

## MEMORANDUM

TO: Board of Directors, Legacy National Bank

FROM: Katherine Kurohara, Branch Manager

DATE: November 2, 2021

SUBJECT: Proposal to Honor Juneteenth

The first time someone made a racial slur toward me was in third grade when a classmate said to me, “Go back to China” as I waited to be picked up. I remember it so vividly to this day. Even in a place as diverse as Pasadena, people still assumed I did not belong. Others throughout my childhood would chant “My mom is Chinese, my dad is Japanese, look what they did to me” as they slanted their eyes with their fingers. Other times the discrimination was more subtle — like being ignored or overlooked. I remember hating my small eyes and wanting a more Caucasian nose. I felt like I would never be accepted.

Racism is not exclusive to Asian Americans; the same hate that caused such bitter words to come from my classmate is the same hate that triggers police brutality against Black people and discrimination in the workplace. Here at Legacy National Bank, I am so grateful for your support in helping me advance positions as an Asian American woman and treating me with fairness. So much so, I want other employees of disadvantaged groups to feel as recognized and included as I have here. However, as you are aware, racism, microaggression, and unchecked bias against Black Americans continue to persist throughout our country. I know from personal experience how these hateful acts haunt you forever, and times like Juneteenth provide the opportunity for employees to share their own experiences and for the company to honor one of the most historically oppressed groups. Ultimately, it is in Legacy National Bank’s best interest — both morally and economically — to acknowledge Juneteenth as a legitimate holiday, serving as part of a broader commitment to community, justice, and equity.

### **Why Juneteenth?**

“What, to the American slave, is your 4th of July?” questioned Frederick Douglass in 1852.

As thousands of White Americans celebrated their independence, he draws attention to a different perspective on Independence Day: none of the principles of natural justice and freedom embodied in the Declaration of Independence were extended to Black people, many of whom remained enslaved.

On June 19, 1865, the Union Army finally reached the 250,000 enslaved men, women, and children of Galveston, Texas with the news of their freedom — over two years after Abraham Lincoln signed the Emancipation Proclamation. Since then, Juneteenth has served as Black people’s own Independence Day, symbolizing a time when *all* — not just some — Americans received long overdue liberty.

The celebration of Juneteenth not only marks a long overdue reckoning with America’s history, but also serves as a reminder of the remaining action needed to address the harrowing legacy of slavery. Almost 170 years later, Douglass’s speech is still symbolic of our country’s racial dynamics and

systemic bias. For example, Black Americans face disproportionate barriers to advancement, particularly in the workplace: only 3.5% of CEO's and 8% of managers are black, despite accounting for 12% of the US workforce. (U.S. Bureau of Labor Statistics). In the finance sector specifically, just 2.4% of executive committee members and 1.4% of senior portfolio managers are black (Roberts and Mayo). "This day doesn't just celebrate the past, it calls for action today," said President Biden before making Juneteenth a federal holiday earlier this year. Major banks — including Bank of America, JPMorgan Chase, Capital One, PNC, U.S. Bank, Wells Fargo, and others — have responded by making Juneteenth a cornerstone of their racial justice efforts.

Some may classify the celebration of Black Americans' freedom an expression of political correctness, but Juneteenth was in fact created by those enslaved in Texas in the 1860's — a time when "woke" culture and Critical Race Theory did not even exist. As a country founded on ideals of equality and opportunity, we have a collective obligation to live up to these constitutional standards we value as Americans. We have yet to fully deliver our Nation's founding promise of natural justice and freedom to Black Americans. And while Juneteenth is no substitute for the efforts needed to truly correct racial inequities in America, Juneteenth offers us a step in the right direction.

### **Juneteenth as an Organizational Opportunity**

Not only is it the moral thing to do, but honoring Juneteenth as part of Legacy National Bank's commitment to diversity and inclusion also has the strategic potential to improve business — internally, socially and economically. First, companies receive employee and consumer branding benefits in supporting social issues. As evidenced by the holiday's increased support and awareness, the priorities of stakeholders are changing in this generation's pursuit of social change. 40% of consumers will actively seek companies that align with their values (Haller et al.), so showing support for a social cause like racial equality and honoring Juneteenth can increase demand, brand loyalty, and publicity — especially since Black Americans are the second-largest race population in Arkansas (U.S. Census Bureau). Additionally, over 76% of the US millennial workforce will consider a company's social commitments before choosing to work there ("2016 Cone Communications"). And with African Americans making up 19% of Arkansas' labor force, openly supporting Juneteenth would unlock new levels of employee retention and talent acquisition.

Honoring the holiday also reinforces Legacy's corporate values of high community orientation and personal connection with customers. It asserts the company's collective commitment to supporting each other by fostering empathy and showing they care for their employees. This, in turn, improves employee morale, which has been proven to increase performance, retention rates, and intrinsic motivation (O'Flaherty et al.). I personally know many colleagues who would appreciate having the opportunity to speak up and feel valued, especially during our country's current state of civil unrest and racial reckoning.

Legacy National Bank should be intentional with how they honor Juneteenth if they truly want to reap the benefits. While it may feel like an empty gesture to simply offer it as a paid holiday, the educational focus of many corporate Juneteenth celebrations make them worthwhile. Companies are dedicating the day to company-wide forums, activities, panel discussions, and volunteering, all of which focus on educating employees about the holiday's significance and engaging in meaningful dialogue. These efforts help create a more equitable workplace while also providing an outlet for employees to step away from and truly find meaning in their work with Legacy National Bank. After all, a beautiful aspect about the United States is its multiracial character. We all have valuable cultures and perspectives to share — something I wish I could tell my third-grade self. Now,

Juneteenth offers something tangible to those efforts; and the community, empowerment, and sense of belonging that come with it are one step further in our fight against racism and to unlearn our internalized oppression.

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