

2021 ASSESSMENT REPORT

POWERED BY THE METRO ATLANTA CHAMBER

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TABLE OF CONTENTS

Introduction	3
Background on ATL Action for Racial Equity	4
Participation and Demographic Overview	5
Overarching Facts	6
2021 Assessment Report	7
Corporate Policies	7
KPIs & High Level Overview of Areas of Strength	7
Areas of Opportunity	8
Inclusive Economic Development	15
KPIs & High Level Overview of Areas of Strength	15
Areas of Opportunity	17
Education	19
KPIs & High Level Overview of Areas of Strength	19
Areas of Opportunity	
Workforce Development	24
KPIs & High Level Overview of Areas of Strength	24
Areas of Opportunity	25
Conclusion	28
Contributors	29
Acknowledgment	30
Endnotes	



INTRODUCTION

ABOUT MAC.¹ The Metro Atlanta Chamber (MAC) serves as a catalyst for a more prosperous and vibrant region. To advance economic growth and improve metro Atlanta's quality of place, MAC is focused on starting, growing and recruiting companies to the 29-county metro Atlanta region. The Chamber is also focused on expanding the region's innovation economy by promoting and strengthening connections to drive Atlanta's innovation and entrepreneurial culture. MAC is committed to being an active voice for the business community, serving as an advocate for a competitive business climate and promoting Atlanta's story.

MAC'S COMMITMENT TO DEI. MAC advocates for issues that touch race, ethnicity, age, gender identity, sexual orientation and socioeconomic status. In February 2021, MAC launched the ATL Action for Racial Equity initiative to elevate diversity, equity and inclusion ("DEI") as business and community imperatives in metro Atlanta. The program provides guidance, resources and accountability measures that generate meaningful outcomes and contribute to efforts aimed at dismantling systemic racism.²

ABOUT KANARYS, INC. Kanarys, Inc. ("Kanarys") is a technology company that provides the data and tools that organizations need to create long-term systemic change around DEI challenges. Working alongside mid-size enterprises and Fortune 500 companies, Kanarys transforms DEI work with data by providing the framework, benchmarking, and data companies need to incorporate best-in-class DEI into every area of the organization. Like a canary in the coal mine, Kanarys helps organizations ensure healthy and inclusive work environments by revealing DEI blindspots before they become a problem. For more information on Kanarys, visit <u>www.kanarys.com</u>.

2021 ASSESSMENT REPORT. MAC has partnered with Kanarys to collect and analyze data and utilize such information for this Joint Report in connection with MAC's *ATL Action for Racial Equity* initiative. This multi-year, multi-step process aims to analyze, innovate and provide insight to the metro Atlanta business community about how they can work to advance racial equity, more specifically for the Black community in the region. This Joint Report will focus on the findings of the first benchmarking assessment sent out in Fall 2021 and completed by AARE committed companies in the metro Atlanta region.





BACKGROUND ON ATL ACTION FOR RACIAL EQUITY

Metro Atlanta has long been considered the "cradle" of the U.S. Civil Rights movement. The region currently covers 29 counties with an aggregate population of over 6 million.³ MAC's <u>population snapshot⁴</u> shows that for 2019, 33.6 percent of the region's population identified as Black or African American. Despite the region's robust Black community and its civil rights history, systemic racism remains prevalent.

In the wake of the tragic George Floyd killing in May 2020 and the racial reckoning that followed across the U.S., the Metro Atlanta Chamber, in partnership with PwC, started laying the groundwork to launch an initiative to advance racial equity in the region by "leveraging the size and scale of the business community."⁵ MAC compiled the data and engaged with leaders and stakeholders in the metro Atlanta business community to define four key areas to focus on: Corporate Policies, Inclusive Economic Development, Education, and Workforce Development. PwC provided strategic support and guidance in assistance with the development and launch plan for each of the AARE playbooks.

In February 2021, MAC launched the *ATL Action for Racial Equity* initiative.⁶ This is a multi-year effort designed to "address and dismantle the effects of systemic racism in the region," specifically in metro Atlanta's Black community. MAC also engaged with the region's business community to curate a set of actions or "playbooks" to drive impact through these 4 key focus areas. These Playbooks are available as a resource to utilize in your organization's racial equity journey. They also identify specific KPIs for each focus area that MAC will measure and monitor over time.

