

# PSG Reflects

JUNE 11, 2021



## JUMPING OFF POINT

**“Focus on what you and your own business can control, the conversations you can have, the progress that you can make. It’s actually not that hard once you understand why it matters.”**

– Mark Hastings, CEO, PSG

## OVERVIEW

PSG recognizes the real issues of inequality and is working to find solutions that accelerate progress. We’re committed to using our platform to bring about social equity within our halls, our portfolio companies and our employees’ communities.

On June 11 we hosted a discussion, moderated by [Dr. JaNay Queen Nazaire](#), to talk honestly about racial injustice and get a multitude of perspectives. The event brought together [Mark Hastings](#), [Rya Conrad-Bradshaw](#), [Patrick McCarthy](#), [Theo Miller](#) and [Clint Marchese](#).

## MAIN IDEAS:

- Social injustice is not an individual issue. It is verifiably systemic in all facets of society.
- People and organizations with power have a responsibility to take a stand – change won’t happen any other way.
- Without progress, society as we know it cannot stand.

## KEY TAKEAWAYS

### 1. The American myth so many of us live

Moderator JaNay Queen Nazaire began the session by asking panelists and viewers to “close your eyes and imagine how America began. What is the narrative in your mind? Who are the heroes or the villains? What’s the dream? What are the opportunities? What are the struggles?” She followed by saying that we’ve been in denial about the impact of our country’s “original sin.” The narrative told as truth for hundreds of years is a picture of triumph, but it is incomplete and only represents the experience of the select few who are born with privilege and access.

The solution? If we want to realize the idealized American dream and experience different outcomes from what we’ve seen the past 400 years, and over the past 18 months, it is time for a new system of beliefs and behaviors.

**“In the American dream, hard work equals success. Those who aren’t as successful as you didn’t work as hard.’ It’s that same narrative that’s helped disguise systemic racism.”**

– Clint Marchese, VP, PSG

## **2. The cause of systemic injustice is more than just “overtly racist people”**

We were honored to hear from Patrick McCarthy, Adjunct Research Scholar, School of Social Work, Columbia University. He’s the former President and CEO of the Annie E. Casey Foundation and a renowned voice on racial injustice. He brought valuable historic perspective to the conversation, explaining how the work to end inequality is not a modern phenomenon that began or ended in the civil rights era. Patrick stressed that the issue is not simply active forms of oppression or outward displays of violence, but passive forms as well, which include allowing opportunity barriers to exist, denying that the issue is systemic and complicity to maintain status quo.

## **3. “You cannot be neutral on a moving train”**

This quote by Howard Zinn states we are either working to dismantle institutional racism or creating conditions for it to persist. The perceived middle ground, inaction, is an act of complicity which helps preserve institutional racism.

**“It’s really not about right or left or red or blue, but are we actually confronting the reality that our neutrality is unacceptable, our neutrality is complicit in a locomotive that is going to take us off the cliff?”**

– Theo Miller, Principal, Equity & Results

## **4. Leaders of business have immense power and responsibility to steer change inside and outside of their organizations**

Panelists explored the role of business as a catalyst for change. It’s true that today we see many Fortune 500 companies asking important questions about their own diversity, equity and inclusion. Asking those questions is a start. Now those in power must shift their mindset away from “is this an issue, is this my issue?” to “what concrete steps do we

take to solve for the human factor – improving the lives of individuals – and how to make our business more valuable – using the opportunity to cultivate the full potential of a more diverse talent pool.”

**“Business plays a huge role. When you have resources, this work isn’t hard, you just have to do it. And it is super important to not only your business’ future, but our whole society. We have to make society work for everyone.”**

– Mark Hastings

#### **5. Investment firms deal in facts; systemic injustice is a fact with which they must reckon**

For-profit businesses like PSG look for facts and data upon which to make the most intelligent business decisions for their stakeholders. The facts support that people of color face inequity across all aspects of their lives: housing, education, employment, advancement, politics, et al.

By ignoring these facts, firms are working with incomplete data, and missing out on gains to their financial performance, workforce diversity and contribution to society. If they do not encourage or insist on equity among the companies they partner with or invest in, they are further hampering their own performance.

**“The people in power create access to opportunity, and for the large part, that’s companies. So them being leaders in this moment is critical, and understanding how they are responsible for creating an opportunity, not just to entry-level jobs, but jobs that bring people up the economic ladder.”**

– Rya Conrad-Bradshaw, Senior Director,  
Advisory Services & Business Lead, Grads of Life



## KEEP THE CONVERSATION GOING

### Closing the access divide: How to lead change

- Create a vision for where you want to be
- Create specific, accountable goals
- Find your aha! moment, the factor that resonates with you
- Be ready for your own internal struggle
- Don't be afraid to adjust or start over as necessary

### Coming Soon

- Expanded discussions on the topics covered at PSG Reflects
- Companies in Action: Profiles of PSG portfolio companies committing to this important work

## CALLOUTS

### GI Bill Repair Act, a PSG initiative

Credited with fueling the rise of the American middle class, the GI Bill gave generous benefits to military men and women beginning after World War II. But the college education, employment insurance and housing benefits typically did not reach soldiers of color, while their white counterparts used the leg up to begin prosperous careers, open businesses and buy homes.

The newly introduced legislation, The GI Bill Repair Act, seeks to provide access to the VA Loan Guaranty Program and education assistance to the surviving spouse and certain direct descendants of Black World War II veterans who were alive at the time of the GI Bill's enactment. We see it as an important step to reduce one of our country's greatest institutionalized inequities.

### Why PSG Made the Pivot

PSG CEO Mark Hastings explained his point of view, saying that once you see the scope of the issue, "you can't unsee it." And you can't not realize the power that corporations have to make a difference. While the firm's efforts were based on the economics of equality at first, the internal momentum is now fueled by the human cost.

### 10% is Holding Equality Back

As evidence of systemic racism becomes more difficult to ignore, more people support reform efforts. "A recent study says 42% of people are true believers [of this work], 48% are persuadable. Only 10% are real dissenters." – Rya Conrad-Bradshaw