WITH
DISCUSSION
QUESTIONS

THE LATEST RESEARCH
DIVERSITY

Harvard Business Review

Introduction

We know that diverse teams and companies perform better. Are more creative. Are better at solving problems. And yet the places where we work, particularly in the upper echelons, are decidedly uniform when it comes to race and gender (read: mostly white and mostly male).

So why the disconnect? Research is starting to unravel many of the details (it goes well beyond explicit racism or sexism), with implications for both common organizational practices and our individual experiences and biases.

More and more of this research has been making its way to HBR. Our July-August 2016 issue explored the complexities of building a diverse organization, and the number of web articles published on diversity and inclusion this year has increased dramatically over those in previous years. Our readers' interest also seems to be growing. We've fielded a lot of requests for more content on this topic, and here is our answer: a collection of the best diversity research that HBR has published over the last few years.

Thirteen out of 20 of these articles were published in 2016. The others were published in the past three years, with one exception: we included "Defend Your Research: What Makes a Team Smarter? More Women," because the authors' findings are just too good to leave out. You'll find lots of other surprising insights here as well. Did you know, for instance, that adopting an employment non-discrimination act (ENDA) makes a state more innovative? Or that black women are nearly three times more likely than white women to aspire to a position of power, but that white women are twice as likely to attain one? You'll also hear some recommendations for addressing inequality in the workplace, such as increasing the likelihood of hiring a woman or minority by adding just one more woman or minority to your candidate pool.

Our goal was a diverse collection, with a mix of articles on gender, race, LGBT issues, and cross-cultural concerns. During the selection process, we learned that we had published more in some areas than in others—and that's something we've already started to address in our acquisition and development of new content.

Is the growth in audience interest along with the spike in quality studies on diversity a sign of the public conversation reaching a tipping point? The more we know about inequality, the louder the calls for real reform seem to get. At HBR, we are encouraged by the trends we're seeing and the voices we're hearing. And we will continue to publish the latest research on diversity and inclusion until we're all working in fair and equitable organizations.

Table of Contents

Harvard Business Review
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ARTICLE
INNOVATION

Non-Discrimination Laws Make U.S. States More Innovative

by Huasheng Gao and Wei Zhang

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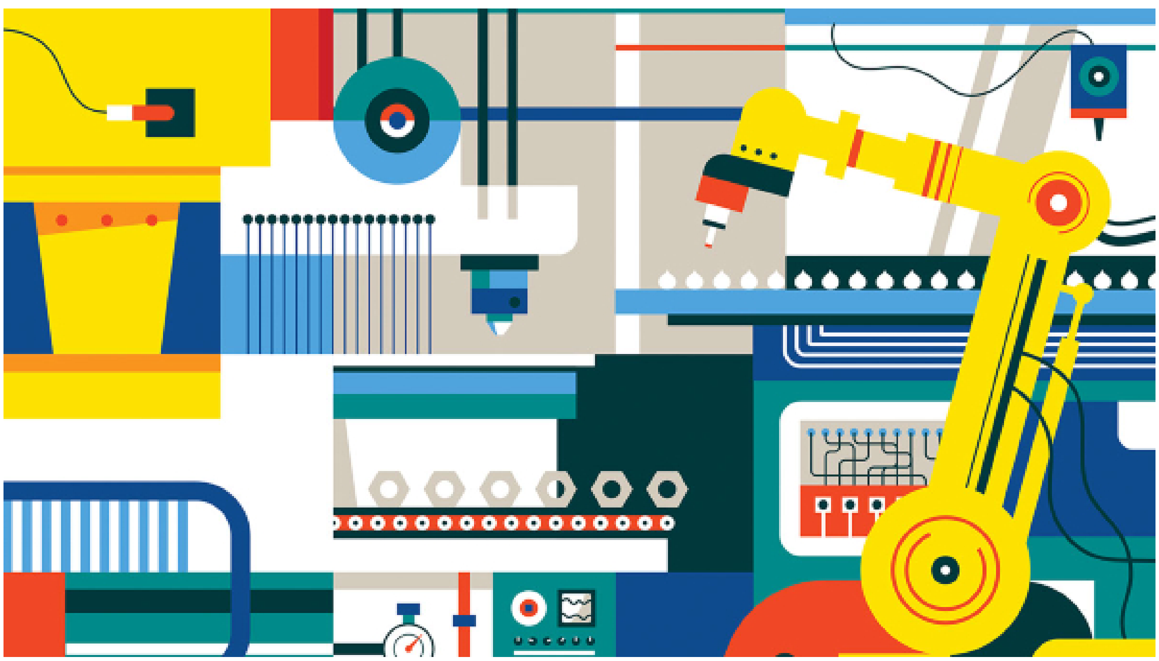

In 2013 Tim Cook, Apple's CEO, urged the U.S. Congress to adopt the federal Employment Non-Discrimination Act (ENDA) to ban sexual orientation and gender identity discrimination in the workplace. He argued that it would not only protect the rights of a diverse workforce but also foster innovation: "Embracing people's individuality is a matter of basic human dignity and civil rights. It also turns out to be great for the creativity that drives our business." This led us to wonder whether non-discrimination policies, specifically ENDAs, truly foster creativity in the workplace, and, if so, how.

In our research, recently published in Management Science, we examine the effect of U.S. state-level ENDAs on corporate patent-based innovation. We looked at data for thousands of firms — almost all U.S. public firms that actively filed patents — from 1976 to 2008. We found that the adoption of ENDAs led to a significant increase in innovation output. On average, firms headquartered in states that passed ENDAs experienced an 8% increase in the number of patents and an 11% increase in the number of patent citations, relative to firms headquartered in states that did not pass such a law. These results start to show up two years after the adoption of ENDAs and largely are driven by firms that previously did not implement non-discrimination policies, by firms that operate in human-capital-intensive industries, and by firms in states with large lesbian, gay, bisexual, and transgender (LGBT) populations.

To provide evidence that the effect of ENDAs is causal, we controlled for a variety of company characteristics (such as size, profitability, and growth opportunities) and state characteristics (such as GDP, population, education, and political balance). We also exploited the fact that economic conditions are likely to be similar for firms across state borders, whereas the effects of ENDAs stop at state borders. We compared a group of firms closely located on either side of a state border, and continued to find a significant increase in firms' innovation after their states pass ENDAs, relative to their close-by neighboring firms.

Why do ENDAs have such an effect? Currently, the U.S. population is divided in its attitudes on LGBT rights. Those who are more likely to be pro-LGBT tend to be younger, better educated, more open-minded, more likely to come from diverse backgrounds, more willing to take risks, and to exhibit a stronger ideological liberalism — traits that correlate with higher creativity. In contrast, those who are older, more conservative, and exhibit a stronger religiosity tend to be anti-LGBT. After a state adopts an ENDA, more pro-LGBT individuals tend to relocate into that state, while more anti-LGBT individuals tend to leave for other states. Our theory is that because the pro-LGBT individuals are likely to be more creative than the anti-LGBT ones, corporate innovation is enhanced.

To check the validity of that conjecture, we tracked the residential addresses of over 600,000 individual inventors from 1976 to 2008. We found that when a state adopts an ENDA, a large number of inventors relocate from other states to that state within three years, and some incumbent inventors in the state relocate to other states at the same time. We also found that the inventors who moved out of the state mainly moved to states that had not adopted ENDAs and that the inventors who moved into the state were from all over the country, regardless of whether their states of origin had adopted an ENDA.

These results suggest that the enactment of an ENDA triggers a workforce rebalancing. Pro-LGBT employees are more willing to work in the state after it adopts the ENDA, and the opposite is true for anti-LGBT employees. We further show that, at the individual level, the inventors who move in tend to produce 30% more patents than the inventors moving out, which is consistent with the view that pro-LGBT individuals tend to be more creative than anti-LGBT individuals.

In the last few decades, Americans in 22 states have sought and won legal protections against employment discrimination on the basis of sexual orientation at the state level; only 19 states also protect against discrimination on the basis of gender identity. But a federal ENDA has failed to pass in Congress 22 times since 1994. Our research provides evidence that Tim Cook was right. Such legislation is fair, but because it measurably improves corporate innovation, it has real economic effects too.

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Discussion Questions

Non-Discrimination Laws Make U.S. States More Innovative

BY HUASHENG GAO AND WEI ZHANG

1. Would you relocate to or from a state because it adopted an ENDA, or do you know someone who would?

2. Were you surprised by the researchers' results—that adoption of legislation protecting people against discrimination based on their sexual orientation or gender identity fosters creativity in the workplace?

"The inventors who move in [to a state that has adopted an ENDA] tend to produce 30% more patents than the inventors moving out, which is consistent with the view that pro-LGBT individuals tend to be more creative than anti-LGBT individuals."

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ARTICLE
DIVERSITY

Why Your Diversity Program May Be Helping Women but Not Minorities (or Vice Versa)

by Evan Apfelbaum

Harvard Business Review

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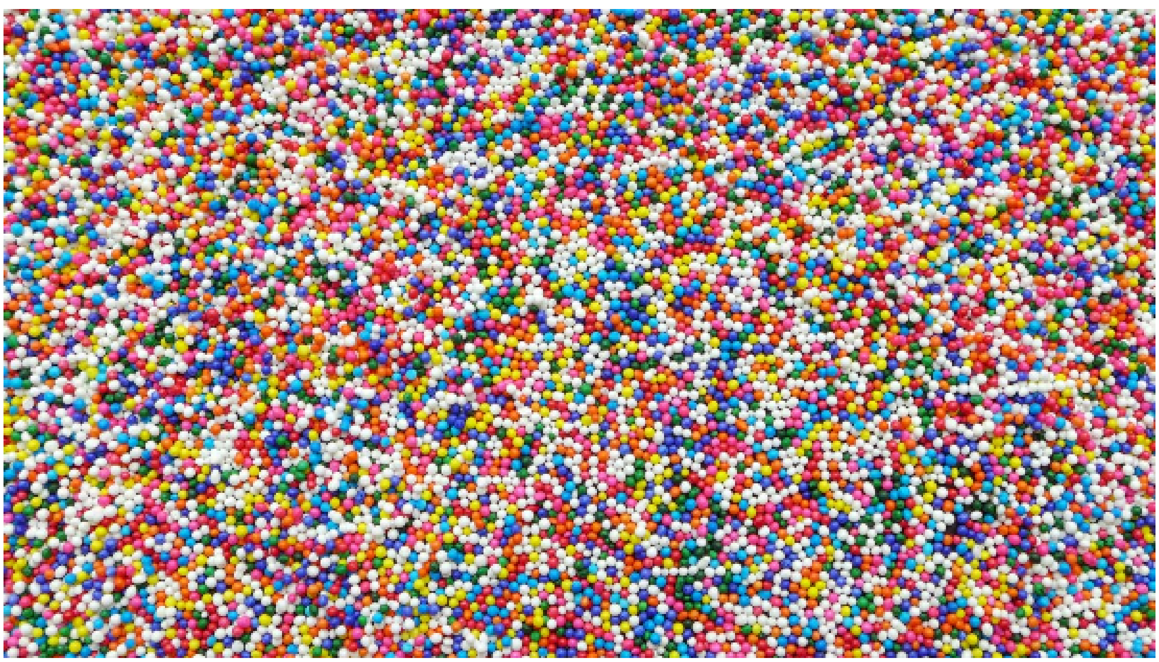
AUGUST 08, 2016



When it comes to issues of race, gender, and diversity in organizations, researchers have revealed the problems in ever more detail. We have found a lot less to say about what *does* work — what organizations can do to create the conditions in which stigmatized groups can reach their potential and succeed. That's why my collaborators — Nicole Stephens at the Kellogg School of Management and Ray Reagans at MIT Sloan — and I decided to study what organizations can do to increase traditionally stigmatized groups' performance and persistence, and curb the disproportionately high rates at which they leave jobs.

One tool at any organization's disposal is the way its leaders choose to talk (or not to talk) about diversity and differences — what we refer to as their diversity approach. Diversity approaches are important because they provide employees with a framework for thinking about group differences in the workplace and how they should respond to them. We first studied the public diversity statements of 151 big law firms in the U.S. to understand the relationship between how organizations talk about diversity and the rates of attrition of associate-level women and racial minority attorneys at these firms. We assumed that how firms talked about diversity in their statements was a rough proxy for their firm's approach to diversity more generally.

Two findings were particularly intriguing. First, there are two fundamentally different ways that diversity statements seek to appeal to the stigmatized groups they target. One appeal is to differences and how differences are important. We call this the "value in difference" approach. For example, a value in difference approach advocates for increasing awareness of differences and bias, and signals the organization's belief that these differences not only improve employees' experiences in the workplace, but also advance the firm's bottom-line goals. The other approach is an appeal to equality and fairness irrespective of differences. We call this the "value in equality" approach. For example, a value in equality approach affirms that differences will not be an obstacle to career opportunities and advancement, and that all employees are judged equally and fairly based on their skills, qualifications, and effort.

The second key finding was that there was no evidence that one of these two approaches was more effective than the other overall. But the effectiveness of each approach (in this case, meaning its association with reduced rates of attrition) depended on whether we looked at women or racial minorities.

In fact, our data suggested that women and racial minorities not only responded differently to these two diversity approaches, but that each group responded in virtually the opposite way. The more firms emphasized the value in difference approach, the lower the rates of attrition among women, whereas the more firms emphasized the value in equality approach, the lower the rates of attrition among racial minorities.

What can explain these divergent responses to the same statements? We think one major factor is the difference in numerical representation of women and racial minorities in these firms (and most professional settings). Although women and racial minorities are often considered under the same umbrella of stigmatized groups, the fact of the matter is that in the U.S., white women often comprise close to 40% of all employees in professional settings, whereas black women and men, by contrast, rarely comprise more than 5% of employees in these same settings. The key to understanding our results, we believe, is appreciating that the difference in the relative size of these groups influences how concerned they are with "sticking out" as representatives of their group. While the value in difference approach may energize groups, like white women, who are represented in moderate numbers—helping affirm the importance of their different background and perspectives to the firm—the very same message may, ironically, undermine groups who are represented in very small numbers, like black women and men. Even well-intentioned efforts to "value differences" may only fuel concerns among black women and men that others will think their position, promotion, or positive evaluation is due to their race, rather than their qualifications or competence. The value in equality approach is more effective for groups in very small numbers as it makes them feel less distinct from others while affirming a commitment to equal and fair access to opportunities.

If numerical representation is really the factor that shapes what is desirable and effective in a diversity approach, then what would happen if black women and men made up 40% of the firm? Or if white women were 5% of the firm? We ran a controlled experiment with white and black professionals to test these very questions. We asked these professionals to review web content from the perspective of an employee who had earned a spot in an elite consulting firm. Half of these professionals were told that they were part of a group that constituted 5% of the firm, whereas the other half were told that they were part of a group that constituted 40% of the firm. We then presented them with either a prototypical value in difference or value in equality approach and measured their performance and persistence on a challenging cognitive task. What we found is that when professionals believed that they were part of the 5% group, the value in equality approach led to greater performance and persistence than the value in difference approach—regardless of whether they were white women or black. When professionals believed that they were part of the 40% group, we saw the reverse pattern: the value in difference approach led to greater performance and persistence than the value in equality approach—regardless of their race or gender. This evidence suggests that numbers play a critical role in determining which diversity approach is best.

What does this all mean? For one, I think it means that no approach to talking about differences and diversity will work uniformly well across groups and contexts. Before organizations decide to focus on the value in difference or equality, they should first consider *who* they are targeting, and how numerical representation and corresponding concerns may shape their responses.

One big practical challenge raised by this work is what an organization should do if it wants to improve the situation for both women and minority groups. Is it possible both to emphasize the value in difference *and* equality?

We found some evidence that the positive relationships we observed (between more focus on value in difference and less female attrition and between more focus on value in equality and less minority attrition) disappear in firms that try to emphasize both approaches. Understanding why this is the case will require more study, but it seems logical that saying that you care about differences and think they are important — and at the same time, you don't — could both dilute the broader message and come across as inauthentic.

This research suggests a way to align traditional business objectives of boosting performance and stemming turnover with the goal of helping all groups have the same opportunities to succeed.

Evan Apfelbaum is a social psychologist and assistant professor at MIT's Sloan School of Management. His research leverages behavioral science to reveal the challenges and potential of diversity.

Discussion Questions

Why Your Diversity Program May Be Helping Women but Not Minorities (or Vice Versa)

BY EVAN APFELBAUM

1. Does your organization's public diversity statement seek to appeal to minority groups with a "value in difference" or a "value in equality" approach, or does it emphasize both approaches? Based on the author's research, what pattern of attrition should you be seeing as a result? Does company data confirm or disprove this pattern?

2. How many minorities does your firm currently employ? How many women? According to the article, how might the numerical representation of these groups impact the effectiveness of your diversity statement and its potential connection to attrition rates among women and minorities?

3. Is there a particular group that your organization is hoping to target with its diversity statement? And if so, are there changes you think the company should make based on the outcome of the research? (If you're not sure, take a look at the numerical representation data before answering.)

"Although women and racial minorities are generally considered under the same umbrella, the fact of the matter is that in the U.S., white women often comprise close to 40% of all employees in professional settings, whereas black women and men, by contrast, rarely comprise more than 5% of employees in these same settings."

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ARTICLE
DOWNSIZING

How “Neutral” Layoffs Disproportionately Affect Women and Minorities

by Alexandra Kalev

Harvard Business Review

DOWNSIZING

How "Neutral" Layoffs Disproportionately Affect Women and Minorities

by Alexandra Kalev

JULY 26, 2016

When companies downsize, diversity takes a hit — even if it previously was treated as a priority. Here's how that plays out.

In an effort to be transparent and fair to employees, organizations use formal rules to decide who stays and who goes during layoffs. But my analysis shows that because companies rely heavily on position and tenure to make those calls, they wipe out most or all of the gains they've made in diversity. The reason is simple: Companies in cutting mode see the roles that women and minorities tend to have as expendable. For the most part, if they've made it into management they're either junior to midlevel, recently appointed, or working in areas such as human resources, legal departments, and public relations — functions that are beneficial but aren't usually perceived as core to the business. When women and minorities are in line positions, they often work on small, nonessential product lines that can be jettisoned fairly easily.

True, companies axe the positions they don't absolutely need, but because of this segregation along demographic lines, those positions usually are their most diverse ones. All of this is compounded by the fact that companies are downsizing more and more frequently — to revive lagging sales, for instance, or to boost flagging share price, or to "reduce redundancy" after mergers.

Senior executives often fail to see the connection here. When conducting in-depth interviews, my research team asked more than 40 executives in the food manufacturing, electronics, health care, and business services industries whether diversity factors into their organizations' layoff decisions. They typically said things such as "Not that I am aware of," "It was more around the job function," and "Our layoff criteria are strictly based on colorblind stuff...always based on what is your job title." In their minds, downsizing is about erasing parts of the organizational chart, not about gender or race.

But these things are related. As part of a study of over 800 U.S. companies (see "Why Diversity Programs Fail," my recent HBR article with Harvard sociology professor Frank Dobbin), I found that when organizations cut positions rather than evaluate individual workers, they end up with an immediate 9%–22% drop in the proportion of white and Hispanic women and black, Hispanic, and Asian men on their management teams. When companies take a "last hired, first fired" approach to layoffs, they lose nearly 19% of their share of white women in management and 14% of their share of Asian men.

Making matters worse, these approaches to layoffs have become increasingly prevalent. In my analysis, two-thirds of the companies that underwent major downsizings used position or tenure to make their cuts; it helps depersonalize a painful process and make it more efficient. But that method gets rid of strong employees, often people the company worked hard to recruit in the first place.

You can avoid losing ground on diversity by downsizing another way. Companies that lay off the managers with the poorest performance see no reductions in diversity. This individualized approach has the added benefit of keeping strong performers regardless of what positions they currently hold or how long they've been with the firm.

How Different Approaches to Downsizing Affect Diversity

Making cuts by position or tenure decreases the share of women and minorities in management.

% CHANGE IN REPRESENTATION AMONG MANAGERS

Filter used for cuts	White		Black		Hispanic		Asian	
	Men	Women	Men	Women	Men	Women	Men	Women
Position	+9.4	−21.7	−14.9		−13.0	−8.9	−17.9	
Tenure	+5.5	−18.5					−13.7	
Performance reviews	+3.5							

NOTE GRAY INDICATES NO STATISTICALLY SIGNIFICANT EFFECT
SOURCE SURVEY OF 829 MIDSIZE AND LARGE U.S. FIRMS; DATA COLLECTED BY FRANK DOBBIN AND ALEXANDRA KALEV © HBR.ORG

How can layoffs based on performance evaluations be least harmful, when so much has been written about bias in appraisals? Studies show that women and minorities receive lower scores than white men for the same work. But it appears that within the context of downsizing, the process of evaluating each manager on their merits creates awareness and accountability among executives, motivating them to think deeply about who they should keep.

Regardless of the criteria executives use for downsizing decisions, they should look at diversity numbers before proceeding with layoffs. As an executive at a large health care company told us, "When there are reductions, we look at the business need relative to the business case. And then we run numbers to find out what we've got from the minority perspective....As long as that looks OK, we go forward." Another executive in a large high-tech firm recalled, "We were pretty careful to do adverse impact studies with every layoff. For example, when I was eliminating 26 engineering positions, I thought, OK, let me make sure that I am not just automatically wiping out every female we hired in the last five years." In my study, I found that downsizing with adverse-impact analysis does not reduce managerial diversity — and even improves it a little.

Looking at the numbers reminds executives that they can use tools such as repositioning and retraining to maintain managerial diversity after they've made performance-based cuts. And it gets them thinking more creatively about the talent they have — and want to keep.

Alexandra Kalev is an associate professor of sociology at Tel Aviv University.

Discussion Questions

How “Neutral” Layoffs Disproportionately Affect Women and Minorities

BY ALEXANDRA KALEV

1. Do we examine diversity data before downsizing to ensure that we aren’t reversing positive gains in this area? If not, how can we make this a regular part of our decision-making process around personnel?
2. Do we use position and/or tenure to make downsizing decisions? If so, should we reconsider this practice after reading this article?
3. What potential barriers might prevent us from making changes to our downsizing process? How can we address them?

“When companies take a ‘last hired, first fired’ approach to layoffs, they lose nearly 19% of their share of white women in management and 14% of their share of Asian men.”

“The positive effects of diversity training rarely last beyond a day or two, and a number of studies suggest that it can activate bias or spark a backlash. Nonetheless, nearly half of midsize companies use it, as do nearly all the Fortune 500.”

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ARTICLE
SPOTLIGHT ON BUILDING A DIVERSE ORGANIZATION

Why Diversity Programs Fail

And what works better

by Frank Dobbin and Alexandra Kalev

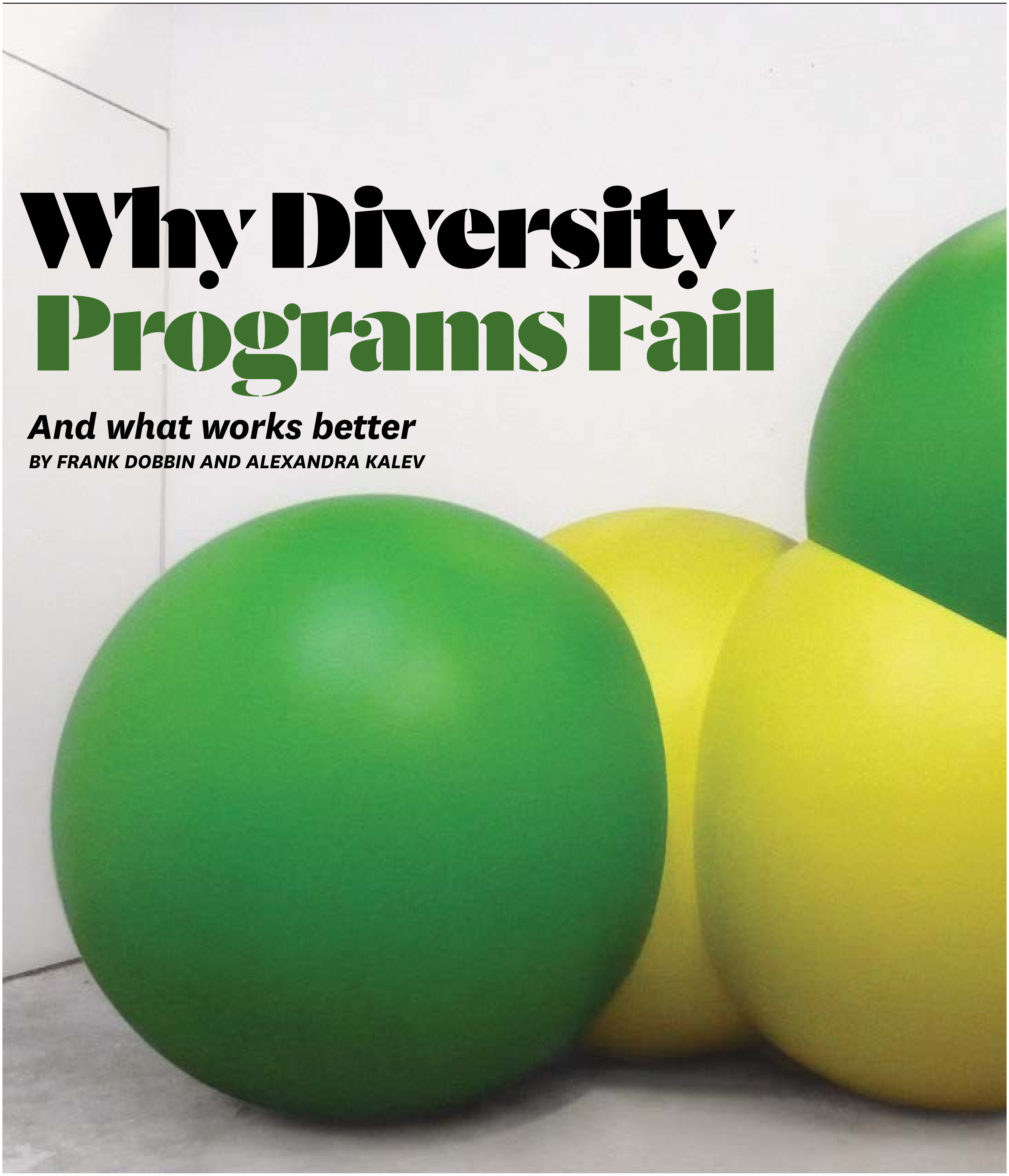
SPOTLIGHT

ARTWORK
Roger Clarke, *The Deadliest Toxins (dsdc)*, 2009
Polyester resin, fiberglass, varnish

Why Diversity Programs Fail

And what works better

BY FRANK DOBBIN AND ALEXANDRA KALEV



Frank Dobbin is a professor of sociology at Harvard University. **Alexandra Kalev** is an associate professor of sociology at Tel Aviv University.

Businesses started caring a lot more about diversity after a series of high-profile lawsuits rocked the financial industry. In the late 1990s and early 2000s, Morgan Stanley shelled out $54 million—and Smith Barney and Merrill Lynch more than $100 million each—to settle sex discrimination claims. In 2007, Morgan was back at the table, facing a new class action, which cost the company $46 million. In 2013, Bank of America Merrill Lynch settled a race discrimination suit for $160 million. Cases like these brought Merrill's total 15-year payout to nearly *half a billion* dollars.

It's no wonder that Wall Street firms now require new hires to sign arbitration contracts agreeing not to join class actions. They have also expanded training and other diversity programs. But on balance, equality isn't improving in financial services or elsewhere. Although the proportion of managers at U.S. commercial banks who were Hispanic rose from 4.7% in 2003 to 5.7% in 2014, white women's representation dropped from 39% to 35%, and black men's from 2.5% to 2.3%. The numbers were even worse in investment banks (though that industry is shrinking, which complicates the analysis). Among all U.S. companies with 100 or more employees, the proportion of black men in management increased just slightly—from 3% to 3.3%—from 1985 to 2014. White women saw bigger gains from 1985 to 2000—rising from 22% to 29% of managers—but their numbers haven't budged since then. Even in Silicon Valley, where many leaders tout the need to increase diversity for both business and social justice reasons, bread-and-butter tech jobs remain dominated by white men.

It shouldn't be surprising that most diversity programs aren't increasing diversity. Despite a few new bells and whistles, courtesy of big data, companies are basically doubling down on the same approaches they've used since the 1960s—which often make things worse, not better. Firms have long relied on diversity training to reduce bias on the job, hiring tests and performance ratings to limit it in recruitment and promotions, and grievance systems to give employees a way to challenge managers. Those tools are designed to preempt lawsuits by policing managers' thoughts and actions. Yet laboratory studies show that this kind of force-feeding can activate bias rather than stamp it out. As social scientists have found, people often rebel against rules to assert their autonomy. Try to coerce me to do X, Y, or Z, and I'll do the opposite just to prove that I'm my own person.

In analyzing three decades' worth of data from more than 800 U.S. firms and interviewing hundreds of line managers and executives at length, we've seen that companies get better results when they ease up on the control tactics. It's more effective to engage managers in solving the problem, increase their on-the-job contact with female and minority workers, and promote social accountability—the desire to look fair-minded. That's why interventions such as targeted college recruitment, mentoring programs, self-managed teams, and task forces have boosted diversity in businesses. Some of the most effective solutions aren't even designed with diversity in mind.

Here, we dig into the data, the interviews, and company examples to shed light on what doesn't work and what does.

Why You Can't Just Outlaw Bias

Executives favor a classic command-and-control approach to diversity because it boils expected behaviors down to dos and don'ts that are easy to understand and defend. Yet this approach also flies in the face of nearly everything we know about how to motivate people to make changes. Decades of social science research point to a simple truth: You won't get managers on board by blaming and shaming them with rules and reeducation. Let's look at how the most common top-down efforts typically go wrong.

Diversity training. Do people who undergo training usually shed their biases? Researchers have been examining that question since before World War II, in nearly a thousand studies. It turns out that while people are easily taught to respond correctly to a questionnaire about bias, they soon forget the right answers. The positive effects of diversity training rarely last beyond a day or two, and a number of studies suggest that it can activate bias or spark a backlash. Nonetheless, nearly half of midsize companies use it, as do nearly all the *Fortune* 500.