MAC sent out its inaugural assessment to over 250 businesses who pledged to participate in the *ATL Action for Racial Equity* initiative in the Fall of 2021 ("2021 Assessment"). This assessment was created in partnership with Kanarys as a Joint Research Project. The goal was to establish baseline reference points and will be assessed annually to measure goals and progress. Survey questions were developed based on the KPIs that MAC identified in the Playbooks for each of the 4 key focus areas. The Playbooks can be accessed directly here:







Education Development Playbook



Workforce Development Playbook



Inclusive Economic Development Playbook



PARTICIPATION AND DEMOGRAPHIC OVERVIEW

The 2021 Assessment was sent to over 250 businesses who pledged to participate in the *ATL Action for Racial Equity* initiative in the Fall of 2021. A total of 83 businesses submitted responses and the following is a breakdown of these respondents:

ORGANIZATION TYPE		INDUSTRY
Private for Profit	40 %	Business Products & Services 43%
Non-Profit	29 %	(B2B)
Public for Profit	29 %	Consumer Products & 20% Services (B2C)
Government	2%	Financial Services 13%
ORGANIZATION SIZE		Education 11%
0–49	23%	Healthcare 7%
50–199	13%	Material Resources 2%
200–499	9 %	-
500–999	5%	Energy 2%
1000+	50%	Philanthropy 2%

There is no one-size-fits-all DEI strategy for every organization, but there are several best practices to implement into a comprehensive DEI strategy.



OVERARCHING FACTS

STAGE IN RACIAL JOURNEY

"Overall, how would you self-identify your organization in their racial equity journey?"

Most organizations consider themselves progressing in their racial equity journey. This is promising to see since we are striving for progress, not perfection. It is also exemplary to see some organizations consider themselves actually *leading* in this journey.

46% Progressing



Programs go beyond foundational elements, demonstrating a more aggressive approach linked to business needs, community needs, corporate social responsibility and/or ESG commitments

32% Emerging



Baseline programs and elements in place to promote racial equity standards





Fully deployed programs and elements supported by continuous improvement; embodies an aggressive approach linked to business needs, community needs and/or CSR commitments; testing new ideas to accelerate impact

SPECIFIC RACIAL EQUITY ACTIONS

"What actions are your organization committing to in order to advance racial equity in your organization?"

Some organizations indicated they have a strong focus on recruiting and hiring (30 percent) and training (25 percent) as part of their efforts to advance racial equity. On the other hand, not many have committed to specific actions to increase inclusion (7 percent) or promote equity (14 percent), for example. Recruiting and hiring diverse employees should only be a starting point in any DEI journey. Organizations should also foster an inclusive and equitable culture for all employees in order to retain a diverse workforce; otherwise, there is a "revolving door" of talent which leads to a loss of diverse talent every 2 or 3 years. A comprehensive DEI plan is critical. The following are specific racial equity actions survey participants have adopted in their DEI journey.

Recruiting and Hiring	30%	Promote Equity	14%
Training	25 %	ERGs	10%
Increase Representation	17 %	Champion Inclusion	7%
DEI Council	17 %		



ATL ACTION FOR RACIAL EQUITY 2021 ASSESSMENT REPORT

The following is a detailed analysis of the data compiled from the 2021 Assessment. Each of the four key focus areas (Corporate Policies, Inclusive Economic Development, Education, and Workforce Development) are discussed in separate sections below and within each section is an overview of the Areas of Strength and a deeper analysis of the Areas of Opportunities and Action Items to consider.

CORPORATE POLICIES

The metro Atlanta business community has an opportunity to leverage the region's strength more fully as a location of choice for Black talent. The 2021 Assessment surveyed the business community on various activities relating to the KPIs outlined in the Corporate Policies Playbook, and the following is a high-level overview of areas to monitor:

KEY PERFORMANCE INDICATORS (KPIS)



PEOPLE

- Expand Black salaried workforce
- Increase the number of Black employees in senior management roles
- Elect Black leaders to all boards



TALENT PIPELINE

- Accelerate recruiting and partnership efforts with the Atlanta University Center Consortium
- Establish formal recruiting relationships with Georgia State University and technical colleges with a focus on recruiting Black graduates
- Continue recruiting Black students across our higher education community
- Assess diversity on executive candidate slates and interview panels



HR POLICIES

- Adopt DEI best practices at scale
- Implement unconscious bias/conscious inclusion training
- Implement DEI
 performance objectives
- Commit to pay equity
- Remove unnecessary requirements for college degrees for appropriate roles



