The Ins and Outs of Diversity Management: The Effect of Authenticity on Outsider Perceptions and Insider Behaviors

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We extend prior work by disentangling the effects of 2 aspects of diversity management—numerical diversity and authenticity of efforts—that may contribute to people's perceptions and behavior. Using a 2 (Demographic Heterogeneity) × 2 (Projected Diversity Image) factorial design, Studies 1 and 2 revealed significant interactions suggesting that both demographic diversity and authentic attention to diversity management are necessary to create a reputation for genuine commitment to diversity that may protect organizations from perceptions of discrimination. The third study examined the effect of diversity management authenticity on insider employee interpersonal behaviors. Study 3 revealed that individuals enacted more interpersonal helping behaviors toward newcomers in more authentic organizations. Together, these studies examine authenticity from both inside and outside the company.

The last half-century has seen unprecedented demographic organizational change. As growing numbers of minorities and women occupy high-level positions in the workforce, interpersonal interactions between employees become increasingly complex. Although diversity can bring a number of positive outcomes, it also challenges the historically homogeneous environment of most workplaces (Jehn, 1995; Polzer, Milton, & Swann, 2002; Williams, O'Reilly, & Barsade, 1999). As such, the modern organization is charged with not only recruiting and retaining employees from diverse backgrounds, but also effectively managing the challenges of creating an inclusive work environment to maximize the potential of a heterogeneous workforce.

Implicit in these challenges are demands on management and employees to create and maintain positive impressions of the firm's commitment to

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E21

diversity. Indeed, research has indicated that firms that communicate diversity-management efforts are perceived more favorably by potential applicants than are firms that communicate no such diversity management (Highhouse, Stierwalt, Bachiochi, Elder, & Fisher, 1999; Mckim, 2000; Rau & Hyland, 2003). In a similar vein, the current work focuses on how espoused diversity management (i.e., policies and practices associated with effective integration and management of underrepresented group members; McKay, Avery, & Morris, 2008) influences the reputation of a company and, ultimately, affects both outsiders' perceptions of the company and insiders' interpersonal behavior.

In three studies, we extend prior work by disentangling the effects of two aspects of diversity management that may contribute to people's perceptions and behavior. The outsider perception (i.e., the opinions and evaluations of individuals not employed by or in leadership/ownership of a given entity) of an organization's commitment to diversity policies is important for a number of reasons, including recruitment, customer attitudes, and shareholder value. In the age of large-scale corporate crises, such as Toyota's acceleration crisis and BP's Gulf oil leak disaster, outsiders such as consumer protection agency representatives and consumer rights advocates can add furor to escalating media scandals. In addition, potential customers and speculating traders can negatively affect the bottom line.

Further, an organization's ability to defend itself against public allegations of discrimination is, in part, contingent on how the public perceives the company (James & Wooten, 2006). As gender and racial discrimination lawsuits such as those against Wal-Mart®, Home Depot®, and FedEx® have demonstrated, the costs of poorly managed diversity can be highly public, expensive, and damaging. Therefore, favorable public perceptions may be a valuable asset to companies in terms of credentialing themselves both to potential employees and clients, and also against potentially damaging media and legal attention.

The effect of organizational diversity management may also affect insiders' (i.e., employees) interpersonal behavior. In fact, organizational diversity-management policies have an impact on important incumbent issues, such as climate (Wentling & Palma-Rivas, 2000) and inclusiveness (Roberson, 2006). We propose that the insider perspective on diversity management has two important dimensions that are analogous to the outsider perspective: policies geared toward demographic representation, and practices aimed at inclusion. That is, organizations manage diversity through the policies and practices that focus on managing employees from underrepresented backgrounds. As human capital is a vital portion of every organization, it is imperative that organizations maintain a consistently positive message about their diversity-management efforts.

We propose that organizations can create favorable outsider perceptions and insider behaviors by emphasizing authenticity in its approach to diversity management. In other words, this research examines if an organization may influence insiders and outsiders by projecting authentic internal messages and external images of commitment to diversity management. The notion that an entity's reputation should influence observers' perceptions of that entity is certainly intuitive and may even be considered common sense. Similarly, employees are likely to distinguish disingenuous "window dressing" from authentic commitments. However, the current work seeks to empirically investigate the effect of diversity-management authenticity on both insider and outsider reactions.

With few notable exceptions (e.g., Roberson, Kehoe, & Collins, 2008), this is the first empirical research to integrate diversity management and reputation themes by addressing determinants of outsider perceptions of and employee responses to an organization's diversity management. Specifically, in the first two studies, we investigate the impact of organizational diversity-management reputation on outsider perceptions of commitment to diversity. To that end, this paper first describes diversity management and organizational reputation, which is based in part on how outsiders perceive the authenticity of the company's approach toward diversity management. We then investigate the extent to which various reputational profiles influence outsiders' evaluations of the company's authentic commitment to diversity policies. In the second study, we replicate the results of Study 1 using a larger, more diverse sample. Finally, we examine the effect of diversity-management authenticity on insider employee interpersonal behaviors. We extend the results of the first two studies by proposing that insider employees perceive and are impacted by the authenticity of organizational diversity-management efforts. It is theorized that perceptions of authentic support for diversity in the organization will give rise to behaviors that conform to these norms. In this third study, we present an empirical test of the effect of reputation authenticity on interpersonal behavior among employees.

Diversity Management

As organizations make efforts to manage their increasingly diverse work-forces, they must encourage both respect for individual differences and also a singular organizational identity. This balancing act is referred to as *diversity management*. Organizational diversity management influences employee satisfaction, retention, and performance (McKay et al., 2008; Roberson, 2006). An organization's efforts to manage diversity ultimately shape the climate for diversity. The climate for diversity represents the shared employee perception

that an organization is fair in its personnel practices and encourages inclusion among all employees (McKay et al., 2008).

Cox's (1993) work on organizational climate lends itself well to the current work and is used to classify different kinds of organizations' attempts to diversity management. Specifically, Cox conceptualized organizations as varying in their diversity climates (in part, because of their diversity-management strategies) based on the degree to which they focus on having a diverse workforce comprised of a heterogeneous group or integrating all employees, regardless of demographic group background, into an inclusive workplace. Cox conceived three types of organizations: *monolithic companies* that stress homogeneity in representation, policies, and practices; *pluralistic companies* that have demographic heterogeneity, but focus on homogeneity in practices and attitudes in the organization; and *multicultural companies* that emphasize heterogeneity in demographic representation and inclusiveness in practices and attitudes. In the current work, we draw loosely from Cox's work to categorize diversity climate as varying by the degree to which it emphasizes one or both of the following dimensions: numerical diversity and inclusiveness. *Numerical diversity* refers to the actual demographic representation among the workforce, while *inclusiveness* refers to the degree to which the organization authentically integrates all members of its workforce into critical components and levels of the organization (Roberson, 2006).

The current work examines the effect of organizational diversity management on outsider perceptions and insider behaviors. Specifically, we suggest that diversity-management efforts affect both insiders and outsiders through the internal messages and the external images. We will describe both dimensions in greater detail and make predictions about the effects of these diversity climate characteristics on outsider evaluations of and insider behaviors in a given company.

