

Diversity and Inclusion Practice

Black representation in film and TV: The challenges and impact of increasing diversity

New research reveals the barriers that Black talent in the film and TV industry faces, the economic fallout, and solutions for creating a more inclusive, equitable workplace.

by Jonathan Dunn, Sheldon Lyn, Nony Onyeador, and Ammanuel Zegeye



Movies and television are often an escape from and a reflection of life unfolding. They also can play an outsized role in shaping and reinforcing cultural beliefs and attitudes about race, both in the United States and internationally. Yet for the thousands of people who toil in a range of on- and off-screen positions in the sprawling film and TV industry, movies and television are something much more grounded—they are a job. And for Black professionals trying to build and sustain a career in film and TV, the industry has been, by many of their accounts, a relatively unwelcoming workplace.

While a certain amount of progress has been made with on-screen talent in recent years, and although several entertainment companies are starting to make strides toward diversity and inclusion, our new analysis shows that inequity persists and is deeply entrenched across the film and TV ecosystem. Data on the levels of diversity and representation on-screen have been available for several years. But those numbers alone, as important as they are, tell only one part of the story. We examined in detail the racial complexities and challenges of this dynamic workplace, analyzing the entire film and TV ecosystem—including studios, networks, production and streaming companies, and distributors—through the lens of the individuals who must navigate it: on-screen talent, as well as off-screen writers, producers, directors, executives, agents, crew members, and beyond.

We wanted to understand the lived experience of Black professionals along the end-to-end journey of content production and distribution, from applying for an entry-level position or pitching new ideas to shooting on location and distributing a finished product. To shed light on the scale of the racial disparities and the potential economic opportunity in addressing them, we analyzed data and reviewed multiple research reports on thousands of films and TV shows. We also conducted anonymous interviews with dozens of film and TV professionals, writers, directors, producers, agents, actors, and executives,

enabling them to speak openly about the system-level obstacles and routine indignities they encounter (see sidebar “About the research”). We collaborated in this research with the BlackLight Collective, a coalition of Black leaders, artists, and executives who work in varied capacities across the film and TV industry. We hope that focusing on the experiences of those who face so many barriers will help spur solutions to improve the inclusivity of the industry for all underrepresented groups.

Our findings, which build on and corroborate McKinsey’s recent research on the Black experience in corporate America, include the following:

- By addressing the persistent racial inequities, the industry could reap an additional \$10 billion in annual revenues—about 7 percent more than the assessed baseline of \$148 billion.¹ Fewer Black-led stories get told, and when they are, these projects have been consistently underfunded and undervalued, despite often earning higher relative returns than other properties.
- The handful of Black creatives who are in prominent off-screen, “above the line” positions (that is, creator, producer, writer, or director) find themselves primarily responsible for providing opportunities for other Black off-screen talent. Unless at least one senior member of a production is Black, Black talent is largely shut out of those critical roles.
- Emerging Black actors receive significantly fewer chances early in their careers to make their mark in leading roles, compared with white actors, and they have a lower margin for error.
- Both film and TV still have very little minority representation among top management and boards; film in particular is less diverse than relatively homogenous sectors such as energy, finance, and transport.

¹ Based on 2019 industry revenues of \$148 billion, which includes US-produced global theatrical box office, US streaming services, US cable, and US broadcast; excludes sports and unscripted programming.

About the research

We applied a qualitative and quantitative approach to assess the business case for diversity in the film and TV industry.

To drive our primary analysis, we established an initial fact base using existing reports, including the University of California, Los Angeles's (UCLA) annual *Hollywood diversity report (2016–20)* and the Nielsen report *Being seen on screen: Diverse representation and inclusion on TV (2020)*, as well as research from the UCLA Center for Scholars & Storytellers

and the University of Southern California's (USC) Annenberg Inclusion Initiative. From here, we leveraged extensive film and TV data, including such sources as Variety Insight by Variety Business Intelligence, to draw additional conclusions and to size the business opportunity for increased diversity.

Separately, we conducted one-on-one interviews with more than 50 Black and non-Black industry participants across the content ecosystem (such as studio

executives, producers, writers, directors, agents, and funders) to better reflect their lived experiences and to identify the critical pain points in each step of the content-creation process—from discovering potential pitches all the way through distribution and release.

It should be noted that all of the interviewees were granted anonymity so that they could speak openly about their experiences without fear of potential reprisal.

- A complex, interdependent value chain filled with dozens of hidden barriers and other pain points reinforces the racial status quo in the industry. Based on our research, we catalogued close to 40 specific pain points that Black professionals in film and TV regularly encounter as they attempt to build their careers.
- There are four key steps that film and TV companies can take to advance racial equity in entertainment and beyond. These steps would need to be cross-cutting and, ideally, shepherded by an independent, third-party organization that the industry creates.

Today, Black Americans make up 13.4 percent of the US population, and that percentage will increase over the next few decades.² Just as the racial wealth gap is constraining the US economy, the film and TV industry will continue to leave money on the table if it fails to advance racial equity (see sidebar “The value of achieving racial equity in Hollywood”).

However, the unique characteristics of the film and TV industry make achieving equity a complex, system-level challenge. Tight-knit, interdependent networks dominate the landscape; unlike in many other industries, a single company's efforts to change the racial dynamic inside its own four walls can do only so much for the entire ecosystem. In any given week, let alone an entire career, a professional working in Hollywood might have to traverse multiple separate entities—agencies, unions and guilds, studios, networks, production houses, financiers, festivals, critics, and awards establishments. At the same time, strong accountability structures (uniformly enforced HR processes and rules, for instance) and transparency are lacking in many cases. Work settings can be small and informal, including far-flung shooting locations outside the United States; the work itself is often temporary and contract based. In the same way that collective action is needed to advance racial equity in corporate America, real and lasting change in film and TV will require concerted action and the joint commitment of stakeholders across the industry ecosystem.

² US Census Bureau.

The value of achieving racial equity in Hollywood

Barriers that undermine equity in content development, financing, marketing, and distribution come at a substantial cost to the film and TV industry. We estimate that the film and TV industry could unlock more than \$10 billion in annual revenues simply by addressing these barriers, the equivalent of a 7 percent expansion in baseline industry revenues.¹ Our estimates are based on closing the representation deficit for Black off-screen talent, achieving production and marketing budget parity, and giving Black-led

properties equal international distribution. As noted elsewhere in the article, these frictions that suppress industry revenues are unjustified with respect to performance.