HIGH-LEVEL OVERVIEW OF AREAS OF STRENGTH

70% have designated a DEI leader



have implemented DEI training within Atlanta-based operations

- 82% track employee demographics, specifically representation of Black workforce
- 74% have a DEI strategy and gained buy-in from senior leaders
- 74% review job descriptions and interview questions for inclusive language
- 62% have established DEI performance objectives within their organization
- 59% have their DEI leader report to a senior executive
- 52% track hiring rates of Black talent

AREAS OF OPPORTUNITY

1. Ensure DEI Leaders Are Given Influence and the Ear of C-Suite Executives.

The 2021 Assessment shows that while 70 percent currently have a designated DEI leader, many organizations are just now hiring for these roles. The priority was sparked by the aftermath of George Floyd's death in 2020, with many employees, shareholders and board members calling for justice and equity.

As DEI strategy is implemented, it is critical to ensure that DEI leaders have the full ear and support of senior leaders, including and up to the CEO.



- 59% have their DEI leader report to a senior executive in the C-Suite
 - CEO: 33%
 - CHRO, CPO: 15%
 - Other in C-Suite: 11%
- 11% have their DEI leader report to someone outside of the C-Suite



The Washington Post recently reviewed 50 public companies and found that most diversity officers report to human resources rather than the CEO, and they have little control over budgets or other business priorities that should include a DEI lens before action (e.g. hiring, promotions, supplier diversity, etc.). If DEI leaders are not empowered to drive meaningful change, we will continue to see slow to little progress in systemic transformation. Research has shown that DEI leaders need to be included in the C-suite and be a part of the executive leadership team. If DEI leaders are not empowered to drive meaningful change, we will continue to see slow to little progress in systemic transformation.²





2. Increase Share of Black Representation in Leadership and Management Roles.

Metro Atlanta is the headquarters for 29 Fortune 1000 companies, of which 16 are among the elite Fortune 500.⁸ In the U.S. there are only four Black CEOs leading Fortune 500 companies and none headquartered in metro Atlanta despite the region's diverse population.⁹ The sobering statistics demonstrate opportunity to increase Black leadership representation at all companies.

Forty-three (43) percent of participating organizations indicated they have at least one Black leader in their C-suite. A deeper dive into the data shows that organizations with more than 1,000+ employees have the highest percentage (63 percent) of Black leaders in their C-suite. This is very encouraging, but it is important for smaller and mid-sized organizations to continue working towards improving Black representation.

Forty-eight (48) percent of participating organizations indicated they have Black leaders on their Boards. Similar to the C-Suite data, organizations with the largest numbers of Black employees in the region have the largest percentage of Black leaders on their Boards.



PROGRESS HAS BEEN TOO SLOW. Research has historically shown a correlation between a diverse workforce and improved business performance.¹⁰ However, progress has been slow across the U.S., and the same is true for the metro Atlanta area. Recent research has found that while white women have seen the largest increase in representation in Fortune 500 Board seats, Black male representation has declined.¹¹ Black professionals are also plateauing in middle management, not rising to senior ranks. A laser focus on recruiting, retention and advancement strategies designed specifically for Black senior talent could help break this cycle.¹²



3. Increase Recruiting Efforts with HBCUs and Other Education Institutions in Metro Atlanta.

Although 49 percent of companies partner with Atlanta-based HBCUs, this number could be higher given that there are six HBCU's in the city alone. The business community should also consider collaborating with the Atlanta University Center Consortium to leverage their resources and connections with these four HBCUs.

The 2021 Assessment asked participants whether they support organizations that assist students from under-resourced



communities in preparing for post-secondary education through partnership or donation. The results show that less than six percent of survey participants have programs in place to actively support HBCUs or public higher-ed institutions.

Partnering with the AUC, Georgia State University, Georgia Tech (Georgia Institute of Technology), or other educational or technical institutions offers additional resources to recruit Black talent. In fact, Georgia State University has seven campuses throughout metro Atlanta and is a leader in conferring the most bachelor's degrees to Black students in the U.S., while Georgia Tech graduates more females and Black engineers than any other school in the country.¹³

4. There is Room for Businesses to Broaden Retention and Advancement Strategies.

The 2021 Assessment found very few specific retention and advancement strategies in place for Black talent other than mentorship programs and Employee Resource Groups (ERGs). Leadership development, career development plans and inclusive promotion were among the strategies that either weren't offered or considerably underutilized. The following data reflects specific strategies and practices currently in use by survey participants:

