

# Economic Case For Inclusion

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Creating a New Narrative for Greater Akron



ELEVATE <sup>GREATER</sup> AKRON

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# Preface: Economic Case For Inclusion

## Creating a New Narrative for Greater Akron

What follows is the foundation of the Elevate Greater Akron inclusion work. We started this journey over a year ago by commissioning an equity study of Greater Akron. What we found were major race-based gaps and inequities within every sector of our community and economy. We used this data to build and inform our inclusion work; we also used it to convene partners and strengthen the knowledge of our ecosystem. This data was introduced to the broader business community at the inaugural Greater Akron Inclusion Summit in 2019 and has since been shared at many other events.

It is important to note: this equity study was completed pre-COVID-19 and therefore, the data and statistics do not report on, reflect, or draw conclusions based on the current pandemic. Although we do not yet have comprehensive data about the impact of COVID-19 on the inequity reported here, there is no doubt that the existing racial gap has widened further in the wake of the pandemic – adding even greater urgency to a regional focus on the issue of economic inclusion.

Minority workers, communities and businesses have been disproportionately affected by the crisis and all indications are that, at the time of this writing, things will continue to get even worse before improving.

The impact of systemic racism on Black Americans has been perpetuated during this pandemic, as a disproportionate number of African Americans have been infected by the virus, compared to whites, due largely to existing systemic inequities. For example, at the end of May 2020, in the State of Ohio, 26% of those testing positives for COVID-19 were African American, while African Americans make up just 13-14% of our state population.<sup>1</sup> At the end of May 2020 in Summit County, 29% of confirmed COVID-19 cases were African Americans, while just 14% of Summit County residents are African American.<sup>2</sup> In both cases, Black residents are overrepresented by a factor of two or more.

The Center for Disease Control and Prevention (CDC) has started to draw some conclusions as to why the African American population is being hit harder than any other by this virus. Three major factors that play into the impact of COVID-19 are living conditions, work circumstances, and pre-existing health conditions. Looking specifically at working conditions, the high percentage of African American workers who hold “essential jobs,” largely in the service realm, contributes to higher rates of infection among communities of color. Essential workers have continued to go to work throughout the pandemic, and have inevitably been more exposed to COVID-19, with a greater risk of infection. Nearly a quarter of employed Hispanic and African American workers are employed in service industry jobs





compared to 16% of Caucasians.<sup>3</sup> In the health industry, African Americans make up 12% of all employed workers, but account for 30% of licensed practical and licensed vocational nurses.<sup>4</sup> This means the minority population is overrepresented in two major workforce sectors that were considered to be essential during the height of the pandemic.

Predominantly African American communities have long faced a broad spectrum of unequal accessibility to things like transportation, Wi-Fi, proper food sources, and adequate healthcare. This lack of accessibility in the wake of COVID-19 is having an even larger impact on these communities. As schools switched to at-home learning - which for most included some type of

online-based education and communication with teachers - communities with little to no access to Wi-Fi, for either infrastructure or cost reasons, do not have the same learning opportunities as their counterparts. This is further widening the education gap in this country. As people continue to work through COVID-19, African American workers commute by public transit at nearly four times the rate of White workers.<sup>5</sup> In the middle of a viral pandemic, having to use public transportation leaves you at a greater risk of contraction. Research also shows that racial and ethnic minorities are more likely to live in densely populated areas; are overrepresented in prisons and jails; and may be more likely to live in a multi-generational household.<sup>3</sup> Each of these living conditions impedes social distancing, a key

preventive measure for containing the virus. All of these factors lead to a disproportionate impact of COVID-19 in predominantly African American communities.

Across the board we know that this pandemic is affecting small businesses, however, minority-owned businesses in this country face greater risks and are more exposed to the effects of COVID-19. Compared to their non-minority counterparts, minority-owned businesses are more likely to be concentrated in the industries most immediately impacted by the pandemic, and face underlying issues that make it more difficult to operate and grow successfully.<sup>6</sup> In 2019, the Federal Reserve Bank conducted a small business financial health assessment. That report concluded that minority-owned small businesses were considerably more likely to show signs of limited financial

health- by factors such as profitability, credit scores, and propensity to use retained earnings as a primary funding source.<sup>7</sup> Furthermore, those minority-owned businesses were approximately twice as likely to be classified as “at-risk” or “distressed” than non-minority owned small businesses.<sup>7</sup> The U.S. Federal Reserve indicates that “distressed” companies are three times as likely as healthy businesses to close because of a two-month revenue shock, which we experienced in the wake of the ‘Stay at Home’ orders.