When viewed against some of our other work on the value of diversity and inclusion, \$10 billion in revenue opportunity is unsurprising.² If anything, executives should aspire for even higher upside, including from diversity across all underrepresented groups, as audiences become more diverse and the growth in

demand for diverse content far outstrips supply growth. For example, a recent report from Creative Artists Agency and Parrot Analytics found that the demand for shows where at least 40 percent of the cast is diverse (in line with the US Census estimate for the nonwhite population) has more than doubled in the last three years (more than 112 percent), outpacing the growth in the number of these shows that have made it to air (more than 42 percent).³

¹ Based on 2019 industry revenues of \$148 billion, which includes US-produced global theatrical box office, US streaming services, US cable, and US broadcast; excludes sports and unscripted programming.

² Based on assessment from 1,000 large companies across the United States, companies in the top quartile on ethnic and cultural diversity outperform those in the fourth by 36 percent in profitability. For more, see Sundiatu Dixon-Fyle, Kevin Dolan, Vivian Hunt, and Sara Prince, "Diversity wins: How inclusion matters," May 19, 2020, McKinsey.com. By closing the racial wealth gap, the US GDP could be 4 to 6 percent higher by 2028. For more, see Nick Noel, Duwain Pinder, Shelley Stewart, and Jason Wright, "The economic impact of closing the racial wealth gap," August 13, 2019, McKinsey.com.

³ *Measuring what matters: The impact of talent diversity on audience demand for television*, Creative Artists Agency and Parrot Analytics, October 2020, insights.parrotanalytics.com.

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The state of Black representation on- and off-screen

Black talent is underrepresented across the industry, particularly off-screen (Exhibit 1). Our research on positions of creative control reveals that less than 6 percent of the writers, directors, and producers of US-produced films are Black. In some genres (the superhero genre, for example), representation is even lower.

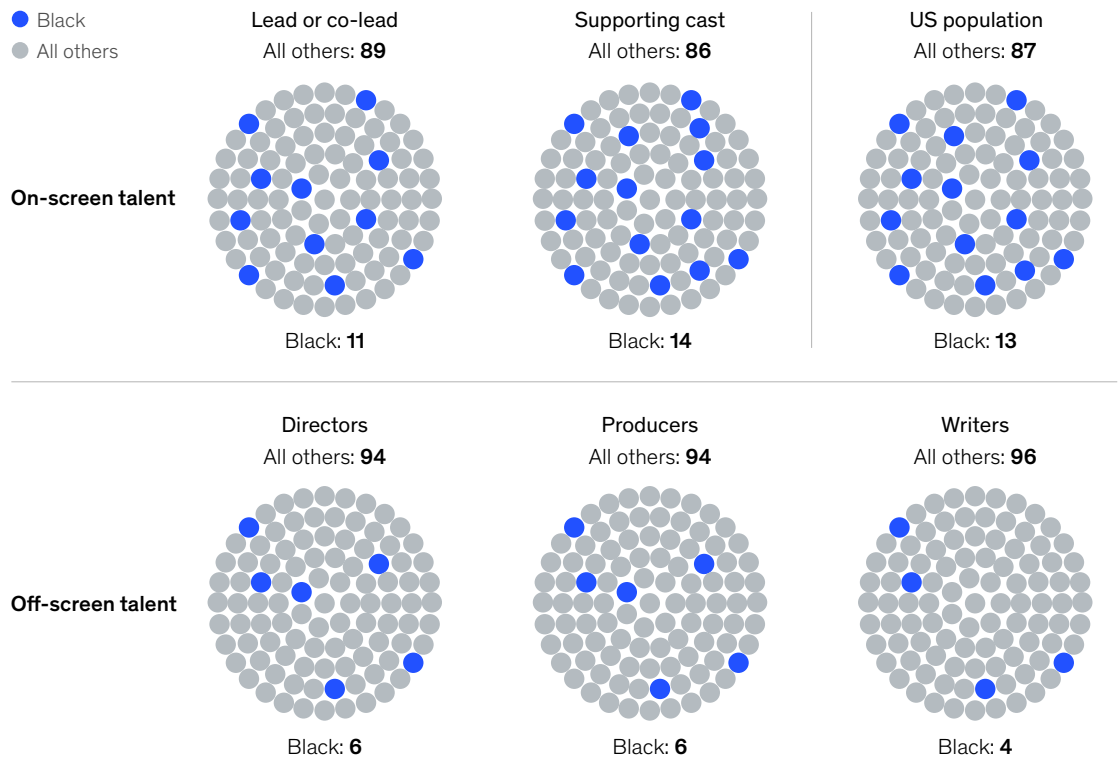
Our conversations with professionals in the field reveal that Black talent tends to be shut out of

projects unless senior team members are Black. The data show that films with a Black producer (only 8 percent of all US-produced films) or a Black director (6 percent of all films) are significantly more likely to have a Black writer. And if a film's producer is Black, the film is far more likely to have a Black director, too (Exhibit 2). The same holds true in TV: when a show's creator is Black, it is much more likely that the showrunner (the leading producer) is Black. Specifically, more than four out of five shows with a Black creator have a Black showrunner. However, out of *all* showrunners, only 5 percent are Black.

Exhibit 1

Black talent is underrepresented in film, particularly off-screen.