Mentorship	23%
ERGs	19 %
Leadership Development	6%
Career Development Plans	6%
Inclusive Promotion	4 %



Talent Identification	4 %
Promote Diversity	2%
Community Engagement	1%
Surveys	1%
Compensation	1%

A comprehensive, multi-level framework for DEI in each organization must include a variety of retention and advancement strategies designed specifically for Black talent which can be maintained long-term. "A robust—and careful—investment in retention and development is required if we want to see Black talent rise through the ranks."¹⁴



ERGS. ERGs are important resources for Black employees; however, to optimize value, businesses need to ensure the program is fully supported, funded and validated by senior leaders.¹⁵

LEADERSHIP DEVELOPMENT. Leadership development is another important employee investment strategy. Helping all leaders, non-Black and Black, "gain the competencies needed in order to effectively manage issues of racial equity in their companies and advance Black leaders" is a solid strategy to help fight systemic racism in the workplace. Anti-racism training should be a core competency for all leaders. The Society of Human Resource Management (SHRM)'s 2020 research concludes that all leaders—not just Human Resource professionals—need to be able to understand and lead conversations on race in the workplace.¹⁶ Placing priority to consistent, required training and open dialogue offers Black leaders support and psychological safety when addressing racial equity issues in their workplace without fear of retribution.¹⁷

A comprehensive, multi-level framework for DEI in each organization must include a variety of retention and advancement strategies designed specifically for Black talent and must be sustainable over the long-term.



5. Track Retention Rates, Promotion and Performance Rates and Turnover Rates Specific to Black Talent for Increased Accountability.

Currently, there is low participation among metro Atlanta businesses in tracking retention rates, promotion rates, performance ratings, and turnover rates for Black talent.

- 41% of participants track Employee Retention Rates for Black Talent
- 39% of participants track Promotion Rates/Performance Ratings for Black Talent
- 18% of participants track Turnover Rates for Black Talent

Consistently tracking these data points is an effective way to maintain and increase accountability and transparency within your organization and to the public.¹⁸ Tracking data specific to Black talent will help monitor progress and identify areas of opportunity.¹⁹ This should be considered a best practice.

Keep in mind that younger generations and underrepresented groups are actively seeking employment where DEI is made a business imperative. DEI is not necessarily just a priority but a requirement for these workers.²⁰





Tracking data specific to Black talent will help monitor progress and identify areas of opportunity.



6. Conduct Regular Pay Equity Assessments to Accelerate Progress.

Businesses in the region should consider conducting regular, voluntary pay equity reviews across race in all roles. The 2021 Assessment found that 55 percent of the participants already assess pay equity among race within their Atlanta-based operations, but in order to meaningfully address the racial wage gap between employees, the region should consider working towards a higher rate of participation in voluntary pay assessments. Routine pay equity audits should be a part



of the overall DEI strategy to attract and retain Black talent.²³

A pay equity assessment is a way to evaluate pay rates within your organization. It involves assessing any differences in pay relative to a wide range of criteria, including race. SHRM found that nearly 58 percent of U.S. organizations voluntarily conduct pay equity reviews to identify possible gaps, and of those organizations, 83 percent adjusted pay based on those reviews.²⁴ Pay transparency also fosters increased trust among employees as well. By implementing a transparent compensation system with metrics for recruitment, advancement and compensation, businesses can help build trust and ensure consistency and fairness.²⁵

The Economic Policy Institute reports that Black workers are, on average, paid 73 cents for every 1 dollar paid to white workers.²⁶ More specifically, Black women are typically paid 63 cents for every dollar earned by white men in the U.S.²⁷ In Georgia, Black women are paid 59 cents for every dollar paid to white men.²⁸

Remedying pay gaps would also have a positive impact on the economy at scale. In fact, Citi recently found that closing the Black wage gap could have added \$2.7 trillion in income available for consumption or investment in the U.S. over the last 20 years.²⁹ If this gap was closed today, an estimated \$5 trillion of additional GDP could be added over the next five years.



INCLUSIVE ECONOMIC DEVELOPMENT

MAC is aware of the challenges that Black business owners may face regarding gaining access to networks, capital, knowledge and customers. <u>The Inclusive Economic</u> <u>Development Playbook</u> identified KPIs relating to access to customers and capital. The overarching KPI is the adoption of formal supplier diversity programs, which in turn, increases Black-owned business' access to customers and access to capital.