Many firms see adverse effects. One reason is that three-quarters use negative messages in their training. By headlining the legal case for diversity and trotting out stories of huge settlements, they issue an implied threat: "Discriminate, and the company will pay the price." We understand the temptation—that's how we got your attention in the first paragraph—but threats, or "negative incentives," don't win converts.

Another reason is that about three-quarters of firms with training still follow the dated advice of the late diversity guru R. Roosevelt Thomas Jr. "If diversity management is strategic to the organization," he used to say, diversity training must be mandatory, and management has to make it clear that "if you can't deal with that, then we have to ask you to leave." But five years after instituting required training for managers, companies saw no improvement in the proportion of white women, black men, and Hispanics in management, and the share of

Idea in Brief

THE PROBLEM
To reduce bias and increase diversity, organizations are relying on the same programs they've been using since the 1960s. Some of these efforts make matters worse, not better.

THE REASON
Most diversity programs focus on controlling managers' behavior, and as studies show, that approach tends to activate bias rather than quash it. People rebel against rules that threaten their autonomy.

THE SOLUTION
Instead of trying to police managers' decisions, the most effective programs engage people in working for diversity, increase their contact with women and minorities, and tap into their desire to look good to others.

black women actually decreased by 9%, on average, while the ranks of Asian-American men and women shrank by 4% to 5%. Trainers tell us that people often respond to compulsory courses with anger and resistance—and many participants actually report more animosity toward other groups afterward.

But voluntary training evokes the opposite response ("I chose to show up, so I must be pro-diversity"), leading to better results: increases of 9% to 13% in black men, Hispanic men, and Asian-American men and women in management five years out (with no decline in white or black women). Research from the University of Toronto reinforces our findings: In one study white subjects read a brochure critiquing prejudice toward blacks. When people felt pressure to agree with it, the reading strengthened their bias against blacks. When they felt the choice was theirs, the reading reduced bias.

Companies too often signal that training is remedial. The diversity manager at a national beverage company told us that the top brass uses it to deal with problem groups. "If there are a number of complaints…or, God forbid, some type of harassment case…leaders say, 'Everyone in the business unit will go through it again.'" Most companies with training have special programs for managers. To be sure, they're a high-risk group because they make the hiring, promotion, and pay decisions. But singling them out implies that they're the worst culprits. Managers tend to resent that implication and resist the message.

Hiring tests. Some 40% of companies now try to fight bias with mandatory hiring tests assessing the skills of candidates for frontline jobs. But managers don't like being told that they can't hire whomever they please, and our research suggests that they often use the tests selectively. Back in the 1950s, following the postwar migration of blacks northward, Swift & Company, Chicago meatpackers, instituted tests for supervisor and quality-checking jobs. One study found managers telling blacks that they had failed the test and then promoting whites who hadn't been tested. A black machine operator reported: "I had four years at Englewood High School. I took an exam for a checker's job. The foreman told me I failed" and gave the job to a white man who "didn't take the exam."

This kind of thing still happens. When we interviewed the new HR director at a West Coast food company, he said he found that white managers were making only strangers—most of them minorities—take supervisor tests and hiring white friends without testing them. "If you are going to test one person for this particular job title," he told us, "you need to test everybody."

But even managers who test everyone applying for a position may ignore the results. Investment banks and consulting firms build tests into their job interviews, asking people to solve math and scenario-based problems on the spot. While studying this practice, Kellogg professor Lauren Rivera played a fly on the wall during hiring meetings at one firm. She found that the team paid little attention when white men blew the math test but close attention when women and blacks did. Because decision makers (deliberately or not) cherry-picked results, the testing amplified bias rather than quashed it.

Companies that institute written job tests for managers—about 10% have them today—see decreases of 4% to 10% in the share of managerial jobs held by white women, African-American men and women, Hispanic men and women, and Asian-American women over the next five years. There are significant declines among white and Asian-American women—groups with high levels of education, which typically score well on standard managerial tests. So group differences in test-taking skills don't explain the pattern.

Performance ratings. More than 90% of midsize and large companies use annual performance ratings to ensure that managers make fair pay and promotion decisions. Identifying and rewarding the best workers isn't the only goal—the ratings also provide a litigation shield. Companies sued for discrimination often claim that their performance rating systems prevent biased treatment.

But studies show that raters tend to lowball women and minorities in performance reviews. And some managers give everyone high marks to avoid hassles with employees or to keep their options open when handing out promotions. However managers work around performance systems, the bottom line is that ratings don't boost diversity. When companies introduce them, there's no effect on minority managers over the next five years, and the share of white women in management drops by 4%, on average.

Grievance procedures. This last tactic is meant to identify and rehabilitate biased managers. About half of midsize and large firms have systems through which employees can challenge pay, promotion, and termination decisions. But many managers—rather than change their own behavior or address discrimination by others—try to get even with or belittle employees who complain. Among the nearly 90,000 discrimination complaints made to the Equal Employment Opportunity Commission in 2015, 45% included a charge of retaliation—which suggests that the original report was met with ridicule, demotion, or worse.

Once people see that a grievance system isn't warding off bad behavior in their organization, they may become less likely to speak up. Indeed, employee surveys show that most people don't report discrimination. This leads to another unintended consequence: Managers who receive few complaints conclude that their firms don't have a problem. We see this a lot in our interviews. When we talked with the vice president of HR at an electronics firm, she mentioned the widely publicized "difficulties other corporations are having" and added, "We have not had any of those problems... we have gone almost four years without any kind of discrimination complaint!" What's more, lab studies show that protective measures like grievance systems lead people to drop their guard and let bias affect their decisions, because they think company policies will guarantee fairness.

Things don't get better when firms put in formal grievance systems; they get worse. Our quantitative analyses show that the managerial ranks of white women and all minority groups except Hispanic men decline—by 3% to 11%—in the five years after companies adopt them.

Still, most employers feel they need some sort of system to intercept complaints, if only because judges like them. One strategy that is gaining ground is the "flexible" complaint system, which offers not only a formal hearing process but also informal mediation. Since an informal resolution doesn't involve hauling the manager before a disciplinary body, it may reduce retaliation. As we'll show, making managers feel accountable without subjecting them to public rebuke tends to help.

Tools for Getting Managers on Board

If these popular solutions backfire, then what can employers do instead to promote diversity?

A number of companies have gotten consistently positive results with tactics that don't focus on

Managers made only strangers—most of them minorities—take tests and hired white friends without testing them.

control. They apply three basic principles: engage managers in solving the problem, expose them to people from different groups, and encourage social accountability for change.

Engagement. When someone's beliefs and behavior are out of sync, that person experiences what psychologists call "cognitive dissonance." Experiments show that people have a strong tendency to "correct" dissonance by changing either the beliefs or the behavior. So, if you prompt them to act in ways that support a particular view, their opinions shift toward that view. Ask them to write an essay defending the death penalty, and even the penalty's staunch opponents will come to see some merits. When managers actively help boost diversity in their companies, something similar happens: They begin to think of themselves as diversity champions.

Take *college recruitment programs* targeting women and minorities. Our interviews suggest that managers willingly participate when invited. That's partly because the message is positive: "Help us find a greater variety of promising employees!" And involvement is voluntary: Executives sometimes single out managers they think would be good recruiters, but they don't drag anyone along at gunpoint.

Managers who make college visits say they take their charge seriously. They are determined to come back with strong candidates from underrepresented groups—female engineers, for instance, or African-American management trainees. Cognitive dissonance soon kicks in—and managers who were wishy-washy about diversity become converts.

The effects are striking. Five years after a company implements a college recruitment program targeting female employees, the share of white women, black women, Hispanic women, and Asian-American women in its management rises by about 10%, on average. A program focused on minority recruitment increases the proportion of black male managers by 8% and black female managers by 9%.

Mentoring is another way to engage managers and chip away at their biases. In teaching their protégés the ropes and sponsoring them for key training and assignments, mentors help give their charges the breaks they need to develop and advance. The mentors then come to believe that their protégés merit these opportunities—whether they're white men, women, or minorities. That is cognitive dissonance—"Anyone I sponsor must be deserving"—at work again.

While white men tend to find mentors on their own, women and minorities more often need help from formal programs. One reason, as Georgetown's business school dean David Thomas discovered in his research on mentoring, is that white male executives don't feel comfortable reaching out informally to young women and minority men. Yet they are eager to mentor assigned protégés, and women and minorities are often first to sign up for mentors.

Mentoring programs make companies' managerial echelons significantly more diverse: On average they boost the representation of black, Hispanic, and Asian-American women, and Hispanic and Asian-American men, by 9% to 24%. In industries where plenty of college-educated nonmanagers are eligible to move up, like chemicals and electronics, mentoring programs also increase the ranks of white women and black men by 10% or more.

Only about 15% of firms have special college recruitment programs for women and minorities, and only 10% have mentoring programs. Once organizations try them out, though, the upside becomes clear. Consider how these programs helped Coca-Cola in the wake of a race discrimination suit settled in 2000 for a record $193 million. With guidance from a court-appointed external task force, executives in the North America group got involved in recruitment and mentoring initiatives for professionals and middle managers, working specifically toward measurable goals for minorities. Even top leaders helped to recruit and mentor, and talent-sourcing partners were required to broaden their recruitment efforts. After five years, according to former CEO and chairman Neville Isdell, 80% of all mentees had climbed at least one rung in management. Both individual and group mentoring were open to all races but attracted large numbers of African-Americans (who accounted for 36% of protégés). These changes brought important gains. From 2000 to 2006, African-Americans' representation among salaried employees grew from 19.7% to 23%, and Hispanics' from 5.5% to 6.4%. And while African-Americans and Hispanics respectively made up 12% and 4.9% of professionals and middle managers in 2002, just four years later those figures had risen to 15.5% and 5.9%.

This began a virtuous cycle. Today, Coke looks like a different company. This February, *Atlanta Tribune* magazine profiled 17 African-American women in VP roles and above at Coke, including CFO Kathy Waller.

Contact. Evidence that contact between groups can lessen bias first came to light in an unplanned experiment on the European front during World War II. The U.S. army was still segregated, and only whites served in combat roles. High casualties left General Dwight Eisenhower understaffed, and he asked for black volunteers for combat duty. When Harvard sociologist Samuel Stouffer, on leave at the War Department, surveyed troops on their racial attitudes, he found that whites whose companies had been joined by black platoons showed dramatically lower racial animus and greater willingness to work alongside blacks than those whose companies remained segregated. Stouffer concluded that whites fighting alongside blacks came to see them as soldiers like themselves first and foremost. The key, for Stouffer, was that whites and blacks had to be working toward a common goal *as equals*—hundreds of years of close contact during and after slavery hadn't dampened bias.

Business practices that generate this kind of contact across groups yield similar results. Take *self-managed teams,* which allow people in different roles and functions to work together on projects as equals. Such teams increase contact among diverse types of people, because specialties within firms are still largely divided along racial, ethnic, and gender lines. For example, women are more likely than men to work in sales, whereas white men are more likely to be in tech jobs and management, and black and Hispanic men are more likely to be in production.

As in Stouffer's combat study, working side-by-side breaks down stereotypes, which leads to more equitable hiring and promotion. At firms that create self-managed work teams, the share of white women, black men and women, and Asian-American women in management rises by 3% to 6% over five years.

Rotating management trainees through departments is another way to increase contact. Typically, this kind of *cross-training* allows people to try their hand at various jobs and deepen their understanding of the whole organization. But it also has a positive impact on diversity, because it exposes both department heads and trainees to a wider variety of people. The result, we've seen, is a bump of 3% to 7% in white women, black men and women, and Asian-American men and women in management.

About a third of U.S. firms have self-managed teams for core operations, and nearly four-fifths use cross-training, so these tools are already available in many organizations. Though college recruitment and mentoring have a bigger impact on diversity—perhaps because they activate engagement in the diversity mission *and* create intergroup contact—every bit helps. Self-managed teams and cross-training have had more positive effects than mandatory diversity training, performance evaluations, job testing, or grievance procedures, which are supposed to promote diversity.

The Downside of the Diversity Label

Why can mentoring, self-managed teams, and cross-training increase diversity without the backlash prompted by mandatory training? One reason may be that these programs aren't usually branded as diversity efforts. Diversity language in company policy can stress white men out, as researchers at UC Santa Barbara and the University of Washington found when they put young white men through a simulated job interview—half of them for a company that touted its commitment to diversity, and half for a company that did not. In the explicitly pro-diversity company, subjects expected discrimination against whites, showed cardiovascular distress, and did markedly worse in the taped interview.

Social accountability. The third tactic, encouraging social accountability, plays on our need to look good in the eyes of those around us. It is nicely illustrated by an experiment conducted in Israel. Teachers in training graded identical compositions attributed to Jewish students with Ashkenazic names (European heritage) or with Sephardic names (African or Asian heritage). Sephardic students typically come from poorer families and do worse in school. On average, the teacher trainees gave the Ashkenazic essays Bs and the Sephardic essays Ds. The difference evaporated, however, when trainees were told that they would discuss their grades with peers. The idea that they might have to explain their decisions led them to judge the work by its quality.

In the workplace you'll see a similar effect. Consider this field study conducted by Emilio Castilla of MIT's Sloan School of Management: A firm found it consistently gave African-Americans smaller raises than whites, even when they had identical job titles and performance ratings. So Castilla suggested transparency to activate social accountability. The firm posted each unit's average performance rating and pay raise by race and gender. Once managers realized that employees, peers, and superiors would know which parts of the company favored whites, the gap in raises all but disappeared.

Corporate *diversity task forces* help promote social accountability. CEOs usually assemble these teams, inviting department heads to volunteer and including members of underrepresented groups. Every quarter or two, task forces look at diversity numbers for the whole company, for business units, and for departments to figure out what needs attention.

After investigating where the problems are—recruitment, career bottlenecks, and so on—task force members come up with solutions, which they then take back to their departments. They notice if their colleagues aren't volunteering to mentor or showing up at recruitment events. Accountability

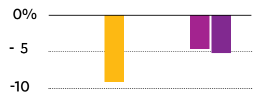
Which Diversity Efforts Actually Succeed?

In 829 midsize and large U.S. firms, we analyzed how various diversity initiatives affected the proportion of women and minorities in management. Here you can see which ones helped different groups gain ground—and which set them back, despite good intentions. (No bar means we can't say with statistical certainty if the program had any effect.)

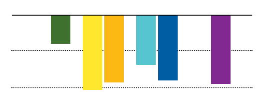
POOR RETURNS ON THE USUAL PROGRAMS

The three most popular interventions made firms less diverse, not more, because managers resisted strong-arming.

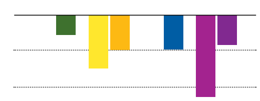
% CHANGE OVER FIVE YEARS



MANDATORY DIVERSITY TRAINING for managers led to significant decreases for Asian-Americans and black women.



TESTING job applicants hurt women and minorities—but not because they perform poorly. Hiring managers don't always test everyone (white men often get a pass) and don't interpret results consistently.

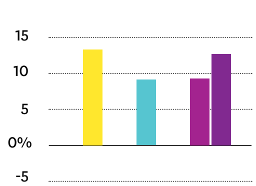


GRIEVANCE SYSTEMS likewise reduced diversity pretty much across the board. Though they're meant to reform biased managers, they often lead to retaliation.

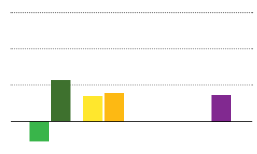
- White Men
- White Women
- Black Men
- Black Women
- Hispanic Men
- Hispanic Women
- Asian Men
- Asian Women

PROGRAMS THAT GET RESULTS

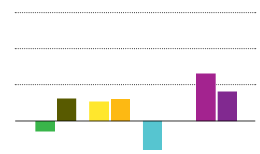
Companies do a better job of increasing diversity when they forgo the control tactics and frame their efforts more positively. The most effective programs spark engagement, increase contact among different groups, or draw on people's strong desire to look good to others.



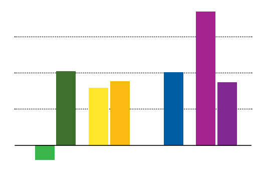
VOLUNTARY TRAINING doesn't get managers' defenses up the way mandatory training does—and results in increases for several groups.



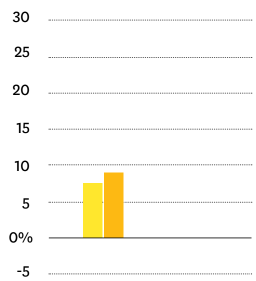
SELF-MANAGED TEAMS aren't designed to improve diversity, but they help by increasing contact between groups, which are often concentrated in certain functions.



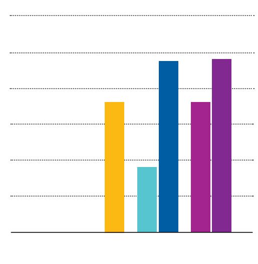
CROSS-TRAINING also increases managers' exposure to people from different groups. Gains for some groups appear to come at a cost to Hispanic men.



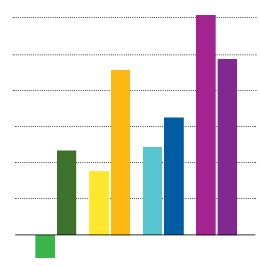
COLLEGE RECRUITMENT TARGETING WOMEN turns recruiting managers into diversity champions, so it also helps boost the numbers for black and Asian-American men.



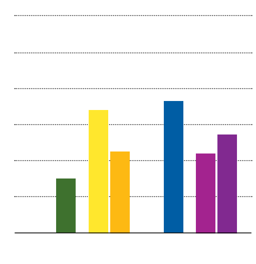
COLLEGE RECRUITMENT TARGETING MINORITIES often focuses on historically black schools, which lifts the numbers of African-American men and women.



MENTORING has an especially positive impact. Managers who sponsor women and minorities come to believe, through their increased contact, that their protégés deserve the training and opportunities they've received.



DIVERSITY TASK FORCES promote social accountability because members bring solutions back to their departments—and notice whether their colleagues adopt them.



DIVERSITY MANAGERS sometimes put ineffective programs in place but have a positive impact overall—in part because managers know someone might ask them about their hiring and promotion decisions.

NOTE: IN OUR ANALYSIS, WE'VE ISOLATED THE EFFECTS OF DIVERSITY PROGRAMS FROM EVERYTHING ELSE GOING ON IN THE COMPANIES AND IN THE ECONOMY.

theory suggests that having a task force member in a department will cause managers in it to ask themselves, "Will this look right?" when making hiring and promotion decisions.

Deloitte has seen how powerful social accountability can be. In 1992, Mike Cook, who was then the CEO, decided to try to stanch the hemorrhaging of female associates. Half the company's hires were women, but nearly all of them left before they were anywhere near making partner. As Douglas McCracken, CEO of Deloitte's consulting unit at the time, later recounted in HBR, Cook assembled a high-profile task force that "didn't immediately launch a slew of new organizational policies aimed at outlawing bad behavior" but, rather, relied on transparency to get results.

Once it was clear that top managers were watching, women started to get more premier assignments.

The task force got each office to monitor the career progress of its women and set its own goals to address local problems. When it became clear that the CEO and other managing partners were closely watching, McCracken wrote, "women started getting their share of premier client assignments and informal mentoring." And unit heads all over the country began getting questions from partners and associates about why things weren't changing faster. An external advisory council issued annual progress reports, and individual managers chose change metrics to add to their own performance ratings. In eight years turnover among women dropped to the same level as turnover among men, and the proportion of female partners increased from 5% to 14%—the highest percentage among the big accounting firms. By 2015, 21% of Deloitte's global partners were women, and in March of that year, Deloitte LLP appointed Cathy Engelbert as its CEO—making her the first woman to head a major accountancy.

Task forces are the trifecta of diversity programs. In addition to promoting accountability, they engage members who might have previously been cool to diversity projects and increase contact among the women, minorities, and white men who participate. They pay off, too: On average, companies that put in diversity task forces see 9% to 30% increases in the representation of white women and of each minority group in management over the next five years.

Diversity managers, too, boost inclusion by creating social accountability. To see why, let's go back to the finding of the teacher-in-training experiment, which is supported by many studies: When people know they *might* have to explain their decisions, they are less likely to act on bias. So simply having a diversity manager who could ask them questions prompts managers to step back and consider everyone who is qualified instead of hiring or promoting the first people who come to mind. Companies that appoint diversity managers see 7% to 18% increases in all underrepresented groups—except Hispanic men—in management in the following five years. Those are the gains after accounting for both effective and ineffective programs they put in place.

Only 20% of medium and large employers have task forces, and just 10% have diversity managers, despite the benefits of both. Diversity managers cost money, but task forces use existing workers, so they're a lot cheaper than some of the things that fail, such as mandatory training.

Leading companies like Bank of America Merrill Lynch, Facebook, and Google have placed big bets on accountability in the past couple of years. Expanding on Deloitte's early example, they're now posting complete diversity numbers for all to see. We should know in a few years if that moves the needle for them.

STRATEGIES FOR controlling bias—which drive most diversity efforts—have failed spectacularly since they were introduced to promote equal opportunity. Black men have barely gained ground in corporate management since 1985. White women haven't progressed since 2000. It isn't that there aren't enough educated women and minorities out there—both groups have made huge educational gains over the past two generations. The problem is that we can't motivate people by forcing them to get with the program and punishing them if they don't.

The numbers sum it up. Your organization will become less diverse, not more, if you require managers to go to diversity training, try to regulate their hiring and promotion decisions, and put in a legalistic grievance system.

The very good news is that we know what does work—we just need to do more of it.

HBR Reprint R1607C

Discussion Questions

Why Diversity Programs Fail

BY FRANK DOBBIN AND ALEXANDRA KALEV

1. How do our firm's diversity numbers stack up against those cited in the article?

2. Are we guilty of relying on any of the outdated control tactics described in the article: diversity training, hiring tests, basing promotions on performance ratings, or grievance systems? Have you personally witnessed any adverse effects from these programs, such as anger or resistance to training, favoritism in hiring, or retaliation for complaints lodged?

3. What do you think of the alternatives proposed to engage managers in solving the problem, expose them to people from different groups, and encourage social accountability for change? Could any of the approaches listed below work for us?
   - College recruitment programs targeting women and minorities
   - Mentoring
   - Self-managed teams
   - Cross-training
   - Corporate diversity task forces
   - Diversity managers

4. How might we construct experiments to put the most promising suggestions to the test?

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ARTICLE

SPOTLIGHT ON BUILDING A DIVERSE ORGANIZATION

We Just Can't Handle Diversity

A research roundup

by Lisa Burrell

SPOTLIGHT

ARTWORK Roger Clarke, *The Deadliest Toxins (dmm)*, 2009
Polyester resin, fiberglass, varnish

Lisa Burrell is a senior editor at HBR.

We Just Can't Handle Diversity

A research roundup

BY LISA BURRELL

IT'S HARD TO ARGUE WITH THE BENEFITS OF DIVERSITY, given the decades' worth of studies showing that a diverse workforce measurably improves decision making, problem solving, creativity, innovation, and flexibility.

Most of us also believe that hiring, development, and compensation decisions should come down to who deserves what. Although the two ideas don't seem contradictory, they're tough to reconcile in practice. Cognitive roadblocks keep getting in the way.

The Trouble with Merit

While merit sounds like an easy, obvious filter for talent decisions, it's anything but. We believe we know good talent when we see it, yet we usually don't—we're terrible at evaluating people objectively. That's why orchestras started holding blind auditions decades ago. It's why today algorithms often make smarter hires than people do. It's why so many companies are searching for alternatives to traditional performance reviews. Even (and especially) when leaders proclaim a commitment to fairness in their organizations, stereotypes cause them to evaluate and treat equal performers differently, as Emilio Castilla, of MIT, and Stephen Benard, of Indiana University, have demonstrated in their well-known research on the "paradox of meritocracy."

What's tripping us up? Robert H. Frank, a Cornell economist and the author of *Success and Luck,* provides one explanation: We just don't *see* the large role that chance events play in people's life trajectories. If someone lands a great job and makes lots of money, we interpret those outcomes as evidence of smarts and hard work. (We look at our own lives the same way.) As for those who don't thrive? Well, we tell ourselves, maybe they've caught a bad break here and there, but they could turn things around if they tugged on their bootstraps a bit harder.

If those in power think this world is basically fair and just, they won't even recognize—much less worry about—systemic unfairness. Frank talks about inequity mostly in socioeconomic terms, but the implications for underrepresented demographic groups are clear. He dips in and out of the abundant social science findings suggesting that good fortune accounts for a great deal of success, and that we're hell-bent on believing otherwise. Framing effects, or our immediate points of reference (living in suburbia or attending a posh school, for instance), shape how we perceive haves and have-nots in the wider world. Hindsight bias causes us to believe that random events are predictable and to manufacture explanations for the inevitability of our achievements. And winner-take-all markets—where "rewards tend to be highly concentrated in the hands of a few top performers"—intensify the consequences of our cognitive shortcuts.

Of course, believing that merit will be justly rewarded can come in handy for individuals. As Frank notes, it's easier to muster the energy to overcome obstacles if you feel you're on a well-earned, reasonably certain path to high achievement and if you have an inflated sense of your own abilities. But, he says, this mindset also keeps people from investing in public solutions that expand the economic pie for everyone. Perhaps the biggest reason we cling to it is that when it's challenged, *we* feel attacked—as if our talent and effort are being dismissed. Talent and effort matter quite a bit, Frank acknowledges. But very often they're not enough to ensure success. Changes in public policy and a dose of gratitude can help rectify inequities, he says—but we're a far cry from living and working in a meritocracy, because our view of merit is so flawed.

In her book *Pedigree,* Lauren Rivera, of Northwestern University, also examines how we understand and evaluate merit and finds it to be a moving target. But where Frank applies a "macro" lens to society, Rivera looks specifically at how students from elite schools and backgrounds get elite jobs—and at how employers judge the people applying for those positions.

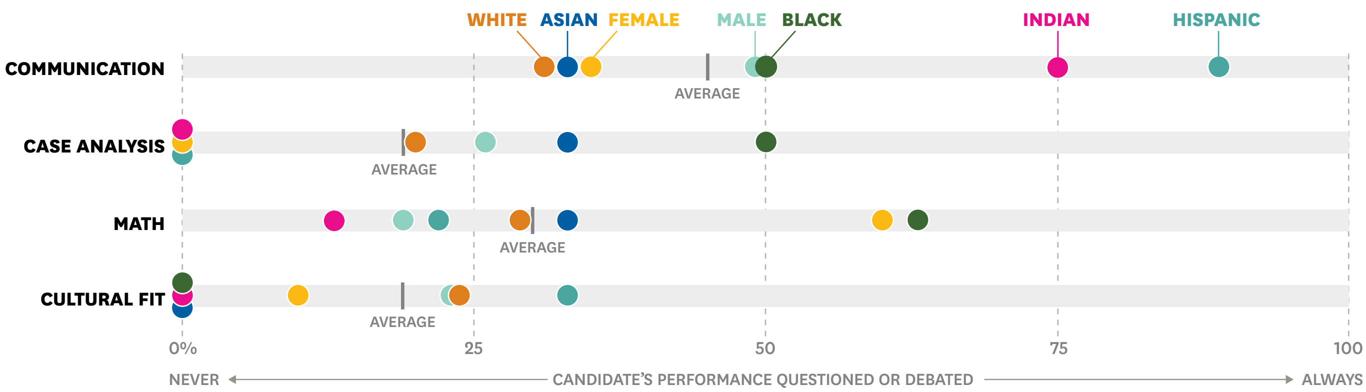
She studied hiring committees at professional services firms that believed they were ensuring rigor and counteracting bias through group discussions of job candidates from the school-recruitment pipeline. But those conversations actually dampened diversity by giving negative racial, ethnic, and gender stereotypes greater sway over decisions—particularly "in ambiguous situations, where the quality of a candidate [was] not clear." In those cases, Rivera points out, "stereotypes served as an unconscious navigational system, guiding interviewers' attention to where they should focus and look for clues in order to figure out if the candidate did or did not have the right stuff." This gave evaluators "a common lens and shared language" when they didn't immediately agree on someone's value to the organization.

One consulting firm invited Rivera to sit in at various points in the selection process—first during "calibrations," or discussions between pairs of interviewers about first-round candidates, and then during the group discussions in later rounds. At each stage she consistently found that evaluators had little or nothing to say about the "rock stars" or the "rejects." They deliberated mainly about candidates in the middle, which is where stereotypes about women and minorities came into play.

In the calibrations, the most common criteria for moving candidates from the middle to either the "yes" or the "no" pile were communication skills (referred to as "polish"), analysis of a sample business case, the math used to support that analysis, and cultural fit. But the interviewers weighed and judged those criteria differently depending on the race, ethnicity, or gender of the candidates. For example, black and Hispanic men were often seen as lacking polish and moved to the reject pile, even when they were strong in other areas, whereas white men who lacked polish were deemed coachable and kept in the running. A similar pattern emerged among men who appeared shy, nervous, or understated: Nonwhites were rejected for being unassertive, but in whites, modesty was seen as a virtue. Among candidates who made

INCONSISTENT LEVELS OF SCRUTINY

When Northwestern professor Lauren Rivera sat in on one firm's "calibrations" (interviewers' discussions about first-round job candidates), she found remarkable discrepancies linked to race, ethnicity, and gender. This table shows the demographic breakdown of 73 candidates whose performance was questioned or debated in four critical areas: communication skills ("polish"), sample business case analysis, math, and cultural fit.



SOURCE *PEDIGREE* (PRINCETON UNIVERSITY PRESS, 2015)

minor mistakes in math, women were rejected for not having the right skills, and men were given a pass—interviewers assumed they were having an "off" day. (See "Why Diversity Programs Fail," in this issue.)

Somewhat predictably, when discussing final decisions, evaluators shifted their focus away from the candidates' performance and toward personal chemistry and gut instinct—their "feel" for people took over. They barely discussed technical skill toward the end unless they were evaluating women, particularly those in banking.

Nodding to the sociologist Randall Collins's argument that "emotion is a critical basis of social sorting, selection, and stratification," Rivera found that candidates in the "maybe" pool ultimately needed a passionate champion on the hiring committee in order to receive an offer. And evaluators advocated most fervently for people who were most like them. Perhaps because women and minorities were more vulnerable in their status at the firm, they championed fewer people than white men did—they chose their battles, as one female evaluator put it. (There's something to that reluctance. As Stefanie Johnson and David Hekman, of the University of Colorado, have found in their field and lab research, women and minorities who actively push for diversity are punished by their organizations—they get lower performance ratings than those who don't. Men who promote diversity don't suffer the same penalty.)

