BARRIERS & BRIDGES
AN ACTION PLAN FOR OVERCOMING OBSTACLES AND UNLOCKING OPPORTUNITIES FOR AFRICAN AMERICAN MEN IN PITTSBURGH

A Report from
The Heinz Endowments’ African American Men and Boys Task Force

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BARRIERS AND BRIDGES: AN ACTION PLAN FOR OVERCOMING OBSTACLES AND UNLOCKING OPPORTUNITIES FOR AFRICAN AMERICAN MEN IN PITTSBURGH
Pittsburgh has changed tremendously in the past several decades. Economically, the city has converted from heavy manufacturing of steel and related products to focusing on finance and services, with a strong emphasis on health services. By March 2014, the top five job sectors in Pittsburgh, accounting for three-quarters of the area’s workforce, were education and health services (21.2 percent); trade, transportation, and utilities (18.5 percent); professional and business services (15.1 percent); government (10.6 percent); and leisure and hospitality (9.6 percent).\(^1\) The city has also transformed physically, reclaiming previously industrial areas and converting them into residential, office, retail, and civic spaces.

The city and the region are now considering how to create a community that is “innovative, inclusive, and sustainable.”\(^2\) Community leaders recently launched the p4 Pittsburgh initiative — people, planet, place, and performance — aimed at transforming Pittsburgh from the Steel City into a model for the Sustainable City. Plans include designing and building with an eye to sustainability, creating more job training, and growing advanced technology firms around these new opportunities.

Change of this magnitude presents both opportunities and challenges. Workers prepared and able to benefit from new jobs and business openings will have many opportunities. But those who are not positioned to take advantage of the change may find it difficult to survive and advance economically.

Pittsburgh and its civic organizations have promoted the economic and physical changes in the community, along with other attributes, to attract new residents to this very livable city. Though new residents can contribute to the vibrancy of the metropolitan area, attracting new talent should not overshadow the many human and organizational assets that Pittsburgh already has. Through its actions to date, however, Pittsburgh appears at risk of doing just that with regard to many of the city’s older, predominantly African American communities. Perceptive observers see this overshadowing most dramatically in the plight of African

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1 Bureau of Labor Statistics, 2014
American men and the institutions that sustain and support them.

Though economic disadvantage befalls people of all races and ages, young African American men have borne a disproportionate share of the burden of Pittsburgh’s economic change. Although never fully equal, the well-paying manufacturing jobs that many African American men were able to secure with only a high school diploma (or sometimes less education) have virtually disappeared, leaving many men with few alternatives for adequately supporting a family. While African Americans make up 11.4 percent of men ages 18–64 in Pittsburgh, they are 5.4 percent of the region’s adult male workforce. Already a disproportionately small segment, they are further underrepresented in 13 of the region’s 20 major industries, including areas like financial services (4.0 percent of male workers) and utilities (4.2 percent) that are growing the fastest and tend to pay better wages. Within many important sectors, African Americans are heavily grouped at the bottom of the pay scale (Pittsburgh Regional Workforce Diversity Indicators Initiative, 2015).

The seriousness of these disparities has prompted The Heinz Endowments, among others in Pittsburgh, to examine barriers that disproportionately keep many African American men from advancing economically. To assist the Endowments in this effort, the Urban Institute, a nonprofit policy research organization based in Washington, D.C., studied the obstacles that men with a high school diploma or more education encounter in Pittsburgh — specifically in their efforts to access jobs or start or grow businesses. We examined the disparities statistically using regional data and large, publicly available datasets; we held focus groups with men who have experienced barriers, and interviewed employers, financial intermediaries, and representatives from civic organizations to explore policies, practices, and norms that contribute to Pittsburgh’s racially disparate outcomes. We analyzed the numbers and common themes across our conversations and have recommended strategies that Pittsburgh’s philanthropic community and others could adopt to begin dismantling stubborn barriers. Our conclusions point the way to strategies that could improve African American men’s well-being and access to better economic opportunities.

When proposing solutions to improve life outcomes for African American men, some advocates tend to lean heavily on programs that focus on individuals. Fewer proposals tackle the broader systemic challenges that men face. And while programs focused on individuals are necessary to make up for the disadvantages brought on by past barriers to opportunity, some individuals who have gained the skills and experience to fully participate in Pittsburgh’s economy run into other barriers that are deeply structural — and endemic to many institutions and systems.

If Pittsburgh does not attend to the context in which African American men are trying to gain an economic foothold, structural barriers will continue to thwart men’s individual efforts. For real change, all community members need

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3 Data from the American Community Survey (ACS) 2007-11. ACS survey respondents are allowed to select more than one race category to describe themselves; for simplicity, we restrict our analysis to individuals who report only one race (black/African American) and are not of Hispanic origin. In the 2007-11 sample of 18- to 64-year-old men in Allegheny County, only 11 percent of respondents report two or more races.

4 Data from the U.S. Census Equal Employment Opportunity estimates, 2006-10.
to acknowledge and knock down these systemic barriers that divide the region along racial lines.

Structural barriers are policies and institutional practices that reinforce or perpetuate racial inequality by disproportionately limiting access to important resources or services by certain groups, whether consciously or inadvertently (Aspen Institute, 2004). In Pittsburgh, these obstacles contribute to racial differences in African American and white men’s access to economic opportunities. And these structural barriers have persisted even though the city has ended legalized racial segregation and struck down other discriminatory regulations and policies.

