

Black/African-American Employment Opportunity

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#DSMInclusion



PURPOSE

- Positively impact the employment rate of African Americans by educating metro employers on the current state.
- Compel employers to take action within their respective organizations that will impact change.

SCOPE

- Focus on workforce initiatives. This includes focusing on the age group of 25/30 to 55 ready to work now, and how to connect them to the workforce now.
- Engaging youth 14-24 and training them, and preparing them to be successful for our future workforce.
- Work with employers around hiring ex-offenders and how they can be great employees to fulfill workforce shortages.

WHAT WE WILL PRESENT TODAY

- “Why” the Council has taken on this initiative.
- Review some of the context/factors contributing to high unemployment of African Americans in the State of Iowa and our community.
- Share recommendations that employers (all sizes) can adapt, and adopt.
- Hear directly from individuals who have been positively impacted through aggressive employer actions/programs.

BACKGROUND

- Huffington Post article (October 2015) highlighted the top 10 worst cities in America for African Americans.
 - Des Moines ranked #9 on this survey
- Key issues sighted in the article included:
 - High unemployment rates for African Americans
 - Disparities in median household incomes

UNEMPLOYMENT RATES FOR AFRICAN AMERICANS BY STATE IN 2015

- In 2015, the unemployment rate for the **United States** averaged **5.3 percent**.
- The rate for **African Americans was 9.6 percent**, but rates varied among the states.
- The lowest unemployment rates for African Americans were in Hawaii (4.1 percent), Alaska (4.6 percent), Nebraska (5.3 percent), and Colorado (5.9 percent).
- The **highest unemployment rates for African Americans** were in **Iowa (14.8 percent)**, Minnesota (14.1 percent), and Nevada (13.5 percent).

Source: U.S. Bureau of Labor Statistics, March 6 2015



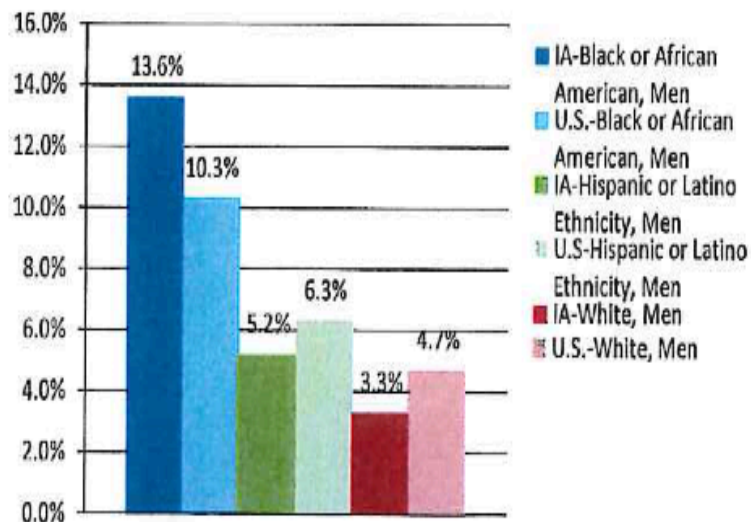
IOWA & U.S. UNEMPLOYMENT RATES

Group	Unemployment Rates					
	2009	2010	2011	2012	2013	2014
U.S. - Overall	7.2%	7.9%	8.7%	9.3%	9.7%	9.2%
IA - Overall	4.9%	5.3%	5.5%	5.6%	5.8%	5.4%
U.S. - African Americans	13.3%	14.0%	15.0%	15.9%	16.6%	16.1%
IA - African Americans	14.3%	14.6%	15.8%	15.0%	15.7%	14.8%
U.S. - Hispanic or Latino	8.7%	9.6%	10.6%	11.3%	11.7%	11.0%
IA - Hispanic or Latino	9.3%	9.8%	9.0%	9.0%	9.5%	9.0%

