



Stamping out racism and inequality in business

KPMG Board Leadership Centre



Over the past few weeks, the news of George Floyd has rocked the world. This has shone a spotlight on the many racial atrocities that have taken place just this year, not to talk of the centuries of disadvantage and degradation suffered by black people. It has captured the attention of the media, politicians, business leaders and the general population. It is the main issue of the day and it has shaped a new wave of protest and anger towards all forms of racism and inequality.

In this paper, Richard Iferenta, Chair of the Business in the Community (BITC) Race Leadership Team and KPMG Partner sets out why businesses need to act on racism

We all know that in addition to the atrocities we see in the press, there are countless other examples of institutional and individual incidents that go unheard and unnoticed outside the black community. But now that the story is being told, businesses must respond and show their solidarity and support. Silence is not an option and we must stand up for what is right and what needs to change.

Business standing together

The reasons for this are many. Collectively and individually businesses are a powerful voice. Be it brand and consumer following, spending power and government influence or simply as employers we can make a small difference to stamping out racism in our business community. It is clear that our employees – both from the black community and outside it – want us to stand in solidarity with this movement to bring about change. We must acknowledge the grief and impact it has had on people and show that we stand together.

We all know that the [2017 McGregor-Smith Review](#) found that people from the BAME community were underemployed, underpromoted and underrepresented at senior levels. Sadly, whilst there has been some progress since then there is still a huge amount of work to be done. Since then, BITC has issued the [Race at Work Charter which includes five calls for action](#) to business leaders which still remain relevant.

The time for action is now. This is not the time for nice words and platitudes. Let us make a difference for the black community and our country at large.

With this in mind, I strongly urge the Chairmen and CEOs in the business community to make commitments to stamp out racism of all forms in the business community. I know this will entail a lot of listening to ensure that we get things right but this must be done timeously. In the meantime, it is clear that there will be some easy wins that can be pursued. Some ideas to consider could include:

- Agree specific targets for the recruitment of black people across all levels in the organisation;
- Agree targets to have more representation of black people in senior leadership positions. In this regard, there should be an equal focus on levelling up the pay gap;
- Put in place measures to ensure that black people are given good, challenging opportunities that will ensure they are able to progress in their careers;
- Zero tolerance for racism and other forms of bad behaviours; and
- Appointing a Chief Diversity Officer who reports directly to the CEO and is tasked with developing and implementing an inclusion and diversity strategy that is appropriate.

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Building a pipeline of senior black talent

It is clear that business can also support the black community with appropriate investments in training with corporate social responsibility budgets. At the more senior levels, action to build a pipeline of senior black talent should not only be by individual commitments but also by pooling investments together to ensure that we collectively build a pipeline that we can be proud of.

The more I listen to the concerns arising from the BAME community, the more it is clear that a lack of black people in senior positions is a key source of the systemic disadvantages faced by black people. We simply are not there when the strategic decisions are being made and our voices are not heard. We know that there is excellent talent out there but getting into these positions of influence remains challenging. I understand that there are many businesses keen to invest individually and collectively in developing a cadre of future black leaders – this is to be encouraged.

To end on a positive note, I have seen many businesses making positive commitments to support the black community going forward which is encouraging. We are hopeful that we can look back in time and say that the current protests were a defining moment in the positive change of direction for black people in the business world.

Richard Iferenta

Chair of the Business in the Community (BITC) Race Leadership Team and KPMG Partner

The KPMG Board Leadership Centre

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