Study 1: Outsider Perceptions

Organizational Reputation

From the independent small business enterprise to the multinational behemoth, organizations typically become associated with a number of attributes, products, and competencies. Companies often consciously manage these attributed associations or images to create consumer recognition, secure product market share, and favorable media perceptions. For example, FedEx® works diligently to maintain its association with reliably punctual delivery, and it is difficult to think about Coca Cola® without thinking about the red-and-white labeled carbonated beverage. In addition,

similar images are used by management to communicate aspects of company culture and climate to various stakeholders, such as employees, suppliers, customers, and outsiders (Elsbach, 2006).

The image created by management and projected to various stakeholder groups is referred to as the intended or the projected image (Brown, Dacin, Pratt, & Whetten, 2006). The *intended image* refers to the attributes or characteristics with which a given company wishes to be associated. Management communication about diversity policies projects the intended image of the company's approach toward diversity management. For example, McDonald's is known for creating a positive diversity image by maintaining a Global Chief Diversity Officer and Vice President of Inclusion and Diversity to demonstrate to outsiders and insiders that diversity and inclusion are a business imperative. McDonald's strives to have their employees reflect their diverse customer base, not only in their customer interactions, but also where they design their products and services (McDonald's Corporation, 2009). Furthermore, McDonald's has race-specific websites in order to more fully project their commitment to diversity and inclusion (e.g., 365Black, My InspirAsian) and to attract more diverse customers. McDonald's' approach to projecting their diversity image appears to be successful, as McDonald's is one of *Fortune* Magazine's 50 Best Companies for Minorities (Hickman, 2002).

In distinguishing organizations' intended images from reputations, Brown et al. (2006) suggested that "Image concerns what an organizational member wants others to know (or believes others know) about the organization, while reputation is a perception of the organization *actually* held by an external stakeholder" (p. 104; emphasis added). *Organizational reputation* thus refers to the set of aspects or characteristics that individuals outside an organization believe are central, enduring, and distinct to the organization (Brown et al., 2006). In other words, the reputation represents outsiders' perceptions of the organization's true internal characteristics. In the current work, we assert that the image projected by a given company informs individuals' assessment of the company's reputation.

Organizational Reputation for Diversity

We assert that the image projected by a given company, in part, influences outsiders' perceptions of the company's reputation. In the context of diversity management, the actions taken by a company (e.g., intentionally advertising statements of their EEO policies in order to project the image that they are committed to diverse representation) should influence outsiders' perceptions of whether that company is genuinely committed to achieving diversity goals or is simply window dressing. In addition to the projected image, it is

likely that there are other indicators that shape outsiders' perceptions of the reputation for the organization's commitment to diversity management.

According to the social constructionist tradition, individuals combine the limited factual information available with information inferred from social sources to make judgments and attributions about ambiguous situations in their environments (Ashforth & Mael, 1989; Burke, Borucki, & Kaufman, 2002). People continually "fill in the blanks," so to speak, when confronted with incomplete information; thus, it is likely that observers combine the information given to them (projected image) with other sources of observable information. Consistent with this line of reasoning, the current work suggests that outsiders combine two available sources of information—numerical representation and projected diversity image—to form impressions of a given company's reputation for diversity management.

Specifically, we suggest that two primary factors—numerical representation and the authenticity of projected diversity image—determine the nature of an organization's reputation for diversity management. These two dimensions form a four-quadrant grid into which companies are classified. We conceptualize the reputation for diversity management by placing the company in one of four quadrants divided along the two axes: projected diversity image and demographic heterogeneity (see Figure 1). This configuration yields four reputational profiles: the monolithic company, the pluralistic company, the aspirant company (i.e., a company with a genuinely pro-diversity climate, but little or no numerical diversity), and the
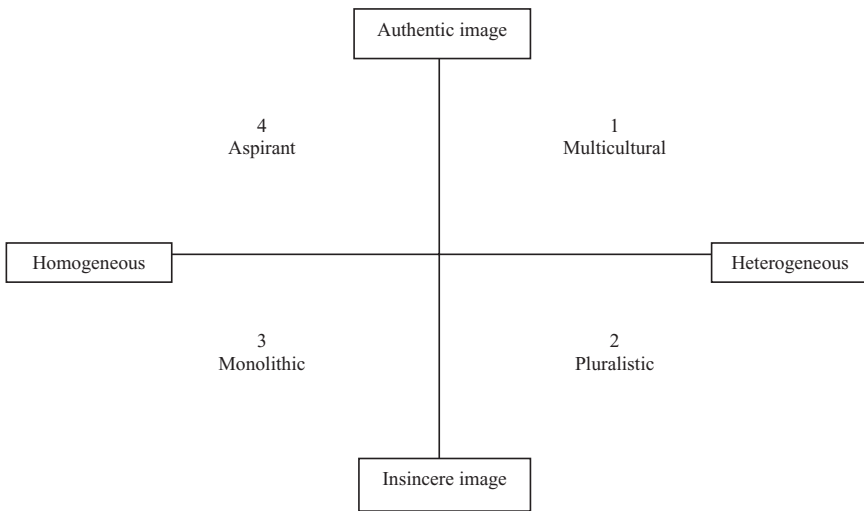

Figure 1. Reputational profiles.

multicultural company. These classifications draw loosely from Cox's (1993) work on developing diversity-management policies that emphasize inclusiveness, rather than numerical representation (e.g., diversity).

Demographic Representation

First, in the context of diversity management, one of the main indicators of an organization's commitment to its stated diversity policies is the actual numerical representation of ethnic minority and female employees. That is, outsiders are likely to judge the effectiveness of a given diversity program based on the outcome that most directly and visibly follows from such a policy; namely, demographic heterogeneity. One of the main indicators for remedial need of affirmative action is numerical representation of various demographic group members. Further, it is logical to assume that outsiders have less access to insider information (e.g., company intentions toward policies) and, therefore, seek to infer such information from observable cues such as demographic composition. Thus, we propose that one factor that affects observers' evaluations of the company's reputation is whether the organization is demographically heterogeneous or demographically homogeneous. Formally, we propose the following:

> *Hypothesis 1*. Companies with greater demographic heterogeneity among employees will be rated as more committed to diversity management than will companies with less demographic heterogeneity.

Projected Diversity Image

The second factor that is likely to influence reputation (and, therefore, to affect outsider evaluations of the company) is the organization's projected image about its intentions toward diversity management (Brown et al., 2006). Management does a great deal to communicate the organization's intentions toward diversity management. While, managerial communication about policies provides employees with information and justifications that allow them to evaluate diversity-management policies (Cox, 1993; Eberhardt & Fiske, 1994; Richard & Kirby, 1997a, 1997b), there are also implications for outsider perceptions. These management communications can be conceived as the company's *projected diversity image*. As discussed, the projected or intended image is that which the organization wants outsider stakeholders to believe about the company's intentions for the policy. The intentions of a company are particularly important because they demonstrate whether the company's espoused policies are genuine and intended to be strictly followed,

or are just window dressing and are intended to be largely ignored, thereby indicating the organization's commitment to its diversity agenda.

