

Amazon must address racial and gender pay inequities in its workforce, Harvard Business School petition says

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Hundreds of alumni and faculty of Harvard Business School — the alma mater of many of Amazon’s top executives — have signed a petition calling on the company to address pay inequities faced by female employees and employees of color.

Amazon’s commitment Wednesday to increase the representation and retention of women and employees of color in its corporate and executive ranks, among other initiatives, does not go far enough, petition organizers said.

The petition asks Amazon to conduct a companywide pay equity audit and address racial and gender discrepancies in pay, promotions, and hiring; hire and promote more women and employees of color; enact greater protections for workers reporting harassment and discrimination, and implement other changes to bolster the company’s diversity and inclusion efforts.

“The announcements [Amazon has] just made are soft,” said Jared Leiderman, an organizer of the petition and Harvard Business School graduate. “I want to make sure they follow through in serious, concrete ways that change this.” Namely, he said, he wished Amazon had made concrete pledges about rectifying pay disparities.

There is some overlap between what Amazon has already promised to do and what the petition’s signatories are requesting. Amazon has committed to remedying gender and racial imbalances in its performance review process, for instance. The company has previously said that it prioritizes pay equity, and that women at Amazon earn 100.0 cents for every dollar that men earned performing the same jobs, while minorities earned 99.2 cents for every dollar that white employees earned performing these same jobs.

The company’s new diversity goals aren’t the last word on Amazon’s commitment to diversity and inclusion, Beth Galetti, Amazon’s head of human resources, wrote in a blog post Wednesday. “These goals represent the next step in Amazon’s diversity, equity, and inclusion journey, not the final destination,” she wrote. “It is going to take time and consistent focus to get where we want to be.” In a letter to shareholders Thursday, Amazon founder Jeff Bezos heralded a new focus on employee well-being, promising to turn Amazon into “Earth’s Best Employer.”

The alumni petition was sparked by accusations from Black employees of racial discrimination at the company, including in a lawsuit filed last month by Amazon employee and Harvard Business School graduate Charlotte Newman. Her suit alleges racial

discrimination and sexual harassment, including that Amazon hired her at a lower pay rate than white peers with similar experience, a phenomenon sometimes referred to in tech circles as “downleveling.”

“Downleveling at Amazon, and in tech and corporate America more generally, matters because it’s one of the reasons we see pay disparities persisting,” Newman said in an interview, pointing to recent Goldman Sachs research showing that sharp earnings differentials between Black and white employees contribute in large part to the racial wealth gap. “Downleveling is tied to broader systems of inequity that leads to a lower concentration of wealth in Black communities and communities of color.”

Newman’s lawsuit alleges that managers used racially coded language to justify denying her a promotion, criticizing her for being “too direct,” “aggressive,” and “just scary,” and warning her that she “can intimidate people.”

“When I read that in the news, I laughed. That is not Charlotte at all,” said Vivian Song, a former Goldman Sachs employee who helped organize the petition, and Newman’s former classmate at Harvard Business School. “Anyone who knows her at all knows that this is a racial trope, and not reflective of who Charlotte is.”

Before joining Amazon in 2017, Newman served as an economic policy adviser to New Jersey Sen. Cory Booker. At Harvard, classmates elected her to a role representing their concerns to faculty.

The suit also contends that Amazon did not take adequate measures to protect Newman from a superior after she reported his inappropriate sexual advances to human resources.

Amazon has said it does not tolerate discrimination or harassment. “We immediately investigated Ms. Newman’s sexual harassment claim and fired her harasser. The investigation also resulted in corrective action and additional training requirements for those in her reporting line,” said Amazon spokesperson Jaci Anderson. “We also reviewed Ms. Newman’s interview process, leveling and onboarding, and determined that she was properly placed in her role at the company. We are currently investigating the new allegations included in the lawsuit.”

Harvard Business School, thought by many to be the pinnacle of American managerial education, has a special cachet at Amazon. Many of Amazon’s senior leaders are alumni, including incoming CEO Andy Jassy. Amazon founder Jeff Bezos recruited Jassy straight from Harvard, along with now-WarnerMedia CEO Jason Kilar. Aside from Jassy, two other members of Amazon’s top executive team are Harvard Business School alums: fashion Vice President Christine Beauchamp and Doug Herrington, who manages Amazon’s North American retail operations. Nearly 400 other Harvard Business School alums work for the company, a LinkedIn search shows.

Petition organizers said they hoped Amazon's deep ties with the school prompt company executives to take their requests seriously.

"Some of us have worked at Amazon. Some of us may work at Amazon in the future. But all of us hope that Amazon will use this moment to change," the letter says.

The petition echoes proposals from activist investors introduced in advance of Amazon's May 26 annual shareholder meeting, calling on the company to conduct a racial equity and civil rights audit of Amazon's business practices and disclose how much employees of different races and genders are paid and how quickly they're promoted. Amazon has recommended shareholders vote against those proposals.