

McKinsey
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Race in the workplace

The Black experience in the
US private sector



February 2021

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Preface

Over the past 30 years, diversity, equity, and inclusion (DE&I)—specifically for Black workers throughout the ranks—has become an increasing priority for the US private sector. Each year, companies collectively spend hundreds of millions of dollars on DE&I initiatives. They have implemented a range of programs to reach out to a diverse talent pool and create a culture that supports workers from all backgrounds. Yet progress has proved frustratingly slow. Placing a higher value on diversity and implementing targeted initiatives have not closed the representation gaps for Black workers. At many companies, the existence of DE&I programs has been treated as success, even as better and scaled outcomes have remained elusive. There is a continued sense that Black workers are missing out on opportunities in the private sector that hold the promise of advancement—and the rising economic security that comes with it.

The year 2020 was a watershed moment for the conversation about racial injustice, including race in the workplace. The killing of George Floyd and the subsequent sustained protests demanding social justice motivated US companies to reevaluate how they could support their own Black employees and play a larger role in addressing structural racism in society. All told, in 2020, US companies made public commitments of more than \$66 billion in financial support and initiatives to combat racism, support Black communities and businesses, and

promote racial equity, as tracked by the McKinsey Institute for Black Economic Mobility.¹ According to the Racial Equity Institute, “Systemic racism has contributed to the persistence of race-based gaps that manifest in many different economic indicators.”² Over the past few years, McKinsey has conducted research on several issues related to Black racial equity, including *Closing the racial wealth gap*, *Accelerating financial inclusion in Black communities*, *The future of work in Black America*, *COVID-19: Investing in Black lives and livelihoods*, and, most recently, *America 2021: The opportunity to advance racial equity*.³ An important aspect of racial equity is related to the workplace itself and the steps companies can take to increase access to opportunity for Black workers and to ensure they have the same chance for career advancement. Addressing the systemic racism that many describe will likely require system-level solutions. What actions are companies best positioned to pursue? Therefore, as part of our continuing research, the research in this report focuses on this aspect of racial equity.

Our motivation in conducting the research highlighted in this report has been to try to establish a fact base for what representation looks like for Black workers across the US private sector. In addition, we sought to understand the Black experience inside companies. The research had two key fact-based components:

¹ Earl Fitzhugh, JP Julien, Nick Noel, and Shelley Stewart, “[It’s time for a new approach to racial equity](#),” December 2020, McKinsey.com.

² *The racial wealth divide*, The Racial Equity Institute, October 2019, [racialequityinstitute.com](#).

³ Nick Noel, Duwain Pinder, Shelley Stewart, and Jason Wright, “[The economic impact of closing the racial wealth gap](#),” August 13, 2019; Aria Florant, JP Julien, Shelley Stewart, Nina Yancy, and Jason Wright, “[The case for accelerating financial inclusion in Black communities](#),” February 25, 2020; Kelemwork Cook, Duwain Pinder, Shelley Stewart, Amaka Uchegbu, and Jason Wright, “[The future of work in Black America](#),” October 4, 2019; Aria Florant, Nick Noel, Shelley Stewart, and Jason Wright, “[COVID-19: Investing in Black lives and livelihoods](#),” April 14, 2020; Michael Chui, Sara Prince, and Shelley Stewart III, “[America 2021: The opportunity to advance racial equity](#),” February 17, 2021; all on McKinsey.com.

First, a comprehensive benchmark analysis of Black Americans in the US private sector, across counties and industries and highlighting key gaps in representation. The analysis draws on publicly available data through 2019 from the Bureau of Labor Statistics, the US Census Bureau, and the US Equal Employment Opportunity Commission—among other sources—and covers the 125 million-person private-sector labor force.

Second, we augmented this analysis by inviting companies to participate in our research in order to gain additional insights into employment and representation as well as the experience of their Black employees. The research analyzed overall employment data from 24 companies, including some of the largest private-sector employers in the United States, who participated in this research across their total of about 3.7 million US employees. The research also analyzed data on employee experience gathered through a combination of focus groups, interviews, and an inclusion-and-experience survey with nearly 25,000 respondents.

Given the immense challenges relating to race in the workplace, our research in this report—including the fact base—is undoubtedly incomplete. Moreover, this report does not aim to provide a comprehensive examination of issues and their underlying causes,

many of which are understood to be rooted in the history of America. Such research was outside the scope of this report. In addition, this report does not include longitudinal data on representation or experiences—something we hope to build on in the coming years. It should also be noted that the research in part one is largely based on 2019 data and as such does not include the impact of COVID-19 on employment and labor markets in general. Lastly, this report does not aim to provide prescriptive and comprehensive solutions, but it suggests a path forward for companies and stakeholders.

However, we hope that the report serves to highlight the scale of the issues facing Black workers in the private sector and leads to better understanding of the challenges, thereby galvanizing action for system-level change and better and scaled solutions.

Our hope is that companies and other stakeholders consider potential options in this report to guide the development of initiatives to accelerate progress toward a more diverse labor force and inclusive and equitable private-sector experience for Black workers—and all workers. We also plan to continue to contribute to both ongoing research and initiatives to help accelerate progress.

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Acknowledgments

The research was led by Bryan Hancock and Monne Williams, McKinsey partners based in Washington, DC, and Atlanta, respectively, and James Manyika and Lareina Yee, McKinsey senior partners based in San Francisco. The research team was led by Jackie Wong, an engagement manager in Philadelphia. Team members include Daniel Lai, Eliza Laramee, and Symone Williams. The insights and views expressed in this report are those of the research team and the authors.

We are grateful to the academic advisers who guided and reviewed our work: Dr. Adelle Bish, Associate Professor of Management at North Carolina Agricultural and Technical State University; Dr. Frank Dobbin, Henry Ford II Professor of the Social Sciences at Harvard University; Dr. Yvonne Hunter-Johnson, Associate Professor at North Carolina Agricultural and Technical State University; Dr. Courtney McCluney, Assistant Professor of Organizational Behavior at Cornell University School of Industrial and Labor Relations; and Dr. Laura Morgan Roberts, a Professor of Practice at the University of Virginia's Darden School of Business.

The research on which the report is based was conducted in collaboration with Walmart, the W.K. Kellogg Foundation, and PolicyLink, and McKinsey's own Institute for Black Economic Mobility.¹ We thank Donna Morris, Ben-Saba Hasan, Kathleen McLaughlin, Gayatri Agnew, Jay Porter, Lorraine Stomski, Amy Goldfinger, Yelak Biru, Russell Shaffer, Melissa Hill, Jami Lamontagne, Jackie Telfair, Marty Autrey, Heather Haberer, Kevin Frazier, and Cher Evans from Walmart; Mary Cohen, Arelis Diaz, Jonathan Njus, Rebecca Noricks, Carlos Rangel, and Vicky Stott from the W.K. Kellogg Foundation; Mahlet Getachew, Josh Kirschenbaum, and Michael McAfee from PolicyLink; and Shelley Stewart,

JP Julien, and Nick Noel, the leaders and core team from the McKinsey Institute for Black Economic Mobility, for their insights and input.

The research analyzed overall employment data from the 24 companies, including the overall employment and representation information they provided. In addition, we thank the nearly 25,000 employees from these companies who also participated in the experience surveys and focus groups. Companies represent many industries and include ADP, AT&T, Best Buy Co., Chevron Corporation, Cisco Systems, The Coca-Cola Company, CommonSpirit Health, Google, Hilton, Johnson & Johnson, McKinsey & Company, PepsiCo, Target Corporation, Tyson Foods, and Walmart.

Many colleagues at McKinsey & Company provided valuable expert input and support. Among those who shared their insight and provided support on workplace experience and labor research are Stefon Burns, Shannon Cheng, Diana Ellsworth, Drew Goldstein, Pace Han, Ruth Imose, Nza-Ari Khepra, David Mendelsohn, Shaina Milleman, Duwain Pinder, Laura Pineault, Jose Maria Quiros, Bill Schaninger, Daniel Soto, and Maricruz Vargas. In addition, we would like to thank our editorial and design partner Leff, McKinsey Publishing, and the McKinsey external relations team.

The research also benefited immensely from a large and growing body of research, including socioeconomic research and historical studies of inequality in America. Throughout this report, we have cited and made direct reference to as much of this research as directly pertinent. We have undoubtedly missed some important research; for this we apologize.

¹ [McKinsey Institute for Black Economic Mobility](#)





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Executive summary

sector, and the unemployed looking for work, is 20.6 million.² Our analysis of economic data, primarily drawn from 2019, reinforces the immense complexity of the challenge facing many of the Black private-sector workers today.

The concentration of the Black labor force by geography, industry, and occupation creates obstacles and mismatches

Overall, our analysis found that Black workers are underrepresented in the highest-growth geographies and the highest-paying industries. Meanwhile, they are overrepresented in low-growth geographies and in frontline jobs, which tend to pay less.³

The Black labor force is concentrated in states in the South

Almost 60 percent of the Black labor force (11.8 million people) is concentrated in the South, compared with just one-third of the rest of private sector workers.⁴ As a result, companies located in states with low Black populations—for example, much of the West and parts of the Midwest and Northeast—will need to think differently about how they effectively attract Black talent.

The Black labor force is disconnected from fastest-growing places

Overall, Black workers are not located in the places where current job opportunities are and where job growth will likely rise the fastest through 2030. For example, fewer than one in ten Black workers is located in the fastest-growing cities and counties (such as Provo, Utah). Instead, they overwhelmingly live in places where job growth will range from low to above average, with the bright spots being in megacities (such as Chicago) and urban periphery (such as Clayton County, Georgia).⁵ For the growth to be inclusive in these areas, workers need to be

This report explores Black workers in the private sector in three parts: first, their participation in the entire US private-sector economy; second, their representation, advancement, and experience in companies; and third, a path forward that includes the key challenges to address, actions companies can take, and additional actions for a wider set of stakeholders to accelerate progress on diversity, equity, and inclusion (DE&I).

The participation of Black workers in the US private-sector economy

In the United States, Black workers account for 15 million, or 12 percent, of the 125 million US private-sector workers.¹ The overall Black labor force, including the entire private sector, public

¹ Total non-farm payroll employment in the private sector, Occupational Employment Statistics, Bureau of Labor Statistics, 2019; US Census Bureau American Community Survey, 2019.

² Total Black labor force includes private sector and public sector, and farm, nonfarm, payroll, and nonpayroll employment. Current Population Survey, Bureau of Labor Statistics, 2019.

³ This report uses the following terminology: Job is a position of employment. Job classification refers specifically to the nine-job classifications defined by the Equal Employment Opportunity Commission and reported on in the Employment Information Report (EEO-1). This term includes classifications such as "service workers" or "laborers and helpers." Occupations and occupational categories, as defined by the Bureau of Labor Statistics, classifies workers into "occupational categories based upon the work they perform and their skills, education, training, and credentials. Two examples of occupations are accountants and auditors and janitors and cleaners. Some occupations are found in just one or two industries, but many occupations are found in a large number of industries." Private-sector worker refers to a person currently employed in the private sector, excluding farms (for example, 15 million Black workers), in the private-sector data set discussed in part 1 of the report. Employee refers to employees in the participating company data set discussed in part 2 of the report. Labor force refers to people age 16 or older who are either working or actively looking for work. For more examples of EEO job classifications and BLS occupation groups, please see the technical appendix of the full report.

⁴ South Census Region as defined by the US Census Bureau.

⁵ Megacities and urban periphery are community archetypes discussed in greater detail in part 1.

Almost half of Black workers are in three industries with a large frontline presence: healthcare, retail, and accommodation and food service.

connected to the opportunities being created (for example, transportation between Black neighborhoods and job locations) and have the right skills for in-demand jobs.

Almost half of Black workers are in three industries with a large frontline presence, with significant underrepresentation especially in high-growth, high-wage industries

Our analysis found that 45 percent of Black private-sector workers (approximately 6.7 million people) work in three industries that have a large frontline-service presence: healthcare, retail, and accommodation and food service. These industries also have some of the highest shares of workers making less than \$30,000. In retail, 73 percent of Black workers fall into this category; in accommodation and food service, that share is 84 percent.

Conversely, Black workers are underrepresented in industries such as information technology, professional services, and financial services—all sectors that typically have relatively higher wages and job growth.

More Black workers are in jobs with less opportunity for advancement

More Black private-sector workers, 43 percent, make less than \$30,000 per year, compared with 29 percent of the rest of private-sector employees.

Black workers tend to be in the industries with the largest frontline labor forces. Three in five Black workers work in frontline jobs such as service workers, laborers, and operatives.

Black workers are at higher risk of disruption from automation

Automation will prove disruptive to the labor force in the years to come, but its impact won't be evenly distributed. For example, one-third of Black workers are in occupational groups such as production work, food service, and office support, which are at heightened risk of losing their jobs to automation. One encouraging trend: health aides is the occupational group with the highest expected job growth through 2030, and these occupations are disproportionately filled by Black workers.⁶

Job prospects are markedly different for Black and white workers with similar backgrounds

Black workers face higher hurdles to gainful employment than do the rest of the labor force, creating stark disparities. For example, the employment rate for Black workers with some college or an associate's degree are similar to the total population of workers who have a high school diploma.

⁶ Based on MGI's *The future of work in America: People and places, today and tomorrow*, a McKinsey Global Institute report that analyzed potential job growth for various occupations due to automation.

The Black experience in the workplace: Findings from participating companies

Our research drew on data from 24 participating companies ranging in size from 10,000 to 1.4 million US employees and across all geographies, representing a total of about 3.7 million US employees. Several key insights emerged:

Black employees encounter representation gaps at each step

According to our analysis, companies have successfully hired Black employees into frontline and entry-level jobs, but there is a significant drop-off in representation at management levels. In the report's participating companies, Black employees make up 14 percent of all, compared with 12 percent for the US private sector overall. At the managerial level, the Black share of the workforce declines to 7 percent. Across the senior manager, VP, and SVP levels, Black representation holds steady at 4 to 5 percent.

Black employees face five common challenges in the private sector

Based on findings from the participating companies, Black employees face five common challenges that materially affect Black representation, advancement, and experience:

Frontline jobs largely do not connect Black employees with sufficient opportunities to advance. Our data set of participating companies shows that Black employees are overrepresented in frontline jobs (18 percent) compared with managerial jobs (9 percent). Frontline jobs could be a launching pad for careers, but today there is just one frontline salaried position for every 20 frontline hourly jobs, reinforcing the need for pathways within and across industries.

Entry-level jobs are a revolving door, and Black employee attrition is high. Black employees make up 12 percent of entry-level employees (such as account associates, software engineers, and paralegals). While hiring has been effective, the higher attrition of Black employees—they are leaving their jobs more often than their white counterparts at almost all levels—reduces the number of Black candidates available for promotion.

Black employees encounter a broken rung from entry-level jobs to managerial jobs. Black employees account for just 7 percent of managers. This broken rung and higher-than-expected attrition rates in the pipeline significantly limit representation at subsequent levels of the company. For Black employees who are able to make it to the manager level, we see some promising signs in promotion rates for these employees.

One-third of Black workers are in occupational groups such as production work, food service, and office support, which are at heightened risk of losing their jobs to automation.

A trust deficit exists between Black employees and their companies. A trust deficit reflects Black employee perceptions of their workplace as less fair, accepting, and authentic. For example, Black employees are 41 percent less likely to view promotions as fair, and 39 percent less likely to believe their company’s DE&I programs are effective than white employees in the same company.

Black employees lack the sponsorship and allyship to support their advancement. Most Black employees are ambitious and want to advance but perceive a lack of support to help them ascend to management jobs. Only 23 percent of Black employees and 30 percent of white employees believe they get “a lot” or “quite a bit” of support to advance. More than 67 percent of Black employees and 63 percent of white employees report they do not have a sponsor, despite 87 percent of our participating companies reporting that they have sponsorship programs in place.

Variability in representation across companies

Variability in representation among the companies in our participating company data set suggests reasons to be optimistic. Although no company has solved the challenge of increasing Black representation at all job levels, many have made significant inroads at specific points in the pipeline. Their successes could hold the key to more favorable outcomes across the private sector.

A path forward

On the current trajectory, it will take about 95 years⁷ for Black employees to reach talent parity (or 12 percent representation) across all levels in the private sector. Addressing the major barriers that hold back the advancement of Black employees could cut that duration to about 25 years.⁸

⁷ If the average promotion, attrition, and external hiring rates across the participating companies remain the same for all races, it would take about 95 years for managerial jobs (managers, senior managers, VPs, SVPs, and executives) to reach 12% Black representation overall.

⁸ If promotion, attrition, and external hiring rates were best-in-class at each level across the participating companies, it would take about 25 years for managerial jobs (managers, senior managers, VPs, SVPs, and executives) to reach 12% Black representation overall.

Companies and other stakeholders will need to address ten key challenges to create opportunities

- | | | | |
|----------|--|-----------|---|
| 1 | Higher unemployment for Black workers compared with other workers | 6 | The disproportionate impact of technology and future of work trends on Black workers |
| 2 | Geographic mismatches between Black workers and opportunity | 7 | A double broken rung with lower odds of advancement and higher attrition for frontline and entry-level jobs |
| 3 | Underrepresentation of Black workers in faster-growing, higher-wage industries | 8 | Low Black representation in executive levels |
| 4 | Underrepresentation of Black workers in higher-wage jobs | 9 | A trust deficit among Black employees toward their companies |
| 5 | Underrepresentation of Black workers in the most in-demand jobs | 10 | A lack of managerial sponsorship and allyship for Black employees |

Achieving equity for Black workers in the private sector is a structural and multivariate challenge that cuts across many facets of geography, industry, and occupations, as well as advancement and inclusion in the workplace.

Truly making progress will require more than addressing corporate policies; it calls for system-level change, an examination of our broader society, and active collaboration among companies and other stakeholders.

While the challenges are daunting, our research found some bright spots that companies can build on. Trends for both Black representation in the private sector and the promotion rates for Black men and women have shown improvement. Representation in selected faster-growing and higher-paying industries for Black workers could present opportunities in the coming years. Nine in ten Black employees believe they are helping their company succeed and that their work gives them a sense of purpose and accomplishment. In addition, our research uncovered pockets of progress on DE&I programs and representation across all levels of the organization, which provides the potential for learning across organizations.

Companies can take a number of actions immediately to address their own workforce and culture. Our research, as well as findings by others, suggest the following no-regrets moves.

- Define your company’s aspiration for advancing racial equity—including steps to address structure barriers

- Understand your company’s current state of DE&I, taking into account industry and geographic contexts
- Strategically prioritize interventions
- Reinforce what works—and reimagine what doesn’t
- Track progress to increase accountability—and share successes

Beyond actions by individual companies, a more concerted effort may be required. Companies should consider the following efforts to build broader momentum for effecting system-level change.

- Share best practices on effective programs
- Pursue collaborative efforts to galvanize collective action
- Commit to continued investment and research

The Racial Equity Institute writes, “Our systems, institutions, and outcomes emanate from the racial hierarchy, on which the United States was built. In other words, we have a ‘groundwater’ problem, and we need ‘groundwater’ solutions.”⁹

Companies have an important role to play—along with other stakeholders. It is our hope that this paper helps to inform the conversation on the path forward. We plan to continue to contribute and be part of this journey.

⁹Deena Hayes-Greene and Bayard Love, *The groundwater approach: Building a practical understanding of structural racism*, Racial Equity Institute, 2018, raciaequityinstitute.com.

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The participation of Black workers in the US private- sector economy

of today's Black private-sector workers.³ Examining the representation of Black workers by geography, industry, and occupation reveals key structural gaps. We should note that the analysis is largely based on 2019 data and as such does not include the impact of COVID-19 on employment and labor markets in general. Our analysis found that Black workers are underrepresented in both the highest-growth geographies and the highest-paying industries. Meanwhile, they are overrepresented in low-growth geographies and industries and in frontline worker jobs, which tend to pay less (see sidebar "The US private-sector data set").

When we examined workers by demographic segment, we found that Black workers in specific labor-force segments—those who are younger, lower educated, and returning citizens⁴—are less likely to be employed than their peers in the same segments.