The 2021 Assessment surveyed the business community on various activities relating to inclusive economic development, and the following is an overview of the Areas of Strength and Areas of Opportunity:

WHAT IS SUPPLIER DIVERSITY?

It is a business strategy that focuses on inclusive procurement from underrepresented suppliers. "Inclusive procurement also delivers broader societal benefits by generating economic opportunity for disadvantaged communities."³⁰ It also provides a significant economic output in the business community. The National Minority Supplier Development Council reports that minorities will constitute more than 50 percent of the U.S. population by 2045 and that Minority Business Enterprises (MBEs) have to date generated \$400 billion in economic output that resulted in the creation and/or preservation of 2.2 million jobs.³¹

KEY PERFORMANCE INDICATORS (KPIs)

- Achieve full adoption of formal supplier diversity programs among our Fortune 1000 companies
- ☑ Increase the share of Black-owned employer businesses in metro Atlanta
- ☑ Increase access to capital for Black founders
- Increase the share of venture-backed metro Atlanta-based companies with Black founders

HIGH LEVEL OVERVIEW OF AREAS OF STRENGTH

- 80% of participating Fortune 1000 companies headquartered in Atlanta have established a formal supplier diversity program
- 42% have established partnerships with local organizations to support Black owners and founders



TRENDS FOR SUPPLIER DIVERSITY PROGRAMS. The 2019 Census shows that out of the total number of employer firms in metro Atlanta (i.e., 113,110), 6.7 percent are Black-owned.³² An important way to increase access to capital for these businesses is inclusive procurement through supplier diversity programs.



• Companies that indicated they do not have a formal supplier diversity program were mostly small or mid-size organizations.

FORTUNE 1000 ORGANIZATIONS. MAC's AARE initiative set a goal of inspiring all Fortune 1000 organizations in the region to adopt formal supplier diversity programs. The 2021 Assessment shows that 11 out of the 13 Fortune 1000 organizations that participated have established formal supplier diversity programs.







PROGRESS IN LAST 12 MONTHS. The 2021 Assessment also found that out of the organizations that indicated the age of their supplier diversity program, 21 percent had established their program in the last 12 months.



AREAS OF OPPORTUNITY

1. A More Granular Approach to Tracking Procurement with Black-Owned Suppliers Would Help Widen Impact.

Companies with supplier diversity programs should expand on their tracking to include various types of data specific to Black suppliers over time to advance equity and accelerate progress in the region.

The 2021 Assessment shows low rates of participation in tracking the following data points:

- 37% of companies track diverse spending
- 37% of companies track number of underrepresented suppliers
- 21% of companies track growth rates of underrepresented suppliers year-over-year
- 13% of companies break down supplier diversity metrics to Black-owned businesses
- 4% of companies track underrepresented suppliers by revenue class

Ultimately, it is hard to get a clear picture and spot any trends in any organization positive or negative—without implementing a granular, detailed tracking system. It is important to keep in mind that supplier diversity programs deliver broad societal benefits by generating economic opportunity for underrepresented and disadvantaged communities. They also widen the pool of potential suppliers and promote competition in the supply base, which ultimately can improve product quality and drive down costs.



Photo Credit: Ponce City Market, The Village Market



2. Expand on Engagement, Networking, and Investing with Black Owners and Founders.

Business leaders should consider engaging and partnering more closely with Black entrepreneurs in the region. Currently, only 12 percent have partnered with a startup and only 2 percent have banking relationships with Black-owned banks.

Increasing engagement and support of Black-owned businesses would provide incredible potential for the region. The business community should consider expanding their engagement with Blackowned businesses by providing additional support within the areas noted below.



Participated in or facilitated panels, seminars, conferences and/or workshops	24%
Served as a mentor	22 %
Provided sponsorship and/or funding directly to a company	20%
Attended networking and/or showcase events	19 %
Supported pro bono work	14 %
Partnered with startup(s) on a project	12 %
Contributed to funds that invested in companies	7 %
Sponsored pitch competitions and/or accelerator opportunities	7 %
Sponsored an entrepreneur-in-residence program	5%
Established banking relationships with Black-owned banks	2%

NOTE ON VENTURE CAPITAL FUNDING. Another opportunity to aid access to capital for Black founders is for venture capital ("VC") firms to establish or increase investment in Black-owned and Black-led companies. There is very little diversity in the VC industry, with 58 percent of the VC firms led by white men compared to the two percent led by Black men and one percent led by Black women. Venture capital firms need to be intentional with investing in Black-founded or Black-led entrepreneurs.



