Diversity and Inclusion Committee

The Economic Power of Diversity and Inclusion to Change Policy and Culture

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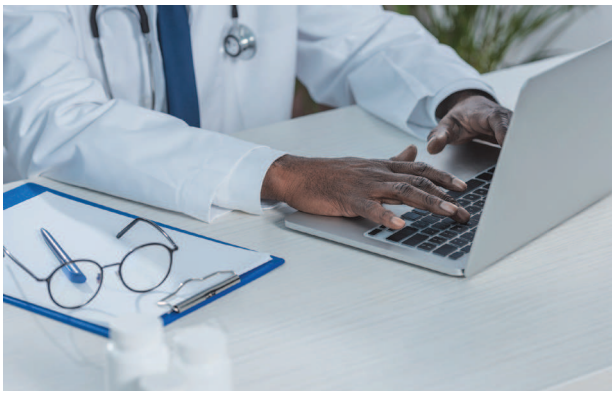
Growing up in West New York in the seventies, neighborhood boys and I dodged cars as we played stickball in the street. Our racial spectrum skewed white: mostly Caucasian Hispanics and Europeans, with only a few Blacks (including me), hurling crass epithets at each other between pitches. There was enough anti-immigrant sentiment to make our present administration's callous policies seem civil by comparison. These boys and I didn't know much about the world beyond our neighborhood, but we did know baseball fields were leveled by talent (and money). We knew diversity and inclusion were inevitable in sports, not because integration was driven by moral imperative, but because it made sense that, even in the street, race took a back seat to winning.

We knew what players on the most successful teams looked like and why teams were multiracial. Jackie Robinson had been drafted decades earlier by an innovative white businessman named Branch Ricky. He had drafted and mentored the most dynamic baseball prospect ever and made him the first Black player of the era in the major leagues. We reasoned Ricky did this, not because it was the right thing to do, but because Robinson gave his Dodgers the best chance to win (and sell tickets). We also knew that move had eventually led Reggie Jackson to become the highest paid player in the history of the game. In 1976, free agency allowed the Yankees to pay Jackson the full worth of his ability, not because they owed a debt to people of color, but because he could produce wins. Our reality as kids was that few, if any, minority professionals existed outside of sports, but they were at the very top of the game. I was convinced that meant change was coming to every realm of society and that inclusion at every level was inevitable, eventually. I wanted to be a part of that change and prove it would extend beyond sport. My streetwise peers reminded me we had few options with remarks like 'look around and tell me if you think any of us are getting out of this town unless it's through sports.' I knew I wasn't Jackie Robinson, so I had better find an alternative to baseball.



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Fast forward forty years, and it turned out I was able to find another profession. Yet, anyone might wonder why it seems more has not changed outside of sports and entertainment. The Brookings Institute notes that over 40% of African Americans now own their own homes and about a third of the Black population now lives in suburbia. According to recent census data, roughly 15% of Black and mixed households earn over $100,000. My grown up colleagues at Howard University Hospital and I are a tiny part of that group. But these facts continue to be underreported in the media, a realm in which the Black underclass continues to define Black America. The media plays down the fact that most of us escaped ghettos, not through sports and entertainment, but through academics. A major obstacle is that progress for Blacks has stagnated in almost every field outside of sports and entertainment, and that we tend not make it into positions in the highest levels of our industries.

Our medical industry is a great illustration of why the challenges our society faced in those years persist. In the early 1970's only 2.2% of American physicians were Black. That figure only increased to about 4% by the late 1990's, where it appears to have become stuck. There is even evidence Blacks comprise only about 3.8% of all physicians currently, and that figure has been gradually decreasing since 2015. This shows how complicated the equation can be for Black professionals as we are increasingly absent from the discussion.

