**Special Report:** Business and Racial Justice













### 2023 Edelman Trust Barometer Special Report: Business and Racial Justice

Methodology

#### Online survey in its 4th year

Fieldwork conducted: April 4 - April 12, 2023

3,500
Total respondents in the U.S.

#### 2,000 general population respondents

All data is nationally representative based on age, gender, region, and race/ethnicity

Racial and ethnic community segments:

Asian, Native Hawaiian, and Pacific Islanders (ANHPI)	n=500
Black	n=500
Hispanic and Latino/a/e (Hispanic)	n=500
White	n=1196

ANHPI, Black, and Hispanic data was collected using an oversample.

All racial and ethnic segments are nationally representative based on age, gender and region.

In this report, communities are ordered from smallest to largest based on their proportion relative to the total population according to the U.S. Census.

#### **Statistical significance**





Indicates a mathematically significant change in data that can be attributed to a profound change rather than chance.

All indicated year-over-year significant changes were determined using a t-test set at a 95%+ confidence level.



### **Business and Racial Justice Since 2020: Growing Expectations for Business to Address Racism**

Key findings from previous Business and Racial Justice Special Reports from the Edelman Trust Barometer

#### **June 2020**

# Consumers demand brand action

60% of U.S. respondents say that brands should take a stand on racial injustice.

#### August 2020

# Executives expected to be anti-racist

Majority of people in the U.S. say that CEOs should be actively "antiracist."

#### **April 2021**

# Inclusive culture now top expectation

A lack of an inclusive culture becomes the biggest issue for employers.

#### **April 2022**

### **Employees** raise the stakes

6 in 10 U.S. employees say they will not work for or have left an organization that fails to speak out against racial injustice.

#### **April 2023**

# Executive disconnect blocks progress

While 60% of U.S. executives say that their organizations are making significant progress addressing racism at work, fewer than 30% of non-executive employees say the same.





### **Concern about Racial Injustice Grows Across Demographics**

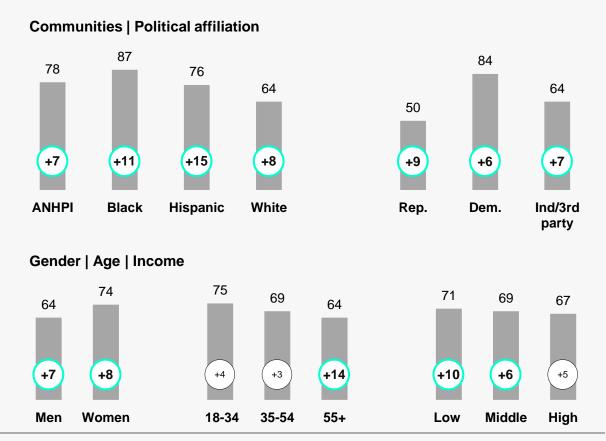
Percent who say, in the U.S.



Significant change

I am concerned about systemic racism and racial injustice in this country







### Deep Divisions, Little to No Progress

Percent who say, in the U.S.





Today, the U.S. is divided on racism and how to address it

I feel that over the past year, this country has made **little to no progress**, or things have gotten worse in addressing systemic racism





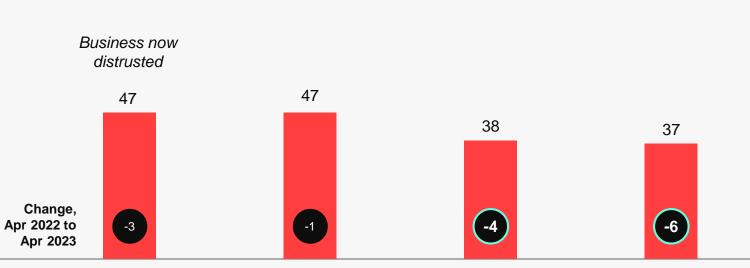
**Business** 

### All Institutions Distrusted to Address Racism

Percent who say, in the U.S.



I trust each to do what is right when it comes to responding to systemic racism and racial injustice in this country



Media

**NGOs** 



Government

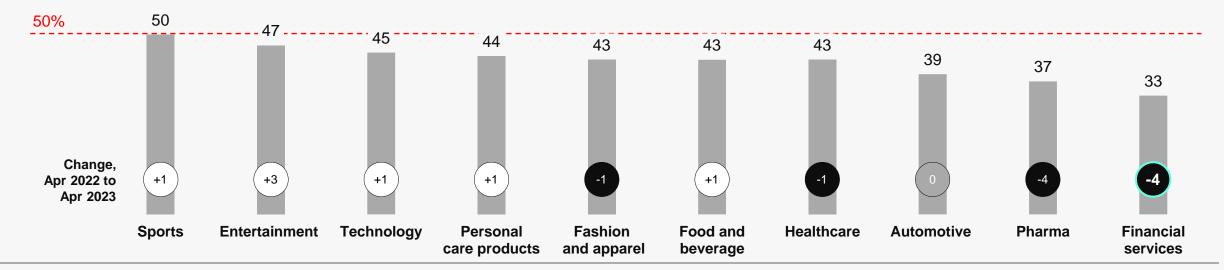
### No Business Sector Seen As Doing Well on Addressing Racism

Percent who say, in the U.S.





