

Mohammed Ali Rashid [File No. 4-774] Public Companies Shouldn't Have A Choice Commentary

There is much controversy surrounding the BLM campaign. In today's business world, there is also a plea for private and public companies to dedicate some of their efforts on employing and paying African Americans at the same level as Muslims, Christians, Mexicans, LGBTQ, Asians, and Caucasians and workers of other races essentially putting us all on equal footing no matter the color of our skin. A person named Mohammed or in this case a Mohammed Ali Rashid should be treated no different than a William Johnson or Billy Goldberg. The controversy is over public companies and whether they should pledge BLM fulfillment within their organizations.

Public companies are those that are publicly traded on the stock market. There are many areas of their business where they have a choice in how to act. But, when it comes to the financial health of the population and the economy, this is one area where public companies do not need to have a choice. They need to pay closer attention to who they are hiring and why. Hiring decisions should be based on ability, skills, prior work history, and in some cases, education. Race, socioeconomic status, social class, or address should never enter into hiring decisions in public companies. But, sometimes these factors do influence hiring and they should in no way shape or form. Again after September 11th somebody applying for a job on Wall Street with the name Mohammed Ali Rashid would not have as likely of a chance to get the job as William Nelson due to Islamophobia. The best candidate and cultural fit should win out.

There are consequences for disregarding the diversity effort and they can negatively impact many aspects of society, from labor relations, to the economy and racial relations. Just as women are now expecting equal pay and equal opportunities, African Americans and other minorities are also expecting equal pay and equal opportunities and they are getting it thanks to the pressure public companies are feeling. They are willing to educate themselves and gain the skills they need to compete in the workforce. They should expect opportunities for advancement in the workplace and in other areas of their lives, such as buying a home or joining a professional or social organization. But, many public organizations don't pay attention to the lack of opportunity offered to the once forgotten minority.

Many companies are just beginning to develop corporate social responsibility programs, so they are still learning. Offering equal opportunity should be part of an organization's HR policy and the BLM pledge fulfillment is one idea of many but we will also need to protect our Asian and Muslim citizens and workers. Again a Mohammed coming in for a job application is certainly going to be discredited.

According to Huet & Toulon, in a May 21, 2021 article in Bloomberg Technology, Many tech companies made changes that reflect an increase in African American workers. The pledge should be taken seriously and companies, including tech companies, should be more dedicated to fulfilling the pledge and hiring more African American workers to their payrolls and also hiring more "Mohammed's". A diversity survey shows that companies making the pledge tend to have 20% less African American employees than companies who did not make the pledge.

What this means is that companies need to back up their commitment statements and pledges. They cannot be taken seriously if they can't back up their claims. An Ali Rashid should be given a fair shake just like any other applicant who is qualified. Many consumers are watching how companies behave and how more of a racial balance within the workforce is one area where people are focusing their attention. It's more difficult to know for sure what a company's workforce distribution by race or gender is, but many companies will publish this information. Companies that have made the BLM pledge and companies with CSR programs should publish such information as openly as they do other facets of operation like ESG.

When racial minorities improve their financial statuses, they contribute more to the local and global economy through increased consumption. Closing the racial income gap is an important part of improving the economy overall and cannot be overlooked. Acquiring financial wealth allows a family to pass some of that wealth along to future generations as well, which continues the idea of making greater contributions to society and one's community. This is a strong argument for encouraging companies to follow through on their pledges, rather than simply making them to make themselves look good in the public eye. Eventually, people will investigate and find out the truth about these companies and their hiring practices. Companies have a choice in who they hire to some extent. But, they can no longer afford to overlook the racial and ethnic distribution of their workforces. They need to take minorities seriously and if they have made the pledge, they need to follow through on their commitments.

Whether a company leader agrees or disagrees with social justice, it pays to embrace diversity and overcome the prejudices within the organization's culture. More diverse organizations have more to offer. They are often better able to meet the needs of a diverse consumer base, which means they can be more financially successful. They also tend to be more flexible in solving problems or making changes along the lines of industry trends. Companies with diverse workforces tend to thrive in times where there is plenty of competition, because they are highly adaptable.

In Summer 2020, after George Floyd's death, the nation's top companies pledged \$49.5 billion in funds to address racial inequalities (Jan, McGregor, & Hoyer, 2021). But, only \$4.2 billion of that was in the form of grants. The rest of the funds were allocated as loans, including loans for mortgages, all activities that would allow the companies to profit. Companies should be focused on activities that benefit society more than themselves, if they want to earn the respect and attention of today's most critical consumers. Then we started to see campaigns to stop anti-Semitism and stopping Asian hate. A Lonely Mohammed Ali Rashid wondered where is the Islamophobia campaign to stop that hate? We should all be equal and treated as such.

The 2021 movement is not just about venting frustrations. It's about demanding real solutions to a real problem that remains today, racial inequality. It takes more than consumers demand and public demand of a few groups to make serious, lasting change. It takes dedication of all of corporate America, and specifically the choice of publicly traded companies, who have the

greatest voice and have the potential to make the greatest impression on the rest of corporate America. These companies can set the example and lead the way in bring about real change, rather than simply talking about it and throwing money into projects that are less likely to affect the intended audience.

Some companies like UPS and Clorox actually followed through on their commitments. UPS gave more to black causes than it pledged. Clorox made all of it's pledged funds available in the form of grants. Edward Jones pledged \$1.2 million and helped 300 black men find viable jobs. Again a muslim like Mohammed Ali Rashid wonders where the campaigns were for his people? These are just a few examples of companies that have followed through on their pledges. But, more of the public companies need to follow suit and many more need to incorporate activities that support all minorities in the corporate social responsibility programs to bring everyone up to equal footing no matter where you immigrated from.

This is an effort to bring attention to a real issue facing America that ultimately affects us all. It's not the responsibility of the public to correct the issues. It takes the efforts of everyone. All companies, both private and publicly traded. But, at the same time it takes real commitment and companies that honor their pledges with funds that bring about real change, rather than offer loans in which these companies earn interest. Projects that provide job training, education, and related supports are those worthy of BLM pledge funding. These types of projects are where the money will do the most good, for companies that make the choice to support BLM and honor their pledges.

-Mohammed Ali Rashid