Black workers account for 15 million of the 125 million private-sector workers in the United States.¹ This share has grown by two percentage points over the past 25 years to reach 12 percent of the total US private sector (Exhibit 1). Overall, as of 2019, the Black labor force has a 94 percent employment rate, and if Black workers were employed at the same rate as the rest of the labor force, an additional 480,000 Black workers would be employed in the private sector.²

Analysis of the economic data reinforces the immense complexity of the challenge facing many

The concentration of Black workers by geography, industry, and occupation creates obstacles and mismatches

An in-depth look at US private-sector data on employment reveals that employment opportunity for Black workers is affected by where they live, the industries in which they work, and the jobs they occupy within a company.⁵

¹ Total nonfarm payroll employment in the private sector, Occupational Employment Statistics, Bureau of Labor Statistics, 2019; US Census Bureau American Community Survey, 2019.

² The Black employment rate is 93.9 percent of the Black labor force; the employment rate for the rest of the labor force is 96.7 percent. Bringing the Black employment rate to 96.7 percent would add 560,000 Black workers into employment, with 480,000 of those Black workers in the private sector (the split between the private sector and public sector is 85.4 percent to 14.6 percent).

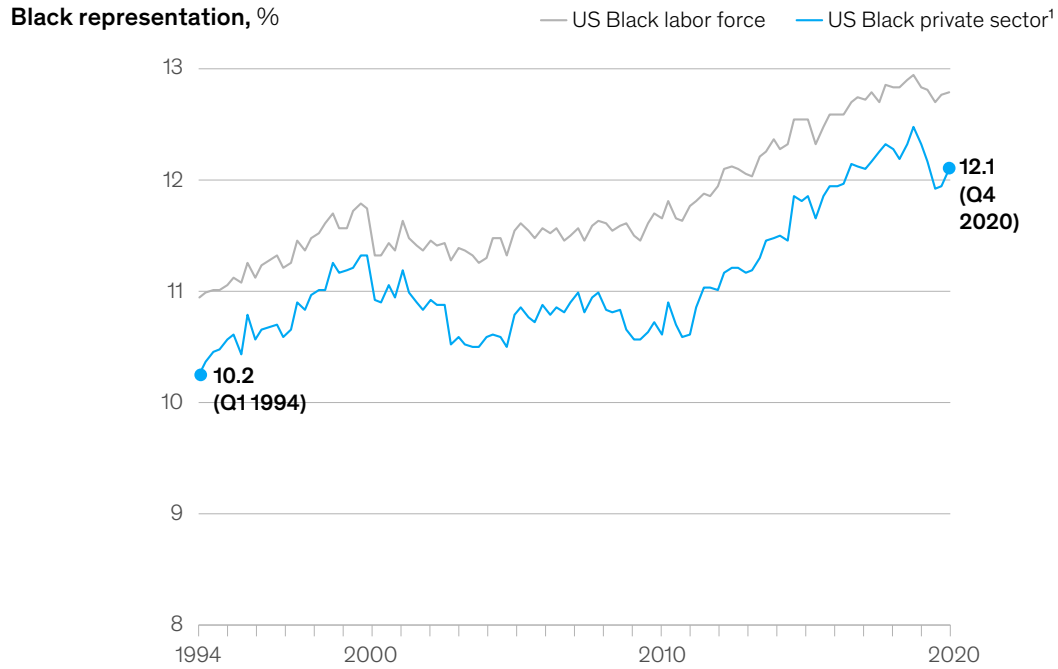
³ This report uses the following terminology: Job is a position of employment. Job classification refers specifically to the nine-job classifications defined by the Equal Employment Opportunity Commission and reported on in the Employment Information Report (EEO-1). This term includes classifications such as "service workers." Occupations and occupational categories, as defined by the Bureau of Labor Statistics, classifies workers into "occupational categories based upon the work they perform and their skills, education, training, and credentials. Two examples of occupations are accountants and auditors and janitors and cleaners. Some occupations are found in just one or two industries, but many occupations are found in a large number of industries." Private-sector worker refers to a person currently employed in the private sector, excluding farms (for example, 15 million Black workers), in the private-sector data set discussed in part 1 of the report.

⁴ The term *returning citizen* has gained greater usage in recently years as humanizing language to refer to people with criminal records. For more, see "Language," Prison Studies Project, accessed February 16, 2021, prisonstudiesproject.org.

⁵ Where Black workers live in the United States (both at the state and county level) has a racial history as long as the history of the country itself, including the impact of redlining and other practices. The occupations in which Black workers work have a similarly complex history. For more on this context, see the Institute for Policy Studies' research on the racial wealth divide at inequality.org/greatdivide.

Exhibit 1

Black representation in the full US private sector has increased by about two percentage points over the past quarter century, tracking with Black working-age population growth.



¹Black employment representation: Historical Black representation percentages are sourced from the Bureau of Labor Statistics Current Population Survey data set from Q1 1994 (10.2%) to Q4 2020 (12.1%); these data include farm employment and employment data for nonpayroll employees in the US private sector. Source: Bureau of Labor Statistics Current Population Survey, 1994–2020

The Black labor force is concentrated in states in the South

Geography is an important determinant of employment opportunity. Almost 60 percent of the Black labor force⁶ (11.8 million people) is concentrated in the South, compared with just one-third of the rest of private-sector workers (Exhibit 2).⁷ Four states—Florida, Georgia, North Carolina, and Texas—account for 30 percent of Black workers.

Private-sector efforts that aim to improve employment rates for the Black labor force can therefore have an outside impact by targeting these

states. Conversely, companies located in states with smaller Black populations—for example, much of the West and parts of the Midwest and Northeast—can seek to think differently about how they effectively attract Black talent.

The majority of Black workers are concentrated in a handful of community archetypes

To take advantage of job opportunities, Black workers must live and work in cities and counties that have available jobs and potential for job growth. The McKinsey Global Institute’s research on the future of work in America⁸ used a mathematical

⁶ People age 16 and up who are either working or actively looking for work.

⁷ South Census Region as defined by US Census Bureau.

⁸ For more on the underlying research on community archetypes, see [The future of work in America: People and places, today and tomorrow](#), McKinsey Global Institute, July 2019, McKinsey.com. Our analysis built on MGI’s *Future of work in America* report to examine how the distribution of Black workers varies based on existing jobs and likely job growth.

The US private-sector data set

The data set referenced in this section represents 125 million private-sector workers in the United States. The data are primarily drawn from the Bureau of Labor Statistics' 2019 Occupational Employment Statistics, which measure payroll-based employment and wages for nonfarm establishments that are not part of the public sector, including government jobs and jobs that are part of public institutions (such as public school teachers), the Quarterly Survey of Employment and Wages, and Moody's Analytics. To gain an understanding of Black workers in the private sector, this data was combined with data from the US Census Bureau American Community Survey (ACS). *Private-sector data* refers to industries and jobs that are not part of the government, or public, sector. Representation of Black workers does not vary much by enterprise size: across all segments, the range is within one percentage point (for example, less than 432,000 workers for companies with up to 99 employees).

Enterprise size	Total private-sector employment, 2019 # of workers (% of workers)	Black private-sector employment, 2019 # of Black workers (% of Black workers)	Black representation
0–99 employees	43.2 million (34.7%)	4.9 million (33.0%)	11.4%
100–499 employees	17.8 million (14.3%)	2.1 million (14.4%)	12.1%
500+ employees	63.6 million (51.0%)	7.9 million (52.6%)	12.3%

clustering method to categorize all US counties (and, for counties in urban core areas, the cities with which they are associated) into 13 community archetypes using more than 40 variables that reflect their development indicators, economic health, labor market, industry mix and business dynamism, innovation, and socioeconomic factors.

We built on this research to determine the concentration of Black workers by community archetype.⁹ Our analysis found that Black workers are not located in the places where current job opportunities exist and where job growth will likely rise the fastest through 2030. Instead, they overwhelmingly live in places where growth will

range from low to above average (Exhibit 3). In the discussion below, we focus on future growth.

Fewer than one in ten Black workers are located in the fastest-growing community archetypes, which include high-growth hubs (such as Austin and Seattle), silver cities (for example, Prescott, Arizona), and small powerhouses (Reno, Nevada, and Provo, Utah).¹⁰

About half of Black workers live in megacities (for example, New York, Houston, and Atlanta) or the urban periphery (such as Clayton County, Georgia)—community archetypes that are projected to have above-average job growth. However, they still trail the fastest-growing archetypes. For growth to be

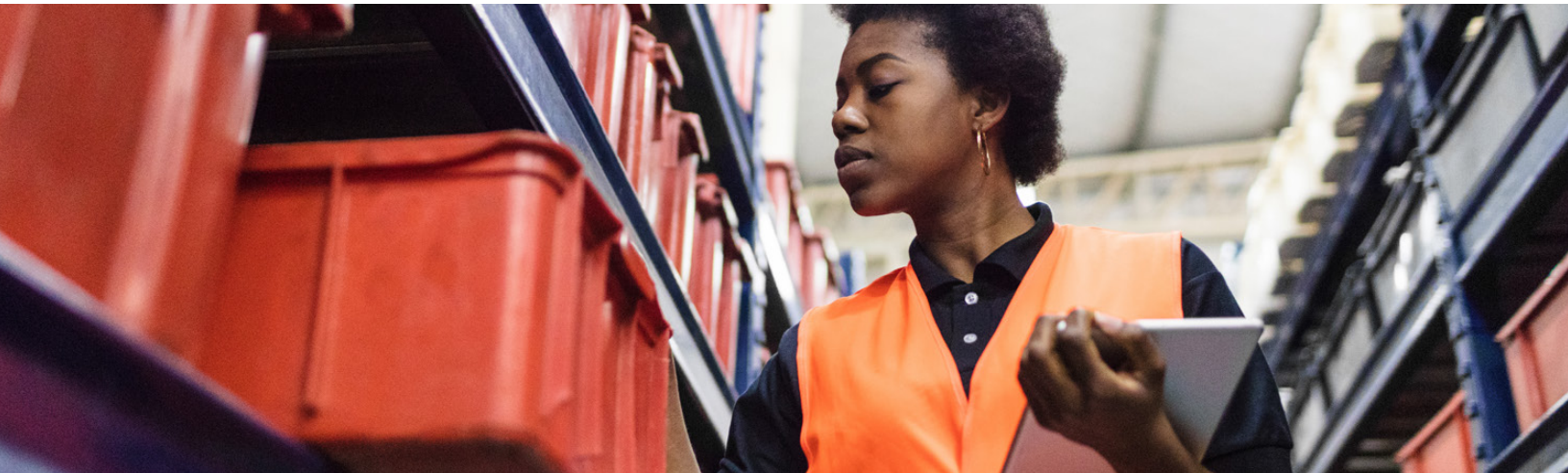
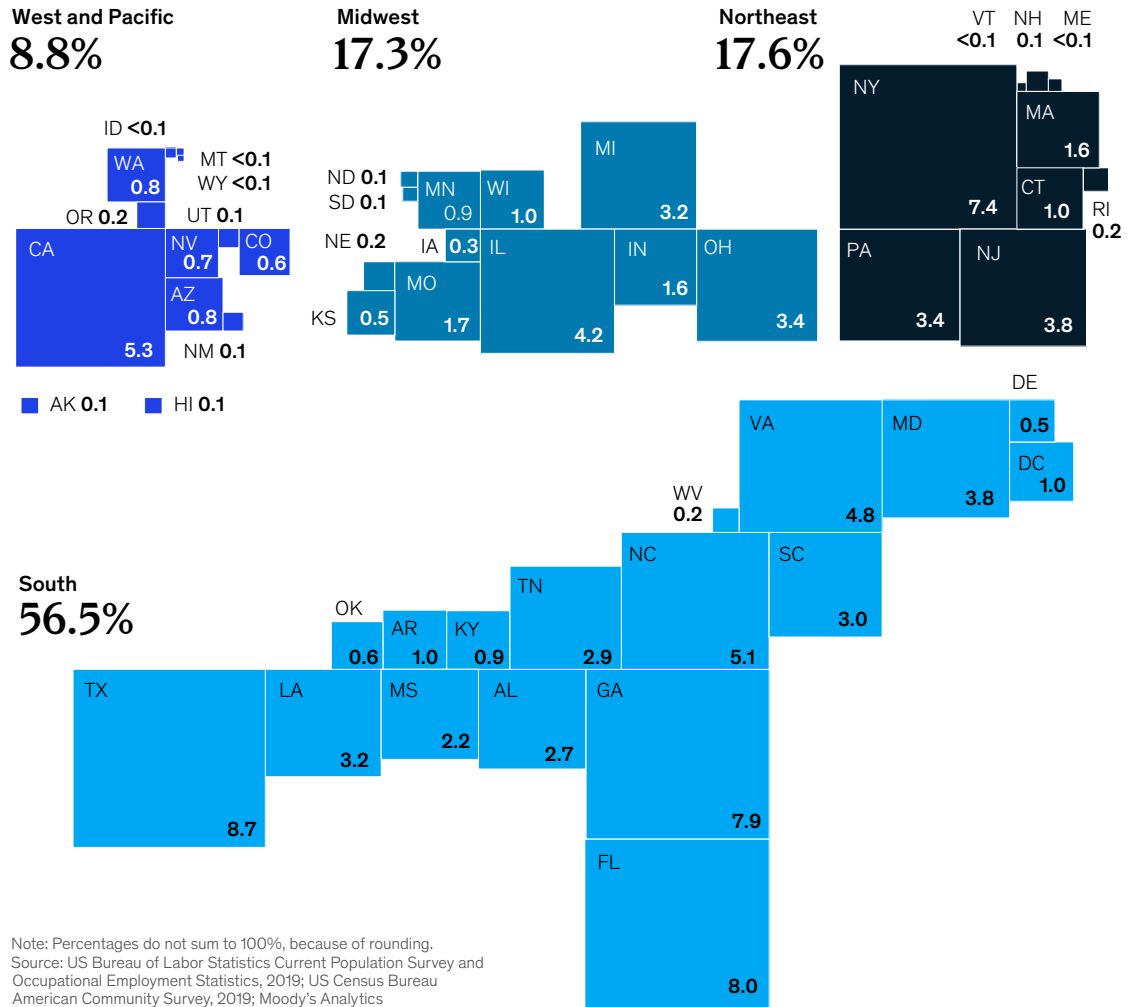
⁹Kelemwork Cook, Duwain Pinder, Shelley Stewart, Amaka Uchegbu, and Jason Wright, "[The future of work in Black America](#)," December 4, 2019, McKinsey.com.

¹⁰Aria Florant, Nick Noel, Shelley Stewart, and Jason Wright, "[COVID-19: Investing in black lives and livelihoods](#)," April 14, 2020, McKinsey.com.

Exhibit 2

Nearly 60 percent of the Black labor force lives in Southern states.

Concentration of Black labor force in the United States, % share of total Black labor force



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Exhibit 3

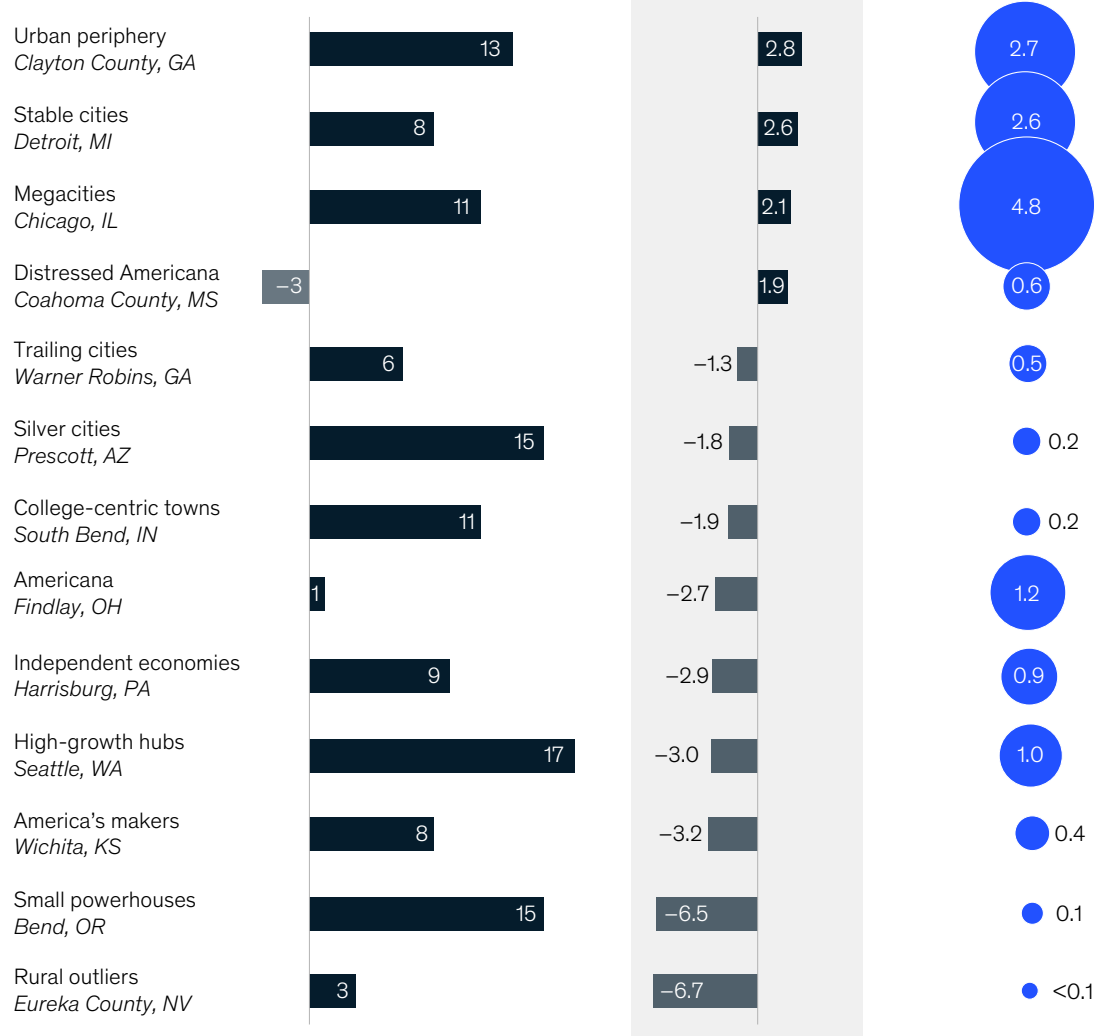
Two-thirds of Black workers live in four community archetypes where they are overrepresented compared with the wider labor force.

Future of work community archetypes by job growth projection and Black worker representation

Projected net job growth by community archetype, 2017–30, %, example communities in italics

Black representation gap,¹ 2019, %

Black private-sector workers, 2019, million



Note: The left side of the exhibit shows how fast job growth is in each community archetype. That is compared to the over- or underrepresentation of Black workers in those communities, along with the number of Black workers who live there.

¹Representation gap is difference relative to average Black representation in the US private sector of 12%.

Source: Bureau of Labor Statistics, Occupational Employment Statistics, 2019; Moody's Analytics; US Census Bureau American Community Survey, 2019; *The future of work in America: People and places, today and tomorrow*.

inclusive in these two archetypes, workers need to be connected to opportunities (for example, transportation between Black neighborhoods and job locations) and have the right skills for in-demand jobs.

One in five Black workers is located in slower- to no-growth community archetypes, where they are disproportionately represented. Black workers are overrepresented in the stable-cities archetype (such as Baltimore and Detroit) and the distressed-Americana archetype (Coahoma County, Mississippi). The priority in these categories is to boost business investment and job creation to generate economic activity that could provide more opportunities for Black workers.

The remaining two out of ten Black workers are spread over six other archetypes, where they are underrepresented. The growth in these archetypes ranges from low to above average, but the relative lack of Black workers means that job growth in these areas won't appreciably improve access to opportunities for Black workers.

Almost half of Black workers are in three industries with a large frontline-service presence

The concentration of Black workers by industry has a direct impact on a wide range of factors, including wages, career advancement, and the risk of displacement due to economic disruption.