Further, as we prepare to publish this summary, we are in the midst of increased tension and unrest following the death of George Floyd at the hands of the Minneapolis Police Department. This is just one event of many over the last several years that underline the life

and death impact of systemic racism. Time will tell if this incident and the widespread national outcry is enough to drive more urgency and sustained action in support of social and economic inclusion.

This preliminary data about the pandemic and the national attention being focused on an unjust death of another Black man reinforces and further heightens an already critical need to name and remedy the racial inequities that exist in Greater Akron. The issues of inequity have been established and perpetuated over hundreds of years and are undeniably complex.

To move forward and effect real change, we must understand the root of the inequities, work together to develop multidimensional solutions, and remain steadfast in our commitment to create a region where

everyone can participate and benefit. The report that follows will illustrate the state of equity and inclusion in Greater Akron. The work that follows will continue to build upon this data and new information as it is made available.

Data and insight are valuable. However, what this work must lead to is an urgency to take action and create a positive impact for our region’s goal of shared prosperity.

# Introduction

## Akron Has Been Trying to Run While Wearing Only One Shoe

Around the turn of the twentieth century, vulcanized rubber became the foundation for a new culture of sports and leisure. Using vulcanized rubber as soles, manufacturers introduced the first true athletic shoes. Lighter and more flexible than footwear of the past, athletic shoes empowered physical and social growth. With athletic shoes, people could run faster, change course quickly, and engage in individual and group athletic activities.

The invention of vulcanized rubber had a profound impact on global industry, and particularly within regions that commercialized the technology. Over a century ago, Greater Akron surged ahead of other communities on the economic foundation of the rubber industry.

The right pair of shoes helps a runner race ahead and overcome obstacles, striving for a personal best. Like a runner training to be faster and stronger, Greater Akron seeks to advance the growth and performance of its local economy. For decades, however, Greater Akron has been trying to run while wearing only one shoe. A runner with one shoe is unbalanced and vulnerable. Regardless of effort, strategy or intent, a runner wearing one shoe will never truly succeed. The same is true for the region's economy in the form it has taken throughout this century.

Greater Akron has traditionally excluded the Black population from fully participating in the local economy. Systemic barriers and racism have inhibited the growth of Black-owned businesses and suppressed the development of Black talent. Consequently, the prosperity of the Black population in Akron has been severely hampered. The prosperity of the entire region has also suffered.

Inequality, exclusion and traditional thinking stifle growth and threaten the economic stability of the Greater Akron region. Inequality and exclusion limit opportunities for individuals and marginalized groups. Traditional training, recruiting and hiring practices limit the pool of seemingly qualified candidates for high-demand careers, creating a false perception of talent scarcity. As the region's population becomes more diverse and the need for specialized talent increases, the problems created by exclusion and traditional thinking will become more acute. Only by addressing these internal systems and mindsets can Greater Akron hope to thrive.

Dismantling racial exclusion in our economy is an urgent matter for businesses and economic development organizations, and the region must make it a priority.

Elevate Greater Akron commissioned a research project to explore the impact of racial exclusion in the regional economy and the possibilities inherent in an inclusive approach to economic development. The goal of this work is to describe the state of inclusion locally, and to understand the role inclusion can play in Greater Akron's growth.



**This work is just  
the beginning.**



# Progress Versus Pace

Though the region is generating forward momentum, Greater Akron is falling behind in an economy that is racing forward.

Today's economy is changing quickly. The pace of change in the economy of the future will be even greater. A lack of dynamism threatens to leave Greater Akron even farther behind.

