

FORTUNE

The problem with diversity and inclusion initiatives

BY MICHELE FRANK

May 18, 2022

As a woman who works in a male-dominated field, I appreciate the efforts many organizations take to foster diverse and inclusive work environments. These efforts include establishing mentorship programs for female employees and tying executive and non-executive compensation to the attainment of target numbers or percentages of women in high-level leadership roles.

While a [2021 McKinsey & Company study](#) suggests that these efforts have been at least somewhat successful in increasing female representation, we must recognize that efforts focused primarily on increasing female representation do very little to reduce, and may even feed, gender stereotypes.

Research in a number of areas suggests that diversity and inclusion initiatives inadvertently signal that women need help to succeed. When trying to make sense of why this might be true, individuals tend to underestimate the prevalence of gender stereotypes and the obstacles they create. Doing so leads them to assume that women need help because they are less competent than their male peers (and, therefore, unlikely to succeed on their own merit), rather than because negative stereotypes put women at a systematic disadvantage.

A 2006 study provides evidence of the signaling effect described above. In the study, researchers provided participants with information about a worker who was recently selected for a new job assignment. In some cases, the researchers told participants why the individual was selected. Some participants were told that the individual was selected to fulfill a diversity goal (i.e., to ensure demographic representation), while others were told the individual was selected because he or she had availability to complete the assignment.

The study found that telling participants that a white woman or a Black man was selected in order to fulfill a diversity goal caused participants to view the worker more negatively than they would have if they had not been told why the individual was selected or if they had been told the selection was attributable to availability.

Associating selection with a diversity goal caused participants to view the worker as less competent and less likely to make an impact. Similarly, a 2018 study found that individuals rated the qualifications of a Latinx job candidate as being lower when a hiring manager explicitly indicated that hiring the candidate would help an organization meet its diversity goals versus when the hiring manager was silent about the issue.

Establishing explicit goals about the number or percentage of women in leadership roles may also inadvertently signal those women need to be promoted irrespective of beliefs about their abilities. This may create implicit pressure to reward or promote women, even when you believe they are less capable or deserving than their male peers.

In a study I conducted with Anne Farrell, we find evidence consistent with this signaling effect. We asked participants to make decisions on whether an employee should be labeled as having “high potential,” a designation that carries with it many benefits including the receipt of special developmental resources and opportunities. Holding information

about the employee's past performance and experiences constant, we manipulated whether the employee was a male or female.

We found that, contrary to what was [suggested by research](#) conducted prior to the widespread proliferation of diversity and inclusion initiatives, individuals were more likely to label the female employee as a high potential. However, we also found that this did not occur because participants believed that the woman was more capable than the man. In fact, participants in our study judged the woman's ability as being significantly lower than the man's.

The research described above again suggests that efforts to increase the number of women in higher-level roles do little to eliminate harmful gender stereotypes. Our study suggests that managers may allocate rewards and promotions to women because of pressures to increase their number in higher-level roles, not because diversity and inclusion initiatives help them see that women are just as competent and deserving as their male peers.

Absent a reduction in underlying gender stereotypes diversity and inclusion initiatives may have unintended negative consequences. Others within an organization may become demotivated because they assume that rewards are no longer merit-based. Believing that someone was promoted for a reason other than merit tends to generate feelings of hostility toward that person, making collaboration difficult.

When women believe they were promoted because of their gender, rather than on the basis of merit, they are more likely to question their ability and qualifications. This not only increases anxiety but also hinders performance, leading women to act in a more timid and conservative manner. Such results are clearly inconsistent with improving females' workplace experiences and outcomes—and highlight a significant flaw in diversity initiatives designed to increase female representation.

Michele Frank is an assistant professor of accountancy at Miami University's Farmer School of Business.