Our analysis found that 45 percent of Black workers (approximately 6.7 million people) work in three industries that have a large frontline-service presence: healthcare, retail, and accommodation and food service (Exhibit 4). The industries with the largest concentration of Black workers also have some of the highest shares of workers making less than \$30,000.

Meanwhile, Black workers are underrepresented in industries such as manufacturing and construction. While the technical trades needed to support manufacturing and construction reflect a particularly in-demand skill set—and a pathway to the middle class—Black workers are underrepresented in these industries.

There is also significant underrepresentation in industries such as information technology, professional services, and financial services—all sectors that typically have relatively higher wages and higher job growth.

More Black workers are in jobs with less opportunity for advancement

When Black workers enter the private sector, they tend to occupy lower-wage jobs in the industries with the largest frontline workforces. Three in five Black workers are in frontline jobs, with half of these workers concentrated in healthcare, retail, and accommodation and food service.

In analyzing the occupations in which Black workers work, we used two sources of data. The Bureau of Labor Statistics Occupational Employment Statistics (OES) provide occupational categories for workers across industries, and we combined this with data from the US Census Bureau American Community Survey and Moody's Analytics to gain insight on Black private-sector representation by occupation. Black workers are overrepresented in frontline service occupations, such as healthcare support, transportation and material moving, and food preparation and service (Exhibit 5). Conversely, Black workers are underrepresented in higher-wage jobs in IT (such as computer and mathematical), management, and the life, physical, and social sciences.

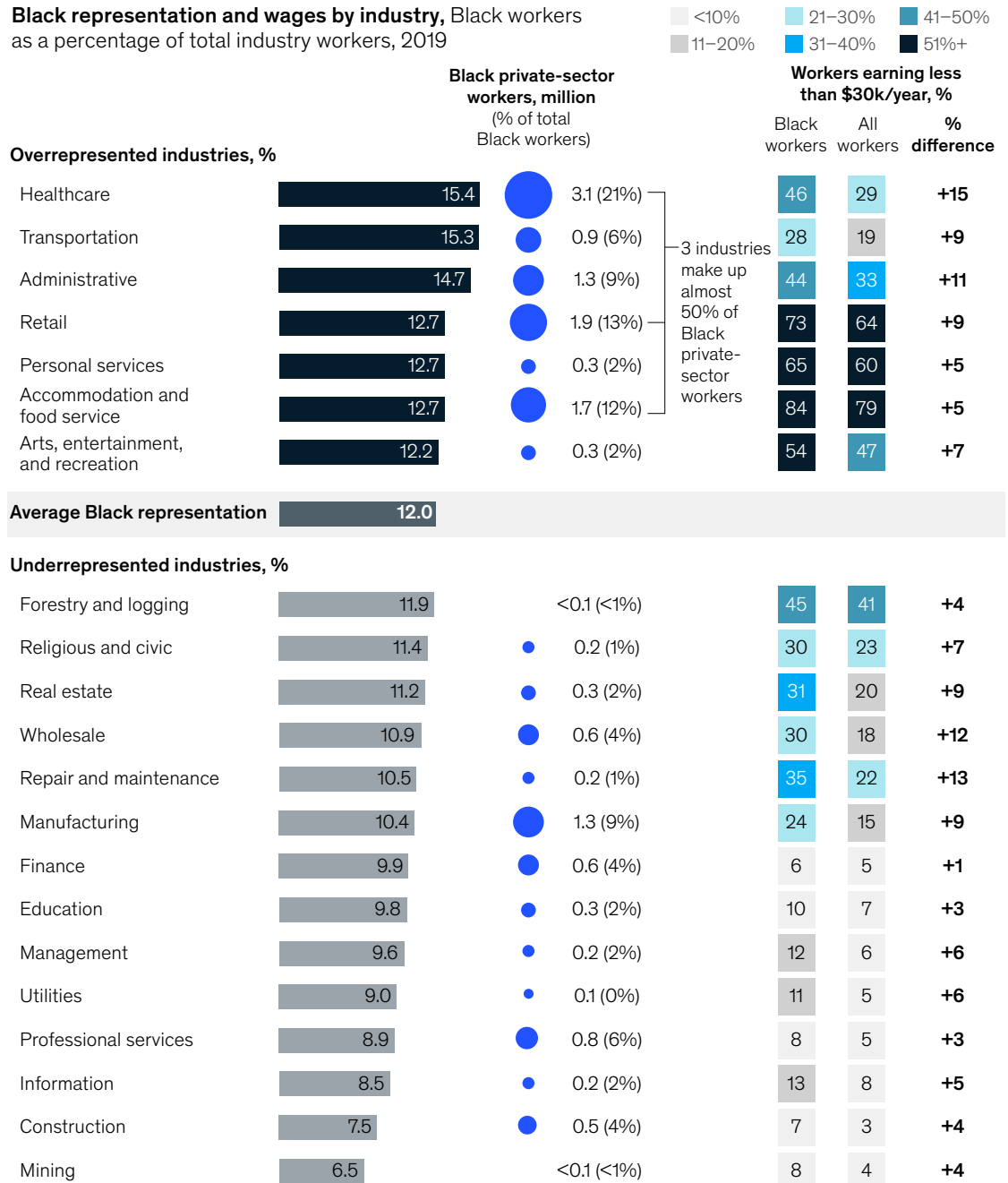


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Exhibit 4

Black workers are overrepresented in industries with a large frontline presence and lower wages overall, with almost half of Black workers concentrated in three industries.

Black representation and wages by industry, Black workers as a percentage of total industry workers, 2019



Note: The left side of the exhibit shows the representation of Black workers in each industry along with the number of Black workers in each industry. That is paired with the percentage of workers in those respective industries who make less than \$30,000 per year. The larger the gap between Black workers and all workers in an industry, the greater the disparity in wages in that industry.

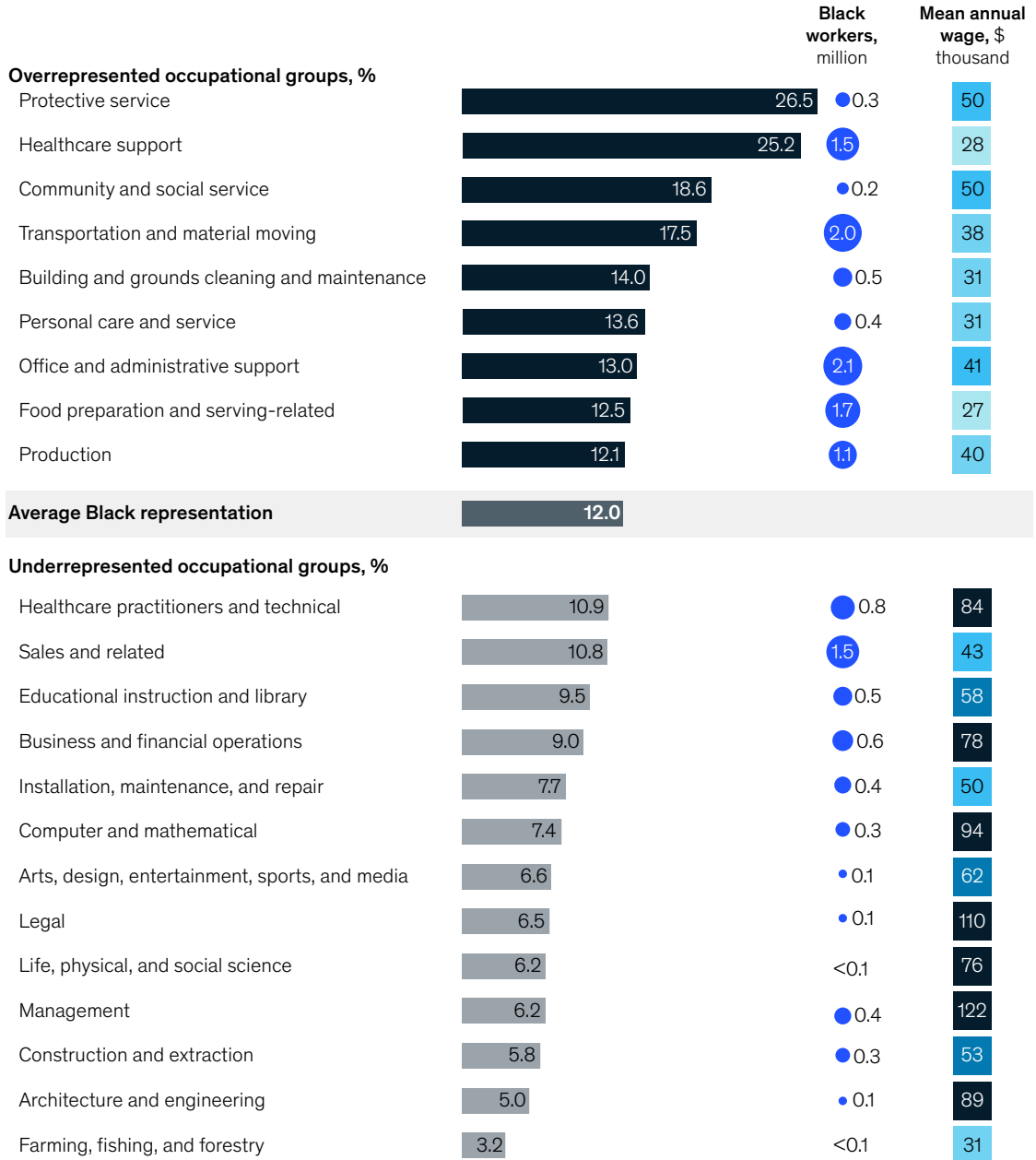
Source: Bureau of Labor Statistics, Occupational Employment Statistics, 2019; Moody's Analytics; US Census Bureau American Community Survey, 2019.

Exhibit 5

Black workers are overrepresented in frontline service occupations and underrepresented in higher-wage occupations.

Representation of Black workers by occupational groups,
% of Black workers by occupational group, 2019

■ <\$30k
 ■ \$41k-50k
 ■ \$61k-70k
■ \$31k-40k
 ■ \$51k-60k
 ■ \$71k+



Note: These occupations reflect the 23 major occupational groups of the 2018 Standard Occupational Classification System used by the Bureau of Labor Statistics. While some of these occupational groups may appear to align with industries, the groups cut across industry boundaries (eg, a finance professional working in healthcare would have their occupation reflected in "Business and financial operations").
 Source: Bureau of Labor Statistics, Occupational Employment Statistics, 2019; Moody's Analytics; US Census Bureau American Community Survey, 2019.

The Equal Employment Opportunity Commission EEO-1 data, which is based on filings from all companies with more than 100 employees, enables for a comparison by both industry and job classification. EEO-1 includes nine job classifications based on responsibilities and primary duties, knowledge and training, and level of skill the job requires. We analyzed these data to understand the intersection between the industries where Black workers are concentrated and their job classifications.

Even in the top industries for Black workers, they are significantly overrepresented in job classifications such as service workers, laborers, operatives, and office and clerical workers. Indeed, across industries Black workers are almost twice as likely to be in service-worker or laborer jobs, and almost 25 percent less likely to be in managerial or professional jobs

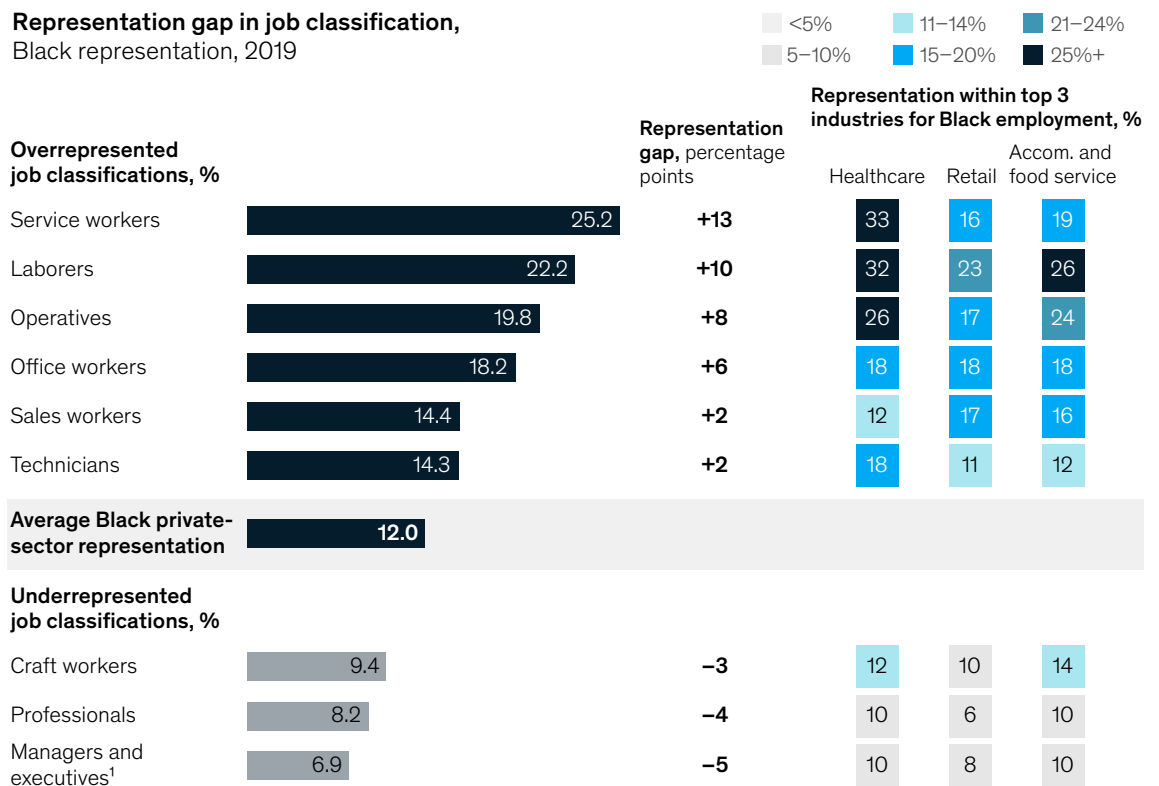
(Exhibit 6). The healthcare industry is a case in point. In 2018, a total of two million Black workers held jobs in healthcare, accounting for more than 20 percent of the workforce. Yet almost half of all Black healthcare workers—941,000—were service workers, while less than 500,000 were managers, executives, and professionals. Still, in industries with high Black concentration, there appears to be more Black managers than overall.

Regardless of industry, the distribution of Black workers follows a common pattern: they are concentrated in frontline jobs that have some of the lowest wages but remain underrepresented at the top levels of the organization. In total, 43 percent of Black private-sector workers make less than \$30,000 per year, compared with 29 percent of the rest of private-sector workers. Because frontline jobs are at the greatest risk during economic

Exhibit 6

Black workers are two times more likely to be service workers or laborers—and 25% less likely to be managers or professionals.

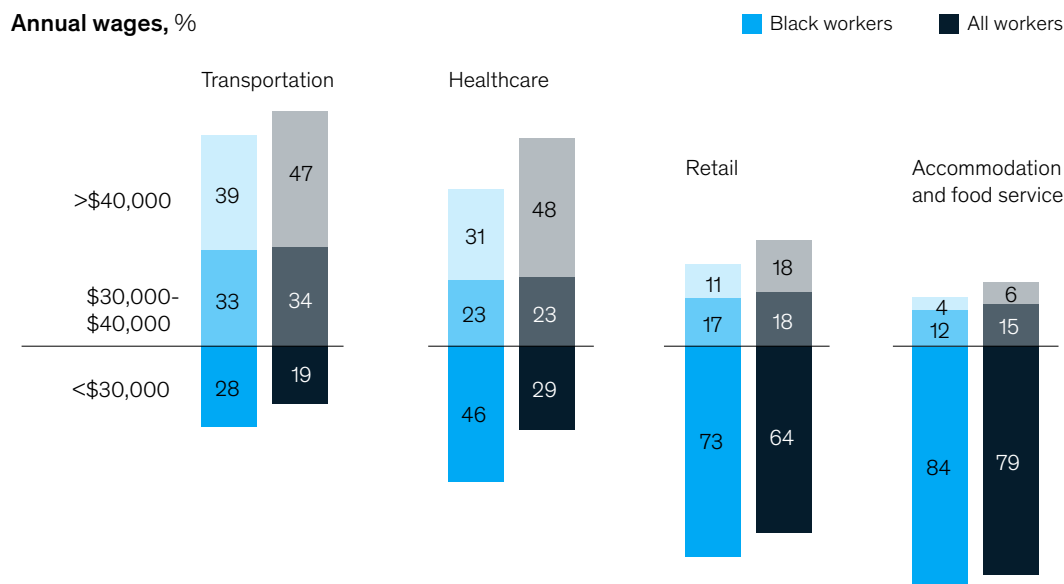
Representation gap in job classification, Black representation, 2019



¹Includes mid-managers and senior managers, which include C-suite-level employees. Source: Equal Employment Opportunity Commission EEO-1 Report Data, 2018

Exhibit 7

Even within the industries with many Black workers, Black workers make less than \$30,000 more often than their peers.



Source: Bureau of Labor Statistics, Occupational Employment Statistics, 2019; Moody's Analytics; US Census Bureau American Community Survey, 2019.

downturns, such as the one caused by COVID-19, Black workers bear the brunt of layoffs in these industries (see sidebar “The impact of COVID-19 on Black workers”).

When Black workers are predominantly concentrated in frontline jobs, they have less opportunity for advancement and higher wages without targeted interventions. This distribution of jobs translates to lower wages. In healthcare, 46 percent of Black workers earn less than \$30,000 a year, compared with 29 percent of all workers in the industry (Exhibit 7). Still, the projected growth of the health-care industry could create more opportunity for Black workers in the years to come.

In retail, 73 percent of Black workers, or nearly 1.4 million, are in jobs that pay less than \$30,000 a year. In accommodation and food service, an even greater portion of Black workers—84 percent—work in jobs that pay less than \$30,000.

Transportation is a relative bright spot, with both a high representation of Black workers (15 percent),

and with more than 70 percent of workers making more than \$30,000 per year. That said, even in transportation, Black earnings trail the earnings of the other workers.