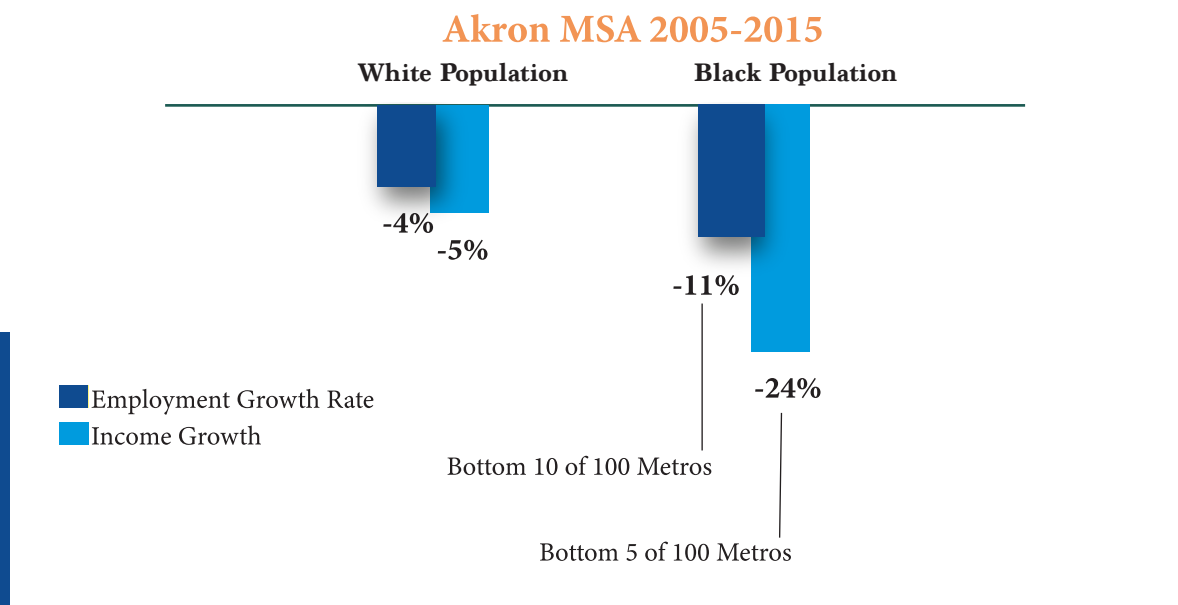
- The Akron Metropolitan Statistical Area (MSA) receives failing ratings on key indicators of growth, ranking 89th among the 100 largest U.S. metros in job growth and 72nd in the growth of young firms.<sup>8</sup>
- Akron MSA has failed to match state or national gains in Gross Domestic Product (GDP).<sup>9</sup>
- In 2013, five years after the Great Recession, regional GDP growth was in line with state and national trends. By 2018, however, Greater Akron's economic gains were 20% behind the state-wide pace in Ohio, and 38% behind the national pace.<sup>9</sup>
- The region has made strides in disruptive technologies, such as the Internet of Things, energy storage, 3-D printing and advanced materials. Without intentionally developing a foothold in the next economy, however, those strides will be too small to position Greater Akron to compete in the future economy.



# Equity and Opportunity Gaps by the Numbers

The picture is more concerning when we look at the participation of the Black community in the regional economy.

Income and wealth are key indicators of economic success that create individual and regional opportunities in many areas including education, entrepreneurship, and innovation. Nationally, there is a significant gap between the White and Black populations relative to income and wealth. Greater Akron's income gap among similarly educated White and Black adults is noticeably larger than gaps found in comparable communities.



- Among the 100 largest metro areas in the U.S. from 2005-2015, Akron ranked in the bottom 10 in Black employment growth rate, and in the bottom 5 in Black income growth.<sup>8</sup>
- In Greater Akron, 43% of White adults with a two-year degree hold jobs that pay at least minimum wage and offer benefits, more than double the rate of 21% at which Black adults with two-year degrees hold similar jobs.<sup>10</sup>
- Nationally, for every \$100 in income that a White family earns, a Black family earns \$57.30.<sup>11</sup> In Greater Akron, a Black family earns just \$52.26 for every \$100 a White family earns.<sup>12</sup>

For every  
**\$100**

in income that  
a **White** family  
earns, a **Black**  
family earns  
**\$57.30**

For every  
**\$100**

in wealth that  
a **White** family  
has, a **Black**  
family has  
**\$5.70**

Greater Akron's numbers are no better than these national figures. For every \$100 in income that a White family earns in Greater Akron, a Black family earns \$52.26.<sup>12</sup> If left unaddressed, the inequities and systematic exclusion will hamstring innovation, startup activity, and business growth, while also resulting in a workforce that is not ready to participate in the knowledge-based economy of the present and future.

**The fruits of our economy have not been equally available to White and Black citizens. Like an athlete recovering from injury, Greater Akron must recondition and strengthen itself as an inclusive economy.**





# The Goal: Inclusion as an Economic Development Strategy

We must seek balance to regain our stride.

Greater Akron cannot afford the economic costs of exclusion. While there are critical gaps and systems that must be addressed, there are also many resources in this region that can create opportunities to drive the economy and change its trajectory.

