

SFNet Committee Spotlight:

Diversity, Equity and Inclusion

This column highlights the hard work and dedication of SFNet committee volunteers. Here we speak with Betty Hernandez, executive vice president-chief credit officer, SLR Business Credit and the chair of SFNet's Diversity, Equity and Inclusion Committee and Henry Sosa, director – account executive, CIT, and vice chairperson of the DEI Committee.

TSL: Please provide our readers with some background on your career.

Hernandez: I started in banking in 1988 after graduating with a degree in economics from Rutgers University. I attended a Credit Training Program with a large regional bank, First Fidelity Bank (now Wells Fargo) in Newark, NJ. After two years of credit training, I was placed in the asset-based lending department that was then headed by Ted Kompa. It was there that I met my mentors and future partners, Jeff Goldrich and Dan Tortoriello. In 1996 I left the Bank and went to work for Mid-Atlantic Bank, which had been purchased by PNC. After working briefly at PNC Business Credit, Ted and Jeff asked me to join them at their recently established independent finance company called Business Alliance Capital Corp. (BACC) in Princeton, NJ. I was an underwriter and account executive at BACC and in 2005, it was sold to Sovereign Bank (soon after becoming Santander). In 2010, my partners Jeff and Dan, along with others, raised equity and asked me to join the team as the chief credit officer at North Mill Capital LLC d/b/a SLR Business Credit as a co-founder. It was a scary endeavor to invest personal monies into a new venture, but I was certain we could succeed.

What is involved in being a member of the DEI Committee?

Hernandez: In order to become involved in the DEI Committee, we ask that you volunteer to be on at least one of our subcommittees. These are: The Website Resource Subcommittee; Showcasing of New DEI Committee Members Subcommittee; Acknowledgment Subcommittee; College Guest Lecture Subcommittee, Mentorship Subcommittee, CEO Action Pledge Subcommittee, and/or the Conference Planning Subcommittee. The Website Resource

subcommittee, which is led by Henry Sosa, the DEI vice chair, gathers DEI articles and information and classifies them into 1 of 3 categories: "In the News", "Self-Improvement" and "Leadership" to be posted to our section of the SFNet website: <https://www.sfnet.com/home/industry-data-publications/sfnet-committee-articles-data-and-news>. The Showcasing Committee members subcommittee gathers headshots and information about new members, which is then posted in SFNet's daily e-newsletter, *TSL Express*, along with the link to our website. The College Guest Lecture Subcommittee, which is led by Eileen Kowalski, seeks to assist the SFNet Chapters in coordinating dates at local colleges and universities where information about the secured finance industry can be disseminated. This subcommittee has been instrumental in updating the information to be presented and also works closely with the SFNet Foundation, where a student could qualify to obtain a \$2,000 scholarship should they attend the Guest Lecture Panel and obtain an internship through one of our member firms. The Mentorship Subcommittee is spearheaded by Candice Hubert who is planning on two cohorts for 2023; the first one launching in March. We had our first Mentoring Program launch last September where we paired 23 mentees with mentors and it was a huge success. The CEO Action Pledge subcommittee is led by Victor Pena who brought this pledge to SFNet's attention. It brings together more than 2,400 CEOs who have pledged to cultivate environments that support open dialogue on complex, and often difficult, conversations around DEI. By taking this pledge, the SFNet has access to a plethora of best practices and materials. This subcommittee's purpose is to cull through the information and implement it as needed. Last but not least, we have the Conference Planning Subcommittee, which is led by Nneoma Maduikwe. The focus of this subcommittee is to continue the discussions about DEI not only at our annual convention, but at other conferences as well. Each of these subcommittees fits a piece of the puzzle to fulfill our mission: to build diversity, equality and inclusion within our member companies, industry and community. We seek to identify the issues and create awareness of the challenges, provide resources for improvements, and demonstrate sustained measurable positive outcomes throughout our SFNet community.

Henry, what is involved in your role as vice chair of the Committee and leading two sub-committees: Website Resources and Showcasing Members?