Job prospects are markedly different for Black and white workers with similar backgrounds

Even among workers of a similar age, educational level, or incarceration status, Black workers face higher hurdles to gainful employment than the rest of the labor force. For example, Black workers with a high-school degree or less have lower employment rates than their white peers. Similarly, a Black worker who is a returning citizen has a lower chance of being employed than a white returning citizen. In fact, the disparities are so stark that the rest of workers almost “skip ahead” in their likelihood of being employed, compared with Black workers. For example, the employment rate for Black workers

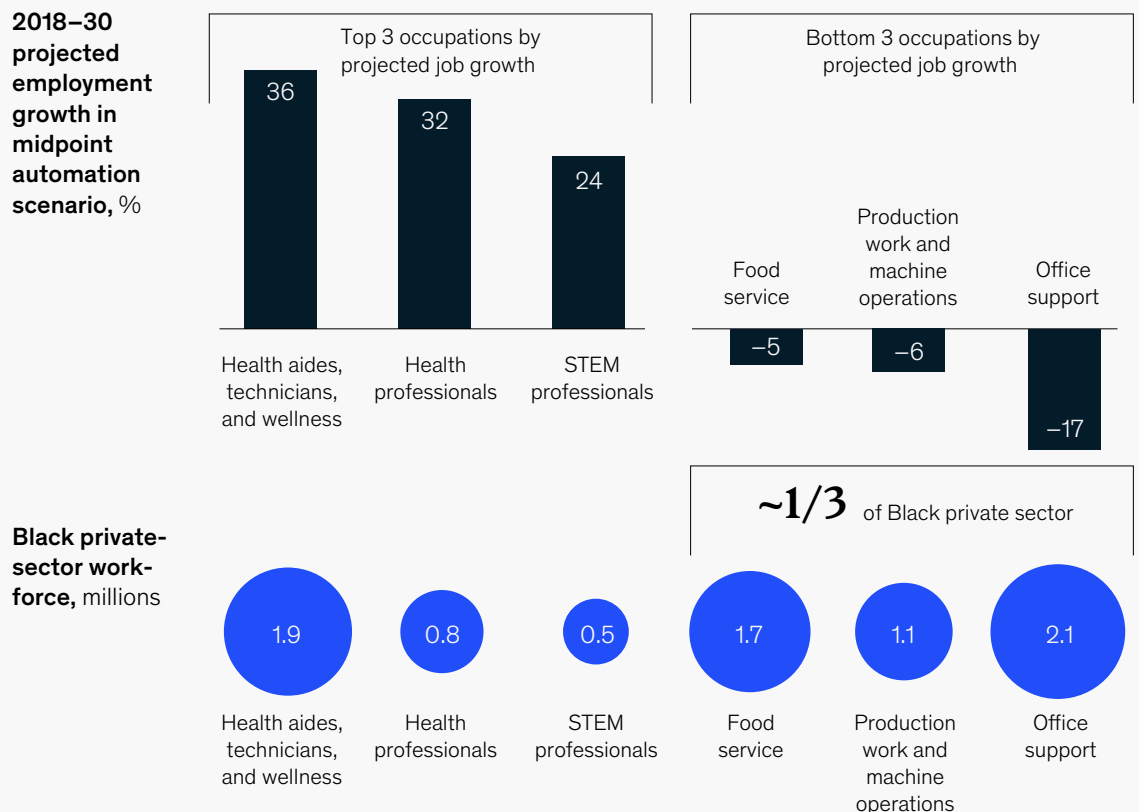
The impact of automation on the future of work for Black workers

Prior McKinsey Global Institute research has examined the potential impact of automation on the US workforce, including Black workers.¹ The scenarios in that research suggest that automation will prove disruptive to the labor force in the years to come, but its impact won't be evenly distributed. For example, Black workers in frontline jobs such as production work, food service, and office support are at heightened risk of losing their jobs to automation (Exhibit A). One bright spot: job growth for health professionals and health aides is expected to lead all occupations. This could benefit Black workers, given their high concentration and representation in healthcare (see sidebar “The impact of COVID-19 on Black workers”).

A look at occupational groups (a series of jobs or occupations that are related by the nature of the functions performed) highlights job growth by type of profession. For instance, the healthcare-support occupational group counts 1.5 million Black workers, who make up more than 25 percent of the industry's workers. With jobs for health aides, technicians, and wellness workers projected to grow by 36 percent through 2030, Black workers are well positioned to benefit from this growth. Meanwhile, demand for STEM professionals will also rise significantly over the next decade, but Black workers are underrepresented in occupation groups with STEM requirements, such as life, physical, and social sciences.¹

¹ “The future of work in black America”; note that net projected job growth has been updated since its publication to reflect job growth post-COVID-19.

One-third of Black workers are in jobs affected by automation, but Black workers are concentrated in healthcare, which is expected to have high job growth.



Source: Bureau of Labor Statistics, Occupational Employment Statistics, 2019; Moody's Analytics; US Census Bureau American Community Survey, 2019; *The future of work in America: People and places, today and tomorrow*; *The future of work after COVID-19*

with some college or an associate's degree (96 percent) is similar to that of the total population of workers who have a high school diploma (97 percent).

Age: Steeper challenges for Black workers just starting out

Younger Black workers endure the largest disparity in employment compared with their peers in the same age group. Our analysis of the US private-sector data set found a gap of nine percentage points between the share of Black workers ages 16 to 19 and the rest of the labor force. That disparity falls to a five-percentage-point difference for workers ages 20 to 24 years and three percentage points overall. The longer Black workers are in the labor force, the narrower the gap gets: those ages 55 to 64 trail the overall labor force by just two percentage points.

Educational attainment: Greater employment outcomes for workers with college degrees

Graduating from high school and college is correlated with lower unemployment, with the

chances of employment increasing with each level of attainment (Exhibit 8). In this context, Black workers face two structural challenges.

First, fewer Black learners attend and graduate college as a result of “differential access to high-quality, well-resourced K–12 schools. . . . Black and Latino students are more likely to enroll in colleges with lower graduation rates. . . . And when they do enroll in college, they are disproportionately more likely than white students to be the first in their family to go to college; to come from lower-income families; and to receive less financial support from family and friends, all of which contributes to lower graduation rates.”¹¹

In our research, we highlight a second challenge: Black workers with the same education as their peers have higher unemployment. For example, Black adult workers (age 25 or older) who have not completed high school are five percentage points less likely to be employed compared with the overall populations of high school dropouts. While the gap

¹¹ Anthony P. Carnevale et al., *The unequal race for good jobs: How whites made outsized gains in education and good jobs compared to Blacks and Latinos*, Georgetown University Center on Education and the Workforce, 2019, cew.georgetown.edu.

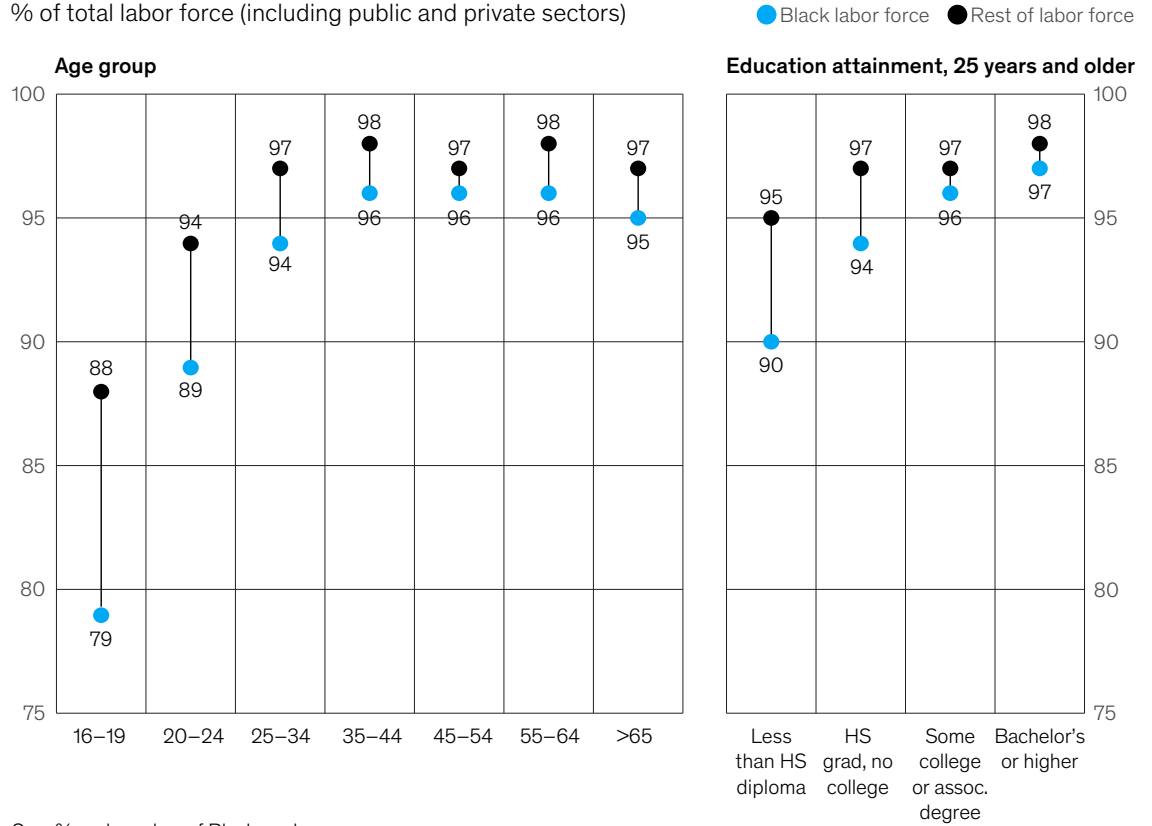
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Exhibit 8

Black workers are less likely to be employed than their counterparts with similar demographics.

Employment rates by demographic group 2019,
% of total labor force (including public and private sectors)



Gap, % and number of Black workers

9%	5%	3%	2%	1%	2%	2%	5%	3%	15	1%
68,000	121,000	153,000	92,000	63,000	35,000	18,000	58,000	158,000	54,000	29,000

Source: Bureau of Labor Statistics Current Population Survey, 2019

narrows with higher levels of education, even Black workers with a college degree are less likely to be employed than their white counterparts.¹²

Returning citizens: Black workers face the highest barriers when reentering the labor force

Workers who have previously been incarcerated face some of the steepest hurdles to gaining

employment upon their reentry into the job market. The employment rate of Black men who are returning citizens trails that of white men who are returning citizens by 21 percentage points (Exhibit 9). For women who are returning citizens, the gap is a still sizable 18 percentage points.

¹² John M. Nunley, Adam Pugh, Nicholas Romero and R. Alan Seals, "Racial discrimination in the labor market for recent college graduates: Evidence from a field experiment," De Gruyter, 2015.

The impact of COVID-19 on Black workers

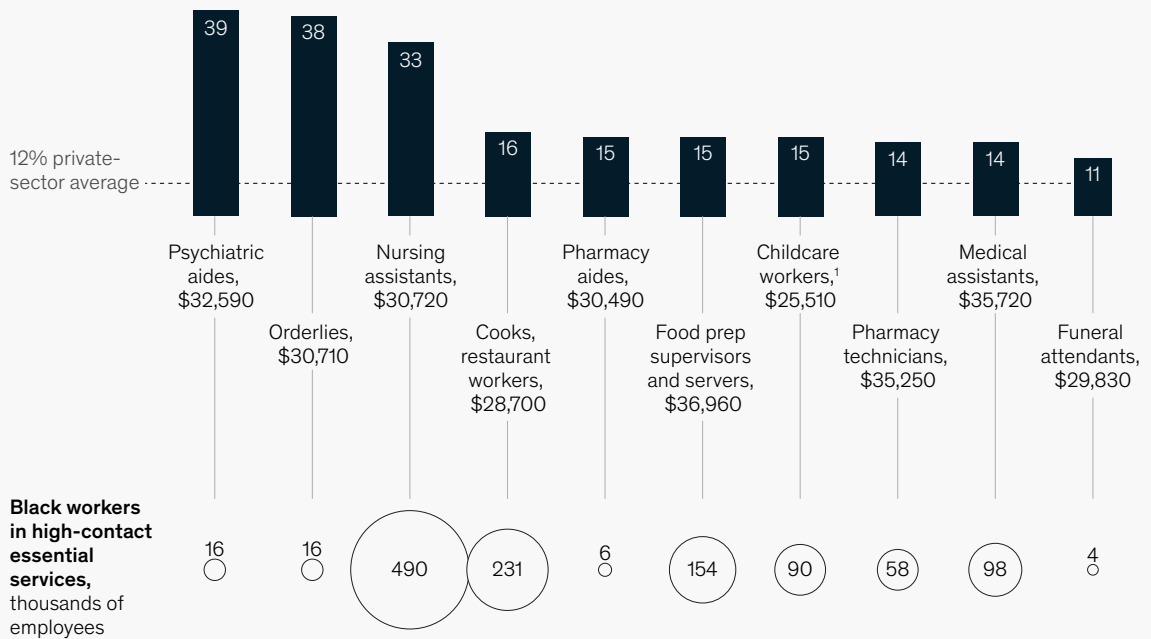
Because Black workers are overrepresented in high-contact, essential services such as healthcare and food service, they have been critical during the COVID-19 pandemic. These occupations (six of which are in healthcare) are also at the lower end of the salary scale.

The pandemic's immediate and lasting economic repercussions are likely to affect Black populations most acutely. Forty percent of revenues for Black-owned businesses are located in the five most vulnerable industries (compared with 25 percent of revenues for all businesses), and nearly seven million jobs currently held by Black workers are at risk due to the pandemic. Given the impact of COVID-19 on Black employment and Black-owned businesses,¹ it is not surprising that 52 percent of Black respondents reported that COVID-19 is a threat to their personal financial situation, compared with 43 percent of white respondents.

¹ Aria Florant, Nick Noel, Shelley Stewart, and Jason Wright, "COVID-19: Investing in black lives and livelihoods," April 14, 2020, McKinsey.com.

The COVID-19 pandemic has affected Black workers, who are likely to work in high-contact essential services.

Black workers in high-contact essential services by annual income, % share

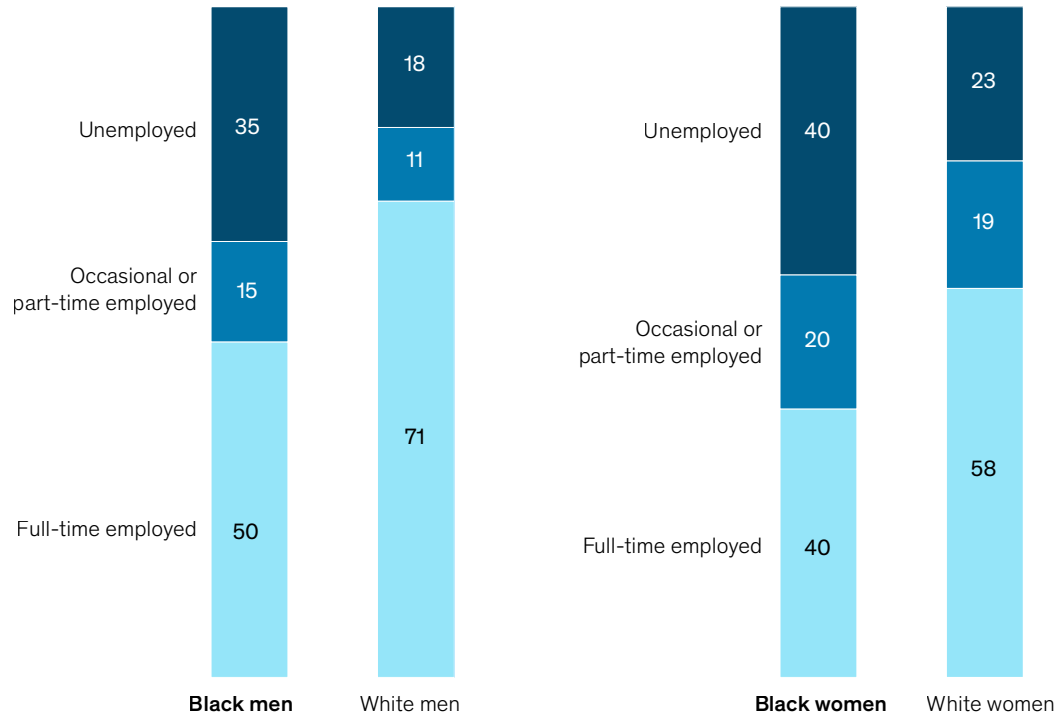


¹Inclusion of childcare workers as an essential service varies by locality.
Source: "COVID-19: Investing in black lives and livelihoods," McKinsey & Company, April 2020

Exhibit 9

Post-incarceration, Black workers are almost twice as likely to be unemployed than white workers who have also been incarcerated.

Post-incarceration employment rates by race and gender,
% of workers, 2008 (most recent census data available)



Source: Bureau of Prisons, Bureau of Justice Statistics

The concentration of Black workers by geography, industry, and occupation, and disparate outcomes for Black workers with similar backgrounds as others, creates barriers to job opportunities. Navigating these barriers is a significant challenge

for Black workers. As we discuss in the next section, once they gain entry into the private-sector labor force, they face a range of additional barriers to advancement.

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02



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The Black experience in the workplace: Findings from participating companies

managerial levels (that is, jobs from manager through executive levels). At 12 percent, entry-level employment is in line with overall Black representation in the private sector. The share of Black employees at managerial levels has shown signs of progress in recent years, but it is still lower than that of frontline or entry-level jobs in all of the participating companies.

At the manager level, the Black share of the workforce in the participating company data set is only 7 percent. Across senior manager, vice president, and senior vice president jobs, Black representation holds steady at 4 to 5 percent. Notably, the companies in our data set have a higher proportion of Black executives (6 percent) than was reported in the most recent US Equal Employment Opportunity Commission data (3 percent). Currently, the Fortune 500 has only four Black CEOs.² At talent parity of 12 percent Black representation, we would expect to see 60.

Black employees encounter representation gaps at each step. Our in-depth research on the Black experience in the private sector uncovered several challenges (see sidebar, “About the participating company data set”). This chapter of our report examines Black employee representation, promotion rates, and experience.¹

Black employees make up 14 percent of all employees at participating companies, compared with 12 percent in the US private sector overall. In these companies, they are overrepresented in frontline jobs (18 percent) compared with entry-level (12 percent) and managerial jobs (7 percent).

This chapter delves deeper into these trends to gain a more complete understanding of the factors that influence the promotion, attrition, and sentiments of Black employees.

Participating companies in our data set have successfully hired Black employees into frontline and entry-level jobs (Exhibit 10), but there is a significant drop-off in representation at

Five challenges to equity in the workplace

Drawing on analysis of the employment data from the participating company data set, as well as surveys and focus groups conducted with employees at these companies, five common challenges emerge:

- a lack of opportunity to advance in frontline jobs
- a revolving door in entry-level jobs, where Black employee attrition is high
- a broken rung from entry-level jobs to managerial jobs
- a trust deficit between Black employees and their companies
- the absence of sponsorship and allyship to support the advancement of Black employees

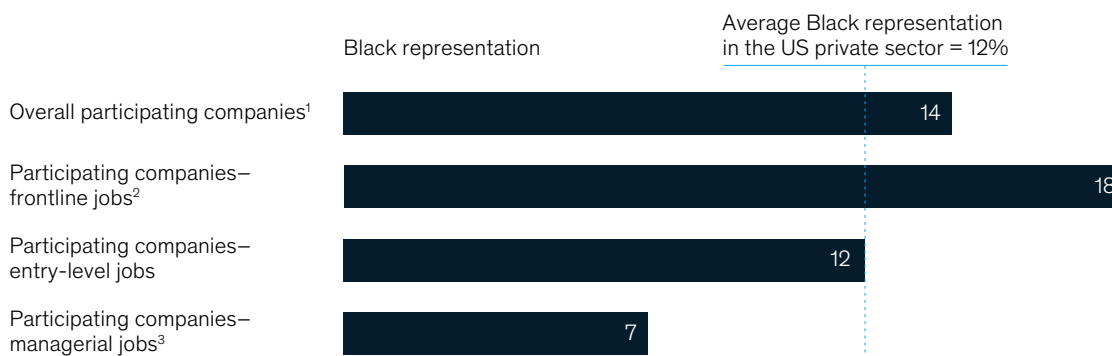
In this chapter, we explore these challenges in turn.

¹ In this report, employee refers to employees in the participating company data set discussed in part 2.

² As of February 2021, there were four Black CEOs in the Fortune 500: Rosalind Brewer, Thasunda Brown Duckett, Marvin Ellison, and Rene Jones. This number does not include Roger Ferguson Jr. and Kenneth Frazier, who have announced that they will step down in 2021. For more, see Aric Jenkins and Ellen McGirt, “Where are the Black CEOs?” *Fortune*, February 4, 2021, fortune.com.

Black employee representation in the participating company data set by job level.

Black representation by group, % of employees



¹The Black representation average across the participating companies is calculated as the unweighted average of Black employees at all 24 companies.

²Frontline jobs include both hourly and salaried frontline jobs.

³Managerial jobs include managers, senior managers, vice presidents, and executives; further discussion and examples of these jobs are in the technical appendix.

About the participating company data set

The data and analysis in this section drew on four different data sources: company talent pipelines; results from a survey of company diversity, equity, and inclusion (DE&I) policies and programs; results from the Employee Experience Survey; and focus groups among Black employees. The Employee Experience Survey, which includes McKinsey's Inclusion Assessment, provided data to better understand the experiences and perceptions of employees across several areas (such as sponsorship, mentorship, feedback, advancement, and employee resource groups) and demographic factors (such as age, race, gender, and sexual orientation).