Research has shown that outsiders are more likely to perceive policies and management commitment favorably when explanations are provided (Kirby & Richard, 2000; Knight & Hebl, 2005). We assert that the projected diversity image communicates to outside stakeholders the authenticity of the company's level of commitment to diversity, and thereby influences organizational reputation. Supporting that notion, Brown et al. (2006) wrote that reputation "may be indirectly affected through managerial choices and actions" (p. 105). Thus, we propose that the second predictor of reputation and evaluations of the company is whether the organization projects an image of authentic commitment to diversity or an image of insincere intentions toward diversity. Specifically, we propose the following:

> *Hypothesis 2*. Companies who project an authentic pro-diversity image will be evaluated as being more committed to diversity management than will companies without this image.

Moreover, we expect that the effects of demographic diversity and projected diversity image on outsiders' evaluations of the company's reputation for diversity management will depend on their alignment. That is, companies that are demographically homogeneous and do not have an authentically committed image (i.e., monolithic organizations) may be evaluated the least positively, such that these companies' reputations are perceived as the least committed to diversity and most likely to violate diversity policies. However, organizations that are high in demographic heterogeneity and project a genuinely committed image (i.e., multicultural organizations) are perceived as those most likely to achieve true inclusiveness (Cox, 1993), and thus may be viewed the most favorably in terms of commitment to diversity and will have a reputation that they are unlikely to violate diversity policies.

However, reputation evaluations may suffer when the demographic composition and projected diversity image of organizations are misaligned. That is, when the cues that signal the nature of the reputation are misaligned, it may be difficult for outsiders to form a strong or uniform reputation evaluation. On the one hand, companies that have achieved numerical diversity but do not encourage inclusion and integration of cultures beyond the surface level (e.g., pluralistic organizations) may be viewed as having a one-size-fits-all approach to diversity that emphasizes the organization or work group above individual differences and culture (e.g., employees may be different, but at work everyone is similar). On the other hand, companies that maintain a homogeneous workforce but project an authentically committed diversity image (i.e., aspirant organizations) may be viewed as striving unsuccessfully to be an inclusive. Thus, predictions regarding the relative

reputations of pluralistic and aspirant companies are not as straightforward as those for monolithic and multicultural companies. It may be that reputation depends more heavily on numerical diversity, or it may be that sincerity of intentions outweighs the numbers game. We will explore perceptions of these misaligned characteristics in relation to organizational reputation. We formally hypothesize the following:

> *Hypothesis 3.* The effect of demographic heterogeneity on organizational reputation for diversity will be moderated by projected image for diversity such that monolithic (i.e., homogeneous and inauthentic image) and multicultural (i.e., heterogeneous and authentic image) organizations will be rated the least and most committed to diversity management, respectively.

In summary, we argue that outsiders' evaluations of organizational commitment to diversity (i.e., reputation for diversity) will vary as a function of reputation, which we argue is comprised of management images about the authenticity of commitment to diversity policies and numerical demographic composition. These hypotheses will be tested with a controlled experimental design.

Method

We conducted an experiment in which working adults read fictitious newspaper articles that described authentic, racially ambiguous events.

Participants

A convenience sample from a large southern city was used in the present research. Out of 118 adults who were approached in public places (e.g., airports, parks, shopping centers), 92 voluntarily agreed to participate in the study, for a response rate of 78%. Of the original 92 participants, 84 (55 female, 28 male, 1 did not indicate gender) passed the manipulation check (i.e., two reading-comprehension questions) and thus were included in the data analysis.

The participants ranged from 19 to 82 years of age ($M = 38.96$, $SD = 14.89$ years). Study participants belonged to a variety of racial and ethnic backgrounds: Caucasian, 52% ($n = 44$); African American, 23% ($n = 19$); Hispanic, 16%, ($n = 13$); Native American, 2% ($n = 2$); Asian, 1% ($n = 1$); and "other," 5% ($n = 4$). Furthermore, the participants provided their job titles indicating type of work experience, including service, technical, sales, supervisory, managerial, and professional. Given that the sample consisted of people in working

positions and in a variety of job types, we believe that the participant perceptions are representative of the greater working population. Thus, the responses to the four conditions should generally reflect the sentiment of typical working adults, which is the goal of the present research.

Design and Procedure

We used a 2 (Projected Diversity Image: authentic vs. insincere) $\times$ 2 (Demographic Composition: heterogeneous vs. homogeneous) between-subjects design to explore perceptions of a fictitious organization as a function of the organization's projective diversity image and their actual numerical diversity. Participants were randomly assigned to one of the four experimental conditions: committed image and heterogeneous ($n = 19$), committed image and homogeneous ($n = 23$), insincere image and heterogeneous ($n = 16$), and insincere image and homogeneous ($n = 25$).

In an effort to prevent systematic bias in the sampling method, the participants were approached by four undergraduate students comprised of both genders and mixed races. Furthermore, the undergraduate students distributing the study had significant experience working in research laboratories, utilized a scripted greeting upon approaching potential participants to maintain reliability, and presented themselves in a neutral and professional manner throughout the interaction. Participants were asked to volunteer approximately 10 min of their time and were not offered any incentive or form of compensation to complete the study.

Each participant received an experimental packet of information, including instructions, a hypothetical stimulus article, and a response sheet containing the dependent variables, manipulation check, and a demographic information sheet. Participants learned that the study was about a discrimination lawsuit and that their responses were completely confidential and anonymous. No identifying information was recorded, and participants returned the completed experimental packets in an enclosed envelope to ensure confidentiality. The completion times ranged from approximately 7 min to 15 min.

Experimental Materials

Stimulus article. The stimulus was a hypothetical newspaper article featuring a story about a corporate racial discrimination lawsuit. The article was modeled after previous research (Purdie-Vaughns, Steele, Davies, Ditlmann, & Crosby, 2008), which examined racially ambiguous situations. Because it was necessary for the case to be ambiguous, statements from both the plaintiff (a Black employee) and the defendant (a White employee) were included. Also

included in the story were quotations from the company's human-resources (HR) spokesperson and from an anonymous employee. These two quotes were simultaneously manipulated so that the reader was able to form an impression of the company's projected diversity image. The first quote from the HR spokesperson was intended to target the company's demographic composition, while the second quote from the anonymous employee was intended to reflect the projected diversity image. In both the authentic and the insincere conditions, the HR representative's statement was straightforward and indicated whether or not the organization had met its diversity goals (see Appendixes A and B).

The second statement, ostensibly recorded from the anonymous employee, served two functions: First, it reinforced the comments made by the HR representative (as having met or not met diversity goals); and second, it extended the HR representative's comments by including an evaluation of the company's true intentions. Specifically, in companies with an authentic pro-diversity image, participants were led to believe that the organization was sincere about their commitment to diversity and intended to follow policies. These participants read the following in the stimulus article: "Lex Corp is truly committed to the selection, retention, and ultimate success of its diverse employees. There are many minority groups living in the area, and Lex Corp hopes their positive attitudes toward diversity will add to the community." Conversely, in a company with an insincere projected diversity image, the quotes led the respondents to believe that the organization was merely superficially using diversity as "window dressing" and, in reality, had a low commitment. These participants read the following in the stimulus article: "Lex Corp markets themselves like they're committed to diversity, but it's all just superficial window dressing. There are many minority groups living in the area, but Lex Corp's negative attitudes toward diversity won't attract more minorities to the company" (see Appendixes A and B).

