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Diversity And Inclusion

Incorporating DEI into Decision-Making

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Summary. Most people believe in promoting DEI in the workplace. But implicit and unconscious biases — not to mention the constant juggling of priorities required at work — can lead to inequitable decision-making. In this article, drawing on recent research, the... **more**

Most people don't think of themselves as biased or prejudiced, and people often explicitly endorse diversity as something companies should strive for. But many organizations struggle with DEI. Why?

Implicit or unconscious biases can lead to inequitable decision-making. More mundanely, people are just busy. They have lots of competing priorities and lots to occupy their brains. Even if they care about DEI, they might not have it top of mind as they go about their work. As a result, they might not see how their decisions are relevant for DEI and so might inadvertently make inequitable decisions.

To fix this, managers and organizations should make DEI more immediately obvious, or *salient*, when it matters most — that is, when consequential decisions about such matters as hiring, promotions, and performance evaluation are being made. Our academic research and experiences partnering with companies suggest that to make real progress on DEI, managers and organizations need to make DEI salient in those moments of consequential decision-making. We've identified three particularly effective ways of doing so.

1. Ask managers to hire for more than one job at a time.

Many hiring decisions are made in isolation, with only one person being hired at a time. When this is the case, diversity simply just isn't that salient to decision-makers, who are often thinking not about diversity but instead about technical skills, cultural fit, or how quickly a candidate can start. This shouldn't be surprising, because diversity is a property of groups, not individuals. You can describe a group of people as "diverse" or "homogeneous," after all, but not an individual person.

On the other hand, when people make collective hiring decisions — when they hire multiple people at a time — our research shows that people select more diversity. They start thinking about the candidates they're selecting as a group, which makes diversity more salient and leads to hiring decisions that improve it. For example, rather than hiring one person every month, a company might benefit from grouping these decisions together and hiring three people very quarter. The total number of people hired will be the same, but making collective decisions every quarter should lead to more diversity. Relatedly, it might also be beneficial to give

one person oversight over hiring decisions across teams or departments, enabling that person to make collective hiring decisions.

2. Ask managers to make diversity more salient in the promotion process.

This recommendation comes from work that we've done at our Inclusion Lab at MoreThanNow, a collaboration of academics and consultants focused on generating empirical evidence about what actually works at improving DEI in the workplace. Specifically, it grows out of a field experiment we conducted with a global management, engineering, and development consultancy that wanted to know if we could help it increase equity in its promotions process.

At this company, promotions are made by a group of high-level senior managers in a bi-annual promotions process, during which managers can nominate their employees for promotion. Managers justify their nominations in a statement of 50 words or less in an online form. In our experiment, 116 of these senior managers were randomly assigned to receive one of two messages in advance of submitting their nominations. The control group was asked to consider promoting people who had displayed excellent performance and competence beyond their current grade. The treatment group was asked to consider the same criteria — but also to consider the diversity of their nominees as a whole, and whether their choices would help to close representation gaps. In other words, we made DEI more salient for this group of managers.

What happened when we did this? Although the sample for this experiment was small (which means some caution should be exercised in interpreting the findings), we found that making diversity salient increased the number of employees promoted from underrepresented ethnic backgrounds. The effects seem to be driven by male senior managers, who at baseline may have been less likely to think spontaneously about diversity. We did not find any statistically significant positive or negative treatment effects on the promotion rates of female employees.

3. Ask managers to view a short diversity training video right before formal people decisions.

This suggestion uses salience to help organizations dramatically rethink how they implement diversity training. Prior research suggests that training is largely ineffective at actually changing behavior. However, we think this may be because it doesn't make DEI salient in the moment of consequential decisions.

In most organizations, people are given diversity training when they get onboarded, or perhaps on an annual basis. That's often months or years before they actually make consequential hiring, promotion, or performance-evaluation decisions for the company, which means they're extremely unlikely to have the messages of the training in mind when they make those decisions.

Imagine instead if an organization had managers take a short training immediately prior to making a consequential HR decision. Because the training happens just before the decision, it has a much higher likelihood of ensuring that DEI remains salient and encourage managers to make more equitable choices.

We have evidence of exactly this finding from a field experiment that we at the Inclusion Lab have been conducting with Ericsson, a multinational telecommunications company headquartered in Sweden. We delivered an automated 5-minute DEI training to some managers before they screened resumes and found that the managers who got this training were significantly more likely to hire people from underrepresented groups at Ericsson.

The experiment suggests that the significant amount of time and cost we invest into DEI training can indeed pay off — but only when organizations choose the right moment for it. One-off "blanket" training may well not be the way forward. Instead, organizations may want to consider how to use repeated smaller training modules in advance of key decision points to make DEI salient and therefore effective. We see this as fertile ground for further experimentation in the months and years ahead.

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Most people really do want to do the right thing when it comes to DEI, but they often just need a nudge or prompt to keep DEI top of mind at the right time. Our research strongly suggests that managers and organizations can do this by making DEI more salient at moments of consequential decision-making.

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