Racial mix of on- and off-screen talent in films released 2015–19, %

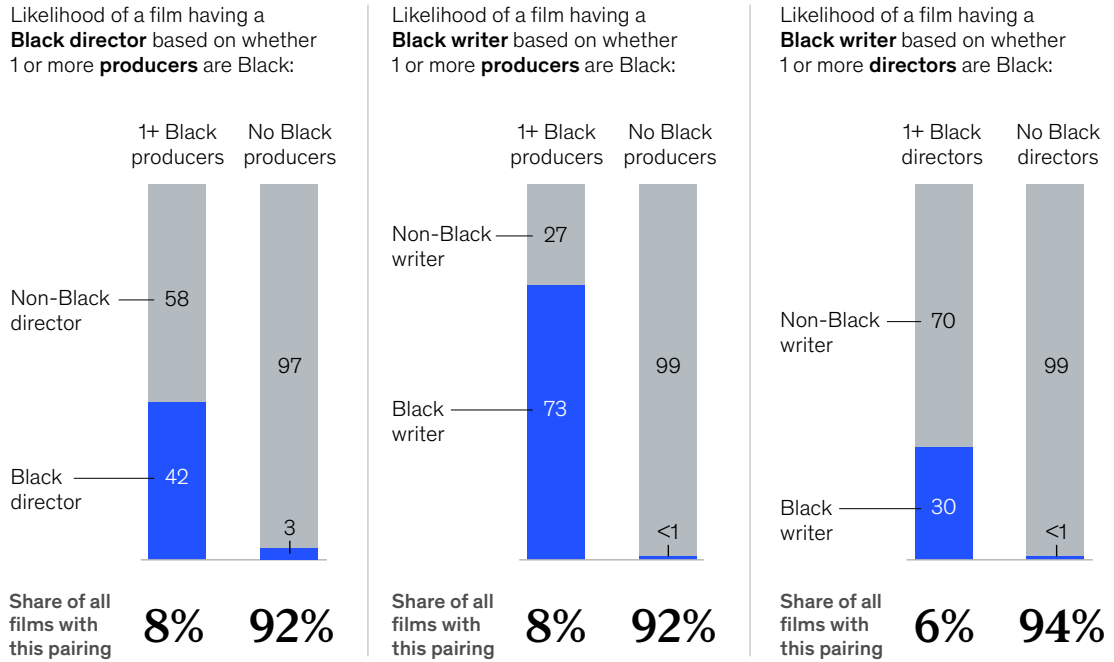


Source: US Census Bureau; Variety Insight by Variety Business Intelligence, n = 4,616 talent, 2015–19

Exhibit 2

Black off-screen talent is primarily responsible for creating opportunities for other Black off-screen talent.

Racial mix of off-screen talent based on race of film leadership, 2015–19, %



Source: Variety Insight by Variety Business Intelligence, n = 4,616 talent, 2015–19

Black professionals are also severely underrepresented in executive decision-making roles throughout the industry (department heads or top management, for example). Eighty-seven percent of TV executives and 92 percent of film executives are white. The film industry in particular remains disproportionately white, even compared with such homogenous sectors as energy and finance (Exhibit 3). This underrepresentation extends to the buying side, where Black distributors make up a small fraction of the total.

The lack of Black executives in film and TV has troubling knock-on effects throughout the industry. For example, as one Black executive explained,

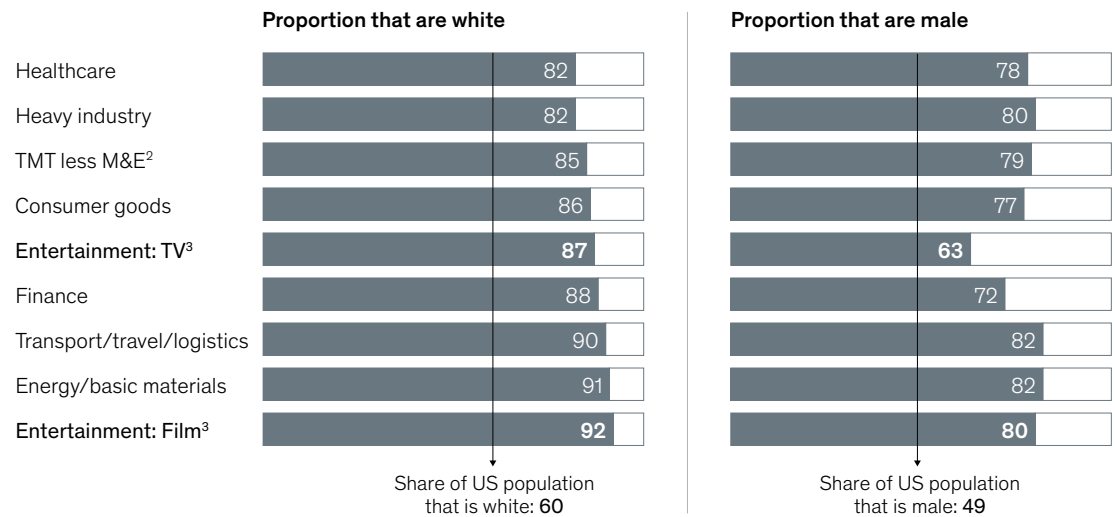
“Many former studio execs get production deals as independent producers affiliated with the studio, so whatever inequity is prevalent in the studios will carry over to the mix of producers.”

As for the state of play in front of the camera, the situation, while improving of late, remains problematic. The prominence of certain films and TV series with Black leads obscures the fact that Black actors are still underrepresented on-screen. While their overall representation among film casts is broadly in line with the Black share of the US population (13.4 percent), Black actors play only 11 percent of leading film roles and are often funneled to race-related projects, which typically receive lower investment in both production and promotion.

Exhibit 3

The film and TV industry remains disproportionately white.

Racial and gender mix for C-suite executives, selected sectors,¹ %



¹Racial and gender-mix data for North American companies from McKinsey's Women in the Workplace 2020 data set.

²Technology, media, and telecom less media and entertainment.

³Darnell Hunt and Ana-Christina Ramón, *Hollywood diversity report 2020: A tale of two Hollywoods*, University of California, Los Angeles (UCLA), 2020; including only C-suite and senior executives and excluding unit heads.

Source: David F. Larcker and Brian Tayan, *Diversity in the C-suite*, Stanford Graduate School of Business, April 2020; UCLA *Hollywood diversity report 2020*, n = 68; US Census Bureau; *Women in the Workplace 2020*, LeanIn.Org and McKinsey, 2020

TV presents a mixed picture: in 2019, about 14 percent of leads on cable programs were Black, but Black actors made up less than 12 percent of leads on broadcast shows. The share of streaming shows with Black leads—less than 5 percent in 2019—is less than half that of broadcast shows, and only a third of what it would be if it mirrored current demographics (Exhibit 4). While all three platforms have made some progress in terms of minority representation at large, streaming's explosive growth makes its showing on diversity going forward particularly critical for the industry.³

Since we concluded our research, Netflix commissioned an independent report⁴ on inclusion in its content. This analysis by the USC Annenberg Inclusion Initiative highlights much higher on-screen representation in Netflix's productions, with Black talent accounting for

15.2 percent of lead or co-lead roles across film and scripted series for the two-year period from 2018 to 2019.⁵ Still, the report also confirmed very low percentages of Black talent in above-the-line roles (creator, producer, writer, or director); Black above-the-line talent made up only 6.6 percent of those roles for films and 7.9 percent for scripted series across 2018 and 2019. Similar to the findings in our review of theatrical releases, these above-the-line roles had a profound multiplier effect on representation. When a Black creator was behind a Netflix series, for example, 72 percent of series regulars were Black, while only 15.4 percent were Black when a non-Black creator developed a series. The broad implication of this phenomenon is that Black creatives are carrying the weight of Black diversity and inclusion, or, as the report concluded more generally, "underrepresented creatives were primarily responsible for the on-screen inclusion in Netflix films."