Organizational diversity was operationalized by presenting numerical information regarding the demographic composition of the organization. Specifically, a data window was inserted into the article that outlined the company's racial demographics. In addition, the Instructions section of the experimental packet described the racial demographics of a "diverse company" to provide participants with a baseline on how to rate the statistics embedded in the data window of the stimulus article (see Appendixes A and B).

Prior to the start of data collection, these materials were presented to 15 undergraduate students to ensure that the manipulations were salient and the cover story was perceived to be authentic. The vast majority of participants in this pilot study correctly answered two reading-comprehension manipulation checks and noted no suspicion, which provided sufficient evidence to begin data collection without revision of the study's materials or cover story.

Dependent measures. To our knowledge, the psychological literature currently has no measures that address the current investigation into public perceptions of discrimination. Therefore, the authors developed items that were considered relevant to the criterion of public evaluations of a company in a racially ambiguous lawsuit. That is, items were developed to tap participants' evaluations of the company's commitment to diversity in light of the discrimination charge and reputation manipulation. Participants indicated their agreement with two items about the organization's commitment to diversity: "To what extent do you believe that LexCorp had good intentions in terms of creating a diverse environment?" and "To what extent do you believe that LexCorp treats its employees fairly?" In addition, to assess the potential outcomes associated with such outsider perceptions of diversity, we also included items that reflect participants' beliefs about the legitimacy of the discrimination lawsuit, as well as their overall affective reaction to the company. In total, participants responded to eight items on a 7-point Likert-type scale ranging from 1 (*not at all*) to 7 (*very much*). A complete list of scale items is presented in Table 1.

A principal components factor analysis with varimax rotation supported three distinct components: perceived commitment of the company (i.e.,

Table 1

Composite Variables and Factor Loadings

Factor and dependent variable	α
Affective reaction	.80
Do you *like* LexCorp?	.74
Would you *desire* to work at LexCorp?	.80
Would you *recommend* LexCorp to other employees?	.89
Legitimacy perceptions	.91
To what extent do you believe *discrimination was a factor* in this case?	.90
To what extent do you believe that this case *should go to trial*?	.88
To what degree do you think George Anthony's (plaintiff) *claims are legitimate*?	.91
Perceived commitment	.73
To what extent do you think LexCorp *treats its employees fairly*?	.82
To what extent do you believe that LexCorp had *good intentions* in terms of creating a diverse environment?	.92

whether the company made good-faith efforts and treated employees fairly; eigenvalue = 1.19, Cronbach's α = .73), legitimacy of the trial (i.e., whether the claim of racial discrimination was valid; eigenvalue = 3.80, α = .91), and affective reactions toward the company (i.e., whether participants felt positively toward the company; eigenvalue = 1.52, α = .80). Cronbach's alphas from the principal components factor analysis demonstrate the reliability of our three composite variables. Complete factor loadings are presented in Table 1.

Covariates. Research has indicated that women and minorities often perceive ambiguous discrimination situations differently than do White men (Crocker, Voelkl, Testa, & Major, 1991). Because we are interested in perceptions of organizations without regard to gender or race, it is important to recognize that our sample's demographic composition may have affected our findings. Thus, to control potential confounds, we utilized gender and race (White vs. non-White) as covariates in the ANCOVA.

Manipulation check. As a manipulation check, two reading-comprehension questions assessed whether participants were aware of the racial composition of the company and the company's ostensible position on diversity. There were 8 participants who responded incorrectly[2] to these items and thus were excluded from further analysis.

Results

We performed a 2 (Gender) × 2 (Race: White vs. non-White) × 2 (Image: authentic vs. insincere) × 2 (Demography: heterogeneous vs. homogeneous) between-subjects ANCOVA (with gender and race as covariates). It should first be noted that no significant effects of Image or demography were found for the legitimacy or affective-reactions variables. Although perceived legitimacy and affective reactions were not significant, they will be discussed in a later section.

As predicted, there were main effects of organizational demography, $F(1, 75) = 58.23$, $p < .01$, $\eta^2 = .44$ (supporting Hypothesis 1); and projected diversity image, $F(1, 75) = 2.84$, $p = .01$, $\eta^2 = .04$ (supporting Hypothesis 2), on participant evaluations of the commitment of the organization. Specifically, in support of Hypothesis 1, when the company had high diversity ($M = 4.86$, $SE = 0.18$), participants perceived the company as more committed than when it had low diversity ($M = 3.04$, $SE = 0.15$). Furthermore, supporting

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[2]An incorrect response to the manipulation check occurred when the participant's answers did not correspond to the information provided regarding the participant's experimental condition. For example, if Participant A was in the racially diverse condition and responded to the manipulation check by reporting that the company was racially homogeneous, then Participant A would be rejected because he or she missed an important detail of the experimental manipulation.

Hypothesis 2, companies with an authentic diversity image ($M = 4.15$, $SE = 0.16$) were perceived to be more committed than were companies with an insincere diversity image ($M = 3.75$, $SE = 0.18$). However, these main effects should be interpreted with caution because of a significant interactive effect and a lack of simple effects.

Hypothesis 3 predicted that the company with both a projected image of commitment and a heterogeneous demographic composition (i.e., the multi-cultural company) would be evaluated the most favorably in terms of commitment to diversity in light of allegations of discrimination. The results demonstrate a significant interaction between demographic diversity and approach toward diversity, $F(1, 80) = 5.54$, $p < .05$, $\eta^2 = .07$. As predicted in Hypothesis 3, participants rated the multicultural company, which had high demographic diversity and a committed projected diversity image ($M = 5.26$, $SE = 0.24$), as more committed than the company with high demographic diversity but an insincere projected diversity image ($M = 4.46$, $SE = 0.28$), $t(34) = -3.35$, $p < .01$ (i.e., the pluralistic company). However, there was no significant difference between the monolithic company with demographic homogeneity and an insincere diversity image ($M = 3.03$, $SE = 0.22$), and the aspirant company with demographic homogeneity and an authentic diversity image ($M = 3.04$, $SE = 0.22$), $t(46) = -0.24$, $p = .81$.

In order to more fully understand the nature of the interaction, we conducted tests of the simple effects. Specifically, when there was low diversity, there was no meaningful difference between the authentic and the inauthentic condition, $t(46) = -0.40$, *ns*. In other words, when numerical diversity was low, company authenticity did not affect perceptions of commitment. However, when there was high diversity, there was a significant difference between the authentic and inauthentic conditions, $t(34) = -2.89$, $p < .01$. In effect, when diversity is high, company authenticity influences observers' perceptions of commitment such that commitment perceptions increase when the company's approach toward diversity is authentic ($M = 5.27$, $SE = 0.95$), as opposed to inauthentic ($M = 4.26$, $SE = 1.10$). In summary, authenticity affects perceptions of commitment only when the company is numerically diverse, as can be seen in Figures 2 and 3.