Sosa: As head of the Showcasing Members subcommittee, this group works to spotlight the diversification of our industry, which starts with our committee members who all come from a wide array of diversified backgrounds and from many different walks of life. This subcommittee fosters an environment where members, from traditionally underrepresented groups, who want to advance their careers, can find community and support from their peers in the secured finance industry. As a leader for the Website Resources subcommittee team, our goal is to keep the industry informed and up to date on DEI by finding books, e-books, scholarly journal articles, streaming videos, and websites related to diversity, equity, and inclusion and making sure these are available on our SFNet page for all of our communities to read, share and experience. This initiative allows access to the

latest research, case studies, debates, resources and more in diversity, equity and inclusion.

What do you and its participants typically do on this Committee?

Hernandez: On the Acknowledgment Subcommittee, for example, we are striving to develop ways to creatively acknowledge the diverse nature of people in our community. It not only creates awareness, but also educates others. For example, in October for Hispanic Heritage Month we asked various people, "Why is Hispanic Heritage Month special to you?" Similarly, this subcommittee planned a social media campaign for February's Black History Month. This is just one example of the work that the subcommittees are doing.

For someone who may be reading this and want to join SFNet's DEI Committee, how would you describe it to them?

Hernandez: The DEI Committee is an active group of likeminded members of our industry who share a vision of a more diverse talent pool entering into our industry. We want to see people retained, engaged and rise to managerial positions. We want all to be provided with equal opportunities, feel included and belongingness within our community.

How often does the Committee meet?

Hernandez: We meet as a group monthly, but we all understand that this is a volunteer function and work demands can supersede.

What are some of the Committee's biggest accomplishments? What are some obstacles?

Hernandez: One of our biggest accomplishments was establishing a baseline DEI survey, which we completed last year. This survey will be repeated either next year or the following and will hopefully reflect improvements in DEI within our member firms. The biggest obstacle, in my opinion, is that we are not experts in DEI. I'm a lender and manager. This topic is not something we are used to discussing. It has been a huge learning curve and I continue to learn.

What are your goals for 2023 as chair of SFNet's DEI Committee?

Hernandez: I have many goals for 2023 for this Committee. I hope to increase the number of mentors and mentees participating in the SFNet Mentoring Program each time. I hope this can be accomplished given the success of the first iteration. I would like to see each of SFNet's Chapters participate in at least one College Guest Lecture Panel. This is especially challenging as the contacts at the schools are difficult to pinpoint and we have to schedule these during the spring and fall semesters.

Henry, what are your goals for 2023 as vice chair of SFNet's DEI Committee?

Sosa: First, let me just say that it is an honor and privilege to serve



■ **BETTY HERNANDEZ**
SLR Business Credit



■ **HENRY SOSA**
CIT Northbridge

SFNet DEI Committee Members

Chairperson, Betty Hernandez, SLR Business Credit

Vice Chairperson - Henry Sosa, CIT Northbridge

Staff Liaison, Richard Gumbrecht, Secured Finance Network

Bianca Barredo, MidCap Financial Services, LLC

Andrea Pipitone Beirne, KPMG LLP

Ashmin Chowdhury, Burr & Forman LLP

Donald Clarke, Asset Based Lending Consultants, Inc.

Ellen T. Cook, Alter Domus

Mark Cuccinello, JPMorgan Chase Bank

Candice Hubert, Chiron Financial LLC

Michael Jackson, BMO Commercial Bank ABL

Terry M. Keating, Access Capital, Inc.

Eileen Kowalski, PNC Business Credit

Nneoma A. Maduiké, Otterbourg P.C.

Yoselyn Melendez, Republic Business Credit

Guelay Mese, BNP Paribas

Victor M. Pena, PKF O'Connor Davies, LLP

Ikhwan Rafeek, Otterbourg P.C.

alongside Betty Hernandez on such an important initiative. She is such a great beam of light for our industry and an amazing champion for our committee. In my role as vice chair, one of the goals is to

Why is this committee important and why are you a part of it?

