



ADDRESSING RACIAL INJUSTICE IN THE CORPORATE WORLD

BRANDFOG SURVEY 2020

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Addressing Racial Injustice in the Corporate World

Corporations have been touting diversity and inclusion initiatives for years, but racial minorities still make up only a small sliver of the executive branch of leadership teams. Illustrating this point, The New York Times recently published a powerful [interactive feature](#) about diversity in leadership in today's America. The article noted that 80% of the topmost powerful people in the country are white, even as the U.S. becomes more diverse. What's more, at the top 25 most valued corporations, Black leaders are less represented in leadership roles than they were in years past. There are now only four Black CEOs running Fortune 500 companies. This shows a decline from 2012, when six Black CEOs were leading Fortune 500 organizations. As recently pointed out in the [Harvard Business Review](#): *Most organizations have failed to "walk the talk" in delivering on long-held promises to further diversity and inclusion.* As conversations about the importance of diversity and inclusion in the board room and in the C-Suite get louder, the reality is that the face of American business leadership still does not accurately reflect the face of America.

To better understand the implications of CEOs taking on the responsibility for ensuring racial diversity across their organizations, we launched the BRANDfog 2020 Survey, Addressing Racial Injustice in the Corporate World. We asked if CEOs prioritizing diversity and inclusion helps to define great leadership, and if speaking out on this issue makes customers feel more aligned to the values of that brand. **The overwhelming response to those and similar questions was yes. Customers see this as the job of the CEO.**

We have been examining these and other corporate leadership issues for ten years, allowing us to track shifts in consumer attitudes and stakeholder opinions over time. In 2018, our [BRANDfog CEO Survey](#) revealed that just 47% of respondents believed that for the companies they patronized, it was important to know the CEO's position on racial inequality. Today, more than two-thirds (69%) of respondents agree with this statement – a more than 20-point jump in just two years. This reflects the current social climate and demonstrates that companies ignore this reality at their own peril. **Direct and consistent action must be taken by CEOs to ensure racial parity in the business world.**

Survey results indicate that more and more, consumers expect CEOs to take a leadership role regarding the social and cultural issues of our time. [By 2018](#), 82% of respondents believed that CEOs who take a stand on key social issues act as role models for the next generation of leaders. By 2020, a whopping 90% agree with this statement. There is also overwhelming support from consumers towards brands that make their values known and prioritize initiatives to level the playing field for professional growth and advancement for people of color.

Addressing Racial Injustice in the Corporate World

Another noteworthy insight from the survey is that consumers expect leaders to act on the big public promises they make to support racial parity in the workplace. Gone are the days that a brand's advertising would feature one or two token persons of color among a sea of white faces, and that would suffice as showing support for diversity. Rather, organizations from the top down must begin to examine their own implicit biases and systemic practices that repress minority candidates and limit professional growth and advancement. A full 88% of survey respondents believe that CEOs should require unconscious bias training across their organizations, so that executives at all levels can recognize their unintentional, but deeply ingrained biases. The training must also provide tools to course correct for this bias and eliminate discriminatory behaviors. In addition, 82% of survey respondents expect CEOs to take concrete steps to create mentorship and sponsorship programs that provide promotional opportunities specifically for minority employees.

While it is encouraging to see more conversations taking place about race and representation in corporate culture, it is even more instructive to see how companies are being held accountable for making their public pronouncements match the reality happening inside their organizations. Consumers want to see policies and practices that result in a truly inclusive business culture, with the measurement and metrics to prove what has been achieved. That means less window dressing, and more explicit programming that includes goal setting, measuring progress, and

communicating results to internal and external stakeholders for better accountability. Enterprise organizations must build a clear path for minority executives to grow and thrive professionally inside of corporate America. **Building richer, more diverse, and more inclusive leadership teams will not only more accurately reflect the face of society, but it will drive better business performance.** More importantly, it is simply the right thing to do.