The full data set contains inputs from 24 companies, including some of the largest employers in the United States. These companies, which range in size from 10,000 to 1.4 million US employees, collectively employ about 3.7 million US employees and span all geographies. Representation and employee pipeline data averages were calculated as the unweighted average across companies. Employee survey respondents were employees from representative samples across all demographics at the companies that participated. Our sample included the following industries: consumer packaged goods, energy, utilities, basic materials, engineering and industrial manufacturing, food and beverage, healthcare systems and services, IT services and telecom, media and entertainment, oil and gas, pharmaceutical and medical products, professional and information services, retail, technology, transportation, logistics, and infrastructure.

“We need to have a pipeline from field to HQ.”

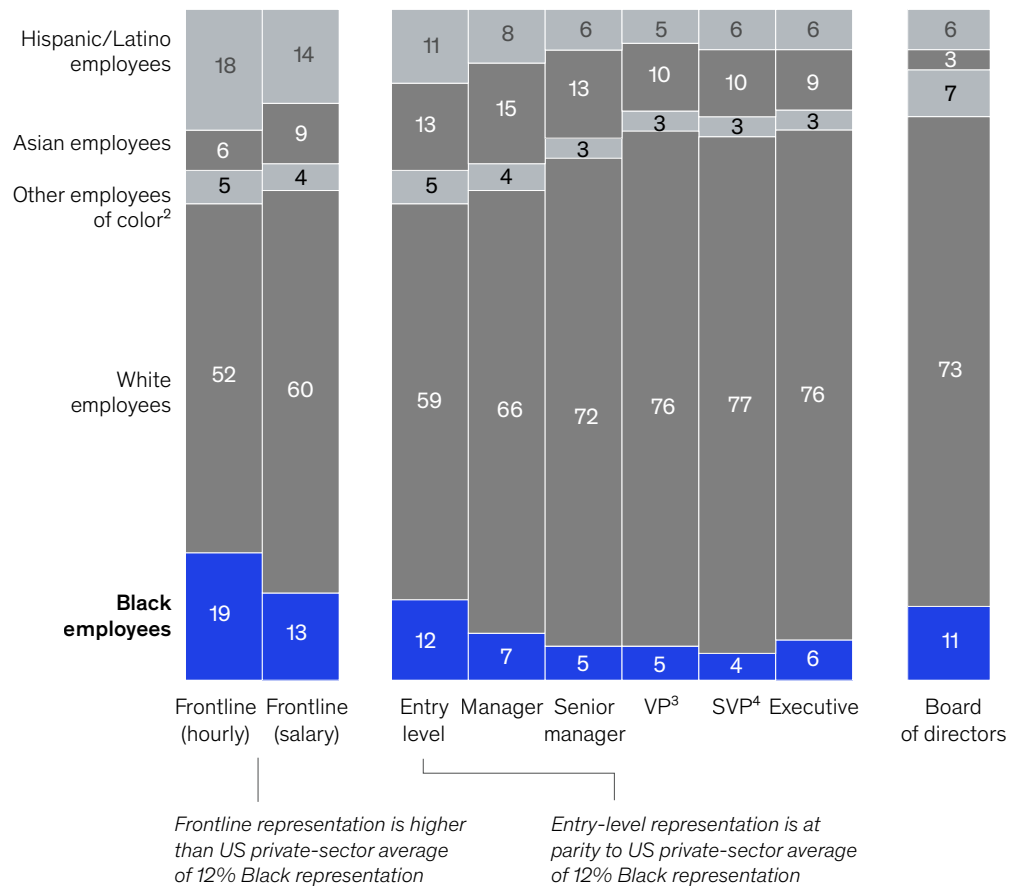


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Exhibit 10

Black employees in participating companies are overrepresented in frontline and entry-level jobs.

Representation by level, by race,¹% of employees



¹June 2020 snapshot, aggregated data across 23 companies. ²Other employees of color include Native Hawaiian or Pacific Islander, Indigenous (eg, Aboriginal, First Nation, Native American), and people who identify as two or more races. ³Vice president. ⁴Senior vice president. Source: Participating company data set; *Race in the Workplace* report, 2021; McKinsey analysis (more explanation of analysis methodology discussed in the technical appendix); average representation calculated as an unweighted average of representation by demographic group at participating companies

Frontline jobs largely do not connect Black employees with sufficient opportunities to advance

Today, many Black employees are in frontline jobs and unlikely to advance to more senior jobs. Hourly jobs significantly outnumber salaried jobs on the front line: among the participating companies, there is just one frontline salaried position for every 20 frontline hourly jobs. In other words, there are proportionally few available “good jobs”—those that provide a reasonable expectation of job stability, insulation from forces such as automation and offshoring, and family-sustaining compensation.³ Defined pathways from frontline hourly to frontline salaried and entry-level jobs within and across industries could create more sustainable career opportunities.

Entry-level jobs are a revolving door, and Black employee attrition is high

Black employees make up 12 percent of entry-level employees at our participating companies. These jobs include account associates, software engineers, and paralegals.

The challenge is that there is far higher attrition among Black employees in these jobs as compared with their white counterparts.⁴ In fact, more Black employees are leaving their jobs than their white counterparts at almost all levels (Exhibit 11). This disparity in attrition, while seemingly insignificant at the entry level, has a compounding effect: Black employees who would be promising candidates for advancement are instead leaving, depriving companies of both valuable talent and the known benefits of diversity.⁵

Black employees encounter a broken rung from entry-level jobs and managerial jobs

Among the participating companies, Black employees account for just 7 percent of managers. This broken rung and higher-than-expected attrition rates in the pipeline significantly limit representation at subsequent levels of the company. The pattern of higher-than-expected attrition rates becomes more pronounced.

³ Abbie Langston, Justin Scoggins, and Matthew Walsh, *Race and the work of the future: Advancing workforce equity in the United States*, PolicyLink, 2020, policylink.org.

⁴ Peter Hom, Loriann Roberson, and Aimee Ellis, “Challenging conventional wisdom about who quits: Revelations from corporate America” (*Journal of Applied Psychology* 93(1):1–34, February 2008).

⁵ Sundiatu Dixon-Fyle, Kevin Dolan, Vivian Hunt, and Sara Prince, “Diversity wins: How inclusion matters,” May 19, 2020, McKinsey.com; “Understanding organizational barriers to a more inclusive workplace,” June 23, 2020, McKinsey.com.



“I was given the opportunity to relocate to work in corporate, but I didn’t see anyone like me there.”

© GCS shutter/Getty Images

Gender parity is closer for Black employees, with standout results among managers

Distance from parity, percentage-point difference, men and women



Source: Race in the Workplace 2021 Participating Company data set, McKinsey analysis (more explanation of analysis methodology discussed in the technical appendix; Average representation calculated as an unweighted average of representation by demographic group at participating companies).

Exhibit 11

Black employees are leaving jobs more frequently than their white counterparts at almost all levels.

For every 100 entry-level employees, number of respondents out of 100



The difference between expected and actual attrition is important, especially at scale—at the entry level, for every 1 million employees who leave their company, there would be 10,000 more Black employees leaving than companies expect, lowering Black representation at those companies and requiring companies to hire more Black employees to compensate for the extra turnover.

Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix).

For Black employees who make it to the manager level, we see some promising signs. For example, based on participating company data from the first half of 2020, Black private-sector employees are slightly more likely to be promoted to the next level—a trend that will be critical to eventually close the gap.

However, progress in the share of Black employees in the upper levels of the company remains slow compared with other employee categories. The

advancement of Black men to the VP level (a gain of 1.8 percentage points) and that of Black women (an increase of 0.8 percentage points) is nowhere near that of white women (a rise of 5.1 percentage points), who seem to be disproportionately gaining ground (though from a still unequal base). Companies can apply lessons from the experience of white women and any cohort effects to support Black employees.



“My mentor said that, too often, Black and brown people are seen as what they are today, but our white counterparts are seen for who they are today and for their potential, and they are given the benefit of the doubt.”

Looking at the best across all companies suggests a path to progress

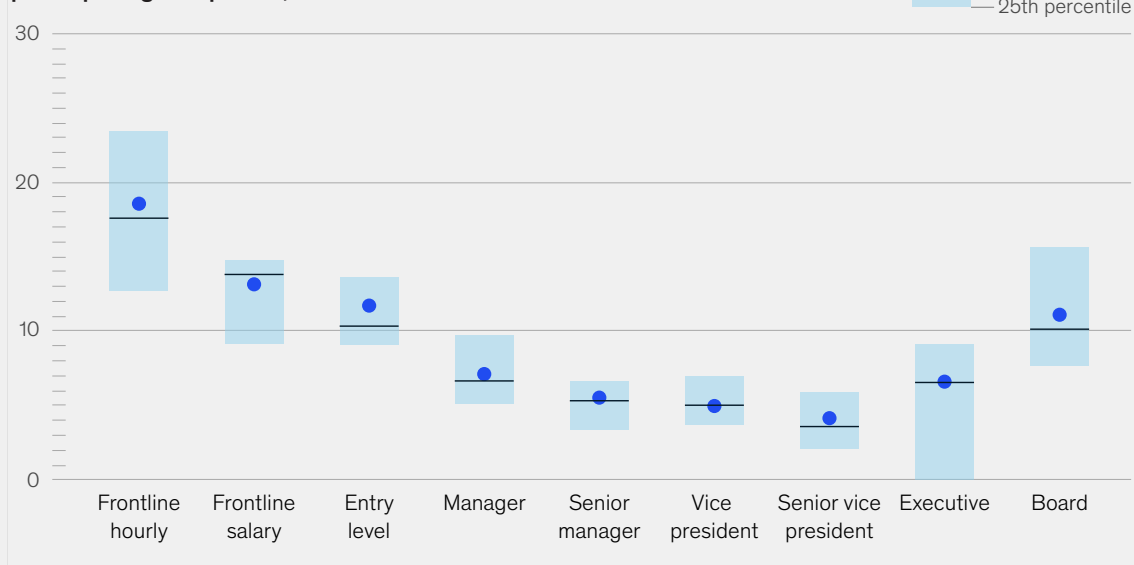
Variation in representation across participating companies shows that progress is challenging but attainable. Representation of Black employees in frontline and entry-level hiring in our sample is above and at parity, respectively, but lower representation at the manager level and above, along with high attrition for Black employees, illustrates the current challenge.

The companies in our sample demonstrate wide variability in representation of Black employees in their workforce and by job level (exhibit). The range of Black representation across all levels was 3 percent of the workforce at the low end to more than 20 percent at the high end. The widest variability was seen in entry-level jobs, with narrowing variability in management jobs. At the executive level, variability widens again (from no Black executives to more than 30 percent), though this gap is caused in part by the smaller number of total jobs at the top of the company, making those numbers disproportionately affected by the placement of a few individuals.

While overall promotion trends are heading in the right direction, more can be done to close the gap. In our sample, some companies achieved Black representation of nearly 17 percent at the manager level, about 12 percent at the senior manager level, and 9 percent at the VP level. These companies could offer insights on promoting and retaining Black employees. Even though no company has consistent representation across levels, these higher numbers suggest that 12 percent parity at managerial levels is attainable.

Variability in representation starts high at entry levels and compresses at management levels.

Range of Black representation at each level among participating companies, %



Note: Each bar represents the range of Black representation at each level across all participating companies. The longer the bar, the greater the variability of Black representation across the companies; in other words, Black representation can be very different depending on the company at hand. On the other hand, a shorter bar means that Black representation is similar regardless of the company at hand. The blue dots represent the unweighted average Black representation across all companies.

Source: Race in the Workplace 2021 Participating Company data set, McKinsey analysis (more explanation of analysis methodology discussed in the technical appendix).

A trust deficit exists between Black employees and their companies

Based on the survey data, the largest perception gaps between Black employees and all employees center on acceptance, fairness, and authenticity, which collectively highlight a trust deficit. Black employees do not feel that their companies value and embrace diversity (acceptance), that the system for evaluation and promotion is fair (fairness), or that they can be their full selves (authenticity).

Acceptance. Acceptance reflects the extent to which respondents agree that “employees value and embrace diversity.” Just 53 percent of Black employees believed that their coworkers value and embrace diversity, compared with 80 percent of white employees (Exhibit 12). The gap between Black

employees and white employees on the statement “There is trust and respect between employees from different backgrounds” is 27 percentage points (55 percent versus 82 percent). Many focus group participants described relationships between Black employees and others as “transactional” and perceived that sharing their experiences as Black employees could have negative consequences. Black employees also perceive less company recognition and support for self-expression. (Exhibit 13). For example, they have significantly different perceptions than their white counterparts about whether their companies recognize the traditions and habits of diverse employees (21-percentage-point gap compared with white employees), raise awareness of diversity topics (20-percentage-point gap), and allow employees to express themselves personally (12-percentage-point gap).

Exhibit 12

Black employees feel less acceptance at work.

Acceptance

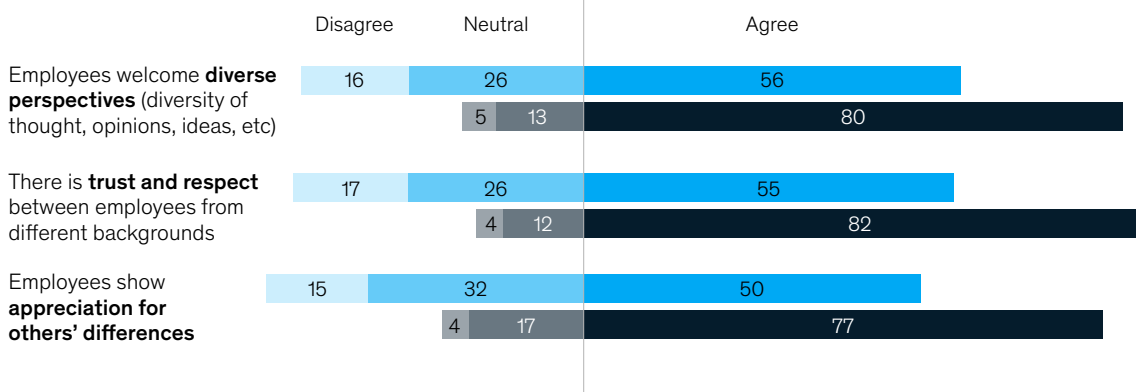
“Employees value and embrace diversity”

Overall acceptance scores



Inclusion statements on acceptance, % of employees

Black employees
White employees



Note: Acceptance, defined as how employees value and embrace diversity, is one of six categories of inclusion in McKinsey's Inclusion Assessment. Employees rated the three acceptance statements above on a scale of strongly disagree, disagree, neutral, agree, and strongly agree. The "agree" group combines agree and strongly agree, the "disagree" group combines disagree and strongly disagree. The score for each statement is calculated as the percentage of respondents who respond in the "agree" group. The overall acceptance score is calculated as the average of the three statement scores. Further discussion of the Inclusion Assessment in the technical appendix.

Note: Figures may not sum to 100%, because of respondents who answered "N/A."

Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix).

Fairness. Black employees are less likely to believe their companies are fair (that employees receive equitable treatment and have a fair chance to succeed) and to experience the practices that shape fairness (Exhibit 14). About one-third of white employees see their companies as unfair, compared with more than 50 percent of Black employees.

Views of meritocracy are middling among all employees, but doubts are more pronounced among Black employees. In response to “My company promotes employees based on merit,” not quite half of Black employees but nearly two-thirds of white employees responded favorably. Perceptions of whether leaders treat employees impartially also demonstrate a notable gap: 47 percent of Black employees and 64 percent of

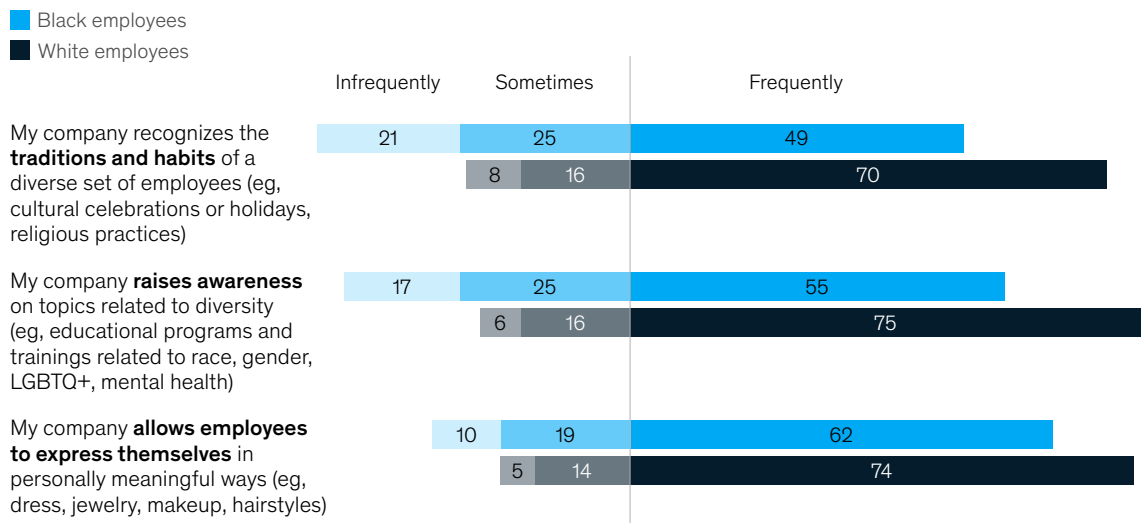
white employees believe leaders “give all employees a fair performance evaluation.” These responses undermine the notions of fairness and meritocracy in promotions.

Doubts about fairness manifest themselves in the perception among Black employees that race is a significant impediment to advancement. Black employees are 1.7 times more likely than Hispanic/Latino and Asian employees to believe their race will make it harder for them to achieve their career goals at their companies (Exhibit 15). The perception that hiring, performance management, and promotions are not fair contributes to feelings of “working twice as hard” and promotions being overdue versus well deserved.

Exhibit 13

Black employees perceive less company recognition and support for self-expression.

Inclusion statements on self-expression, % of employees



Note: Employees rated the statements above on a scale of almost never, seldom, sometimes, often, and almost always. The "frequently" group combines often and almost always, the "infrequently" group combines seldom and almost never. The score for each statement is calculated as the percentage of respondents who respond in the "frequently" group. Further discussion of the Inclusion Assessment in the technical appendix.
 Note: Figures may not sum to 100%, because of respondents who answered "N/A."
 Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix).



“My climb has been slower than a lot of my white peers. I know we are losing lots of good people because of that.”

“You have to bust your back just to get an interview to have a new position. They don’t take chances on you; you have to prove yourself.”

© Klaus Vedfelt/Getty Images

Exhibit 14

Black employees perceive less fairness and chances to succeed.

Fairness

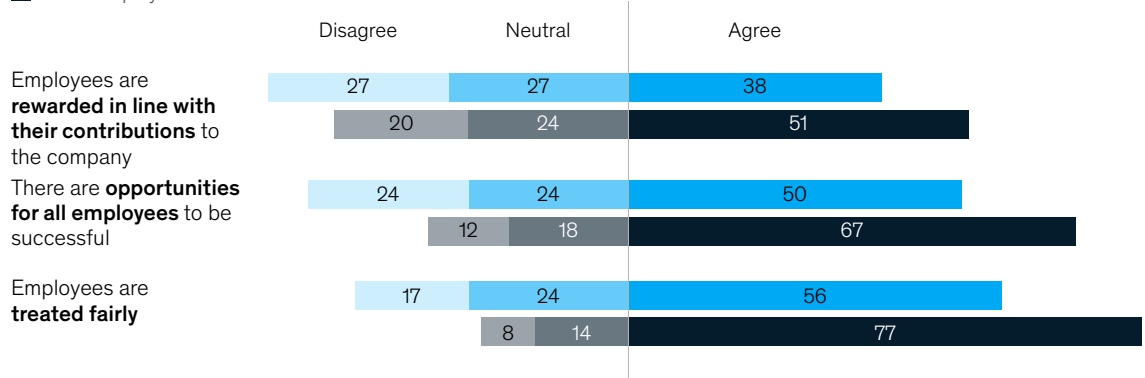
“Employees receive equitable treatment and have a fair chance to succeed”

Overall fairness scores



Inclusion statements on fairness, % of employees

■ Black employees
■ White employees



Note: Fairness, defined as how employees receive equitable treatment and have a fair chance to succeed, is one of six categories of inclusion in McKinsey's Inclusion Assessment. Employees rated the three fairness statements above on a scale of strongly disagree, disagree, neutral, agree, and strongly agree. The "agree" group combines agree and strongly agree, the "disagree" group combines disagree and strongly disagree. The score for each statement is calculated as the percentage of respondents who respond in the "agree" group. The overall fairness score is calculated as the average of the three statement scores. Further discussion of the Inclusion Assessment is in the technical appendix.
 Note: Figures may not sum to 100%, because of respondents who answered "N/A."
 Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix).