If Pittsburgh truly wants to become a livable and sustainable metropolis, community leaders and stakeholders must address the structural barriers that continue to reproduce disparity. Luckily the city has many resources it can draw on to make these changes. These resources include the foundations and financial institutions that make Pittsburgh stronger and build its infrastructure, and the private businesses that provide jobs and other supports to its residents. They also include the many community-based organizations and individuals who deliver services and increase opportunity for people in areas that some more mainstream institutions do not or cannot reach. Pittsburgh should include and more fully use and support these community entities as it transforms.

City leaders appear to recognize that traditional ways of conducting business in Pittsburgh contribute to substantial racial disparities. We identify three distinct narratives about why the window of opportunity for change is now. First, the city wants to build a larger skilled workforce to fill positions as the region attracts more employers and industries. It needs all able-bodied residents, regardless of race. Second, Pittsburgh has what stakeholders characterize as a “mid-level skills gap,” where employees have been on the job for either 40 or more years or less than five years. Third, younger workers drive the city’s interest in racial inclusion because these workers prefer to live in cities that better mirror the nation’s racial and ethnic diversity (Workforce Diversity Indicators Initiative, 2015).

Several stakeholders identified intergenerational mobility as a major contributor to Pittsburgh’s mid-level skill gap and racial exclusion. Members of the white majority once held the best, most stable trade union jobs. They were able to use that economic security to send their children to college, opening up new opportunities for that younger generation. But many of those children did not return to or stay in Pittsburgh to contribute their skills and talents to the area’s changing economy. Since many unions were reticent to extend opportunities to African Americans and were cited for racial discrimination up through the 1960s (Trotter and Day, 2010), many African American children did not have the same resources as their white peers to acquire the skills now needed for the new workforce.
STRUCTURAL RACISM IS A “SYSTEM IN WHICH PUBLIC POLICIES, INSTITUTIONAL PRACTICES, CULTURAL REPRESENTATIONS, AND OTHER NORMS WORK IN VARIOUS, OFTEN REINFORCING WAYS TO PERPETUATE RACIAL GROUP INEQUITY. IT IDENTIFIES DIMENSIONS OF OUR HISTORY AND CULTURE THAT HAVE ALLOWED PRIVILEGES ASSOCIATED WITH ‘WHITENESS’ AND DISADVANTAGES ASSOCIATED WITH ‘COLOR’ TO ENDURE AND ADAPT OVER TIME.” STRUCTURAL RACISM IS NOT SOMETHING THAT A FEW PEOPLE OR INSTITUTIONS CHOOSE TO PRACTICE. INSTEAD IT HAS BEEN A FEATURE OF THE SOCIAL, ECONOMIC AND POLITICAL SYSTEMS IN WHICH WE ALL EXIST.

Aspen Institute Roundtable, 2004
To implement effective change, Pittsburgh first needs to understand its structural barriers and how they affect excluded people. Recognizing these barriers is difficult, though, because they seldom appear discriminatory on the surface.

Most institutions and systems have criteria for entry. Colleges have entrance exams, banks and other lenders establish standards for loans and services to minimize their investment risks, and employers require job skills and credentials. Certain established policies and practices, while appearing neutral or fair because they are applied to everyone, can unfairly disadvantage particular individuals or groups. Sometimes, these policies and practices are irrelevant to whether an individual can perform the job or repay the loan.

When organizations fail to notice that their criteria exclude large segments of talent — or that this exclusion is rooted in racism and discrimination as opposed to objective necessity — their practices reproduce the same disparate results, to the detriment of the individual and the organization. In essence, unnecessary entry requirements form stubborn structural barriers.

In our study, we encountered two categories of structural barriers. The first category disproportionately sets African American men back, making the mainstream economic “playing field” harder for many to access. These barriers, rooted in both historical and current racism and discrimination, include geographic and social isolation as well as income and wealth disadvantages accumulated over generations. The second category makes the economic playing field disproportionately harder for African American men to navigate once they’ve reached it. These barriers include employer and financial institution practices and policies that seem to operate without taking account of the first category of barriers.

After presenting the barriers here, we put forth six recommendations: three that address African American men’s access to opportunities and three that address leveling the playing field.
BARRIERS THAT MAKE THE ECONOMIC PLAYING FIELD HARDER TO ACCESS

Geographic and Social Isolation

Pittsburgh is very segregated, despite some decrease in black–white segregation in the past 30 years. Of the 50 U.S. metropolitan areas with the largest African American populations in 2010, Pittsburgh was the 17th most segregated (Logan and Stults, 2011). Geographic and social isolation are telltale signs of structural barriers. Without a physical or social connection or bridge, groups with valued resources keep and circulate those resources within their networks, and groups outside the networks (disproportionately, African Americans) remain without access.

Physical isolation by itself generates a whole series of disadvantages for the less favored group. Living in poorly resourced communities makes it more difficult to get a quality education and access to training opportunities. It also contributes to differential housing appreciation, leaving individuals who have bought homes in the only communities they have access to with less valuable homes and thereby less accumulated wealth. Often these communities also lack adequate transportation, making it more difficult to access jobs and resources available in other parts of the metropolitan area (Turner and Rawlings, 2009). Physical isolation also brings with it social isolation.