³In addition, while the share of streaming debuts with diverse casts (those in which racial and ethnic minorities make up at least 40 percent of members) rose between 2017 and 2019, streaming still lags behind broadcast with regard to overall cast diversity. In 2019, slightly less than half of the top streaming debuts had diverse casts, compared with almost two-thirds of top broadcast debuts.

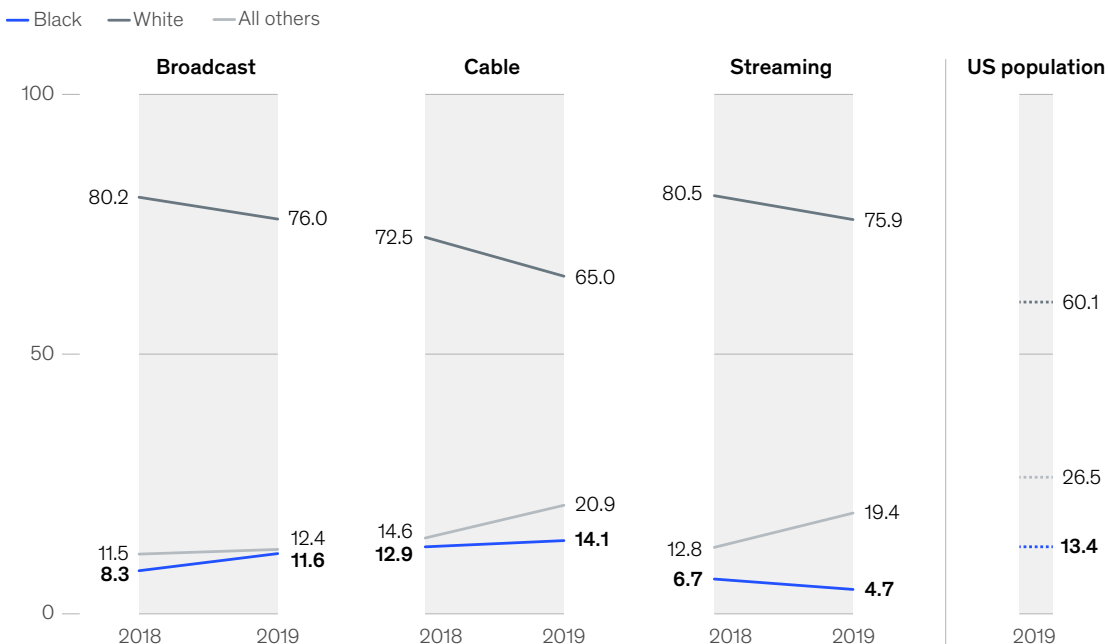
⁴Stacy L. Smith et al., *Inclusion in Netflix original U.S. scripted series & films*, USC Annenberg Inclusion Initiative and Netflix, February 2021, assets.uscannenberg.org.

⁵The differences in diversity data across sources and reports in streaming in particular are not surprising, given the nascent state of tagging and tracking data for purposes of diversity and inclusion reporting.

Exhibit 4

Although there is mixed progress, Black and other minority leads are still underrepresented in TV across platforms.

Racial mix of all leads in TV shows by distribution type, %



Source: Darnell Hunt and Ana-Christina Ramón, *Hollywood diversity report 2020: Part 2: Television*, University of California, Los Angeles, October 2020; US Census Bureau

Barriers to entry

Black talent faces a number of obstacles to entering film and TV at the outset, many of which are hidden or rarely acknowledged. Among these are financial and social barriers, as well as racial bias.

Financial. Breaking into the industry is often only possible following years of work without pay or for pay that is insufficient to cover basic necessities (for instance, paying off student loans or supporting less well-off family members). As one white executive acknowledged, when talent is just starting out, work in the industry is “considered a privileged apprenticeship. The pay is sh*tty and, let’s be honest, that rules certain people out from the job.” McKinsey research has shown that there is a wide

and persistent gap in wealth between Black and white families in the United States, with the median Black family having about \$150,000 less than the median white family.⁶ The result: low or no pay excludes many Black Americans from Hollywood from the start. Work in the industry also tends to be temporary and contract based, making it less accessible to those who do not have personal savings, an inheritance, or family money to fall back on.

Social. Our research underscores that jobs in the industry often go to insiders’ acquaintances or members of their extended networks, who tend to be overwhelmingly white and upper-class. As one white producer told us: “I got my first job because my boss went to Stanford. Whenever he had an opening,

⁶ Nick Noel, Duwain Pinder, Shelley Stewart, and Jason Wright, “The economic impact of closing the racial wealth gap,” August 13, 2019, McKinsey.com.

he'd send an email to the arts clubs of Harvard, Stanford, and Princeton." Despite some progress in recent years, the majority of Black college students are not concentrated in a handful of elite universities. Without a formal search or recruitment process or an established protocol for hiring, industry access can come down to who you know.

Racial bias. Our research points to a pattern of entrenched industry gatekeepers such as agencies, unions, and guilds responding more favorably to people who look, act, sound, and write like they do. As of 2015 (the most recent year for which data are available, though many industry participants say that modest progress has been made since then), about 90 percent of the agents and executive staff at the industry's top three talent agencies were white. Across leads, writers, and directors, the share of Black talent at those same agencies was less than half the Black share of the US population. As one Black writer recounted, "Even though I was staff writing on a popular, well-received show, it was still tough to find an agent. Your average agent is a 50-year-old white guy...who never had to stretch to

see [himself] in other people or spaces. So [such agents will] have a harder time representing people they don't personally relate to." It can be an equally difficult experience for the relatively small number of Black agents in the business. "I was one of few women and definitely few Black women there period, let alone in leadership, so there was no one to look up to," one Black agent told us. "You learn to try not to take up too much space and speak only when you have something important to say. But then peers and others behind you get promoted ahead of you even when you are bringing more in."

Ongoing challenges

Unfortunately, the challenges facing Black talent extend far beyond access and representation. Black professionals in film and TV face ongoing barriers and inequities, even once they're "in the door." Based on our interviews, we surfaced close to 40 pain points that these industry participants must endure throughout the entire content journey, from talent or idea discovery to the release of the film or TV series (Exhibit 5).

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The lived experience of Black talent along the film and TV content journey reveals an ecosystem that reinforces the racial status quo.

Each phase of the typical creation process for film and TV presents Black talent with a multitude of hidden barriers and other pain points.