Authenticity. Black employees are less likely to feel encouraged to be themselves and speak up at work (Exhibit 16). The behavior of managers and coworkers in day-to-day interactions shapes employee perceptions of authenticity. Our research showed a divide of 17 percentage points between Black employees and their white coworkers on this measure.

In a related metric, Black employees say they have low confidence in the effectiveness of programs such as ally initiatives and unconscious-bias training (Exhibit 17). Black employees have more confidence in the effectiveness of their companies' diversity policies (59 percent, compared with 70 percent of all employees) than in their diversity programs (33 percent of Black employees compared with 54 percent of white employees). One explanation for this could be that Black employees believe their companies present and

design effective policies (such as those for paid parental leave and remote work), but they see flaws in the execution of programs aimed at improving DE&I (for example, unconscious-bias training and ally initiatives). Going forward, companies should try to get additional insights from all employees who see diversity programs as effective to build on pockets of success.

One contributing factor may be the way companies approach DE&I programs. Many Black employees believe their companies treat DE&I as a "check-the-box" exercise or marketing tool rather than as a genuine company commitment. For example, 84 percent of Black employees see diversity as a top priority for themselves, but only 38 percent believe it is a top priority for their manager (Exhibit 18). Research suggests that Black employees report greater absences from work than white employees, and the difference is significantly more pronounced when employees believed that their companies placed little value on diversity.⁶

⁶ Avery, D. R., McKay, P. F., Wilson, D. C., and Tonidandel, S. (2007). Unequal attendance: The relationships between race, organizational diversity cues, and absenteeism, *Personnel Psychology*, 60(4), 875–902.

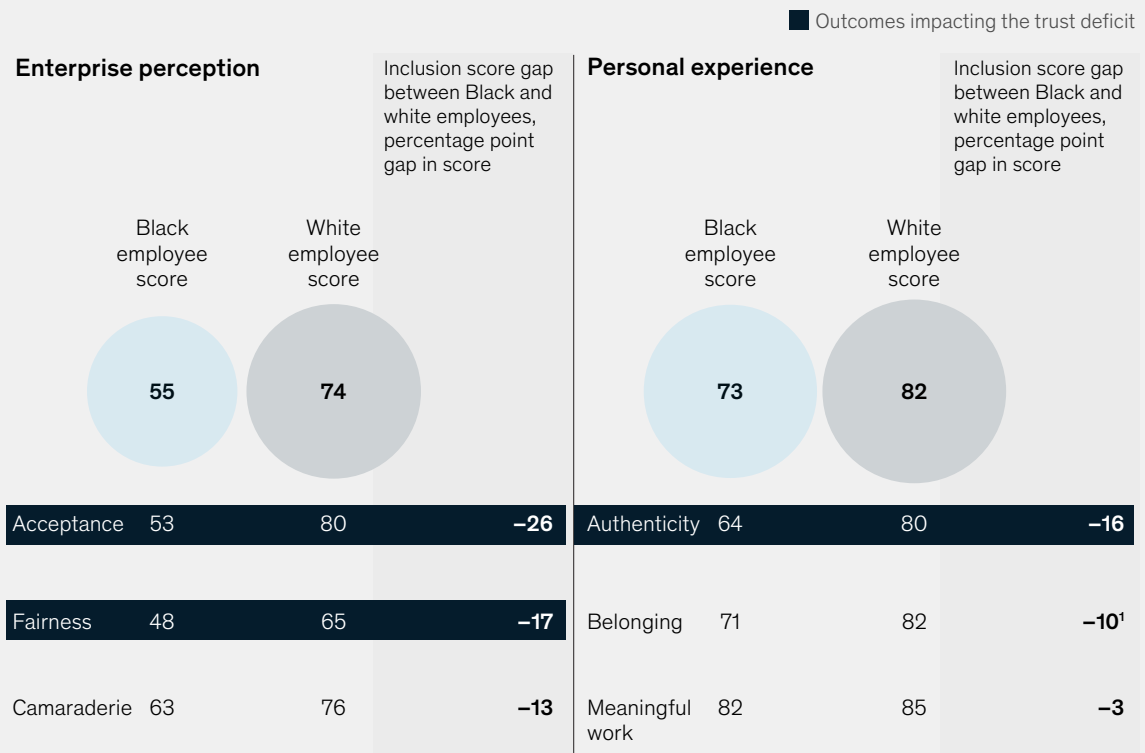
Assessing inclusion along a range of outcomes

Inclusion, or the lack thereof, may explain the large gap between the attrition of Black employees and that of their colleagues. From other research, we know that inclusion is a key factor in increasing employee retention. We also know that companies with higher degrees of inclusion experience additional benefits¹:

- 47 percent of employees are more likely to stay with a company if it is inclusive.
- 90 percent of employees are more likely to go out of their way to help a colleague in an inclusive company.
- 50 percent of employees are more likely to refer a friend to a company if it is perceived as inclusive.

McKinsey developed the Inclusion Assessment to measure employees' perceptions of their companies on the six outcomes that make up inclusion: acceptance, camaraderie, fairness, authenticity, belonging, and meaningful work. The assessment also captures how often employees experience the practices and

Black employees experience less inclusion than their white peers do.



¹ Figures don't sum to total due to rounding.

Note: The scores above are based on McKinsey's Inclusion Assessment, which provides scores to understand how employees perceive inclusion at their company across categories and gaps that show the difference between employee groups that represent inconsistency of experiences. The six major categories of inclusion are acceptance, authenticity, belonging, camaraderie, fairness, and meaningful work. Enterprise perception tells us how employees view the strength of acceptance, camaraderie, and fairness at the company. Personal experience tells us how employees feel encouraged to bring their full, authentic selves to work (authenticity and belonging) and feel empowered to make meaningful contributions to their work (meaningful work). Further discussion of the Inclusion Assessment in the technical appendix.

Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix)

behaviors that shape inclusion outcomes. Black employees report their workplaces are less inclusive (compared with employees overall and with white employees). Black employees in our participating company data set rated their experience as lower on all six outcomes and 15 practices that make up the Inclusion Assessment compared with white employees (exhibit).²

Black employees have a lower perception of their companies, with a gap of 19 percentage points compared with white employees. These perceptions are driven by questions focusing on systems (including forming meritocracies and creating opportunities to connect with other employees) and leader behaviors (such as supporting team building and treating employees impartially).

Our analysis uncovered a gap of nine percentage points between how Black and white employees rate their personal experiences. Among the factors that influence perceptions of employee experience are coworker behaviors—such as demonstrating allyship and showing mutual respect for others and their opinions—and leader behaviors, such as advocating for employees and mentoring colleagues.

¹ *McKinsey Organization Blog*, "Inclusion doesn't happen by accident: Measuring inclusion in a way that matters," blog entry by Diana Ellsworth, Drew Goldstein, and Bill Schaninger, February 16, 2021, McKinsey.com.

² The employee survey, taken by about 25,000 respondents across 12 companies, includes the Inclusion Assessment, which looks at policies, practices, and outcomes for all employees. By looking at practices and outcomes, we can get a perspective on the beliefs and perceptions of all employees.

"It's a transactional trust; we focus on getting the work done, but we don't actually build genuine relationships."



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Black employees are 1.7 times more likely than Hispanic/Latino and Asian employees to perceive their race will make it harder to achieve their goals.

Progression and advancement, % of employees answering “strongly agree” or “agree”

My race or ethnicity will make it harder to achieve my career goals at this company



Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix)

Black employees lack sponsorship and allyship to support their advancement

Regardless of race, most employees report low levels of sponsorship, but Black employees are even more unlikely to report having sponsors. Sponsorship from leaders is valuable to employees at every point in their careers and helps employees gain visible jobs, projects, and promotions.⁷ This disparity matters, and it can be amplified when Black employees have smaller internal networks to rely on for community, support, and career direction.

Most Black employees are ambitious and want to advance but perceive a lack of support to help them ascend to management jobs (Exhibit 19). Only 23 percent of Black employees and 30 percent of white employees believe they get “a lot” or “quite a bit” of support to advance. For example, more than 67 percent of Black employees and 63 percent

of white employees say they do not have a sponsor (Exhibit 20), even though 87 percent of participating companies report that they have sponsorship programs in place.

Black employees are more than three times as likely to prefer sponsors who are like them. Focus group participants shared stories about not feeling supported until they met Black leaders in their company. Research also points to an “emotional tax” that Black employees experience at work—a heightened feeling of being different from peers because of race or gender that has detrimental effects on health.⁸

Allyship can shape employee experience. Fewer than 25 percent of all Black employees report that their coworkers take the time to learn about diverse backgrounds, openly discuss diversity concerns, and call out comments that demonstrate

⁷ Sylvia Ann Hewlett, Melinda Marshall, and Laura Sherbin, “The relationship you need to get right,” *Harvard Business Review*, October 2011, hbr.org.

⁸ Dnika, J. Travis, Jennifer Thorpe-Moscon, and Courtney McCluney, *Emotional tax: How Black women and men pay more at work and how leaders can take action*, Catalyst, October 11, 2016, catalyst.org.

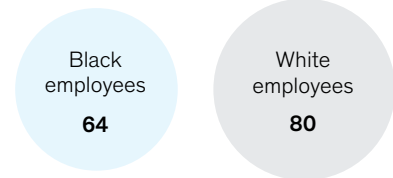
Exhibit 16

Black employees feel less encouraged to be themselves and speak up compared with their white peers.

Authenticity

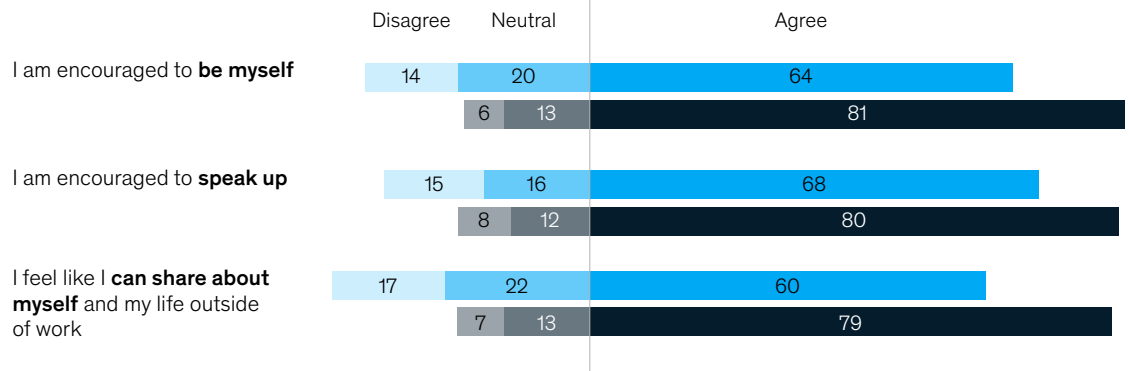
"Individuals feel encouraged to be themselves and speak up at work"

Overall authenticity scores



Inclusion statements on authenticity, % of employees

■ Black employees
■ White employees



Note: Authenticity, defined as how individuals feel encouraged to be themselves and speak up at work, is one of six categories of inclusion in McKinsey's Inclusion Assessment. Employees rated the three authenticity statements above on a scale of strongly disagree, disagree, neutral, agree, and strongly agree. The "agree" group combines agree and strongly agree, the "disagree" group combines disagree and strongly disagree. The score for each statement is calculated as the percentage of respondents who respond in the "agree" group. The overall authenticity score is calculated as the average of the three statement scores. Further discussion of the Inclusion Assessment in the technical appendix.

Note: Figures may not sum to 100%, because of respondents who answered "N/A."

Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix)

"All the things I have to do— you have to win awards, you have to do all this networking, you have to meet all these people—just to get someone to 'take a chance on you.' Even when you're a high performer, you're a chance."



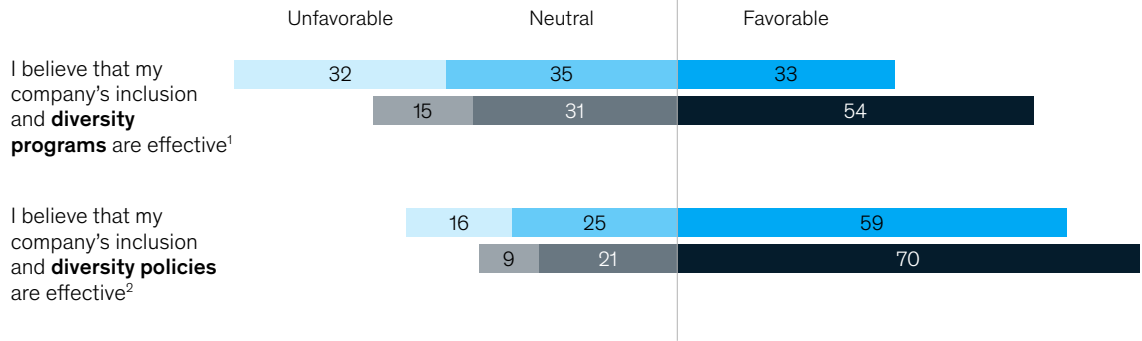
© JGI/Tom Grill/Getty Images

Exhibit 17

One-third of Black employees believe their company’s diversity programs are effective.

Inclusion statements on advocacy, % of employees

■ Black employees
 ■ White employees



Note: Figures may not sum to 100%, because of respondents who answered "N/A."
¹Programs include allyship initiatives, sponsorship programs, and unconscious-bias training.
²Policies include leave of absence, paid parental leave, job accommodations, and work-from-home flexibility.
 Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix)

prejudice. In addition, Black employees rate their coworkers lower on listening to ideas and opinions that differ from their own, with a 15-percentage-point gap between Black and white employees.

Companies that can effectively address their Black employees’ feelings of distrust and lack of support will likely also improve the experience of other segments. This concept, known as the curb-cut effect, illustrates how laws and programs designed to benefit vulnerable groups, such as people with disabilities or people of color, often end up benefiting all.⁸ For example, seat-belt laws, which originally targeted young children, have saved more than 300,000 lives since 1975. More broadly, the curb-cut effect shows how investments in the well-being of one segment can create a more just society for all.

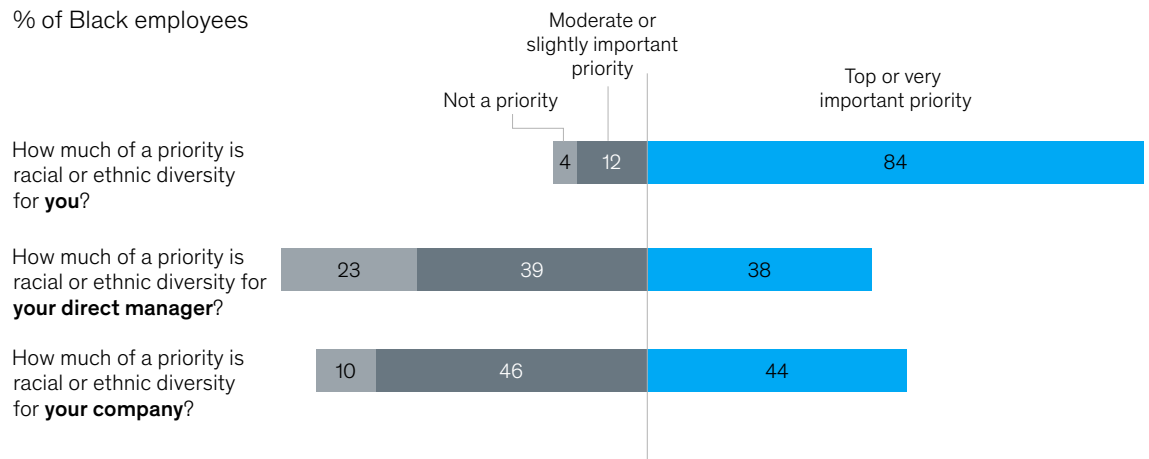
A number of bright spots suggest opportunities for improvement

Several positive findings could offer lessons on how to improve outcomes across companies. First, most employees (including Black employees) feel their work is personally meaningful (Exhibit 21). Black employees overwhelmingly say that they are helping their companies succeed (90 percent) and that their work gives them a sense of purpose (77 percent) and accomplishment (80 percent).

⁸ Angela Glover Blackwell, "The curb-cut effect," *Stanford Social Innovation Review*, Winter 2017, ssir.org.

Exhibit 18

Less than half of Black employees feel that racial diversity is a top priority for their manager or company.



Note: Figures may not sum to 100%, because of respondents who answered "N/A."
Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix)

While most Black employees feel that employee resource groups (ERGs) are effective in creating a sense of community, most do not feel that ERGs provide a channel to leadership or help advance their career.

"It's a social group, but it's not like it gives me leverage."

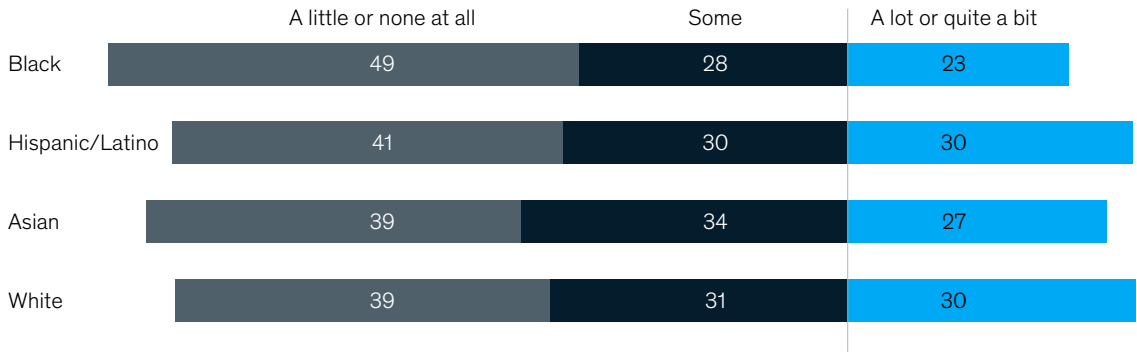


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Exhibit 19

The majority of employees don't feel adequately supported by their company when it comes to career progression and advancement.

How much support do you receive to advance?, % of respondents

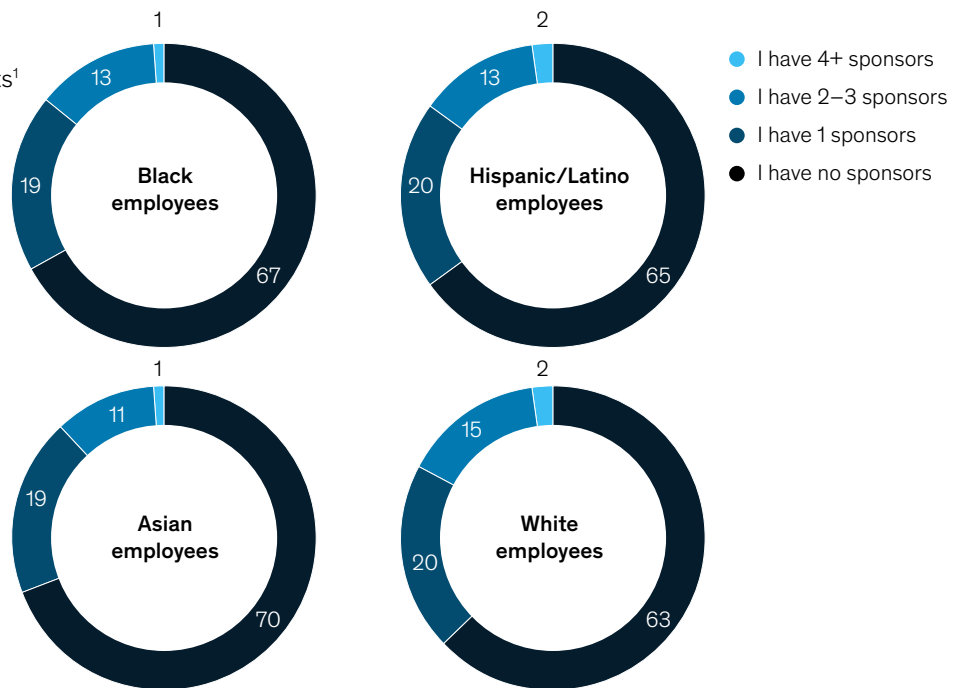


Note: Figures may not sum to 100%, because of rounding.
 Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix).

