BLACK LIVES MATTER: A CORPORATE CONVERSATION WORTH HAVING?

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Abstract

This research looks at the Black Lives Matter movement and corporate social responsibility. This content aims to evaluate the intersection of this controversial social movement and popular business topic to conclude whether business executives need to address racial injustice and social concerns within the workplace. Drawing upon secondary sources including business periodicals and editorials, this research explores the question: Do businesses have a corporate social responsibility to employees concerning the Black Lives Matter movement? Ultimately, this case shows the importance of business leaders initiating the conversation of social injustice within the workplace.

Keywords: Black Lives Matter, corporate social responsibility, social injustice, racial injustice
Introduction

In recent years, racial tensions have begun to resurface into mainstream America. In a technology obsessed culture, “social media has facilitated a society-wide awakening to existing racial inequality” through videos documenting “racially-motivated police violence and the national lack of social justice it represents” (Boynton & Joseph, 2016). It seems like every day a new video of police brutality is released, prominent leaders are quoted spewing racist sentiments, and reports are published addressing America’s worsening mass incarceration crisis. As a result, people are organizing and movements are being established to address these current issues affecting society. The Black Lives Matter (BLM) movement is a result of the current times, “providing a catalyst for a national conversation we should have been having all along” (Boynton & Joseph, 2016).

Black Lives Matter was established to address racism and the issues that are affecting everyone’s lives by asserting that the lives of black people matter equally to that of other races and insisting that by striving to support the needs of minority groups, we, as a society, will succeed. The rise of this organization has been mired in strife and misunderstanding. Those who ignore this movement’s guiding principles, which include celebrating the differences and commonalities amongst all groups of people, have deemed this controversial movement, a “hate group.”

The official Black Lives Matter site clears up this misconception clarifying that the movement is, not saying Black lives are more important than other lives, or that other lives are not criminalized and oppressed in various ways. We remain in active solidarity
with all oppressed people who are fighting for their liberation and we know that our destinies are intertwined. When Black people get free, everybody gets free. (Black Lives Matter, 2016).

This message of hope and liberation is a driving factor for the success of this movement that has continued to spread around the nation and the globe, affecting individuals, groups, and organizations, alike, since its inception in 2012. Recently, at the 2016 Net Impact conference, Black Lives Matter co-founder, Alicia Garza, challenged business leaders to address racism and “engage in critical dialogue” (Mazzoni, 2016). This invitation raises many questions for Corporate America. Will they accept the challenge and be an ally in broadening the conversation? What does a wide-spread movement with a message that addresses racism mean for corporations, whose employees are affected by the realities of racism each and every day?

There was a time it would have been easy to dismiss the idea that corporations have the responsibility to address racism by citing the fact that the workplace is the workplace and all issues affecting employees should be dropped at the door because employees should separate their personal lives from their work lives. However, there has been a major shift in work life balance. In today’s world, there is a fluid boundary between work and family life. Employees are always connected. They are expected to remain honed into work issues after hours, keeping up with emails well into the night and during vacation time. The work dynamic has altered, leaving businesses confused when it comes to reacting to external triggers that affect employees’ outside and within the workplace. This shift, where employees spend the majority of their time at work, means
that the responsibility for furthering a “just society will fall more heavily on the shoulders of business leaders.” (Boynton, 2016).

Despite this implication of responsibility, most corporations are still unsure whether to address very real issues, such as racism, in their internal or external communications. Symantec’s VP of Corporate Responsibility and Chief Diversity Officer, Cecily Joseph, addressed this corporate fear confirming that, “‘Companies are scared to talk about race…[They] don’t want to come out and talk about anything where they feel they will be judged negatively or face backlash’” (Mazzoni, 2016). Furthermore, these executives do not know what to say when racially charged events happen in our society. According to corporate leaders, “employees come to work distracted by loss of life, inequality, fear and the unfairness of it all, and we don’t know how to support them, so we stay silent” (Boynton & Joseph, 2016). This executive silence can be interpreted as a lack of empathy or concern for employees and consumers. However, it is not just the C-Suite that is remaining silent on these issues. An article in the Harvard Business Review, revealed that,

Many white people may avoid conversations about race out of fear of “saying the wrong thing.” And many people of color in predominantly white companies may avoid these conversations out of fear of being seen as a complainer — or worse. (Banks, 2016).