Discussion

The results of Study 1 suggest that a company's reputation for diversity management influenced outsiders' evaluations of the company's commitment to diversity in the context of a discrimination claim. We found support for Hypotheses 1 and 2, such that the company's demographic composition and projected diversity image (as components of reputation for diversity management) influenced public evaluations of the company's commitment to
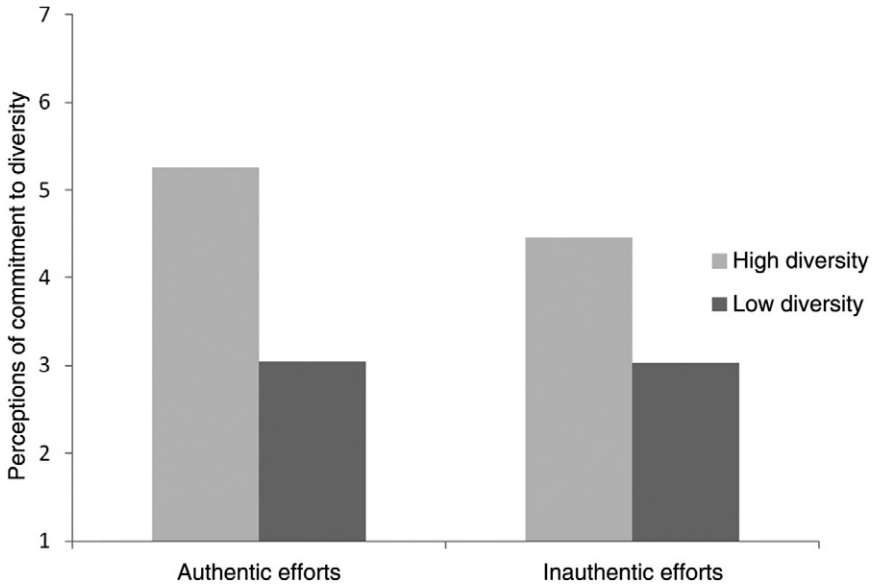
Figure 2. Outsider ratings of commitment to diversity by projected image and company demographics type: Study 1.
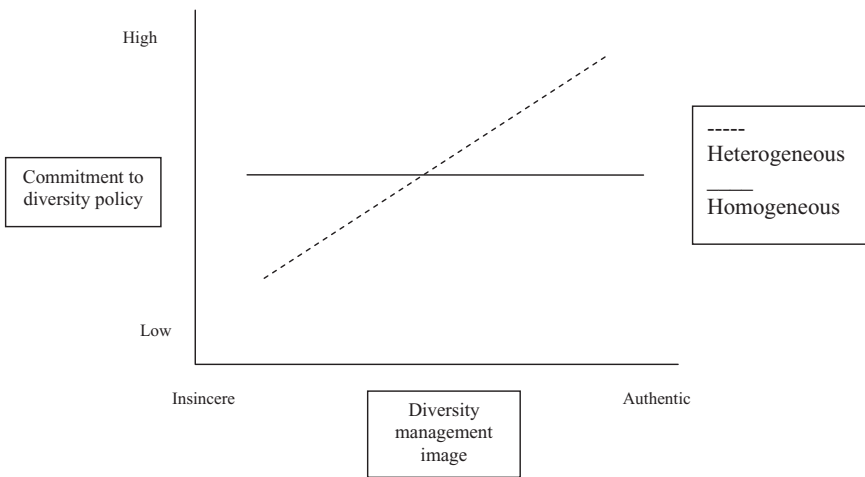

Figure 3. Interaction of image and demographic diversity on perceived organizational commitment to diversity: Study 1.

diversity management. Specifically, companies with an authentic diversity image were perceived as more committed to diversity than were companies with an insincere approach to diversity management. In addition, companies with demographic heterogeneity were evaluated more positively regarding their commitment to diversity than were homogeneous companies. No effects were found for legitimacy of the trial or affect toward the company.

Moreover, in partial support of Hypothesis 3, the results demonstrate that organizational demography interacted with the organization's diversity-management image to influence evaluations of the company's commitment to diversity. Specifically, the simple effect of projected image on perceptions of commitment was significant when numerical diversity was high. In other words, when the organization was demographically diverse, an authentic image toward diversity management was associated with a significant increase in perceptions of the organization's commitment to diversity.

Study 2: Replication of Outsider Perceptions

The results of the first study suggest that a company with an authentic image for diversity only influences observers' evaluations of a company's commitment to diversity when the numerical diversity is also high. These results, although largely in support of our hypotheses, only partially supported the interactional hypothesis. We suspect that our findings may have been limited by a relatively small sample of only 84 participants, which could have reduced our power to fully detect results. In Study 2, we address these limitations and attempt to demonstrate further support for our hypotheses by replicating our experiment with a larger sample.

Method

Participants

Study 2 participants consisted of 336 undergraduate students from a public institution in the South and one in the Northeast. Of the 336 students, 256 (76%; 95 male, 156 female, 5 did not indicate gender) passed the manipulation check (i.e., two reading-comprehension questions) and thus were included in the data analysis. Participants ranged in age from 19 to 58 years ($M = 27.7$ years; $SD = 7.85$). The participants belonged to a variety of racial and ethnic backgrounds: Caucasian, 32% ($n = 82$); African American, 20% ($n = 51$); Hispanic, 23% ($n = 59$); Asian, 11% ($n = 28$); and "other," 14% ($n = 34$). The majority of participants were employed, with 52% ($n = 133$) reporting being employed full-time and 24% ($n = 61$) reporting part-time

employment while pursuing their undergraduate degree. Participants reported a range of job titles, including administrative assistant, bank teller, business manager, certified pharmacy technician, financial analyst, HR manager, IT consultant, and marketing coordinator. Therefore, we believe that although this is a student sample, participant perceptions are representative of the greater working population. Thus, the responses to the four conditions should generally reflect the sentiment of typical working adults, which is a goal of the present research.

Design and Procedure

We used a 2 (Projected Diversity Image: authentic vs. insincere) × 2 (Demographic Composition: heterogeneous vs. homogeneous) between-subjects design to explore perceptions of a fictitious organization as a function of the organization's projected diversity image and their actual numerical diversity. The participants were randomly assigned to one of four experimental conditions: authentic image/heterogeneous ($n = 71$); authentic image/homogeneous ($n = 83$); insincere image/heterogeneous ($n = 28$); or insincere image/homogeneous ($n = 61$).[3] Participants who agreed to participate in the study clicked on a link to an online survey. The survey took approximately 10 to 15 min to complete.

Experimental Materials

Stimulus article. The exact article and experimental conditions from Study 1 describing a racial discrimination lawsuit were also used in Study 2.

Dependent Measures

Perceived commitment. To replicate what was done in Study 1, we measured perceived commitment with two items: "To what extent do you believe that LexCorp had good intentions in terms of creating a diverse environment?" and "To what extent do you think that LexCorp treats its employees fairly?" Participants responded to the two items on a 7-point scale ranging from 1 (*not at all*) to 7 (*very much*). The reliability for this scale was .85.

Covariates. As in Study 1, gender and race (White vs. non-White) were utilized as covariates in the ANCOVA.

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[3]Thirteen participants were dropped from the analyses due to nonresponse on key dependent variable information.

Manipulation check. As a manipulation check, we used two reading comprehension questions to assess whether participants were aware of the racial composition of the company and the company's ostensible position on diversity. There were 80 participants who incorrectly responded to these items and who were excluded from further analysis, leaving 256 participants in Study 2.