This sector is **doing well** when it comes to addressing racism in their industry





### **Executive Disconnect: Employees Do Not See Progress on Racism at Work**

Percent of U.S. employees who say

I feel my organization is making a lot of meaningful progress on addressing racism and racial inequities in the workplace

Executives **42pts** more likely to say their organization is making progress than Associates

Mid-level

Executive
Executive director – CEO

Mid-level
Associate manager – Senior VP

Associate
Entry level – Experienced non-manager

28

**Executive** 

**→** 

**Associate** 

### The Power of Employers to Effect Change: Workplace DEI Initiatives On Par With Government Action

Percent of U.S. employees who say

#### This is an effective measure to address racism:

#### **Employer Action:**

Have **DEI** initiatives in the workplace

80%

#### **Government Action:**

Require **schools** teach the complete history of people of color

80%

Enact legislation that reforms **policing** 

78%



### **Employer Outcomes at Stake: Progress on Addressing Racism in the Organization Drives Business Impact**

Percent of U.S. employees who agree with each statement, across amount of progress seen

How much progress has your employer made addressing racism and racial inequities in your workplace?



#### Loyalty

I want to stay working for my employer for many years

#### **Employer advocacy**

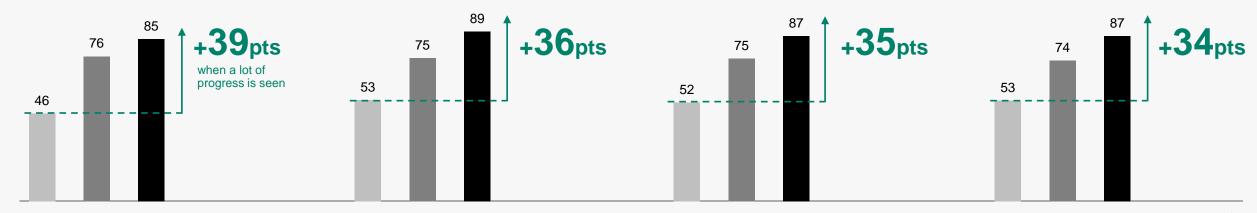
I would recommend my employer as an employer to others

#### Belonging (avg)

I am friends with my coworkers and I feel like I fit in well at my organization

#### Commitment (avg)

I do more than what is expected to help my employer succeed

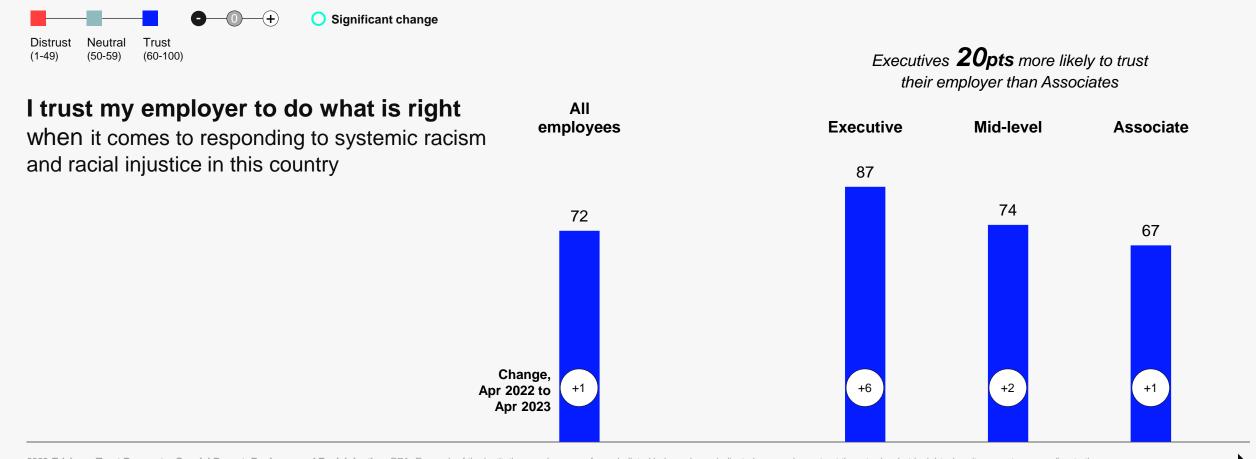


**2023 Edelman Trust Barometer Special Report: Business and Racial Justice.** EMP\_ENG. Thinking about your current employer, to what extent do you agree with the following statements? 9-point scale; top 4 box, agree. Question only shown to those who are employed by an organization (Q43/1). "Loyalty" is attribute 1; "Advocacy" is attribute 3; "Belonging" is an average of attributes 32-33; "Commitment" is an average of attributes 9, 11, 16. General population, U.S., among those who see their organization making a lot progress (WORK\_PROG/1), some progress (WORK\_PROG/2) or no progress (WORK\_PROG/3-4) addressing racism in the workplace.