So, with white men doing most of the championing and having the greatest influence during deliberations, candidates' similarities to interviewers tilted the playing field heavily in favor of "white, affluent, athletic graduates of super-elite institutions." Similarity to evaluators who deviated from that norm sometimes helped women or minorities land a role—but those were isolated cases.

The Trouble with Diversity

As Rivera suggests, the hiring conversations at the consulting firm were ultimately more about reaching consensus than about vetting people accurately. To fix that kind of conceptual problem, it's necessary to sort out (at least somewhat objectively) what constitutes merit in a given context. Assuming that's possible, and that we can send our biases packing (a gigantic *if* when we consider how stubborn they are), will diversity naturally follow?

That's difficult to say, since we don't agree on how to define it. According to one Deloitte study, Millennials think of diversity and inclusion as valuing open participation by employees with different perspectives and personalities. In contrast, older workers think of it as equitable representation and assimilation of people from different demographic groups.

Even if we stick with the second, more traditional definition, how can we set goals and track our progress? As Ashleigh Shelby Rosette, of Duke University, pointed out at Wharton's 2016 People Analytics Conference, we tend to boil things down into tidy dichotomies—male/female, white/black, dominant/minority, and so on. But reality is a lot messier than that. No one is just female, or just black, or just Muslim. Each person is "a whole package of interlocking attributes," Rosette said, and that's a lot harder to analyze and balance in an organization.

Further complicating matters, rhetorical framing skews how people perceive power. Rosette and her colleague Leigh Plunkett Tost, of the University of Michigan, discussed this dynamic in their *Psychological Science* article "Perceiving Social Inequity." In general, describing inequities as privileges for certain groups (rather than disadvantages for others) gets our defenses up. Much like the notion of dumb luck that Frank writes about, it damages our self-image—haven't we *earned* what we've got?—and makes us not want to see or rectify the problem.

Plus, power is variable for members of any group. People can have high status on some social-hierarchy dimensions but low status on others. That mix, Rosette and Tost's research shows, may help individuals recognize the privileges they enjoy as part of a dominant group, as long as they also believe they've experienced disadvantages as members of other, subordinate groups (and thus can identify with people who feel disadvantaged in comparison with them). White women overall, for instance, are more likely than white men to view themselves as beneficiaries of racial privilege; they get it because they, too, have had to deal with discrimination.

Senior leaders need to recognize their organizations' inequities—probably more than anyone else, since they have the power to make changes. But once they've climbed to their positions, they usually lose sight of what they had to overcome to get there. As a result, Rosette and Tost find, "they lack the motivation and perspective to actively consider the advantages that dominant-group members experience." This is especially true of successful white women, who "reported [even] lower perceptions of White privilege than did highly successful White men." It's fascinating that their encounters with sexism don't help them identify racial advantage after they've gotten ahead. Perhaps, the authors suggest, their hard-earned status feels so tenuous that they reflexively tighten their grip.

Beyond murkily defined concepts and somewhat defensive motivations, we have an even-higher-level conceptual obstacle to overcome: our bias against diversity itself. Recent research by Ohio State University's Robert Lount Jr. and colleagues (Oliver Sheldon, of Rutgers; Floor Rink, of Groningen; and Katherine Phillips, of Columbia) shows that we assume diversity will spark interpersonal conflict. Participants in a series of experiments all read, watched, or listened to the exact same conversations among various groups. They consistently perceived the all-black or all-white groups as more harmonious than those with a combination of blacks and whites.

If we expect people to behave less constructively when they're in diverse organizations or teams, how do we interpret and reward their actual performance? Under the influence of those flawed expectations? Quite possibly.

So, Is It Hopeless?

According to the renowned behavioral economist Daniel Kahneman, trying to outsmart bias at the individual level is a bit of a fool's errand, even with training. We are fundamentally overconfident, he says, so we make quick interpretations and automatic judgments. But organizations think and move much more slowly. They actually stand a chance of improving decision making.

Research by John Beshears and Francesca Gino, of Harvard Business School, supports that line of thought. As they have written in HBR, "It's extraordinarily difficult to rewire the human brain," but we can "alter the environment in which decisions are made." This approach—known as choice architecture—involves mitigating biases, not reversing them, and Beshears and Gino have found that it can lead to better outcomes in a wide range of situations. The idea is to deliberately structure how you present information and options: You don't take away individuals' right to decide or tell them what they should do. You just make it easier for them to reach more-rational decisions. (For more on this idea, also see "Designing a Bias-Free Organization," an interview with Harvard behavioral economist Iris Bohnet, in this issue.)

There's still an element of manipulation here: The organization sets the stage for certain kinds of choices. But that brings us back to what most of us can agree on, at least in the abstract: Diversity improves performance, and people who apply themselves and do good work should be treated fairly.

If the members of an organization could get behind those broad ideas, would it bother them that they were being nudged to do what they wanted to do anyway? It might—and that would be another cognitive roadblock to clear.

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Discussion Questions

We Just Can't Handle Diversity

BY LISA BURRELL

1. Have you fallen prey to biases that cause us to underestimate the role of chance in success?
2. Can you think of an example of a time when women and minorities were subjected to different evaluation criteria, or when a group discussion about merit resulted in a biased decision?
3. Thinking back on such discussions, can you remember a time when you might have championed someone because of the similarities between you? Is it possible that you were less open to people whom you perceived as different?
4. What safeguards could be put in place to prevent biases from derailing decision making, if not at the individual level, then at the organizational level?

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ARTICLE
DIVERSITY

Why Subtle Bias Is So Often Worse than Blatant Discrimination

by Eden King and Kristen Jones

Harvard Business Review

DIVERSITY

Why Subtle Bias Is So Often Worse than Blatant Discrimination

by Eden King and Kristen Jones

JULY 13, 2016

Headlines today are filled with blatant examples of workplace bias, from employees who give black coworkers nooses, to pay disparities in soccer, to supervisors' admonitions that women need to "get along with the boys." These are obvious, inflammatory, and offensive behaviors that deserve vigorous scrutiny.

Yet attention to bias's blatant forms should not divert attention from its subtle ones. Indeed, social science data shows that people are much more likely to encounter subtle forms of bias than overt ones. HR professionals no longer post signs reading "blacks need not apply," and managers rarely catcall their female subordinates. Instead, managers might ignore the input of a woman or praise the eloquence of a black employee. These latter behaviors often are unintentional and can reflect unconscious beliefs about characteristics of women and people of color.

Some might argue that the general evolution of discrimination from obvious to subtle may be evidence of social progress. Unfortunately, however, our research shows that the new kinds of bias can be even worse than the older kinds.

To directly test the relative effects of subtle and overt discrimination, we gathered every study we could find that looked at relationships between discrimination and outcomes such as career success and satisfaction, stress, turnover, performance, and physical and mental health symptoms. We carefully coded the nature of discrimination that was reported (subtle or overt) in 90 separate samples.

The results of this meta-analysis confirm that experiencing any kind of discrimination has negative consequences. But more importantly, the results show that across every job and individual outcome, the effects of subtle discrimination were at least as bad as, if not worse than, overt discrimination. Subtle discrimination has not-so-subtle effects on employees and their performance at work.

One of these effects stems from the very human fact that we try to understand why people treat us the way they do. For example, if a female employee is told by her boss that she will not be given a challenging assignment because "women are not suited to handle that type of pressure," it's relatively easy to identify the cause of the behavior: blatant bias. If the boss tells the female employee that he doesn't believe she is ready for this kind of pressure, however, the reason is less clear. Is it because she is a woman? Or is the boss rightfully concerned, having the best interests of the employee at heart? People will spend a lot more time ruminating and trying to figure out the latter situation than a clear-cut case of sexism. This rumination, the longer it continues, can be significantly depleting to cognitive and emotional resources.

Another reason subtle discrimination is stressful is because of its higher frequency as compared to overt instances of discrimination. Because targets may be confronted with these slights on a daily, even hourly, basis, the negative effects of subtle discrimination may build and accumulate at a rapid pace.

Finally, subtle discrimination is damaging because there is little or no legal recourse. This reality was highlighted recently when Ellen Pao lost her case against her former employer, venture capital firm Kleiner Perkins Caufield & Byers. In her testimony, Pao cited several instances of subtle gender bias at the firm, including being designated as the note taker during meetings, being disadvantaged as a result of her pregnancy, and feeling pressured to balance assertiveness with warmth because of her gender. After the five-week trial, a jury of six men and six women concluded that none of Pao's claims had legal merit. This is consistent with our analyses of discrimination cases in federal court dockets: Only overt and intentional forms of bias (not subtle and unintentional ones) were associated with decisions favoring plaintiffs.

If it is so difficult to identify and assess subtle bias, what can managers and organizations do? Workplace scientists are trying to answer this question. One clear conclusion is that opportunities for biases to infect decisions should be limited. For example, structured interviews (e.g., fixed format with a fixed set of questions to be answered based on the job in question) are better predictors of employee performance than unstructured interviews (open format, fluid conversation) are, because less structure leads to more opportunities for bias to creep in. This includes the non–job related chit-chat that often occurs between an interviewer and applicant before an interview begins; subtle behaviors in this informal part of the interview can affect the likelihood of an employment offer.

Another conclusion is that awareness alone is insufficient. Efforts to reduce bias must pair increasing awareness with behavioral goals and strategies. Research has found evidence supporting the effectiveness of several strategies that can be implemented to reduce bias. For example, practicing mindfulness, or the process of focusing on the present and observing one's thoughts as events outside of the self, may help to reduce subtle bias. Another promising strategy is the use of empathy-related techniques like perspective taking, which prompts people to consider the experiences of individuals who are different from themselves. Similarly, adopting an identity-conscious perspective (e.g., accepting and considering different identities) rather than an identity-blind mindset (ignoring or denying stigmatized attributes such as race and gender) can reduce bias. Finally, deliberately setting pro-diversity goals has been found to enhance diversity-related attitudes and behaviors.

Busy managers may be tempted to direct their attention only to the most obvious and blatant forms of discrimination, in part because they're easier to identify and address. But our research shows that managers need to start sweating the subtle stuff. Gone unchecked, the little things may be affecting your employees and your organization in troubling ways.

Dr. Eden King is an Associate Professor of Psychology at George Mason University and an Associate Editor of the Journal of Management and the Journal of Business and Psychology. She has published over 100 scholarly works related to discrimination, including the book, *How Women Can Make it Work: The Science of Success*.

Dr. Kristen Jones is an Assistant Professor of Management in the Fogelman College of Business and Economics at the University of Memphis. Her research focuses on identifying and remediating subtle bias that unfairly disadvantages diverse employees at work, particularly women and mothers.

Discussion Questions

Why Subtle Bias Is So Often Worse Than Blatant Discrimination

BY EDEN KING AND KRISTEN JAMES

1. Are structured interviews the standard at our organization? If not, should we move to that approach?
2. What can we be doing to increase the capacity for mindfulness and empathy among employees?
3. What pro-diversity goals do we want to set as an organization (or a team)?
4. Are we identity-conscious enough? How could we do better?

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ARTICLE
TALENT MANAGEMENT

Getting More Black Women into the C-Suite

by Melinda Marshall and Tai Wingfield

TALENT MANAGEMENT

Getting More Black Women into the C-Suite

by Melinda Marshall and Tai Wingfield

JULY 01, 2016

In late 2014, poised to publish a report on women's ambition, we stumbled on a startling fact: black women are nearly three times more likely than white to aspire to a position of power with a prestigious title.

And yet white women are about twice as likely as black women to attain one.

Roughly twenty women helm a Fortune 500 company. After the departure of Ursula Burns at Xerox, none of those women will be black.

The problem may lie in the constraints endemic to identity politics. Since the beginning, the Women's Movement has treated all women, black and white, as having similar goals and suffering similar inequities; the Civil Rights Movement has likewise treated black Americans as a monolithic group. Enlisted by both movements, black women fought on both fronts. But fifty years later, they appear to have benefited from neither, relative to women and black men, in terms of their empowerment and advancement.

As we explore in our book, *Ambition in Black and White: The Feminist Narrative Revised*, neither movement recognizes their particular challenges in the workplace, nor their singularly fraught path toward equality. At the intersections of race and gender, both then and now, black women have labored unseen, even to those lobbying for their advancement.

We talked to black women who were among the first out of the gate when barriers fell to white-collar occupations. One of these was Charlene Drew Jarvis, longtime District of Columbia Councilwoman, who started out in 1965 as a neuroscientist at the National Institute of Health. Another was Geri Thomas, former Chief Diversity Officer at Bank of America, who started at the bank when she was a sophomore at Georgia State (and the bank was still Citizens and Southern National).

Both women came from educated parents (Drew Jarvis's father was a physician and researcher who pioneered blood banks). But neither came from families that could help them fulfill their ambition in a predominantly white workplace—and be seen as leaders.

Thomas describes working literally in the back offices of the bank for white supervisors, encountering not one person of color until she reached the sidewalk on her lunch break, because management didn't want black people interacting with customers and didn't trust women with anything but admin or support roles. Drew Jarvis, with a Ph.D in neuropsychology from the University of Maryland, wanted to be recognized for her performance and work ethic, not her gender or color—so tried "never to present as a threat." In a white bookstore, she took pains to impress the salesclerk with her diction and erudition, lest her color make him think she was ignorant.

Both women, that is, suffered from invisibility even as they stood out like unicorns, either because others insisted they not be seen or because, eager to be seen as equal, they elected to downplay what made them different.

Fifty years later, invisibility continues to cloak ambitious black women—as our interviews make clear — for much the same reasons. Capable and credentialed, a black lawyer at a DC firm explained how she took on an extra-heavy caseload and kept her head down, lest she be seen as "an affirmative-action choice." A leader at a global investment bank explained how her role came "with training wheels," with a limited remit and extensive oversight, because senior management wasn't confident she could be trusted with strategic decisions and couldn't allow her in such a visible role to fail (thereby exaggerating the likelihood that she would).

Employee resource groups (ERGs), sometimes known as affinity groups, are the corporation's answer to this sort of struggle: at most multinational firms, there are ERGs for women, African Americans, Latinos, Asian Americans, LGBT professionals, veterans, and employees with disabilities. Yet as with the Women's and Civil Rights Movements, affinity groups leave those at the intersections of more than one identity–black women, or gay Latinos, or disabled Asians, or female vets—unseen and unsupported. Their goals may be the same: meaningful work that grows their skills, recognizes their effort, and rewards their performance. But their unique challenges in gaining the attention, and earning the advocacy, of senior leaders who differ from them in more than one way go unacknowledged and unaddressed. Lacking the pull of someone powerful, they languish in middle management. Or they leave.

Black women, our research shows, are a case in point: they have mentors and strong support networks but lack sponsors—leaders who will talk them up behind closed doors, steer plum assignments their way, and defend them against detractors. Affinity group membership might expose them to such leaders, but as members of the women's network they are eclipsed by white women and as members of the African-American ERG they are eclipsed by black men.

The solution? ERGs needn't go away, but they do need to acknowledge identities at the intersections, and address how the challenges of, say, women might differ in important ways depending on generation, ethnicity, sexual orientation, or veteran status. When ERGs organize events to solidify member bonds, they might consider content with wider appeal and open the event to other ERGs—to bridge, as well as bond. Better yet, ERGs might morph into BRGs, business resource groups that enlist leaders in solving issues critical to the business. That alliance allows for sponsorship to arise more organically, as leaders get to know and trust group members by working side by side toward a common goal.

Finally, leaders themselves need to acknowledge that invisibility for talent at the intersections is due to blinders they wear, and resist putting aside. The Old Boys' Network persists not necessarily because white men are racist and sexist, but rather, because aligning yourself as the champion and protector of some rising star carries considerable reputational risk, and it's just easier to trust someone who reminds you of yourself. It's a reflex, especially in environments that are short on cross-silo or cross-ERG occasions that allow people to get to know one another in ways that bridge difference, solidify commonality, and build trust. Leaders must create a culture in which people at the intersections of functional or affinity identities have equal access to their attention or equal opportunity to earn it.

That ambitious black women feel stuck and stalled speaks to this larger problem of identity siloes within the workplace, which is often the one place in America where we consistently rub shoulders with people unlike ourselves.

To tap the talent of leaders whose identities lie at the intersections (surely a majority of the men and women working in corporate America today) we need leaders who create constant opportunities for cultural intersections where commonality can emerge; and who incentivize sponsorship of diverse talent by rewarding those who resist the reflex to advocate for "mini me's." In that inclusive workplace, sponsorship can arise organically across difference, and no one worthy of consideration for leadership falls off the radar.

In that workplace, history may no longer haunt us—or hobble the talent that's ready to lead.

Melinda Marshall is executive vice president and director of publications at CTI, where she drives the Center's research on innovation, sponsorship, and leadership. She is coauthor of the CTI book *Ambition in Black + White: The Feminist Narrative Revised* and CTI reports including "Innovation, Diversity and Market Growth" as well as "Sponsor Effect 2.0." .

Tai Wingfield is senior vice president of communications for CTI and managing director at Hewlett Consulting Partners (HCP). She is coauthor of the CTI book *Ambition in Black + White: The Feminist Narrative Revised* and CTI report "Black Women: Ready to Lead."

Discussion Questions

Getting More Black Women into the C-Suite

BY MELINDA MARSHALL AND TAI WINGFIELD

1. How can we provide black women and other minority groups with greater access to sponsorship programs and other advancement opportunities?
2. How can we ensure that people with intersectional identities have access and exposure to leaders who could become key sponsors down the road?
3. How can we create bridges between different ERGs and enlist organizational leaders in these groups' activities?

"Black women are nearly three times more likely than white to aspire to a position of power with a prestigious title. And yet white women are about twice as likely as black women to attain one."

"Roughly twenty women helm a Fortune 500 company. After the departure of Ursula Burns at Xerox, none of those women will be black."

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ARTICLE
DIVERSITY

If There's Only One Woman in Your Candidate Pool, There's Statistically No Chance She'll Be Hired

by Stefanie K. Johnson, David R. Hekman and Elsa T. Chan

Harvard Business Review

DIVERSITY

If There's Only One Woman in Your Candidate Pool, There's Statistically No Chance She'll Be Hired

by Stefanie K. Johnson, David R. Hekman and Elsa T. Chan

APRIL 26, 2016

There are more CEOs of large U.S. companies who are named David (4.5%) than there are CEOs who are women (4.1%) — and David isn't even the most common first name among CEOs. (That would be John, at 5.3%.)

Despite the ever-growing business case for diversity, roughly 85% of board members and executives are white men. This doesn't mean that companies haven't tried to change. Many have started investing hundreds of millions of dollars on diversity initiatives each year. But the biggest challenge seems to be figuring out how to overcome unconscious biases that get in the way of these well-intentioned programs. We recently conducted research that suggests a potential solution.

It's well known that people have a bias in favor of preserving the status quo; change is uncomfortable. So because 95% of CEOs are white men, the status quo bias can lead board members to unconsciously prefer to hire more white men for leadership roles.

We conducted three studies to examine what happens when you change the status quo among finalists for a job position. In our first study, using an experimental setting, we had 144 undergraduate students review qualifications of three job candidates who made up a finalist pool of applicants. The candidates had the same credentials — the only difference among them was their race. We manipulated this by using names that sound stereotypically black (Dion Smith and

Darnell Jones) or white (Connor Van Wagoner and David Jones), and we used a job that has some ambiguity about the racial status quo (athletic director).

Participants indicated the extent to which they agreed that each candidate was the best for the job. Half of them evaluated a finalist pool that had two white candidates and one black candidate, and the other half evaluated a finalist pool that had two black candidates and one white candidate. We found that when a majority of the finalists were white (demonstrating the status quo), participants tended to recommend hiring a white candidate. But when a majority of finalists were black, participants tended to recommend hiring a black candidate ($F = 3.96$, $\eta^2_p = .03$; $p < .05$).

Our second study, of 200 undergraduate students, was similar but focused on gender instead of race — and we found a similar result. We manipulated gender through the names of men and women, and we used the job of nurse manager. In this case, we expected that the status quo would be to hire women, so we looked at the effect of having two men in the pool. We found that when two of the three finalists were men, participants tended to recommend hiring a man, and when two of the three finalists were women, participants tended to recommend hiring a woman ($F = 4.42$, $\eta^2_p = .03$; $p < .05$).

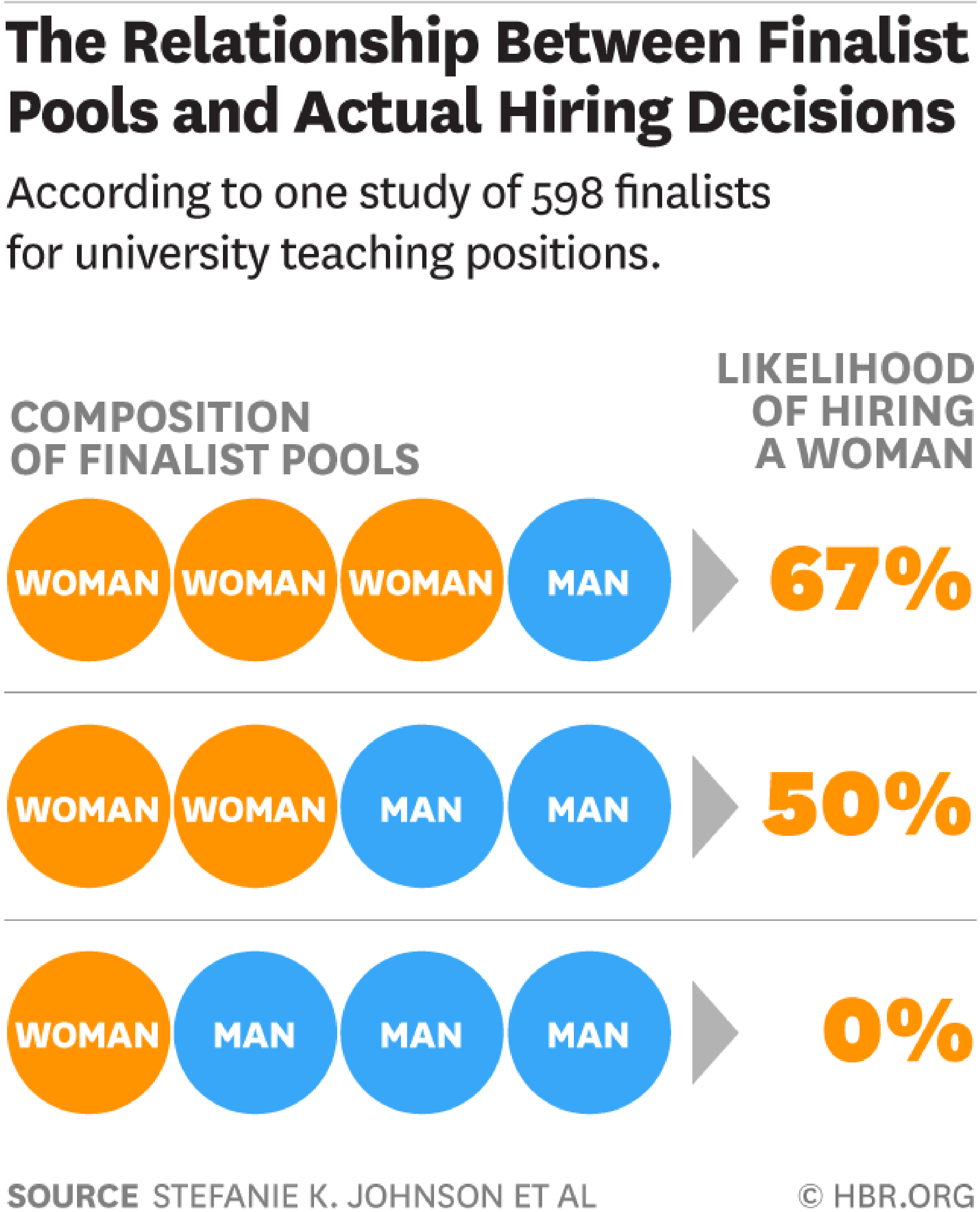
The results from these studies were what we had predicted: When there were two minorities or women in the pool of finalists, the status quo changed, resulting in a woman or minority becoming the favored candidate.

In both studies we were also able to measure each participant's unconscious racism and sexism using implicit association tests (IATs) — reaction-time tests that measure unconscious bias. We saw that the status quo effect was particularly strong among participants who had scored high in unconscious racism or sexism on the IAT. So when hiring a black candidate was perceived to be the status quo (i.e., the pool was two black candidates and one white candidate), individuals scoring average in unconscious racism tended to rate the black candidate 10% better than the white candidate; individuals scoring one standard deviation above average in unconscious racism tended to rate the black candidate 23% better than the white candidate ($\beta = .24$, $p < .05$). We found a similar effect for gender.

In a third study we validated these laboratory findings by examining a university's hiring decisions of white and nonwhite women and men for academic positions. Our sample was 598 job finalists, 174 of whom received job offers over a three-year period. Finalist pools ranged from three to 11 candidates (the average was four).

We wanted to see whether having more than one woman or minority in the finalist pool would increase the likelihood of hiring a woman or minority — beyond the increase you'd expect simply due to probability. We found that when there were two female finalists, women had a significantly higher chance of being hired ($\beta = 4.37$, $p < .001$). The odds of hiring a woman were 79.14 times greater if there were at least two women in the finalist pool (controlling for the number of other men and women finalists). There was also a significant effect for race ($\beta = 5.27$, $p < .001$). The odds of hiring a minority were 193.72 times greater if there were at least two minority candidates in the finalist pool (controlling for the number of other minority and white finalists). This effect held no matter the size of the pool (six finalists, eight finalists, etc.), and these analyses excluded all cases in which there were no women or minority applicants.

The graph below depicts the likelihood of hiring a woman with one, two, or three women in a pool of four job finalists. The results show a statistical deviation in expected probability ($\chi^2 = 7.40$, $p < .05$). When there is only one woman, she does not stand a chance of being hired, but that changes dramatically when there is more than one. Each added woman in the pool does not increase the probability of hiring a woman, however — the difference between having one and two women seems to be what matters. There were similar results for race when we looked at a pool of four candidates ($\chi^2 = 14.00$, $p < .001$).



Basically, our results suggest that we can use bias in favor of the status quo to actually change the status quo. When there was only one woman or minority candidate in a pool of four finalists, their odds of being hired were statistically zero. But when we created a new status quo among the finalist candidates by adding just one more woman or minority candidate, the decision makers actually considered hiring a woman or minority candidate.

Why does being the only woman in a pool of finalists matter? For one thing, it highlights how different she is from the norm. And deviating from the norm can be risky for decision makers, as people tend to ostracize people who are different from the group. For women and minorities, having your differences made salient can also lead to inferences of incompetence.

Managers need to know that working to get one woman or minority considered for a position might be futile, because the odds are likely slim if they are the lone woman or nonwhite candidate. But if managers can change the status quo of the finalist pool by including two women, then the women have a fighting chance.

To be sure, our findings would need to be replicated in order to see how these effects play out in other contexts, and we should note that the study results have not appeared in a peer-reviewed journal. However, we think these results are a great foundation for future research to build on. As a society, we have spent a lot of time talking about our diversity problem but have been slow to provide solutions. We believe this "get two in the pool effect" represents an important first step for overcoming unconscious biases and ushering in the racial and gender balance that we want in organizations.

Some might argue that adding a second minority or woman candidate to the finalist pool is a type of affirmative action or reverse discrimination against white men. This argument implies that there are fewer qualified women or nonwhite candidates than white male candidates. However, nonwhite employees and women outnumber white men in the U.S. workplace by a margin greater than two to one, and women are now more likely than men to graduate from college. Plus, it has been found that when employers use a blind audition to hire their programmers and engineers, women tend to be hired at a higher rate than men. The same is true in blind auditions for professional orchestras.

And the evidence simply does not support concerns surrounding the myth of reverse racism. It is difficult to find studies that show subtle preferences for women over men, and for minorities over whites. But the data does support one idea: When it is apparent that an individual is female or nonwhite, they are rated worse than when their sex or race is obscured.

Stefanie K. Johnson is currently an assistant professor of management and entrepreneurship at University of Colorado's Leeds School of Business. Her primary research relates to leadership, leader development, and diversity in organizations. She has published over 40 journal articles and book chapters in outlets such as *Academy of Management Journal*, *Journal of Applied Psychology*, and *Organizational Behavior and Human Decision Processes*. She earned her Ph.D. at Rice University.

David R. Hekman is an associate professor of management and entrepreneurship at the University of Colorado's Leeds School of Business. His work has been published in *Academy of Management Journal*, *Journal of Applied Psychology*, and *Organization Science*, and he is focused on improving organizational health by examining remedies for pervasive workplace racial and gender biases, sources of professional workers' motivation, and sources and outcomes of virtuous leadership. He earned his Ph.D at the University of Washington's Foster School of Business.

Elsa T. Chan is a PhD candidate in management and entrepreneurship at the Leeds School of Business, University of Colorado Boulder. Her research interests include virtuous behaviors, biases, leadership and entrepreneurship.

Discussion Questions

If There's Only One Woman in Your Candidate Pool, There's Statistically No Chance She'll Be Hired

BY STEFANIE K. JOHNSON, DAVID R. HEKMAN, AND ELSA T. CHAN

1. What can we do to ensure that at least two women or minorities are included in every pool of finalists? Should this be a requirement?

2. Are there other ways we can combat the status quo bias to hire people who are like us?

"There are more CEOs of large U.S. companies who are named David (4.5%) than there are CEOs who are women (4.1%)."

"Despite the ever-growing business case for diversity, roughly 85% of board members and executives are white men."

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ARTICLE
RACE

The Unintended Consequences of Diversity Statements

by Sonia Kang, Katherine DeCelles, András Tilcsik and Sora Jun

Harvard Business Review

RACE

The Unintended Consequences of Diversity Statements

by Sonia Kang, Katherine DeCelles, András Tilcsik and Sora Jun

MARCH 29, 2016

Pro-diversity messages are everywhere, whether you're searching for a job, playing soccer, or watching the Oscars. Their point is simple: Diversity is good and we need more of it. In the business world, for example, we know that more-diverse groups tend to be more innovative, creative, hard-working, and better at solving problems. Yet despite the proliferation of interest in diversity and costly initiatives aimed at increasing it, discrimination continues to be a major problem in the labor market.

