

Equity and the Economy

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OVERVIEW

Introduction



Panel Discussion



DEI Presentation



Next Steps/ Conclusion



MEET THE PANEL



Justin Erbacci,
CEO
Los Angeles World Airports



Jeffery Wallace
President and CEO
LeadersUp



Roya Noorbakhsh
Chief Technical Officer
LAX Integrated
Express Solutions (LINXS)



Alberto Diaz
Managing Director, LAX
United Airlines

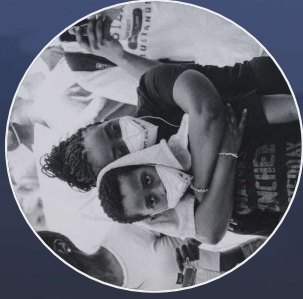
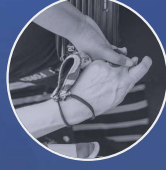




BUILDING AN EQUITABLE ECONOMY



Cultural climate in the wake of George Floyd



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Who is Christopher Martin?



Christopher lives in an economy that perpetuates chronic disadvantage

Human Capital &
Socioemotional
Skill Deficits

Growth of
Disadvantaged
Families

Declining
Employment and
Earnings

Mass
Incarceration
and the War on
Drugs



**“If I had just not
taken the bill
this could have
been avoided.”**



CHRISTOPHER MARTIN, 19

Christopher Martin testified that the store's policy was that employees who accepted counterfeit bills would have to cover the lost revenue from their own paychecks.

**Christopher is a
representation of the
BIPOC young adults
we serve**



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The World, and the Economy, Demand Systemic Change

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How can corporate leaders act to end systemic racism?

It's been a year since the murder of George Floyd and a global pandemic revealed the **gross inequities and injustices disproportionately impacting Black, Indigenous and People of Color (BIPOC)** populations.

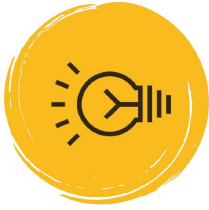
2020 saw many major corporate leaders take public stances for racial justice — 2021 sees these same **leaders being challenged to follow-through on statements with action.**



OUR BELIEF

To achieve economic growth and social justice goals, there is only one path forward for the private sector in an increasingly diversified labor and consumer market – becoming **antiracist** and **evolving** our current talent strategies.





What We Mean By "Racist" Actions

***"Racist"** is commonly perceived as a pejorative term to describe an individual's bigoted nature. Today, we use the term as it is increasingly understood — to identify any policies or practices that create or reinforce racial inequities.*

***Racist policies and practices** are any expressed or implied actions that generate disparate outcomes between racial groups.*

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What Does It Mean To Be An Antiracist Employer?

An **antiracist employer** is any organization that **actively** identifies and eliminates policies and practices that generate racial inequities in the workplace

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Americans are calling on corporate leaders to address and condemn racial inequities



76%
of Americans
consider **racism**
a **big problem**

78%
of Americans want to see
diversity and inclusion
elevated in the workplace

75%
of Americans want CEOs to
condemn racial inequality

73%
of Americans favor CEOs
condemning police killings
of unarmed Black people



The global pandemic has only worsened racial disparities in the U.S. economy

Black Workers

67%

&

Latinx Workers

41%

are **more likely** to be **unemployed** during the COVID-19 pandemic

[\(U.S. Bureau of Labor & Statistics, 2019\)](#)

Asian Workers

46%

have been **unemployed long-term** during the COVID-19 pandemic

[\(Pew Research, 2021\)](#)

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Racial disparities and the widening wealth gap ...

have cost the US economy an estimated loss of
\$16 trillion
in total economic value over the last 20 years, and
[\(Peterson & Man, Citi Group, 2020\)](#)

will cost a future estimated loss of
\$1.5 trillion
per year in the US economy by 2028
[\(Spievak, Urban Institute, 2019\)](#)