This challenge is significant, and it requires buy-in and a willingness to collaborate from leaders in the public and private sectors. No part of this issue can be solved by any one entity acting unilaterally. Greater Akron's economic development organizations, educational institutions, nonprofits, governmental entities and the corporate community must work together to prioritize these challenges and identify short- and long-term solutions. Doing so will benefit the people, the companies and the economy in Greater Akron.

There is a clear moral imperative to create an inclusive environment where all citizens have equal access to economic opportunities. Beyond the moral imperative for inclusion is a case for economic survival. The Greater Akron business environment is in stasis as it relates to advancing inclusive growth, structurally out of step with a dynamic global economy and currently disadvantaged in its ability to attract adequate investment and talent from beyond the region. Therefore, the solution to this challenge is increased awareness, active engagement, changes in our

traditional behavior and action, and a stronger focus on drawing on more local, diverse talent to meet our workforces and procurement needs.

Businesses have much to gain by hiring local diverse talent. Diversity is a path to growth and economic strength. Studies show that diverse companies have:

**Higher levels of innovation:** Companies that have diverse leadership are significantly more likely to create a business environment where employees feel encouraged to propose new ideas, and where those ideas are developed and deployed in the marketplace.<sup>13</sup>

**Higher levels of productivity:** companies in the top quartile for diversity were 33% more likely to outperform their peers.<sup>13</sup>

**Lower levels of costly turnover.**<sup>13</sup>

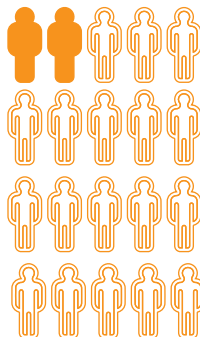
**Higher profits than their peers.**<sup>13</sup>

While correlation does not necessarily mean causation, there are significant relationships between diverse and inclusive working environments and strong financial performance. People of diverse backgrounds, ethnicities and experiences bring something different to the table. Diversity and inclusion are fundamental to optimizing the performance of a business and its ability to provide a return on both human and financial resources.

# Mining Untapped Talent

Talent is the foundation of growth. Greater Akron companies, like others across the country, consistently cite a lack of talent as the single biggest inhibitor of growth. Conventional wisdom suggests that attracting more talent to the region will solve this problem. Greater Akron cannot and should not rely solely on a talent attraction strategy to achieve its growth goals.

There are about 20,000 open jobs in Akron. An estimated 7,000 require a college degree.



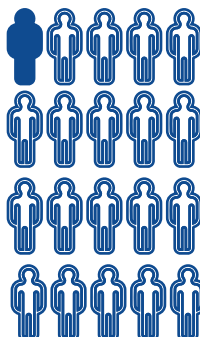
Today, 550 adults with a college degrees move here for a job-related reason.



Let's say we could somehow double that number to 1,100.



There would still be 5,900 open higher-skill job, and 13,000 other jobs.



Each year, roughly 550 adults with college degrees relocate to Greater Akron for work. Doubling the rate of college educated adults moving to the region — an extraordinary feat, requiring significant resources — would only fill about five percent of the region's 20,000 job openings, 7,000 of which require a college degree.<sup>14</sup>

These open jobs demonstrate untapped economic potential and growth for the companies seeking talent. There is a significant opportunity to fill these jobs with existing talent from within the region. We need different tools and tactics to drive successful economic development for the future of Greater Akron. New research coming out from the Elevate Greater Akron initiative suggests there is a solution that is much better than talent attraction — developing the diverse talent among us, much of it overlooked for decades through patterns of racial exclusion.



# We Have Greater Capacity

Two groups of talented adults are currently on the sidelines of our regional economy. Unemployed adults are actively seeking jobs but cannot find them. Underemployed adults have jobs, but they do not have enough paid work, or they are in jobs that do not fully utilize their skills or abilities. Please note: This information reflects data collected before the COVID-19 pandemic. COVID-19 has exacerbated some of these issues and amplified the opportunity to activate under-tapped talent. We believe this issue of underutilized talent will continue during- and post-pandemic until it is effectively addressed.