In trying to address discrimination, many organizations now explicitly advertise their dedication to diversity, identifying themselves as "equal opportunity" or "diversity-friendly" employers. The thinking, presumably, is that such statements will increase the diversity of their applicant pool and ultimately of their workforce. We know a lot about how effective these diversity statements are, and, unfortunately, the answer is "not very." They can even backfire by making organizations less likely to notice discrimination.

On the other hand, we know relatively little about the steps minority job seekers are taking to avoid anticipated discrimination. One way racial minorities may be trying to avoid discrimination is via a practice called "resume whitening" — concealing or downplaying racial cues on a job application to increase the chance of getting a callback for an interview. Resume whitening goes hand-in-hand with the desire to "tone down" or "downplay" race and to maintain a relatively "raceless" workplace identity.

To address this gap, we recently conducted three studies, which will appear in Administrative Science Quarterly, to learn more about whitening and how it is influenced by organizational diversity statements — and about how organizations respond to whitening.

In our first study, we interviewed black and Asian university students who were actively searching for jobs or internships. We found that roughly one-third of our sample had engaged in whitening, and two-thirds knew someone else who had. The main areas where this whitening occurred were with names (e.g., using a "white" first name such as Jenn instead of an Asian first name such as Jing) and descriptions of experience (e.g., dropping "Black" when listing membership in the "Black Engineering Students' Association"). Among the motivations that interviewees mentioned for whitening, the main reason was to tone down their race in order to avoid discrimination. Importantly, interviewees indicated that they whitened less or not at all when applying to jobs for employers who explicitly state that they value diversity.

In our second study, we tested whether minorities do indeed whiten less when applying for jobs that include pro-diversity statements. We tested this by creating job ads that did or did not mention diversity, asking half of the participants to craft resumes for the pro-diversity jobs and half to craft resumes for the jobs that did not mention diversity. We then compared the resumes that participants created during the experiment with their full resumes that they submitted to us beforehand. Sure enough, participants were half as likely to whiten their resumes when job ads included pro-diversity statements.

Finally, we wanted to examine the consequences of this resume whitening for employment decisions. We created realistic resumes for black and Asian applicants that varied in how much racial information was apparent. We sent these resumes out to 1,600 entry-level jobs posted on job search websites across 16 metropolitan areas in the U.S. Critically, half of these job ads mentioned valuing diversity and the other half did not, which allowed us to see whether diversity statements actually make a difference when it comes to hiring decisions. We created email accounts and phone numbers for our applicants and observed how many callbacks they received.

We found that the whitened versions of both the black and Asian resumes were more than twice as likely to result in a callback as unwhitened resumes, even though the listed qualifications were identical — in line with other studies showing lower callback rates for minority applicants. Most importantly, the discrimination against unwhitened resumes was no smaller for purportedly pro-diversity employers than for employers that didn't mention diversity in their job ad.

A critical implication of our studies is that to the extent that pro-diversity statements encourage job applicants to let their guard down and disclose more racial information, these statements may be doing more harm than good. If appeals to diversity encourage applicants to reveal racial cues to an organization that has not adequately addressed discriminatory hiring practices, then pro-diversity statements may effectively expose minorities to greater discrimination. Unless the biased evaluation of racial minorities in this critical step for entry into the labor market is addressed, pro-diversity statements may have the exact opposite of their intended effect.

So where do we go from here? Employers need to acknowledge that discrimination still exists and that bias is hardwired into the system. When we are asked to process large amounts of information quickly, cognitive biases such as prejudice and stereotyping tend to prevail. We need innovations in recruitment to disrupt the bias that exists in human brains. Technology may be able to help with this, as can policies such as blind recruitment, where information that could be a clue to any biasing characteristic including race, age, gender, or social class are removed from resumes before they reach the hands of hiring managers. Humans have limited cognitive capacity and naturally rely on shortcuts, so why not only provide the information relevant to the hiring decision?

Minority job seekers reading this might wonder whether they, too, should whiten their resumes, given that it seems to result in more callbacks. Although our results do indicate that whitening can lead to higher callback rates, it is important to remember that it can also mask an applicant's potential value to a firm. Some of our participants reported deleting prestigious scholarships or involvement in nationally recognized professional societies because these achievements highlighted their racial identities. Masking such accomplishments hides the full value that applicants bring to a job. The only way to get the most from our workforce is for employers and policy makers to implement real initiatives that thoroughly combat biased hiring practices. Moreover, resume whitening won't prevent employers from discriminating against job seekers during the interview process, or against new hires once they get in the door.

Organizations that put diversity initiatives into place do so with good intentions. They recognize that discrimination is a problem and that embracing diversity has substantial social and economic value. Simply advertising oneself as an equal-opportunity or diversity-friendly employer, however, does not solve the underlying problem of discrimination. Pro-diversity statements may give you a more diverse applicant pool, but it takes more to make workplaces truly fair and inclusive.

Sonia Kang is an assistant professor of organizational behavior and human resource management at the Institute for Management and Innovation at the University of Toronto Mississauga. Her research explores stigma, identity, and the challenges and opportunities of diversity.

Katherine DeCelles is an associate professor of organizational behavior and human resource management at the Rotman School of Management at the University of Toronto. Her research focuses on the intersection of organizational behavior and criminology and includes topics such as prison work, inequality, power and selfishness, and activism and aggression.

András Tilcsik is an assistant professor of strategic management and a Lee-Chin Institute Fellow at the Rotman School of Management at the University of Toronto. His research focuses on organizations, occupations, and work.

Sora Jun is a Ph.D. candidate in organizational behavior at the Graduate School of Business at Stanford University. Her research focuses on power and politics, hierarchies, and race and organizations.

Discussion Questions

The Unintended Consequences of Diversity Statements

BY SONIA KANG, KATHERINE DECELLES, ANDRÁS TILCSIK, AND SORA JUN

1. Have you ever engaged in résumé whitening? Or has someone you know?
2. Do senior-level people in your organization acknowledge that discrimination still exists and that bias is hardwired into the system? How would you rate your organization overall?
3. Should we adopt blind recruiting practices to prevent discrimination in hiring?
4. Are there ways that our organization could be more fair or inclusive? How can we ensure that the pro-diversity statements we present to job candidates aren't empty promises?

"Roughly one-third of our sample had engaged in [résumé] whitening, and two-thirds knew someone else who had."

"Whitened versions of both the black and Asian résumés were more than twice as likely to result in a callback as unwhitened résumés, even though the listed qualifications were identical."

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ARTICLE
DIVERSITY

Women and Minorities Are Penalized for Promoting Diversity

by Stefanie K. Johnson and David R. Hekman

Harvard Business Review

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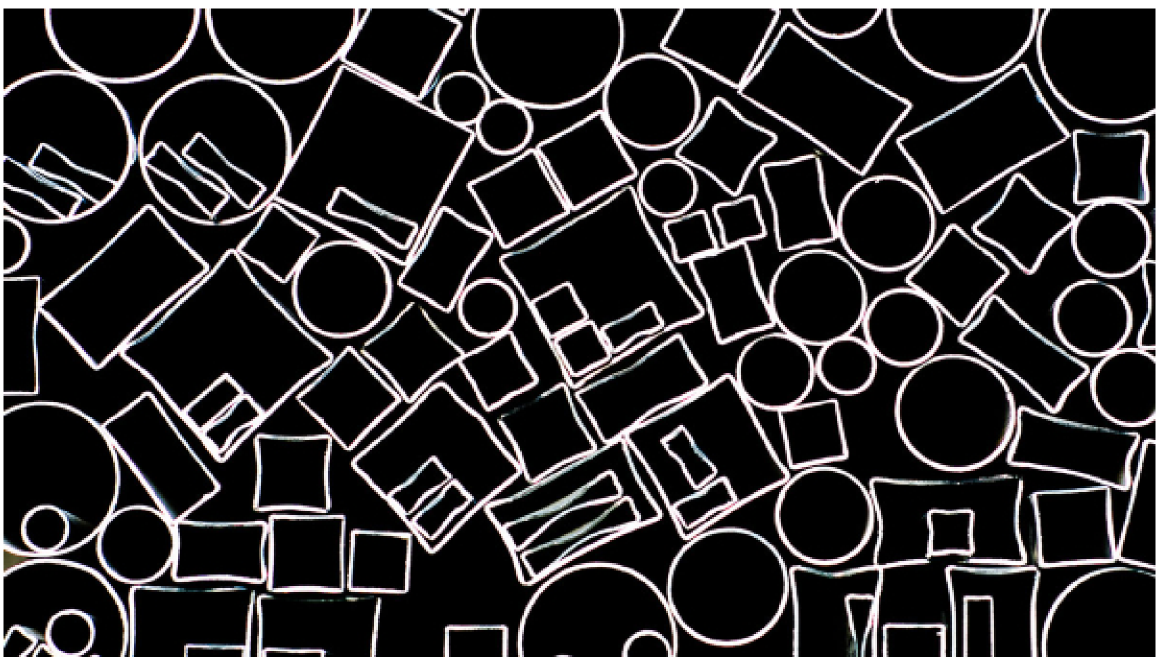

Roughly 85% of corporate executives and board members are white men. This number hasn't budged for decades, which suggests that white men are continuing to select and promote other white men.

It is well known that people tend to favor and promote those who are similar to them — and that this in-group bias is problematic because it reinforces stereotypes and inequality. However, while it is a common tendency, not everyone is allowed to advocate for their own group. Sometimes when women and minorities promote their own group, it garners criticism from others.

We see this play out in all kinds of contexts. For example, both Madeleine Albright and Gloria Steinem were criticized for telling young women that they should support presidential candidate Hillary Clinton. Likewise, Rosalind Brewer, an African-American woman and Sam's Club CEO, was called racist for advocating for diversity. These widely publicized examples demonstrate that women and minorities are scrutinized when they try to favor those like them, in a way that white men are not.

This idea prompted us to examine whether women and nonwhite executives really are penalized if they help other women and minorities — and why that may be happening. In our research, recently published in the Academy of Management Journal, we surveyed 350 executives on several diversity-valuing behaviors – e.g., whether they respected cultural, religious, gender, and racial differences, valued working with a diverse group of people, and felt comfortable managing people from different racial or cultural backgrounds. We defined diversity-valuing behavior as that which promotes demographic balance within organizations.

By balance we mean the organizational demographic profile resembles the demographic make-up of the broader geographic area. Thus gender balance would involve a 50/50 split between men and women employees, and racial balance would involve the same percentage of minorities working within an organization as there are in the surrounding region.

Much to our surprise, we found that engaging in diversity-valuing behaviors did not benefit any of the executives in terms of how their bosses rated their competence or performance. (We collected these ratings from their 360-degree feedback surveys.) Even more striking, we found that women and nonwhite executives who were reported as frequently engaging in these behaviors were rated much *worse* by their bosses, in terms of competence and performance ratings, than their female and nonwhite counterparts who did not actively promote balance. For all the talk about how important diversity is within organizations, white and male executives aren't rewarded, career-wise, for engaging in diversity-valuing behavior, and nonwhite and female executives actually get punished for it.

To see if we could replicate this effect, we asked 307 working adults to review a hiring decision made by a fictitious manager. Participants read a description of the hiring decision, saw a photo of the manager that revealed their race and gender, and then completed a survey where they rated the manager on competence and performance.

Participants rated nonwhite managers and female managers as less effective when they hired a nonwhite or female job candidate instead of a white male candidate. Similar to our first study, it didn't matter whether white male managers chose to hire a white male, white female, nonwhite male, or nonwhite female — there was no difference in how participants rated their competence and performance. Basically, all managers were judged harshly if they hired someone who looked like them, unless they were a white male.

So why does this happen? We know that in the U.S., there is still a power and status gap between men and women and between whites and nonwhites. High status groups, mainly white men, are given freedom to deviate from the status quo because their competence is assumed based on their membership in the high status group. In contrast, when women and nonwhite leaders advocate for other women and nonwhites, it highlights their low-status demographics, activating the stereotype of incompetence, and leads to worse performance ratings.

This has serious implications. Our set of studies suggest that it's risky for low-status group members to help others like them. And this can lead to women and minorities choosing *not* to advocate for other women and minorities once they reach positions of power, as they don't want to be perceived as incompetent, poor performers.

Our research set out to determine whether penalties against nonwhite and women leaders for engaging in diversity-valuing behavior may serve to reinforce the "glass ceiling" on achievement for these groups. We found clear and consistent evidence that women and ethnic minorities who promote diversity are penalized in terms of how others perceive their competence and effectiveness. This might help explain why nonwhite job applicants who include experiences related to their ethnicity on their resumes are more likely to be passed over for jobs — even at companies that openly value diversity.

Of course, our research does have some limitations. In the field study we measure perceptions of leaders' diversity-valuing behavior using peer ratings rather than actually observing leaders' behavior. Naturally, it is possible that these evaluations are also subject to unconscious biases; however, we tried to overcome this limitation in the second study in which we manipulated leader behavior. While the experimental setting of the second study does not have the realism of the first, we believe that, together, they provide compelling evidence of these negative effects.

As organizations seek to reflect the broader societies in which they operate, increasing racial and gender balance is becoming more urgent. The harsh reality discussed here highlights the importance of putting appropriate structures and processes in place to guarantee the fair evaluation of women and minorities. The challenge of creating equality should not be placed on the shoulders of individuals who are at greater risk of being crushed by the weight of this goal.

Stefanie K. Johnson is currently an assistant professor of management and entrepreneurship at University of Colorado's Leeds School of Business. Her primary research relates to leadership, leader development, and diversity in organizations. She has published over 40 journal articles and book chapters in outlets such as *Academy of Management Journal*, *Journal of Applied Psychology*, and *Organizational Behavior and Human Decision Processes*. She earned her Ph.D. at Rice University.

David R. Hekman is an associate professor of management and entrepreneurship at the University of Colorado's Leeds School of Business. His work has been published in *Academy of Management Journal*, *Journal of Applied Psychology*, and *Organization Science*, and he is focused on improving organizational health by examining remedies for pervasive workplace racial and gender biases, sources of professional workers' motivation, and sources and outcomes of virtuous leadership. He earned his Ph.D at the University of Washington's Foster School of Business.

Discussion Questions

Women and Minorities Are Penalized for Promoting Diversity

BY STEFANIE K. JOHNSON AND DAVID R. HEKMAN

1. Has anyone in the group ever felt that they were penalized for advocating on behalf of their race or gender (or another aspect of their identity)? Have you ever witnessed this happening to someone else at our organization?
2. How can we ensure that our evaluation systems fairly assess women and minorities?
3. Are there ways we could be rewarding people who engage in diversity-valuing behaviors instead of penalizing them?

"For all the talk about how important diversity is within organizations, white and male executives aren't rewarded, career-wise, for engaging in diversity-valuing behavior, and nonwhite and female executives actually get punished for it."

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ARTICLE
GENDER

Why So Many Thirtysomething Women Are Leaving Your Company

by Christie Hunter Arscott

Harvard Business Review

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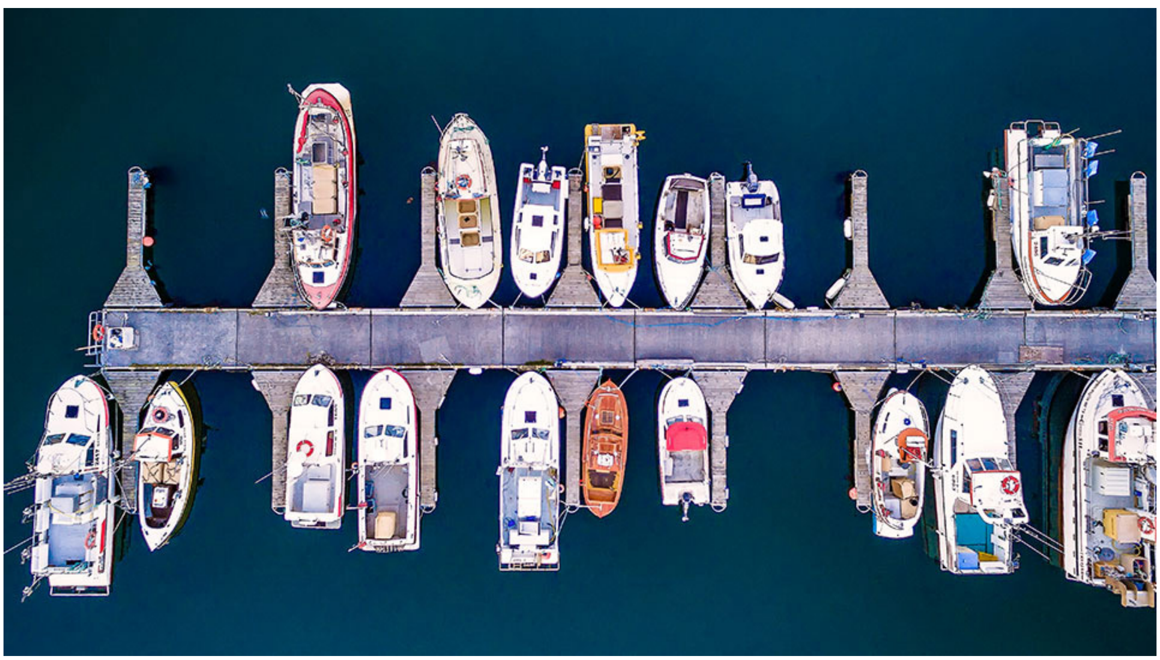
Why So Many Thirtysomething Women Are Leaving Your Company

by Christie Hunter Arscott

MARCH 15, 2016



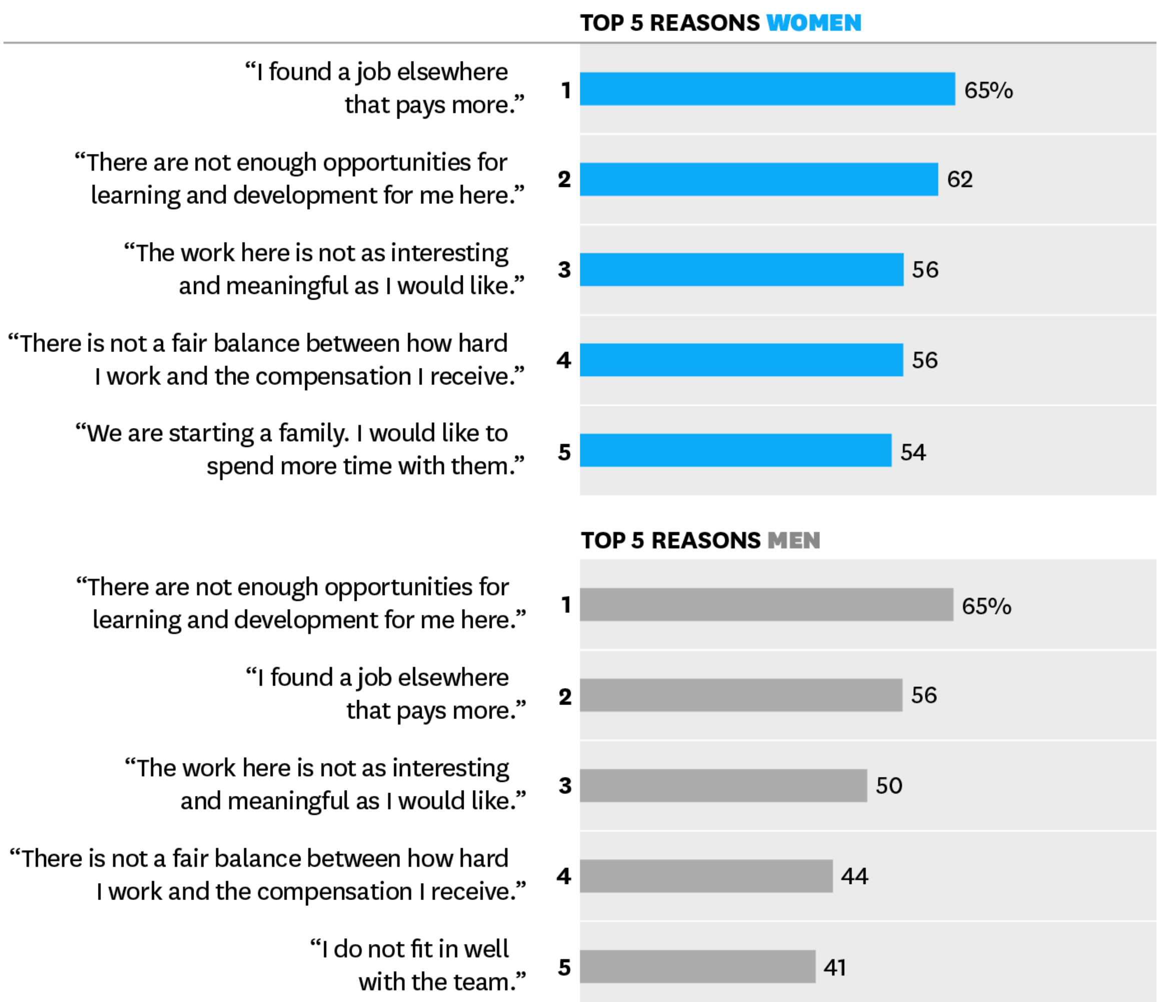
What is the main reason women in their early thirties are leaving your company?

Organizational leaders report that women are leaving primarily because of flexibility needs and family demands. Women in their thirties disagree.

A recent global ICEDR study revealed that leaders believe that the majority of women around the age of 30 leave because they are struggling to balance work and life or planning to have children, whereas men leave because of compensation. However, according to women themselves (and in sharp contrast to the perceptions of their leaders), the primary factor influencing their decision to leave their organizations is pay. In fact, women are actually more likely to leave because of compensation than men.

Not only are women's reasons for leaving misunderstood, differences between women and men are overstated. Four out of the five top reasons thirtysomething women and men leave organizations overlap.

The Top 5 Reasons People in Their 30s Leave Companies



SOURCE ICEDR

This research boils down to two simple findings. Firstly, women care about pay. Secondly, women and men leave organizations for similar reasons. Based on these insights, here are a few key actions that leaders can take:

- **Ask, don't assume:** Women in their thirties should play an integral role in developing talent retention strategies. Instead of talking about them, talk with them. Want to know why women are leaving your organization? Don't assume. Ask them and then develop data-driven strategies based on these findings. To be successful, retention initiatives must be rooted in the needs and desires of the talent segments that they are designed to target.

- **Address challenges beyond family and flexibility:** While options for flexibility and work-life balance are important, the bottom line is that motherhood is not the primary reason why talented women are leaving organizations. Focusing retention strategies on this alone, without also considering pay and compensation fairness, will ultimately jeopardize retention and advancement efforts.

- **Propose women's strategies as broader talent strategies:** Gender appears to have little impact on an individual's reasons for leaving an organization. This is good news for organizational leaders. By implementing strategies and programs informed by the needs and desires of women, leaders will simultaneously be addressing what matters most to broader talent pools, men included. There is less of a need to segment and complicate talent strategies by gender. Instead, there is the opportunity to create broad impact through strategies that address the desires of both mid-career women and men.

As a result of the misperceptions about why women leave their organizations, there is a disconnect between current talent retention strategies and the desires of top female talent. While work-life balance, flexibility, and family are important, they are not the only — or even the primary — reasons women leave companies. With men and women expressing similar concerns about why they leave their jobs, leaders have the opportunity to retain and advance their top talent, both male and female, by focusing on common priorities: pay and fair compensation.

Christie Hunter Arscott is a leading millennial expert on gender and generational strategies. She is a Rhodes Scholar, World Economic Forum Global Shaper, and Principal of ICEDR's NextGen Women's Leadership Institute. She's on Twitter at @CHunterArscott.

Discussion Questions

Why So Many Thirtysomething Women Are Leaving Your Company

BY CHRISTIE HUNTER ARSCOTT

1. Does your organization have talent retention strategies targeted at thirtysomething women? If so, has input from women in this demographic shaped those policies?

2. Do your company's retention and advancement strategies for midcareer women differ from those targeting men of the same age?

3. Do your retention and advancement strategies focus on flexibility and work-life balance to the exclusion of pay and compensation fairness?

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ARTICLE
RACE

The Biases That Punish Racially Diverse Teams

by Katherine W. Phillips, Robert B. Lount, Jr., Oliver Sheldon and Floor Rink

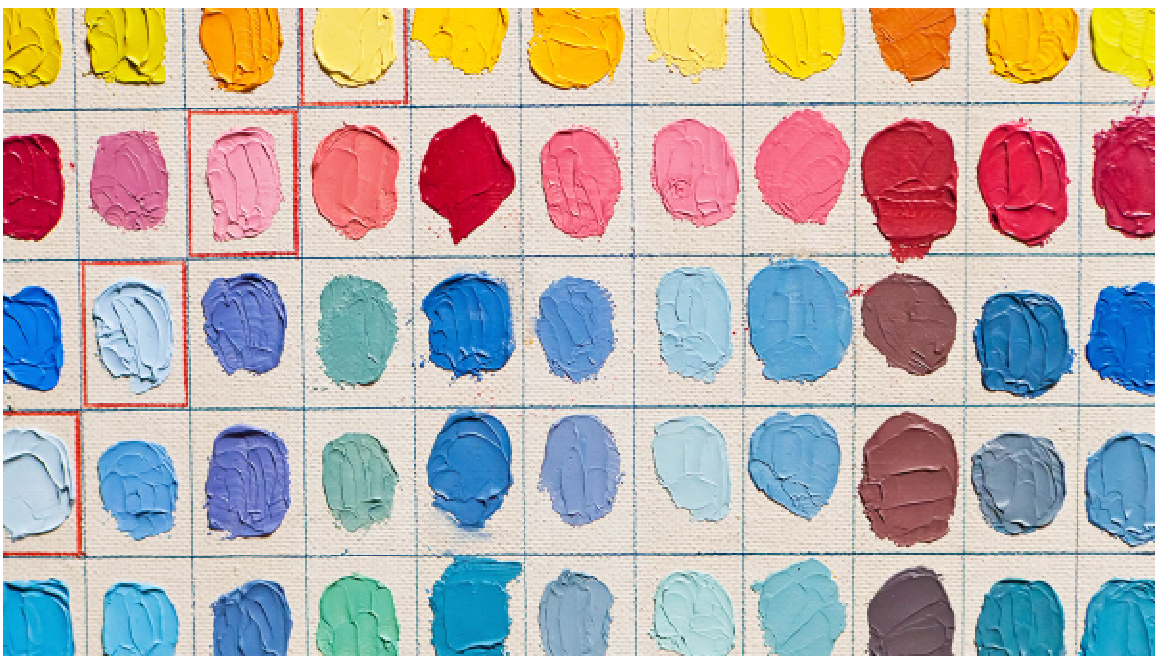
Harvard Business Review

RACE

The Biases That Punish Racially Diverse Teams

by Katherine W. Phillips, Robert B. Lount, Jr., Oliver Sheldon and Floor Rink

FEBRUARY 22, 2016



Tech companies, banks, consulting firms, you name it — all are scrambling to create diverse and inclusive environments. But despite pouring millions of dollars annually into diversity efforts, organizations sometimes fail to capture the benefits that diverse groups reportedly offer.

One possibility for this failure is that the purported benefits of diversity are more hype than reality, but that's unlikely given the ample research that speaks against this claim. Racially diverse groups of jurors exchange a wider range of information during deliberations than racially homogeneous groups, for example. Diverse groups of traders are less likely to make inaccurate judgments when trading stocks. Gender diversity in top management teams improves firm performance, especially when innovation is a strategic focus. And our own past research helped establish the fact that the *mere presence* of diversity can lead groups to work harder, share unique perspectives, be more open to new ideas, and perform better, especially when groups need to share information and resolve differences of opinion.

So why the disconnect between the potential of diverse groups and reality? Part of the problem may be the fact that people's biases about diverse groups, both conscious and unconscious, can undermine the very benefits of diversity.

To examine this hypothesis, we conducted a series of experiments in which participants made judgments about the level of conflict in a group's interactions. They also rated their willingness to provide that group with the resources it requested. With this approach we were able to hold constant the content of the interaction — every participant either read the same exact transcript, watched the same video interaction, or listened to the same discussion among a group of four members. The only thing that changed was the racial composition of the individuals in the group. Homogeneous groups were either all-white or all-black, and diverse groups had two whites and two blacks in the group.

The findings were striking. When reading a transcript with pictures revealing the group's composition, racially diverse teams were perceived as having more relationship conflict than homogeneous ones. And they were less likely to receive additional resources because of these biased perceptions of conflict — even though the objective content of the group interaction was *exactly* the same.

We tried it again — maybe it was something about the written transcript that left some things to the imagination of the participant. This time we hired actors to create videotaped discussions for our participants to watch. We were very careful to ensure that content, tone, and behavior of the actors was the same across the videos. Again, the only thing we changed was the composition of the group — it was either diverse or homogeneous — and we saw the same pattern emerge. Diverse groups were perceived as having more relationship conflict, and because of this, financial resources were less likely to be given to them than to homogeneous groups. The diverse groups were handicapped, potentially derailing future success.

In our final study we used audiotaped discussions and photos of the group members to appear racially diverse or homogenous and found the same pattern of results. Importantly we learned from this last experiment that it is only when groups are experiencing moderate and somewhat ambiguous levels of conflict that there is a clear bias against diverse teams. When the conflict was very clear and high, homogeneous and diverse teams were equally less likely to receive funding.

There are two important observations that make these findings compelling — it wasn't just that the presence of more black members made people think the groups had more relationship conflict. Groups of all blacks were rated the same as groups of all whites. It was only when there was a diverse racial composition that this biased assessment emerged. Second, participants in our studies also assessed how much task conflict existed in the groups and here no differences were found. It was only the assessment of relationship conflict that varied and undermined the willingness to support the diverse teams.

So what can organizations do to combat this bias against diverse groups? At a basic level, an important first step is to cultivate an awareness of this bias in those responsible for evaluating diverse teams. Relationship conflict, in fact, is not necessarily a sign that things are going completely wrong or can't be resolved. It may be the result of differing information, perspectives, and worldviews being worked through to allow innovation, better problem solving, and accurate decisions to emerge. Remember that your assessment of the severity of the conflict might be lower if it was happening in an equivalent homogeneous group.