### **Employers Still Trusted to Address Racism, But Associates Far Less Trusting Than Executives**

Percent of U.S. employees who say





### For Everyone But Executives, The CEO Is The Least Trusted To Tell The Truth About Racism

Percent of U.S. employees who say





Significant change Change, Apr 2022 to Apr 2023

### I trust each to tell the truth about racism

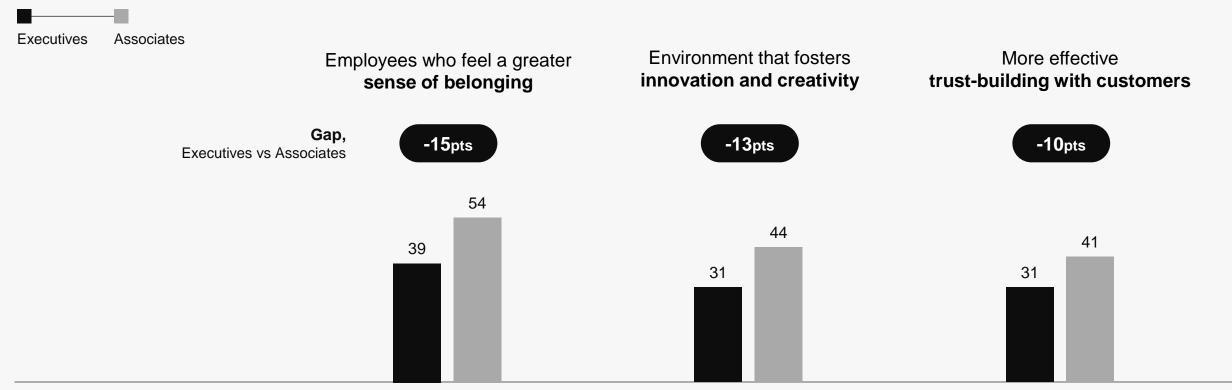
and DEI matters within my organization	All employees	Executive	Mid-level	Associate	
People like me	n/a 47	40	51	46	Peer voices most trusted overall
My racially diverse coworkers	+6	21	33	39	
My direct boss/supervisor	+2 29	21	31	28	
Head of DEI	+10 28	20	31	28	
The CEO	+1 25	56	24	15	



### **Executives Much Less Likely Than Associates to See Benefits of Diverse Workforce**

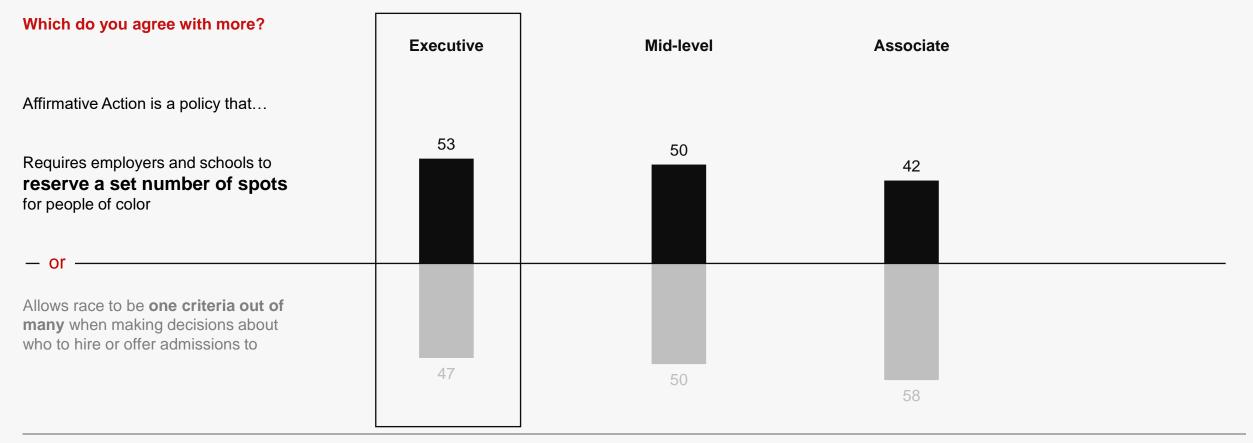
Percent of U.S. employees who say

This is a **benefit** of having a diverse workforce:



