

Morgan Stanley Sued For Discrimination By Ex Diversity Chief

B [barrons.com/news/morgan-stanley-sued-for-discrimination-by-ex-diversity-chief-01592341806](https://www.barrons.com/news/morgan-stanley-sued-for-discrimination-by-ex-diversity-chief-01592341806)

June 16, 2020

Morgan Stanley's former head of diversity sued the investment bank for discrimination Tuesday, alleging she was repeatedly thwarted in efforts to promote black staff and boost lending to African Americans.

In a scathing complaint that names Chief Executive James Gorman among the defendants, Marilyn Booker depicts the firm's efforts to diversify its ranks in the wake of recent racial justice protests as "hypocritical" window dressing.

"Rather than seriously examine its own role in perpetuating inequalities in hiring, pay and promotion and in fostering toxic workplace cultures and consumer discrimination, Morgan Stanley has instead repeatedly stopped short of any meaningful major overhauls during prior opportunities for change," the lawsuit says.

A Morgan Stanley spokeswoman said the company would fight the suit.

Booker worked at the investment bank for 26 years before losing her job in a reorganization in December 2019.

She was hired in 1994 as the bank's first diversity officer and grew the department to a team of more than 15, according to a complaint filed in US district court.

She was moved out of her role as global head of diversity after Gorman became chief executive in 2010 and eventually tapped to lead a newly created "urban markets group."

However, Booker alleges she worked under a constantly revolving door of white supervisors and the lack of interest from senior management was evident when they spurned her efforts to recruit a National Basketball Association player as a spokesman.

Instead of the "prominent" NBA player, who is not named in the complaint, Morgan Stanley recruited white golfer of Justin Rose.

"It goes without saying that Mr. Rose was believed to be better recognized among the community of White male affluent golf aficionados and not most members of the Black and minority communities," the complaint said.

Gorman in recent days said he has been moved by the protests following the killing of George Floyd at the hands of police, and the bank has announced a \$5 million donation to the NAACP Legal Defense and Education Fund and \$10 million in grants to minority depository institutions.

"We strongly reject the allegations made in this claim and intend to vigorously defend ourselves in the appropriate forum," a spokeswoman said.

"We are steadfast in our commitment to improve the diversity of our employees and have made steady progress -- while recognizing that we have further progress to make. We will continue to advance our high priority efforts to achieve a more diverse and inclusive firm."