Second, managers should rely upon clear standards of performance set before — not during — group observation instead of making performance and resource determinations in the middle of the process. Another way to measure performance could be having people who were *not* able to observe the group process be involved in the evaluation of the outcomes. These evaluators should also be blind to the composition of the team if possible. This should help reduce bias against diverse teams the same way blind auditions in orchestras helped eliminate bias against female musicians. By disconnecting the process and composition from the actual performance of the groups, the benefits of diversity might be seen more clearly.

Finally, a little advice for the diverse teams themselves: You have to play offense and ensure that managers see and value when things are going smoothly on the team. Celebrate your outcomes, even when they come from what may look like a messy process to others. And make sure those evaluating you know as much about when things are going well as they do about when things seemingly aren't. Without counter information, managers' biases may stunt the progress of diverse teams, and unwittingly undermine the opportunity for the benefits of diversity to emerge in the organization.

Katherine W. Phillips is the Paul Calello Professor of Leadership and Ethics and the senior vice dean at the Columbia Business School. Her research focuses on the areas of diversity, stereotyping, status, identity management, information sharing, minority influence, decision making, and performance in work groups.

Robert B. Lount, Jr. is an associate professor of management at the Fisher College of Business at the Ohio State University. He received his Ph.D. from the Kellogg School of Management at Northwestern University. His research focuses on how group composition and social status shape decision making, motivation, trust, and performance.

Oliver Sheldon is an assistant professor of Management and Global Business at Rutgers Business School. His research investigates triggers of interpersonal competition and conflict within small groups and teams, with the aim of shedding light on how organizations might improve coordination and collaboration among employees.

Floor Rink is a professor in Organizational Behavior at the Faculty of Economics and Business from the University of Groningen in the Netherlands. She examines how people respond to diversity and change within organizations and how people's decisions are influenced by organizational norms and regulations.

Discussion Questions

The Biases That Punish Racially Diverse Teams

BY FLOOR RINK, KATHERINE W. PHILLIPS, OLIVER SHELDON, AND ROBERT B. LOUNT, JR.

1. Think of a time when you negatively evaluated a team—looking back, is it possible that your perception of the relationship conflict in the group colored your perception of its performance?

2. Are some of the teams in your organization more diverse than others? Do you believe these teams are assessed in the same way as the less-diverse teams?

3. Do you have standard performance metrics by which all teams are measured? Are resource determinations made according to these established definitions of success? If not, how can you remedy the problem?

4. Is it feasible to involve people who were not able to observe the team in the performance evaluation process?

5. Are you part of a diverse team? If so, what can you and your teammates do to ensure that group performance is measured accurately and fairly? Do you notify managers when things are going smoothly, or only when they're going wrong? Do you celebrate your successes, even if the process that got you there was a little messy?

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ARTICLE
TALENT MANAGEMENT

LGBT-Inclusive Companies Are Better at 3 Big Things

by Sylvia Ann Hewlett and Kenji Yoshino

Harvard Business Review

TALENT MANAGEMENT

LGBT-Inclusive Companies Are Better at 3 Big Things

by Sylvia Ann Hewlett and Kenji Yoshino

FEBRUARY 02, 2016

For the first time in the history of Davos, LGBT rights made the official agenda at the World Economic Forum. Business leaders including Beth Brooke-Marciniak, the global vice chair for public policy at EY, and Shamina Singh, the executive director of the Mastercard Center for Inclusive Growth, spoke at length about the unparalleled opportunity businesses have to make a difference in the lives of LGBT individuals around the world. "Multinational companies have enormous economies and employ millions of people," said Brooke-Marciniak. "This gives them the ability to influence change on this issue in a unique and powerful way."

LGBT inclusion is top of mind for the business community — and not just because it's the right thing to do. The Center for Talent Innovation's newest report, "Out in the World: Securing LGBT Rights in the Global Marketplace," demonstrates that countering LGBT discrimination makes a corporation competitive on three fronts. Fostering an LGBT-inclusive workplace helps a company attract and retain top talent, woo and win critical consumer segments, and innovate for underserved markets.

LGBT-inclusive companies attract and retain top talent. It's really no surprise that LGBT employees want to work for a company that allows them to bring their authentic selves to work, but the appeal of LGBT inclusivity goes far beyond LGBT employees. We find that the vast majority of allies — non-LGBT individuals who support and advocate for LGBT individuals in the wider community — prefer to work for inclusive companies: a stunning 72% of ally respondents say that, all else being equal, they are more likely to accept a job at a company that is supportive of LGBT employees than one that is not supportive. Inclusive policies for LGBT individuals send a friendliness cue that resonates with other employees, even when they are not active allies.

Not only are inclusive workplaces more attractive to potential talent, but they also ensure that current employees stay committed and engaged. LGBT and ally employees at inclusive companies are significantly more likely to say they are proud to work for their employer (84% versus 68%) and more likely to "go the extra mile" for company success (84% versus 73%) than those at companies that have a negative attitude toward LGBT employees.

Another benefit that does not go unnoticed by top talent: inclusive companies provide a positive environment for all employees to reach their full potential. At BNY Mellon, for example, allies get the support and feedback they need to stand up to prejudice through the company's Ally Campaign. "The idea is to give people a safe place to share their story as an LGBT ally," says Lane Cigna, associate director of corporate communications at BNY Mellon. "Through our Ally Campaign, we were introduced to colleagues who want to be allies because their LGBT or transgender children and relatives have been bullied. They were straight allies who'd lost gay siblings and friends." Oftentimes, Cigna says, allies need encouragement and support just as much as LGBT employees to reach their full potential in the workplace.

LGBT-inclusive companies win the business and loyalty of discerning consumers. Seventy-one percent of LGBT respondents and 82% of allies across our multimarket sample say they are more likely to purchase from a company that supports LGBT equality — critical majorities, given that global LGBT buying power is estimated at $3.7 trillion. The global ally market has yet to be properly quantified, but with close to three-quarters of CTI survey respondents in the U.S. self-identifying as LGBT allies, it's bound to be a consumer segment that companies can ill afford to overlook.

Some companies, like American Express, are already tapping these segments. In 2012, the company's PRIDE network launched a Shop Small marketing initiative in Provincetown, a popular LGBT destination, to entice LGBT and ally cardholders to spend more at local small businesses. The campaign was a runaway success: card spending grew by double digits. American Express has since extended Shop Small to 10 locations in the U.S., and plans are in the works for an LGBT Shop Small campaign in Brighton, United Kingdom, as well.

LGBT-inclusive companies harness the insight of LGBT employees to drive market innovation. CTI research shows that teams with members whose sexual orientation matches the target consumer's are much more likely to understand the market.

The market success of Out Leadership founder Todd Sears illustrates just how valuable that end-user insight can be. While at Merrill Lynch, Sears worked to secure the firm's presence in the LGBT community by crafting seminars that addressed the estate-planning challenges faced by LGBT clients. Within a year, his marketing team grew to 10 financial advisors in six cities; internally, his team educated more than 250 Merrill Lynch financial advisors to better serve LGBT clients around the globe. Sears's initial target was to bring in $24 million in 24 months. Over the next four years, his team brought in $1.4 billion.

So what can global companies do to become more LGBT inclusive? The "Out in the World" report provides three models tailored to different legal and cultural environments: the "When in Rome" model; the "Embassy" model; and the "Advocate" model. As the name suggests, when employing the "When in Rome" model companies adhere to the norms and local laws of the jurisdiction. The "Embassy" model, on the other hand, allows companies to enforce pro-LGBT policies within their own walls, but does not push for change in the wider community. Finally, companies adopting the "Advocate" model actively seek to effect change even outside the office.

One company can utilize all three models at once depending on the jurisdictions in which they are located — for example, adopting an "Embassy" stance in one locale that is legally welcoming, but culturally hostile, to LGBT individuals, while simultaneously pushing more publicly for LGBT rights in another location where the law lags behind cultural acceptance.

Corporate leaders around the globe are beginning to recognize that when they stand up for LGBT people — including their own employees, clients, customers, and consumers — they promote justice while also serving their bottom line. As Brooke-Marciniak so eloquently put it, "If the private sector is leading inclusive cultures within the walls of their companies, they can lead the cultural change to create a more inclusive society."

Sylvia Ann Hewlett is the founder and CEO of the Center for Talent Innovation and the founder of Hewlett Consulting Partners LLC.

Kenji Yoshino is the Chief Justice Earl Warren Professor of Constitutional Law at NYU School of Law. He is the author of three books: *Speak Now: Marriage Equality on Trial* (2015); *A Thousand Times More Fair: What Shakespeare's Plays Teach Us About Justice* (2011); and *Covering: The Hidden Assault on Our Civil Rights* (2006).

Discussion Questions

LGBT-Inclusive Companies Are Better at 3 Big Things

BY SYLVIA ANN HEWLETT AND KENJI YOSHINO

1. Were you surprised to hear that 72% of LGBT allies reported that they were more likely to accept a job at a company that is supportive of LGBT employees than one that is not supportive?

2. How would you rate your company on a scale of 1-10 in its treatment of LGBT employees? Have you witnessed any anti-LGBT discrimination?

3. Is the treatment of LGBT employees important to you on personal and professional levels?

4. Given that global LGBT buying power is estimated at $3.7 trillion and the success of campaigns like American Express's Shop Small, is your company doing enough to appeal to this customer demographic? Should you be doing more?

5. What are the pros and cons associated with the three models for LGBT inclusion mentioned in the article, the "When in Rome," "Embassy," and "Advocate" models? Is one a better fit for your organization than the others? Could you adopt all three in different jurisdictions?

"A stunning 72% of [LGBT] ally respondents say they are more likely to accept a job at a company that is supportive of LGBT employees than one that is not supportive."

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ARTICLE
GENDER

The 5 Biases Pushing Women Out of STEM

by Joan C. Williams

Harvard Business Review

GENDER

The 5 Biases Pushing Women Out of STEM

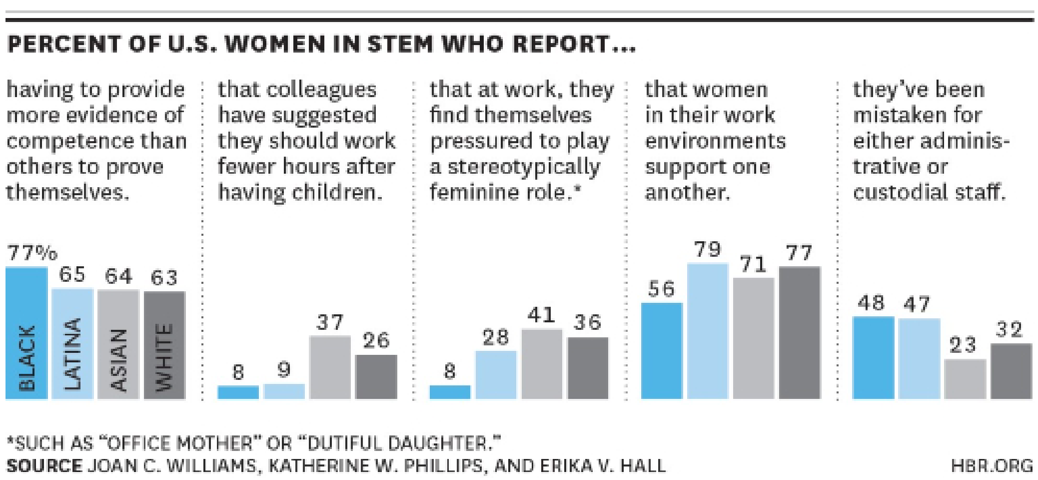
by Joan C. Williams
MARCH 24, 2015

By now, we've all heard about the low numbers of American women in science, technology, engineering, and math (STEM). Some argue it's a pipeline issue – that if we can interest more young girls in STEM subjects, the issue will resolve itself over time. But that's not convincing. After all, the percentage of women in computer science has actually *decreased* since 1991.

Another theory is that women are choosing to forgo careers in STEM to attain better work-family balance—rather than being pushed out by bias. But evidence for that is also thin. Several new studies add to the growing body of evidence that documents the role of gender bias in driving women out of science careers. A 2012 randomized, double-blind study gave science faculty at research-intensive universities the application materials of a fictitious student randomly assigned a male or female name, and found that both male and female faculty rated the male applicant as significantly more competent and hirable than the woman with identical application materials. A 2014 study found that both men and women were twice as likely to hire a man for a job that required math.

My own new research, co-authored with Kathrine W. Phillips and Erika V. Hall, also indicates that bias, not pipeline issues or personal choices, pushes women out of science – and that bias plays out differently depending on a woman's race or ethnicity.

We conducted in-depth interviews with 60 female scientists and surveyed 557 female scientists, both with help from the Association for Women in Science. These studies provide an important picture of how gender bias plays out in everyday workplace interactions. My previous research has shown that there are four major patterns of bias women face at work. This new study emphasizes that women of color experience these to different degrees, and in different ways. Black women also face a fifth type of bias.



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Pattern 1: Prove-it-Again. Two-thirds of the women interviewed, and two-thirds of the women surveyed, reported having to prove themselves over and over again – their successes discounted, their expertise questioned. "People just assume you're not going to be able to cut it," a statistician told us, in a typical comment. Black women were considerably more likely than other women to report having to deal with this type of bias; three-fourths of black women did. (And few Asian-American women felt that the stereotype of Asian-Americans as good at science helped them; that stereotype may well chiefly benefit Asian-American men.)

Experimental social psychologists have documented this type of bias over and over again in college labs, but this is the first time someone has taken that experimental literature and asked women whether it describes their experience in actual workplaces. It does.

Pattern 2: The Tightrope. Women need to behave in masculine ways in order to be seen as competent—but women are expected to be feminine. So women find themselves walking a tightrope between being seen as too feminine to be competent, and too masculine to be likable. More than a third (34.1%) of scientists surveyed reported feeling pressure to play a traditionally feminine role, with Asian Americans (40.9%) more likely than other groups of women to report this. About half of the scientists we surveyed (53.0%) reported backlash for displaying stereotypically "masculine" behaviors like speaking their minds directly or being decisive.

"I've gotten remarks like, 'I didn't expect someone Indian…and female to be like this," said a micro-biologist. An astrophysicist told us she'd had to "damp down" her ambition and "become as amiable as possible," going as far as to hide prizes and media attention. On the other hand, if women are assertive, direct, outspoken, or competitive, they may face dislike or even ostracism. "I'm pretty aggressive," said a Latina bioengineer. "I find that both men and women…are going to immediately call [you a] witch. I'd use another word but it would be rude."

Black and Latina women are particularly at risk for being seen as angry when they fail to conform to these restrictive norms. A biologist noted that she tends to speak her mind very directly, as do her male colleagues. But after her department chair angrily told her, "don't talk to me like that" she felt she had to "put cotton candy in my mouth." She now does a lot of deferring, framing her requests as, "I can't do this without your help." She explains, "I had to put him in that masculine, 'I'll take care of it role' and I had to take the feminine 'I need you to help me, I need to be saved' role.'" A cancer biologist reported that she refrained from getting too animated in lab meetings, lest she trigger the "angry black woman" stereotype.

Pattern 3: The Maternal Wall. When professional women have children, they often find themselves running into a wall: their commitment and competence are questioned, and opportunities start drying up. Nearly two-thirds of the scientists with children reported running into this form of bias, across all races and ethnic groups. Women felt they were competing with men who had stay-at-home wives, and that colleagues often assumed that they would lose their drive after they had children.

"I have to fight very hard to show that I am good scientist as well as good mother," said an Asian-American immunologist.

"There is an assumption," noted a black microbiologist, "that your career is more of a hobby than a career, and you're only going to do it until you find a husband and/or have a family."

Pattern 4: Tug-of-War. Studies show that women who have encountered discrimination early in their careers often distance themselves from other women. An Asian-American statistician described how an older woman who “probably had to go through hell” made sure younger women did, too. This is just one of several ways gender bias can fuel conflict between different generations of women.

It’s not inevitable: about three-fourths of the women scientists surveyed reported that women in their work environments supported each other. And yet about a fifth of the scientists surveyed reported “I feel like I am competing with my female colleagues for the ‘woman’s spot’” – another common cause of conflict among women in organizations that are predominantly male.

Pattern 5: Isolation. Our new study uncovered a fifth pattern of bias that seems to apply mainly to black and Latina women. On our survey, 42% of black women agreed that “I feel that socially engaging with my colleagues may negatively affect perceptions of my competence,” only slightly more often than Latinas (38%), Asian-American women (37%), and white women (32%) – but in our interviews, black women mostly mentioned this pattern.

“A lot of times,” said a microbiologist, “There are things that people exclude me from because they say, ‘Oh, she’s going to be the only black person there… just don’t invite her, she won’t feel comfortable.’”

“You don’t know who you can trust,” said a biologist. “This has been a very lonely life.”

In some cases, the women intentionally kept their personal lives hidden in order to maintain their authority. One scientist said she avoided socializing with her colleagues because “to me, that lessens your authority.”

“I do not discuss personal things with people,” said another microbiologist. “Judge me for me, not my personal life.” She said she kept her personal life separate because “I don’t want anything in my family life to be used against me.”

A Latina geographer had a different take on social isolation, saying that white people are “afraid of people of color in a way, like just worried they’re going to say the wrong thing or do the wrong thing. So they avoid that entirely.”

These five major patterns of bias mainly function as implicit biases, reflecting stereotypes people may not realize they have. But we also found plenty of evidence that old-fashioned, explicit racial stereotypes are alive and well.

One black biologist recalled an advisor who turned to her and asked, “Hey, do you have any family on drugs or in jail?” Another remembered a comment a professor made about how she would know all about rats because she came from an urban area. “Everyone laughed,” she said, and no one understood why she was offended.

“I have actually heard people discuss Hispanic people as being lazy,” said a Latina in anatomy, in a stereotype that came up again and again in our interviews. And Asian-American women reported that people frequently assumed they were foreigners. Said a physicist, “I’ve had a number of conversations where people ask me where am I from. And the answer, ‘I’m from Pittsburgh,’ is really not what they want.” She’s often told she speaks English “surprisingly well.” Given that she was born, raised, and educated in the U.S., “I should speak English surprisingly well,” she said dryly.

And notably, nearly half of black women (48%) and Latinas (47%) report having been mistaken for administrative or custodial staff, an experience far less common for white (32%) and Asian-American (23%) women scientists.

It’s so tempting to attribute the paucity of women in STEM to pipeline problems or personal choices. But it’s time to listen to women scientists: they think the issue’s gender bias, and an increasing amount of research supports that view.

If organizations are truly interested in retaining and advancing women, they will approach the issue of gender bias the same way they do other business issues: develop objective metrics and hold themselves to meeting them.

Joan C. Williams is Distinguished Professor of Law and Founding Director of the Center of WorkLife Law at the University of California, Hastings College of the Law.

Discussion Questions

The 5 Biases Pushing Women Out of STEM

BY JOAN WILLIAMS

1. Has anyone here been personally affected by any of these biases or know someone else who has been?
2. Do any of them stand out as a particular problem at your organization?
3. Do women in your workplace support each other? If not, can you think of ways to encourage greater support?
4. Have you ever experienced explicit racism or sexism at the office or know someone else who has?

"About half of the scientists we surveyed (53.0%) reported backlash for displaying stereotypically 'masculine' behaviors like speaking their minds directly or being decisive."

"Nearly half of black women (48%) and Latinas (47%) report having been mistaken for administrative or custodial staff, an experience far less common for white (32%) and Asian-American (23%) women scientists."

Harvard Business Review

ARTICLE
GENDER

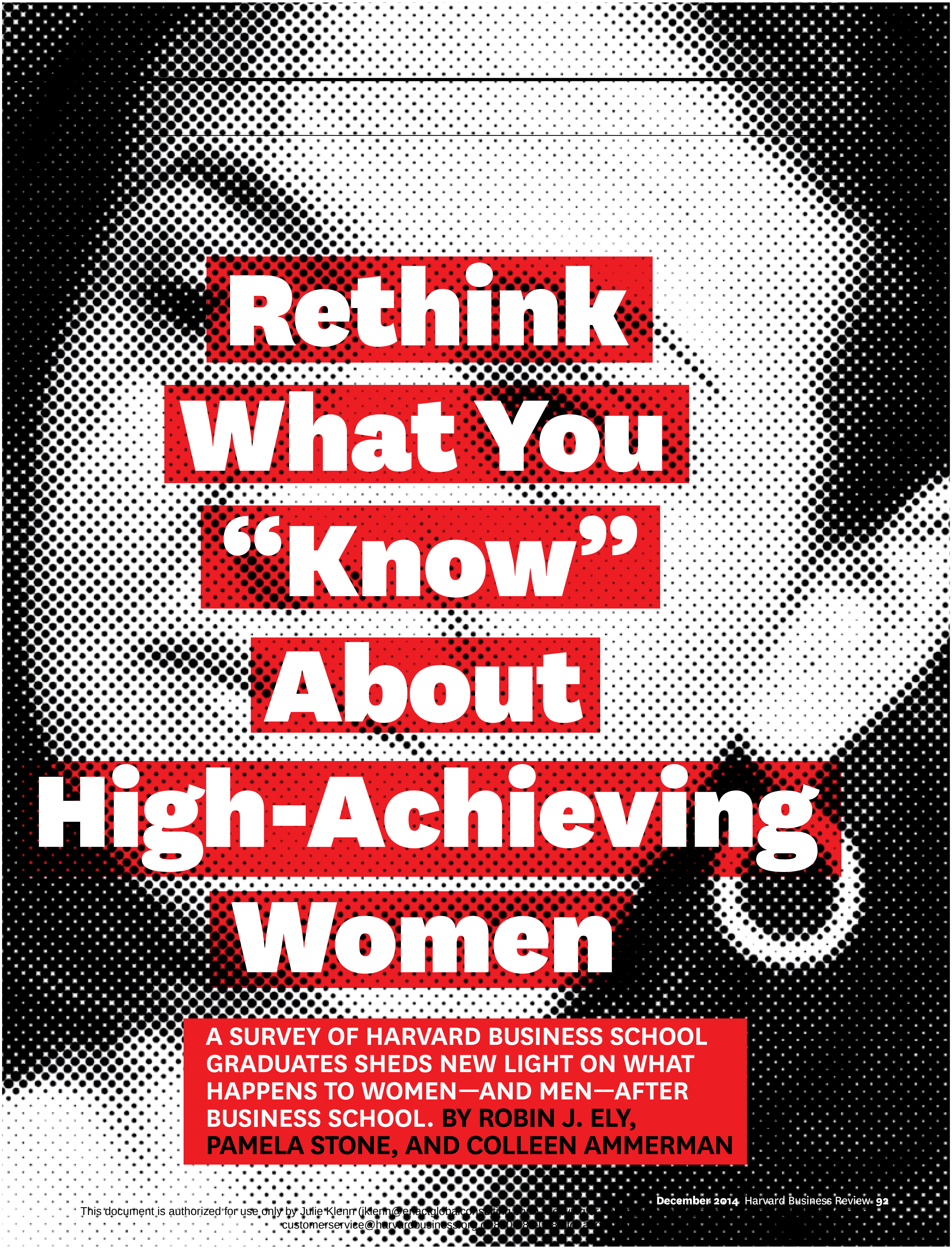
Rethink What You "Know" About High-Achieving Women

by Robin J. Ely, Pamela Stone, and Colleen Ammerman

Robin J. Ely is the Diane Doerge Wilson Professor of Business Administration and the senior associate dean for culture and community at Harvard Business School.

Pamela Stone is a professor of sociology at Hunter College and the Graduate Center of the City University of New York and the author of *Opting Out? Why Women Really Quit Careers and Head Home*.

Colleen Ammerman is the assistant director of the Gender Initiative at Harvard Business School.



Rethink What You "Know" About High-Achieving Women

A SURVEY OF HARVARD BUSINESS SCHOOL GRADUATES SHEDS NEW LIGHT ON WHAT HAPPENS TO WOMEN—AND MEN—AFTER BUSINESS SCHOOL. BY ROBIN J. ELY, PAMELA STONE, AND COLLEEN AMMERMAN

As researchers who have spent more than 20 years studying professional women, we have watched with interest the recent surge in attention paid to women's careers, work-family conflict, and the gender gap in leadership. Among the most visible contributions to this public conversation have been Anne-Marie Slaughter's 2012 *Atlantic* article "Why Women Still Can't Have it All" and Sheryl Sandberg's book *Lean In,* both of which ignited fierce public debate.

A lot of ink has been spilled on these topics, and both individuals and organizations have focused on gender gaps in business and other sectors. Can anything more be said? The 50th anniversary of the admission of women to Harvard Business School's MBA program inspired us to find out—specifically, to learn what HBS graduates had to say about work and family and how their experiences, attitudes, and decisions might shed light on prevailing controversies.

We trained our analytical lens on these graduates for two reasons. First, attending a top-tier business school is a reasonable indication of high levels of achievement, talent, ambition, and promise, and by looking at men and women who graduated from the same school, we had a level playing field for gender comparisons. Second, HBS graduates are trained to assume leadership positions, so their attitudes and experiences—interesting in their own right—shape the policies, practices, and unwritten rules of their organizations.

Harvard MBAs value fulfilling professional and personal lives—yet their ability to realize them has played out very differently according to gender.

We surveyed more than 25,000 HBS graduates altogether; in this article we focus on MBAs, by far the largest proportion. Because we are primarily interested in the experiences of those who are still in the workplace, we report on Baby Boomers (ages 49–67), Generation X (ages 32–48), and Millennials (ages 26–31), also known as Generation Y. What our survey revealed suggests that the conventional wisdom about women's careers doesn't always square with reality.

Do Men and Women Want the Same Things?

The highly educated, ambitious women and men of HBS don't differ much in terms of what they value and hope for in their lives and careers. We asked them to tell us how they defined success when they graduated from HBS and how they define it now, and they gave similar responses. Career-related factors figured prominently in their early definitions of success: Men and women mentioned job titles, job levels, and professional achievements at roughly the same rates.

When reflecting on how they define success today, both men and women cited career-related factors less often—unless they were Millennials, who mentioned those factors with about the same frequency across time. (This is unsurprising, given that only a few years have elapsed since they graduated, and most of their working lives are still ahead of them.) Today, however, family happiness, relationships, and balancing life and work, along with community service and helping others, are much more on the minds of Generation X and Baby Boomers. Two examples are illustrative. A woman in her forties, who left HBS about 20 years ago, told us: "For me, at age 25, success was defined by career success. Now I think of success much differently: Raising happy, productive children, contributing to the world around me, and pursuing work that is meaningful to me." These sentiments were echoed by a man in his fifties, for whom success early on was "becoming a highly paid CEO of a medium-to-large business." And today? "Striking a balance between work and family and giving back to society." Indeed, when we asked respondents to rate the importance of nine career and life dimensions, nearly 100%, regardless of gender, said that "quality of personal and family relationships" was "very" or "extremely" important.

Idea in Brief

THE RESEARCH

A comprehensive survey of Harvard Business School graduates—men and women—suggests that the conventional wisdom about women and leadership needs to be rethought.

SOME FINDINGS

- Men and women start out with similar goals, which are adjusted over time—but men are likelier to achieve them.
- Few women are "opting out," but men and women alike believe that women advance more slowly because they prioritize family over career.
- Most men expect that their careers will take precedence over their partners'—which they usually do. Most women expect their careers to be as important as their partners'—and they are often disappointed.
- Women are consistently less satisfied than men with their careers and with the compatibility of work and family.

With regard to career importance, men and women were again in agreement. Their ratings of key dimensions of professional life, such as "work that is meaningful and satisfying" and "professional accomplishments," were the same, and the majority said that "opportunities for career growth and development" were important to them, with women actually rating them slightly higher.

These results indicate that Harvard MBAs aimed for and continue to value fulfilling professional and personal lives. Yet their ability to realize them has played out very differently according to gender. Among those graduates who are employed full-time, men are more likely to have direct reports, to hold profit-and-loss responsibility, and to be in senior management positions. Setting aside those measures of success, since not everyone aspires to them, we found that women are less satisfied with their careers. Whereas about 50% to 60% of men across the three generations told us they were "extremely satisfied" or "very satisfied" with their experiences of meaningful work, professional accomplishments, opportunities for career growth, and compatibility of work and personal life, only 40% to 50% of women were similarly satisfied on the same dimensions.

Given the gender gap in career outcomes, gaps in career satisfaction and in successfully combining work and family are unsurprising. A deeper analysis revealed that some prevailing beliefs about why women's progress has stalled are unsupported. We also found that certain expectations regarding how couples will distribute career and family responsibilities may contribute to women's stymied goals and lesser satisfaction.

Are Women Opting Out?

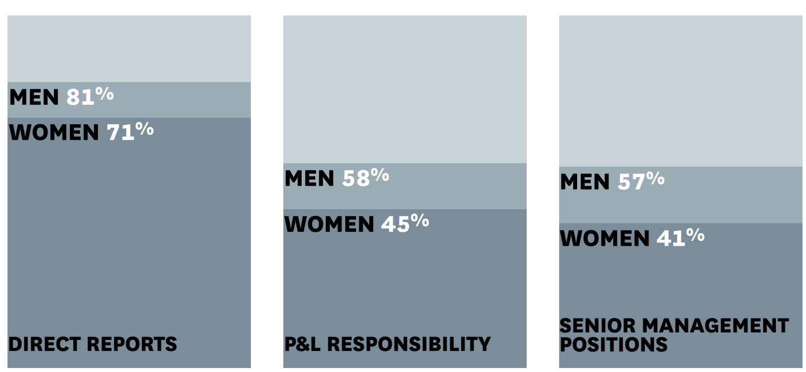
The pull of child rearing has long been a dominant explanation for the small proportion of women in

It simply isn't true that a large proportion of HBS alumnae have "opted out" to care for children.

corporate boardrooms, C-suites, partnerships, and other seats of power. For years before Lisa Belkin's 2003 *New York Times Magazine* cover story added the term "opt out" to the cultural lexicon, senior executives were assuming that high-potential women who quit their jobs were leaving to care for their families. In the early 1990s Mike Cook, then the CEO

WHO HAS BEEN GIVEN HIGH-LEVEL RESPONSIBILITIES?