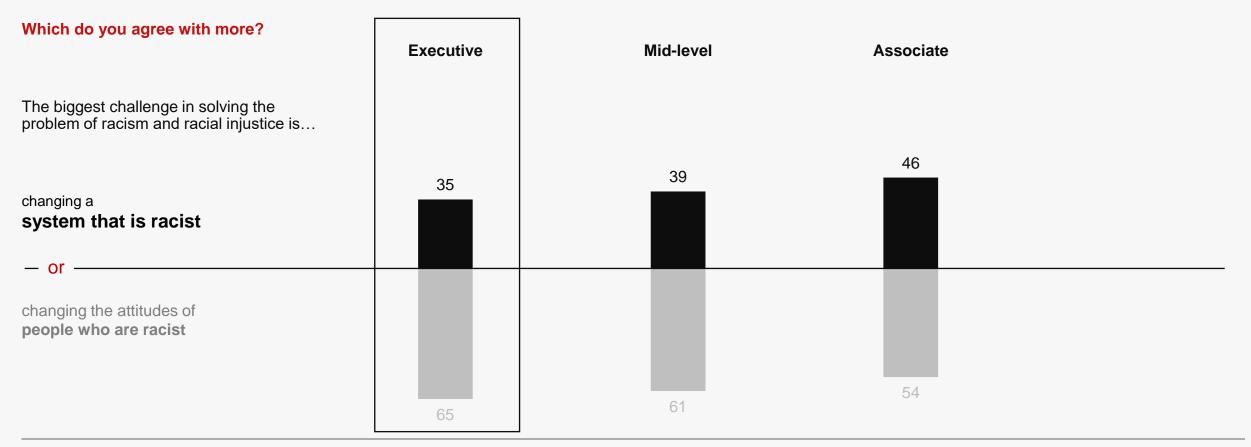


### Majority of Executives Don't Understand the Definition of Affirmative Action in the U.S.





### **Executives Are More Likely To Say Changing Racist Attitudes Is a Bigger Challenge Than Changing Racist Systems**





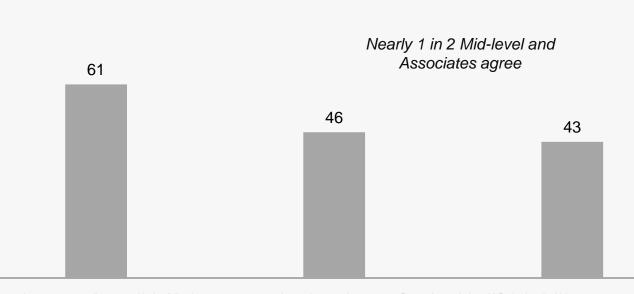
Executive

### Executives Don't Feel Comfortable Talking About Race; Worried They'll Say Something Racist

Percent of U.S. employees who say

# I am uncomfortable discussing race and racial issues with people of other races; I am worried I will accidentally say something racist





Mid-level



**Associate** 

### **Employees Say Executives Fail To Operationalize Meaningful Change**

Among U.S. employees who say their organization is not making much meaningful progress in addressing racism (57%), percent who say

Board pressure to pause DEI

Top reasons why my organization is not making progress in addressing racism and racial inequities: All employees DEI initiatives are not resourced (net) Not enough people tasked to develop and implement 42 No one tasked to lead Not enough funding Return on investment is not communicated (net) 30 DEI not seen as contributing to business goals Employees worry DEI will exclude them Racial inequity is not a priority (net) 29 Executives do not prioritize racism Executives do not see racism as a problem Pressure is not resisted (net) 22 Executives worry about being seen as political



# **Employer Action Essential to Progress**

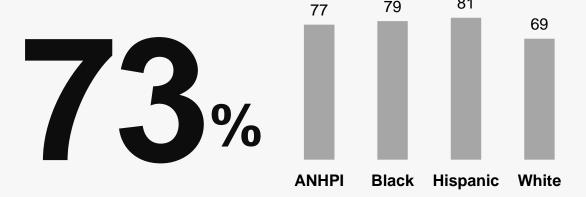
### **Ensure Diversity Across All Levels**

