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## Management Diversity is an Often Unmet Goal

PROMINENT PUBLICATIONS SPOTLIGHT RESEARCH BY PROFESSOR SCHWARTZ

by Jim Hanchett | July 10, 2024

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Management Diversity is an Often Unmet Goal - Christopher Newport University

The headline in the prestigious Harvard Business Review boldly describes new research by Professor Dr. Shoshana Schwartz and colleagues: "The Most Common DEI Practices Actually Undermine Diversity."

Schwartz, Assistant Professor of Management in the Luter School of Business, co-authored the <u>Harvard Business</u> <u>Review article</u> with Traci Sitzmann and Mary Lee Stansifer of the University of Colorado Denver. The article built on research Schwartz and Sitzmann published in the peer-reviewed journal <u>Business Horizons</u>.

"While companies say they champion diversity, there are glaring disparities in diverse representation within managerial ranks," according to the authors. Citing a 2021 analysis, they point out that Black employees are I4% of the workforce in the businesses they studied but only hold 7% of the managerial roles. Women continue to hit a glass ceiling as they attempt to obtain leadership positions.

Schwartz and her colleagues found businesses often implement ineffective and counterproductive practices that undermine managerial diversity. As a result, underrepresented groups pay a severe price because businesses frequently ignore proven steps to increase diversity.

The researchers pored through three decades worth of data from more than 800 U.S. firms compiled by sociologists Frank Dobbin and Alexandra Kalev. The data pointed in two directions:

What works: paid diversity roles (e.g., chief diversity officer), formal mentoring programs, and diversity, equity and inclusion-focused recruitment are among the most effective practices but are infrequently implemented in

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organizations. Among medium to large employers, only 20% have diversity task forces, 10% have diversity managers, and 10% have formal mentoring programs.

What is less effective: diversity and harassment training and grievance procedures are frequently utilized in organizations but have little positive impact. Diversity training is too often counterproductive because "employees tend to react with resistance and anger to these messages, inadvertently increasing discriminatory behavior... Leaders need to understand which management practices work so that they can build a more diverse managerial team."

Notably, Schwartz and Sitzmann conclude that the relationship between practices' effectiveness at increasing diverse representation in management and how frequently the practices are actually implemented is negative. On average, organizations are more likely to utilize ineffective practices than effective practices. The authors identify organizations' frequent implementation of ineffective practices – rather than effective practices – as a key factor contributing to the slow pace of DEI progress.

In the Business Horizons article, Schwartz and Sitzmann highlight particularly effective strategies adopted by well-known businesses.

IBM, for example, created a technical school in a predominately African-American and West Indies neighborhood in Brooklyn, NY. That established a pipeline to internships, apprenticeships, and full-time jobs at IBM.

Best Buy sets specific goals for workforce diversity, recently aiming to employ people of color in 33% of non-hourly roles and women in an additional 33% of such roles. Supporting its efforts to achieve these goals, Best Buy recruits from more than 100 historically Black colleges and universities.

"America has spent over a century addressing DEI, but progress has been sporadic with delays, oscillations, and reversals," Schwartz and Sitzmann conclude. Their research connecting diversity efforts to bottom-line outcomes is meant to guide businesses toward genuine progress diversifying their workforces and fostering a culture of inclusion.

**More about Professor Shoshana Schwartz:** Dr. Schwartz earned her undergraduate degree from Columbia University and her master's and PhD from the University of Pennsylvania's Wharton School of Business. She teaches classes in organizational behavior, leadership, and work and careers.

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