Journey	1 Discovery phase	2 Decision phase	3 Development phase	4 Filming and production	5 Distribution and release
Steps of the process	<ul style="list-style-type: none"> Talent discovered, represented by agent(s) Writer pitches idea to production company Production company options pitch/script from writer 	<ul style="list-style-type: none"> Production company takes pitch to studio and/or network Studio/network executive committees evaluate pitch Writers/directors enter “first look” or overall deals to improve development chances 	<ul style="list-style-type: none"> Studio greenlights can occur at several points in development process Development team works with writer/production to build out and finalize story 	<ul style="list-style-type: none"> Production company refines budget and schedule Hires director, department heads, crew, and talent (if not already attached) Director and director of photography film principal photography Production company completes editing, music, and sound design 	<ul style="list-style-type: none"> Marketing cuts creative assets; PR secures media activations Distribution negotiates domestic, international, and future windows Actors promote project
Example pain points	<ul style="list-style-type: none"> Hard to gain talent representation Stalled projects—90% of optioned work is shelved, hurting emerging talent Black talent must often sell stories about personal trauma to get ideas optioned Pitches from Black talent generate lower rates 	<ul style="list-style-type: none"> Lack of objective metrics and transparency in greenlighting process Risk aversion and experience bias lowers interest in Black content First look and overall deals often limit opportunity; unless very well-known, talent can be locked in without guarantee of production 	<ul style="list-style-type: none"> Stereotypical assumptions of target audience that come from white executives are valued more than lived experiences of creators from that group Black creators lack networks and sponsorship to build out team or secure effective funding Impossible to be self-sufficient in production given cost structure 	<ul style="list-style-type: none"> Crew is built through personal networks and not easily accessible for people without right connections Lack of critical mass of Black crew creates blind spots and less accommodating work spaces Small, informal sets often lack structure for effective issue escalation Decision makers use generic breakdowns for roles, with default assumption that roles will be cast as white 	<ul style="list-style-type: none"> Pervasive assumption that “Black films don’t travel” Teams lack racial diversity or relevant experiences, which limits marketing impact/reach Lower ability to monetize efforts—new and upcoming talent is given fewer profit/back-end-participation opportunities Talent receives less recognition through awards, critical reporting, and/or festivals, which help in negotiating better deals

Note: Findings collected, aggregated, and synthesized across a series of interviews conducted between August and December of 2020 with individuals who work in the content-development ecosystem. Nearly 40 pain points were identified; the above represents a selection of the total pain points.

Getting fewer at bats

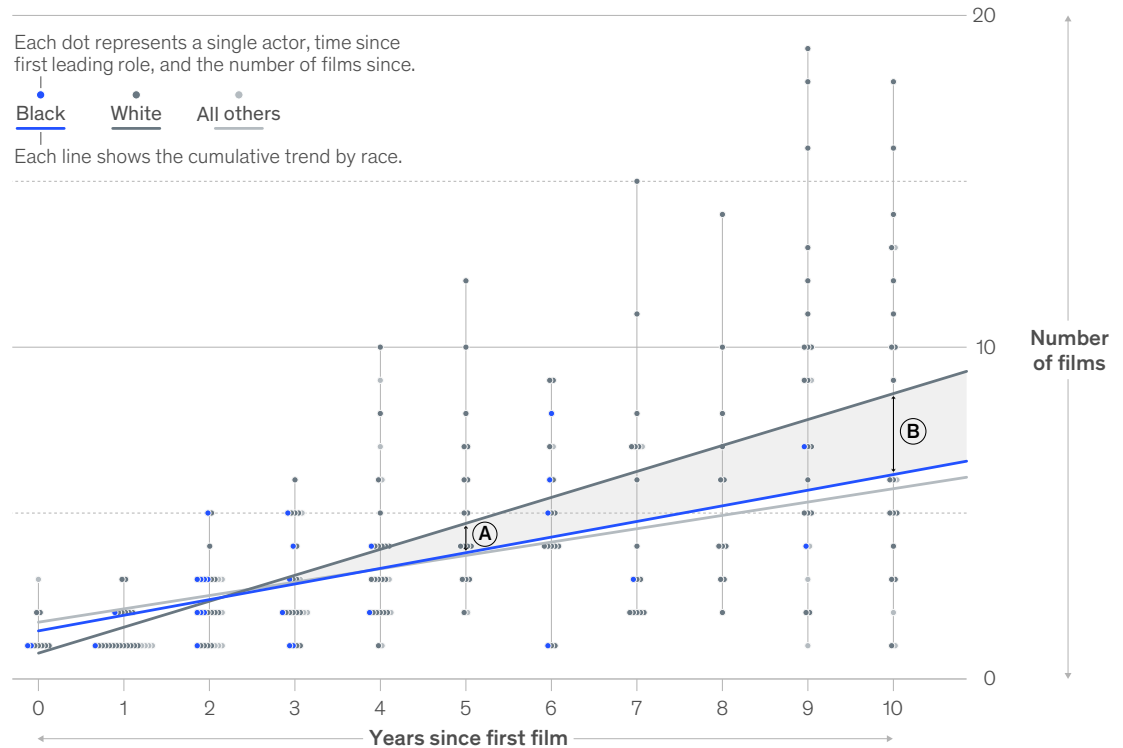
Even for those who do get a real chance in the industry, Black professionals have much less room for failure than their white counterparts do. Black actors in particular tend to get fewer chances to break out or get ahead. In the first ten years of their careers, emerging Black actors get an average of six leading roles, while their white counterparts get nine

(Exhibit 6). Having fewer opportunities also makes it harder for these actors to make ends meet; they often go two or three years between lead roles, which means they lack the consistent income that would help them stay in the industry. This experience is all too familiar for off-screen talent as well; selling a script or getting a project off the ground to direct or produce can often take years.

Exhibit 6

White actors receive more opportunities for lead roles early in their careers than Black actors do—and the gap only widens over time.

Cumulative number of films for lead actors with less than 10 years of experience, 2015–19



Note: Slope = 1x means leads have one film every year on average; 0.5x means leads have 1 film every 2 years on average, and so on.

(A) White actors have nearly 5 leading roles on average, while Black actors have 4.

(B) White actors nearly double to 9 leading roles on average, while Black actors get only 6.

Source: Variety Insight by Variety Business Intelligence

And not only does Black talent have fewer opportunities, these individuals often can't afford a single box-office or ratings flop. As another Black executive explained, "Black creators and actors need to be able to fail and get another chance like everyone else. Currently, they cannot."