## Untapped Talent / Unemployed Adults (Summit County data)

- There are 13,000 skilled, prime-aged people (25-54 years of age) who want a job but don't have one in Summit County.<sup>15</sup>
- All of these individuals have either a four-year-degree, some post-high school education, or post-high school training.<sup>15</sup>
- Black residents and women are statistically over-represented in this category.<sup>15</sup>

## Untapped Talent / Underemployed Adults (Akron MSA data)

- There are over 60,000 underemployed, skilled individuals who are prepared to contribute at a higher level than the demands of their current positions.<sup>10</sup>
- Approximately 75% of these individuals have a four or two-year degree.<sup>10</sup>
- These individuals possess knowledge and skills that can bridge talent gaps for employers.<sup>10</sup>

Hiring, training, and investing in the underemployed and unemployed residents is an economic win for the region on multiple fronts. This approach adds talent capacity to the hiring business, uplifts the economic prospects of the employee, revitalizes neighborhoods with people who are better able to participate in community life, and creates a more robust economy all around.

# Untapped Talent / Mid-Tech Skills

Mid-tech skills require an employee to have knowledge of computers and to use computers on a regular basis. The demand for digital skills has skyrocketed in Akron. The level of digital skills required for the average job in Akron grew by 18 percent between 2002 and 2016.<sup>16</sup> Only five other large U.S. metro areas matched that increase. This reflects an accelerated version of a broader national trend in which the workforce in nearly every sector – not just outwardly tech-oriented firms – is becoming more digitized.<sup>16</sup> In traditional manufacturing industries, for instance, the number of jobs requiring digital skills has more than doubled since 2002; and other industries critical to the region's economic success, such as healthcare, also increasingly depend on such skills.

Unsurprisingly, Akron's regional education and workforce development system have struggled to keep pace with the increased demands for employees with mid-tech skills.

In 2013, it took firms just 17 days on average to fill a job that required some college and no STEM skills, but 41 days to fill a job that required some college and STEM skills. A 2015 study by ConxusNEO confirmed this situation, finding that in Northeast Ohio, depending on the specific occupation, there were between three and ten entry-level information technology (IT) job openings for every local graduate with relevant skills.

## Horizontal and Vertical Integration of Knowledge and Skills

Greater Akron can meet the increased demands for mid-tech skills through horizontal and vertical skill integration approaches.

Horizontal integration involves developing digital skills that can be applied broadly across industries. Beyond benefitting firms from healthcare to manufacturing to professional services, this type of integration can advance economic inclusion in Akron.

Digital skills are one of the few remaining pathways to well-paid jobs without a four-year degree. Nationwide, nearly 80 percent of middle-skill jobs (those that don't necessarily require a bachelor's degree and have a median wage over \$15) now require basic computer skills, such as Microsoft Excel. Middle-skill occupations that use at least one advanced digital skill (e.g., customer relationship management software) pay nearly 40 percent more than other middle-skill occupations.<sup>17</sup> These digitally-intensive, sub-bachelors jobs are especially important for increasing economic opportunity among disadvantaged populations, given that fewer than one in five Black adults in Greater Akron has a bachelor's degree.<sup>18</sup>

Vertical skills integration is the process of establishing a foothold in the tech industry specifically by offering cost advantages relative to elite coastal tech hubs, and an abundance of skills required for mid-tech jobs. These are occupations in the tech sector in which at least 20% of workers do not have a bachelor's degree (such as computer programmers and network support specialists).

These occupations are less involved in the creation of novel technologies (in which elite tech hubs still have a major advantage despite high costs), and instead more focused on the installation and application of existing technologies in new firms and markets. As established tech centers like the San Francisco Bay Area and Seattle are becoming prohibitively expensive, cities in the Midwest are beginning to carve out a niche in the digital economy by becoming viable locations for tech firm expansions.

In many of Akron's peer metros – including Greenville, Syracuse, Columbus, Cincinnati, and Indianapolis – mid-tech jobs grew by five to eight percent from 2012 to 2016. Akron, however, has not yet taken advantage of this opportunity; the number of these critical jobs contracted by two percent in the Akron region over the same period.

A focus on mid-tech in Akron not only satisfies a workforce and economic development need, but it also creates opportunity for Black residents who can up-skill into these roles. More must be done to understand the scope and opportunity of a mid-tech focus in Akron. Work is underway to clarify the scope of the mid-tech opportunity, to support companies in identifying mid-tech demand at a more granular level, and to coordinate ecosystem partners needed to execute this effort.



# Why It's Tough: Barriers to Economic Inclusion

## Akron Has Been Trying to Run While Wearing Only One Shoe

Over ten thousand runners participate in the marquee event of the Akron Children's Hospital Akron Marathon Race Series. The runners - many overcoming monumental barriers training and preparing for months - are united with a common purpose: run the best race they can. They encourage each other and benefit from cheers of support from over twelve thousand spectators all along the course, creating an experience that unites people under a common goal. An inclusive economy creates opportunities for all to participate, drives talent to companies, inspires innovation, and creates wealth for individuals. Much like a marathon, an inclusive economy unites people under a common goal, and invites every individual to run their best race.