EDUCATION

For 2019, the Census reported that among adults aged 25 and above with a bachelor's degree (or higher) in the U.S., Blacks accounted for only 23 percent.³³ For Georgia, it is 25 percent and for metro Atlanta, it is 31 percent. In addition, metro Atlanta has the second largest Black population with a bachelor's degree or higher.

Metro Atlanta is home to a robust offering of higher education institutions, public schools and private schools, colleges and universities, and technical institutions. Despite all the educational opportunities available in the region, Black students continue to face lack of access to affordable high-quality learning experiences in the region, even from a young age. MAC has identified the following KPIs in its <u>Education Playbook</u> to monitor efforts to increase access to high-quality Early Education, Post-Secondary Education, and Career Learning opportunities for Black students in the region.

The 2021 Assessment surveyed the business community on various activities relating to education, and the following is a high-level overview:

KEY PERFORMANCE INDICATORS (KPIs)

- ☑ Improve educational outcomes for Black children by increasing enrollment of Black students ages 0−5 in high-quality early learning programs in metro Atlanta
- Increase career learning opportunities for Black students in metro Atlanta with a concentration on historically underresourced schools and communities
- ☑ Increase educational attainment of bachelor's or higher degrees

HIGH LEVEL OVERVIEW OF AREAS OF STRENGTH

- 65% of the total number of Black children under age 5 in metro Atlanta are enrolled in high-quality early education programs in metro Atlanta³⁴ and 47% of the total number of children enrolled in high-quality early education programs are Black, according to Georgia's Cross Agency Child Data System³⁵
- **59%** have partnered with Title I or majority-Black K-12 schools seeking a STEM/ STEAM certification in various ways
- **58%** (mostly large employers) support various organizations in the region that assist students from under-resourced communities in preparing for/completing college and beyond (e.g., Cristo Rey and Junior Achievement of GA)
- **55%** encourage and support their leadership and management staff to participate in advisory boards
- **51%** of organizations have sponsored early education programs or organizations serving Black families (i.e., by donating and/or promoting the organization or program)



AREAS OF OPPORTUNITY

1. EARLY EDUCATION

Adopt and Utilize Recommendations from the GEEARS Business Toolkit.

MAC is an advocate for the improvement of educational outcomes for Black children. One way for the business community to help is to adopt recommendations from the Georgia Early Education Alliance for Ready Students (GEEARS) <u>Business Toolkit</u>.

GEEARS is a nonprofit organization that operates to "inspire and provide leadership for a statewide movement on quality early learning and healthy development for all children ages birth through five." The GEEARS Business Toolkit provides Georgia employers resources to maintain a family-friendly work environment and a competitive advantage over other employers, both of which help with recruitment, retention and advancement of employees.³⁶



The 2021 Assessment shows a very low rate of participation in adopting GEEARS recommendations. The following is a breakdown of recommendations that organizations adopted from the GEEARS Business Toolkit:

Expanding parental leave options	5%
Sharing information about financial resources for child care (e.g., tax credits)	4 %
Offering on-site child care	4 %
Offering Dependent Care Assistance Plans (DCAP)	1%
Contracting with child care centers for employee child care or back-up care	1%
Helping employees find child care	1%
Expanding other programs or options for parents	1%
Directly subsidize child care for employees	1%
Expanding work flexibility options for parents	1%



Increase Sponsorship of Early-Education Programs by Leaders and Staff.

MAC is monitoring business sponsorships of early education programs or organizations that serve Black families at the organizational or leadership/staff level. While 51 percent of organizations engaged in these sponsoring activities in the last 12 months, increased participation by leaders and staff could help drive progress and widen the impact. Only 37 percent reported their leaders and staff participated in these activities.

ACTIVITIES COMPLETED BY ORGANIZATIONS:

Contributed to funds and scholarships that directly support both parents and their children in high quality education	34%
Sponsored or otherwise invested in child care and early learning organizations that serve under-resourced communities	19 %
Shared any experience, examples or thoughts with other companies regarding child care and family benefits	12%

ACTIVITIES COMPLETED BY LEADERSHIP AND STAFF:

Publicly spoken to the benefits of making additional business investments in early education programs	17 %
Attended conferences or workshops on early education or family benefits	16 %
Toured local schools and child care programs in metro Atlanta and met with the staff	11%

2. POST-SECONDARY EDUCATION

There is ample opportunity for businesses to partner with the numerous post-secondary institutions in the region—and leverage their resources—in their efforts to recruit Black talent. The Census shows the following percentages of Black residents over age 25 with a bachelor's, graduate or professional degree: $\frac{37}{2}$











Increase Experiential Opportunities for Post-Secondary Students.