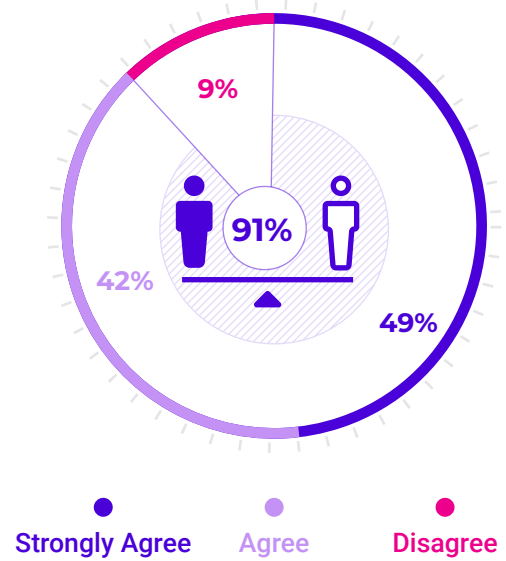
Methodology

The BRANDfog 2020 Addressing Racial Injustice in the Corporate World Survey surveyed 500 US employees in diverse companies. The companies ranged in size from startups to Fortune 1000 companies and spanned various industries.

Q1

I expect CEOs to prioritize racial diversity and inclusion at every level of their organizations.

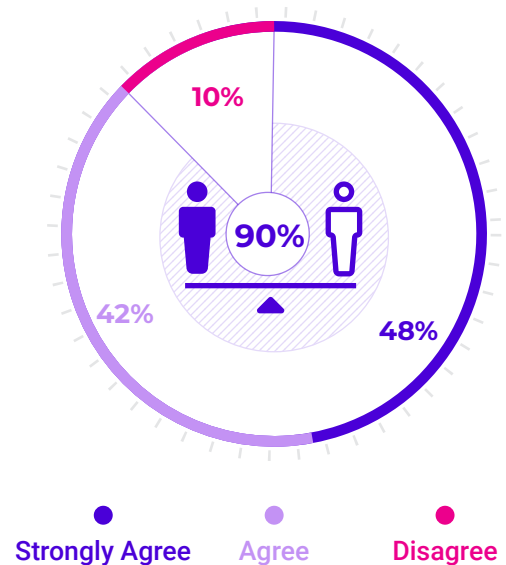
More than nine in ten survey respondents (**91%**) expect CEOs to prioritize racial diversity and inclusion at every level of their organizations.



Q2

CEOs who take a stand on the key social issues of our time can act as role models for the next generation of leaders.

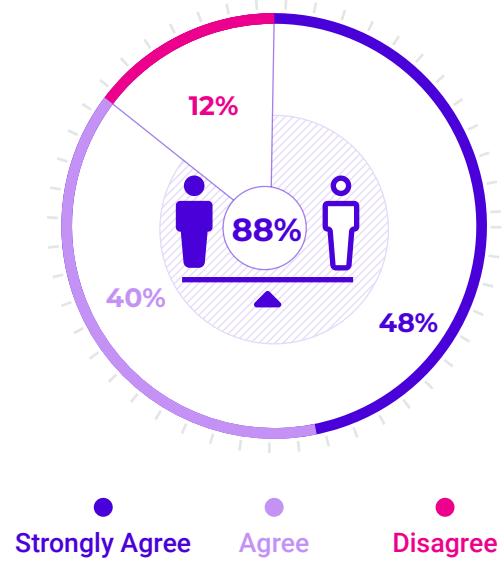
90% of survey respondents agree that CEOs who take a stand on the key social issues of our time can act as role models for the next generation of leaders. This represents an increase from our 2018 survey, which found that **82%** of respondents believed that CEOs who take a stand on the key social issues of our time can act as role models for the next generation of leaders.



Q3

Do you agree that CEOs should require unconscious bias training across their organizations to increase workplace equity?

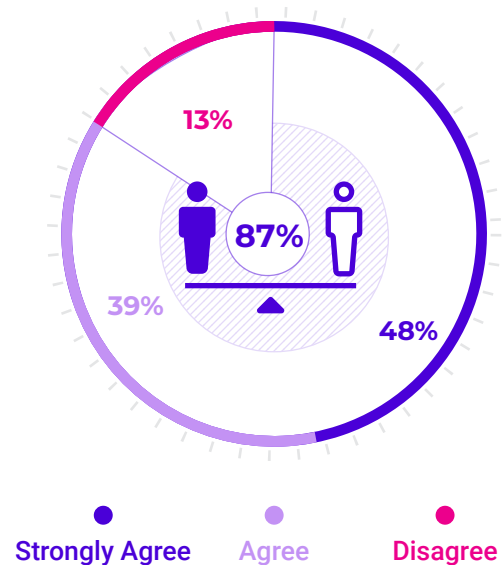
Nearly nine in ten survey respondents (**88%**) agree that CEOs should require unconscious bias training across their organizations to increase workplace equity.



