

The University of Toledo Commencement

Sunday, May 5, 2013  
9:30 A.M. Ceremony Speaker



Sandra Pinalto  
President and CEO,  
Federal Reserve Bank of Cleveland

**PIANALTO BIO**

Even by the standards of the familiar American success story, Sandra Pinalto has traveled a remarkable journey.

Born in the small northern Italian village of Valli del Pasubio, she was 5 when with her parents and three siblings she arrived in Akron, Ohio, seeking the better future at the heart of the American dream.

Her parents “had no idea what would await them in the United States,” Pinalto said. “That taught me a great deal at an early age.”

As a third-grader, Pianalto helped her parents study for their citizenship examinations — igniting a lifelong fascination with the workings of American government.

Today Pianalto serves as president and chief executive officer of the Fourth District Federal Reserve Bank in Cleveland, one of 12 such institutions instituted by Congress. Besides the supervisory demands of the downtown Cleveland bank and the several hundred financial institutions in her district, she serves on the Federal Open Market Committee and assists in setting the national monetary policies.

After earning bachelor's and master's degrees in economics — the latter from The George Washington University — and working at the Board of Governors of the Federal Reserve System, she joined the Bank in Cleveland in 1983, coming up the ranks on the research side. By 1993 she was first vice president and chief operating officer: the Bank's No. 2 position. When she became the Bank's 10<sup>th</sup> president in 2003, she was only the second to be named from within the organization.

She credits generous mentors, as well as a deep belief in lifelong learning and the transformative power of education, especially in first-generation college students. In a commencement speech at John Carroll University, she said, "You can't always see the inner energy and talents of the person who scrubs floors or takes your change at a store. And the children of those individuals may well be powers to be reckoned with tomorrow."

A lifelong learner herself, she's a graduate of the Advanced Management Program at Duke University's Fuqua School of Business. She also holds honorary doctor of humane letters degrees from the University of Akron, Baldwin-Wallace College, Kent State University, and Ursuline College, and received an honorary doctor of business administration degree from Cleveland State University.

She augments her calendar of international travel with regular visits to struggling Cleveland neighborhoods and unscheduled conversations with employees, friends and relatives to obtain the most accurate economic picture. As well, she utilizes input from her civic service on various community boards of directors, including The Cleveland Foundation, the Greater Cleveland Partnership, the Northeast Ohio Council on Higher Education, the Ohio Business Alliance for Higher Education and the Economy, and the Rock and Roll Hall of Fame and Museum.

"Some of my close friends lost their companies through this recession," she recently said in an interview. "It's very easy to stay grounded at the micro level as well as looking at the macro level."

Whether running a boardroom or flipping pancakes at a United Way fundraiser, Pianalto maintains a polite approach, an analytical mind and strong convictions, colleagues say. As Ronn Richard, president and CEO of the Cleveland Foundation, said of her, "There's never any selfish agenda. That's why people listen to her."

## PIANALTO COMMENCEMENT ADDRESS

“It Doesn’t Matter Where You’ve Been;  
What Matters is Where You’re Going”

It is a great privilege for me to be with you and share in this exciting day. I’m also honored to receive an honorary degree from this fine institution. Now, I will be able to officially call myself a Rocket, with all of today’s graduates!

No matter what journey brought you here today, I’m sure that you hit a few bumps along the road. Whatever challenges you faced, I am proud of you for staying the course and earning a degree. You’ve accomplished something that only one-third of Americans accomplish. Current data show that college degree holders earn nearly twice as much over their lifetimes as their counterparts who have only a high school diploma, but I believe the real value of a college education is in how you will use it to help you improve the quality of your life and the lives of those around you.

What has made America such a great country is our ability to unlock human potential, and education plays an important role. America is also one of the few countries in the world where it doesn’t matter where you came from or whether your family is financially well off. In America, you can succeed by working hard and taking some risks. Your success will depend, importantly, on how you put your potential to work, because we are fortunate to live in a country where you can come from humble beginnings and accomplish great things.

My life started in a small town in Italy. Yes, I'm an immigrant. And today, I'm honored to serve on the Federal Open Market Committee (FOMC) and as President and CEO of the Federal Reserve Bank of Cleveland. My story is not unique. It is an American story. And while not everyone's path will lead to the presidency of a Federal Reserve Bank, or being the CEO of a large organization, the journey you began at UT, which has led to this day, has put you on the road to your own success story.

Today I'd like to share with you my journey from Italian immigrant to Federal Reserve Bank President. Along the way, I have learned to follow a few guidelines that I'll call my "rules of the road to success." My first rule of the road is to get comfortable with being uncomfortable. As a five-year-old girl, in a new country, and a new school, and unable to speak English, I was destined to grow into someone who is comfortable being uncomfortable. So many of my most memorable personal experiences have been new and unfamiliar, which can lead to uncertainty and discomfort. I'm sure most, if not all of you, have a few butterflies in your stomachs today. That's a good thing! Get used to it! I have learned that getting comfortable with being uncomfortable is the only way to learn and grow.

My parents set a fantastic example for how to embrace uncertainty and change when, in their thirties, they gave up everything comfortable and familiar, and immigrated to the United States. They had no idea what awaited us, but my parents took a risk because they wanted their children to have better opportunities. My parents couldn't guide me in how to fit in at school, or how to dress for my new job at the Federal Reserve when I graduated from

college, but their bravery taught me not to fear the unknown or the uncomfortable. To this day, when I find myself being uncomfortable, I just tell myself, “It’s okay. This is a good thing. You are growing as a person through this experience.” I have learned that you must push through fear of the unknown in order to achieve real success.

