ThinkAdvisor

Ex-Wells Fargo Exec Who Alleged Fake Job Interviews Plans to Sue Over His Firing

Joe Bruno says he was terminated for complaining that women and minorities were interviewed for already-filled roles.

By Jeff Berman | May 24, 2022

A former Wells Fargo executive plans to sue the wirehouse, alleging that it fired him in August 2021 after more than 21 years at the company for complaining about what he said were fake job interviews of women and people of color that were conducted by the firm to make it appear it was making efforts to increase diversity.

Wells Fargo managers interviewed diverse candidates for positions that had already been promised to other candidates, according to Joe Bruno, 58, a former senior vice president and market manager for Wells Fargo in Jacksonville, Florida.

Bruno and several other current and former Wells Fargo employees said that they were instructed by supervisors or human resources managers to interview more women and people of color or were aware of the practice, the New York Times (https://www.nytimes.com/2022/05/19/business/wells-fargo-fake-interviews.html) reported on Thursday.

"I am in the process of filing a lawsuit against Wells Fargo for wrongful termination and retaliation [that] should be filed within the next two to three weeks," Bruno told ThinkAdvisor on Monday.

The lawsuit will be filed in either in Jacksonville or San Francisco, where the company's headquarters are located, said Bruno, now president and managing director of Bruno and Associates, a financial advisor recruiting firm.

Retaliation Claims

Wells Fargo denied Bruno's allegations Monday. A Wells Fargo spokesperson pointed to language in his Form U5 termination that said he was "discharged" over "workplace conduct inconsistent with company standards relating to professionalism and anti-retaliation."

The alleged retaliation in question was against an operations manager for the firm who was "receiving numerous complaints from my financial advisors, financial consultants and client associates," Bruno told ThinkAdvisor.

For about seven months, Bruno tried unsuccessfully to get the operations manager on board with other initiatives to hire women and minorities, according to Bruno.

"I liked the guy. I didn't want to get him in trouble. I didn't want to tell his direct manager" about what was happening, he explained. "I thought I could fix it and I thought I could help him. It was a huge mistake on my part because, in the end," he wouldn't cooperate, according to Bruno.

Bruno told the operations manager he would have to report him to his boss. "Once I said that, he got scared, he went to HR and he [told] HR that I'm retaliating against him," Bruno said, adding Wells Fargo then launched an investigation.

"I was driving diversity" and it was working in his market, Bruno said. Meanwhile, "I was complaining about fake interviews," he noted. As a result, "Wells Fargo was looking for an excuse to fire me" because "I would not stop talking about the fake interviews for the last four years" internally at the company, and it finally decided to use the "bogus" issue with the operations manager as its excuse, he alleged.

Diversity was "more of a check the box for them," he claimed, adding: "They were doing these bull—-interviews" to satisfy the requirements of prior lawsuits against it around lack of diversity, he said, alleging the issue was "systemic throughout the entire country, within the company" and not just in Florida.

Diversity Policy

Wells Fargo has been trying to enhance its diversity initiatives for a few years.

Charlie Scharf, its CEO and president, apologized in September 2020 (https://www.thinkadvisor.com/2020/09/23/wells-fargo-ceo-apologizes-for-limited-black-talent-remark/), after a memo became public in which he tied the struggle to find experienced Black executives to a limited talent pool. After that, the firm adopted a formal policy requiring that a diverse group of candidates would need to be interviewed for all jobs paying over $100,000 a year.

In August 2020, Wells Fargo paid almost $8 million to settle a claim (https://www.dol.gov/newsroom/releases/ofccp/ofccp20200824) by the Labor Department that it had discriminated against more than 30,000 Black job applicants for positions in banking, sales and support roles.

In 2013, a group of Black Wells Fargo advisors sued the company for racial discrimination. The company settled the dispute in 2017 (https://www.thinkadvisor.com/2017/01/09/wells-fargo-black-brokers-settle-discrimination-suit-for-35-5m/), agreeing to pay $35.5 million to more than 300 members of the class action lawsuit and promising to improve its diversity initiatives.

Experts React

Reacting on Monday to the initial story by the New York Times (https://www.nytimes.com/2022/05/19/business/wells-fargo-fake-interviews.html) on Thursday about Wells Fargo's allegedly fake job interviews, consultant Timothy Welsh, president, CEO and founder of Nexus Strategy, said in an email: "Wow — that is a shocker, but not so much actually, because we are talking about Wells Fargo. They seem to have institutionalized ways to cut corners and wallpaper over issues."

Welsh added: "I have not heard of this anywhere else, so I don't think that it is pervasive industry-wide."

Compensation consultant Andrew Tasnady, managing partner of Tasnady Associates, told ThinkAdvisor in an email he "never heard of anything or complaints like this regarding Wells Fargo."

But "in general," he said, "I would not be surprised that some firms and/or departments within some firms, might just be halfheartedly interviewing candidates even after they have identified (often an internal) candidate for a position. Diversity goals around interviewing diverse slates of candidates, while a positive partial step, might lead to this type of behavior."

According to Tasnady, "a better way would be to establish goals and also rewards for achieving actual representation improvements in the ranks of each position," he said. "We've done that at a financial services firm starting at the top level of management. This highest management level representation is where diverse candidates will look first as to whether diversity goal statements are real or just statements."

The allegations against Wells Fargo are "similar to" what the National Football League has been accused of, Tasnady noted. Although the NFL and some other sports leagues "have diverse interviewing requirements," that hasn't "led to nearly the actual hiring levels expected of diverse candidates (for manager and senior positions)," he added.

Wells Fargo Stands by Diversity Efforts

Wells Fargo "believes its implementation of diverse candidate slates is a best practice and has contributed to meaningful increases in diverse hiring at Wells Fargo; the numbers show this to be the case," it said in a prepared statement on Thursday.

The firm "researched all the specific hiring practice allegations the New York Times reporter shared prior to the story's publication and could not corroborate these allegations as factual," it added.

"The company's new management team is committed to transparency and accountability," Wells Fargo said. "Given the seriousness of the allegations in the story that was published, it will continue its internal review."

Since 2020, when Wells Fargo "put in place guidelines requiring diverse candidate slates for the majority of jobs that pay more than $100,000 a year, we have seen significant improvements in diverse representation at the company," it said.

As examples, it said:

- In 2021, its overall U.S. external hiring volume grew 17% from 2020.
- Over the same time period in the U.S., external hiring of individuals from racially or ethnically diverse populations jumped by 27%.
- Also, between 2020 and 2021, female external hires in the U.S. increased 23%.

That trend is continuing this year, according to the company. In the first quarter of 2022 in the U.S., Wells Fargo has "seen double-digit external hiring increases across a number of racially and ethnically diverse segments compared with the first quarter of 2021," it said.

However, "we take the nature of the allegations in the story seriously and, as a company, we do not tolerate the type of conduct alleged. We will continue our internal review and if we find evidence of inappropriate behavior or shortcomings in our guidelines or their implementation, we will take decisive action."

(Pictured: Joe Bruno, president and managing director of Bruno and Associates)