Q4

CEOs demonstrate strong leadership when they speak out about the importance of standing up to racial injustice.

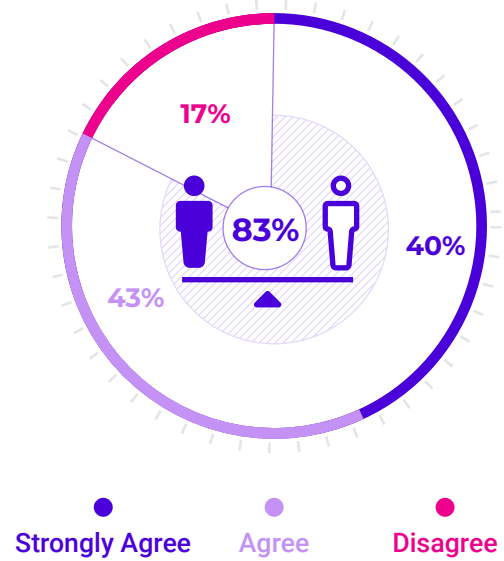
Nearly nine in 10 survey respondents (**87%**) agree that CEOs demonstrate strong leadership when they speak out about the importance of standing up to racial injustice.



Q5

When CEOs speak out about racial diversity and inclusion, I feel more aligned to the values of that brand or organization.

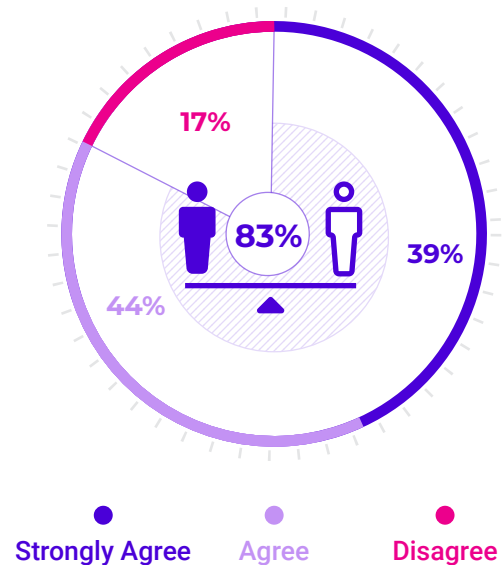
When CEOs speak out about racial diversity and inclusion, more than four in five survey respondents (**83%**) feel more aligned to the values of that brand or organization.



Q6

I expect CEOs to actively communicate their organizations' efforts to financially support causes that address racial injustice.

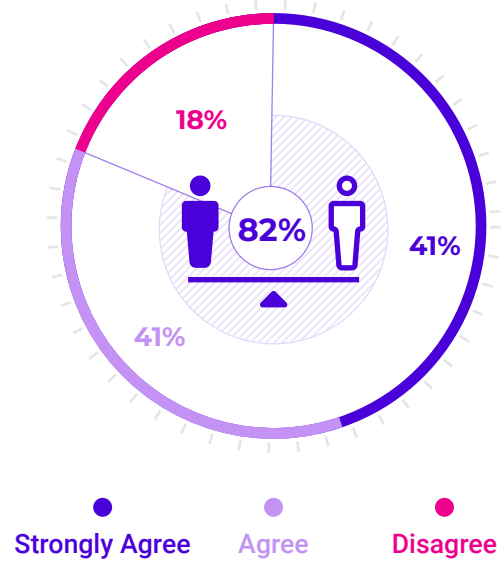
More than eight in ten respondents (**83%**) expect CEOs to actively communicate their organizations' efforts to financially support causes that address racial injustice.



Q7

CEOs that publicly defend the rights of others on social media are demonstrating great leadership.