Social networks play a big role in Pittsburgh’s economy. Employers rely on them when hiring, and business owners rely on them when learning about and negotiating contracts. From an employer’s standpoint, tapping into known networks makes safe business sense. But social networks can be impenetrable barriers for anyone outside these networks. As one stakeholder observed, “A lot of times [employers] already have their relatives and friends positioned for that position.” The consequence, which may seem advantageous to a single employer who has to do less independent checking on candidates, can be devastating to a community at the margins struggling for access. For men disproportionately locked out of these networks, losing access to people in a closed inner circle decreases their chances for economic success.

Segregation and social isolation also mean African American entrepreneurs have much less access to business prospects and markets. Small business owners tend to market their products and services locally or regionally, so they rely heavily on nearby customers, funders, and peer businesses. When these communities and neighborhoods have fewer resources because of segregation and discrimination, businesses have a harder time surviving and thriving. One small business owner shared that his customers are primarily “neighborhood clients that watched me grow up and who I watched grow up. Because of the area my business is in, a lot of people don’t like going there. Sort of limits myself.”

Even African American entrepreneurs whose business activities transcend these isolated communities find that Pittsburgh’s social isolation keeps them from making contacts and being sought out by other businesses for partnerships and subcontracts.
TYPES OF STRUCTURAL BARRIERS

1. A practice, system, or policy that helps maintain advantages and disadvantages by race.

2. An obstacle — experienced disproportionately by race — that even an enterprising, knowledgeable, and intelligent member of the disadvantaged group would have trouble overcoming (e.g., equitable interest on a home mortgage, hiring practices that rely on referrals from current employees).

3. A practice, system, or policy that creates physical isolation and requires a “disadvantaged” individual to have something (e.g., an automobile) before he or she can get something else (e.g., a job in a distant community).

4. A practice, system, or policy that relies on individuals — disproportionately by race — having resources that others do not have or cannot access (e.g., home equity to use as collateral, a high-resource community with better schools and job opportunities).
Income and Wealth Disadvantages

Most African Americans in Pittsburgh are far more disadvantaged financially than whites; they have had to fight for fair treatment and equal access to housing, neighborhoods, education, and jobs dating back to the start of industrialization (Trotter and Day, 2010). African Americans have fewer assets, less wealth to leverage into additional financial gain, and less financial security during difficult times. Nationally, for every dollar in wealth the median white household had in 2011, the median African American household had roughly six cents. This wealth inequity is not just a result of poverty or low incomes. Even the wealthiest African Americans have only one-third of the median net worth of the wealthiest whites.\(^5\)

Income disparities among racial groups are much smaller than wealth disparities. In Pittsburgh, job insecurity is an important factor in creating and perpetuating income disparities. Working-age (ages 18–64) African American men are far less likely than white men to be employed. Among men with at least a high school diploma or the equivalent, the unemployment rate from 2007 to 2011 was 12.2 percent for African Americans and 5.1 percent for whites. That statistic is sobering because there is a significant economic difference between a community with 1 in 20 high school–educated men unable to consistently support themselves or their families and a community with 1 in 8 similarly educated men in that difficult situation.

Fewer than six of every 10 African American men in Pittsburgh over the age of 16 had any earnings over a 12-month period in recent years (American Community Survey, ACS, three-year estimates for 2011–13). Among those with employment income, one-third of them had personal earnings under $12,500—or roughly the poverty rate for one person. Two-fifths would not be able to support a partner and one child above the poverty level of approximately $18,000, and less than half made enough to support a spouse and two children above the poverty level (more than $25,000). Some of these employment disparities are the result of unequal preparation, but census data have consistently shown that African Americans with comparable levels of education are more likely to be unemployed than their white counterparts.

Income and wealth disparities have disadvantaged African American men's access to economic opportunities in two particular areas. First, long-standing employment disparities can increase the need for intermediary organizations that help connect individuals to jobs. But in Pittsburgh, these institutions have not been able to adequately bridge the employment divide. Many training and intermediary programs focus on individual barriers to success — inadequate job skills — but cannot overcome the larger structural barriers that stand in their clients’ way. Second, long-standing income and wealth disparities make it harder to access the financial capital needed to start or grow a business. Very few nontraditional financial lenders in Pittsburgh address this disparate gap in assets.

**Job training and intermediary job services.** In today's economy, well-paying jobs increasingly require a certificate, license, or other evidence of skills acquired after completing high school (Holzer and Lerman, 2008). Three weighty barriers prevent more African American men from benefiting from job training and other intermediary job services in the Pittsburgh area: inadequate or poorly placed programs, programs that cannot address severe economic hardship, and programs that are not connected to employers.

The Pittsburgh region does not appear to have enough job training and intermediary programs or enough programs where men can easily access them. African American men who live in segregated neighborhoods report that fewer convenient facilities are available to them. In addition, too few programs are designed or adequately funded to support people experiencing severe economic hardship and its accompanying challenges. Pittsburgh stakeholders readily acknowledged that many men must balance difficult trade-offs when facing what one respondent described as "the urgency of now"— immediate financial stresses such as rent, child care, and living expenses that do not allow men to "take nine months [off for a training program]." Without financial assistance, such as a stipend or salary, many training organizations have a hard time attracting African American men, who are often dealing with "how they are going to keep the lights on, how they are going to pay for their basic needs and services, and [access] transportation." Despite the fact that trade schools and professional certificate and licensing programs (e.g., plumbing, electrical) may cost less than a college degree, men without the financial means to forgo or cut back on work and pay for the training will not take part.