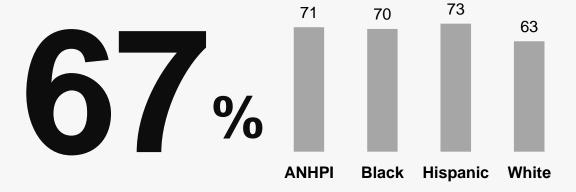
Percent of U.S. employees who say

To address racism and racial injustice,

**Employers must** ensure **diversity** across **all functions and levels** 

**Employers must** ensure **diversity** on the **Board and in the C-suite** 







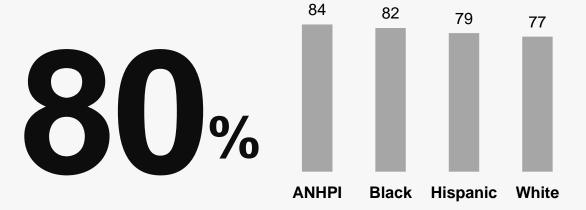
### **Enforce Equity in Pay and Hiring**

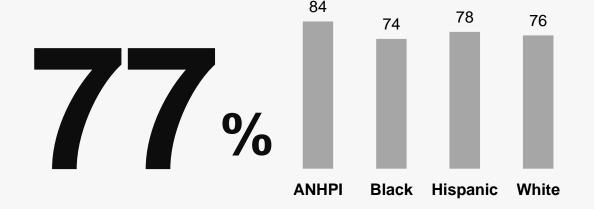
Percent of U.S. employees who say

To address racism and racial injustice,

Employers must ensure pay equity between racial and ethnic groups

Businesses must review and change hiring practices to remove biases that may create a disadvantage for candidates





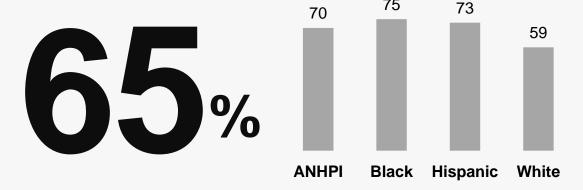
### **Foster Conversation and Community**

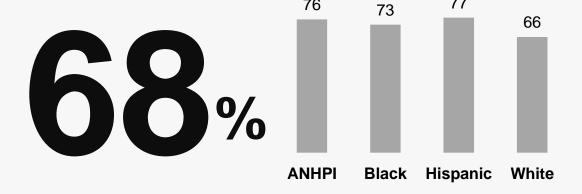
Percent of U.S. employees who say

To address racism and racial injustice,

**Employers must convene conversations** about racism and DEI in the workplace

Business must maintain employee resource or affinity groups





**→** 

### **Combat Misconceptions With Reliable Information**

Percent of U.S. employees who say

To address racism and racial injustice,						
employers must	All employees		ANHPI	Black	Hispanic	White
Address misconceptions about <b>DEI in the workplace</b>		73	82	78	81	70
Address misconceptions about  Affirmative Action in the workplace		70	77	77	80	67
Provide training on how to identify misinformation, including misinformation about racism and systemic injustice		68	79	74	74	63



### Follow Through on Your Internal and External Commitments

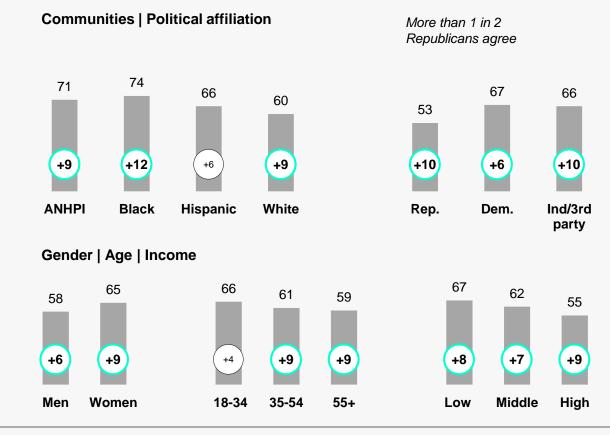
Percent who say, in the U.S.





I believe companies are doing mediocre or worse living up to their promises and commitments to address racism both within their organization as well as the population









### Business and Racial Justice: Executives Are Key to the Problem *and* the Solution

1

# CEOs: Hold all executives accountable

While executives feel like their organizations are making progress, most employees disagree. CEOs need to hold their senior management accountable.

2

### **Establish shared** understanding

Despite shared urgency, the lack of shared understanding about racial justice prevents progress. Debunking disinformation and aligning around shared frameworks will unlock progress.

3

### Empower peer voices

Your employees trust people like themselves. Build an environment where people can talk about their experiences in an open, honest way through affinity groups and other resources.

4

### Showcase bottom-line benefits

The workplace is where progress is modeled. Doing so makes for a more engaged employee base, with massive gains to loyalty, advocacy, belonging, and commitment.





### All Institutions Distrusted to Address Racism

Percent who say, in the U.S.