Is it time to break the fear-induced silence? Pretending an issue does not exist, does not make it go away. America’s demographics are rapidly shifting. Currently, “minorities make up 37% of the United States population and will climb to 57% by 2060” (Banks, 2016). These population changes will transform the makeup of the
workplace and “being comfortable talking about race will become increasingly important” (Banks, 2016).

Which leads us to explore today’s question, do businesses have a corporate social responsibility to employees concerning the BLM movement? In this report, I will reveal the importance of this conversation, highlight companies that are proactive in discussing race in the workplace and will recommend the most effective ways to have open dialogue concerning racism within a firm.

**Significance**

Corporate Social Responsibility is a hot button topic in business right now. This idea of being ethically responsible is popular, but what does it truly mean? According to Triple Pundit, a global media platform, Corporate Social Responsibility (CSR), is “a business outlook that acknowledges responsibilities to stakeholders beyond shareholders, including suppliers, customers, and employees” (Triple Pundit, 2016). In hopes of fostering a greater understanding and encouraging a healthy multicultural balance within the workplace where everyone feels welcome and supported, corporations should have an open dialogue about racism with their employees. The desired outcomes of having corporate conversations about Black Lives Matter are: improved employee productivity and retention rates.

Productivity and employee retention are essential for a business’s financial success. Being efficient in the workplace reduces overall costs and corporate mistakes. When employees are emotionally distraught and have no support at work, they are more likely to call in sick, not show up to work, or leave early which disrupts the flow of the
Employee retention is just as important. Filling a job position and training new employees is a very expensive undertaking that corporations try to avoid by retaining their experienced employees. However, it is unlikely for workers to remain in an environment where they do not feel supported long-term, especially minority employees. It is advantageous for companies to maintain a diverse workforce. McKinsey & Company, a global management consulting firm, published a study that revealed, “that organizations ranked in the top quartile of racial diversity are 35% more likely to earn above-average financial returns.” (Banks, 2016).

Additionally, managers must consider consumers. People care how people treat people. Social media and other digital platforms provide a new level of transparency where consumers can easily get an idea of companies’ daily operations. According to the University of Georgia’s Selig Center for Economic Growth, “Black buying power is expected to reach $1.4 trillion by 2020” (Sears, 2016). As one of the largest minority consumer groups, corporations cannot afford to alienate African-American customers by ignoring issues deemed important by their community.

**Corporate Examples**

Most corporations are hesitant to support Black Lives Matter and similar initiatives out of fear that they will alienate potential and current consumers. Despite this risk, AT&T, Ben & Jerry’s, Nike, and Goldman Sachs are four corporations who have decided to support BLM and discussing racism in internal and external communications. Not only are these corporations taking a public stand against racism, but their executive leadership is being vocal as well. Jennifer Brown, a leading diversity consultant, asserts that, “what the chief executive says or doesn’t say and how effectively [leaders]
communicate plays a huge role in how employees perceive the environment they work in, the expectations and the risks of being a part of a team in which they share their own distinctiveness” (Lee, 2016).

AT&T is an American multinational telecommunications conglomerate, with heart and a chief executive who is not afraid to address social issues. In 2016, AT&T’s Chief Executive Officer, Randall Stephenson, gave a forceful defense of Black Lives Matter at an event, where he addressed employees, declaring that,

I’m not asking you to be tolerant of each other. Tolerance is for cowards. Being tolerant requires nothing from you but to be quiet and to not make waves, holding tightly to your views and judgments, without being challenged. Do not tolerate each other. Work hard, move into uncomfortable territory, and understand each other (Donnella, 2016).

If these statements have negatively impacted AT&T, their financials do not reflect it. AT&T’s 2016 Annual Report revealed over $163.8 billion dollars in revenue. (AT&T, 2016). Which reinforces the idea that successful, multinational corporations can initiate conversations about racism within internal and external communications and remain fierce corporate competitors.