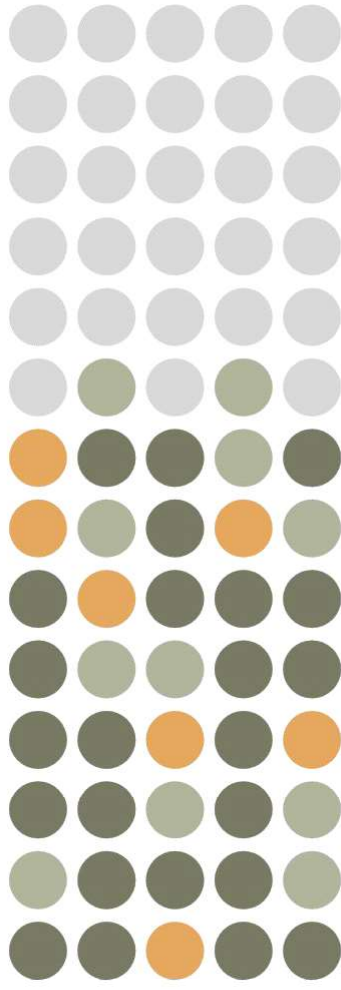
On the flip side —
Our economy would gain
\$2.4 trillion
in GDP by eliminating racial gaps
in income
[\(Trehhaft, et. al, Policy Link, 2014\)](#)

ANTIRACISM

What Does This Mean for Private Sector Employers?



As America grows increasingly diverse, the next generation of persons of color are key to building an antiracist economy



61% of American consumers find diversity important and 38% are more likely to trust brands that show diversity in their ads.

[\(Thompson, 2021, as cited in Adobe Report 2019\)\)](#)



By 2032,

the majority of our labor force will be persons of color

[\(Economic Policy Institute, 2016\)](#)

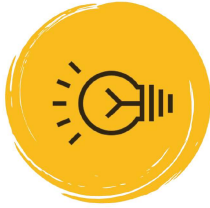


By 2043,

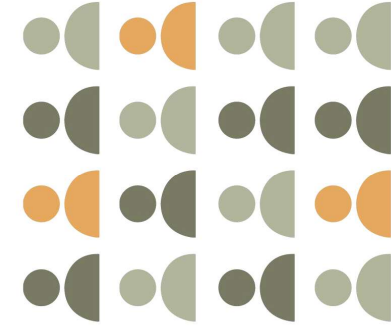
the majority of the U.S. population will be persons of color

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Diversity Yields Financial Gains



Racially diverse
companies are

35% more

likely

to achieve

**above-average financial
returns**

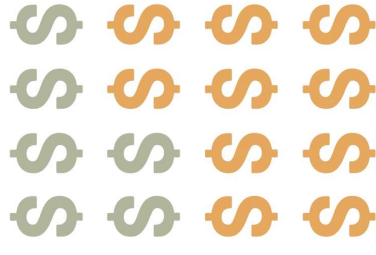
(Hunt, et al. *McKinsey*, 2015)

and see

2.3X More

cash flow per
employee

(Bersin by Deloitte, 2015)



ANTIRACISM

What Can Be Done to Become an Antiracist Employer?