Stereotyped and set apart

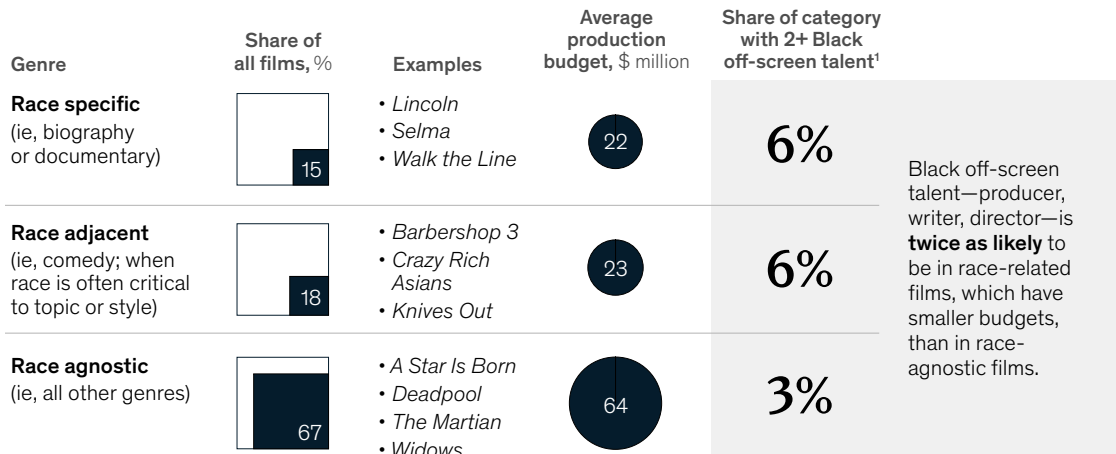
Our analysis also throws into sharp relief the creative limitations imposed on Black talent. Both on- and off-screen, Black talent is pigeonholed and funneled to race-related content, which often plays into stereotypes.

Consider that films with two or more Black professionals working off-screen⁷ (as a producer, writer, or director, for example) are twice as likely as other films to be either race-specific (a biopic such as *Lincoln* or *Selma*, for instance), or race adjacent (for example, a comedy such as *Barbershop 3* or *Crazy Rich Asians*, where race is critical to the style or topic). This is true despite the fact that such race-related material accounts for only a third of all films, with race-agnostic titles (*A Star Is Born*, *Deadpool*) making up the rest (Exhibit 7).

⁷ Since films have an average of six people in the key above-the-line positions (producers, writers, directors), we believe that a critical mass of meaningful representation requires more than one Black professional working in these roles.

Exhibit 7

Black talent is twice as likely to be funneled to race-related films, which are the least funded.



¹The average film typically has 6 professionals in total across the pivotal off-screen roles of producer, writer, and director.
Source: Variety Insight by Variety Business Intelligence

In the words of one creative executive, “When [studios are] looking for Black content, they’re looking for Wakanda or poverty, with no in-between.” Such stereotypical depictions prevent Black actors from advancing in the industry and fulfilling their creative potential. As a Black actor explained, “I have to take stereotypical work, because that’s what’s out there, but then when I take those roles, they say that’s all I am capable of.”

White executives rejecting a new idea don’t even hesitate to tell Black talent “what’s going to work for Black people” or to “question the authenticity of experiences of Black characters,” Black industry participants noted.

Undervalued and held back

Being largely shut out of race-agnostic content is bad enough creatively. But it also comes with its own financial limitations. Race-agnostic films receive three times the average production budget that race-related films do. Put simply: funneling Black talent to race-specific or race-adjacent films means excluding this talent from the projects with the strongest funding.

But Black off-screen talent faces funding disparities in race-agnostic films as well. Films of any kind with two or more Black professionals in off-screen creative roles (producer, writer, or director, for example) receive significantly lower production budgets—more than 40 percent less than other films (Exhibit 8). The disparities are particularly notable given that these films make 10 percent more in box-office revenues per dollar invested in prints and advertising, compared with films with no or just one Black creative professional. What’s more, the average production budget for films with a Black lead or co-lead is a quarter less than the budget for films with no leading Black actors.

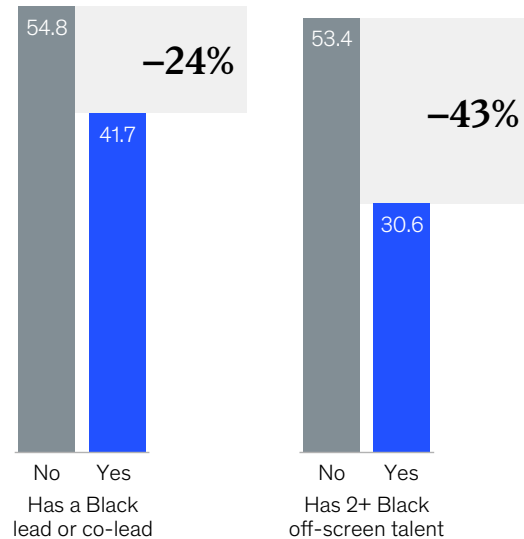
There is also a widespread misperception in the industry that content starring Black actors will not perform well with international audiences. In 2019, the top films with Black leads were distributed in 30 percent fewer international markets on average—yet they earned nearly the same global box-office sales as films with white leads and earned more than those films on a per-market basis. (Nearly two-thirds of the box-office earnings for the *Men in Black* film series came from the international box office.)

Exhibit 8

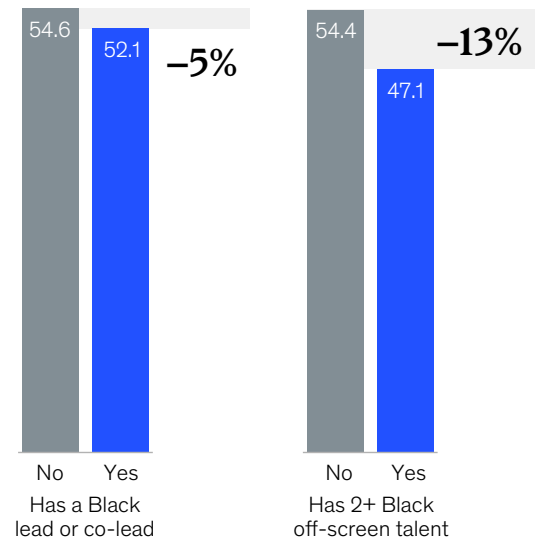
Films with Black off-screen talent have smaller budgets despite higher earnings per dollar of budget.

Budgets for US films, 2015–19 averages, \$ million

Production budgets



Prints and advertising budgets



Source: iSpot.tv; Variety Insight by Variety Business Intelligence, n = 676 films

Fueling this issue is the lack of diversity among marketing teams, executives, and other industry decision makers. Black professionals cite white decision makers' failure to relate to Black content as a key obstacle to financing. As one Black executive explained, "Marketing teams need to be on board to select a film, but if they don't feel comfortable with the story, it limits the number of buys." Similarly, the executive added, "when executives feel like they can't personally relate to your content, they don't bid."