Another example of a corporation making a bold social statement, is Ben & Jerry’s, a leading producer of premium ice cream and frozen treats, and a longtime leader in social responsibility among businesses. Since this company’s founding in 1978, this corporation has been making bold statements, focusing on supporting economic, environmental, and social issues, equally as a top corporate concern. Ben & Jerry’s board
chairman, Jeffery Furman, reinforced the company’s strong social position explaining that, “‘Ben and Jerry’s is irrelevant if we don’t have a strong social mission. It’s irrelevant if we don’t speak out about these issues’ (Mazzoni, 2016).

In 2016, Ben & Jerry’s posted a blog post entitled, Why Black Lives Matter, a bold piece that addressed systemic and institutionalized racism, asserting that, “to be silent about the violence and threats to the lives and well-being of Black people is to be complicit in that violence and those threats” (Ben & Jerry’s, 2016). The post called for readers to try to comprehend the perspective of those whose experiences are different, challenging them to, “truly understand those whose struggle for justice is real, and not yet complete” (Ben & Jerry’s, 2016). The company declared that “[Ben & Jerry’s has] a moral obligation to take a stand now for justice and for Black lives” (Ben & Jerry’s, 2016). The post ended with a call to action, daring others to “[put] aside preconceived notions and truly [seek] to understand and grow” (Ben & Jerry’s, 2016).

Ben & Jerry’s has been making ice cream for almost four decades and maintaining steadfast activism all the while. However, their public opinions do not come without a price. Some organizations disagree with Ben & Jerry’s sentiments so strongly that they have designed boycotts. Despite Ben & Jerry’s statements that it respects the law enforcement community, Blue Lives Matter, a pro-police movement, took offense to the company’s, Why Black Lives Matter post, “and urged consumers to boycott Ben & Jerry’s products and products produced by Unilever, their parent company” (Kaye, 2016). Boycotts are one of the cons of taking a stand on a controversial issue, however, Ben & Jerry’s annual sales revenue is over $132 million dollars, proving that companies can join
the Black Lives Matter conversation and still be successful, despite opposition. (Ben & Jerry’s Ice Cream Statistics, 2016).

Nike is another company joining the conversation on race and social justice. Nike is an American multinational corporation that focuses on the retail of footwear, apparel, and equipment. Some believe that Nike’s business market disqualifies them from having discussions addressing racism, however, companies that excel in diversity need to take more initiative in creating an open dialogue to discuss racial issues. With “‘minority employees… [making up] 52% of [Nike’s] workforce”, Nike is extraordinarily diverse, therefore, it was crucial for them to tackle the issue of racial injustice head-on during the summer of 2016, when there was an onslaught of racial violence and police killings in America, which their executive team did through their internal communication channels.

“In a letter to his 32,000 employees…, Nike Chairman and CEO Mark Parker spoke directly to the recent, troubling issues of race, violence and policing that remain top of mind in the U.S.” (McGirt, 2016). Parker acknowledged that, “It's impossible to leave our emotions and experiences outside the work place [because] they inform us and make us who we are.” (McGirt, 2016). He went on to state that, he “firmly believe[s] we are at our best when we engage and listen to those around us, in our communities at home and at work” (McGirt, 2016). He reassured employees that their voices mattered, declaring that, “[Nike] is your company and we want you to be heard.” (McGirt, 2016). While he was willing to admit, “conversations don’t solve everything”, Parker insisted that “dialogue will help” positively impact the future (McGirt, 2016). After the CEO sent out this company-wide memo addressing the employees on the topic of race, a series of meetings in key Nike offices were planned to hold listening and dialog sessions for
employees (McGirt, 2016). Nike has revenues totaling $30.6 billion dollars, once again, illustrating that engaging in an open dialogue concerning racial injustice does not disqualify your corporation from financial success (Nike, 2016).