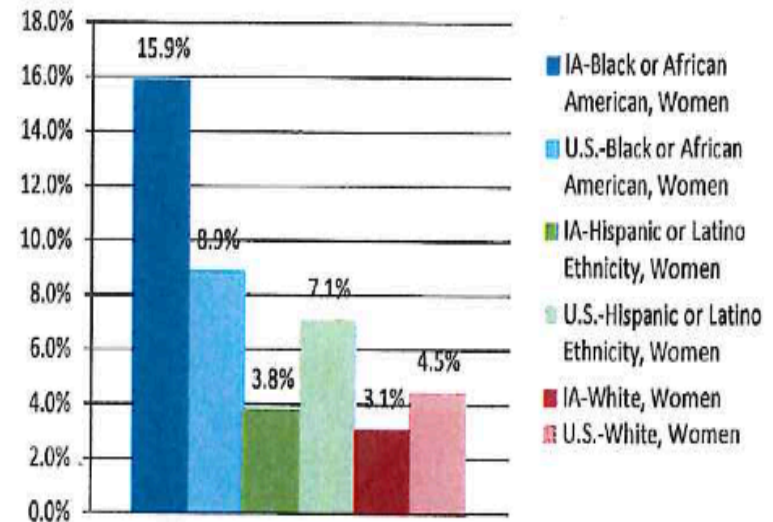
Source: U.S. Census Bureau, American Community Survey, 5 Year Estimates.

IOWA & U.S. UNEMPLOYMENT RATES

Unemployment Rate, Men by Race & Ethnicity (2015)



Unemployment Rate, Women by Race & Ethnicity (2015)



POLK COUNTY UNEMPLOYMENT RATES 2014

Unemployment Rate for 16 years and older

African American	16.7%
Latino	8.5%
Asian	6.8%

Source: U.S. Census Bureau, American Community Survey (ACS) 5-Year Estimates, 2010-2014.



MEDIAN INCOME

- In 2014, the median income for Black Iowa households was \$28,833 compared to \$53,712 for white households

Source: State of Iowa Data Center



ADDITIONAL FACTORS INFLUENCING EMPLOYMENT

- **Education-** higher drop out rates for African American students in Iowa as compared all students.
- **Criminal background-** high representation of African Americans in the correctional system.
- **Unconscious Bias** in the hiring process- biases are road blocks to hiring talent with criminal backgrounds and certain educational levels

EDUCATION: GRADES 9- 12 DROPOUT RATES

Grades 9-12 Dropout Rate by Student Subgroup									
	All Student s	IEP	Low SES	ELL	African American	Multi- racial	Asian	Hispanic	White
2014-2015	2.5%	3.8%	5.0%	5.8%	5.5%	4.3%	1.2%	4.7%	2.0%
2013-2014	2.7%	4.5%	5.3%	5.2%	7.2%	4.6%	1.6%	4.4%	2.2%
2012-2013	2.8%	4.4%	5.6%	5.7%	6.9%	4.8%	2.0%	5.3%	2.3%
2011-2012	3.2%	5.1%	6.0%	6.0%	9.0%	5.0%	2.3%	5.8%	2.6%
2010-2011	3.4%	5.2%	5.9%	7.2%	8.6%	4.6%	2.5%	6.4%	2.8%
Difference 2014 to 2015	-0.2%	-0.7%	-0.3%	0.6%	-1.7%	-0.3%	-0.4%	0.3%	-0.2%

Source: Iowa Department of Education



EDUCATION: HIGH SCHOOL GRADUATION RATES

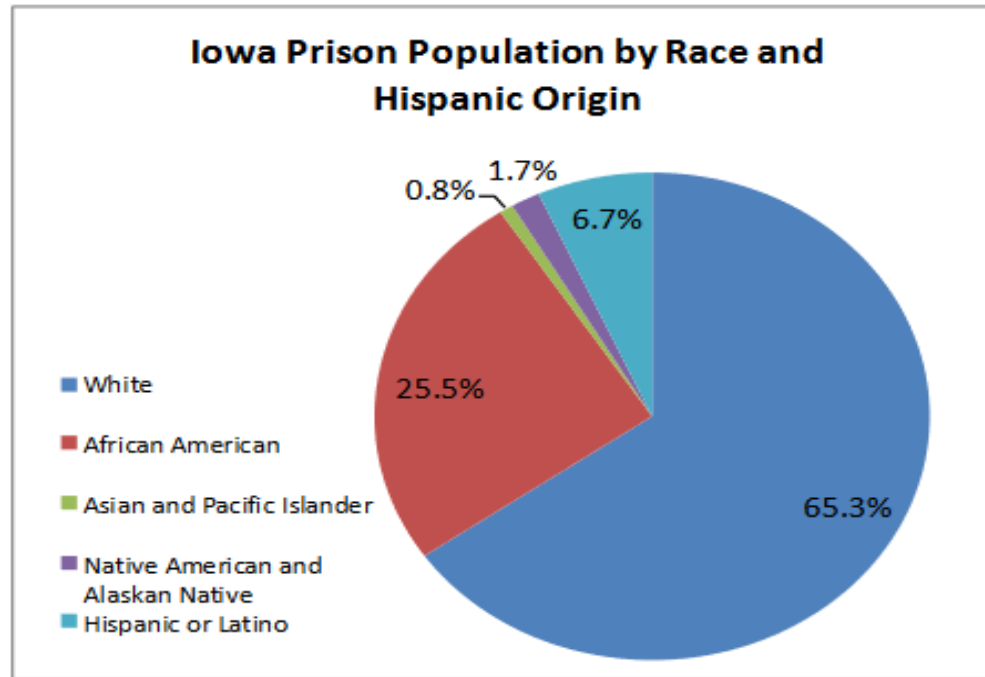
Five-Year Graduation Rate by Student Subgroup									
	All Students	IEP	Low SES	ELL	African American	Multi-racial	Asian	Hispanic	White
Class of 2014	93.1%	84.9%	87.9%	88.1%	83.6%	89.1%	94.7%	86.6%	94.4%
Class of 2013	92.3%	81.9%	85.0%	82.4%	78.9%	88.0%	95.3%	83.7%	93.8%
Class of 2011	91.4%	80.7%	83.6%	80.1%	79.3%	86.1%	92.0%	82.3%	92.8%
Difference 2013-2014	0.8%	3.0%	2.9%	5.7%	4.7%	1.1%	-0.6%	2.9%	0.6%