#### I trust each to do what is right

when it comes to responding to systemic racism and racial injustice in this country

injustice in this country					Co	mm	uniti	ies				Ger	nder				Ą	ge					Inco	ome				Polit	ical /	<b>Affili</b>	ation	1
+/- Apr 2022 to Apr 2023	( :				200	ם מכל	: :	Hispanic	14/1-14	Wnite	200	<u> </u>	W	MOII G	70	18-54 45-54	, ,	35-54	U	+66	<u> </u>	<b>&amp;</b>	( TT: N	Middle	1	u B I	C	кер.	8		Ind/3 <sup>rd</sup>	Party
	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-
Your Employer	72	1	68	4	62	4	72	2	77	5	76	0	68	3	68	-2	75	1	74	+8	66	4	70	-2	84	5	72	-4	75	3	70	4
Business	47	-3	47	-1	46	4	52	6	48	-3	54	-2	42	-3	41	-9	54	-1	47	1	39	-1	47	-5	63	-1	48	-3	53	-4	44	0
NGOs	47	-1	56	3	45	2	50	5	47	0	51	-1	42	-3	47	-3	50	-4	43	+2	38	-2	48	-2	58	-2	39	-2	57	-4	41	3
Media	38	-4	39	-4	38	-1	43	4	37	-3	43	-3	32	-7	38	-7	38	-12	36	3	31	-5	38	-5	48	-5	23	-10	53	-5	31	3
Government	37	-6	42	0	37	-1	42	0	36	-6	43	-3	32	-8	36	-13	40	-6	34	-1	30	-4	36	-10	50	-2	29	-8	50	-6	29	-2

**2023 Edelman Trust Barometer Special Report: Business and Racial Justice.** Q7A. For each of the institutions and groups of people listed below, please indicate how much you trust them to do what is right when it comes to responding to the problem of systemic racism and racial injustice in this country. 9-point scale; top 4 box, trust. "My employer" only shown to those who are employed by an organization (Q43/1). General population, U.S., and by demographics, and by Non-Hispanic White, ANHPI, Black, and Hispanic populations. Year-over-year changes were tested for significance using a t-test set at the 95%+ confidence level.



### No Business Sector Seen as Doing Well on Addressing Racism in Their Industry

Percent who say, in the U.S.

● ① ← ○ Significant change					Co	mm	uniti	es				Ger	nder				Ą	је					Inco	ome			F	Polit	ical <i>l</i>	Affili:	ation	
This sector is doing well when it comes to addressing racism in their industry	U.S.		ANHDI		7	DIACE	9	nispanic	MA		20		NO.		7007	-0-0- 	7 7 7	<b>t</b>	. 4	+ 0000	<u> </u>		CITY TO	<u> </u>	<u> </u>	_ D	200	<u>.</u>	800	<u>:</u>	Ind/3 <sup>rd</sup>	Party
+/- Apr 2022 to Apr 2023	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-	%	+/-
Sports	50	1	53	6	46	-6	53	4	51	0	55	6	45	-5	49	-1	52	-1	49	4	48	6	50	-2	56	0	46	0	53	-3	52	6
Entertainment	47	3	48	3	46	3	47	2	47	5	50	3	44	2	42	-9	52	-2	45	14	49	7	42	-4	55	7	37	-2	53	2	49	13
Technology	45	1	55	8	44	-3	51	4	39	-5	50	7	40	-5	42	-6	47	-3	44	8	46	7	43	-3	48	-1	41	-3	47	-2	43	5
Personal care products	44	1	49	5	45	-2	41	-6	43	0	44	2	45	1	45	-1	49	0	40	5	43	4	44	-1	50	5	40	-3	47	1	48	8
Fashion and apparel	43	-1	51	10	43	-4	43	-6	43	-2	48	5	40	-4	41	-5	51	0	38	4	42	2	41	-3	52	3	39	-2	45	-4	45	4
Food and beverage	43	1	45	-3	42	-4	49	-2	43	4	46	1	40	0	39	-6	47	-5	41	10	43	2	41	-3	48	3	42	0	44	-3	42	6
Healthcare	43	-1	45	-3	43	-2	42	-6	43	-1	50	-1	37	-2	39	-6	45	-6	45	7	39	-2	43	-3	50	-2	48	3	45	-4	39	5
Automotive	39	0	43	5	39	-3	45	-4	37	0	42	0	35	-1	35	-9	44	-2	37	9	38	2	37	-4	46	2	40	2	39	-5	36	6
Pharma	37	-4	45	5	41	0	43	1	37	-3	40	0	33	-8	34	-11	39	-7	37	5	36	1	34	-9	45	-1	37	-5	38	-7	36	2
Financial services	33	-4	41	7	35	-2	39	0	32	-6	38	-2	28	-7	31	-9	37	-7	31	2	32	3	30	-11	42	-3	35	-3	33	-9	32	2