These featured corporations are not alone in their commitment to addressing controversial issues such as Black Lives Matter and racial injustice in the workplace. Organizations such as Goldman Sachs, the Ford Foundation, Net Impact, and Symantec, a global leader in next-generation cyber security, are also addressing these issues through internal and external communications. Edith Cooper, the head of Human Capital Management for Goldman Sachs, a leading global investment firm, explained why Goldman Sachs is encouraging employees to talk about race at work in an insightful article published on the Business Insider, a news website. She explained that the executive team understood that the “pervasiveness of current events, [the numerous acts of racial violence and police brutality in the summer of 2016], affects everyone at [their] firm, from summer interns to senior leaders” (Cooper, 2016).

She reveals that,

the leadership at [Goldman Sachs] decided we needed to provide forums for our people to share their perspectives and engage in this important discussion. With impassioned questions pertaining to race, fair treatment and equal opportunity being asked both in public and in private, we knew this was not a topic we could ignore.” (Cooper, 2016).

The willingness of this $37.71 billion-dollar firm to initiate a corporate conversation addressing racial injustice, is a shining example to Corporate America proving that
addressing the Black Lives Matter movement, while remaining highly solvent, can be done (Goldman Sachs, 2016).

At the 2016 Net Impact conference, organization officials asserted that, “future corporate leaders... have a responsibility to be proactive about racial inequality”. It is evident that prestigious companies are open to conversing on tough issues that affect their employees, while remaining successful in a fiercely competitive business market. This financial success, while practicing corporate social responsibility should beckon other companies to join the discussion. The benefits of these open conversations do not just positively affect current employees, but they attract new talent! One article supports this, asserting that “in an era in which employees increasingly wish to work for companies with a conscience, having that frank discussion about race is a way to move society forward” (Kaye, 2016).

**Corporate Risks**

Companies who are neutral or against the idea of incorporating dialogue in the workplace might be facing a very real fear, what happens when you do not implement communications appropriately? What are the liabilities that your company could face from acknowledging a controversial matter? These are real issues that management must address. As seen with Blue Lives Matter’s boycott of Ben & Jerry’s, some consumers may be repulsed by a company taking on controversial social issues. Additionally, potential investors may be wary of investing in businesses that they deem “controversial.” Boycotts and reduced investments are both serious potential implications of a company taking a stand, however, there are hidden risks that are more detrimental to corporate culture and workplace operations that dwell in corporate silence.
Hidden Risks

“Conversations about race can be difficult and fraught with the risk of saying ‘the wrong thing’. As a result, too often people say nothing at all. But silence has meaning and can be interpreted as indifference – or worse.” (Cooper, 2016). Diversity consultant, Jennifer Brown asserts that, “How an employer responds to the emotional impact… [of tragic] news can have a profound effect on the employee’s comfort level at work. It can also be a deciding factor in that employee’s relationship with the employer.” (Lee, 2016a). An executive team’s silence can be interpreted by affected employees as, “a lack of caring and acknowledgment of those very employees affected the most” and often breaks employees’ confidence in their organization, which can be detrimental for overall productivity and success of a company (Lee, 2016a). Brown went further, explaining, “an employer’s or leadership team’s silence (or a co-worker’s silence) can be interpreted as a denial of something happening loudly in the culture at large, and … trust can be broken in that moment.” (Lee, 2016a).

Furthermore, ignoring current events that affect employees is reckless and negatively affects business operations through productivity and retention rates. When tragedies occur such as “the Charleston church massacre in June of 2015 when a white terrorist opened fire on 13 black members of a bible study group” or “the acquittal of George Zimmerman for the killing of Trayvon Martin, an unarmed teenager in a hoodie”, people are emotionally distressed and mentally affected (Boynton & Joseph, 2015). Often times, employees will come to work distracted by the tragic events or will use sick days to avoid being in the workplace as they try to process these events on their own.
Everyone is affected by the, “news of police shootings or hate-inspired events” (Lee, 2016a). This was illustrated, particularly well, by a New York radio station, that sat down with a group of 12-year-olds a year after 18-year-old Michael Brown was shot and killed by police in Ferguson, and discussed issues concerning race. The purpose of this discussion was to see if the racial unrest in another city had an impact on them and if so, to what effect. Unsurprisingly, “the kids were deeply affected by racial unrest, irrespective of whether it happened in their city or hundreds of miles away” (Lee, 2016a). One African American boy told the radio hosts, “I feel a little scared if I just walk down the street” (Lee, 2016a). The 12-year-old student continued saying, “You know, cops might just think I’m doing something bad. And then if I try to explain to them [I’m not] they won’t listen, and they’ll just start beating me up and doing terrible things to me.” (Lee, 2016a).