Exhibit 20

67% of Black employees and 63% of white employees report not having a sponsor.

Access to sponsorship,
 % of respondents¹



¹“respondents” does not include frontline hourly and frontline salary employees.
 Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix).

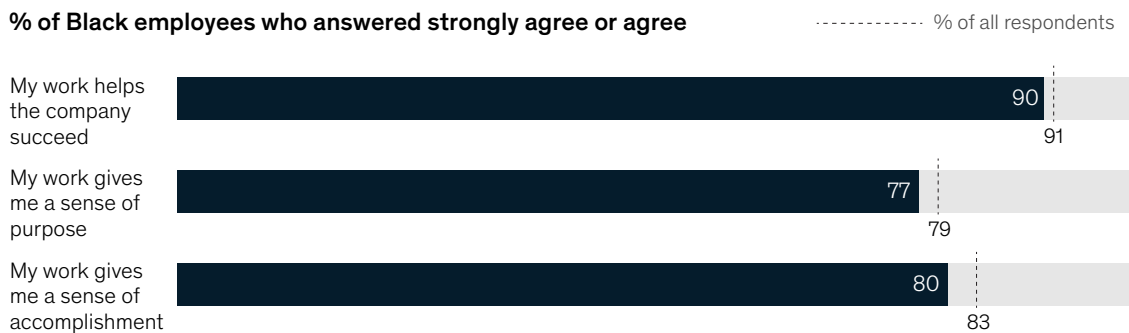


Once employees advance, they need support to help them succeed in new roles, yet only 39 percent of companies accompany promotions with formal coaching and mentoring.

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Exhibit 21

Black employees find meaning in their work.



Source: Race in the Workplace Participating Companies survey (n=24,842 employees), McKinsey analysis (more explanation of survey and analysis methodology discussed in the technical appendix).

In addition, more than 80 percent of Black employees say they are interested in advancing in their companies, but they lack the necessary support. These findings suggest that Black workers have both the ambition and desire to contribute to their companies but that the current systems and culture are inadequate. Despite these shortcomings, companies have an opportunity to build on these sentiments. Even minimal improvements could start to show results.

Last, the variability in representation among our participating companies also suggests reasons to be optimistic. Although no company has solved the challenge of increasing Black representation at all job levels, many have made significant inroads at specific points in the pipeline. Their successes could hold the key to more favorable outcomes across the private sector.

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03



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A path forward

Achieving equity for Black workers in the private sector requires addressing many facets, including geography, industry, types of jobs, and the everyday workplace and culture challenges. Given the scale and complexity of the challenges, companies will need to work together and more boldly to see material changes.

In this section, we summarize ten key challenges based on the findings of this report, identify some bright spots to build on, and detail several no-regrets actions companies can take. We also discuss the further learning, research, and collaboration that companies and other stakeholders must undertake to make progress.

Ten key challenges must be addressed to create opportunities

The impact of greater access to opportunity and advancement would be far-reaching for the 15 million Black workers currently engaged in the private sector. On the current trajectory, it will take about 95 years for Black private-sector workers to reach 12 percent representation (or talent parity) across all levels in the private sector.¹ It is not just addressing the barriers, it is also assuming performance of the best company at each stage.

As a PolicyLink article puts it, “Inequality is baked deep into our current capitalist society.”² Many researchers also see these challenges as rooted in the socioeconomic history of the United States with respect to race.³ Education, often proposed as a solution, is important and foundational. But as research on outcomes for different segments of workers with equivalent levels of education has demonstrated, education alone is not enough.⁴

Across parts 1 and 2 of this report, we looked at the structural labor market challenges and workplace hurdles that Black workers face. Our findings suggest that to make progress, companies and other stakeholders should pursue actions to address the following ten key challenges:

1. **Higher unemployment for Black workers compared with other workers.** If employment rates for Black workers were in line with those of the rest of the labor force, the private sector would currently have an additional 480,000 Black employees. Reaching this aspiration would require closing opportunity gaps between Black workers and others of similar backgrounds.
2. **Geographic mismatches between Black workers and opportunity.** Most Black workers do not live in the communities with the highest economic and job growth. Fewer than one in ten Black workers live in the country’s highest-

¹ If the average promotion, attrition, and external hiring rates across the participating companies remain the same for all races, it would take about 95 years for managerial jobs (managers, senior managers, VPs, SVPs, and executives) to reach 12 percent Black representation overall.

² Greg Hills et al., “A CEO blueprint for racial equity,” PolicyLink, July 2020, policylink.org.

³ Dedrick Asante-Muhammad et al., *Dreams deferred: How enriching the 1% widens the racial wealth divide*, Institute for Policy Studies, January 2019, inequality.org; Abigail Thernstrom and Stephan Thernstrom, “Black Progress: How far we’ve come, and how far we have to go,” Brookings Institution, March 1, 1998, brookings.edu.

⁴ William R. Emmons and Bryan J. Noeth, “Why didn’t higher education protect Hispanic and Black wealth?,” Federal Reserve Bank of St. Louis, August 5, 2015, stlouisfed.org.

growth geographies. Perhaps economic growth and private-sector job growth could be spurred in areas where Black workers live.

3. ***Underrepresentation of Black workers in faster-growing, higher-wage industries.*** Representation parity across industries would result in an additional 380,000 Black workers in higher-wage and faster-growing industries, such as information, professional, and business services.
4. ***Underrepresentation of Black workers in higher-wage jobs.*** Currently, 43 percent of Black workers—approximately 6.5 million people—make less than \$30,000 annually, compared with 29 percent of the rest of workers. If Black workers were equally represented in jobs across wage levels, an additional two million Black workers would make \$30,000 or more.
5. ***Underrepresentation of Black workers in the most in-demand jobs.*** Representation parity for in-demand, faster-growing jobs would translate to an additional 380,000 Black workers in IT, engineering, and the life, physical, and social sciences. It would also result in an additional 330,000 Black workers in the construction trades—the jobs in highest demand.⁵
6. ***The disproportionate impact of technology and future of work trends on Black workers.*** About one-third of Black workers, or five million people, are in jobs that will likely be vulnerable to automation over the next decade. Given the disproportionate impact on Black workers, a key consideration is to accelerate reskilling and support occupational transition.
7. ***A double broken rung with lower odds of advancement and higher attrition for frontline and entry-level jobs.*** Black employees represent 18 percent of all frontline employees, 12 percent of entry-level corporate workers, and 7 percent of managerial employees in the participating company data set. Moreover, there is a revolving door in entry-level jobs and a broken rung on the ladder to managerial positions.
8. ***Low Black representation in executive levels.*** Black employees occupy 6 percent of executive-level jobs among our participating companies, but only 3 percent across the entire private sector. Other studies have resulted in similar findings. Representation is even lower among the Fortune 500, where there are only four Black CEOs. At 12 percent parity, the total would be 60.
9. ***A trust deficit among Black employees toward their company.*** This deficit stems from a perception that promotions are not based on merit, leaders and companies have limited interest in diversity, and Black employees are not encouraged to bring their full and authentic selves to work. If the level of distrust among Black employees at our participating companies held true across the entire private-sector workforce, more than ten million Black employees would distrust their companies' commitment to diversity and/or promotion practices.
10. ***Lack of managerial sponsorship and allyship for Black employees.*** Only one in three Black employees report that they have a sponsor, and fewer than one in four report that they have the support they need to advance—even though 87 percent of our participating companies report that they have a sponsorship program in place.

⁵ Talent Shortage Survey, ManpowerGroup, 2020, manpowergroup.com.



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Pockets of progress suggest opportunities to build on

Our research reinforces the complexity of these challenges, but we also found some rays of hope that represent opportunities for further progress.

- Over the past 25 years, Black representation in the US private sector has increased from 10 to 12 percent. While this rise tracks with overall growth in the Black labor force over the same period, it nevertheless represents absolute progress.
- The transportation industry has both a high share of Black workers (15 percent) and a relatively high percentage of jobs that pay more than \$30,000 a year (81 percent).
- Black directors in our participating companies have nearly achieved parity (11 percent), showing that concerted efforts can improve representation.
- In the first half of 2020, the promotion rate for Black employees among our participating companies was slightly above average for most corporate jobs, an encouraging trend with implications for representation at the upper levels of the organization.
- Black workers overwhelmingly report that they are helping their companies succeed and that their work gives them a sense of purpose and accomplishment, suggesting that they feel strongly connected to their jobs in spite of workplace challenges.
- Some participating companies achieved 12 to 17 percent Black representation at the manager, senior manager, and senior vice president levels. Although no company has consistent representation across levels, these higher numbers suggest that 12 percent parity at managerial levels is attainable.

Companies can take several no-regrets actions

As companies seek to diversify their own workforces and cultures, our research, and that of others, suggests the following no-regrets moves for companies to consider (see sidebar, “Questions to consider”).

Define your company’s aspiration for advancing racial equity—including steps to address structural barriers

Companies should begin by identifying their overall goals for improving Black representation in the workplace, using their purpose, values, and strengths as inputs. Companies should reflect on their goals through two lenses:

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- **Internal aspiration.** This could include measures such as representation at each level of the pipeline, an inclusive environment where Black workers feel supported by peers and leaders, and equitable access to opportunity.
- **External aspiration.** This could include a vision for the company's role in advancing opportunity for Black workers across the private sector (for example, leading coalitions focused on training in in-demand fields). In addition to helping solve society-wide challenges, these external aspirations play an important role in signaling an organization's commitments to current workers.

Understand your company's current state of DE&I, taking into account industry and geographic context

Executives could develop a quantitative understanding of representation and inclusion that includes a sufficiently granular view of programs and outcomes to identify pockets of success as well as challenges. In addition to understanding the organization's starting point, leaders should consider investigating the contexts in which they operate.

- If a company has headquarters in a city with a Black population of 20 percent, how does that affect its aspirations for Black representation in management jobs?
- If a company has headquarters in a city with a Black population of 7 percent or less, how does that influence future location decisions (for example, the location of a new regional tech hub)?
- Are there actions a company can take to influence overall representation in its industry?

Strategically prioritize interventions

While each company will have its own set of prioritized interventions, leaders should ensure that they are addressing necessary changes at the company, leader, and peer levels.

- **Building trust at the company level by executing on the basics.** To earn the right to address inclusion, companies must first have the foundational policies, programs, and senior-level support in place. Fewer than half of Black

employees in our data set believe that racial diversity is a top or very important priority for their companies.

- **Empowering and equipping leaders to develop and advance Black workers.** Companies can equip leaders—especially managers of entry-level employees—to identify and support workers with the potential to move into more senior jobs. For example, companies should create incentives to encourage leaders to invest time in sponsoring and mentoring employees.
- **Developing peer relationships.** More than two-thirds (67 percent) of our respondents cited employee resource groups as an effective tool in building community. Those efforts can be reinforced. At the same time, more than 75 percent of Black employees in our participating companies say broader allyship is lacking. Companies can launch programs to address this dimension.

Reinforce and scale what works—and reimagine what doesn't

Our research found that companies are investing in a range of DE&I programs, but results have been mixed. A clear-eyed reevaluation can uncover opportunities for improvement and identify effective initiatives to build on. For example, if some assessments have successfully diversified hiring and promotions at the officer level, how can those lessons be applied to promotions to the first levels of management?

At the same time, some programs may need to be reimaged if progress has been too slow or if they are not scaling sufficiently to achieve the desired outcomes. Companies should diagnose the underlying factors impeding a program's effectiveness—such as awareness, incentives, or skills—and redesign it accordingly.

Track progress to increase accountability—and share successes

Companies should continually monitor progress against the big picture. Companies can also identify emerging bright spots, analyze the root causes of their success, and use them as a foundation for scaling more broadly within the organization—and beyond.

Questions to consider

Executives can ask themselves the following questions to assess their organization's progress and identify areas for improvement.

- What is the representation of Black workers in my company and in the communities where my company operates?
- What unique capabilities does my company bring to the table?
- Given my company's context, how do we make a difference?
- How do we create a more welcoming, supportive environment for our frontline and entry-level employees?
- Are our policies and programs effective? If so, how do we scale and broaden? And if not, why aren't they working?
- Are we doing the basics right? Do our employees genuinely care about one another?

Companies and other stakeholders can chart a collective path forward

In addition to actions by individual companies, a more concerted effort may be required. According to John Kania, Mark Kramer, and Peter Senge, system-level change is required to “shift the conditions that hold the problem in place.”⁶ Companies should consider the following efforts to build broader momentum for effecting system-level change.

Share best practices on effective programs

DE&I strategies are difficult to get right, but some companies have had success with specific initiatives. By sharing what works with other organizations, companies can accelerate learning and progress.

Pursue collaborative efforts to galvanize collective action

The complexity of the challenge demands more from companies than purely internal efforts. Progress cannot be made in silos. Rather, companies could

bring in stakeholders—including scholars and representatives of the public and social sectors—as collaborators. Companies can consider the following arenas, among others, for collaboration:

- *Training and employment in high-potential, high-growth career paths.* For example, some companies are forming coalitions with other companies, local nonprofits, and others in the workforce-development sector to better connect workers to training and sustainable career pathways.
- *Industry-specific programs to bolster diverse talent pipelines.* For example, Black professional societies (such as the National Society of Black Engineers) and field-specific student organizations (such as ColorStack for IT) can provide important support along the talent pipeline for Black workers in under-represented fields. They can also work in collaboration with employers.

⁶ John Kania, Mark Kramer, and Peter Senge, *The water of systems change*, FSG, May 2018, fsg.org.

- *Location-based strategies for economic inclusion.* The private sector can play an important role in providing job and career opportunities in underserved communities. Effective location-based strategies require coordination among companies and other stakeholders—including providers of training, housing, healthcare, and transit; community leaders; and funders who are prepared to co-invest in the community.⁷

Commit to continued investment and research

There is a wide range of research and a growing body of analysis on systemic racism, its impact on employment, and the types of system-level solutions required. (See additional resources.) The value of such efforts rises significantly as the number of participating companies increases, so we call on companies to continue to provide information and access to this research. In particular, we advocate for continued research in the following areas:

- *Root causes of poor outcomes for Black workers in the private sector.* The reexamination of programs launched over the past 20 years (for example, company-level DE&I programs, industry-level initiatives, and community-level training) may help companies understand the underlying reasons why these programs have had limited effectiveness.
- *Effective ways to scale interventions that have shown success.* Many companies have invested in multiple DE&I efforts, often with mixed or inadequate results, suggesting a need for more research and learning.⁸ We encourage further

research into the programs that work (such as sponsorship) and the underlying mindsets and behaviors that support them to shed light on the best way to scale.

- *Progress and developments over time.* Longitudinal research could help to track and identify promising trends, while research on best practices could support knowledge sharing.

We see this report as the first step in an ongoing effort: it is undoubtedly incomplete, and much more work remains to be done. Our initial findings suggest some areas for further examination. First, we have analyzed the outcomes but not the root causes behind Black representation in the private sector. Second, we recognize the value of tracking progress versus the current state of representation and inclusion featured in this report, which provides a foundation for future analysis.

Advancing racial equity in the workplace is a system-level challenge—ranging from the structural inequities of geography to underrepresentation in industries and jobs that could create additional opportunity to the behaviors of the workplace itself. As a report from the Racial Equity Institute puts it, “Our systems, institutions, and outcomes emanate from the racial hierarchy on which the United States was built. In other words, we have a ‘groundwater’ problem, and we need ‘groundwater’ solutions.”⁹

Companies have an important role to play, along with other stakeholders. While we don’t have all the answers, we hope that this paper helps to inform the conversation about the path forward.

⁷ Ryan Nunn and Jay Shambaugh, *Place-based policies for shared economic growth*, Brookings Institution, September 2018, brookings.edu.

⁸ Frank Dobbin and Alexandra Kalev, “Why diversity programs fail,” *Harvard Business Review*, July–August 2016, hbr.org.

⁹ Deena Hayes-Greene and Bayard Love, *The groundwater approach: Building a practical understanding of structural racism*, Racial Equity Institute, 2018, racialequityinstitute.com.

Technical appendix

policies-and-programs data. Approximately 25,000 employees from 12 of the participating companies were surveyed on their workplace inclusion experience. In addition, focus groups were conducted with 52 people, at all levels in their companies who identify as Black. We conducted interviews with 17 DE&I and HR leaders. Participation in the Employee Experience Survey was encouraged but optional. All data collection occurred from September 2020 to January 2021. Talent pipeline data reflect the representation of employees as of June 30, 2020, as well as personnel changes (for example, due to promotion, hiring, or attrition) during the first half of calendar year 2020. HR professionals provided information on policies, programs, and priorities on behalf of their companies, and employees were surveyed from September 2020 to January 2021 on their workplace experiences. These data sets represent point-in-time snapshots and reflect companies' responses and employees' experiences at the time that the survey was taken. We did not collect employees' direct personal identifiers (for example, name, employee ID, and email address) from companies or through the survey.

Pipeline data and analytics

Overall metrics

All pipeline metrics (for example, representation, promotion rates, hiring shares, or attrition rates) were initially calculated for each participating company. Aggregate results across companies were then calculated by taking the unweighted average of the representation, promotion rates, hiring shares, and attrition rates of all companies.

Definition of job levels

Companies categorized their employees into nine levels based on the following standard definitions, taking into account reporting structure and salaries. The levels and definitions provided were as follows:

- *LO—Board of directors.* Official directors of the board, responsible for organization and management

Methodology

Part 1 of this report is based on economic and labor research of workers in the United States with specific focus on the U.S. private sector. Sources consulted are the Bureau of Labor Statistics Occupational Employment Statistics (2019), the Bureau of Labor Statistics Current Population Survey (2019), the Equal Employment Opportunity Commission, EEO-1 data (2018), the Quarterly Census of Employment and Wages, and Moody's Analytics. The data from those sources were combined with data from the United States Census Bureau American Community Survey (2019) to help gain perspective on Black employment in the private sector. Research data predate the impact of the COVID-19 crisis on the US labor force, so these effects are not reflected in Part 1 of this report.

Part 2 of this report is based on research from 24 companies, which collectively employ 3.7 million workers and represent the bulk of major industries across the United States. Participating companies submitted talent pipeline and

- *L1—Executives.* CEO and direct reports to the CEO, responsible for company operations and profitability
- *L2—Senior vice presidents and other similar jobs.* Senior leaders within the organization with significant business-unit or functional oversight
- *L3—Vice presidents and other similar jobs.* Leaders within the organization, responsible for activities or initiatives within a subunit of a business unit or function, or who report directly to senior vice presidents
- *L4—Senior managers.* Seasoned managers and contributors, responsible for multiple teams and discrete functions or operating units
- *L5—Managers.* Junior managers and contributors, responsible for small teams or functional units or operations
- *L6—Entry level.* Employees responsible for carrying out discrete tasks and participating on teams, typically in an office or corporate setting
- *L7A—Field or frontline (hourly).* Hourly operational or customer-facing jobs, usually trained on the job and not requiring specialized credentials
- *L7B—Field or frontline (salaried).* Salaried operational or customer-facing jobs, usually trained on the job and not requiring specialized credentials

Metrics and analytics

Talent-pipeline data included the representation of race and ethnicity (overall and by gender). Additionally, companies reported the number of individuals of each race who were hired, promoted, or left the company (overall and by gender). Promotion and attrition rates were calculated for each race overall and by gender at each level. Promotion rates were calculated by dividing the number of promotions of individuals of that race

into a given level by the number of individuals of that race at the same level. Attrition rates were calculated by dividing the number of individuals of each race who left the company at a given level by the number of individuals of that race at that level.