Many job training and other intermediary programs are not adequately connected to employers. Employers and job seekers alike describe using and needing social networks. Intermediary organizations that have not fostered or maintained ongoing relationships with employers may know less about what employers are looking for, what positions are available, and how to prepare job-seekers for viable opportunities. Without building or maintaining trust with employers, these intermediaries may also be less able to vouch for job-seekers’ credentials: another important function of networks. The burden of maintaining these relationships should not be solely on the intermediary or
INCOME AND WEALTH DISPARITIES
While income disparities among racial groups are regularly documented, it is the combination of income and wealth disadvantages that contributes to the long-term financial difficulties African American men face across the country and in Pittsburgh. Lower incomes pose immediate hardships for many African Americans. But having fewer assets and less wealth to leverage into additional financial gain often means that even relatively well-off African Americans have less financial security in difficult times and a weaker economic foundation to pass on to future generations. One wealth indicator is homeownership, which can provide equity and other resources to obtain the capital needed to fund educational or entrepreneurial goals.

Nationally, for every dollar in wealth the median white household had in 2011, the median African American household had roughly 6 cents.

In the Pittsburgh region, only 36.5 percent of African American households were living in owner-occupied dwellings in 2012, compared with 73.9 percent of white households.

In 2013, the home purchase loan denial rate for black men in the Pittsburgh region was 37.3 percent, more than twice the 18.4 percent denial rate for white men.

Among men with at least a high school diploma or the equivalent, the unemployment rate from 2007 to 2011 was 12.2 percent for African Americans and 5.1 percent for whites.
training organization. However, the intermediary must often take the initiative in keeping the communication lines open.

**Nontraditional financial lenders.** Large financial disadvantages also affect men’s capacity to start or grow a business. African Americans lag far behind whites in homeownership rates—a situation tied to structural barriers, segregation, and racism. Only 36.5 percent of African American households in the Pittsburgh region were living in owner-occupied dwellings in 2012, compared with 73.9 percent of white households. African American men also appear to have more difficulty accessing home purchase credit. In 2013, the home purchase loan denial rate for African American male borrowers in the Pittsburgh Metropolitan Statistical Area (MSA)—37.3 percent—was twice the rate for white male borrowers—18.4 percent. Similarly, the Pittsburgh Community Reinvestment Group’s 2013 Annual Mortgage Lending report states that the mortgage loan denial rate in “substantially minority (>50%) census tracts” in Allegheny County was 46 percent in 2012, compared with 21 percent in nonminority census tracts (Rue and Benitez, 2013).

In the eyes of Pittsburgh’s financial institutions, African Americans are a greater financial “risk” for loans based on the average lower value assigned to their homes and communities. These perceptions and economic realities translate to severe wealth and resource disparities that would be hard to combat without focused, deliberate action. Without the comparable equity and resources in their homes and communities, it is harder for many African American men to access and build capital for starting a business. As a result, many African American entrepreneurs enter the business market behind the starting gate and must “play catch up” just to get into the race.

African American male entrepreneurs face significant obstacles to meeting the application requirements of many financial services lending programs. Because personal assets play a key role in a business owner’s ability to negotiate the terms and amounts of a loan, African Americans are forced to operate with less than optimal capital. One financial services lender expressed it this way: “When you get to the whole business of how come African Americans have trouble starting businesses, it is because they are not homeowners. Most small businesses start with a home equity line of credit, or they leverage some property that the bank finds of value.”

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Behavior of Private Employers

Restrictive recruiting, application, and hiring. Stakeholders explained that employers often go to the same pools to recruit job applicants and are “hesitant to try something new” when hiring. This hesitation may partly stem from the large volume of applications employers receive for entry-level positions and from employers’ need to find a cost-effective way to identify promising applicants. Limiting recruiting practices and sources can lead to the underrepresentation of certain groups in an organization’s applicant pool. And, conventional applicant sources, such as networks and employee referrals, can produce a relatively homogenous workforce.

How employers grant access to and design their job applications can be a structural barrier. One employer described her organization’s lengthy application as one of their biggest weaknesses and “not very user friendly.” In her words, “It doesn’t matter if you have a high school degree or a master’s degree; there are people that have difficulties just completing it. It’s very lengthy.” The fact that many applications can only be submitted online can present another barrier; some job seekers may not have in-home Internet access and may be unable to access a workforce development office or other venue because of restricted opening hours.

In addition to restrictive recruiting and application sources, employers may rely on conventional employment practices and algorithms to screen applicants and determine their qualifications. But, algorithms do not find diverse candidates well. As one stakeholder said, “You need a hiring manager who is giving the recruiter time” to look harder and in different places for talent. According to some stakeholders, these hiring algorithms may be changing, because some employers are either recognizing business advantages to hiring diverse employees (e.g., seeking to mirror the community or clientele they serve) or emphasizing nontraditional employment credentials more.

Recruiters and hiring managers often engage in unconscious bias, favoring people who look just like them rather than people who may be the best fit for a position (Baron and Pfeffer, 1994; Reskin, 2000; Tallerico, 2000). Stakeholders

“When you get to the whole business of how come African Americans have trouble starting businesses, it is because they are not home-owners. Most small businesses start with a home equity line of credit, or they leverage some property that the bank finds of value.”