Only 39 percent of survey respondents said they offer experiential opportunities for students in metro Atlanta who are at the beginning of their post-secondary education but lack access. Additionally, only 35 percent specified which types of opportunities are offered to post-secondary students. Internships were listed as the most common opportunity offered, whereas the other types of opportunities were significantly less common.

Internships	Onsite Visits
Programs with Organizations	Training
Career Guidance	Mentorship

Each of the following types of opportunities are offered by one of the participating organizations: scholarships, seasonal jobs, job shadowing, recruiting, career workshops, entry level jobs, apprenticeships and other job opportunities. Internships are an incredibly valuable opportunity offered to Black talent, but organizations should consider expanding on their offerings and not limiting them to just internships. This would help widen the impact and accelerate progress, as well as jump-start a Black student's career path.

3. CAREER LEARNING

MAC is looking for an increase in career learning opportunities for Black students, even at a young age. One way to do this is by partnering with Title I or majority-Black schools to develop more resources for Black students.

Host More Career Opportunities for Students from Title I or Majority-Black K–12 Schools. Only 27 percent of the participants reported they host career opportunities for students from Title I or majority-Black K–12 schools. The following are some examples of opportunities offered by survey participants:

Site Visits
Career Planning
Scholarships
Virtual Events





Photo Credit: Atlanta Science Festival

Partner with Title I or Majority-Black Schools Seeking STEM/STEAM Certification.

The road for increased diversity in the STEM/STEAM workforce is closely dependent on STEM/STEAM education. Much of the focus has been on offerings at colleges and universities; but to accelerate progress, the business community, particularly those in STEM/ STEAM industries, can also work to support Title I or majority-Black K–12 schools seeking accreditation to ensure students can get exposure to STEM/ STEAM programs from an even earlier age. Increased participation amongst the business community would help



support—and accelerate—the accreditation process and therefore increase access to STEM or STEAM programs to Black youth in metro Atlanta.

STEM/STEAM jobs are closely linked to higher median earnings. Black workers remain underrepresented in the STEM/STEAM workforce, compared with their share of all workers in STEM/STEAM fields. Specifically, the Pew Research Center recently found that Black workers comprise only 9 percent of those in these fields.³⁸



WORKFORCE DEVELOPMENT

<u>The Workforce Development Playbook</u> focuses on increasing access to employment (in order to increase labor force participation of Black workers) and how to invest in Black workers through upskilling, re-skilling and professional development opportunities.

The 2021 Assessment surveyed the business community on various activities relating to workforce development and the following is a high-level overview:

KEY PERFORMANCE INDICATORS (KPIs)

Support the Black workforce in metro Atlanta by decreasing the unemployment rate gap between Black and white populations

HIGH LEVEL OVERVIEW OF AREAS OF STRENGTH

- **85%** offer benefits to full-time employees such as:
 - Paid sick leave
 - Healthcare
 - Paid parental leave
 - Retirement benefits
 - Unemployment benefits
 - Flexible spending account for child care
 - Paid family-time
 - Tuition reimbursement
 - Dependent care assistance plans
- **54%** offer a range of the above benefits to part-time employees
- **71%** offer other childcare and family benefits such as:
 - Childcare assistance
 - Employee assistance programs
 - Extended parental benefits
 - Flexible work schedule
 - Financial wellbeing tools
 - Adoption assistance
 - Domestic partner benefits

- 80% have implemented specific measures to increase access to employment such as:
 - Adopting flexible work policies
 - Updating job descriptions to be skills-based instead of based on credentials or college degrees
 - Eliminating unnecessary screening barriers (e.g, credit checks and criminal background checks)
 - Mitigating childcare challenges by offering on-site or near-site child care or subsidizing the cost of child care
 - Subsidizing the cost of internet access for remote employees
 - Subsidizing transportation costs
 - Implement employer-assisted housing program
- 74% have various measures in place to invest in current talent such as mentorship and sponsorship opportunities for employees and pathways for entry level and hourly workers



AREAS OF OPPORTUNITY

There is a big disparity in unemployment rates and median household income between the Black and white population in the region. The Atlanta Business Chronicle reported that the City of Atlanta leads the nation in income inequality and lack of economic mobility.³⁹ There is a public perception of Atlanta as a "Black Mecca" and that Black residents are thriving here, but there is work to be done to close the wealth and unemployment gaps that currently exist.⁴⁰