However, just as there are real benefits to be derived from inclusion, there are also real barriers to achieving it. These barriers are complex, and many are deeply rooted in systems, practices, and biases that have existed for generations.

**Clearing these barriers is a challenge, but it is also necessary if the region is to move forward and unlock its true economic potential.**

## Mobility

Mobility is a critical barrier to economic inclusion. Historically, urban centers like Akron have been home to dynamic business ecosystems comprised of local, national and international companies – thus providing employment opportunities for urban residents and talent for the companies located in the cities. In recent decades however, many companies have relocated from urban centers to suburban areas, creating physical distance between companies and the populations who remained in the cities. **From 2000-2012, the decline in the number of jobs near the average resident was 14%. For high poverty areas, this decline was much greater, at 22%.<sup>19</sup>**

This trend has created a job access conundrum in that low-income workers who are less likely to own a car must often rely on public transportation to get to work. In order for such workers to take a job at a company located in the suburbs, they must overcome the challenges of a very complex commute which, in our region, can easily run two hours each way.

This creates what the Fund for our Economic Future refers to as the Transportation Paradox– no car, no job; no job, no car.<sup>20</sup> In order to improve access to jobs, Greater Akron must address its transportation paradox. This multifaceted issue will require innovative, collaborative approaches from both public and private entities, and will likely need to address all sides of the issue. For instance, we can do a better job of encouraging companies to locate closer to workers, and we can also improve our ability to get workers to jobs.

## Hiring Practices

The hiring process itself can be another barrier to inclusion. **Approximately 75% of jobs are never publicly posted, but rather are filled from within existing networks.**<sup>21</sup> This creates a shallow pool of candidates, especially when considering that our existing networks tend not to be diverse. Nationwide, White people are more likely to live in a neighborhood that is three-quarters White.<sup>21</sup> In order to hire more diverse talent, businesses should look beyond their own social and professional networks when hiring, because most networks do not reflect diversity and will not lead to a more inclusive workforce.

Businesses can also examine the experience and educational requirements they attach to posted positions, which may exclude large pools of potential candidates. Many of these requirements can be arbitrary, as evidenced by the fact that criteria are often relaxed when the labor market is tight. Companies seeking to make these kinds of changes are not alone. The broader system of economic development practitioners and educational institutions can help to create a more robust, diverse pool of qualified candidates who can meet the needs of companies.



# Unconscious Bias

Unconscious biases, also known as implicit associations, are beliefs or assumptions about certain groups of people based on social stereotypes. Unconscious biases are the result of the brain's tendency to make sense of the social world through observations, pattern recognition and categorization.<sup>22</sup> This helps to explain why unconscious bias tends to favor dominant social groups and norms at the expense of minority populations.

By definition, unconscious bias is separate from conscious beliefs or ideals; they are unseen and unexamined micro-thoughts that happen faster than the processing speed of the conscious or rational brain. Advances in cognitive science and computer technology have allowed researchers to measure unconscious biases in recent decades with the Implicit Associations Test (IAT). An IAT can measure biases in a variety of categories, such as gender, race or ethnicity, religious affiliation and even political ideologies.

Though most people consciously endorse ideals of equality and justice, high levels of unconscious bias are pervasive across society. For example, nearly 75% of adults who participate in the original Race IAT, which measures preference for European American (White) over African American (Black) faces, reveal some degree of automatic preference for Whites.<sup>22</sup>



Unconscious biases influence the perceptions and decisions of well-intending people in very specific ways. Actively deciding to favor a person or decision based on explicit or perceived demographics, social standing or ability is an expression of conscious bias. The impact of implicit bias is massive and has been seen across a variety of social settings. Studies over more than two decades have found significant differences in outcomes due to unconscious bias in criminal sentencing, medical treatments, university admissions and hiring decisions, to name a few. In each social context, individuals in positions of power espoused overtly egalitarian ideals while simultaneously allowing their unconscious biases to favor Whites over Blacks when making critical decisions.

Implicit bias plays a large role in the business community specifically, affecting how a hiring manager handles the application process, how employees are rewarded and promoted, and how the overall culture is shaped by the leader of the organization.