The results of this candid discussion were eye-opening for educators, many of which called on schools to talk about the impact of the shootings and protests in America with their students. However, these educators and sociologists did not extend the conversation to,

how the parents who watched the same disturbing images on TV each night were internalizing the news when they went off to work each day. It didn’t discuss whether those same supportive discussions that now take place in some schools should also be encouraged in workplaces. (Lee, 2016a).

Diversity and inclusion expert, Jennifer Brown stated, “the fact remains that employees are just as affected by incidents of racial violence as their kids, especially when the violence involves members of their own race or community” (Lee, 2016a).
These events also “weigh heavily…on the hearts and minds of colleagues of all identities who stand in solidarity as allies” (Lee, 2016a).

Typically, organizations have protocol on how to address tragedies that affect members of their organization. For example, when school districts go through tragedies such as a staff member or student dying, they provide access to counselors for the members of their organization. Similarly, when a business is impacted by a traumatic event, such as an office shooting, or an incident that affects the employees, they are required and expected to respond. If national tragedies are affecting members of a corporation, is it ethical for management to ignore the emotional impact?

**Empathy In Action**

Company executives must address these hard issues to support employees and increase morale. Mandela Schumacher-Hodge is an African-American portfolio services director for Kapor Capital, an investment firm. She published an article discussing her employer’s open dialogue, why it was significant to her, and the importance of breaking silence in the workplace.

The day following another horrific death of another African American man, at the hands of police, Schumacher-Hodge described the way she felt as, “being utterly distraught, yet so completely alone in [her] sadness” (Schumacher-Hodge, 2016). Unfortunately, she is not alone in this feeling of hopelessness and despair. Across the nation, there are thousands of employees who feel isolated in their sorrow and rage following a traumatic event such as a police shooting.
With the majority of corporations refusing to address the elephant in the room, minority employees and their allies will continue to feel crushed by the weight of their emotional burdens due to the lack of social dialogue in internal communications. Some business leaders may pose the question, “Would addressing race in America and current events even positively impact our employees?” According to Mandela Schumacher-Hodge, the answer is a resounding, “Yes!”

In the summer of 2016, Schumacher-Hodge took the time to type up an editorial piece reflecting on the day her white boss talked about race in America. She reveals that following the deaths of Philando Castile and Alton Sterling, her boss initiated a conversation about racial injustice in America and even took the time to ask her how she was doing and if she wanted to talk or take some time off. The impact this had was monumental. Ms. Schumacher-Hodge revealed that, “…the fact that [her boss] didn’t just act like [that day] was “business as usual”—that meant more to [her] than any free lunches, office perks, or holiday bonuses ever could.” (Schumacher-Hodge, 2016).

Racial injustice is a topic that cannot and should not be ignored. When business leaders address this uncomfortable topic head on, they are supporting their employees’ emotional health. Managers need to champion their employees, providing a supportive, inclusive work environment. Broaching the sensitive topic of racial injustice is warranted, in the name of productivity, retention rates, and employees’ emotional well-being. It is time to break the corporate silence.
Recommendations

For Corporate America to discuss social injustice, in a way that supports employees and attracts new talent, it is necessary for business leaders to engage in open dialogue and support inclusive hiring practices in their workplace (Boynton, 2016). Edith Cooper, from Goldman Sachs, encouraged fellow executives to address the issues surrounding race in conversation, explaining, “honest dialogue reaps understanding and understanding reaps progress” (Cooper, 2016). Based on the research I have conducted, I have developed the following recommendations that corporations can implement, internally, to open a corporate conversation on racism: engage in dialogue, acquire workplace diversity, create an emergency strategy, and maintain executive communication.