The perception promoted in the media is that Blacks are poor, which biases institutions and health care corporations to undervalue their worth. Advocating for patients of color often has no place in corporate culture, particularly in emergency medicine, where the prevalent bias is this population more often represents charity work. As many of us do, I believe we treat patients, not service customers, but we can learn from Branch Rickey's pragmatic economic approach to changing policy: he took advantage of an unrealized opportunity and let market forces and the economy of baseball drive change. What if there was evidence diversity and inclusion can drive economic success in health care systems?

Economic evidence for positive return on diversity in other industries has been around for decades now. In a 2003 study published in *Corporate Governance: An International Review,* Erhardt, et. al., looked at 127 large US companies and showed combined racial and gender diversity on boards was positively associated with financial indicators of performance. Beyond corporate image, diversity was found to improve return on investment (ROI), return on assets (ROA), and innovation, as well as market share. More recently, in 2017, Rocio Lorenzo, a managing Partner with Boston Consulting Group, used statistical methods to quantify the impact of diversity on innovation. She showed above-average levels of diversity correlated with a 38% increase in revenue from products and services.

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Consider, for example, the potential economic impact of providing health care screening at neighborhood barbershops and beauty salons, to say nothing of possible savings from avoiding catastrophic illness, and critical presentations to the emergency department as a result of such initiatives.

Minority leaders have long recognized the value of advocating for their own community as the best way to gain power and wealth, capitalizing on what is typically ignored by large corporations. Take a look at the composition of the typical contract management group in the emergency medicine. Using Emergency Medicine Associates, P.A. as an example, no one in that organization in executive leadership is a person of color, though one of six execs and three out of forty Medical Directors are women. On the American College of Emergency Physicians Board of Directors 2017-2018, one of eighteen members is Black, and that same individual is one of a handful of women. In the Emergency Department Practice Management Association (EDPMA), none of the nineteen board members are Black and only five are women. Take a look back at our own board composition over the past decade. Before we can advocate for other organizations to address representational leadership, we could begin with ourselves. Recognizing this error of omission, and meeting the challenge authentically, could, for instance, put AAEM ahead of other professional organizations that fail to realize the value of taking an authentic tangible lead on diversity and inclusion.

Despite evidence that business value is created through diversity; the health care industry has only begun to put that knowledge into practice. It has certainly not yet led to representative leadership in emergency medicine (or most other areas of medical practice for that matter). Part of the challenge is that corporate image and reputation can be improved when the term diversity can be met by inclusion of cultures other than Black. Even efforts to approach gender inclusion, although not yet equitable, has fared far better and appears easier to implement than racial diversity inclusive of Blacks.

Finally, review of the literature suggests that maximizing the impact of minority leaders requires investment, including mentorship, advocacy, alliances, networks, and training to transcend racial identity. In a study of large US companies published in *Academy of Management Journal* in 2013, MacDonald, et. al., confirmed minorities were 72% less likely to receive mentoring from existing executive leadership. The case was also true for women, but much less so. More importantly, the power of networking is not just a matter of connecting with many people, but people in leadership. Minorities require multiple networks throughout their careers and Miller, et. al., pointed out in a 2009 study of board diversity published in the *Journal of Management Studies* that this broad range of contacts make them "more likely to maintain weak ties," rather than strong ones.

We are in a catch-22: overcoming barriers requires leadership at the highest levels, including in C-suites and boardrooms, but the path to those positions is often paved by leaders that identify with candidates for those positions. It will take more than education around explicit and implicit bias, it will take mentorship and collaborative efforts with physicians of color, advocacy, funding to promote and create diversity and inclusion in leadership. It will take risk, as some studies suggest diversity can challenge communication, especially with people who have differing values and perspectives. Let's reflect that baseball became an exponentially more powerful influence on American life and culture after becoming fully integrated by race. Finally, remember that Jackie Robinson debuted to jeers, boos, hisses and worse, yet rose to become the first rookie of the year in the major leagues, national league batting champion, MVP, stolen base leader, six time All-Star, World Series Champion, and went on to become one of the most influential political activists and American leaders of the 20th Century. ●