### **Employer Obligation**

Percent of U.S. employees who say **employers must...** 

	U.S.	ANHPI	Black	Hispanic	White
Institute a zero-tolerance policy	83	89	82	85	82
Ensure that there is pay equity between racial and ethnic groups	80	84	82	79	77
Address misconceptions about diversity, equity, and inclusion in the workplace	73	82	78	81	70
Address microaggressions in the workplace by establishing policies, guidance and training for employees	73	81	79	80	71
Ensure there is diversity across all functions and levels	73	77	79	81	69
Address misconceptions about affirmative action in the workplace	70	77	77	80	67
Regularly provide opportunities to become involved in diversity, equity, and inclusion initiatives	69	79	76	72	65
Provide training on how to identify misinformation, including misinformation about racism and systemic injustice	68	79	74	74	63
Provide unconscious bias trainings	67	77	79	75	63
Ensure that their workforce at all levels is racially representative of the country as a whole	67	74	76	74	63
Ensure that there is racial and ethnic diversity on the company's board of directors and in the C-suite	67	71	70	73	63
Provide leadership-skills training, mentoring, sponsorships, or internship programs to help the career development of racially diverse employees	67	75	74	73	66
Convene employee conversations about racism and diversity, equity, and inclusion in the workplace	65	70	75	73	59



### **Business Obligations**

Percent of U.S. employees who say **business must...** 

	U.S.	ANHPI	Black	Hispanic	White
Institute a policy of zero tolerance of racism within the organization	84	81	81	84	82
Review and changing their hiring practices to remove biases that may create a disadvantage for diverse candidates	77	84	74	78	76
Ensure the availability of trustworthy information about racism and racial injustice	72	73	75	78	69
Enact policies to ensure that their workforce resembles the racial makeup of the country as a whole, including their leadership	71	73	69	73	67
Hire a Diversity, Equity, and Inclusion officer and ensuring they have the resources to be effective	69	77	72	74	65
Maintain employee resource or affinity groups	68	76	73	77	66
Address misperceptions and misinformation, including about racism, racial equity measures, and the history of systemic injustice in this country	64	72	74	69	62
Initiate and convening employee conversations on the topic of racism and racial injustice	63	70	69	73	60
Work with the government to help develop and win support for policies meant to address racism	60	67	70	72	59
Take public stands on issues relating to racism and racial injustice	60	65	70	76	58
Use an independent third party to hold the organization accountable in advancing equity measures	59	64	66	68	57
Dedicate ongoing funding to support organizations that address social issues such as education and healthcare within communities of color	59	70	68	71	55
Initiative and convening conversations on the topic of racism and racial injustice with the general public	56	70	66	73	53
Partner with other companies through coalitions and pledges	56	63	66	76	55



### Technical Appendix

2023 Edelman Trust Barometer Special Report: Business and Racial Justice

### **U.S. General Population Demographic Composition**

	Percent of the U.S. general population
Region	
Northeast	19%
Midwest	23%
South	36%
West	22%
Gender	
Men	49%
Women	51%

	Percent of the U.S. general population
Age	
18-34	30%
35-54	33%
55+	37%
Political Affiliation	
Republican	26%
Democrat	42%
Independent/ 3 <sup>rd</sup> Party	24%



2023 Edelman Trust Barometer Special Report: Business and Racial Justice

### **U.S. Racial and Ethnic Community Segments**

In addition to having a nationally representative sample of the U.S. general population, we conducted an oversample of 500 respondents in each of three racial and ethnic communities - Asian American, Native Hawaiian and Pacific Islanders (ANHPI), Black, and Hispanic and Latino/a/e (Hispanic).

Each community segment was weighted on gender, age and region to be representative of that community's population.

To create the White segment, respondents were taken from the general population sample and then weighted to be representative of the White population in regard to gender, age and region. This process ensured a robust and comparative sample across all four racial and ethnic community segments.

Due to this, the four segments combined or averaged together will not match the U.S. general population numbers reported and should be treated as four separate audiences.

	ANHPI	Black	Hispanic	White
Sample size	500	500	500	1196
Men	50%	46%	50%	49%
Women	50%	52%	50%	51%
18-34	34%	36%	41%	26%
35-54	38%	35%	38%	34%
55+	28%	29%	21%	40%
Northeast	21%	17%	14%	19%
Midwest	12%	18%	9%	26%
South	22%	56%	36%	35%
West	45%	9%	40%	20%



2023 Edelman Trust Barometer Special Report: Business and Racial Justice

### **Organization Level Composition**

Q421. Which of the following best describes your position or level within your company or organization? Please select one response.