Corporate Conversations

Admittedly, discussing issues of racism can be daunting to get started. Eric Ward, program officer for gender, racial, and ethnic justice at the Ford Foundation, advised corporations to “find common ground” revealing that “it can be uncomfortable to discuss [racial] issues with co-workers, but [it] gets easier once we find common ground” (Mazzoni, 2016). Ward went on to describe three common core values that define most groups of people, these values include the idea that, “most of us want to live, love, and work” (Mazzoni, 2016). He continued asserting that, “if you can spark the imagination around those three things, you will transform the world.” (Mazzoni, 2016).

Finding common ground is important because it allows individuals to develop empathy for one another. Being able to realize similarities, will help prevent employees
from being defensive and hostile, when the conversation moves to discussing differences and opposing viewpoints, which is critical for hosting a productive conversation.

Additionally, managers should organize team check-ins to gauge the corporate climate of the office. This can be done by sending out an anonymous survey for employees to fill out, weekly. The point of this exercise is to communicate the status of your emotional health. Managers can use this information to plan support for their team accordingly. For example, if the results read urgent, managers may decide to implement a dialogue session for employees at the earliest date. Whereas, they may open up a blog space to interested parties on a week where the majority of the team is doing well.

The point of each of these initiatives is to acknowledge and tend to the emotional health of employees. Emotional health matters and when managers take the time to tend to the needs of team members through dialogue, the corporation as a whole succeeds.

**Inclusive Hiring Practices**

Acquiring employees from diverse backgrounds is also necessary for creating an open work environment that supports the discussion of racial injustices. Jennifer Brown has served as a diversity consultant to some of the largest corporations in global manufacturing, insurance, and banking sectors. This experienced advisor insisted that, “embedding the expectation that there will be diverse representation in key corporate practices and policies” is crucial for building an inclusive corporate environment, since corporate change comes from the top down. (Lee, 2016b). While implementing inclusive hiring practices, companies should be careful to avoid tokenism. They can do this through community outreach and intentionally seeking out and recruiting job candidates with diverse life experiences.
Once they have acquired workforce diversity, managers must be sure to create an environment where people are free to voice their different perspectives and management will actively consider and evaluate their employees’ opinions. By listening to diverse perspectives that challenge ideas that have been produced by groupthink, corporations can avoid launching commercials, products, and services that are out of touch with diverse populations and may be interpreted as offensive.

Inclusion is a long-term investment that every business needs. In times of social strife, having a diverse workforce might be the only true competitive advantage because corporations, “need teams that reflect the diversity of … consumers and a culture of inclusivity that respects the communities in which we live and work” (McGirt, 2016). Therefore, Corporations need to be proactive about their inclusion efforts in order to reap the benefits of a diverse body, while maintaining open dialogue about social issues in order to support their diversity.

**Emergency Strategy**

This method should be a minimum requirement for businesses. This option is tragedy-triggered. Again, think school shootings. When an academic institution is faced with a tragedy, they have distinctive protocols in place. Similarly, businesses should prepare an emergency procedure that can easily be implemented in times of strife or trauma. As a part of this plan, managers should seek professional services in times of national tragedies. For example, leadership should bring a counselor into the office, so employees have the option to seek emotional help. This is another way for managers to support their team members.
Proactive Leadership

When tragedies occur that affect employees, managers need to respond to avoid miscommunicating in the silence. Management does not want employees to think they are indifferent to the struggles and experiences of their team members. Therefore, business leaders should actively discuss diversity and engage employees by regularly exploring, “what [diversity] means to each individual of the company, [and] what it means to them personally” (Lee, 2016b).

Final Remarks

Racial injustice is a prominent issue in America, the Black Lives Matter movement has highlighted this problem, and it is time for business leaders to boldly utilize internal dialogue to address this issue. So, I would like to conclude this thesis by saying this, “Hello, Corporate America. It’s time we had a talk.”
References


