

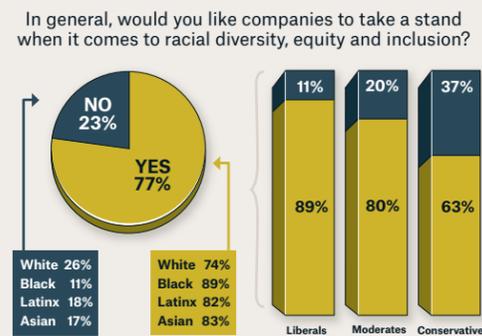
# Advocacy Begins Within

Brunswick Insight research in the US shows companies have a mandate from key stakeholders to act on racial equity—but sincerity matters. By **TRAVIS MALONE**.



## COMPANIES CAN TAKE A STAND

Across demographics, respondents firmly agreed that business needs to speak up on race matters.



## POSITIVE POTENTIAL OUTWEIGHS RISK

A majority indicated they would reward corporate outspokenness on race, while relatively few said they will take negative action.

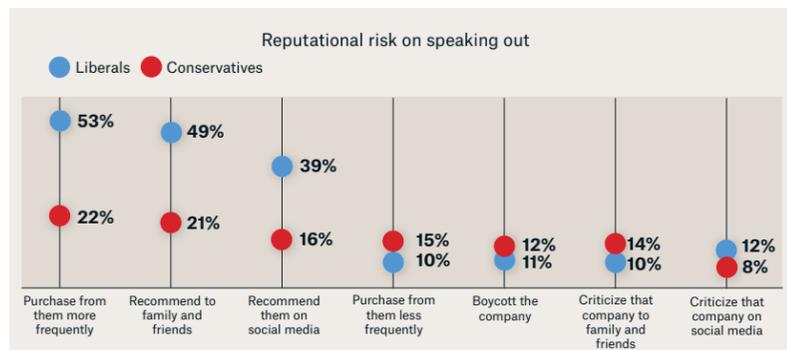


ILLUSTRATION: DAVID PLUNKERT; CHARTS: PETER HOEY

SINCE THE DEATH OF GEORGE FLOYD IN MINNEAPOLIS sparked an overdue, global conversation about systemic racism in institutions, many businesses have stepped into the debate. But companies are often uncertain about how to take on this complex, contentious issue, particularly in the US. And with good reason.

There has been considerable backlash to seemingly well-intentioned messaging from many companies attempting to show allyship. In a political climate that has sparked widening societal division, Black Lives Matter and other social justice issues have drawn starkly partisan support. Protests in cities against racism are discussed significantly differently by the US's left- and right-leaning media outlets and social bubbles. For many companies, these divides also exist within their customer and stakeholder base.

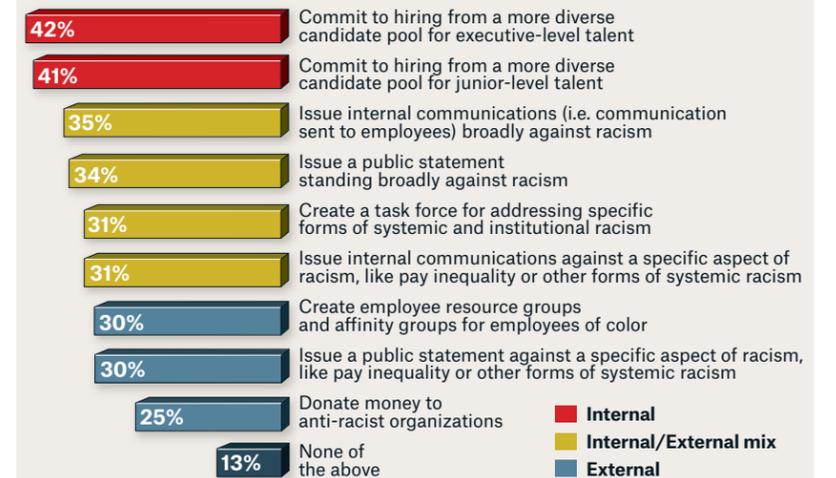
Meanwhile the business community itself is divided. Some executives have chosen a “stay in your lane” approach, dismissing the value of responding to social issues that don't directly affect the company's operations. Others have moved strongly—through company initiatives, announcements and partnerships—to align themselves with progress toward racial equality. Where one group sees outspoken social positions as activism outside the company's purview, the other sees their business' interests as inseparable from those of the society in which they operate.

The findings of a 2020 Brunswick Insight survey of 2,000 US adults align with the second perspective: It finds that from the point of view of most Americans, companies should speak up on social issues. Three-quarters of respondents would like companies to take a stand when it comes to racial diversity, equity and inclusion (DEI), and this sentiment carries across party lines—89 percent of liberals and 63 percent of conservatives agree. More than half of Americans say it is “very important” for a company to speak out about racial justice.

