

Achieving Employment Equity

Identifying and Addressing Employment Disparities by Race and Ethnicity in Chicago

Employment disparities undermine our prosperity

Major employment disparities by race and ethnicity persist in the United States, despite decades of efforts. These disparities affect both the income and assets of people of color, destroying economic security for huge numbers of African Americans, Latinos, and members of other racial and ethnic groups. They contribute to other disparities, such as in health and education, reinforcing and perpetuating inequity. They also undermine economic vitality by underutilizing the human capital of communities of color. Society pays the enormous resulting costs, financial and otherwise, and will continue to do so until such disparities are addressed.

Just as they affect the country as a whole, employment disparities are a fundamental problem for areas like Greater Chicago. As Chicago's and the nation's demographics shift, only a truly inclusive economy can ensure a prosperous future. The Insight Center for Community Economic Development can work with Chicagoans, including partners such as the Chicago Jobs Council, to bring about employment equity. As a result, Chicago will expand the talent pool for its key regional industries, improve the ability of communities of color to participate fully in the regional economy, and increase employment opportunities and economic security for those who need them most.

Chicago's employment disparities are especially severe

Employment disparities affect Greater Chicago, its people, and its economy more severely than they affect the nation as a whole. The Insight Center's analysis of recent Census data reveals that in Cook County:

- African Americans (18.6%) are twice as likely as whites (9.3%) to be unemployed. Latinos (14.4%) are more than one and a half times as likely to be unemployed.
- Those who work experience appalling disparities in earnings. Latinos earn just 55% and African Americans earn 82% of what whites earn for full-time, year-round work.
- African Americans are severely under-represented in construction and manufacturing; Latinos are significantly under-represented in healthcare.
- Even within sectors in which they are well-represented, African American and Latino workers occupy lower-wage occupations and earn much less than whites.

Such disparities are not merely the result of individual differences. Instead, they reflect structural barriers, such as industry employment practices that disparately affect workers of color, that make it impossible for African Americans and Latinos to participate fully in Chicago's economy and to become and remain economically secure.

Achieving employment equity requires an intentional strategy

Intentional strategies to achieve employment equity are grounded in regional, industry-specific analysis of disparities. As the Insight Center has shown, this kind of analysis is necessary because employment disparities vary greatly by locale, due to differences in the regulatory environment, demographics, and dynamics of the economy.

The resulting strategies typically involve broad coalitions of stakeholders, including civic and business leaders, government agencies, community groups, and sector-focused workforce development initiatives with deep roots in the target industries. Key goals include changes in public policies affecting employment in the target industry, changes in employment practices among participating businesses, and changes in the systems by which workers are prepared for employment and advancement. The Insight Center has identified and continues to identify successful examples of each.

We can help Chicago develop an employment equity strategy

The Insight Center has developed a methodology to analyze employment disparities by race and ethnicity that identifies differences in unemployment rates, representation in growing industries and occupations, and earnings for full-time work. Our experience building and supporting coalitions to develop interventions and to promote social change provides a platform for combining this analysis with local partners' understanding of disparities and their causes to produce a data-driven selection of targets for intervention and strategies for change. Analysis also offers a common language for the community to use in discussing disparities, and provides benchmarks for measurement of progress.

The Insight Center envisions a planning period, followed by an implementation period, to strengthen employment equity in Greater Chicago. During the planning period, the Insight Center will conduct in-depth analysis, develop partnerships, and bring about data-driven identification of strategies. Potential partners include the Chicago Jobs Council and organizations that lead sector initiatives in the Chicago metropolitan area.

During the implementation period, Insight will work with organizations such as these and with civic leadership from the region's business, labor, faith, and community-based organizations. Together, we will create public will and urgency to address disparities, advocate with public and private decision-makers, establish networks to provide an enduring, supportive infrastructure, implement programs, and build capacity for monitoring and continuous improvement. We will also ensure that resulting learning will inform foundations, local partners, and other stakeholders in Chicago and around the country.

We envision a more equitable and prosperous future

Founded in 1969, the Insight Center for Community Economic Development is a national research, consulting, advocacy, and legal services organization dedicated to building economic health and opportunity in vulnerable communities. Throughout our history, we have developed and tested new models and approaches, promoted the promising ones as best practices in the field, and worked with our partners to develop supportive policy. Our work on employment equity leverages the strong track record of the National Network of Sector Partners, the Insight Center's sectoral workforce development initiative.