Results

We performed a 2 (Gender) $\times$ 2 (Race) $\times$ 2 (Projected Diversity Image: authentic vs. insincere) $\times$ 2 (Demographic Composition: heterogeneous vs. homogeneous) between-subjects ANCOVA. As predicted, there were main effects of organizational demography, $F(1, 237) = 32.58$, $p < .01$, $\eta^2 = .12$ (supporting Hypothesis 1); and projected diversity image, $F(1, 237) = 26.72$, $p < .01$, $\eta^2 = .10$ (supporting Hypothesis 2), on participant evaluations of the commitment of the organization. Specifically, in support of Hypothesis 1, when the company had high diversity ($M = 4.19$, $SE = 0.16$), participants perceived the company as more committed than when it had low diversity ($M = 3.06$, $SE = 0.12$). Furthermore, supporting Hypothesis 2, companies with an authentic diversity image ($M = 4.14$, $SE = 0.11$) were perceived to be more committed than were companies with an insincere diversity image ($M = 3.11$, $SE = 0.16$).

Hypothesis 3 predicted that the company with both a projected image of authenticity and a heterogeneous demographic composition (i.e., the multicultural company) would be evaluated the most favorably in terms of commitment to diversity, in light of allegations of discrimination. The results demonstrate a significant interaction between demographic diversity and projected diversity image, $F(1, 237) = 5.28$, $p < .05$, $\eta^2 = .02$. As predicted in Hypothesis 3, the participants rated the multicultural company, which had demographic heterogeneity and an authentic projected diversity image ($M = 4.93$, $SE = 0.17$), as the most committed; and the monolithic company, which had demographic homogeneity and an insincere diversity image ($M = 2.77$, $SE = 0.18$), as the least committed.

In order to more fully understand the nature of the interaction, we conducted tests of the simple effects. Specifically, when there was low diversity, there was a meaningful difference between the authentic and inauthentic conditions, $t(498) = 2.39$, $p < .05$. In effect, when diversity is low, company authenticity influences observers' perceptions of commitment such that commitment perceptions increase when the company's approach toward diversity is perceived as authentic ($M = 3.34$, $SE = 0.16$), as opposed to inauthentic ($M = 2.77$, $SE = 0.18$). In other words, observers distinguished between the diversity commitment of aspirant and monolithic companies, evaluating aspirant companies as more committed to diversity than monolithic companies.
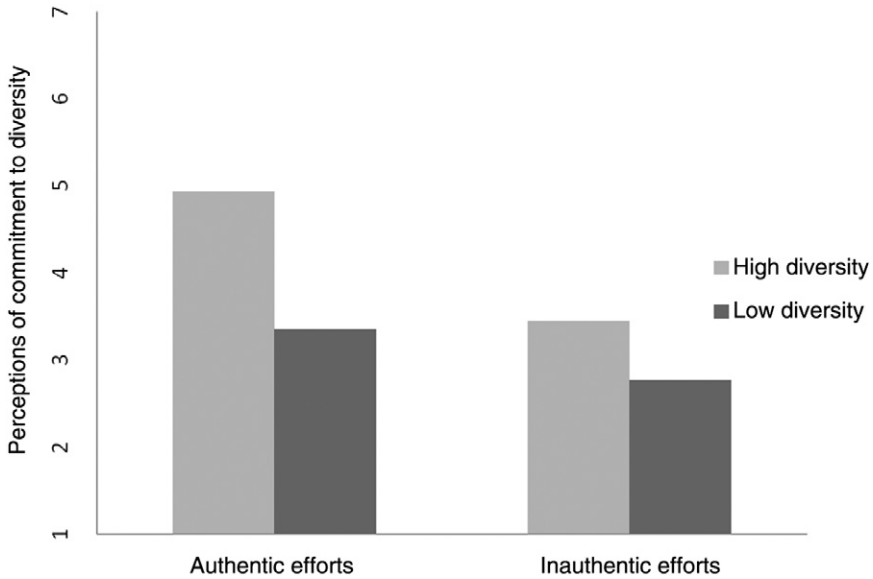
Figure 4. Outsider ratings of commitment to diversity by projected image and company demographics type: Study 2.

When there was high diversity, there was also a significant difference between the authentic and inauthentic conditions, $t(428) = 4.68$, $p < .01$. In effect, when diversity is high, company authenticity influences observers' perceptions of commitment such that commitment perceptions increase significantly when the company's approach toward diversity is perceived as authentic ($M = 4.93$, $SE = 0.17$), as opposed to inauthentic ($M = 3.45$, $SE = 0.27$). In other words, observers perceived a difference between multicultural and pluralistic companies in terms of commitment to diversity such that multicultural companies were perceived as more committed to diversity than were pluralistic companies. In summary, authenticity affects perceptions of commitment when the company is numerically diverse as well as homogeneous, as can be seen in Figure 4.

Discussion

The results of Study 2 reinforce the findings from Study 1; that is, a company's reputation for diversity management influences outsiders' evaluations of the company's commitment to diversity in the context of a discrimination claim. We found support for Hypotheses 1 and 2, such that the

company's demographic composition and projected diversity image (as components of reputation for diversity management) influenced public evaluations of the company's commitment to diversity management. Also, in full support of Hypothesis 3, we revealed a significant interaction of organizational demography and an organization's diversity-management image, suggesting that perceptions of commitment are highest when both numerical diversity and image authenticity are high. Furthermore, extending Study 1, we demonstrated that even under conditions of numerically low diversity, organizational authenticity positively influenced outsiders' perceptions of the organization. In summary, we reinforced the findings from Study 1 and also demonstrated that authenticity affects outsiders' evaluations of a company's commitment to diversity management, even when numerical diversity is low.

Study 3: Insider Perceptions

Based on the findings of Studies 1 and 2, it can be inferred that diversity management influences outsider perceptions of the company's true commitment to diversity. However, these findings point to a yet unanswered question: How does the perceived authenticity of diversity management affect those who are actually behaving within the company's diversity climate? Organizational insiders (i.e., employees) are the ones on the ground, dealing with the daily experiences and ramifications of an organization's climate. Thus, in that respect, employees—perhaps to an even greater extent than outsiders—should be affected by the authenticity of an organization's diversity-management efforts. To test this assertion, we constructed a third study, which assesses the effect of the authenticity of organizational diversity-management efforts on employee interpersonal behaviors.

In Studies 1 and 2, diversity-management reputation was operationalized as the interplay of demographic representation and authenticity of the projected diversity image. In Study 3, we suggest that from the insider's perspective, diversity management has two important dimensions that are analogous to the outsider's perspective: policies geared toward demographic representation (i.e., numerical diversity) and practices aimed at inclusion (i.e., authentic commitment to diversity). That is, organizations manage diversity through the policies and practices that focus on managing employees from underrepresented backgrounds.

Consistent with Roberson (2006), we suggest that diversity-management efforts vary in their emphasis on two foci: diversity and inclusion. Policies aimed at increasing diversity do so through employee HR mechanisms, such as targeted recruitment, selection, and retention programs. The

diversity-focused approach has been most prevalent in management research as it emphasizes the utilization of diversity with the aim of improving organizational performance and bottom-line outcomes (Thomas & Ely, 1996). Practices aimed at enhancing inclusion utilize such programs as career mentoring, socialization, and diversity training. Organizational research has begun to attend to the impact of inclusiveness, which focuses on integrating diverse perspectives into every level of organizational process, from individual relationships and interpersonal networks to organizational strategy and market responsiveness (Roberson, 2006). Similar to previous work (Cox, 1993; Roberson, 2006), we suggest that diversity-management efforts vary in the degree to which they emphasize one or both of these facets.