Ellen Cook: I have been in the ABL industry for 30 years and I am always amazed by the lack of diversity in the market. When I joined this committee, I was happy to find out we have made progress in this area, but there is much work still to be done. It has been very helpful to work with SFNet's industry-based DEI effort as I can share my firm's internal efforts across a larger audience which hopefully help both organizations to realize better results in their diversity efforts. The ABL industry is a long-lived one that offers great career opportunities, which are often overlooked in the job market, which to me is a great selling tool to diverse candidates looking for career opportunities that have long-term staying power.

What DEI initiatives would you like to see for the secured finance industry in the coming years?

Cook: I would like to see better efforts around connecting junior diverse participants with seasoned executives within the industry across all organizations to allow for further integration across all organizations that participate within the ABL market. If we make introductions when they are junior, then we open doors to advancement that benefits everyone.

Ikhwan Rafeek: I joined the committee to connect and build relationships with peers from diverse backgrounds, but, more importantly, to connect with younger professionals in the industry in hopes of providing them with support as they move through their careers. When I first got into the industry, there were very few people with backgrounds that I could directly relate to, and I effectively had to learn how to speak and act in a new way in order to "fit in." While this is part of the development for professionals from various backgrounds, it can be particularly challenging for those who are part of a minority group within their profession. I find that having people around who share similar journeys as you do make the challenges of development easier to overcome. I ultimately would like to be one of those resources for younger professionals who may have shared similar experiences and challenges as I have.

encourage our committee members to bring their whole self to their industry and to help them amplify these efforts with their businesses. I do this by helping them come up with ways in which they can each foster a culture at their places of work where diversity and inclusion are a central and driving force. A committee member that is empowered can drive our mission into every corner of their business. Additionally, I help our committee encourage each volunteer to have a voice in who they are and combine that with their industry experiences, so that they can be treated equally and feel welcomed. Another goal is to raise up the industry experiences of each of our committee members by collaborating with each of them to share their individual experiences and views on diversification so that they can become encouraged to help their organizations become the most inclusive, diverse, equitable

and accessible businesses and to help accelerate the progress we've made to create the best and most inclusive industry for everyone in secured finance.

What are some of SLR Business Credit's DEI initiatives?

Hernandez: Every company's journey is different. Our team will be participating in two different types of workshops, one for managers and one for team members in the first quarter.

What DEI initiatives would you like to see for the secured finance industry as a whole in the coming years?

Hernandez: On a longer-term basis, I would like to see our Executive Committee be at least 30% visibly diverse. Each year diversity at the Executive Committee level has improved, but we have a long way to go. **Sosa:** This is a great question as by now, the DEI landscape in U.S. financial services is well mapped, while the lower levels of the hierarchy more closely resemble the society at large, however, the higher segments remain disproportionately white and male. In the years ahead and starting with 2023, I'd like to see our industry have more workforce diversity. This is really just the beginning—after that comes the equity and inclusion components of DEI, including mentoring to help build internal networks and skill sets, and career pathing to provide growth opportunities and enhance retention. Doing this part right is effort-intensive and requires full buy-in from industry leadership. Finally, building an empathy-driven culture is key to attracting and retaining a diverse workforce. The secured finance industry continues to make public commitments to help businesses create more diverse and inclusive workplaces. There is a growing commitment among top executives to honor and to really be intentional on creating an all-inclusive culture, and more and more employees are willing to have difficult conversations. I would like to see our industry executives give the freedom to employees to think and do what they need to do to get the tasks done. There are times where employers create a relationship with employees where they don't allow them the freedom to execute on their own, causing the employee's voice to be grayed out in the process. Part of our committee's initiative is to strengthen each of our members' self-awareness so that they can become a strong voice of experience in all they do for our industry. It would be amazing to see our industry be a pioneer for not only fostering an inclusive environment within the workspace, but also outside of the workplace.

When you're not busy at SLR or SFNet, what can you be found doing? What are some interests outside of work?

Hernandez: I enjoy spending time with my husband, Frank, our Maltese dog, Star, and our children and grandchildren. I participate in a book club and enjoy Zumba classes. I also enjoy going to the beach and playing the piano.

Eileen Wubbe is senior editor of The Secured Lender.