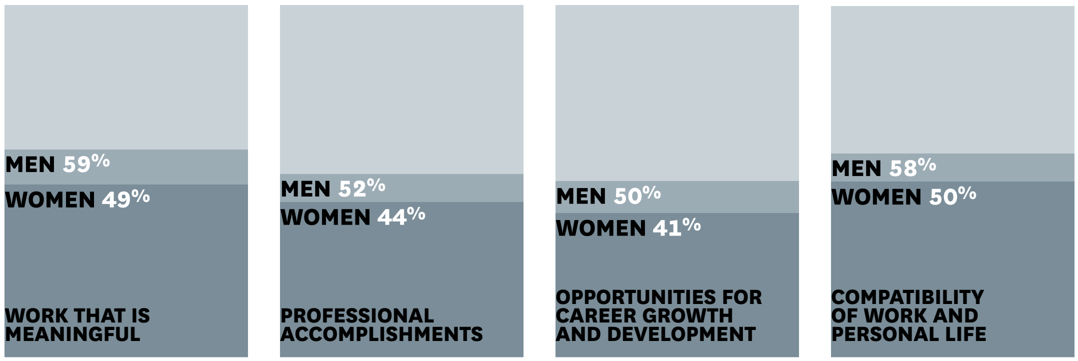
Among HBS graduates working full-time, men were significantly more likely than women to have direct reports, profit-and-loss responsibility, and positions in senior management.



PREVIOUS SPREAD: WORLD ECONOMIC FORUM SWISS-IMAGE.CH/PHOTO BY JOLANDA FLUBACHER

WHO IS SATISFIED PROFESSIONALLY?

Men were significantly more satisfied than women on four key dimensions.



of Deloitte & Touche, thought this was why only 10% of partner candidates in his firm were women, even though Deloitte had been hiring equal numbers of men and women for the preceding 10 years. But when Cook convened a task force to look behind the numbers, he learned that more than 70% of the women who had left the firm were still employed full-time one year later. Fewer than 10% were out of the workforce to care for young children. The vast majority of female employees who left Deloitte did not jettison (or even pause in) their careers; they simply went to jobs elsewhere. (For more details, see our colleague Rosabeth Moss Kanter's case "A Hole in the Pipeline," written with Jane Roessner.)

We considered whether graduates had gone part-time or taken a career break to care for children, and how often. None of these factors explained the gender gap in senior management.

Fast-forward 20 years, and this mistaken thinking persists. Despite the fact that men and women actually have pretty similar career priorities, the belief that women value career less is widespread. We found that 77% of HBS graduates overall—73% of men and 85% of women—believe that "prioritizing family over work" is the number one barrier to women's career advancement. (We saw essentially the same numbers when we restricted the analysis to graduates who are in top management positions and when we included Executive Education graduates, suggesting that this conviction packs some punch.)

As one alumna in her mid-thirties noted, a key factor is still "deep-rooted attitudes that a woman should be the primary caregiver, so it is 'understood' that her career may have to take a backseat for a while as similar male colleagues move ahead at a more rapid pace."

But here's the kicker: It simply isn't true that a large proportion of HBS alumnae have "opted out" to care for children. When we asked Gen X and Baby Boom women (who are most likely to have children under 18 living with them today) about their current status, we learned essentially what Mike Cook's task force did: *Only 11% are out of the workforce to care for children full-time.* The figure is even lower (7%) for women of color. (In that group, black and South Asian women are at the lowest end of the spectrum, at just 4%.) Seventy-four percent of Gen X alumnae are working full-time, as are 52% of Baby Boom alumnae (some of whom, like their male counterparts, have retired or are cutting back on their hours), and they average 52 hours a week. When we saw how few women were out of the workforce, we wondered whether those who were might have been disproportionately less likely to respond to the survey. But a number of checks turned up no evidence of response bias.

Even for HBS women who *are* currently out of the workforce to care for children, "opting out" is not an accurate description of their experience. Our survey data and other research suggest that when high-achieving, highly educated professional women leave their jobs after becoming mothers, only a small number do so because they prefer to devote themselves exclusively to motherhood; the vast majority leave reluctantly and as a last resort, because they find themselves in unfulfilling roles with dim prospects for advancement. The message that they are no longer considered "players" is communicated in various, sometimes subtle ways: They may have been stigmatized for taking advantage of flex options or reduced schedules, passed over for high-profile assignments, or removed from projects they once led. One alumna, now in her late fifties, recalled, "I left my first job after being 'mommy-tracked' when I came back from maternity leave."

Another, in her forties, said, "The flexible part-time roles I have taken [while raising my child]. . . have never been intellectually fulfilling." A third told us that even finding such a role proved impossible: "I thought success would be combining career and family successfully at the same time. I thought I could scale back to part-time, and I'd ramp back up as the kids grew...[But my] industry offered few if any professional part-time positions." Yet another recounted leaving the workforce in response to unfulfilling work: "I last quit three years ago because I could not seem to get new challenges and became bored by the work. I had great reviews and the company liked me. There appeared to be preconceived notions about part-time women wanting less challenging work, off track, when I was seeking the more challenging work, on some sort of track. And being part-time took me out of the structured review and promotion ladder."

The vast majority of women anticipated that their careers would rank equally with their partners'. Many of them were disappointed.

Do Family Responsibilities Push Women Out of the Leadership Pipeline?

We also wanted to consider how taking time off for parenting might affect the trajectory of women's careers. We asked survey respondents about *any* breaks they had taken over the course of their careers and learned that 28% of Gen X and 44% of Baby Boom women had at some point taken a break of more than six months to care for children, compared with only 2% of men across those two generations.

Time out of the workforce *could* account for the fact that women are less likely to be in senior positions. After all, it's often argued that because being in senior leadership is directly tied to years of professional experience, women are less likely to be in those roles precisely because they are more likely to have taken such breaks. So we delved deeper, with controls for variables such as age, industry, sector, and organization size, analyzing a range of factors related to family status and parenting, looking for a link to women's lesser representation in top management. But we found no connections. We considered not only whether graduates had gone part-time or taken a career break to care for children, but also the number of times they had done so. We asked about common career decisions made to accommodate family responsibilities, such as limiting travel, choosing a more flexible job, slowing down the pace of one's career, making a lateral move, leaving a job, or declining to work toward a promotion. Women were more likely than men to have made such decisions—but again, none of these factors explained the gender gap in senior management. In fact, both men and women in top management teams were typically *more* likely than those lower down in the hierarchy to have made career decisions to accommodate family responsibilities. We even looked

The Gender Gap's Refusal to Die

The gap between men's and women's advancement to senior positions has endured, despite increasing numbers of women with the credentials and the experience to assume top roles across industries and institutions and despite the efforts of many organizations to develop their high-potential female employees. In the business world, women make up 5% of *Fortune* 1000 CEOs, and only a handful of them are women of color. The gap is narrower but still significant in professional service firms, where 20% of CEOs are women. And despite much interest in and attention to women on boards, women hold fewer than 20% of board seats at *Fortune* 500 companies, and their representation has increased only incrementally in recent years. Even fewer women of color (below 5%) occupy *Fortune* 500 board seats. Scholars are studying a range of topics—from the career paths of highly educated women, to the experiences of female leaders, to how organizational structures and cultures create barriers to advancement—in an effort to better understand why the gender gap persists and how it can be closed.

SOURCE CATALYST

at whether simply being a parent—aside from any career changes or decisions related to parenting—made a difference. It did not. Again and again, our core finding—HBS alumnae have not attained senior management positions at the same rates as men—persisted.

We don't think these findings—which are, frankly, surprising—are the final word on the subject. Indeed, they suggest that we need much more nuanced data about how professional men and women navigate their family and career decisions and how their lives unfold if we are to understand the impact that family responsibilities have on both women's and men's careers. We don't mean to suggest that no relationship exists between individuals' choices regarding work and family and their career outcomes. But what is clear is that the conventional wisdom doesn't tell the full story. We will explore this more deeply in subsequent surveys, and we hope other researchers will take up this question too.

Are Women's and Men's Expectations for Work and Family at Odds?

We also wanted to better understand the gender gaps we found in satisfaction with career and with the combining of work and the rest of life, so we looked at what respondents told us about their expectations when they launched their post-HBS careers and what they had experienced in the years since. Ultimately, we uncovered some disconnects that may illuminate why women and men are not equally fulfilled.

More than half the men in Generation X and the Baby Boom said that when they left HBS, they expected that their careers would take priority over their spouses' or partners'. The vast majority (83%) of the graduates in these generations reported being married, and because we don't have reliable data on sexual orientation, we assume that their partners are of the opposite sex. Thus we call this expectation "traditional," to denote an arrangement whereby the man's career takes precedence over the woman's. Notably, this expectation was less prevalent among men of color than among white men. Forty-eight percent of the former—compared with 39% of white men—anticipated that their spouses' careers would be of equal importance. Meanwhile, the vast majority of women across racial groups and generations anticipated that their careers would rank equally with those of their partners. (Only 7% of Gen X and 3% of Baby Boom women, and even fewer of their male counterparts, expected that the woman's career would take priority over the man's—an arrangement we call "progressive.")

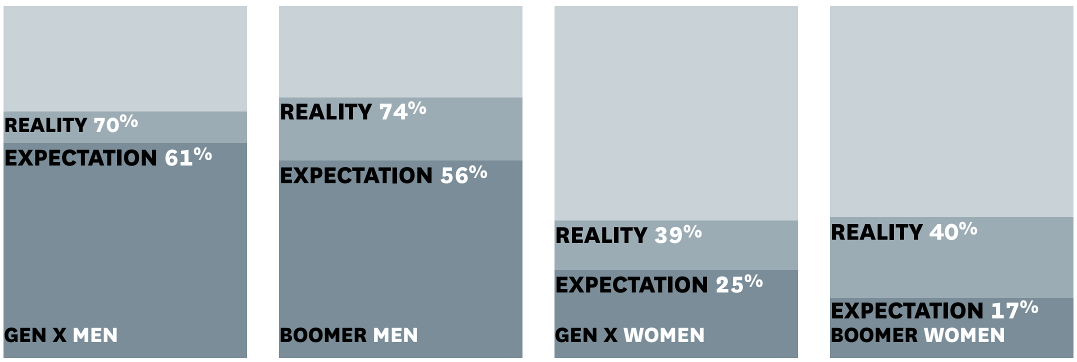
Most graduates went on to lead fairly traditional lives on this score. Close to three-quarters of Gen X and Baby Boom men reported that their careers had indeed taken precedence—more than had originally expected this arrangement. Meanwhile, many women's expectations for career equality were disappointed. Though majorities of Gen X and Baby Boom women reported that they were in egalitarian or progressive partnerships, the remainder found that their careers took lower priority. That figure—40%—is almost double the proportion who left HBS expecting a traditional arrangement. This outcome varied significantly among racial groups, with black women being the least likely to end up with a partner whose career took precedence.

We had asked a parallel set of questions about child care: How had graduates who were expecting to have partners and children (91%) anticipated dividing child care responsibilities when they left HBS, and how did they actually divide them? Across the board, we found expectations on this dimension to be much more traditional than those regarding career priority. At the time they graduated from HBS, more than three-quarters of men expected that their partners would do the lion's share of child care. Black men were somewhat less likely to expect such an arrangement. Meanwhile, about half the women expected that they would take on the majority of this work. Latinas were the least likely, at 40%, to have expected to shoulder most of the child care.

These expectations about child care may help to explain the more traditional career arrangements of graduates who had expected otherwise. About half

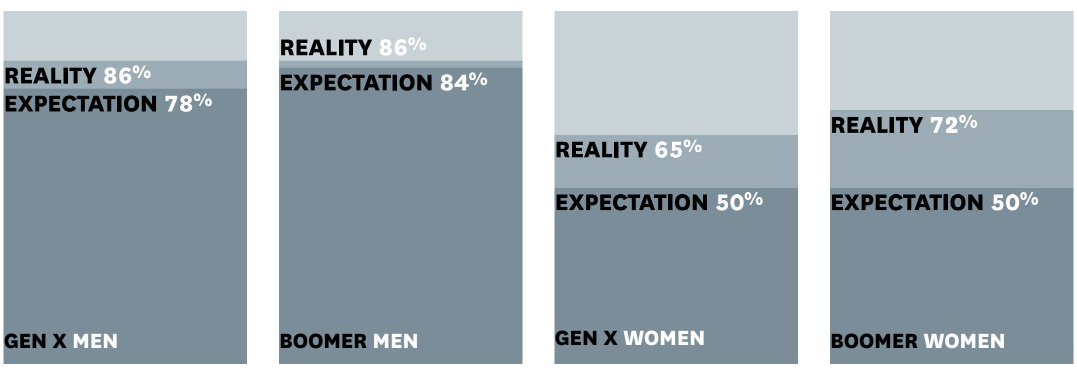
DIFFERENT EXPECTATIONS—AND RESULTS—REGARDING "TRADITIONAL" CAREER PRIORITY

A strong majority of men expected to be in "traditional" partnerships, in which their careers would take precedence. Their expectations were actually exceeded. A distinct minority of women expected their partners' careers to take precedence, but for about 40% of them, that's exactly what happened.



DIFFERENT EXPECTATIONS—AND RESULTS—REGARDING "TRADITIONAL" CHILD CARE

A large majority of men expected their partners to take primary responsibility for child care. Those expectations were met and exceeded. (Across the two generations, black men's expectations and reality were somewhat lower, at 68% and 72%.) Half the women expected to take primary responsibility for raising children, and more than two-thirds of them actually did so. (Among black women, however, 53% were the primary caregivers.)



the women who had egalitarian career expectations also assumed that they would perform most of the child care in their families. But if women are primarily responsible for child care, their careers are more likely to become secondary in importance to their partners', perhaps helping to explain their lesser career satisfaction.

Ultimately, more-traditional arrangements did win out. Healthy majorities of Gen X and Baby Boom women took responsibility for most of the child care in their families. Even higher percentages of Gen X and Baby Boom men reported having spouses who did so. Black men and women were the least likely to have a traditional arrangement; their numbers were lower by roughly 15 to 20 percentage points.

So although a much larger proportion of women expected a traditional division of child care responsibilities than expected a traditional career priority, men and women sharply diverged on both dimensions. Women were more likely to have egalitarian expectations—and to see their expectations dashed. As we've also seen, men *are* more successful in their careers, which no doubt plays a role in the difference between expectations and reality as many women watch their partners' careers take off and eclipse their own.

Whatever the explanation, this disconnect exacts a psychic cost—for both women and men. Women who started out with egalitarian expectations but ended up in more-traditional arrangements felt less

ADDITIONAL READING

Some related articles from the HBR archive:

"Why Men Still Get More Promotions Than Women"
Herminia Ibarra, Nancy M. Carter, and Christine Silva
Harvard Business Review
September 2010

"Dysfunction in the Boardroom"
Boris Groysberg and Deborah Bell
Harvard Business Review
June 2013

"Women Rising: The Unseen Barriers"
Herminia Ibarra, Robin Ely, and Deborah Kolb
Harvard Business Review
September 2013

"Manage Your Work, Manage Your Life"
Boris Groysberg and Robin Abrahams
Harvard Business Review
March 2014

"Hacking Tech's Diversity Problem"
Joan C. Williams
Harvard Business Review
October 2014

satisfied with how their careers have progressed than did women who both expected and experienced egalitarian partnerships at home. And in general, women tended to be less satisfied than men with their career growth—except for those whose careers and child care responsibilities were seen as equal to their partners'. Conversely, men who expected traditional arrangements but found themselves in egalitarian relationships were less satisfied with their career growth than were their peers in more-traditional arrangements, perhaps reflecting an enduring cultural ideal wherein men's work is privileged. Indeed, traditional partnerships were linked to higher career satisfaction for men, whereas women who ended up in such arrangements were less satisfied, regardless of their original expectations.

The Millennials Are Rising—Is Change on the Way?

It is tempting to think that people launching their careers today will change the game. After all, it was only a few generations ago that women were barred from higher education and many professions. Won't gender parity develop with the passage of time? Unfortunately, we don't think it's quite that simple, given what we heard from Millennial MBAs. What these men and women expect at this early stage in their careers and lives looks as incompatible—and unrealistic—as it was for earlier generations.

It's not that things have stayed the same. Among HBS graduates, Millennial men are somewhat less likely than older men to expect their careers to take precedence. They're also less likely to expect that their partners will do the majority of child care: A third anticipate doing an equal share, as compared with 22% of Gen X men and 16% of Baby Boom men. (This generation looks different in other ways, as well: When we asked Millennials to define success today, they cited job titles, being in the C-suite, and similar status concerns less often than did older generations.)

Nevertheless, like their predecessors, the youngest men have expectations more traditional than those of their female peers. Whereas three-quarters of Millennial women anticipate that their careers will be at least as important as their partners', half the men in their generation expect that their own careers will take priority. And whereas two-thirds of Millennial men expect that their partners will handle the majority of child care, just under half—42%—of Millennial women expect that they themselves will do so.

We can't help noting that 42% is still a sizable proportion, and these young women may find—as Gen X and Baby Boom women apparently did—that shouldering most of the child rearing hinders equal career importance. Only 10% of the Millennial graduates have children, and they are still early in their careers, so we do not yet know how these mismatched expectations will ultimately play out. But if previous generations are any indication, change won't occur soon.

Overcoming Myths and Changing Reality

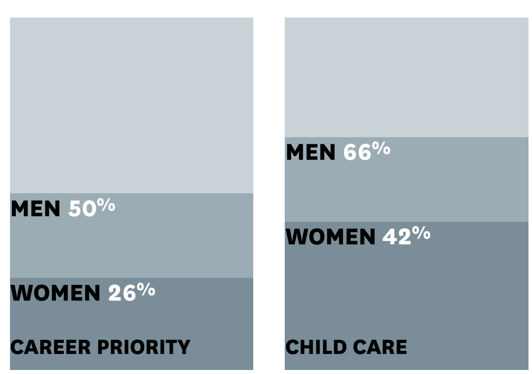
At a certain point the belief that a woman's primary career obstacle is *herself* became conventional wisdom, for both women and men. From "opting out" to "ratcheting back," the ways we talk about women's careers often emphasize their willingness to scale down or forgo opportunities, projects, and jobs. The very premise seems to be that women value career less than men do, or that mothers don't want high-profile, challenging work.

Yet framing the conversation like this doesn't reflect reality—at least not for HBS women, and not, we'd venture, for many other highly educated, career-oriented women. Alumnae set out from HBS

DO MILLENNIALS, TOO, EXPECT "TRADITIONAL" PARTNERSHIPS?

Half of Millennial men expect their careers to take precedence over their partners'. Only a quarter of Millennial women expect their partners' careers to take precedence.

Two-thirds of Millennial men expect their partners to take primary responsibility for raising children. Fewer than half of Millennial women expect that they will take primary responsibility.



placing considerable value on achievement and fulfillment at work and on having careers that are valued as much as their partners' are. Life outside work, including family relationships, is also important to them—just as it is to men. So why do we see a gender gap in top management even in this high-achieving group? The answer doesn't seem to be that women have simply left the workforce, because very few are caring for children full-time. Nor does it seem that women's (or men's) efforts to accommodate personal and family obligations, such as by working less than full-time or making lateral career moves, explain why women are less likely to be in top management.

Our findings call for more-comprehensive organizational solutions to address gender disparities in career achievement. Companies need to provide adequate entry points to full-time work for women who have, for instance, recently been on a part-time schedule or taken a career break. Our results make equally clear that companies need to move beyond regarding flextime and other "family-friendly" policies as sufficient for retaining and developing high-potential women. Women *are* leaning in. Most women who have achieved top management positions have done so while managing family responsibilities—and, like their male counterparts, while working long hours. Women want *more* meaningful work, *more* challenging assignments, and *more* opportunities for career growth. It is now time, as Anne-Marie Slaughter has pointed out, for *companies* to lean in, in part by considering how they can institutionalize a level playing field for all employees, regardless of gender or caregiver status.

Companies need to be vigilant about unspoken but powerful perceptions that constrain women's opportunities. The misguided assumption that high-potential women are "riskier" hires than their male peers because they are apt to discard their careers after parenthood is yet another bias women confront. As one 30-year-old alumna reported, "I have thought about going to interviews without my [wedding and engagement] rings on so that an interviewer doesn't get a preconceived notion of my dedication based upon where I might be in my life stage."

Admittedly, wading into this territory is difficult and emotionally fraught. Decisions about family life and relationships are always deeply personal. "Lean in" is a rallying cry for women trying to navigate the workplace, but our survey results make us think that Sheryl Sandberg's other slogan—"Make your partner a real partner"—is every bit as crucial, and perhaps more apt for young, achievement-oriented women who aspire to have meaningful, fully valued careers. The fact that HBS alumnae are finding themselves in relationships in which their careers are subordinate to their partners' more often than they anticipated strikes us as meaningful. Our findings indicate that ending up in less-egalitarian partnerships is disappointing—perhaps especially so when a career has stalled. In fact, women may be doing more and more child care because their careers have hit a wall, leading them to default to a support role in which their jobs are secondary. Meanwhile, men feel pressured to demonstrate their family devotion by performing as breadwinners, even when that means more time away from home. In our research we heard from many men who feel harshly judged by their companies and the culture at large for wanting to spend less time at work and more with their kids. One 42-year-old alumnus reported, "I struggle with balancing family and work life, and so far my reputation is suffering both at work and at home."

In the end, we found not just achievement and satisfaction gaps between men and women, but a real gap between what women expect as they look ahead to their careers and where they ultimately land. The men and women who graduate from HBS set out with much in common—MBAs, high ambitions, and preparation for leadership. Perhaps it's time for more-candid conversations—at home, at work, and on campus—about how and why their paths unfold so differently.

HBR Reprint R1412G

About the Research

The "Life and Leadership After HBS" survey was conducted from December 2012 through February 2013. The survey sampled more than 25,000 graduates of the MBA, DBA, and PhD programs and the comprehensive leadership programs offered in Executive Education. This article focuses on our findings about MBA graduates—by far the largest proportion.

All alumnae (approximately 12,000) were surveyed, along with a stratified random sample of about 14,000 men. Approximately 10,000 Baby Boomers and 10,000 Generation Xers were surveyed, along with smaller numbers of Millennials and graduates over the age of 67. The survey had a 25% response rate, which is high for a survey of its kind. Response rates were similar across the generations. In accordance with standard reporting procedures, all percentages included here have been weighted. For this article we also analyzed the results to understand how views and experiences varied for graduates of different races; distinctive variations among racial groups are noted here.

The research team conducted several analyses to identify any nonresponse bias (systematic differences between those who participated in the survey and those who were invited but did not participate). We found no evidence of such bias, and we are confident that these results accurately reflect the views of HBS graduates.

Discussion Questions

Rethink What You "Know" About High-Achieving Women

BY ROBIN J. ELY, PAMELA STONE, AND COLLEEN AMMERMAN

1. Do the findings from this study change your view of women's career goals and outcomes?
2. Have you encountered women being "mommy-tracked" in your organization because of the belief that they value career less than men do? If so, do you think this hurts women's career prospects?
3. How do your expectations about career equality and division of child care between partners compare to the survey results? What about your partner's expectations?
4. Have you been disappointed by the gap between your career goals and the way your career has actually played out? Does your experience agree with the data that expectations gaps between men and women cross generations?
5. Are you satisfied with your career? What about your partner?
6. Does your organization provide flexible or part-time work options that are challenging and fulfilling? If not, is there anything you can do to change that?

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ARTICLE
DEMOGRAPHICS

Help Your Employees Be Themselves at Work

by Dorie Clark and Christie Smith

Harvard Business Review

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Help Your Employees Be Themselves at Work

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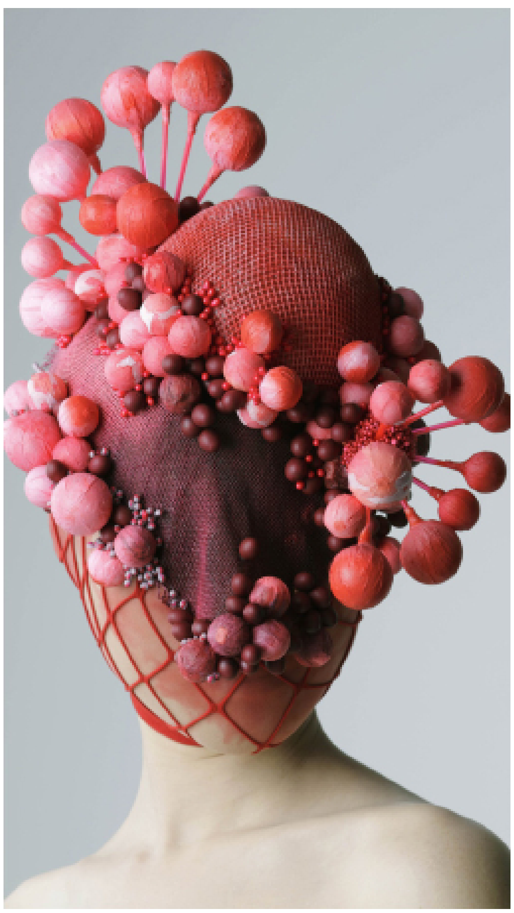
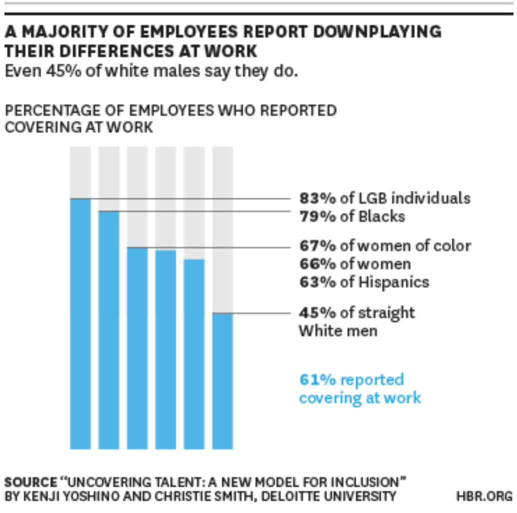
NOVEMBER 03, 2014



How can managers create workplace environments where people feel comfortable being themselves? Research has shown that hiding our true identities can cripple professional performance. For instance, closeted LGBT employees feel much more isolated at work than their openly gay peers, and 52% of closeted employees feel their careers have stagnated, compared to just over a third of their out colleagues. “This appears to be the case largely because closeted workers suffer anxiety about how colleagues and managers might judge them,” write study authors Sylvia Ann Hewlett and Karen Sumberg, “and expend enormous effort concealing their orientation, which leaves them less energy for actual work.”

But this isn’t just an issue for LGBT professionals. The Deloitte University Leadership Center for Inclusion report, *Uncovering Talent*, reveals that 61% of all employees “cover” their identities in some way – not necessarily hiding something, but downplaying it for fear of drawing unwanted attention or making others uncomfortable. A gay person might be technically out, but not display pictures of his partner at work. A working mom might never talk about her kids, so as to appear “serious” about her career. A straight white man – 45% of whom also report covering – might keep quiet about a mental health issue he’s facing.



Enabling employees to feel comfortable being themselves could unlock dramatic performance gains because they can focus their attention on work, rather than hiding parts of themselves. So how can managers make this a reality? Here are five strategies they can employ to help talent uncover in their organizations.

Shift the language. When corporations talk about "diversity," a significant chunk of the population tunes out. *They're not talking about me*, they assume. But if you, as a manager, introduce the concept of "covering" – downplaying or hiding certain aspects of yourself so as not to appear different – the conversations shift. Everyone can relate to the term because most people have done it at some point in their career, and it permits a new dialogue on your team about differences. It's a small but subtle change that ensures everyone recognizes they're a part of the discussion.

Share your story. We know leaders set the tenor for an organization's culture. If you want your employees to feel safe sharing their stories, you have to step up and tell your own. Christie, for instance, has publicly shared her experience being in the World Trade Center when it was attacked on 9/11. For years, she hid the profound anxiety and survivor's guilt she faced, but came to understand the power of "uncovering" those feelings and the example it could set for her colleagues. Whether or not you're part of a traditional "minority" group, most of us have had experiences related to covering, whether we faced it ourselves or witnessed it in someone close to us. Start the dialogue and let others know it's OK to do the same.

Embrace analytics. Companies could consider developing an Inclusion Index, as Deloitte has done. This tracks the hiring and promotion practices of each partner, across several specific slices of diversity. (Are they promoting female talent effectively, but not people of color? Might they – even inadvertently – be acting in a biased fashion?) Tracking hard data holds departments, and the leaders in them, accountable for their actions when it comes to inclusion.

Force the conversation. In the *Uncovering Talent* study, 98% of professionals surveyed said their companies had stated a commitment to inclusion – but only 72% said their company lived up to it. That gap leaves both companies and their leaders vulnerable to charges of hypocrisy. It also risks damaging relationships with customers and employees. Making time for hard conversations now can help prevent serious reputation damage later. That's why it's critical for managers to build genuine connections with their employees (which makes them feel seen and understood), and speak up if they believe elements of the corporate culture push people into covering. And senior leaders can make a difference by building accountability around inclusion into the performance review process. Inclusion is too often an afterthought, but if you're tracking and measuring your managers' progress around supporting diverse talent, they're going to start paying attention fast.

Look beyond the obvious. Conversations about "diversity" often focus on one element of a person – their race, their gender, their sexuality – to the exclusion of all else. But overwhelmingly, professionals don't want to be defined by a single dimension of their identity ("the black guy" or "the gay one"). Managers can help their employees "uncover" at work by recognizing that everyone has differences, and those differences represent only a part of who they are as individuals.

High performing companies recognize that diverse perspectives can strengthen their performance, and that homogeneity can cause blindspots (as with a team of right-handed YouTube engineers who realized 10% of videos were being uploaded upside-down because they hadn't considered how left-handed users would maneuver their phones). But in order to unlock the benefits of diversity, we have to make it safe for employees to "uncover" and bring their full selves to work.

Dorie Clark is a marketing strategist and professional speaker who teaches at Duke University's Fuqua School of Business. She is the author of *Reinventing You* and *Stand Out*. You can receive her free Stand Out Self-Assessment Workbook.

Christie Smith is the managing principal of the Deloitte University Leadership Center for Inclusion. She is the co-author, with Kenji Yashino, Chief Justice Earl Warren Professor of Constitutional Law, NYU School of Law, of the report, Uncovering talent: a new model of inclusion.