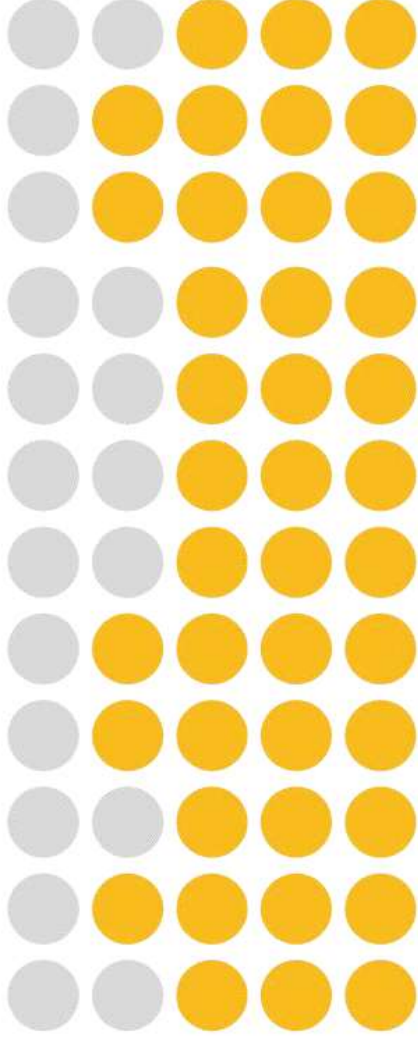


**Over 100 million
employees work in
the private sector, or**

71%

of the labor force

(Desilver, [Pew Research](#), 2019)



Traditional DEI efforts, alone, may not be enough

60%

Of Employees
say DEI is not
effective

[\(Center for Talent Innovation, 2019\)](#)

1%

Of Fortune 500
CEOs are Black

[\(Wahba, Fortune, 2020\)](#)

35%

Of companies with
racially diverse
boards and C-suite
have higher
financial returns

[\(Hunt et al., McKinsey, 2020\)](#)

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A photograph of a person's hand holding a white sign with the words "BLACK LIVES MATTER" written in black marker. The sign is held up in front of a dark, industrial-looking metal structure, possibly part of an airport terminal. The background is slightly blurred, showing more of the structure and some other signs.

"The only way to undo racism is to consistently identify and describe it — and then dismantle it."

— Dr. Ibram X. Kendi



Drivers of a racist economy

To be an antiracist employer

Education

Unequal access to education, skills development
e.g., 32% of Black Americans earned at least an
associate degree, vs 42% of Whites

Employment

Inequality in employment
e.g., Black talent is 2X as likely to be unemployed
than White talent at almost every education level

Compensation and Benefits

Disparities in compensation and benefits
e.g., Black men earned 70¢ to every \$1 that a
White man earned prior to the pandemic



Provide uniform access to employer education and supportive workplace cultures to develop knowledge and skills



