

POLICY POSITION:

Business Leaders for Michigan's goal is to make Michigan a Top Ten state for jobs, personal income and a healthy economy. This means Michigan must be welcoming to all, equitable for all and prosperous for all. As such, the organization and its members commit to eliminating racial inequities and has further chosen to focus efforts on racial equity in the Black community, while not excluding others. This recognizes the larger gap in equity for Black Americans and that addressing these inequities will improve the socioeconomic status for all groups as well. The organization will also be mindful of and respond to opportunities to address inequities in other demographics where progress is needed.

In order to help achieve our goal of Top Ten status, Business Leaders for Michigan and its member companies will work toward eliminating the racial inequities that exist within our society and member organizations in the following areas: corporate culture; leadership and governance; hiring, compensation and progression practices; supplier diversity; minority business development and employability. Specifically, it is recommended that member companies:

1. **Sign the Pledge for CEO Action for Diversity and Inclusion**
2. **Internally assess and measure progress on the following foundational metrics** (see the attached **example** of an internal dashboard that companies could use to assess and measure their progress):
 - a. **Corporate Culture: Develop, foster and maintain a corporate culture of diversity, inclusion and respect**
 - i. DEI strategy at Board and C-Suite levels
 - ii. Unconscious bias & related training (frequency, hours, coverage, effectiveness)
 - b. **Leadership and Governance: Maintain a leadership and governance model that reflects the diversity of our customers, employees and the communities we serve**
 - i. Board of Directors, leadership team and direct reports to C-Suite
 - ii. DEI-focused succession plan
 - c. **Hiring Compensation and Progress Practices: Diversity, equity and inclusion in employee hiring, compensation, progression and experience**
 - i. Voluntary and involuntary turnover by race
 - ii. Pay equality – ratio of salary and remuneration across groups
 - iii. Highly-rated and high potential staff, by grade

- d. **Minority Suppliers: Meaningful and increased utilization of minority suppliers**
 - i. Operating and capital spend (dollars or percentages) with third-party certified diverse suppliers (Tier 1 and Tier 2)
 - ii. Number of diverse suppliers (operating and capital)

 - e. **Minority Business Development: Meaningful and increased financial and technical support of minority-owned businesses in Michigan**
 - i. Financial investments in minority business development

 - f. **Employability: Employing a racial equity lens to Launch Michigan and existing Top 10 focuses to improve employability of all Michiganders**
 - i. Launch MI – build a high-quality, student-centered system that helps every student succeed in school, in their careers, and in life.
 - ii. Road to Top Ten – execute strategies that will ensure every student and adult worker in Michigan can enter the workforce ready to compete by having access to best-in-class education, training, and connections to career opportunities.
3. **Provide summary level reporting to Business Leaders for Michigan on progress implementing measures to assess and understand where your company is on the racial equity journey** (see the example of a Business Leaders for Michigan reporting dashboard attached).

The attached slide deck provides more detail, resources and a broad **menu of options for members to consider in terms of their level of engagement.**