Discussion Questions

Help Your Employees Be Themselves at Work

BY DORIE CLARK AND CHRISTINE SMITH

1. Are you surprised by the finding that 61% of all employees "cover" their identities in some way? Why or why not?
2. Have you ever downplayed part of your identity for fear of drawing unwanted attention or making other people uncomfortable? Do you know someone who has done this?
3. Has your organization stated its commitment to inclusion? If so, has it lived up to this commitment?
4. If you're a manager, do you think your direct reports feel comfortable coming to you with concerns about the pressure to "cover" in your organization? If the answer is no, how could you build greater trust? Have you considered sharing your own experience of "covering" in order to make others feel safe doing the same?
5. What would it take for our organization to develop and implement an inclusion index like Deloitte's? How would we hold leaders accountable for diversity and inclusion? Should accountability for inclusion be part of our performance review process?

"98% of professionals surveyed said their companies had stated a commitment to inclusion — but only 72% said their company lived up to it."

Harvard Business Review

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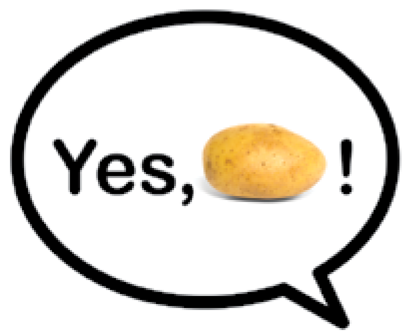
ARTICLE
MANAGING YOURSELF

Navigating the Cultural Minefield

by Erin Meyer



MANAGING YOURSELF

Navigating the Cultural Minefield

Learn how to work more effectively with people from other countries. *by Erin Meyer*

When Aaron arrived in Moscow to take charge of the manufacturing plant his Israeli-owned company had just purchased, he expected to settle in quickly. Although he'd grown up in Tel Aviv, his parents were Russian-born, so he knew the culture and spoke the language well. He'd been highly successful managing Israeli teams and had led a large organization in Canada. Yet six months into his new job, he was still struggling to supervise his team in Moscow. What, specifically, was he doing wrong?

Answering such questions isn't easy, as I've learned from 16 years studying the effects of cultural differences on business success. Although there's been a great deal of research and writing on the subject, much of it fails to present a sufficiently nuanced picture that can be of real use to managers working internationally or with foreign colleagues. As a result, it's all too common to rely on clichés, stereotyping people from different cultures on just one or two dimensions—the Japanese are hierarchical, for example, or the French communicate in subtle ways. This can lead to oversimplified and erroneous assumptions—the Japanese always make top-down decisions, or the French are indirect when giving negative feedback. It then comes as a surprise when your French colleague bluntly criticizes your shortcomings, or when your Japanese clients want buy-in from the cook and the cleaner before reaching a decision.

Time and again, I find that even experienced and cosmopolitan managers have faulty expectations about how people from other cultures operate. The truth is that culture is too complex to be measured meaningfully along just one or two dimensions.

To help managers like Aaron negotiate this complexity, I have built on the work of many in my field to develop a tool called the Culture Map. It is made up of eight scales representing the management behaviors where cultural gaps are most common. By comparing the position of one nationality relative to another on each scale, the user can decode how culture influences day-to-day collaboration. In the following pages, I present the tool, show how it can help you, and discuss the challenges in applying it.

The Culture Map

The eight scales on the map are based on decades of academic research into culture from multiple perspectives. To this foundation I have added my own work, which has been validated by extensive interviews with thousands of executives who have confirmed or corrected my findings. The scales and their metrics are:

Communicating. When we say that someone is a good communicator, what do we actually mean? The responses differ wildly from society to society. I compare cultures along the Communicating scale by measuring the degree to which they are high- or low-context, a metric developed by the American anthropologist Edward Hall. In low-context cultures, good communication is precise, simple, explicit, and clear. Messages are understood at face value. Repetition is appreciated for purposes of clarification, as is putting messages in writing. In high-context cultures, communication is sophisticated, nuanced, and layered. Messages are often implied but not plainly stated. Less is put in writing, more is left open to interpretation, and understanding may depend on reading between the lines.

Evaluating. All cultures believe that criticism should be given constructively, but the definition of "constructive" varies greatly. This scale measures a preference for frank versus diplomatic negative feedback. Evaluating is often confused with Communicating, but many countries have different positions on the two scales. The French, for example, are high-context (implicit) communicators relative to Americans, yet they are more direct in their criticism. Spaniards and Mexicans are at the same context level, but the Spanish are much more frank when providing negative feedback. This scale is my own work.

> Stereotyping people from different cultures on just one or two dimensions can lead to erroneous assumptions. Even experienced, cosmopolitan managers often have faulty expectations.

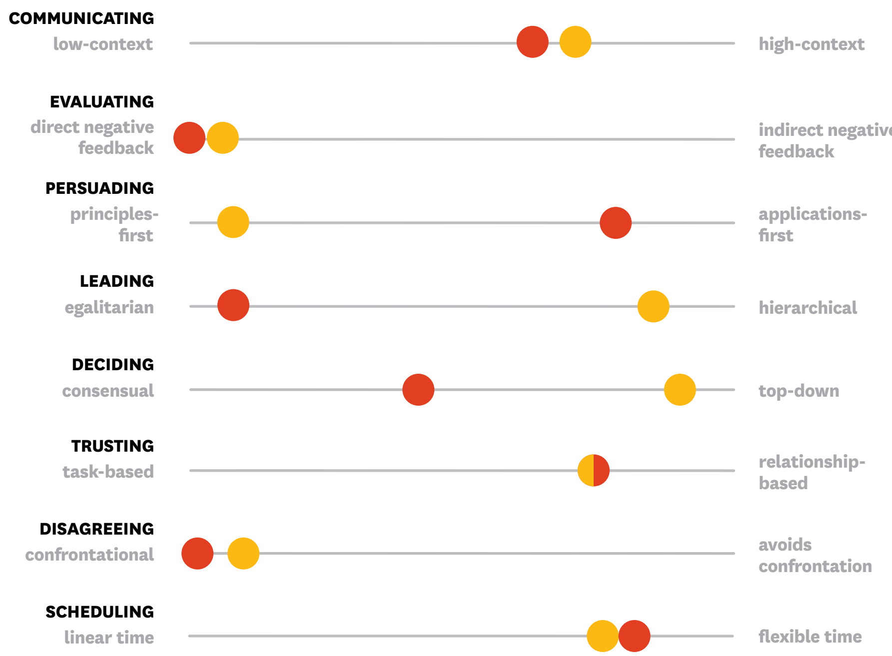
Persuading. The ways in which you persuade others and the kinds of arguments you find convincing are deeply rooted in your culture's philosophical, religious, and educational assumptions and attitudes. The traditional way to compare countries along this scale is to assess how they balance holistic and specific thought patterns. Typically, a Western executive will break down an argument into a sequence of distinct components (specific thinking), while Asian managers tend to show how the components all fit together (holistic thinking). Beyond that, people from southern European and Germanic cultures tend to find deductive arguments (what I refer to as principles-first arguments) most persuasive, whereas American and British managers are more likely to be influenced by inductive logic (what I call applications-first logic). The research into specific and holistic cognitive patterns was conducted by Richard Nisbett, an American professor of social psychology, and the deductive/inductive element is my own work.

Leading. This scale measures the degree of respect and deference shown to authority figures, placing countries on a spectrum from egalitarian to hierarchical. The Leading scale is based partly on the concept of power distance, first researched by the Dutch social psychologist Geert Hofstede, who conducted 100,000 management surveys at IBM in the 1970s. It also draws on the work of Wharton School professor Robert House and his colleagues in their GLOBE (global leadership and organizational behavior effectiveness) study of 62 societies.

Deciding. This scale, based on my own work, measures the degree to which

Comparing Management Cultures: Israel vs. Russia

This Culture Map plots the Israeli and Russian business cultures on eight behavior scales. The profiles are drawn from surveys and interviews of managers from the two countries. While there are many points of similarity, Russians and Israelis diverge with respect to the ways in which they persuade, lead, and decide.



a culture is consensus-minded. We often assume that the most egalitarian cultures will also be the most democratic, while the most hierarchical ones will allow the boss to make unilateral decisions. This isn't always the case. Germans are more hierarchical than Americans, but more likely than their U.S. colleagues to build group agreement before making decisions. The Japanese are both strongly hierarchical and strongly consensus-minded.

Trusting. Cognitive trust (from the head) can be contrasted with affective trust (from the heart). In task-based cultures, trust is built cognitively through work. If we collaborate well, prove ourselves reliable, and respect one another's contributions, we come to feel mutual trust. In a relationship-based society, trust is a result of weaving a strong affective connection. If we spend time laughing and relaxing together, get to know one another on a personal level, and feel a mutual liking, then we establish trust. Many people have researched this topic; Roy Chua and Michael Morris, for example, wrote a landmark paper on the different approaches to trust in the United States and China. I have drawn on this work in developing my metric.

Disagreeing. Everyone believes that a little open disagreement is healthy, right? The recent American business literature certainly confirms this viewpoint. But different cultures actually have very different ideas about how productive confrontation is for a team or an organization. This scale measures tolerance for open disagreement and inclination to see it as either helpful or harmful to collegial relationships. This is my own work.

Scheduling. All businesses follow agendas and timetables, but in some cultures people strictly adhere to the schedule, whereas in others, they treat it as a suggestion. This scale assesses how much value is placed on operating in a structured, linear fashion versus being flexible and reactive. It is based on the "monochronic" and "polychronic" distinction formalized by Edward Hall.

The Culture Map shows positions along these eight scales for a large number of countries, based on surveys and interviews. These profiles reflect, of course, the value systems of a society at large, not those of all the individuals in it, so if you plot yourself on the map, you might find that some of your preferences differ from those of your culture.

Let's go back to my friend Aaron (who, like other managers profiled later, is not identified by his real name). Aaron used the map to uncover the roots of his difficulties managing his Moscow team. As you can see from the exhibit "Comparing Management Cultures," there are plenty of cultural similarities between Israelis and Russians. For example, both value flexible rather than linear scheduling, both accept and appreciate open disagreement, and both approach issues of trust through a relationship lens. But there are also big gaps. For instance, Russians strongly value hierarchy, whereas Israelis are more egalitarian. This suggests that some of Aaron's management practices, developed through his experiences in Israel and Canada, may have been misunderstood by—and demotivating to—his Russian team.

As Aaron considered the large gap on the Leading scale, he began to think about how he'd been encouraged as a child to disagree openly with authority figures in his family and community—a stark contrast to the Russian tradition of expecting young people to show deep respect and deference to their elders. "In Israel, the boss is just one of the guys," he reflected. "But in Russia, when I try to push decision making down and insist that someone on my team is better positioned to make a decision than I am, it often suggests weak leadership." One of the specific practices getting him into trouble was his tendency to e-mail employees at lower levels of the company without passing through the hierarchical chain or cc'ing their direct bosses; he now understood why the practice made his middle managers so angry.

Sometimes it's fairly easy to bridge the cultural gaps revealed by the mapping process. Aaron found that simply stopping the direct e-mails and going through official channels had a big impact. But some differences are more difficult to overcome, and as you manage across them, it's important to respect the four rules I discuss next. They apply to all the scales, but I'll continue to focus on Leading.

RULE 1
Don't Underestimate the Challenge

Management styles stem from habits developed over a lifetime, which makes them hard to change. Here's a good example: In 2010 Heineken, the Dutch brewing company, purchased a big operation in Monterrey, Mexico, and a large number of Mexican employees are now based at its Amsterdam headquarters. One of these is Carlos, the director of marketing for the Dos Equis brand, who admits that he struggled during his first year in the position:

"It is incredible to manage Dutch people, and nothing like my experience leading Mexican teams. I'll schedule a meeting to roll out a new process, and during it, my team starts challenging the process, taking us in various unexpected directions, ignoring my process altogether, and paying no attention to the fact that they work for me. Sometimes I just watch them astounded. Where is the respect?

"I know this treating everyone as pure equals is the Dutch way, so I keep quiet and try to be patient. But often I just feel like getting down on my knees and pleading, 'Dear colleagues, in case you have forgotten: I–am–the–boss.'"

It didn't take long for Carlos to realize that the leadership skills he had built over the previous decade in Mexico, where more deference to authority is the norm, were not going to transfer easily to the Netherlands. Succeeding would depend on taking an entirely different approach and making ongoing adjustments over the long term. "I realized I was going to need to unlearn many of the techniques that had made me so successful in Mexico and develop others from the ground up," he said.

RULE 2
Apply Multiple Perspectives

If you are leading a global team with, say, Brazilian, Korean, and Indian members, it isn't enough to recognize how your culture perceives each of the others. You need to understand how the Koreans perceive the Indians, how the Indians perceive the Brazilians, and so on, and manage across the map. As you learn to look through multiple lenses, you may see that on some scales the Brazilians, for example, view the Indians in a very different way than the Koreans do.

Let's return to the case of Heineken. A manager from China who had recently moved to Monterrey assessed the Mexicans this way: "They really think everyone is equal. No matter your age, rank, or title, everyone gets a voice here. They want us to call them by their first name and disagree with them in public. For a Chinese person, this is not at all comfortable." His take on Mexican culture, of course, was nothing like Carlos's and actually sounded like Carlos's view of Dutch culture.

The point is that where a culture falls on a scale doesn't in itself mean anything. What matters is the position of one country relative to another. On the Leading scale, Mexico falls somewhere between the Netherlands (one of the most egalitarian countries in the world) and China (strongly hierarchical), and the distances separating them led to these completely contradictory perceptions.

It's not always easy to bridge cultural gaps. Management styles stem from habits developed over a lifetime, which makes them hard to change.

RULE 3
Find the Positive in Other Approaches

When looking at how other cultures work, people tend to see the negative. Steve, an Australian running the business unit of a textile company in China, admits that when he first arrived in the country, he was deeply critical of local leadership practices. The prevailing view, he found, was that "the boss is always right, and even when the boss is very wrong, he is still right." Having been raised to regard a fixed social hierarchy as an inhumane system, subverting individual freedom, he was uncomfortable in his new environment.

Yet Steve gradually came to understand and respect the Chinese system of reciprocal obligation. "In the Confucian concept of hierarchy," he says, "it's important to think not just about the lower-level person's responsibility to follow, but also about the responsibility of the higher person to protect and care for those under him. And there is great beauty in giving a clear instruction and watching your competent and enthusiastic team willingly attack the project without pushing back."

Carlos at Heineken underwent a similar transformation. He developed an appreciation for his Dutch colleagues' more egalitarian work style when he started to focus on the creative ideas generated and the problems averted because his employees felt so comfortable openly challenging his views.

Sometimes cultural diversity can cause inefficiency and confusion. But if the team leader clearly understands how people from varied backgrounds behave, he or she can turn differences into the team's greatest assets. As Steve explains, "Now that I run a Chinese-Australian operation, I think carefully about how to take advantage of the various styles on the team. Sometimes I really need a couple of experts on my staff to tear my ideas apart to ensure that we get the best solution. Sometimes we are under time pressure and I need streamlined reactivity. My overriding goal is to have a complex enough understanding of the various strengths on the team so I can choose the best subteam for each task."

RULE 4

Adjust, and Readjust, Your Position

More and more teams are made up of diverse and globally dispersed members. So as a leader, you'll frequently have to tweak or adapt your own style to better mesh with your working partners. It's not enough to shift to a new position on a single scale; you'll need to widen your comfort zone so that you can move more fluidly back and forth along all eight.

During his first year in Russia, Aaron invested significant time in watching how the most successful local leaders motivated their staff members. He learned step-by-step to be more of a director and less of a facilitator. "It worked," he said, "but when I returned to Israel, I was then accused of centralizing too much. Without realizing it, I had brought what I had developed in Russia back home." Gradually Aaron got better at adapting his behavior to the individuals and context at hand.

As Aaron, Carlos, and Steve all learned, to navigate cultural differences, you might need to go back to square one. Consider which leadership styles are most effective in disparate localities and with people of diverse nationalities. Check your knee-jerk tendencies—and learn to laugh at them. Then practice leading in a wide variety of ways to better motivate and mobilize groups who follow in different ways from the folks back home.

WHETHER WE work in Düsseldorf or Dubai, Brasília or Beijing, New York or New Delhi, we are all part of a global network. This is true in the office or at a meeting, and it is true virtually, when we connect via e-mail, videoconference, Skype, or phone. Today success depends on the ability to navigate the wild variations in the ways people from different societies think, lead, and get things done. By sidestepping common stereotypes and learning to decode the behavior of other cultures along all the scales, we can avoid giving (and taking!) offense and better capitalize on the strengths of increased diversity.

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Erin Meyer is an affiliate professor of organizational behavior, specializing in cross-cultural management, at INSEAD in Fontainebleau, France. She is the author of *The Culture Map: Breaking Through the Invisible Boundaries of Global Business* (PublicAffairs, 2014).

Discussion Questions

Navigating the Cultural Minefield

BY ERIN MEYER

1. Where do we fall on the author's Culture Map? What about our key counterparts in other cultures?

2. Which scales do you find the trickiest to navigate? Why?

3. Can you think of a time when your expectations about a particular culture may have resulted in miscommunication or other problems?

4. What's an example of a time when an important message got lost in translation? Having read this article, how could you have handled the situation differently?

5. Are there ways in which you will change your behavior toward people in another culture based on what you've learned?

Harvard Business Review

ARTICLE

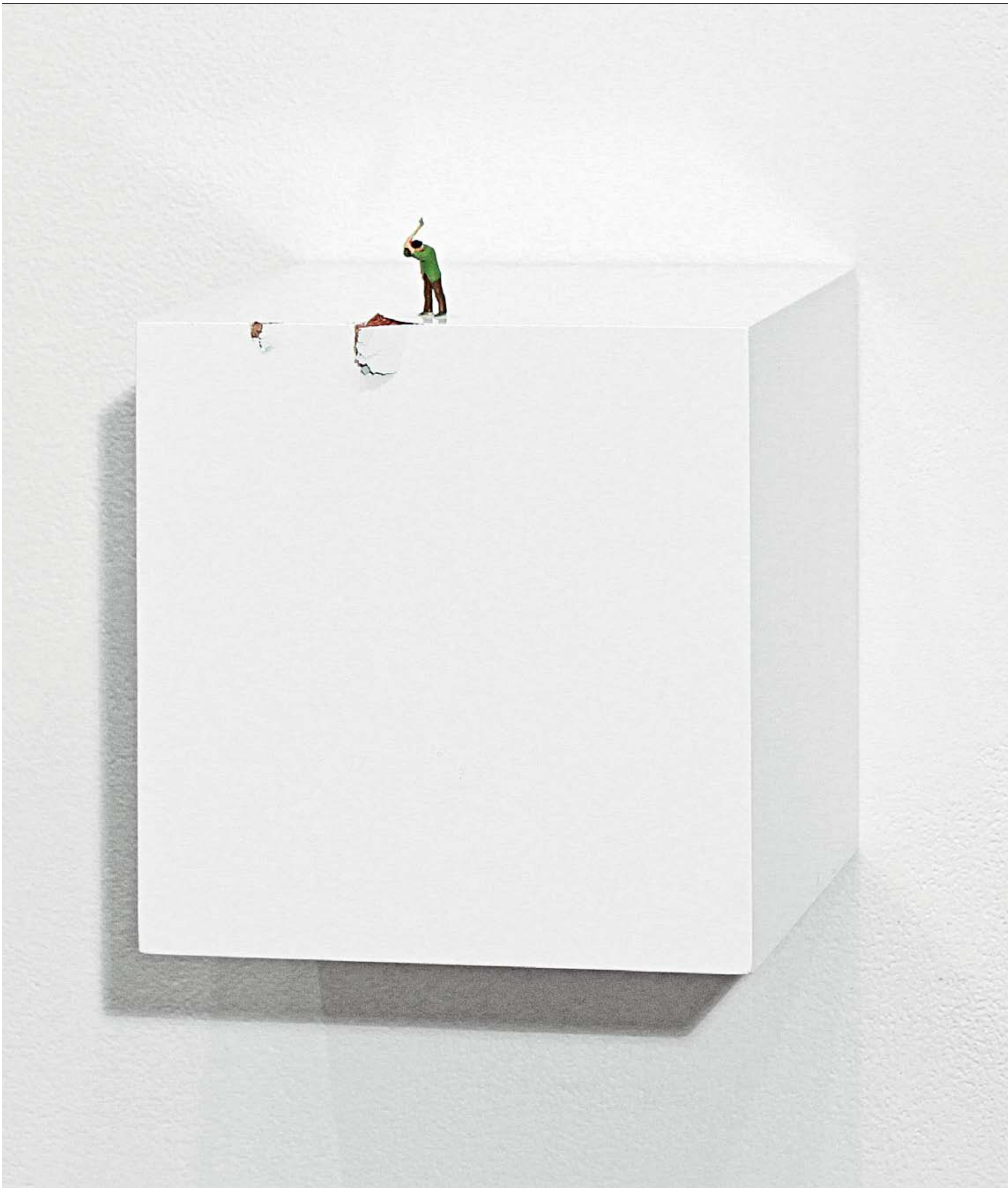
THRIVING AT THE TOP

Who's Got Those Top Jobs?

by Peter Cappelli, Monika Hamori, and Rocio Bonet

Spotlight

ARTWORK Liliana Porter
Axe Man (with green shirt)
2011, figurine on cube, 7 1/4" x 6" x 6"



Peter Cappelli is the George W. Taylor Professor of Management at the University of Pennsylvania's Wharton School and the director of its Center for Human Resources. **Monika Hamori** is a professor of human resource management, and **Rocio Bonet** is an assistant professor of human resource management, at the IE Business School, in Madrid.

Who's Got Those Top Jobs?

Executive profiles and career paths continue to evolve.

by Peter Cappelli, Monika Hamori, and Rocio Bonet

EACH ERA HAS its own senior-executive profile. A century ago many of the largest, most powerful corporations were led by entrepreneurs—Henry Ford, for example, who had founded his automaker, and Alfred P. Sloan, whose company had been acquired by General Motors. By the 1920s professional managers were hopping from company to company to fill high-level management positions. By the 1950s lifelong employees of corporations were working their way up the ladder to claim the top jobs.

The executive profile continues to evolve. In "The New Road to the Top" (HBR January 2005), two of us (Cappelli and Hamori) compared leaders in the top 10 roles at each of the *Fortune* 100 companies in 1980 with those in 2001, noting a sharp decline in the "lifer" model and a corresponding uptick in rapidly advancing young executives who spent less time with any one employer. Here we have extended our analysis to 2011.

Perhaps the most noteworthy changes are demographic. Since our previous study, the percentage of executive women has risen quite a bit, as has the percentage of leaders educated outside the United States.

Other interesting developments stem from the global recession in 2008. Because the economic crisis roiled financial institutions the most, causing them to restructure, long-established corporations such as AIG, Bank of America, and Freddie Mac are bringing in more senior executives from the outside than they did a decade ago. Companies such as Caterpillar, Procter & Gamble, and UPS, whose businesses are more stable, have been promoting leaders from within. Executives' age and length of tenure are both on the rise—trends that we wouldn't have predicted before the crisis but that seem perfectly logical in its wake: In such uncertain times, leaders have understandably been hesitant to leave their organizations for new opportunities. Companies, too, have exercised caution, sometimes holding on to even underperforming executives to maintain stability.

Attributes at the top also reflect some broader trends within the *Fortune* 100 over the past three decades, such as a decrease in heavy industry and energy companies, which have fewer women at all levels of management, and a proliferation of health care and retail companies, which have more women. Our most striking findings have emerged in four areas: career trajectory, education, diversity, and hierarchy within the senior ranks. We'll explore each in turn.

ABOUT THE RESEARCH

We examined the biographies of leaders in the top 10 roles at each *Fortune* 100 company. In many cases the 10th executive was one of several with the same title, so we included everyone with that title. Because 1980 immediately preceded a watershed recession, we chose that as our baseline year. We wanted to test the conventional wisdom that executive careers have undergone a significant change since the early 1980s—and we concluded that they have. When we did our first study, a decade ago, we used 2001 data for comparison because they were the most recent reliable data. Now we've extended our analysis to 2011 to see which trends held despite the global recession in 2008.

Career Trajectory

The decline of lifelong employees is remarkably steep. Despite the prevalence of sophisticated executive development and succession planning programs, less than a third of the 2011 *Fortune* 100 leaders had started their careers with their current employers. That's down from 45% in 2001 and more than 50% in 1980. The decrease has accelerated in recent years, even though length of tenure is moving in the opposite direction. Why the discrepancy? Because two global recessions made people less likely to change companies.

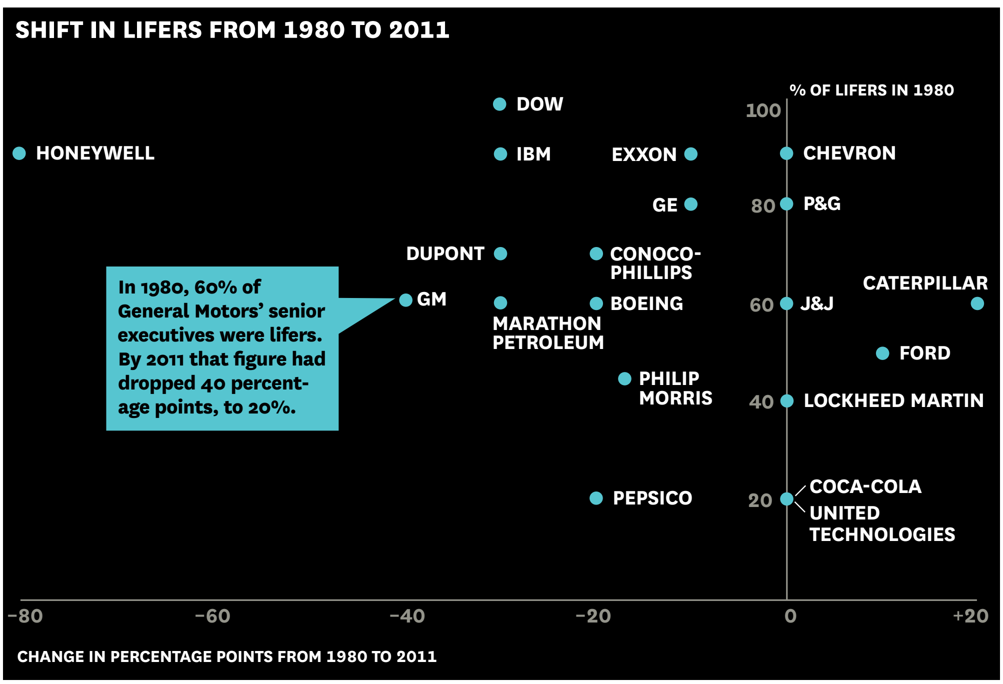
The latest recession and the prolonged recovery have constrained career growth. The 2011 executives took longer than the 2001 group to get to the top, mainly because they had advanced more slowly throughout their careers. On average, they had spent almost a year longer in each role than their counterparts from a decade earlier—although a small number had been stuck in the same jobs a disproportionately long time, and those at the very top had advanced faster than others.

The 2011 executives had been with their current employers longer than the 2001 group—a development that holds true at all levels of management in the United States. Data from the U.S. Bureau of Labor Statistics show that managers in 2012 had been with their employers about 12% longer, on average, than managers a decade earlier. (That's about the same tenure increase we found in our research on senior executives.) And as a CareerXroads survey shows, since 2008 large U.S. corporations have been more inclined than they were back in 2001 to fill vacancies from within.

All that said, we see no reason to think that these recession-related developments will continue as the economy improves. And the numbers vary considerably by company in any case. Leaders shot to the top fastest at Google, where their time from entry level to the executive suite averaged 14 years. At the other end of the spectrum, Hewlett-Packard and ConocoPhillips leaders took about 32 years to work their way up.

As one would expect, time to the top correlates with age. Members of HP's 2011 executive team—among the six oldest in the *Fortune* 100—were over 58, on average. Google's executives, at 46, were the youngest. In fact, Jill Hazelbaker, Google's head of corporate communications, is the youngest executive in our data set and the one whose path to the executive suite was fastest. In 2011, at the age of 30, she moved directly into that role from the world of electoral politics, where she had been campaign spokesperson and then national communications director for John McCain's 2008 U.S. presidential run and served as one of his closest advisers. It's hard to imagine any corporate career advancing so rapidly, even at Google, but political organizations—less structured than companies—offer unusual opportunities for leaders with ability and drive.

Differences in tenure by company are even more dramatic. In 2011 Sears executives had been with their employer only three years, on average, and Chevron executives, 33 years. The 20 companies that have been in the *Fortune* 100 since 1980—the most firmly established of the great corporations—still had at least one foot in the Organization Man era even in 2011. Almost half their senior executives were lifers. At Chevron and UPS, that was true of 90% of top-team members. David Abney, for example, began his career at UPS Airlines in 1974, as a part-time package loader. He advanced through various operational roles to become president of the SonicAir subsidiary in 1999. From there he was promoted to



president of UPS International in 2003 and to COO in 2007. Mary Barra, who led global product development at General Motors when we collected data (she's now the CEO), has spent her entire 33-year career at GM.

Of course, not all leaders at those 20 corporations fit that pattern. The exhibit "Shift in Lifers from 1980 to 2011" shows considerable variation. Ford and Caterpillar, for example, had even more lifers at the top in 2011 than in 1980. But other companies have seen sharp decreases. At Honeywell the proportion of lifers fell by 80 percentage points. Thirteen of the *Fortune* 100 companies, including PepsiCo and Bank of America, had no top executives in 2011 who had begun their careers there.