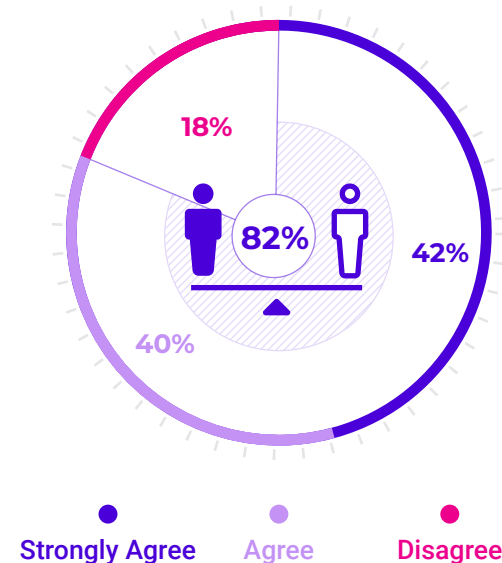
More than eight in ten survey respondents (**82%**) agree that CEOs that publicly defend the rights of others on social media are demonstrating great leadership.



Q8

I expect CEOs to create mentorship and sponsorship programs that provide promotional opportunities specifically for minority employees.

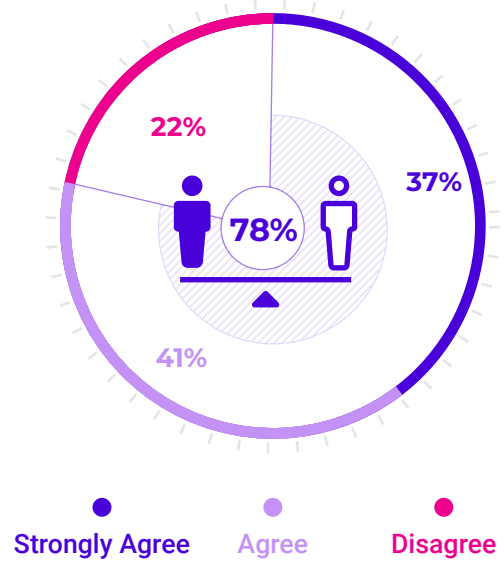
82% of survey respondents expect CEOs to create mentorship and sponsorship programs that provide promotional opportunities specifically for minority employees.



Q9

I expect CEOs of brands or organizations I support to use social media to address racial injustice and to take a stand against it.

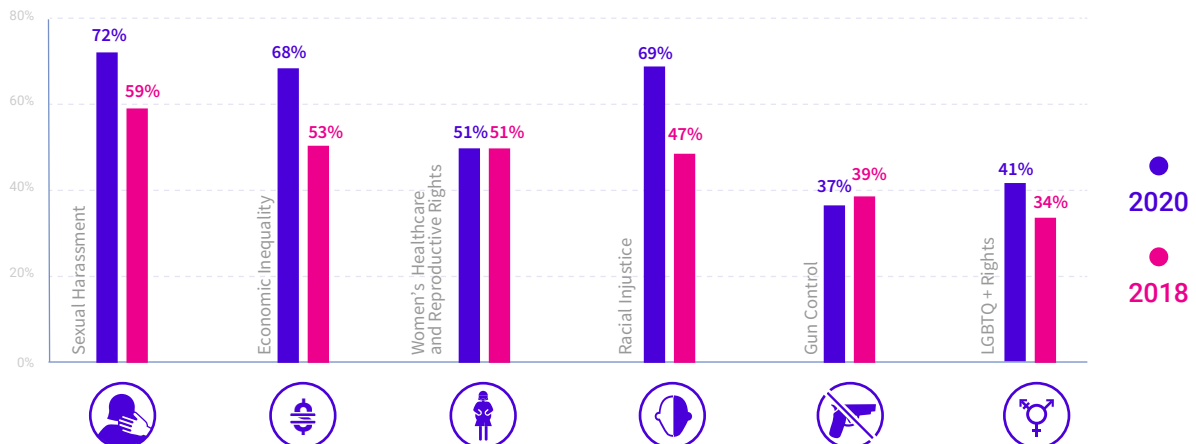
More than three quarters (78%) of survey respondents expect CEOs of brands or organizations they support to use social media to address racial injustice and to take a stand against it.