Financial services lender
described this tendency: “So when you go out and recruit, you recruit the people who look just like you. People who have commonality just like you. You can’t see beyond who you are in some cases … So, if you have a recruiter who is trying to push [for a candidate to be hired], are those the biases that are showing up?”

Recognizing this bias, some employer representatives we talked with highlighted efforts to disseminate information on diversity and inclusion throughout their organizations. These ongoing efforts also include training managers who make hiring decisions “to help people understand biases they may have” and making diversity a performance objective to hold teams and managers accountable. We did not hear from stakeholders that many of Pittsburgh’s corporate leaders have clearly articulated “diversity at all career levels” as a fundamental organizational goal; this lack of articulation in itself creates barriers to the region changing the status quo and breaking down structural obstacles.

Policies and practices concerning criminal records. Extensive research highlights the disproportionate rate of criminal justice system involvement among African American men in the United States, and men of color in Pittsburgh are no exception. According to data made available online from the City of Pittsburgh Police Department, police officers made 7,736 arrests of African American men (of all ages) during the 2013 calendar year (City of Pittsburgh, Department of Public Safety, 2013). This number made up over half (55.5 percent) of all male arrests in Pittsburgh that year. While these data include repeat arrests of the same person, they demonstrate that a disproportionate number of African American men are being arrested; African Americans make up only 11.4 percent of the male population (ages 18–64) in the Pittsburgh MSA. The disparity in rates of criminal justice involvement among African American men, and the profound long-term effects of a criminal record on young men’s future prospects make it an undeniable barrier.

Men who are “tagged” by the criminal justice system for past criminal activity (even as juveniles) face a significant barrier to employment because employers are legally justified in not hiring them. Employers vary considerably in how much they weigh criminal backgrounds when hiring, depending on the industry and job position. One employer from the health services

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THE DISPARITY IN RATES OF CRIMINAL JUSTICE INVOLVEMENT AMONG AFRICAN AMERICAN MEN, AND THE PROFOUND LONG-TERM EFFECTS OF A CRIMINAL RECORD ON YOUNG MEN’S FUTURE PROSPECTS MAKE IT AN UNDENIABLE BARRIER.
industry commented that “we’re far more conservative as it relates to hiring people with criminal backgrounds than other organizations simply because of our need to create a very safe place for our patients.” This suggests that some industries present more obstacles than others for individuals with a criminal record to access. If these same industries are growing or offering opportunities for advancement, these doors may be disproportionately closed to African American men.

Behavior of Financial Institutions
For African American men wanting to start or grow businesses in Pittsburgh, the ways traditional lending and banking institutions make decisions and how these decisions result in less than favorable outcomes concerns many stakeholders in Pittsburgh. A financial institution’s decision to extend credit and capital is often subjective, and several entrepreneurs in our study identified access to financial capital as a significant barrier to African American advancement. Some African Americans in our study thought they were required to pay higher interest rates or have higher down payments even when they had good credit ratings. In some cases, these penalties were incurred because the businesses were located in predominantly African American neighborhoods.

Pittsburgh’s history of discriminatory lending practices continues to create barriers for African American men. In particular, lenders’ perceptions of the risks associated with investing in African American entrepreneurs perpetuate disparities. These perceptions may stem from insufficient knowledge and experience working with African American communities, and what some stakeholders saw as a limited understanding about the communities’ needs and potentially strong, untapped financially sound business prospects in these areas.
The folks who feel comfortable with the people they go to church with or are in the hunting or gun club with, it’s a good fit and they are going to invite that individual to do business. There’s a huge relationship gap. We may not have the opportunity to sit at the same seat.

African American entrepreneur, focus group participant

We do a great job of assessing against qualifications: Do you have the education? Do you have the experience? [These are] the things that employers have traditionally looked at. But I also think we recognize that that isn’t near enough to identify someone who’s going to be successful in a role.

Employer

We are not focused on growing a diverse management talent here in the way that we need to be … until we change that, I don’t think we’ll be able to change much.

Employer
RECOMMENDATIONS

From the information we gathered, it is clear that African American men in Pittsburgh face substantial barriers on their path to economic security and advancement. But the city can make great progress if its leaders are willing to try new strategies and infuse resources into proven and promising programs.

We base our recommendations on information and suggestions from stakeholders who participated in the study and on the Urban Institute’s knowledge of promising or proved practices.

One set of recommendations concerns the geographic and social isolation that make the economic playing field disproportionately harder for African American men to access. We recommend that Pittsburgh commit to investing more in the city’s predominantly African American communities, in particular the institutions located there. We also recommend that key leaders and stakeholders facilitate greater networking and peer learning opportunities for established and newer African American entrepreneurs.

A second set of recommendations concerns employer and financial institutional practices that make the economic playing field harder for African American men to navigate. We recommend that these institutions learn from and adopt strategies that other organizations and systems have tested.
GREATER INVESTING IN AFRICAN AMERICAN COMMUNITIES

RECOMMENDATION 1: Invest in more community initiatives that target racial equity, aim to build neighborhood capacity, and reduce barriers to opportunity for African American men.

