

# ACG: Greater inclusion requires intentional actions

In the wake of George Floyd's death this year, Martin Okner, Association for Corporate Growth<sup>®</sup> (ACG) Chairman of the Board of Directors and dpHUE President and COO, convened a Diversity, Equity, and Inclusion (DEI) Task Force to create a policy and complimentary programming to help foster a more equitable and inclusive middle market. Middle Market Growth<sup>®</sup> Editor in Chief Kathryn Mulligan interviewed task force members Cornelia Cheng and Rich Grant about how their respective career experiences have informed their perspectives and aspirations as well as their recommendations for meaningful change.

**ACG recently convened a DEI Task Force to help the association effect sustainable and systemic change in its membership network. What are the goals of that task force?**

**Cornelia:** What happened this spring required us to abandon the sidelines and take intentional actions. I think we all recognize that our industry is homogenous and remains relatively unchanged. We can't simply hope for change anymore; intentional action is required. The task force will focus on ACG internally as an organization, as well as work across the ACG chapters and across our member and member firm communities to promote diversity across our industries.

**Rich:** Overall, our goal is to create a truly inclusive environment to empower our fellow ACG members to be champions of DEI, with accountability attached to it. We are going to do more than just create and end with the task force. We are going to create an environment that will advocate for the underrepresented in our community. Change will come in a couple of different forms, including changing the demographics within firms that are associated with ACG and providing access to capital for businesses in the middle market.

**How have your personal and professional experiences influenced your perspective on diversity and inclusion initiatives?**

**Rich:** I am a first generation Black American, born of Jamaican parents. I went to a wonderful school in upstate New York, Colgate University. My professional experiences



**Cornelia Cheng**

*Cornelia is a Managing Director on the Investments Team of Brightwood Capital Advisers. She focuses on the US western region and is based in Los Angeles. Prior to Brightwood, Cornelia held roles with Prudential Private Capital, CIBC World Markets, and First Interstate Bank. Cornelia is a director with the ACG Los Angeles board and chairs its DEI Committee.*



**Rich Grant**

*Rich Grant is Director of Business Development with Growth Operators. Rich has more than 15 years of sales, marketing and business development experience with an array of organizations. Rich has a successful history of building meaningful relationships in the private equity middle market community and aims to serve as a trusted partner & advisor providing value-added solutions enabling PE backed investments.*

have consistently put me in a room where there are not a lot of other Black or Latino men and women on the sales teams I have been a part of, not to mention within the leadership ranks at organizations where I've worked.

**Cornelia:** My grandparents and parents were political refugees who left their home country with nothing. My parents moved to the US so I could have opportunities. If you asked me in high school what I wanted to do as a career, I would not have even thought a path to Wall Street finance was available. My first job in finance came through one of my professors, who was an East Indian woman. From there I became a fellow through the UCLA Riordan program, which helps minorities and women prepare for MBA school. I didn't attend an Ivy League undergrad school, nor did I think about going to business school. But that program gave me the confidence to apply, and Wharton opened doors to opportunities in corporate finance and private credit where I built my career.

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**One argument made by some organizations that say they're trying to diversify is that they can't find enough diverse candidates. Is that a real challenge, and if so, what's contributing to the lack of diversity within candidate pools?**

**Cornelia:** A lot of firms want to plug and play experienced candidates. If you are committed to DEI, then you have to move past easy hiring and be willing and able to recruit and evaluate candidates differently and then train them. There is no STEM equivalent in schools for kids to learn about careers in finance and private equity. Kids, especially those from underprivileged communities, don't know these opportunities exist. If firms only successfully recruit from a small pool of Ivy League schools, then the students who are educated outside of that pool don't have access to these career opportunities. Consider recruiting from finance-focused DEI programs such as the [Robert Toigo Foundation's MBA Fellowships](#).

**Rich:** It is a real challenge for financial services and private equity firms to recruit and hire diverse candidates. There is a lack of intentionality when approaching diversity and a refusal to leave the comfort zone. Until all companies intentionally decide to leave that comfort zone, that remains the greatest challenge. The traditional means have clearly not yielded diverse candidates. When employers find avenues to recruit diverse candidates who will add value to the firm, those employees will become future leaders whose presence will ensure that more people like them will join the firm.

**Groups that work on DEI in the financial services industry have focused on different stages of a career journey. How do you and the other task force members think about where to put the emphasis in order to drive immediate change?**

**Cornelia:** ACG is a middle-market dealmaking community. We will leverage what we do well and partner with synergistic associations where we can advance DEI and make our organizations more representative of our respective communities. That starts internally, with ACG as an organization, its board, and its committees. For example, at ACG Los Angeles, we recently partnered with two other ACG chapters for events featuring a Latina business entrepreneur and a Black tech founder. We selected and featured diverse women founders because it is important. ACG programming offered us an immediate, intentional way to reflect the communities that we represent. It's our hope that those actions carry out across the network, so we can inspire our members, membership firms, and chapters to do the same.

**Rich:** One consensus among the task force members is to focus on recruiting. We keep mentioning three E's: educate, engage, and empower. We have to educate the underrepresented whom we have not recruited into the middle-market community and inform them that there are rewarding careers here. Once here, we have to keep them engaged and get them involved. As an example, ACG chapters have had various DEI efforts, but when someone walks into a room and sees a sea of "vanilla," they are unlikely to return. Engagement needs to be sustained. We need to get them involved in ACG committees and speaking opportunities. Once involved, we have to empower them to go back to their own communities and continue to recruit people who look like them.

**What are ways that employers can improve diversity and inclusion within their own organizations?**

**Cornelia:** Change is hard. I spent most of my career with very large financial firms, and that's like steering a container ship. Now, I'm with Brightwood. Our founder is Black. We are a 100% minority-owned firm. We have 40% women and 47% ethnic diversity. One of Brightwood's funds was created to provide capital to businesses owned and operated by diverse managers. Our firm started intentionally from the ground up to increase diversity in private equity. Employers can start by re-evaluating their recruiting strategy and doing more than just creating a DEI committee. Meaningful and long-term change comes from the C-suite. Boards and business leaders need to be directly involved in adopting and actively advocating for a more diverse and inclusive workforce, and creating strategies to invest in minority-owned businesses, which will bring more opportunities to the middle market and the broader community.

**Rich:** Before you create a DEI role in the organization, look at the leadership and see how they can adopt the facets of that role that will guide their effort. With our firm, in terms of recruiting from a broader and more diverse talent pool, we have started to collaborate with organizations that allow us to meet and work with people who are young in their careers, as well as business owners. That collective experience informs future hiring decisions. I think that practice lends itself to a repeatable strategy.

*About the Association for Corporate Growth: ACG's mission to drive middle-market growth is realized through its dealmaking network of 90,000 professionals and 60 chapters. As the most trusted and respected resource for middle-market dealmakers, business leaders rely on it to invest in and build companies. ACG's official publication, [Middle Market Growth®](#) is the hallmark of its media offerings.*