

Racial Equity

An Interview with Shelley Stewart III,

Partner, Private Equity and Principal Investors Practice, McKinsey & Company and Leader, McKinsey's Institute for Black Economic Mobility

EDITORS' NOTE *Shelley Stewart is a leader within McKinsey's Private Equity & Principal Investors Practice, where he serves a range of clients on marketing and sales topics. He has worked with numerous privately-held and publicly-traded companies across the industrial and technology sectors, helping them identify opportunities for accelerated growth, design new go-to-market models, improve effectiveness of sales-force deployment, and improve margin through comprehensive pricing programs. In addition to his client work, Stewart leads McKinsey's research on Black economic mobility in the United States and has published numerous articles and is a speaker on the topic. Stewart is also on the board of directors of the National Black MBA Association. Before joining McKinsey, Stewart worked in the financial services industry. He held a variety of roles at an investment banking firm, and subsequently cofounded Dreadnought Capital Management, an investment management firm where he led portfolio management. Stewart earned his BA in economics from Boston College and an MBA from Columbia University.*



Shelley Stewart III

strategy to diligence to portfolio value creation. On the latter, we bring the complete set of McKinsey offerings (e.g., marketing and sales, digital, operations, etc.) tailored to both the size and investment horizon.

You also lead McKinsey's Institute for Black Economic Mobility. Will you highlight the Institute and how you define its mission?

The Institute is working across the private, public, and social sectors to inspire, empower and sustain action that leads to the economic development of Black communities across the globe. We do this through research and assets, convening and direct engagement.

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How are you engaging McKinsey's workforce in the work of the Institute for Black Economic Mobility?

The Institute sits at the center of our Racial Equity agenda at McKinsey. We are creating opportunities for our colleagues to work on issues that they are genuinely passionate about and partnering across our client service practices to bring racial equity into our work. For example, we have been working with banks and insurance firms to help increase access for Black Americans.

How critical is it for McKinsey & Company to build a diverse and inclusive workforce in order to bring diverse perspectives and experiences to the table when addressing client needs?

We are committed to building a diverse and inclusive workforce, no question. Talent is diverse, and our firm must reflect this diversity if we intend to hire the best people. Our own research demonstrates a strong connection between diverse leadership and business performance. Diverse perspectives are also essential to delivering impact with our clients.

What are the keys to being successful in attracting and retaining diverse talent for McKinsey & Company?

To attract and retain diverse talent, McKinsey, like all companies, must continue to foster a more inclusive environment. Over the last year, we have worked to think more broadly around our sources of talent, for example, expanding our recruiting efforts from five to thirty Historically Black Colleges and Universities. As a result, we will be welcoming our largest class ever of Black and Hispanic/Latino summer interns, more than triple the size of our 2019 class. We are also unbiasing people processes, improving mentoring and sponsorship for all colleagues, and increasing diverse representation at senior levels.

What do you see as the responsibility that leading companies have in addressing societal issues and being a force for good in society?

Businesses are rightly being expected to play a role in advancing the needs of society. Wealth and income inequality continue to accelerate to the detriment of both the poor and middle class. Our consumption-based economy cannot sustain without a thriving middle class. Companies have started to acknowledge the need to move beyond a singular focus on the shareholder. For example, the Business Roundtable announced in 2019 a shift toward stakeholder capitalism, acknowledging that corporations must focus on more than their bottom line.

What advice do you offer to young people beginning their careers during this challenging and uncertain time?

My advice is not to get too hung up on the specifics of your first couple of jobs. Many of us don't know what we want to do with our lives. It takes time and experience to understand what we are genuinely passionate about and becoming good at it. In your early career, it's all about skill acquisition. Be a sponge. Find inspiration in everything. ●

FIRM BRIEF *McKinsey & Company (mckinsey.com) is a global management consulting firm committed to helping organizations create change that matters. In more than 130 cities and 65 countries, its teams help clients across the private, public and social sectors shape bold strategies and transform the way they work, embed technology where it unlocks value, and build capabilities to sustain the change – not just any change, but Change that Matters – for their organizations, their people, and in turn society at large.*

Will you provide an overview of your role and key areas of focus?

I am a Partner with McKinsey's New Jersey Office. My client work focuses on helping companies of all sizes accelerate profitable growth. Specifically, I support clients on growth strategy, sales force effectiveness, channel management, and pricing.

What have been the keys to the strength and leadership of McKinsey's Private Equity & Principal Investors Practice?

Our Private Equity practice is a full-service offering. We support everything from fund