Pittsburgh could begin reducing the gaping income and wealth disadvantages by investing more wholeheartedly in under-resourced communities. While people-based efforts (e.g., training/education programs, housing assistance, etc.) are vital to helping individuals, place-based initiatives can complement this work by producing broader and longer-term changes. While some efforts are under way to physically transform communities in Pittsburgh — efforts that can take a long time and result in a different demographic composition — we are more focused on the support of institutions that can help African American men connect to economic opportunities throughout the Pittsburgh metropolitan area. To reduce barriers and transform Pittsburgh into a sustainable city, planners could improve conditions by creating resources that enhance men’s skills and making chances for economic advancement more affordable and accessible. These efforts will require government agencies, foundations, and other charitable organizations to collaborate in low-income and predominantly African American neighborhoods. Increased place-targeted efforts can help transform neighborhoods into places providing opportunity (see Cytron, 2010; Hill et al., 2015; Potapchuk, 2014).

Steps planners could take

1. Map communities’ assets to determine their needs and available resources. Asset mapping is a collaborative activity that would give leaders from different sectors and community institutions (e.g., government agencies, foundations, universities, nonprofits, transportation, for-profit, etc.) an inventory of Pittsburgh’s strengths and resources within the broader context of community needs. Maps also identify hidden strengths or underused resources that the city could develop, or use in different ways to contribute to comprehensive strategies (see Burt et al., 2003; Twombly and De Vita, 2000a, 2000b; Vosoughi and Monroe-Ossi, 2011). While we suggest this...
asset mapping because it will help identify organizations that can help with employment and business development efforts, this mapping can also enormously help other efforts to build a sustainable and livable city.

2. Coordinate funding around shared priorities. A coordinated funding approach can help reduce funding gaps and duplication, maximize community resources, and focus donor funding and program strategies on improving neighborhood outcomes established for the initiative (Aron et al., 2013; TCC Group, 2013; Turner et al., 2014).8

RECOMMENDATION 2: Make longer-term investments in community programs and services that demonstrate reasonable progress and commitment to helping African American men improve their economic standing in Pittsburgh.

Effectively addressing the needs of African American men and achieving transformative change in Pittsburgh entails effective, high-performing community organizations with the capacity to implement innovative programs and services. In order to have the capacity to deliver programs and services that can lead to improved outcomes, community organizations often need operational resources to carry out their administrative, management, and program functions. That said, funders should consider increasing operating support for community organizations in addition to providing grant support for effective programs or projects. Program or project grants may be easier to monitor, provide quantifiable measures of impact, and carry less risk for funders, but, quite simply, weak organizations are more likely to provide ineffective, low-quality programs and services.

According to a study by the Center for Effective Philanthropy, foundations are more likely to provide small, restricted, short-term program funding to their grantees, despite generally agreeing that operating support is more likely to have a positive effect. Increasing unrestricted or general operating funding can allow community organizations greater flexibility to respond to emerging or changing community needs, build the infrastructure to maintain and improve their programs, encourage innovation, and enhance sustainability (Huang, Buchanan, and Buteau, 2006).

FUNDERS SHOULD CONSIDER INCREASING OPERATING SUPPORT FOR COMMUNITY ORGANIZATIONS IN ADDITION TO PROVIDING GRANT SUPPORT FOR EFFECTIVE PROGRAMS OR PROJECTS.

RECOMMENDATION 3: Support and promote networking and peer learning opportunities for African American entrepreneurs.

Foundations, government agencies, and other area leaders are uniquely positioned to support and develop African American entrepreneurs by providing networking opportunities and facilitating peer learning events. With space and opportunity to network, African American entrepreneurs can share ideas and exchange advice with more seasoned business owners. Such opportunities could also increase African American business owners’ awareness of local opportunities and help them establish greater trust and credibility among peers and prospective clients or partners.

As Pittsburgh envisions its sustainable community initiative and imagines investing more in growing technology firms, it should consider technology as an area where African American and other minority business owners may need better connections to transform their innovative ideas into successful business ventures.

The Heinz Endowments and other city stakeholders could provide funding support for venues where African American entrepreneurs and seasoned business people could meet regularly, participate in discussions, and learn about and from one another. For instance, stakeholders mentioned the August Wilson Center for African American Culture or another accessible and comfortable location that African Americans might consider “neutral” space for networking and peer learning. Pittsburgh leaders and stakeholders could lead efforts to recruit seasoned, influential business people and facilitate activities such as:

- CEO roundtables that meet regularly (e.g., monthly, bimonthly).
- One-on-one mentoring opportunities that pair African American entrepreneurs with seasoned entrepreneurs or senior-level executives at area corporations.
- Expert speaker workshops offered quarterly (or more frequently).

Along similar lines, The Heinz Endowments and other stakeholders could partner with established organizations that have proven success in the Pittsburgh area and explore whether and how they might adapt current
services into new programs targeting the needs of African American male entrepreneurs. For example, several cities including Pittsburgh have organizations that strengthen successful individuals’ leadership skills. Perhaps philanthropic partners can work with these organizations to replicate or adapt successful leadership programs for special initiatives aimed at connecting African American entrepreneurs to successful leaders. To promote community-wide support and gain buy-in from area businesses, the Endowments might consider rewarding or recognizing participants. For instance, the Endowments could establish criteria for an awards program that honors companies making meaningful contributions to increasing opportunities for African American businessmen in Pittsburgh.