The important thing to know is that implicit biases can change. The implicit associations that we have formed can be gradually unlearned through a variety of debiasing techniques.<sup>23</sup> Sometimes it takes an outside resource or assessment to reveal unknown biases. You can take an Implicit Association Test at [www.implicit.harvard.edu](http://www.implicit.harvard.edu). By acknowledging the existence of one's own unconscious bias and working to unlearn it, business leaders can create new patterns of thought and action which will lead to more diverse, effective workplaces.

# How We Get There: Striding Toward Inclusion

Though the region is generating forward momentum, Greater Akron is falling behind in an economy that is racing forward.

Greater Akron's growth problem is complex, as is the historical context of its exclusion of the Black population. While the magnitude of the challenge and corresponding barriers are significant, they are not insurmountable. The region has assets including untapped talent, strong corporate leadership, and a business ecosystem that is committed to collaborating effectively – all of which position the region well to take on this challenge.

There are several steps the business community can and should take to begin this work. What follows is an initial summary of these opportunities.

## Create Inclusive Environments

Research shows that diversity and inclusion drive innovation and financial performance.<sup>24</sup> The following examples are ways companies can create a culture that fosters inclusion throughout all aspects of the business:

**Facilitate Unconscious Bias Training:** Bring awareness to the way biases can affect decision-making and provide employees with the tools and resources to see, navigate, and ultimately dismantle their biases.

**Create and Support Employee Resource Groups:** Employee Resource Groups help identify real and perceived barriers within the respective affinities and bring forth ideas to create a healthier, more inclusive work environment.

**Incorporate Diversity in Marketing Efforts:** Assess existing and future marketing efforts to ensure all employees and consumers are represented.

**Establish a CEO-Led Executive Diversity Council:** Executive Diversity Councils are composed of employees and executives who advocate, inform, and drive diversity and inclusion efforts on behalf of the organization. Shifting organizational culture starts from the top, therefore, in order for this group to be most effective, it should be chaired by the CEO and should send a message that executive support for diversity and inclusion is a priority.



## Develop the Talent Pipeline

Business leaders can engage in Greater Akron's efforts to bridge the gaps between available talent and jobs. These include but are not limited to:

**Paid Internships:** Internships give students the opportunity to get hands-on training while fulfilling workforce needs.

**Partner with Workforce Development Programs:** Companies can partner with regional workforce development organizations to identify the talent needs that are critical to the company's success. Such partnerships help to alleviate challenges in the hiring process and develop a sustainable supply of talented and committed workers.

**Create Inclusive Mentorship Programs:** As young professionals enter the workforce, they need to be equally led on upward mobility paths. Ensure the mentorship efforts are inclusive of all populations within the company and be intentional about seeking out minorities for these opportunities.



## Reevaluate Hiring Practices

The hiring process is one of the most critical components to creating an inclusive workforce strategy. Inclusive hiring is more than just considering different races and genders for a position, but rather it's a matter of understanding how the perspectives, experiences, and skills of potential candidates can add value to a company. Companies can begin with these best practices:

**Eliminate Unnecessary Job Requirements that Promote Bias:** Companies that are willing to take a closer look at the true educational and experiential elements that correlate with success in jobs will be rewarded by attracting a larger, more diverse candidate pool.

**Create a Diverse Interview Panel:** A diverse interview panel is a key factor in ensuring that perspectives and experiences are valued and understood, casting a wider net in the hiring process. And, it demonstrates to current employees that are asked to be a part of the process that your company is committed to diverse hiring actions.

**Widen the Candidate Search:** Too often employers say they cannot find diverse talent when in reality they haven't been very intentional about connecting with minority groups in their region. Intentionally seeking support from current diverse employees and their networks is a good start. In addition, utilizing and building relationships with minority professional networks such as the Akron Urban League, the NAACP, Black MBA, Black professional and social organizations is another way to expand the reach of opportunities. This expansion of extending opportunity takes time and effort - but the skills are out there. We need to actively seek them.



## Diversify Procurement

Supplier Diversity initiatives are designed to proactively procure products and services from historically under-utilized suppliers. Being intentional about purchasing and partnering with minority and women-owned suppliers supports entrepreneurial growth and creates access to jobs and opportunities, while adding benefit to a company's supply chain and competitive edge. The notion that minority-owned businesses are not qualified or capable is a bias without merit. Studies have shown that virtually all diverse suppliers meet or exceed expectations, and companies that participated in long-term supplier diversity programs generated 133% greater return on investments than typical businesses.<sup>25</sup>

Supplier diversity efforts can be advanced in several ways, including but not limited to:

**Go Beyond the Basics:** Companies with top supplier diversity programs develop partnerships, mentor local suppliers, identify new suppliers by working with diversity-focused organizations, and collaborate with suppliers on product innovation.