Shortened	Full
Executive Level	Senior executive level (CEO, President, etc.) Executive level (General Manager, Executive Vice President, Executive Director, etc.)
Mid-Level	Upper-level management (Senior Vice President, Vice President, Senior Director, etc.) Mid-level management (Director, Senior Manager, etc.) Lower-level management (Supervisor, Associate Manager, etc.)
Associate Level	Experienced (Non-manager) Entry level



# Full Question Text

2023 Edelman Trust Barometer Special Report: Business and Racial Justice Full Text For Answer Choices Abbreviated

### **Benefits of a Diverse Workforce**

DIV\_BENE. In many organizations, the workforce is made up of employees who come from a diverse range of backgrounds, genders, physical abilities, and sexual orientations. In what ways, if any, do you feel organizations benefit from having a diverse workforce? *Please select all that apply.* 

Shortened	Full
Employees who feel a greater sense of belonging	Employees who feel a greater sense of belonging
Environment that fosters innovation and creativity	A work environment that fosters greater innovation and creativity
More effective trust-building with customers	More effectively build trust with customers and clients



2023 Edelman Trust Barometer Special Report: Business and Racial Justice Full Text For Answer Choices Abbreviated

### **Barriers To Workplace Progress**

WHY\_NO\_ACT. You said that you are not seeing any or much meaningful progress from the organization you work for when it comes to addressing racism and racial inequities. Why do you feel your organization is not making much or any progress? *Please select all that apply.* 

Shortened	Full
Not enough people tasked to develop and implement	There are not enough people within the organization tasked with developing and implementing diversity, equity, and inclusion initiatives
No one tasked to lead	No one in the organization is tasked with leading diversity, equity and inclusion initiatives
Not enough funding	There is no money allocated towards diversity, equity and inclusion initiatives
DEI not seen as contributing to business goals	Diversity, equity, and inclusion are not seen as helping the organization meet its business goals
Employees worry DEI will exclude them	Too many employees worry that diversity, equity, and inclusion initiatives would exclude them from advancement opportunities
Executives do not prioritize racism	The CEO and other executive leaders do not prioritize racism and eliminating racial inequities within the organization as an issue
Executives do not see racism as a problem	The CEO and other executive leaders do not see racism and racial inequity as problems within the organization
Executives worry about being seen as political	The CEO and other executive leaders are worried about being seen as political if they enact initiatives around diversity, equity, and inclusion
Board pressure to pause DEI	The Board of Directors is pressuring the organization to pause or pull back on efforts around diversity, equity, and inclusion initiatives



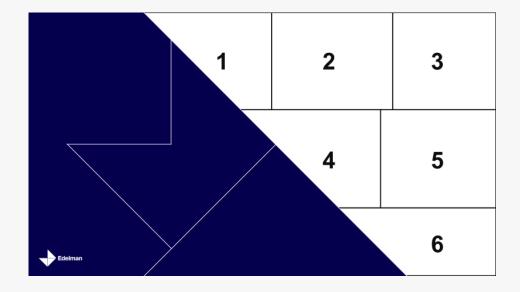
2023 Edelman Trust Barometer Special Report: Business and Racial Justice Full Text For Answer Choices Abbreviated

### **Employer KPIs**

EMP\_ENG. Thinking about your current employer, to what extent do you agree with the following statements? *Please select one response for each*.

Shortened	Full
I want to stay working for my employer for many years	I want to stay working for this organization for many years
I would recommend my employer as an employer to others	I would recommend our products or services to others
I am friends with my coworkers and I feel like I fit in well at my organization	I would be friends with my coworkers even if I were not working for the organization I feel like I fit in well at my organization
I do more than what is expected to help my employer succeed	I do more than what's expected to help them succeed I support the organization's social causes and community activities I feel a sense of pride in my organization





### **Cover Image Credits**

- 1. Bernie Sanders Rallies for Mayoral Candidate Brandon Johnson in Chicago: Jim Vondruska via Getty Images
- 2. People Gather to Protest Against the Police Assault of Tyre Nichols at Time Square in New York, United States: Faith Aktas/Anadolu Agency via Getty Images
- 3. Michelle Yeoh Poses with Oscar for Best Actress in a Leading Role for "Everything Everywhere All At Once": Frederic J. Brown / AFP via Getty Images
- 4. A Memorial for Victims of the Monterey Park Shooting in Front of the Star Ballroom Dance Studio: Frederic J. Brown via Getty Images
- 5. Democratic State Rep. Justin Jones of Nashville Gestures During Vote on His Expulsion From the State Legislature at the State Capitol Building: Seth Herald/AFP via Getty Images
- 6. Immigration Advocates Rally On 10th Anniversary Of DACA Policy: Michael M. Santiago via Getty Images

### Slide 3 Image Credits

1. Two Men at attend Protest: Nathan Dumlao via Unsplash.com