**REDRESSING EMPLOYER PRACTICES**

**RECOMMENDATION 4:** Inform and encourage employers to develop conscious and equitable hiring, promotion, and business contracting practices. Pittsburgh’s leading institutions and systems must commit to reevaluating their operational procedures and ethos to dismantle stubborn structural barriers. To truly transform Pittsburgh into a city with equitable access to quality jobs and opportunities for advancement for African American men, employers will need to critically examine their policies and practices. Throughout our study, we heard employers talk about their struggles to balance efficiency and quality. They want efficient ways to identify and hire strong candidates, but efficiency does not always produce quality, nor does it necessarily lead to the more diverse and dynamic workforce needed to compete in today’s world economy. The tools to dismantle barriers include consciously examining the extent of disparity in the system, institution, or organization and evaluating entry criteria — including outreach, recruitment, and application processes and procedures.

Structural barriers do not require that a system, institution, or organization has consciously focused on race for the barriers to stand in the way of African American male advancement.

**THE TOOLS TO DISMANTLE BARRIERS INCLUDE CONSCIOUSLY EXAMINING THE EXTENT OF DISPARITY IN THE SYSTEM, INSTITUTION, OR ORGANIZATION AND EVALUATING ENTRY CRITERIA — INCLUDING OUTREACH, RECRUITMENT, AND APPLICATION PROCESSES AND PROCEDURES.**
Structural barriers are rules or practices that generally apply across the board but have differential impact on certain groups. To remove these barriers, organizations and institutions must consciously review their procedures around hiring, retention and promotion, and business contracting.

**Conscious hiring.** Employers committed to tackling structural barriers should review all policies and practices and evaluate them against their hiring applicant pool. They should ask themselves the following questions:

1. Do these policies have a differential impact on certain populations?
2. Are the screening qualifications appropriate for the job?
3. Can policies, screening criteria, and so on be modified to reduce or eliminate the differential impact on certain populations?

**Conscious retention and promotion.** After hiring a candidate, employers should also evaluate the policies and practices that govern retention and promotion.

1. Provide diversity training at all levels to ensure a nurturing environment for all employees. Especially prioritize diversity training among managers and individuals in hiring positions so they are made aware of unconscious biases that could affect their decisions.
2. Develop and communicate clear paths for moving ahead in the business so employees know what they need to learn for positions further up the career ladder.
3. Provide employees with a fair chance to get these opportunities.

**Conscious business contracting.** Corporations can also contribute to economic opportunity for African American men through business contracting.

1. Review contracting procedures to identify changes that might open up opportunities for minority contractors.
2. Check to see if the corporation has recompeted for subcontracting and suppliers recently.
3. Check to see if the corporation has reviewed its standards for bidders recently to see what is necessary to carry out the work or supply the products. Do some standards go beyond what is necessary to competently execute the contract?

**Establishing “learning circles.”** Some employers in the Pittsburgh area have already reviewed or are reviewing their policies and practices. Committed stakeholders could partner with The Heinz Endowments and other leaders to establish “learning circles.” In these circles, employers can discuss strategies and innovative policies and practices they have identified for increasing diversity and inclusion throughout their organizations.

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10 My Brother’s Keeper Alliance Playbook for Corporations and Businesses (tool T13) provides steps for creating a structure to support and advance talent.
RECOMMENDATION 5: Encourage employers to reevaluate how they rate job candidates with criminal records.

A disproportionate share of African American men in Pittsburgh have been arrested and convicted of crimes. Employers who use the criminal record to automatically dismiss applicants without considering other qualifications create substantial structural barriers for African American men. To limit the impact of a criminal record on an individual’s ability to access employment, we recommend that organizations like The Heinz Endowments develop or support two campaigns, one focused on employers and one focused on individuals with a criminal record. The first campaign would urge employers to “ban the box” — that is, to take the arrest/conviction question off initial applications — and to limit the use of third-party databases on arrests and convictions without applicants’ knowledge. This campaign would also inform and encourage private employers to participate in government-sponsored programs designed to help qualified ex-offenders and felons who need a second chance. Two programs sponsored by the U.S. Department of Labor are available to employers in the greater Pittsburgh area.

- The Federal Bonding Program is an employer job-hire incentive to help people with prior criminal convictions. The program issues fidelity bonds to businesses who offer jobs to workers in “at-risk” groups. Essentially, these bonds are business insurance policies that protect employers against loss of money or property due to employee dishonesty (see http://bonds4jobs.com/).

- The Federal Work Opportunity Tax Credit is a financial incentive that allows participating employers to reduce their income tax liability when they hire individuals from certain target groups (e.g., individuals with criminal records or the formerly incarcerated) who have consistently faced significant barriers to employment (see www.doleta.gov/business/incentives/opptax/eligible.cfm).

Having employers who may be otherwise reluctant to hire individuals with criminal histories participate in these programs can help African American men with criminal backgrounds gain employment, obtain higher-wage jobs, and earn a steady income, thereby enabling them to become self-sufficient.
On a parallel track, a second citywide campaign could inform and help individuals with criminal records to expunge juvenile records. The campaign could also offer strategies to address and correct records on file with third parties (Spaulding et al., 2015; Wallace and Wyckoff, 2008).

**REDRESSING PRACTICES OF FINANCIAL INSTITUTIONS**

**RECOMMENDATION 6: Expand business development efforts that target African American men in Pittsburgh.**

The entrepreneurial spirit is very much alive in Pittsburgh’s African American community, but it is not faring as well as it could be. Capital is scarce, as the evidence from this study shows. Because most African Americans have been hampered by high barriers to accumulating wealth at the rate of their white counterparts, they depend more heavily on other sources of business capital. Reducing these barriers will involve improving access to capital, helping young entrepreneurs get their businesses off the ground, and developing the supplier and market networks needed to make those businesses sustainable.

