ABSENTEEISM, PRODUCTIVITY LOSS, AND TURNOVER:
THE COST OF RACIAL INJUSTICE

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Racial injustice is all too common in the American workplace, according to employees themselves:

- The percentage of American workers who have felt they were treated unfairly in the workplace due to race or ethnicity in the past year: 14%
- The percentage of American workers who have felt they were treated unfairly in the workplace due to race or ethnicity over the last five years: 19%

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Racial injustice is most commonly felt by Black workers, who may be two to four times more likely to perceive unfair treatment than their counterparts in other demographic groups.
Percentage of American workers who have felt unfairly treated in the workplace due to race or ethnicity in the past year:

- **Black**: 34%
- **Asian**: 17%
- **Hispanic/Latino**: 16%
- **White**: 8%

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PERCEIVED UNFAIR TREATMENT (CONT’D):
BREAKDOWN BY RACE OR ETHNICITY

Percentage of American workers who have felt unfairly treated in the workplace due to race or ethnicity over the last five years:

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black</td>
<td>42%</td>
</tr>
<tr>
<td>Asian</td>
<td>26%</td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td>21%</td>
</tr>
<tr>
<td>White</td>
<td>12%</td>
</tr>
</tbody>
</table>

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Unfortunately, racial injustice is not always an isolated incident, instead manifesting itself repeatedly. Of those American workers who claim to have been unfairly treated due to their race or ethnicity in the past year, nearly three-quarters (72%) report being treated this way between one and five times.

Other frequencies of perceived unfair treatment include:

- 6-10 times: 12%
- 12-29 times: 9%
- 50 times: 5%
- 100 times: 2%

* Perceived unfair treatment in the past year

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Sources of Perceived Unfair Treatment

Making matters worse for employees, those in leadership positions are often to blame for racial injustice manifesting itself at work. Of those American workers who claim to have been unfairly treated due to their race or ethnicity over the last five years, 57% were reportedly mistreated by a supervisor, manager, or leader other than their direct supervisor.

Other sources of perceived unfair treatment include:

- Co-worker: 54%
- Direct supervisor or manager: 45%
- Client or customer of the organization: 36%
- Human resources: 23%

*Perceived unfair treatment over the last five years

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Racial injustice can have a profoundly negative impact on an employee’s emotional state. After feeling treated unfairly due to their race or ethnicity at work, American workers responded in the following ways:

- Felt angry: 73%
- Felt excluded: 64%
- Felt there was no one at work they could turn to for help: 58%
- Felt alone: 57%

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Emotional responses tend to be followed by negative changes in behavior. In response to feeling treated unfairly due to race or ethnicity at work, many American workers responded by behaving counterproductively:

- **45%** put less effort into their work than they could have
- **35%** took longer to complete their work than they could have
- **28%** spent work time on non-work activities
- **25%** took extra or longer work breaks
- **21%** arrived late to work or left work early without their supervisors’ approval
- **7%** took items from work without approval or wasted work materials

[Source: https://togetherforwardatwork.shrm.org]
Of those American workers who claim to have been unfairly treated in the workplace based on their race or ethnicity in the past year, 48% called in sick to work or missed work due to anxiety, frustration, stress, and other feelings stemming from their personal experiences.

Even workers who are not unfairly treated themselves can still suffer the consequences of mistreatment. In the past year, 10% of Americans have called in sick to work or missed work due to feelings like anxiety and stress that stem from witnessing someone else in their workplace being treated unfairly due to race or ethnicity.

Even more (11%) have called in sick to work or missed work due to anxiety, stress, and other feelings in response to current events related to race.
ABSENTEEISM DUE TO PERCEIVED UNFAIR TREATMENT (CONT’D)

Cost of absenteeism to U.S. businesses due to unfair treatment based on race or ethnicity in the past year:

$54.1 billion
PRODUCTIVITY LOSS DUE TO PERCEIVED UNFAIR TREATMENT

When asked about how many productive work days they lost due to anxiety, stress, and other feelings after experiencing unfair treatment, American workers who claim to have been unfairly treated due to their race or ethnicity responded in the following ways:

- 1-5 days lost: 47%
- 6-10 days lost: 11%
- 11-15 days lost: 11%
- 12-30 days lost: 17%
- 40-100 days lost: 5%

*Number of productive days lost after workers' most recent experience of unfair treatment*
Cost of productivity loss to U.S. businesses due to unfair treatment based on race or ethnicity in the past year:

$58.7 billion
In many cases, racial injustice can even lead to turnover, as employees look for greener pastures where they are more appreciated at work. When asked about leaving one job for another in the past five years, American workers responded in the following ways:

- 8% Left because they were treated unfairly by someone at work due to their race or ethnicity
- 7% Left because of unequal opportunities for advancement for people of their race or ethnicity at work
- 5% Left because of a workplace culture that didn’t value racial or ethnic diversity and inclusion
- 6% Haven’t left, but have thought about leaving for one or more of the aforementioned reasons

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Cost of turnover to U.S. businesses due to unfair treatment based on race or ethnicity in the last five years:

$171.9 billion
A sample of 1,313 American workers, including an oversample of Black, Hispanic/Latino, and Asian respondents, was surveyed using the AmeriSpeak Omnibus, NORC at the University of Chicago’s probability-based panel. The survey was administered from Thursday, August 27th to Wednesday, September 3rd in 2020. Data was weighted to reflect the U.S. adult population.