Unsupported and passed over

Every day, and over the course of their careers, Black professionals throughout the industry must navigate an ecosystem that is set up to cater to white talent. Black actors, for example, often have to

shoulder considerable expenses for lighting, hair, and makeup when white talent is treated as the norm. One Black executive recalled a department head's repeated refusal to hire an appropriate hair-stylist for her client, who was Black. When the executive raised her concerns with the film producer, she was met with complacency: after five or six conversations about the issue, the producer commented that "the industry needs to start hiring more Black actors so this does not happen so often." As the executive put it, "I had to push back on that. 'What if you're the problem? You are more willing to have more than a handful of conversations with me about this than to talk to your department head about hiring adequately. In what other role on this set would you tolerate such a clear inability to do one's job?'"

This is just one example of a “Black tax” that both aspiring and established Black professionals in the industry find they must pay. Whether it is having to fight (or pay out of pocket) for what others typically don’t have to or it is needing to advocate on their own for greater racial equity, an unfair burden falls almost entirely on Black talent or creatives. The sense of frustration from prominent Black talent is immediate and clear; many remark about the exhaustion of constantly being asked why racism exists, a question their white counterparts never have to answer. It should come as no surprise, then, that some of those same now-celebrated Black professionals on- and off-screen have lamented about how often and how close they came early in their careers to giving up their dreams in the face of so many obstacles.

Our research suggests that discrimination of this kind is commonplace and that Black women in particular face heightened challenges. They are more likely to face isolation as an “only” and more likely to lack role models who share their identity. As in other industries, many Black women in film and TV report having to work harder than their white, male counterparts—for less recognition.

Black professionals also lack the sponsorship necessary to support their advancement. Our latest research⁸ on race in the workplace shows that across the US private sector, less than one-third of Black employees have a sponsor. Our interviews with Black professionals show that Hollywood is no exception. In fact, by many accounts, the

situation has gotten worse over the past two to three decades.

“When I started out in the industry some 30 years ago, it wasn’t a desert,” one industry veteran recounted. “I had many Black colleagues who seemed to be on the path to success—studio vice presidents and producers of top shows. But at some point, they hit a wall and ultimately left the industry. Each was a real loss.” This person concluded: “[Since deceased TV executive] Brandon Tartikoff ran NBC through much of the ’80s, and he hired Black executives. He didn’t need a mandate to create opportunities; he just did what was right. There have been [other] people who didn’t need diversity initiatives [to do the same thing]; there just haven’t been enough of them.”

Quick to be cut

Black talent is often the last in and the first out: already underrepresented in the industry, Black professionals are particularly vulnerable to market shocks. As our research shows, the share of films with Black talent significantly dropped after studios cut their output of films starting in 2008–09 and had still not fully recovered by the end of 2019 (Exhibit 9). One Black executive put it bluntly: “There was a massive contraction in the number of films produced, and the international box office—where studios believe it’s harder to ‘sell Black’—was becoming increasingly important. It felt natural that Black talent was the hardest hit as studios reevaluated their slates.”

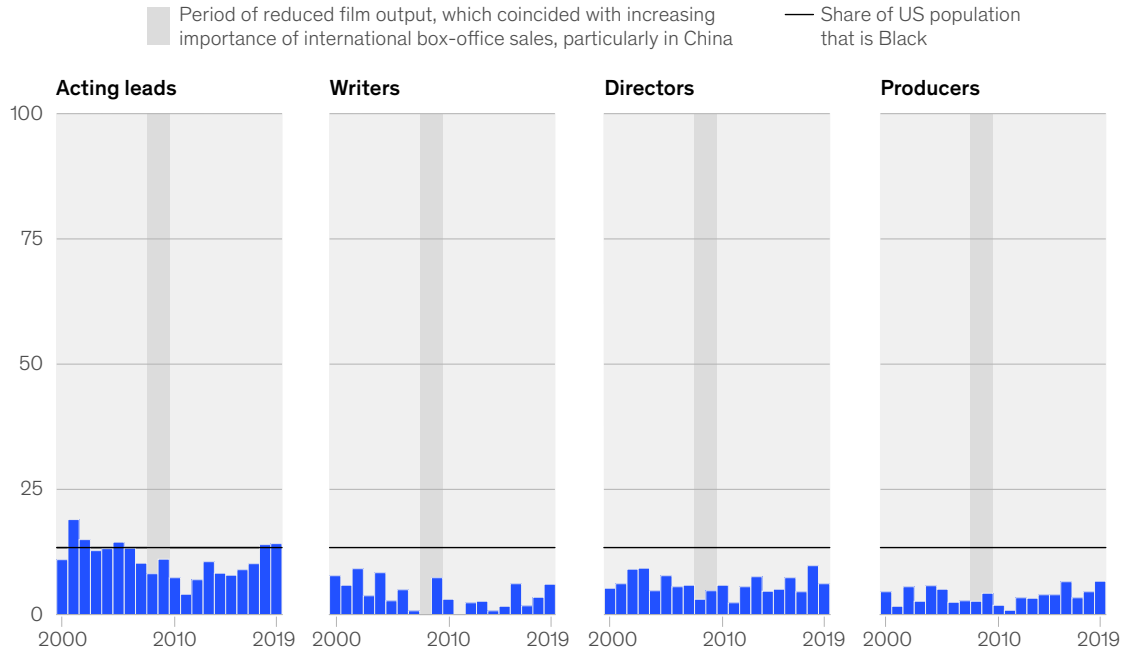
As in other industries, many Black women in film and TV report having to work harder than their white, male counterparts—for less recognition.

⁸ Bryan Hancock, James Manyika, Monne Williams, Jackie Wong, and Lareina Yee, “Race in the workplace: The Black experience in the US private sector,” February 21, 2021, McKinsey.com.

Exhibit 9

Black talent is susceptible to market shocks and has been largely stagnant over the past 20 years.

Share of films with Black talent, 2000–19, %



Note: Trends are generated by looking at the share of unique actors each year; thus each actor will be counted once per year regardless of the number of films that actor is in that year.
 Source: US Census Bureau; Variety Insight by Variety Business Intelligence, n = 5,151 talent, 3,148 films

Changing the Industry

Increasing the amount of racial diversity and representation in film and TV is no small task. Overcoming the hidden barriers and cozy networks that still dominate the complex ecosystem will require sustained collaboration among many different organizations. A few have begun to take individual, discrete steps focused on increasing Black-led content, while Fortune 1000 companies pledged \$66 billion last year to racial-equity initiatives in the wake of George Floyd’s killing. As encouraging as those moves are, however, it will likely take sweeping, industry-wide changes, perhaps spearheaded by an independent, third-party organization, to change this

workplace. We recognize that Black talent is only one of many underrepresented groups in film and TV and hope that the industry, by addressing the system-level challenges and barriers that stand in the way, will be in a position to become more equitable and inclusive for all, including Asian Americans, members of the Latinx community, LGBTQ+ individuals, Native Americans, people with disabilities, and others.