In fact, throughout my career, it was only when I was willing to take risks and stretch myself that I made great strides and was truly rewarded. I was pushed way outside my comfort zone in the early 1990s when the CEO of the Federal Reserve Bank of Cleveland shocked me by telling me that the Bank’s Board of Directors wanted me to interview for the Chief Operating Officer position – which is the second-highest-ranking official at the Bank. I had no operations experience and I had managed only about 15 people up to that point. As Chief Operating Officer, I would be charged with leading about 1500 employees at four locations.

I was fortunate to have a mentor to turn to for advice. Karen Horn was my former boss and she was the first female president of a Federal Reserve Bank. I confided in her that I did not think I could do the job. Her response was, “Get the job first, then figure out how to do it.” Despite my nerves, I accepted the job and the challenge. My advice to you is essentially the same that Karen gave me: embrace the opportunities that come your way. Raise your hand for the tough assignments. Most often, you will step up to the challenge and find success. In fact, I’ll go a step further and tell you to look for opportunities to get outside your comfort zone.

Any time you try something new, it feels uncomfortable at first. But, the more you work at it, the more comfortable you become. Which brings me to my second rule of the road: there

is just no substitute for hard work. Even the most brilliant and talented people have to put in time and effort to be good at what they do, no matter how easy they make it look.

Earlier this year, I celebrated my 30<sup>th</sup> anniversary with the Federal Reserve Bank of Cleveland and 10 years as a participant on the FOMC. You might think that with all those years of experience, my job would be a piece of cake. But instead, I still find myself working harder and learning more than at any other time in my career. During the past five years, our economy has been through the worst financial crisis and recession since the Great Depression. At the height of the financial crisis, my colleagues and I put in long hours of research, debate and Sunday evening conference calls to develop policies that stabilized financial markets and helped our economy regain its strength. Even today, we continue to make decisions for which there is little or no history to guide us. It can be uncomfortable and it takes a lot of work to come to the right decisions. Because I'm truly passionate about what I do, for me it doesn't really feel like hard work.

Which brings me to my third rule: know your strengths and passions. In other words, know what you're good at, and know what you love to do. By playing to your strengths, you best position yourself for success.

When I sat in my seat on graduation day, one thing I knew was that I was passionate about our country and its government. I had helped my parents study for their citizenship tests when I was in the third grade because my English was much better than theirs. In the process, I learned a lot about this country and became fascinated by our government. I became determined to work in Washington, D.C., in the public sector. I also knew that I loved economics – and I was

pretty good at it. So on the day I graduated from the University of Akron, I walked off the stage, diploma in hand, drove to the airport, and got on a plane to Washington, D.C. My first job was as a research assistant for the Federal Reserve Board of Governors. On my first day of work, I was given a tour of the building, including the Board Room where the Federal Open Market Committee meets. I was impressed with the huge mahogany table in the center of the room and thought to myself that I would love to sit at that table someday. That dream came true when I became President of the Federal Reserve Bank of Cleveland in 2003, and now I have an assigned seat at that table. Today, I am still working for the Federal Reserve, doing a job that combines my passion and my strengths. It's a job that interests me and challenges me every day.

I set my personal career goals very early in life. As you sit here today, you may have no idea what you want to do with the rest of your life. That's okay, but I urge you to take time to identify your strengths. For example, think about whether you enjoy working alone or in a group, and whether you consider yourself a math whiz or a wordsmith. Are you highly analytical or more emotional? Do you consider yourself introverted or extroverted? All of these traits can factor into successful career decisions. Once you've figured out what you are good at and what you like doing, you can put your talents and passions to work in your career and personal life, and if you do, I guarantee that you will find success. As a former five-year-old immigrant girl who didn't speak English, and who now sets monetary policy for our country, I can tell you that it is possible to achieve great things from humble beginnings when you utilize your talents and follow your passions.

With my own humble beginnings in mind, my final rule is that you must give respect in order to earn respect. As a child, I watched my parents struggle to learn a new way of life in America. When we arrived in this country, they didn't speak English and they didn't understand the culture. I can remember many times when they were not treated with the respect they deserved, and I will never forget how terrible that made them feel. The gift that grew out of that challenging time is that it has made me keenly aware that showing respect is vitally important to becoming a successful individual and leader. You can never take full measure of someone by just their appearance, occupation, or education. The truth is that we are all on a journey. Everyone whose path you cross is traveling on their own journey. Respect that they have stories to tell and know that you can learn from everyone you meet.

So to conclude, your education does not end today. You will find that life is an education. In the words of American philosopher John Dewey, "Education is not preparation for life; education is life itself." I hope that as you move on to the next road in your life's journey, you won't let yourself get comfortable. I urge you to embrace uncertainty and accept the bumps in the road as part of an interesting life. Keep working hard, follow your passions, and give respect to get respect. The experiences you have along the way will serve as your continuing education, helping you grow in your career and as a person. So whatever road you take, remember that it doesn't matter where you've been; what matters is where you are going. Graduating from the University of Toledo is an important milestone on the journey that will lead to your American success story.

Thank you for the privilege of sharing this very important day with you. I wish you all much success and happiness.