In the current study, we are interested in the effect that inclusiveness (as a corollary to authenticity in an organizations approach to diversity management) has on employee interpersonal behavior. Organizations that focus on inclusiveness in their diversity-management approach are akin to Cox's (1993) multicultural organization (see Studies 1 and 2), in that they emphasize employee integration and involvement at every level (Mor Barak, Cherin, & Berkman 1998). That is, through practices such as teambuilding, mentoring, and decision making, inclusive climates attempt to make individuals feel like critical members by engaging them in important components of the organization.

While these organizations tend to emphasize both diversity in terms of heterogeneous demographic representation as well as inclusiveness in practices and attitudes, inclusiveness does not rely on numerical diversity. Inclusiveness, unlike numerical diversity alone, encourages employees to respect, help, and cooperate with one another. Research has demonstrated that organizations that encourage inclusiveness through their diversity-management practices tend to have improved work attitudes, organizational identity, and performance (McKay et al., 2007, 2008). This is likely because inclusion connotes that the organization genuinely cares about valuing diversity and integrating employees at all levels. In other words, inclusiveness indicates that the organization is authentic in their diversity-management efforts.

We suggest that organizations that authentically approach diversity management encourage employees to uphold the tenets of inclusiveness by treating one another with respect and a spirit of cooperation. Specifically, we suggest that organizations perceived to be more authentic in their approach toward diversity management (i.e., they make genuine attempts to encourage inclusiveness among employees) encourage individuals to help other employees and build an integrated workplace. Thus, we propose the following:

Hypothesis 4. Organizations perceived to have more authentic approaches to diversity management will be associated with increases in incumbent interpersonal helping behavior to newcomers.

Furthermore, because inclusiveness emphasizes the integration of underrepresented employees (e.g., racial-ethnic minorities), we expect that employees in inclusive organizations should be more likely to exhibit helping behaviors toward other employees from underrepresented categories. Research has demonstrated that inclusive organizations emphasize inclusive diversity policy and practice (i.e., all individuals have access to information, resources, interpersonal networks, influential work groups; Mor Barak et al., 1998). Further, these organizations build diversity into processes such that the organization can learn from the differentiated perspectives that come from underrepresented group members. Specifically, organizations may attempt to design work processes (e.g., strategy development, innovation, organizational culture) to capitalize on the human capital that comes from a diverse work-force (Thomas & Ely, 1996). Thus, employees are encouraged to not only tolerate difference, but also to actually leverage diversity (i.e., discuss it, highlight it) to enhance organizational learning and development. Based on this research, we posit that the importance of developing diverse relationships is likely to be salient to employees at these workplaces because they recognize the value of these relationships for furthering organizational integration and learning goals. In other words, in organizations that authentically emphasize inclusive diversity management, employees will be more likely to help racial-ethnic minority employees. Thus, we propose the following:

Hypothesis 5. Race-ethnicity of newcomers will moderate the relation between authenticity of diversity management and interpersonal helping to newcomers such that when the newcomer is a minority, the relation will be stronger than when the newcomer is a nonminority.

Method

Participants

Study 3 participants consisted of 172 undergraduate students from a large mid-Atlantic university who self-reported working more than 25 hr per week and who had been at their organization for more than 2 months (i.e., incumbents). The sample was predominantly female ($n = 128$; 77%). Participants ranged in age from 18 to 61 years ($M = 23.8$ years; $SD = 7.40$). Participants belonged to a variety of racial and ethnic backgrounds: Caucasian, 14%

($n = 27$); African American, 6% ($n = 11$); Hispanic, 43%, ($n = 86$); American Indian, 4% ($n = 8$); and Asian, 16% ($n = 32$); (17% did not report their race or ethnicity). Furthermore, the participants provided job titles indicating type of work experience, including therapist, bank teller, cashier, clinical assistant, caterer, linguist, salesman, and tutor. Similar to the Study 1 sample, the Study 3 sample consisted of people working full-time in a variety of job types.

Procedure

The participants (i.e., incumbents) who agreed to participate in the study clicked on a link to an online survey. The survey took approximately 15 to 20 min to complete. Participants answered a series of closed-ended items regarding their perceptions and experiences at their current organization, as well as self-reported behaviors toward "newcomers." Specifically, the participants were asked to "Please consider the individual who most recently joined your work group (i.e., newcomer). We are interested in your perceptions of this individual and your expectations regarding their abilities and performance."

Measures

Authenticity of diversity management. Authenticity of diversity management was measured using Mor Barak et al.'s (1998) 4-item organizational inclusion dimension of diversity climate, and 8 self-developed items based on diversity climate and inclusion research. Mor Barak et al.'s measure consists of the following items: "Management here encourages the formation of employee network support groups," "There is a mentoring program in use here that identifies and prepares all minority and female employees for promotion," "The 'old boys' network' is alive and well here," and "The company spends enough money and time on diversity awareness and related training." The self-developed items were based on the diversity climate work of McKay et al. (2007, 2008), as well as the inclusion work of Roberson (2006). Those items are "Managers here recruit new employees from diverse sources," "Managers here offer equal access to training programs, regardless of factors such as ethnicity, gender, age, or social background," "Managers have open communication with regard to the importance of diversity for our company," "Managers publicize principles for diversity," "Managers respect the perspectives of people, regardless of ethnicity, gender, age, or social background," "Top leaders are visibly committed to diversity," "Managers strive to be inclusive of all employees, regardless of ethnicity, gender, age, or social background," and "The organization as a whole emphasizes inclusion of diverse perspectives in all processes, policies, and procedures." All 12 items

were measured on a 7-point scale ranging from 1 (*strongly agree*) to 7 (*strongly disagree*). The reliability for this scale was .88.

Interpersonal helping. We assessed interpersonal helping by using a shortened version of Lee and Allen's (2001) Organizational Citizenship Behavior Directed to Individuals (OCBI) scale. The target, or individual, in this study was the most recent person who joined the participants' work group. Participants considered their behavior toward this individual and evaluated the frequency with which they engaged in each of the following four behaviors: "Gone out of your way to help them with work-related problems," "Frequently adjusted your work schedules to accommodate their requests for time off," "Went out of your way to make them feel welcome in the work group," and "Showed genuine concern and courtesy toward them, even under the most trying business or personal situation." All items were measured on a 5-point scale ranging from 1 (*never*) to 5 (*always*). The reliability for this scale was .79.

Race-ethnicity of newcomer. Newcomer was defined as the most recent person to join the participants' work group. The participant reported the race-ethnicity they felt best described the newcomer. Response options included *African American*, *Asian*, *American Indian*, *Hispanic*, *White*, or *Other*. We created the race-ethnicity of newcomer by collapsing the African American, Asian, American Indian, Hispanic, and Other selections into the *minority* category, while White selections represented the *nonminority* category. The resulting variable represented minority versus nonminority newcomers.