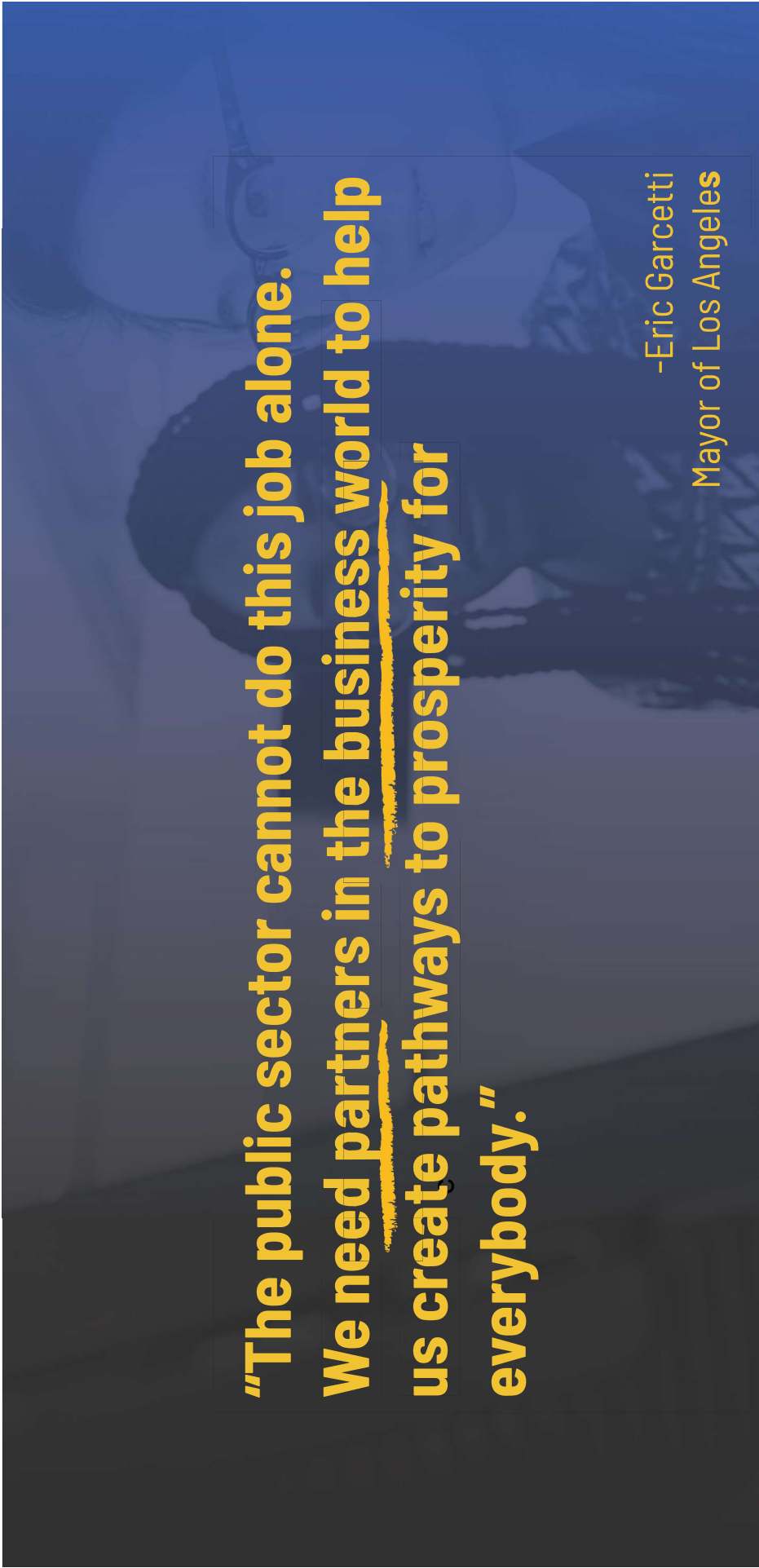
Champion diverse hiring and talent strategies that level the playing field for those who lack access and equal opportunity to employment



Offer equal access to wealth-building **benefits**, equitable career **advancement** strategies, and **pay equity**

We invite you to join a
**new economic
movement** that is both
antiracist and
profitable.





**"The public sector cannot do this job alone.
We need partners in the business world to help
us create pathways to prosperity for
everybody."**

-Eric Garcetti
Mayor of Los Angeles

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What next step can I take?

Mayor Garcetti's RENEW Initiative: Metrics to Advance the 6 Pillars of the Private Sector Pledge Toward Racial Equity



What **next step** can I take?

LAWA Initiatives

- Disparity Study
- Local Hiring
 - First Source Hiring Program
 - Keep LA Working Grant
- Mentorship for diverse talent
 - BuildLAX
 - HireLAX
- Share webinar recording with colleagues

Journey **with us**

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- 100-Day Challenge – Today
- Evolve Professional Development (DEI Training)
- Host a Volunteer Coaching Session with BIPOC Talent
- Drive Growth and Capacity through Upskilling (BrandUp+)
- Diverse Hiring (Opportunity Marketplace) – TBD September



JOIN US IN TAKING ANTIRACIST ACTION

On Juneteenth, we launched our 100 Day Challenge — an invitation to learn and act as an antiracist ally and leader.

Text "100Days" to 64600 to sign up.



COMMIT

Sign up to receive 100 daily prompts that unpack antiracism and provide ways to take action, from small steps to major changes.



LEARN

Join in a journey of self-reflection, reckoning, and (un)learning in what it means to be antiracist and create systems change.