These changes will not take place overnight, but our research has revealed a set of four measures that we believe industry leaders can take—together—to begin to increase diversity and representation in film and TV.

1. Ensure diverse representation, especially among off-screen talent and executives

Key entities such as studios, networks, streaming companies, agencies, and production companies could aspire to achieve a specific target for Black and nonwhite representation across all levels and roles—including in the boardroom, which remains predominantly white—and make those goals public to hold themselves accountable. Matching the share of the US population that is Black (13.4 percent) and nonwhite (40 percent) would seem a logical place to start. Industry leaders could focus on increasing representation in important decision-making and gatekeeping positions, including hiring committees. They could also set intersectional targets, including for representation of Black women.

To help meet these targets, companies should think about expanding recruiting—to state schools and historically Black colleges and universities (HBCUs), for example, and beyond Los Angeles and New York. (Expanding geographical access is particularly critical given that nearly 60 percent of the Black American labor force is concentrated in the South.) They should also look at the possibility of boosting and formalizing mentorship and sponsorship programs, paying interns, assistants, and early-career talent a living wage, and offering trade-school programs for so-called below-the-line production jobs (crew and technicians, for example), as well as temporary fee deferrals for new guild members.

The industry's heavily interconnected value chain means that different stakeholders would need to act in concert; no single studio or agency can make the industry equitable. The underrepresentation of Black talent is due in part to racial bias among industry decision makers and gatekeepers, and these insiders would ideally commit to changing their own beliefs and behavior. As more Black professionals assume decision-making roles, dynamics within the industry ecosystem should improve: increasing the representation of Black talent in key off-screen roles—including producer, writer, director, and show creator—will have a multiplier effect, increasing representation among writers, directors, showrunners, and other talent.

No discussion of diversity and inclusion in film and TV would be complete without also including an essential part of the ecosystem: critics, awards, and film festivals. The recent revelation that the Hollywood Foreign Press Association, which votes on the Golden Globes, doesn't have a single Black member was further proof of the room for change in the organizations that determine who gets recognized annually for their work on- and off-screen in such awards as the Oscars, Emmys, and the respective guilds (for actors, producers, directors, and writers, for instance).

2. Increase transparency and accountability

Industry participants should give serious thought to tracking and disseminating their progress toward racial equity to make sure it occurs. We would encourage these participants to publish intersectional reporting (including data on race, ethnicity, and gender) about their employees, leadership, and talent rosters more regularly and to share these reports with an external, independent organization (see step four below). They should also think about adopting best practices from other industries by formalizing all performance evaluations and promotions to help limit the effects of systemic bias and reduce the hidden barriers facing Black talent. Studios could develop and disseminate evaluation rubrics and implement formal, biannual performance reviews, for example, while strengthening HR's presence and authority out of the office—on location, for instance.

Another important step would be to make clear to all employees (including full-time but also freelance employees, who make up a significant portion of the industry) and key partners (such as small production houses) what the inclusive behavior that is expected looks like—in a variety of work settings; companies should also consider regularly pointing to and celebrating examples of such model behavior in practice. Finally, by tying executive bonuses to diversity targets, companies can ensure that leaders are held to account for progress on racial equity.

Industry leaders may want to keep the ‘Black tax’ top of mind. It would seem unreasonable to expect Black industry professionals to continue spending countless hours trying to reform this vast, complex industry on their own.

3. Seek and financially support a wide range of Black stories

Demand for diverse content is on the rise, and industry leaders are competing for diverse audiences. Between 2017 and 2019, for example, demand more than doubled for the top debut series with diverse casts (those in which racial and ethnic minorities make up at least 40 percent of members). To advance racial equity—and to tap this significant financial opportunity—industry leaders should strongly consider dedicating up-front funding to increasing diverse content and talent. Studios, for example, could start by committing 13.4 percent of their annual budget to projects—again, to mirror the Black share of the US population—with not just Black leading actors but also Black producers, writers, and directors. They could fund initiatives across the pipeline, targeting development, production, marketing, and distribution. Initiatives could include dedicated training and sponsorship programs (including networking opportunities) for diverse creators, as well as a certain number or share of pitch slots regularly reserved for underrepresented talent. These efforts would not be limited to any single, short-term campaign. Studios and producers can also focus on expanding the international distribution of films with Black talent.

4. Create an independent organization to promote diversity

When contemplating different possible approaches to increasing diversity in film and TV, industry leaders may want to keep the “Black tax” top of mind. It would seem unreasonable to expect Black industry professionals to continue spending countless hours trying to reform this vast, complex industry on their own, time they could otherwise be spending creating the next hit series or blockbuster movie franchise. But doing so would also be wholly insufficient to the task at hand, given the magnitude of the barriers and the need for broad-based, collective action to overcome them. This is particularly critical in film and TV, where many Black professionals have expressed concerns about the risks of speaking up about conditions in the industry.

To effect genuine, sustainable change, industry leaders should strongly consider creating a dedicated, independent advocacy organization to advance racial equity in their field—a move that has proven successful in a number of other contexts.⁹ Such an arm’s-length group would need vocal backers and strong partnerships with film and TV leaders to boost its reach and influence across the industry. A well-funded, third-party organization of this nature could strengthen individual efforts by

⁹ Earl Fitzhugh, JP Julien, Nick Noel, and Shelley Stewart, “It’s time for a new approach to racial equity,” December 2, 2020, McKinsey.com.

developing and scaling best practices, collecting and disseminating intersectional data, and reporting on progress across the industry.

By stifling Black talent throughout the film and TV industry ecosystem—and at every step of the content-development process—Hollywood is leaving at least \$10 billion in revenue on the table each year. Achieving racial equity will make the film and TV sector more just and more profitable.

Equally as critical, improving racial equity should prove to be a boon for audiences. When the on-screen and off-screen representation of Black talent matches the share of Black Americans and when the industry succeeds in dismantling the ubiquitous workplace barriers preventing Black creators from telling a range of stories, viewers of all races will gain access to the many different products of Black creative expression. Ultimately, the reshaping of the film and TV ecosystem will play a role in reshaping ideas on race—and the advancement of racial equity—in America and beyond.

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