenge from many angles, but we know we don't have all the answers and that change won't come overnight. We'll report on our progress, and I fully anticipate my colleagues and those outside the company will keep the heat on us. We welcome that.

Female colleagues will be disillusioned. Well, to say they don't like the numbers any more than I do would be an understatement. But let's be honest — they've been coming to work every day knowing full well that this representation gap exists not just at Citi but across our industry and our society, in the U.S. and globally. What I've heard from women at Citi is that they appreciate the commitment our disclosure signals, they are proud of Citi's role in driving this conversation, and they are committed to supporting our progress. This disclosure also comes up regularly with recruits, who are well versed in the challenges our industry faces with respect to gender equality.

I firmly believe this decision was the right step at the right time, because it has spurred a broader and deeper conversation around pay equity and representation. Our willingness to be transparent and hold ourselves accountable for making progress built credibility for Citi. It affirmed our commitment to be a bold champion of gender equality inside the firm and out.

I know that an intensified emphasis on building a culture of diversity and inclusion in the workplace certainly isn't unique to Citi, nor is it new across the private sector. We aren't the only ones trying to create change. We will share our ideas and experiences on what's working and what's not, and hope others will too. This is a challenge we need to tackle together as an industry. It's about time. ◻

Michael Corbat has been Citigroup's chief executive since 2012.