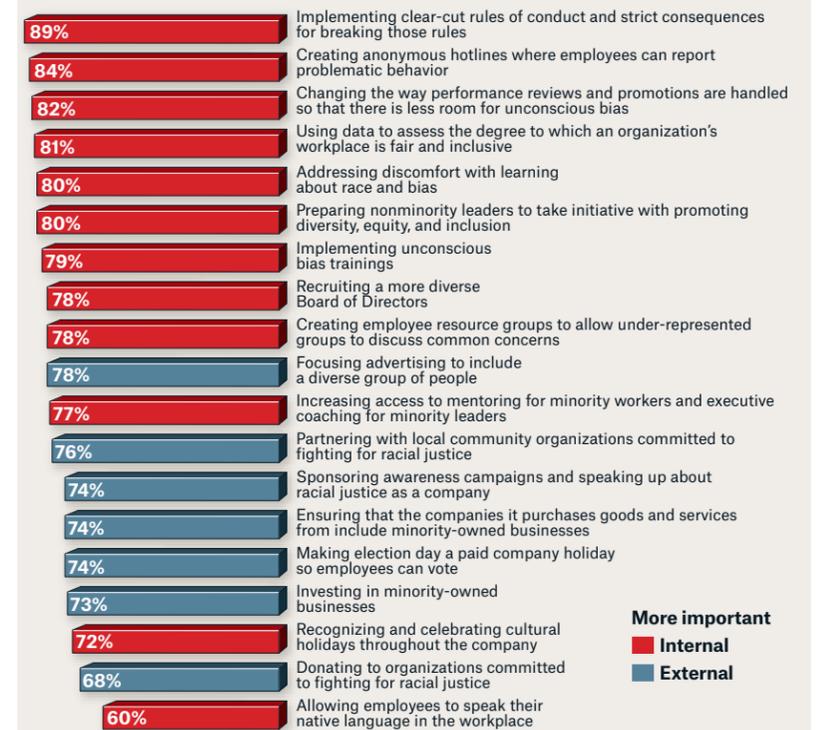
After a marked uptick in media coverage of boycotts, it is no wonder that many companies continue to be wary of taking a stand that could end up crossing a line with their customer base. Despite the coverage, however, the Brunswick Insight survey finds that consumers are very unlikely to participate in

## INTERNAL CHANGE IS EXPECTED

If a company were to take a stand on racial DEI, how would you want them to do so?



## RANKING THE IMPORTANCE OF SPECIFIC DEI ACTIONS



**“WHEN YOU'RE WALKING THE WALK INSTEAD OF JUST TALKING IT, YOU GET TO THAT GENUINENESS. BUT IF THE INSIDE OF THE COMPANY IS IN SHAMBLES OR YOUR BACKYARD IS NOT CLEAN, THEN THE EFFORTS TO HELP WHAT IS GOING ON OUTSIDE FALL SHORT BECAUSE THERE'S A DISCONNECT.”**

Respondent from a focus group of Black consumers.

negative purchasing behaviors when a company that they regularly buy from speaks out against racism—in fact, there is positive purchasing impact.

Companies can and should feel confident that their customers and key stakeholders want them to take a stand, and that the financial risks are minimal. However, the nature of that stand matters.

One focus group respondent put it bluntly, “I keep seeing these Black Lives Matter banners on websites and it just seems very performative. And the truth is, as a consumer, I don’t know what they’re doing in their companies. On the outside, it doesn’t do anything for me when I see the banners.”

So how does a company speak out without coming across as insincere or virtue signaling?

It starts with setting the example from the inside, which few companies managed to communicate this past summer. When Brunswick Insight conducted a language analysis of 150 corporate responses to racism, we found more than half discussed the issue from an external point of view, but less than one-third talked about the issue with reference to their own company. Only 4 percent of the messaging mentioned resources and opportunities for their employees.

While more business leaders are recognizing DEI’s importance, it can appear that they are asking society to be accountable for its actions without holding themselves responsible for the part they play in the system in which they operate. The public now expects accountability. They want to see companies “walk the walk.”

The actions respondents most want companies to take are hiring more diverse candidates both at executive and at junior levels. Those actions scored seven and eight percentage points, respectively, higher than the choice of a company making a broad statement against racism. When comparing the importance of a list of internal and external actions to improving racial DEI, the top nine actions were all internally focused. Americans want the organizations they work for and do business with to take a stand—prioritizing internal actions first.

Does that mean that companies should avoid public statements altogether while focusing internally? The short answer is no.

A majority of respondents, 82 percent, believe companies should speak out about racial diversity, equity and inclusion issues at some level, and most want the conversation to be more frequent and consistent around their commitment to the issue, beyond just reacting to current events.

People want organizations to address systemic

**“I DON’T THINK THAT ANYBODY IS LOOKING TO COMPANIES AS A MORAL COMPASS OF WHERE WE SHOULD GO AND WHAT WE SHOULD DO. I DON’T THINK ANYBODY IS, AND I DON’T THINK A LOT OF PEOPLE HAVE A LOT OF TRUST IN THE AUTHENTICITY BEHIND IT PERSONALLY.”**

Respondent from a focus group of white Republican consumers.

racism, not solely by denouncing racial discrimination and acknowledging a history of oppression, but also by holding themselves accountable for progress inside the company and maintaining a conversation about the issue internally and externally.

To the public, accountability equals credibility.

**COMPANIES NEED TO:**

- **Prioritize hiring and retention practices for all levels.**
- **Create space for honest conversation about the effects of systemic racism.**
- **Evaluate business decisions, internally and externally, through the lens of systemic racism to ensure that they are not reinforcing racial inequities.**
- **Set measurable goals and share hard data regularly to track and communicate progress.**

No response will please everybody. Criticism is inevitable—but that does not indicate a failed response. Company leaders should feel confident that they have the green light to address systemic racism, and that a powerful place to begin is within their own business.

Many companies have already committed to taking action and are influencing change. As they continue to discuss the issue of systemic racism, they will find people are eager to hear about their role in making real progress. ♦

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**ADVOCACY FOR CHANGE: COMPANIES SHOULD SPEAK OUT**

**A majority believe that companies should speak out on racial DEI.**