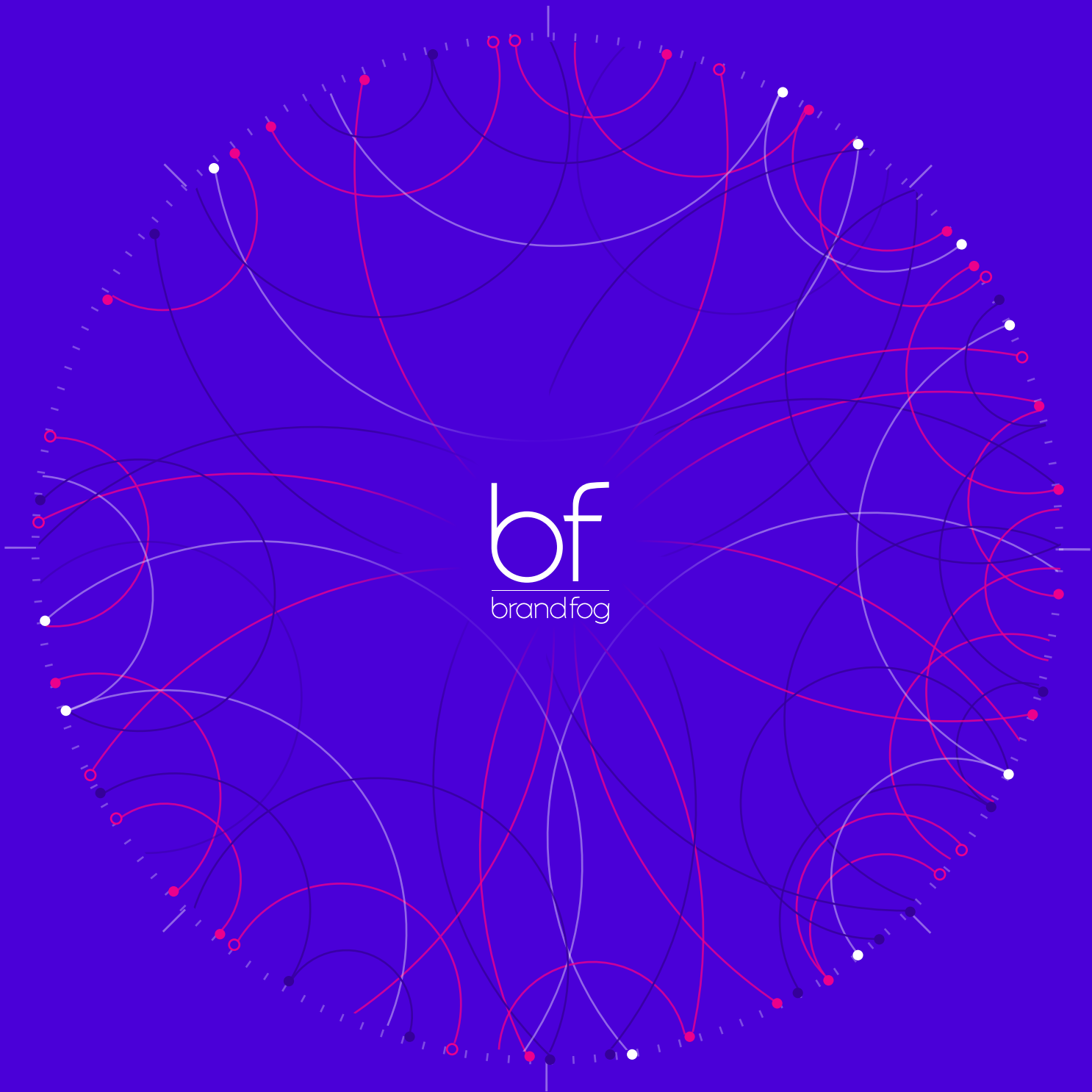


Q10

For companies that I patronize, it is important for me to know the CEO's position on prominent social issues such as: (please select all that apply)

More than two-thirds of survey respondents agree that for companies they patronize, it is important for them to know the CEO's position on sexual harassment (72%), racial injustice (69%) and economic inequality (68%). All three of these issues are more important to consumers than they were just two years ago, when just over half of respondents said it was important to know CEO positions on sexual harassment (59%) and economic inequality (53%). But by far the largest shift in opinion is on racial inequality. In 2018, just 47% of respondents agreed that for companies they patronize, it is important for them to know the CEO's position on racial inequality. Today, 69% of respondents agree – a more than 20-point jump.





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