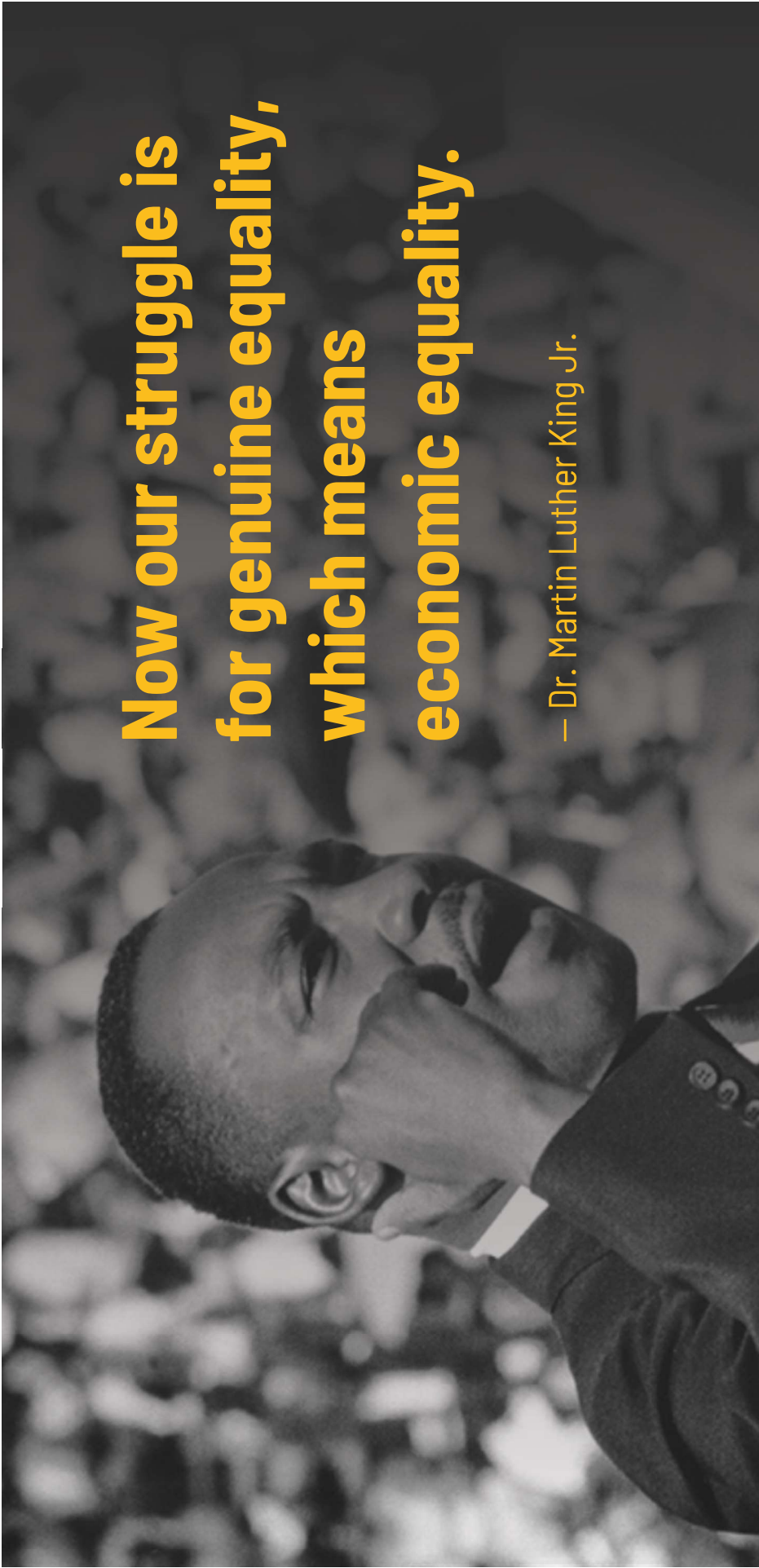


ACT

Implement antiracist change one step at a time within your own organization and sphere of influence; be part of creating larger, collective impact.

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**Now our struggle is
for genuine equality,
which means
economic equality.**

— Dr. Martin Luther King Jr.

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Thank you!