Employee experience survey and analytics

Survey participation

Nearly 25,000 employees from 12 companies elected to participate in the Employee Experience Survey. The survey questions covered multiple themes (for example, sponsorship, mentorship, feedback, advancement, and Employee Resource Groups), as well as demographic questions (for example, age, race, gender, and sexual orientation). The survey also incorporated McKinsey's Inclusion Assessment.

Bivariate and multivariate statistical reporting

Survey results were reported as an unweighted, pooled average of responses across companies. Many of the questions offered a five-point, labeled response scale (for example, "strongly disagree" to "strongly agree"). Unless otherwise specified, analyses aggregated the top two and bottom two boxes of the response scale (for example, "somewhat agree" and "strongly agree"). Where we highlight differences between races or other groups, we highlight only those differences that are substantial and reliable. To that end, all differences noted in this report are statistically significant at a confidence level of 95 percent (using a two-tailed test) and reflect a difference of at least five percentage points between two groups.

Inclusion Assessment

Methodology behind the Inclusion Assessment

McKinsey's Inclusion Assessment provides two ways to help us understand the state of inclusion: scores and gaps. Inclusion scores show the perceptions of inclusion indicated by a percentage of favorable responses. Gaps show the score differences between employee groups (for example, in-groups and out-groups) that represent inconsistency of experiences.

There are four measures of inclusion in the assessment:

- *Overall inclusion score.* This reflects the degree to which an organization's processes, systems, and people foster a welcoming and fair environment for all employees to be themselves, make connections, and meaningfully contribute. It is measured by averaging all enterprise and individual-level scores.
- *Subscores.* Enterprise perception subscores tell us how employees view the strength of acceptance, camaraderie, and fairness across all groups of the enterprise. Individual experience subscores tell us how employees personally feel encouraged to bring their full, authentic selves to work (authenticity and belonging) and feel empowered to make meaningful contributions (meaningful work).
- *Inclusion outcome scores.* These tell us the effectiveness of shaping an inclusive organization and are measured by percentage of favorable responses on an agreement scale. Examples include acceptance, authenticity, and belonging.

- *Inclusion practice scores.* These show the occurrence of behaviors and actions that drive inclusiveness and are measured by percentage of favorable responses on a frequency scale. Examples include work-life support, meritocracy, protective mechanisms, team building, and so on.

HR programs and policies

Human resources professionals from 23 companies provided information on racial diversity policies and programs on behalf of their companies. We report the percentage of companies that have a program, policy, priority, or position out of the total number of companies that submitted these types of data.

Focus group interviews

The insights on experience in this report come from the surveys conducted across the participating companies. In addition, we also conducted focus group interviews to also hear directly from a few employees. Four-person focus group interviews were conducted with 26 women and 26 men, each of whom identified as Black, from six of the participating companies. Interviewees were volunteers selected to reflect a range of levels

Outcome scores	All employees (n = 24,842)	Black employees (n = 2,307)	White employees (n = 16,535)	Hispanic/ Latino employees (n = 2,200)	Asian employees (n = 2,505)
Overall	75	64	78	72	75
Enterprise perception	70	55	74	66	69
Acceptance	75	53	80	70	74
Camaraderie	73	63	76	69	72
Fairness	61	48	65	59	60
Personal experience	80	73	82	78	81
Authenticity	76	64	80	73	79
Belonging	79	71	82	77	80
Meaningful work	84	82	85	84	85

Practice scores	All employees (n = 24,842)	Black employees (n = 2,307)	White employees (n = 16,535)	Hispanic/ Latino employees (n = 2,200)	Asian employees (n = 2,505)
Self-expression	69	55	73	64	67
Participative decision making	69	60	71	66	69
Protective mechanisms	81	71	84	76	76
Connection opportunities	27	27	27	27	31
Team building	55	47	56	55	60
Impartial treatment	65	54	68	63	65
Meritocracy	54	40	57	52	54
Resource accessibility	44	37	45	44	43
Allyship	31	21	33	30	33
Idea integration	73	60	76	70	73
Advocacy	77	69	80	74	76
Mutual respect	84	71	87	82	84
Peer support	83	75	85	78	82
Mentorship	45	35	47	46	46

and functions. Our interviews focused on racial workplace experiences in order to gain a deeper understanding of the quantitative findings from the employee survey. Individual names, company names, and any other identifying information were kept strictly confidential, and no individuals are identified or intended to be identifiable in connection with this report. Additionally, we interviewed 17 DE&I and HR leaders from participating companies. Within the quotes, some identifying details may have been altered or withheld to protect the speaker's anonymity.

Future of Work in America

This report draws on data and research done in *The future of work in America: People and places, today and tomorrow*. That report built extensive county- and city-level databases, combining data from public and private sources to evaluate the historical trajectory, current state, and future prospects of each US community. The future of work in America also assessed each one based on more than 40 variables related to economic health, labor-market characteristics, industry mix and business

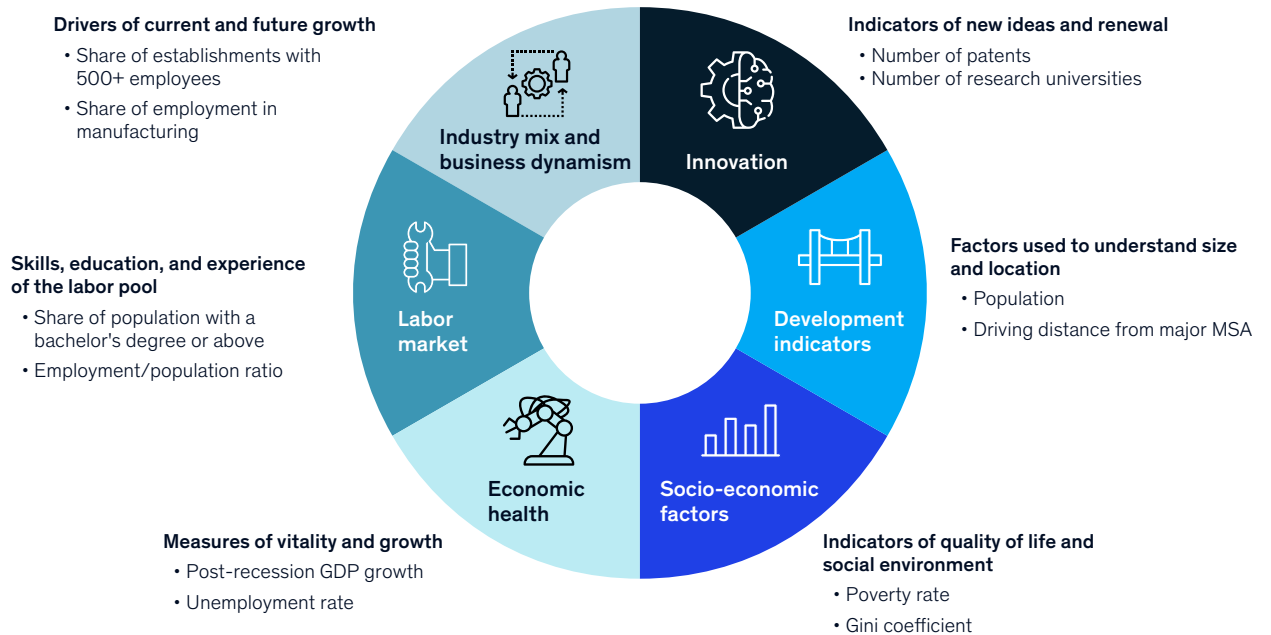
dynamism, innovation, development indicators, and socioeconomic factors (Exhibit 2). The data clustered all 3,149 counties across the country, and it resulted in 13 county archetypes (Exhibit 1). The

following exhibits provide a brief summary on the community archetypes. More details can be found in the original report.

Exhibit 1

The future of work in America report uses more than 40 variables to segment cities and counties into 13 archetypes.


Example variables



Source: [The future of work in America: People and places, today and tomorrow](#)

Exhibit 2

Community segments have varying demographic and economic profiles.

Better  Worse

		Examples	Economic indicators					Industry mix	Labor market	
			Household income, \$ thousands	GDP growth, 2012–17, CAGR	Empl. growth, 2012–17, CAGR	Net migration 2010–17 ¹ , %	Poverty rate, %	GDP in high-growth industries, %	Pop. over age 55, %	Pop. with BA or higher, %
Urban core	Megacities 12 cities, 74.3M people	New York, NY San Francisco, CA	68.8	2.5	2.2	3.2	14.2	48.0	24.5	38.5
	High-growth hubs 13 cities, 21.6M people	Seattle, WA Austin, TX	65.6	3.7	3.0	7.4	13.4	44.4	23.1	40.0
Periphery	Urban periphery 271 counties, 52.2M people	Arlington, VA Riverside, CA	69.0	2.5	2.1	4.1	10.2	29.6	28.0	29.4
Niche cities	Small powerhouses 11 cities, 5.0M people	Provo, UT Reno, NV	63.5	4.9	3.6	8.7	12.0	35.3	24.8	33.5
	Silver cities 19 cities, 6.8M people	The Villages, FL Prescott, AZ	53.7	2.4	2.7	11.9	13.3	40.7	40.4	29.2
	College-centric towns 26 cities, 6.1M people	Chapel Hill, NC South Bend, IN	55.1	1.9	1.7	3.7	18.9	38.1	23.5	43.2
Mixed middle	Stable cities 36 cities, 39.3M people	Detroit, MI Columbus, OH	55.6	1.6	1.4	0.6	15.7	41.2	26.3	32.1
	Independent economies 94 cities, 26.0M people	Little Rock, AR Providence, RI	57.9	2.0	1.6	3.3	13.7	36.7	27.4	29.3
	America's makers 50 cities, 11.2M people	Grand Rapids, MI Greensboro, NC	52.7	1.6	1.2	0.2	14.4	29.4	28.0	25.0
Low-growth and rural areas	Lagging cities 54 cities, 14.8M people	Bridgeport, CT Flint, MI	53.2	0.3	0.3	-2.0	16.4	33.7	26.8	24.2
	Americana 1118 counties, 44.0M people	Cameron, TX Caddo Parish, LA	48.7	1.1	0.5	-1.1	15.4	23.5	31.6	19.2
	Distressed Americana 972 counties, 18.1M people	Coahoma, MS Pittsylvania/ Danville, VA	38.9	0.5	0.0	-2.4	20.8	23.0	33.9	15.9
	Rural outliers 192 counties, 1.5M people	Kauai County, HI Juneau Borough, AK	57.5	1.1	0.0	-1.2	10.4	21.3	34.2	22.5

¹ Calculated as total net migration from 2010 to 2017, divided by 2017 population

Source: [The future of work in America: People and places, today and tomorrow](#)

Full list of industries and corresponding NAICS designations

Industries included	NAICS code	Example subindustries
Accommodation and food services	72	Accommodation, food services and drinking places
Administrative	56	Administrative and support services, waste management and remediation services
Arts, entertainment, and recreation	71	Performing arts, spectator sports, and related industries; amusement, gambling, and recreation industries
Construction	23	Construction of buildings, specialty trade contractors
Education	61	Educational services
Finance	52	Insurance carriers and related activities, funds, trusts, and other financial vehicles
Forestry and logging	11	Crop production, animal production, and aquaculture
Healthcare	62	Ambulatory healthcare services, hospitals, social assistance
Information	51 ¹	Publishing industries (except Internet); data processing, hosting, and related services
Management	55	Management of companies and enterprises
Manufacturing	31–33	Food manufacturing, textile mills, computer and electronic product manufacturing
Mining	21	Oil and gas extraction, mining
Professional services	54	Professional, scientific, and technical services
Real estate	53	Real estate, rental and leasing services
Religious and civic	81	Repair and maintenance, personal and laundry services, religious, grantmaking, civic, and similar organizations
Repair and maintenance		
Personal services		
Retail	44–45	Food and beverage stores, clothing and clothing accessories stores, gasoline stations
Transportation	48–49	Air transportation, water transportation
Utilities	22	Utilities
Wholesale	42	Merchant wholesalers: durable goods, wholesale electronic markets, and agents and brokers

¹ Tech-related jobs fall under 51 (Information) and 54 (Professional services).

EEO job classifications and examples

The Equal Employment Opportunity Commission EEO-1 data, which is based on filings from all companies with more than 100 employees, enables

for a comparison by both industry and job classification. EEO-1 includes nine job classifications based on responsibilities and primary duties, knowledge and training and level of skill the job requires. We analyzed this data to understand the intersection between the industries where Black workers are concentrated and their job classifications.

Job classification	Example job titles
Managers and executives	CEO, CIO, managing partners, presidents, VPs, directors, managers
Professionals	Lawyers, accountants, pilots, nurses, chemists, designers, teachers
Technicians	Drafters and surveyors, emergency medical technicians, broadcast and sound engineering technicians
Sales workers	Insurance sales agents, telemarketers, retail salespersons, cashiers
Office and clerical workers	Office support workers, auditing clerks, cargo and freight agents, desktop publishers
Craft workers	Automotive mechanics, carpenters, electricians, painters, plumbers
Operatives	Butchers, factory bakers, industrial forklift operators, laundry workers, textile workers, truck drivers
Laborers	Construction laborers, freight movers, groundskeepers, septic tank servicers, vehicle cleaners
Service workers	Hairdressers, janitors, cooks, medical assistants, ushers, police, guards, private detectives

BLS occupational groups and examples

The Bureau of Labor Statistics Occupational Employment Statistics provides the occupation group for workers across industries.

Occupational groups	Example occupations
Architecture and engineering	Landscape architects, electrical engineers, nuclear engineers, surveyors
Arts, design, entertainment, sports, and media	Artists, fashion designers, actors, athletes, musicians, writers, photographers, lighting technicians
Building and grounds cleaning and maintenance	Building cleaning workers, pest control workers, grounds maintenance workers

Occupational groups (continued)	Example occupations (continued)
Business and financial operations	Business operations specialists, logisticians, financial specialists, loan officers
Community and social service	Social workers, religious workers, marriage and family therapists
Computer and mathematical	Computer systems analysts, computer programmers, actuaries, statisticians
Construction and extraction	Boilermakers, tile and stone setters, electricians, glaziers, construction laborers, pipelayers
Educational instruction and library	Postsecondary teachers, preschool teachers, special education teachers, librarians, archivists
Farming, fishing, and forestry	Agricultural workers, logging workers, forest and conservation workers
Food preparation and serving related	Cooks, waiters, bartenders, dishwashers, hosts and hostesses
Healthcare practitioners and technical	Dentists, pharmacists, veterinarians, general internal medicine physicians, health technicians, licensed vocational nurses
Healthcare support	Psychiatric aides, orderlies, home health aides, massage therapists, medical assistants, pharmacist aides
Installation, maintenance, and repair	Electrical installers, equipment mechanics, vehicle and mobile equipment mechanics, home appliance repairers
Legal	Lawyers, judges, paralegals
Life, physical, and social science	Microbiologists, epidemiologists, astronomers, chemists, hydrologists, historians
Management	Chief executives, marketing and sales managers, financial managers, food service managers
Office and administrative support	Switchboard operators, brokerage clerks, new accounts clerks, dispatchers, couriers, messengers
Personal care and service	Animal care and service workers, embalmers, funeral attendants, personal appearance workers, childcare workers
Production	Assemblers, fabricators, food processing workers, metal workers, welding workers, printing workers
Protective service	Firefighters, law enforcement workers, animal control workers, security guards
Sales and related	Cashiers, travel agents, models, real estate brokers, door-to-door sales workers, telemarketers
Transportation and material moving	Motor vehicle operators, water transportation workers, traffic technicians, parking attendants

Additional resources

This report makes references to a number of resources that may be helpful for companies. The following list includes those resources and others for insight into the context, workplace experience, and DE&I programs for Black workers in the private sector:

Organizations:

- *PolicyLink*—a national research and action institute advancing racial and economic equity by Lifting Up What Works®.
- Greg Hills et al., [A CEO blueprint for racial equity](#), PolicyLink, July 2020, [policylink.org](#).
- Fay Hanleybrown et al., [Advancing frontline employees of color: Innovating for competitive advantage in America's frontline workforce](#), FSG and PolicyLink, [fsg.org](#).
- *Racial Equity Institute*—an alliance of trainers, organizers, and institutional leaders who have devoted themselves to the work of creating racially equitable organizations and systems.

- Bayard Love and Deena Hayes-Greene, *The groundwater approach: Building a practical understanding of structural racism*, The Racial Equity Institute, [racialequityinstitute.com](#).
- Chris Westfall, “Speaking up against discrimination and racism in the workplace,” *Forbes*, March 2020, [racialequityinstitute.com](#).

Research on the labor market:

- George Wilson and Bryan Lagae, “Race and the dynamics of men’s mobility into management from working class jobs,” August 2017, [link.springer.com](#).
- Valerie Wilson, “Racism and the economy: Focus on employment,” Economic Policy Institute, November 21, 2020.
- Sophie Tripp and Yariv Fadlon, “Promotions and race: An analysis of wage returns and job satisfaction,” *Labour*, November 2019, Volume 34, Number 3, [researchgate.net](#).

- Conrad Miller, *When work moves: Job suburbanization and Black employment*, National Bureau of Economic Research working paper, number 24728, June 2018, nber.org.
- Mary Daly, Bart Hobijn, and Joseph Pedtke, “Labor market dynamics and Black–white earnings gaps,” *Economics Letters*, January 2020, Volume 186, Number 108807, sciencedirect.com.
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- Susan Lund, James Manyika, Liz Hilton Segel, André Dua, Bryan Hancock, Scott Rutherford, and Brent Macon, [The future of work in America: People and places, today and tomorrow](#), July 2019, McKinsey.com.
- Kelemwork Cook, Duwain Pinder, Shelley Stewart, Amaka Uchegbu, and Jason Wright, [“The future of work in Black America,”](#) October 2019, McKinsey.com.
- Chuck Collins et al., *Dreams deferred: How enriching the 1% widens the racial wealth divide*, Institute for Policy Studies, January 2019, inequality.org.

Research on workplace inclusion:

- Wharton Stories, “Race and work in 2020: Combating microaggressions and bias in the remote workplace,” entry by Erin Lomboy, October 9, 2020, wharton.upenn.edu.
- Dnika J. Travis, Jennifer Thorpe-Moscon, and Courtney McCluney, *Emotional tax: How Black women and men pay more at work and how leaders can take action*, Catalyst, October 2016, catalyst.org.

Research on DE&I programs:

- Earl Fitzhugh, JP Julien, Nick Noel, and Shelley Stewart, [“It’s time for a new approach to racial equity,”](#) December 2020, McKinsey.com.
- Frank Dobbin and Alexandra Kalev, “Why diversity programs fail,” *Harvard Business Review*, July 2016, hbr.org.
- David Pedulla, “Diversity and inclusion that really work,” *Harvard Business Review*, May 12, 2020, hbr.org.
- “What works: Evidence-based ideas to increase diversity, equity, and inclusion in the workplace,” Center for Employment Equity, 2020, umass.edu.
- Alexandra Kalev and Frank Dobbin, “Companies need to think bigger than diversity training,” *Harvard Business Review*, October 2020, hbr.org.
- Laura Morgan Roberts and Anthony J. Mayo, “Toward a racially just workplace,” *Harvard Business Review*, November 2019, hbr.org.

Research on COVID-19 impacts:

- Laura Morgan Roberts and Courtney L. McCluney, “Working from home while Black,” *Harvard Business Review*, June 2020, hbr.org.
- Aria Florant, Nick Noel, Shelley Stewart, and Jason Wright, [“COVID-19: Investing in Black lives and livelihoods,”](#) April 14, 2020, McKinsey.com.

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