**Build Reputations:** Share experiences with supplier diversity programs with other companies.

**Actively Educate Stakeholders:** Educate procurement executives and stakeholders on the value of supplier diversity.

**Set Benchmarks and Goals:** Assess current spend and decide what percentage of the company's addressable spend can be committed to diverse suppliers.

**Tie the Goal to Performance Pay:** Having an accountability measure in place is imperative for follow through and pushes everyone to reach the goal.

**Establish Metrics:** Choosing the right metrics and reporting methods is critical to analyzing progress and challenges.

# Conclusion

Greater Akron can and must change the racial exclusion narrative in our regional economy.

Progress will require new thinking and challenging conversations. When we understand the barriers that hold us back from growth, we can take the first stride towards a balanced economy that engages and empowers all existing residents to participate in the local economy.

This charge is significant and requires buy-in and a willingness to collaborate from leaders in the public and private sectors. Greater Akron's economic development organizations, educational institutions, nonprofits, government entities, and the corporate community must work together to prioritize these challenges and opportunities and identify short- and long-term solutions. Doing so will benefit the people, the companies, and the economy in Greater Akron. There are a wide variety of resources available to assist companies in becoming more diverse, inclusive, and equitable. Companies interested in resources or guidance on next steps, can reach out to the Greater Akron Chamber for more information at [info@elevategreaterakron.org](mailto:info@elevategreaterakron.org).

**We are where we are due to a systemic and pervasive exclusion of people, talent and perspective. While no one person is to blame, as leaders and stakeholders we all must hold ourselves responsible to drive necessary change. We will each run our own race but, as in any great marathon, there is help, hope, support and success available when we join together to make our best efforts among others with similar intention.**

**Every great race starts with that first stride. We can take it together -- but only once you decide you will compete.**

# Who We Are

Elevate Greater Akron is an economic development plan and an active collaboration of ecosystem partners in support of the growth and success of the Greater Akron area.

This initiative is the product of a first-ever collaboration between four entities: County of Summit, City of Akron, Greater Akron Chamber, and GAR Foundation, who came together to create a transformative, high-functioning and collaborative economic development system for Akron. Each entity, in addition to other key partners and stakeholders, plays a unique and critical role in the execution of this initiative. The initiative is informed by extensive market research, local interviews, and insights from emerging practices in peer cities. Today, the focus of this initiative is to embrace the new fundamentals of economic development – getting back to what works and working together to grow the region.

## The Strategies

There are five strategies that Elevate Greater Akron is pursuing that address small- and middle-market business growth:

### New Approach to Business Retention and Expansion

Goal: Focus on increasing competitiveness of scale-up and mid-market businesses.

### Opportunity Akron

Goal: Be highly intentional in ensuring that Akron's Black population is positioned to engage in and share the benefits of regional growth and prosperity.

### Spark Akron

Goal: Support Akron's innovation, entrepreneurs, and startup potential.

### Refocus on Urban Centers

Goal: Prioritize the development in, and growth to, downtown Akron and other job hubs.

### Elevate Greater Akron

Goal: Establish a unified culture of economic development.

To stay up to date on Elevate Greater Akron and inclusion work in Greater Akron, visit

<http://elevategreaterakron.org/opportunity-akron/>.



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This report was prepared by Elevate Greater Akron and edited by Dr. Matthew Deever, PhD, executive director of Summit Education Initiative.

## Support Inclusive Entrepreneurship

A key to collective regional growth is the willingness to support inclusive entrepreneurship and the creation of minority-owned small businesses. Entrepreneurs deliver innovation, spur economic growth, create local jobs, and galvanize social change. In order to thrive, minority-owned small businesses - like all small businesses - require funding, support networks, and resources.

There are several ways companies and leaders in the business community can support Greater Akron's entrepreneurs, including but not limited to:

**Investment:** Creating access to capital opens new doors for entrepreneurs and small businesses. Investing in an entrepreneur's business could also create the conditions for others to invest. Capital flowing into areas of need allows ideas to thrive and prosper, creating value for not only a person, but a region.

**Mentorship:** Mentorship programs help create successful leaders by assisting them in pursuing a sustainable business career. Mentors can help mentees improve skills, expand their network, and give confidence in decision making abilities.