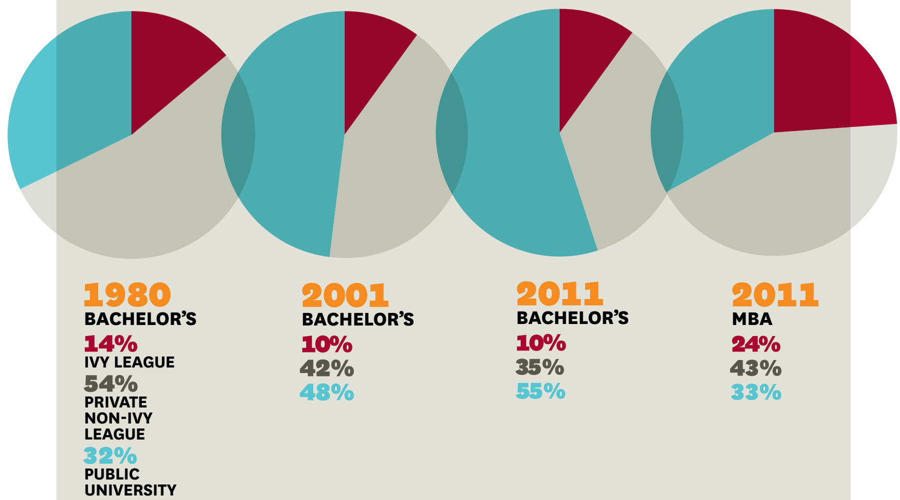
Education

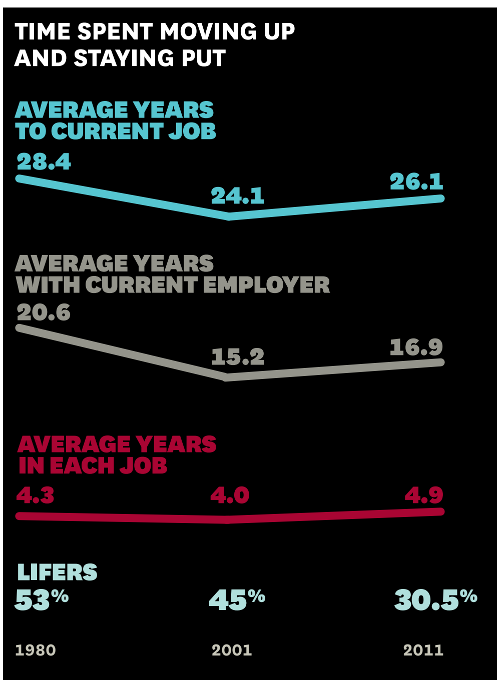
Over the past 30 years we've seen executives' education levels rise. About 65% of the leaders in 2011 held graduate degrees, compared with 62% in 2001 and 46% in 1980. Companies with the most MBAs in their senior ranks included Sears (75%), Sunoco (70%), and Disney (63%). Leaders at AT&T, Merck, and Freddie Mac were the most highly educated, with 19 years of schooling, on average.

Where did the senior *Fortune* 100 executives attend college? The proportion with an Ivy League bachelor's degree dropped from 14% in 1980 to 10% in 2001 but then held steady. In 2011 Merck had the highest percentage of Ivy baccalaureates, at 50%, with Freddie Mac, Microsoft, and Amazon tied for second place at 44%.

As the charts below show, those holding bachelor's degrees from private non-Ivies (and, to a lesser extent, from Ivies) lost considerable ground to graduates of public universities in filling the top jobs over the past three decades. That may be because most of the 2011 executives attended college in the 1970s, when the resources and status of state schools were near their peak.

At the graduate level, however, the Ivy League more than held its own: Almost a quarter of the executives holding MBAs had graduated from business school at Columbia, Cornell, Dartmouth, Harvard, Pennsylvania, or Yale. Among C-suite executives the proportion was 36%.





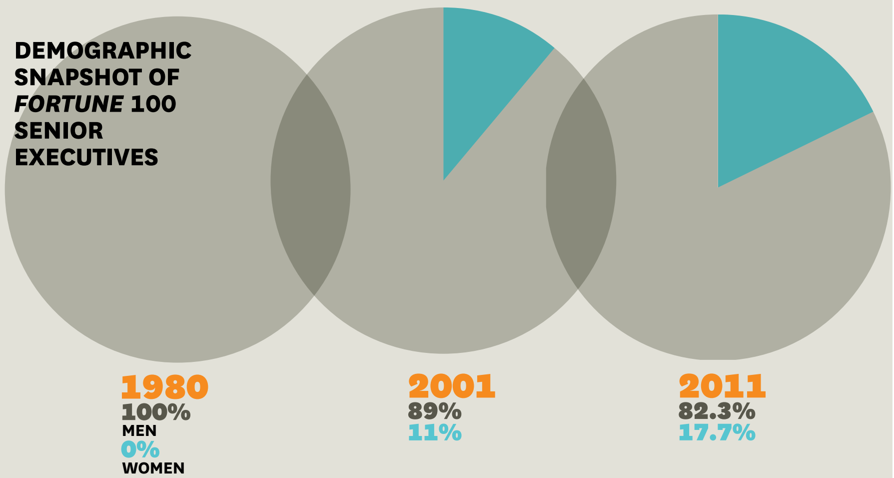
THE MBA ANALYSIS

The two most common measures of a business school's prestige are whether it's an Ivy League institution and how it fares in the landmark *Businessweek* MBA rankings. We used the 1988 *Businessweek* list because most of the executives with MBAs in our sample had earned their degrees around that time. On that list the top 10 schools, in rank order, were: Northwestern (Kellogg), Harvard, Dartmouth (Tuck), Pennsylvania (Wharton), Cornell (Johnson), Michigan (Ross), Virginia (Darden), North Carolina (Kenan-Flagler), Stanford, and Duke (Fuqua).

Of the executives we studied, 28% had received their MBAs from one of those schools. We then expanded our definition of "elite" to include the next 10 schools on the 1988 list: Chicago (Booth), Indiana (Kelley), Carnegie Mellon (Tepper), Columbia, MIT (Sloan), UCLA (Anderson), UC-Berkeley (Haas), NYU (Stern), Yale, and Rochester (Simon).

We found that more than 40% of the 2011 executives' MBAs came from the 20 schools. But this alternative measure did not change our main conclusions: Leaders in top-tier positions tend to have more elite MBAs than those in other tiers, and the proportion of elite MBAs is higher among outside hires than among executives promoted from within.

Diversity



As noted, diversity among senior executives has increased. Leaders in 2011 were much likelier to be women or to be educated outside the United States than leaders in previous years, although both groups are still far from achieving parity with U.S. men.

Women are slightly more likely to work in the financial services, health care, and retail industries than elsewhere. They're prominent in the executive ranks of consumer products and, surprisingly, aerospace companies. At the corporations that have the most female executives—Target, Lockheed Martin, and PepsiCo—women hold half the senior management jobs.

The substantial increase in female executives has not played out equally across organizations, however. The exhibit below shows the full range of change. Seventeen of the *Fortune* 100 still have no women in their top 10 roles.

In the 2011 data set, more women than men had graduate degrees, but the difference wasn't statistically significant, even by type of degree. For example, 31% of men and 32% of women held MBAs; 8.48% and 8.52%, respectively, held PhDs. Slightly more women than men had other master's degrees and JDs.

The greatest gender divide was in undergraduate Ivy League degrees: Almost twice as many men as women had bachelor's degrees from Ivy schools (11% versus 6%). Things evened out at the graduate level, though: The percentage of Ivy MBAs was about the same for both sexes.

Women in the 2011 group had secured their executive positions about three years earlier in their careers than the men—but few of them had risen to the very top, as was true for the 2001 group. Only 5% had made it to the highest-level positions, compared with 17% of the men.

Women in top-tier positions had taken an average of 28 years to get there, compared with 29 years for men. Those in middle-tier positions had taken 23 years to get there, compared with 26 years for men. They had been promoted sooner in each previous job—after an average of four years, compared with five years for men. This was true in 2001 as well. (See "Three Tiers, Three Profiles.")

Why? We think the women ascended faster because they were riding a different elevator. Middle-tier female executives, for example, had held primarily function-specific roles, such as chief legal officer, general counsel, or SVP of human resources. Their male colleagues had held more of the general management positions that typically feed the very top executive jobs.

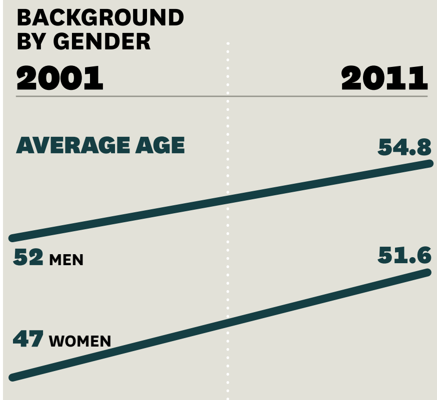
Average tenure in 2011 was about the same for men and women within tiers, as was the percentage of those who had begun their careers with their current employers (28% of women and 31% of men). But the percentage of male lifers dropped sharply from 2001 to 2011; for women, the decline was much subtler because fewer female lifers existed to begin with.

THE SHIFT TOWARD MORE WOMEN: STRONG BUT UNEVEN

PERCENTAGE POINT INCREASE IN NUMBER OF FEMALE EXECUTIVES 1980–2011

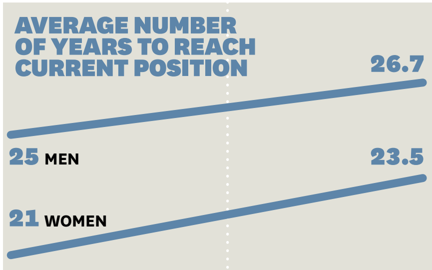
+0	+10	+20	+30	+40	+50
CATERPILLAR	EXXON	GM	CHEVRON	GE	LOCKHEED MARTIN
CONOCO-PHILLIPS	J&J	UNITED TECHNOLOGIES	DUPONT	IBM	PEPSICO
FORD			HONEYWELL	COCA-COLA	
PHILIP MORRIS			MARATHON PETROLEUM		
DOW CHEMICAL			BOEING		
			P&G		

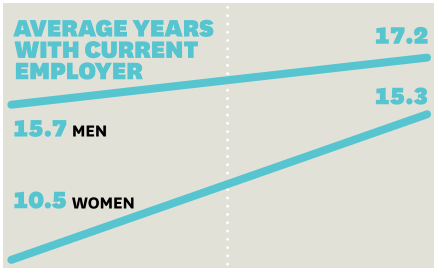
THESE 20 COMPANIES APPEARED IN BOTH THE 1980 AND THE 2011 *FORTUNE* 100 LIST. NONE OF THEM HAD ANY WOMEN AT THE TOP IN 1980.

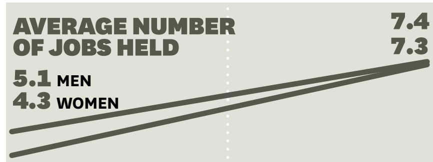


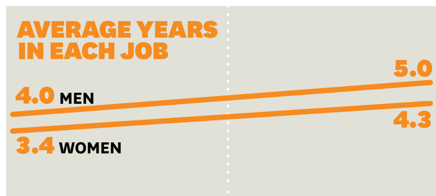
PERCENTAGE OF TOP EXECUTIVES WHOSE ENTIRE CAREERS WERE AT ONE COMPANY

	2001	2011
MEN	47%	31%
WOMEN	32%	28%









Hierarchy

How did the *Fortune* 100's senior leaders advance to where they are in their organizations? Those in the very top tier (CEOs and chairs) have a different story to tell than those in the middle (functional and divisional heads) and those at the bottom (VPs). And it's not just a matter of how much time they've invested in their careers.

In fact, the executives began making their way into their respective tiers before they'd even arrived at their first jobs. Leaders at the very top are five times as likely as those at the bottom to have earned an Ivy League undergraduate degree and three times as likely to have earned an Ivy MBA. Interestingly, top executives with Ivy League degrees are likelier to be hired from outside than promoted from within: In the former category, 38% have an Ivy undergraduate degree and 64% have an Ivy MBA; in the latter, 16% have an Ivy undergraduate degree and 28% have an Ivy MBA. If the Ivy League confers "gold collar" status, it appears to do so mainly through outside hiring.

It's not surprising that executives at the very top have taken considerably longer to "arrive" than those in the other two tiers. Although they've been on a faster track from the beginning, they've also held more jobs along the way, gaining the exposure and grooming needed for general management roles. What's more, they tend to have exercised operating authority on their way up. Those in the middle or bottom tier are likelier to have come of age in functional silos.

Though executives take many paths to senior management, the road to the highest level is the most clearly defined—and it's established early on.

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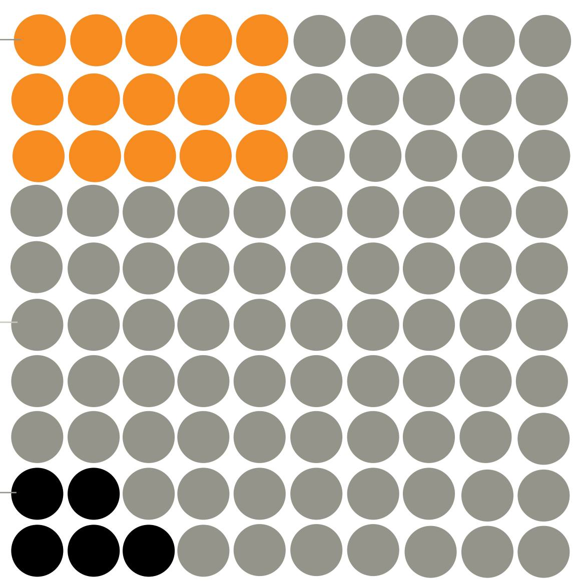
THREE TIERS, THREE PROFILES

	TOP TIER	MIDDLE TIER	BOTTOM TIER
AVERAGE AGE	58.8	53.5	53.3
AVERAGE YEARS OF SCHOOLING	17.8	17.8	18.0
IVY LEAGUE UNDERGRADUATE DEGREE	21%	8%	4%
IVY LEAGUE MBA	36%	22%	12.5%
AVERAGE YEARS TO CURRENT POSITION	29.3	25.6	23.8
AVERAGE YEARS IN EACH JOB	4.5	4.9	6.8
AVERAGE NUMBER OF JOBS HELD	9.3	7.1	5.6
AVERAGE YEARS WITH CURRENT EMPLOYER	20.4	16.3	16.0
LIFERS	30%	31%	31%
NUMBER OF EMPLOYERS	2.8	2.8	2.8

15%
TOP TIER
CEOS, BOARD CHAIRS, VICE CHAIRS, PRESIDENTS, COOS



80%
MIDDLE TIER
FUNCTIONAL HEADS, EXECUTIVE VPS, SENIOR VPS, DIVISION PRESIDENTS

5%
BOTTOM TIER
VPS, GROUP VPS

MORE FOREIGN EXECUTIVES

The other sign of greater diversity is the rise of foreign executives, from 2% in 1980 to 11% in 2011. Years of schooling, the proportion of MBA holders, and the proportion of Ivy MBAs didn't differ much for foreign versus U.S. executives. But the former tended to work in larger, more established companies.

That makes sense, because those companies have more-extensive multinational operations than their smaller counterparts do and, therefore, more non-U.S. country managers to feed the pipeline to the executive suite. At Philip Morris, for example, Louis C. Camilleri, who was born in Egypt and educated in Switzerland, was the CEO in 2011 (he's now chairman of the board). Camilleri joined the company in 1978 as a business development analyst for Philip Morris Europe. From there he rose to president and CEO of Kraft Foods in 1995 and then SVP and CFO of Philip Morris before assuming the CEO role.

Companies with foreign executives at the top are disproportionately based on the East and West Coasts of the United States. At PepsiCo (New York), Ingram Micro (California), and Philip Morris (Virginia), for instance, 56% of senior managers were educated outside the U.S. In contrast, AT&T (Texas), Delta Air Lines (Georgia), and Abbott Laboratories (Illinois) have no foreign-educated executives.

1980
2.2%
EDUCATED OUTSIDE THE U.S.

2001
7%

2011
11%

Discussion Questions

Who's Got Those Top Jobs?

BY PETER CAPPELLI, MONIKA HAMORI, AND ROCIO BONET

1. What do you make of the inconsistency in the representation of women in top roles at Fortune 100 companies?

2. The authors' research seems to indicate that a glass ceiling for women still exists (17 of the Fortune 100 have no women in top spots, and few have risen to the highest-level positions). What do you think?

3. Do you see the same pattern of female executives holding primarily function-specific roles (chief legal officer or SVP of HR) in your organization or industry? Why do you think this happens?

4. The authors conclude that "though executives take many paths to senior management, the road to the highest level is the most clearly defined—and it's established early on." Do you think this path is equally accessible to men, women, and minorities?

Harvard Business Review

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ARTICLE
DEMOGRAPHICS

Research: Your Firm Probably Isn't an Equal Opportunity Employer

by Kevin Stainback and Donald Tomaskovic-Devey

Harvard Business Review

DEMOGRAPHICS

Research: Your Firm Probably Isn't an Equal Opportunity Employer

by Kevin Stainback and Donald Tomaskovic-Devey

JUNE 19, 2013

Anyone who has hiring responsibilities in 2013 would like to think that the U.S. is tackling diversity head-on. But how far have American companies really come? We have been examining what has happened to equal opportunity in the private sector since the Civil Rights Act of 1964. Our data show that progress has stalled, many firms are showing signs of increased gender and racial employment segregation, and few firms monitor equal employment opportunity progress.

The reality is that while your company may manage diversity, it probably doesn't hold anyone accountable for whether your applicants and employees are treated fairly and without regard to gender, race, and ethnicity in hiring and promotion decisions.

Before 1964, employment segregation and discrimination were legal in U.S. workplaces. Black and white workers almost never worked in the same jobs in the same workplaces, and women of all races tended to be clustered in low status, low pay jobs. White males held almost all managerial and professional jobs, as well as most high-skill production jobs.

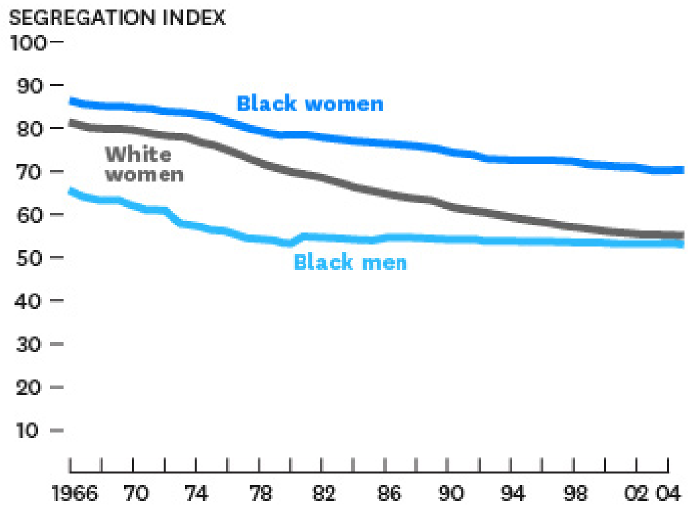
When Congress passed the Civil Rights Act in 1964, it also created the U.S. Equal Employment Opportunity Commission (EEOC) to monitor progress and authorized the EEOC to collect annual data on race, gender, and the occupational composition of medium and large private sector workplaces. These are the data we analyzed.

What we found is that nearly all of the progress in private sector equal opportunity — in both federal contracting firms (those subject to affirmative action) and non-contracting firms — was made before 1980. CEO-backed affirmative action in particular provided significant benefits for blacks and women prior to 1980, stalled in the 1980s, and many indicators of employment integration into good jobs for blacks and women have worsened since the 1990s. Although workplaces continue to become less white and less male than they once were, desegregation — employment in the same jobs in the same workplaces with white men — has stalled, and minority and female access to managerial and high skilled production jobs have plateaued as well.

So why did equal employment progress stop? We see two primary reasons. The first is tied to national efforts to pressure firms to regulate equal opportunity. The second is related to what is currently happening (or not happening) in your workplace.

PRIVATE SECTOR WORKPLACE DESEGREGATION FROM WHITE MEN, 1966-2005

Segregation from white men drops for white women, black men, and black women across the '70s. For black men and women, integration with white men on average stalls in 1980. White women make slow progress across the '90s, but progress stalls at the turn of the century.



The segregation index captures the percent of employees that would need to switch jobs in order to have equal representation across major occupational skill distinctions.

SOURCE STAINBACK & TOMASKOVIC-DEVY, "DOCUMENTING DESEGREGATION"
HBR.ORG

Starting in the late 1970s, there was growing white resentment in the courts regarding affirmative action and "reverse discrimination" in employment and education (see *McDonald v. Santa Fe Transport* and *Regents of the University of California v. Bakke*). And after the 1980 presidential election, the Reagan administration rolled out a deregulation agenda that included reducing the organizational capacity of the EEOC and the Department of Labor's Office of Federal Contract Compliance to monitor and enforce equal employment opportunity legislation. Thus, federal court appointments began to interpret discrimination law more narrowly.

These shifts in the political and legal environments removed the political pressure on politicians and CEOs to address discrimination and practice affirmative action. And as political pressure for equal employment opportunity waned, so did private sector vigilance and progress. Indeed, many human resource managers who had hung their professional hats on affirmative action in the 1960s and 1970s rebranded their focus as "Diversity Management." What we show in our book, and others have shown in recent research, is that diversity management alone does not promote racial and gender integration or equal employment opportunity gains.

Today only about 1 in 6 firms hold their managers accountable for the progress of women or minorities in their workplaces. Instead, most firms rely on symbolic public commitments to equal opportunity, occasional diversity training, and defensive legal responses to discrimination complaints as their core diversity practices.

What's wrong with these approaches?

Diversity training often produces as much or more backlash as understanding and may increase discrimination claims and lawsuits. Defending discrimination lawsuits teaches your firm how to discriminate without consequence, in addition to producing little change. What would you find if you checked the employment statistics for departments in your firm that were involved in a discrimination lawsuit five years ago? The odds are that diversity is no better, and probably worse, than before you were sued.

Altogether, most firms are in the business of "managing" diversity, not promoting equal opportunity. Companies now celebrate the promotion of the occasional minority into senior management, but ignore hiring patterns or the turnover of talented people at lower levels. Resegregation is occurring because firms are failing to monitor progress toward equal opportunity.

But it's not as if companies don't know how to do this. How does your company innovate and achieve revenue or productivity gains? The odds are quite good that you set benchmarks and hold people accountable. The odds are also good that your firm's equal opportunity policy doesn't do either.

Despite the absence of regulatory pressure from the federal government or from social movements, many firms continue to embrace the idea of equal opportunity because they value both diversity and fairness. Diversity can lead to a wider range of ideas and problem solving strategies. Importantly for your firm, the U.S. is increasingly becoming a majority-minority country, and you probably will need to deal with real, rather than symbolic, equal opportunity sooner or later. As any good manager knows, embracing an idea is not the same as setting a goal.

Your company no doubt has a strong equal opportunity commitment in your employee handbook and on the company website. You may be thinking, "My firm truly values diversity, certainly my company can't be getting worse." How does your company measure equal employment opportunity? What does diversity progress look like? What benchmarks do you have in place? Without asking these

questions, companies are unlikely to truly create equal opportunity environments — environments that are well worth embracing.

Kevin Stainback and Donald Tomaskovic-Devey are the authors of *Documenting Desegregation: Racial and Gender Segregation in Private Sector Employment since the Civil Rights Act*, published in 2012 by Russell Sage. Stainback is an Associate Professor of Sociology at Purdue University, and Tomaskovic-Devey is a Professor of Sociology at the University of Massachusetts, Amherst.

Discussion Questions

Research: Your Firm Probably Isn't an Equal Opportunity Employer

BY KEVIN STAINBACK AND DONALD TOMASKOVIC-DEVEY

1. How does your company monitor progress toward equal opportunity? What does diversity progress look like?

2. What diversity benchmarks does your organization have in place, and does it hold people accountable for the progress of women and minorities against those benchmarks, or does it take more of a "diversity management" approach (focusing instead on symbolic public commitments to diversity, occasional training, and defensive legal responses to discrimination complaints)? If not, what do you think your equal opportunity goals should be?

3. Looking at employment statistics for your organization, do you see the same pattern of resegregation that the authors discovered in their research? Why do you think that is or isn't happening?

4. If your firm has been involved in a discrimination lawsuit within the last five years, have you checked to see whether diversity has improved in the affected department(s) since you were sued? According to the authors, it probably hasn't.

"Today only about 1 in 6 firms holds their managers accountable for the progress of women or minorities in their workplaces. Instead, most firms rely on symbolic public commitments to equal opportunity, occasional diversity training, and defensive legal responses to discrimination complaints as their core diversity practices."

Harvard Business Review

ARTICLE
DEFEND YOUR RESEARCH

What Makes a Team Smarter? More Women

by Anita Woolley and Thomas Malone

Defend Your Research

HBR puts some surprising findings to the test

Anita Woolley (awoolley@cmu.edu) is an assistant professor of organizational behavior and theory at Carnegie Mellon University.

Thomas Malone (malone@mit.edu) is the Patrick J. McGovern Professor of Management at the MIT Sloan School of Management and the founding director of the MIT Center for Collective Intelligence.

What Makes a Team Smarter? More Women

The finding: There's little correlation between a group's collective intelligence and the IQs of its individual members. But if a group includes more women, its collective intelligence rises.

The research: Professors Woolley and Malone, along with Christopher Chabris, Sandy Pentland, and Nada Hashmi, gave subjects aged 18 to 60 standard intelligence tests and assigned them randomly to teams. Each team was asked to complete several tasks—including brainstorming, decision making, and visual puzzles—and to solve one complex problem. Teams were given intelligence scores based on their performance. Though the teams that had members with higher IQs didn't earn much higher scores, those that had more women did.

The challenge: Are brainy people overrated? Are women the true key to success? **Professors Woolley and Malone, defend your research.**

Woolley: We've replicated the findings twice now. Many of the factors you might think would be predictive of group performance were not. Things like group satisfaction, group cohesion, group motivation—none were correlated with collective intelligence. And, of course, individual intelligence wasn't highly correlated, either.

Malone: Before we did the research, we were afraid that collective intelligence would be just the average of all the individual IQs in a group. So we were surprised but intrigued to find that group intelligence had relatively little to do with individual intelligence.

HBR: But gender does play a role?

Malone: It's a preliminary finding—and not a conventional one. The standard argument is that diversity is good and you should have both men and women in a group. But so far, the data show, the more women, the better.

Woolley: We have early evidence that performance may flatten out at the extreme end—that there should be a little gender diversity rather than all women.

You realize you're saying that groups of women are smarter than groups of men.

Woolley: Yes. And you can tell I'm hesitating a little. It's not that I don't trust the data. I do. It's just that part of that finding can be explained by differences in social sensitivity, which we found is also important to group performance. Many studies have shown that women tend to score higher on tests of social sensitivity than men do. So what is really important is to have people who are high in social sensitivity, whether they are men or women.

So you didn't see a negative correlation with individual IQs—just a very weak positive correlation. In theory the 10 smartest people could still make a great group, right?

Woolley: In theory, yes, the 10 smartest people could make the smartest group, but it wouldn't be just because they were the most intelligent individuals. What do you hear about great groups? Not that the members are all really smart but that they listen to each other. They share criticism constructively. They have open minds. They're not autocratic. And in our study we saw pretty clearly that groups that had smart people dominating the conversation were not very intelligent groups.

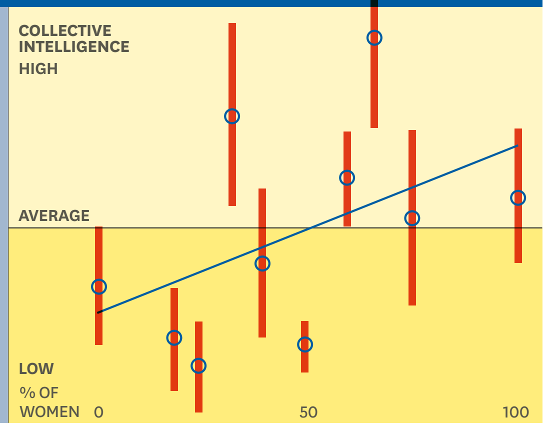
Can teams be too group oriented? Everyone is so socially sensitive that there's no leader?

Woolley: Anecdotally, we know that groups can become too internally focused. Our ongoing research suggests that teams need a moderate level of cognitive diversity for effectiveness. Extremely homogeneous or extremely diverse groups aren't as intelligent.

In some ways, your findings seem blindingly obvious: that teams are more than just a collection of the best talent.

The Female Factor

The chart plots the collective intelligence scores of the 192 teams in the study against the percentage of women those teams contained. The red bars indicate the range of scores in the group of teams at each level, and the blue circles, the average. Teams with more women tended to fall above the average; teams with more men tended to fall below it.



Malone: Sure. This is well-known in sports. Our study shows it with intellectual tasks. We realized that intelligence tests are a way to predict individuals' performance on a range of tasks, but no one had thought of using the same approach to predict group performance.

Woolley: There was a step change in psychology once the field had an empirical method of measuring individual intelligence through IQ tests. We're hopeful that this work can create a similar seismic shift in how we study groups.

Can we design teams to perform better?

Malone: We hope to look at that in the future. Though you can change an individual's intelligence only so much, we think it's completely possible to markedly change a group's intelligence. You could increase it by changing members or incentives for collaboration, for instance.

Woolley: There is some evidence to suggest that collective intelligence exists at the organizational level, too. Some companies that do well at scanning the environment and setting targets also excel at managing internal operations and mentoring employees—and have better financial performance. Consistent performance across disparate areas of functioning suggests an organizational collective intelligence, which could be used to predict company performance.

So this phenomenon could extend beyond the small groups you studied?

Malone: Families, companies, and cities all have collective intelligence. But as face-to-face groups get bigger, they're less able to take advantage of their members. That suggests size could diminish group intelligence. But we suspect that technology may allow a group to get smarter as it goes from 10 people to 50 to 500 or even 5,000. Google's harvesting of knowledge, Wikipedia's high-quality product with almost no centralized control—these are just the beginning. What we're starting to ask is, How can you increase the collective intelligence of companies, or countries, or the whole world? ⛉

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Many factors you might think would be predictive of group performance were not. Group intelligence had little to do with individual intelligence.

Discussion Questions

Defend Your Research: What Makes a Team Smarter? More Women

BY ANITA WOOLLEY AND THOMAS W. MALONE

1. Is the research convincing enough to consider adding more women to all our teams?

2. Is it worth conducting our own experiment to find out whether adding more women makes a difference?

"Many factors you might think would be predictive of group performance were not. Group intelligence had little to do with individual intelligence."

Related Resources

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Most People Don't Want to Be Managers
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