The Heinz Endowments, financial lending institutions, and others can follow two suggestions to help African American businessmen increase their access to capital: invest in nontraditional lending sources, and scale or replicate model intermediary programs.

Traditional lending institutions should examine their lending practices and identify ways to place more weight on the odds for success than the capital the entrepreneur brings to the table. Yet, these institutions are generally restricted in the types of investments they can make because of their fiduciary responsibilities to their customers and investors. Therefore, increasing resources to nontraditional lenders can be a more immediate way to expand the pool of capital for African American businessmen. Key leaders and stakeholders should consider the following strategies:

1. **Strengthen the capacity of nontraditional lenders,** whose flexibility on some standards will enable African American entrepreneurs to grow their businesses. Pittsburgh’s nontraditional lenders include community development financial institutions and foundations that engage in program-related investing. However, the resources currently are not sufficient to meet the needs of aspiring entrepreneurs.

2. **Explore the possibility of facilitating cooperatives** that use joint community
ownership to focus on economic inclusion and improved access to capital for African American entrepreneurs. In line with the suggestion to increase community initiatives, cooperatives entail pooling resources to meet common community business needs. As a community-based business, a cooperative can benefit from relatively small investments from a large number of people, investments that can then be used to leverage more capital. (For examples, see http://evergreencooperatives.com/.)

3. Sponsor financing platforms such as crowdsourcing and crowdfunding. Currently being explored by the Small Business Administration and the Minority Business Development Agency as viable options, these activities should be able to help African American businessmen in Pittsburgh build relationships and increase their access to capital without having to deal with traditional lending practices. See Black Startup (http://signup.blackstartup.com/), a new crowdfunding site that seeks to give African American–started ventures an advantage; Venture Capital Access Program* (www.marathonfdn.org/vcap.html), operated by the Marathon Foundation, is a partnership between the Harvard Business School Alumni Angels of Greater New York and the National Association of Investment Companies that aims to provide women and minority entrepreneurs access to venture capital or angel dollars.

Investing in model intermediary programs that could be scaled or replicated to reach larger populations is another way to help African American businessmen build capacity and strengthen their chances for economic advancement. Implementing a model that has been effective in comparable communities is a practical approach that can result in increased, long-term, and significant impact. To scale or replicate model programs requires stakeholder support, careful planning, and sufficient resources to maintain program quality (see www.hfrp.org/evaluation/the-evaluation-exchange/issue-archive/current-issue-scaling-impact/six-steps-to-successfully-scale-impact-in-the-nonprofit-sector).

The types of programs and services that The Heinz Endowments and other foundations should consider when thinking about models to scale include: (1) organizations that target small businesses in particular industrial sectors and that work with small businesses to develop networks and relationships with established mainstream businesses in the same industrial sector; and (2) organizations that teach entrepreneurs basic business acumen and equip them with the skills (e.g., business planning, financial management, marketing) that will help them access capital as well as develop and grow their businesses to become economically sufficient.
When you’re stuck in a 40-foot pit and … really the only way to get out is for someone who’s up on top to throw you down the line and begin to pull you out … that’s all I can say right now. It’s going to take an effort. We can get into reparations, but it’s going to require some minds to change that are in control of things; and to really reach out and really want to see the ones who are down in the pit pulled up.

Focus group participant

I love the area … love Pittsburgh … there is so much more opportunity in Pittsburgh to really build something.

African American entrepreneur, focus group participant
CONCLUSION

These recommendations, while focused on improving access to employment and business opportunities for African American men, should most appropriately be viewed within the context of any larger economic plans for Pittsburgh, whether focused on the physical transformation of specific communities or the city’s ongoing efforts to remake itself into a livable and sustainable metropolitan area. As such, it will require many actors — philanthropy, business, government, and the nonprofit sector — to work together over a sustained time (Aron et al., 2013). Pittsburgh stakeholders have said that the time seems ripe for the city to take action, so it is best to begin the journey as soon as possible.
REFERENCES


The Heinz Endowments was formed from the Howard Heinz Endowment, established in 1941, and the Vira I. Heinz Endowment, established in 1986. It is the product of a deep family commitment to community and the common good that began with H.J. Heinz, and that continues to this day.

The Endowments is based in Pittsburgh, where we use our region as a laboratory for the development of solutions to challenges that are national in scope. Although the majority of our giving is concentrated within southwestern Pennsylvania, we work wherever necessary, including statewide and nationally, to fulfill our mission.

That mission is to help our region thrive as a whole community — economically, ecologically, educationally and culturally — while advancing the state of knowledge and practice in the fields in which we work. Our fields of emphasis include philanthropy in general and the disciplines represented by our five grant-making programs: Arts & Culture; Children, Youth & Families; Education; Environment; and Innovation Economy.

In life, Howard Heinz and Vira I. Heinz set high expectations for their philanthropy. Today, the Endowments is committed to doing the same. Our charge is to be diligent, thoughtful and creative in continually working to set new standards of philanthropic excellence. Recognizing that none of our work would be possible without a sound financial base, we also are committed to preserving and enhancing the Endowments’ assets through prudent investment management.