Source: Iowa Department of Education



IOWA PRISON POPULATION

2015



In FY2015 African Americans made up about 25.5% of the total prison population and have seen a 2.2% increase of incarcerated since FY2006. The white population has seen a 2.6% decrease during this same time period.

Source: Division of Criminal and Juvenile Justice Planning (CJJP)

https://humanrights.iowa.gov/sites/default/files/media/Forecast2015_1.pdf



RECOMMENDATIONS/OPPORTUNITIES

- Employers must be even more intentional around elevating focus on diversity and inclusion
 - Review your companies **vision and mission** statements to ensure aligned with creating a diverse and inclusive workforce
 - **Invest in staff** that can be dedicated to focusing on D&I efforts
 - Create training and development programs around **unconscious bias**
 - Review **company policies** and practices related to flexible working schedules
 - Conduct internal review of jobs that may allow candidates with **criminal backgrounds** to be considered

RECOMMENDATIONS/OPPORTUNITIES

- **Partner with community organizations** that are closing the opportunity gap. Invest in these programs, offer job shadowing, internships, mentoring, etc.
 - Leverage GDMP as a resource for information
- **Rethink** your recruiting and interviewing practices
 - Expand organizations & sources for reaching diverse candidates
 - Develop diverse interview panels for selection decisions

BUSINESS RATIONALE FOR CHANGE

- The most racially diverse companies bring in nearly 15 times more revenues than the least racially diverse companies (Herring, 2009)
- Racial diversity is a better determinant of sales revenue and customer numbers than company size, age, or number of employees at a worksite. The most diverse companies average 35,000 customers vs 22,700 for least racial diverse companies (Herring, 2009).
- Diversity and Inclusion represents a competitive advantage - and you can measure financial benefits (Thomas, 2004)
 - Example: IBM implemented a diversity task force initiative and diversified its executive ranks. This led to a shift in one of its business units to focus more on minority businesses and grew its revenues from \$10 million in 1998 to more than \$300 million by 2001.

Source: "Does Diversity Pay?: Race, Gender, and the Business Case for Diversity" by Cedric Herring in the *American Sociological Review* (2009)

Source: wrote in "Diversity as Strategy" by David A. Thomas in the *Harvard Business Review* in (2004)



WHY THE NEED FOR CHANGE NOW

- The 2nd largest work ready pool of employees will be ex-offenders. 92% of those currently incarcerated will be released (IWD, 2016)
- African Americans are the second fastest growing population group in Iowa at 11% behind Latinos (State Library of Iowa, 2016)
- The largest group of minorities enrolled in Iowa community colleges (Annual Condition of Iowa Community Colleges, 2016)
- Action needed to help combat the current middle skills gap and labor shortage that companies are currently facing and projected to get worse
- Opportunity to create a pipeline of students to the boardroom vs. today's pipeline to prison
 - Start working with youth training programs to get them work ready



EXAMPLES OF INITIATIVES AT WORK

- Beacon of Light Program – Wellmark, Broadlawns, Urban Dreams and North High School
- Youth Experience Program – Evelyn K. Davis CWF, United Way of Central Iowa, DMPS and various businesses
- Oakridge Summer Youth Employment Program- Oakridge, Bankers Trust, and United Way of Central Iowa