1. THE RACIAL WEALTH GAP IN THE REGION IS SIGNIFICANT. NEED TO ENSURE LIVABLE, COMPETITIVE WAGES ARE BEING PAID.

The 2021 Assessment asked whether organizations are paying a livable wage based on the MIT living wage calculator for their location in metro Atlanta. For example, for Fulton County, it is \$17.15/hour for a two-adult, one-child family.⁴¹

This appears promising, but we have to consider the fact that the average household income for a white family in the metro Atlanta region is \$84,539, compared to \$56,245 for a Black family.⁴²

2. THE BLACK-WHITE UNEMPLOYMENT GAP IN METRO ATLANTA NEEDS TO BE CLOSED.



The Black-white unemployment gap has been persistent for the last 60 years. The Census shows that for 2019, the unemployment rate for Black/African American residents of metro Atlanta was 5.9 percent, whereas the rate for white residents of metro Atlanta was 3.3 percent.⁴³

BLACK UNEMPLOYMENT RATES

WHITE UNEMPLOYMENT RATES

U.S.	7.7%	U.S.	3.9 %
Georgia	6.9 %	Georgia	3.7%
metro Atlanta	5.9%	metro Atlanta	3.3%

A July 2019 article in the *Atlanta-Journal Constitution* provides an in-depth look into these unemployment rates for Black and white residents of Atlanta and shows that while they have improved over the last 10 years, the Black-white gap remains too wide, due to underlying structural racism.⁴⁴ Other contributing factors include the criminal justice system, K–12 education, access to higher education and access to housing.



The Center for American Progress recently released a report on the Black-white unemployment gap in the U.S. and points out that since the Bureau of Labor Statistics started collecting data on African American unemployment rate in 1972, this rate is usually twice as high as the white unemployment rate.⁴⁵ The Brookings Institution also found that the unemployment rate is actually worse in majority-Black metro areas.⁴⁶ Ultimately, it is important to understand that this gap is not an issue of economic or labor market health—it's an issue of systemic racism.

To close this gap in metro Atlanta, the business community needs to work collectively to combat barriers in the labor market for Black residents. There is not one solution to close these gaps but instituting and maintaining sustainable DEI initiatives as part of their workforce development is critical.



Specific Measures Implemented to Increase Access to Employment



In addition, businesses can expand on their investment in current talent. 74 percent of the participants indicated they have implemented measures to invest in current talent, and the following is a breakdown of these specific measures:

74% of the participants indicated they have implemented measures to invest in current talent		74%
Implementing mentorship and sponsorship opportunities for employees within your organization	36%	
Creating career pathways for entry level and hourly workers	29%	
Transforming low-wage jobs into high-quality jobs (e.g., creating pathways for all employees, creating clarity around advancement for employees, including cross-training and pathway improvements at all levels of employment, encouraging and supporting employees)*	13%	
Identify and upskill workers whose positions are at risk of automation	7%	
Partner with workforce training providers and community-based organizations to identify and leverage transferable skills of displaced workers to fulfill hiring needs*	7%	
Partner with local workforce agencies to implement incumbent worker training	5%	
Implementing job quality design frameworks (e.g., National Fund for Workforce Solutions' Job Design Framework)	3%	

Specific Measures Implemented to Invest in Current Talent

*Opportunities identified in the Workforce Development Playbook to advance racial equity in the region.



CONCLUSION

As a catalyst for a more prosperous and vibrant region, MAC provides this report to highlight areas of opportunities and recommendations the business community can implement to generate meaningful change in our collective effort to dismantle systemic racism in the region.

This is a call to action for metro Atlanta businesses to incorporate these recommendations into your business strategy, while using the AARE playbooks as a guide to setting clear goals and implementing specific actions.

The impact of your efforts will not be seen overnight. We will track our progress and hold each other accountable over time. Metro Atlanta is positioned to lead the nation and make meaningful progress on the journey to racial equity and proudly demonstrates a business community committed to doing the work for the long haul.



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ENDNOTES

¹ For more information, visit <u>www.MetroAtlantaChamber.com</u>.

- ² For more information on ATL Action for Racial Equity initiative, visit <u>www.ATLRacialEquity.com</u>.
- ³ Please see MAC's October 2021 "Profile of Metro Atlanta."
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