

# Advancing Equity and Inclusive Growth

An Interview with Shelley Stewart III, Senior Partner, McKinsey & Company

**EDITORS' NOTE** Shelley Stewart is a leader within McKinsey's Private Equity & Principal Investors Practice, where he serves a range of clients on growth, marketing, and sales topics. He has worked with companies across the industrial and technology sectors, helping them identify opportunities for accelerated growth, design go-to-market models, improve the effectiveness of sales forces, and leverage digital routes to market. In addition, Stewart leads the McKinsey Institute



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for Black Economic Mobility, a think-and-do tank focused on catalyzing cross-sector action to build a more inclusive, dynamic economy. Stewart is a member of the Economic Club of New York and is on the board of directors of the National Black MBA Association (NBMBA) and the Brooklyn Community Foundation. Before joining McKinsey, he worked in the financial services industry in a variety of roles at an investment banking firm, and subsequently cofounded a private investment firm. Stewart earned a BA in economics from Boston College, an MPA in political economy from Harvard University, and an MBA in finance and management from Columbia University. He holds an honorary doctorate from the University of New Haven.

**FIRM BRIEF** McKinsey ([mckinsey.com](https://www.mckinsey.com)) is a global management consulting firm committed to helping organizations accelerate sustainable and inclusive growth. It works with clients across the private, public, and social sectors to solve complex problems and create positive

change for all its stakeholders. The firm combines bold strategies and transformative technologies to help organizations innovate more sustainably, achieve lasting gains in performance, and build workforces that will thrive for this generation and the next.

**How do you describe McKinsey's culture and values?**

At McKinsey, we have a dual mission to help our clients make distinctive, lasting, and substantial improvements in their performance and to build

a great firm that attracts, develops, excites, and retains exceptional people. To do this, we focus on building a culture that is inclusive and non-hierarchical – one where colleagues are encouraged to bring themselves and their differing perspectives to the table in efforts to reach the best outcome for the Firm and our clients.

**Will you provide an overview of your role and areas of focus?**

I am a senior partner and leader within McKinsey's Growth, Marketing and Sales and Private Equity practices, where I help companies on a variety of topics, including go-to-market strategies, channel excellence, salesforce productivity, digital enablement and more.

Additionally, I lead the McKinsey Institute for Black Economic Mobility, our think-and-do-tank focused on improving economic outcomes for Black lives and fostering inclusive economic growth globally. In this capacity, I focus on publishing research, convening stakeholders, and developing practical tools that companies, organizations, and governments can use to advance equity and inclusive growth.

**What have been the keys to the strength and leadership of McKinsey's Growth, Marketing and Sales Practice?**

One of the biggest strengths of our practice is our acute focus on helping clients grow their organizations. We believe that growth is fundamental to the sustainability of our economy overall. It is essential to increasing living standards for all and establishing a more inclusive economy. It is also what will fuel our investments in a greener economy over the long term. Thinking about our work with clients in this way creates added purpose and therefore rigor in how we serve them and provide impact.

**You mentioned your leadership of the McKinsey Institute for Black Economic Mobility. What is the mission of the Institute and what do you hope to achieve?**

The mission of the McKinsey Institute for Black Economic Mobility is to help private-, public-, and social-sector leaders take coordinated action to accelerate Black economic development. We focus on effecting change in three areas – developing objective research on the economic drivers of racial inequalities; convening cross-sector leaders to promote coordinated action; and creating tools that help organizations implement solutions on an institutional level. Our hope is to inspire and sustain action that leads to inclusive economic growth and shared prosperity.

**Will you highlight some of the work taking place at the Institute?**

Since inception, the Institute has published over 20 publications highlighting the economic opportunity of addressing racial inequities. Our landmark piece, *The Economic State of Black America*, took a close look at the extent of

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racial disparities across the five major roles Black Americans hold in society, and the broader economic impact of addressing those disparities: employees, residents, consumers, investors, and entrepreneurs. This body of work has allowed us to launch a series of initiatives to address challenges across these dimensions.

In 2017, we co-created our signature convening event, the Black Economic Forum, with our partners the Executive Leadership Council and Sigma Pi Phi (The Boulé). The annual event brings together hundreds of Black executives to discuss cross-sector initiatives to improve Black livelihoods. Additionally, this year alone we've presented our research on a variety of economic mobility topics at over 40 industry events to ensure we're reaching key decision-makers with our insights.

We're also directly working with dozens of organizations across healthcare, financial services, education, and other sectors on efforts related to economic mobility and inclusive growth.

**How critical is a coordinated effort to drive sustainable change in the work of the Institute?**

The causes that stifle economic mobility for Black Americans are deeply rooted and quite pervasive throughout our economy and society, and thus are complicated to address without coordinated action. The Institute represents a diverse mix of experts and researchers across areas critical to economic mobility, such as talent management, education, healthcare, financial services, entrepreneurship, strategy, and more. This breadth of expertise allows the Institute to provide a perspective informed by real world experience and data, influencing organizations towards action on the drivers and potential solutions of racial inequity.

**What do you see as the role of equity and inclusive economic growth in the future of consulting?**

Sustainability, inclusion, and growth are three terms that are synonymous with business today. As industries continue to evolve to the new and next normal, organizations will look to advisors with a keen focus on how these forces interlock and self-reinforce one another.

I believe equity and inclusivity will become an even more essential piece of the growth puzzle – one that our industry can't ignore when counseling clients. As one example, according to McKinsey research, Black consumer spending is set to reach \$1.7 trillion by 2030, yet their needs remain drastically under-met. At the same time, our research shows that 45 percent of all consumers believe retailers should actively support Black-owned businesses and brands. These figures are compelling for any executive interested in growth, let alone equity in business. As we continue to unearth insights on the commercial and socio-economic opportunities to drive racial equity in business, it must impact the future of the consulting industry and force us to bring the most holistic, leading-edge insights to our client partnerships.

**How can organizations like McKinsey have an impact by counseling its clients with this lens in mind?**

McKinsey's purpose is to help create positive and enduring change in the world. We do this by bringing distinct insights and service to our clients, which include top global institutions that can impact economic mobility. Building on McKinsey's unique assets and capabilities, the work coming out of the Institute allows us to

better serve clients by considering how organizations can achieve growth while positively impacting under-served populations and addressing some of the equity gaps we see hindering full economic potential. For many organizations, these topics enable growth that is novel and distinct from opportunities that had previously been considered, while still in line with their core offerings.

For example, according to research from the McKinsey Institute for Black Economic Mobility, approximately 8.3 million Black Americans live in food deserts, lacking easy access to fresh food in their communities. This creates massive human development challenges for the individuals in these communities. At the same time, it also presents huge commercial opportunity for organizations to provide better food access to Black consumers. We've used McKinsey's proprietary retail models to showcase the potential profitability of opening brick and mortar grocery stores in Black communities that also address this access issue.

Additionally, we know that today the average Black family has roughly an eighth of the wealth of the average white family. A lack of access to financial services, specifically banking and insurance products, is both a cause and a result of this large gap in wealth. By working with organizations across the financial services ecosystem, we can highlight the opportunity to increase financial inclusion in Black communities and help accelerate actions companies are taking to address this wealth disparity.

These are just a few examples of the synergies between inclusion and growth that we are helping organizations identify and move towards. ●

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