Covariates. Because we are interested in perceptions of organizations without regard to gender or race, it was important to recognize that our sample's demographic composition may have affected our findings. Thus, to control potential confounds, participant gender and race were utilized as covariates in the regression analysis.

Results

Overall scale means, standard deviations, and correlations are reported in Table 2. In order to test Hypothesis 4, participants' gender and race were entered as controls in Step 1. Authenticity of diversity management was entered in Step 2. The results confirm Hypothesis 4 and suggest that organizations' approaches to diversity management influenced incumbent interpersonal helping behaviors toward newcomers ($\beta = .47$, $\Delta R^2 = .21$, $p < .00$). Specifically, organizations that were perceived to be more inclusive in their diversity climates exhibited more incumbent helping behaviors toward all newcomers (i.e., minority and nonminority).

Table 2

Overall Scale Means and Intercorrelations: Study 3

Variable	M	SD	1	2	3	4
1. Gender	1.78	0.42	—			
2. Race	3.52	1.18	.08	—		
3. Authenticity of diversity management	4.58	1.01	.05	−.14	—	
4. Race-ethnicity of newcomer	1.62	0.49	−.08	.10	−.01	—
5. Interpersonal helping	3.23	0.86	−.04	−.14	.46*	.38

Note. $N = 172$.
*$p < .01$.

We used moderated regression to test Hypothesis 5 (Aiken & West, 1991). The controls in Step 1 included participants' gender and race. In Step 2, the main effects (i.e., authenticity of diversity management, race-ethnicity of newcomer) were entered; and in Step 3, the interaction term of Authenticity of Diversity Management × Race-Ethnicity of Newcomer was entered. However, disconfirming Hypothesis 5, race-ethnicity of newcomer did not moderate the relation between authenticity of diversity management and interpersonal helping behavior toward newcomers ($\beta = -.01$, $p = .91$). This finding suggests that there was no difference in interpersonal helping behaviors toward minority versus nonminority newcomers. Authentic approaches to diversity management facilitated interpersonal helping toward newcomers, regardless of their ethnic background.

Discussion

Study 3 demonstrated that when organizations authentically pursued inclusive diversity management, participants were more likely to exhibit helping behaviors toward organizational newcomers. That is, individuals were more likely to help and integrate others in their organizations when the organization authentically advances its diversity-management efforts. This finding is important, as it suggests that insiders perceive an organization's efforts to promote diversity; and it, in turn, influences their behavior toward new employees.

Finally, although counter to our final hypothesis, the current results demonstrate no interaction between race of the newcomer and authenticity.

In other words, individuals do not discriminate between minority and non-minority employees when helping others in an authentic organizational environment. This result counters our initial rationale; however, it may be explained by the notion that inclusiveness focuses on integrating opinions and perspectives from *all* employees, not just those from underrepresented demographic groups. In other words, our results suggest that employees at inclusive organizations are just as likely to help nonminority employees as they are to help minority employees.

General Discussion

The current work was designed to test the effect of diversity-management authenticity on insiders and outsiders of an organization. Studies 1 and 2 demonstrated that while demographic diversity and authentic efforts in diversity management each create favorable evaluations from outsiders, the reputation is most enhanced (i.e., people rate the company as most committed to diversity management) when both demographic diversity and authentic efforts in diversity management are positive. Specifically, outsiders perceived the organization as most committed to diversity management when the organization was demographically heterogeneous *and* advanced an image of authentic commitment to diversity management. Conversely, evaluations of the company's commitment to diversity were lowest when observers perceived that the organization was demographically homogeneous and conveyed an inauthentic image of commitment.

Moreover, we were interested in how the organizational insider was affected by authenticity and inclusion. Thus, Study 3 demonstrated that employees were more likely to help new employees when the organization emphasized an authentically inclusive approach to diversity management. Furthermore, our results demonstrate that individuals did not discriminate when deciding which new employees to help. In fact, among our participants, individuals were more likely to help newcomers (regardless of race) when the organization emphasized an authentically inclusive approach to diversity management.

Altogether, this research demonstrates that while diverse representation is generally perceived as a hard and fast benchmark for diversity goal achievement (e.g., Kravitz et al., 1997), success in diversity management is also influenced by the authenticity (or lack thereof) of the company's inclusiveness. The current results support the commonsense colloquialism that those corporations who "talk the talk" (in terms of their projected diversity image) must also "walk the walk" (through their actual numerical representation) in order to be taken seriously. Those who were both numerically diverse and

authentic in their diversity-management efforts were the ones that excelled in terms of reputation and public perception.

However, when companies espouse superficial diversity statements and explanations that are not supported by numerical demographic diversity, the public is not only aware of the deception, but is also more likely to believe that discrimination would occur because the lack of commitment to diversity would permit—and possibly even encourage—deviation from proscribed policies. Moreover, when organizations emphasized genuine inclusiveness, employees reflected that agenda by more readily helping one another, irrespective of racial differences. As such, these findings speak to the social nature of inclusiveness and discrimination and how quickly each can permeate within a culture that supports it.

As mentioned, reputation influenced neither perceived legitimacy of the discrimination charge, nor reported affect toward the company. First, regarding participants' affective reactions, null results are made less surprising by the fact that the purpose of the manipulation was to affect individuals' perceptions that the company was or was not authentically committed to diversity management. This evaluative judgment does not necessarily relate to participants' feelings toward the company. However, because an organization's commitment to diversity presumably affects its likelihood of managing diversity well, it stands to reason that diversity-management reputation should affect participants' beliefs about the legitimacy of discrimination claims. This puzzling lack of results suggests that while reputation was enough to affect participants' personal evaluations about the company's commitment to diversity, it was not sufficient to influence judgments about the legitimacy of actual discrimination charges. A purely speculative interpretation of these results could suggest that individuals prefer to have more substantive facts before arriving at judgment beliefs about the legitimacy of actual events. Future research should investigate this potentially important finding.

Additionally, Study 3 demonstrated that employees working in inclusive organizations—those that integrate diversity into all levels of business—were more likely to help newcomers. Consistent with previous work (Mor Barak et al., 1998), this finding suggests that inclusive organizations encourage employees to actively participate in organizational processes, such as new employee socialization. Further, our results suggest that incumbents do not discriminate between minority and nonminority newcomers, such that they provide the same amount of help to all newcomers, regardless of race. Future research should investigate the surprising finding that employees were not more likely to help racial minorities in authentically inclusive organizations. On the one hand, the finding suggests that inclusiveness is colorblind and emphasizes the integration of *all* employees. However, on the other hand,

inclusiveness typically goes hand in hand with diversity-management efforts, which tend to focus on racial and gender diversity. One would think that this emphasis would make salient racial differences, thereby leading employees to be more helpful to minority newcomers. Future research should also investigate this interesting finding.

Study 3 is important, as it allows us to understand the benefits of authentic—or inclusive—diversity management within the organization. The benefits of diversity management are typically discussed in terms of outsider perceptions (i.e., reputation), but this study identified internal benefits that may create a more inclusive organizational culture. Furthermore, a strong, inclusive culture may, over time, affect outsider perceptions of the organization, as insiders ultimately serve as representatives of the organization. For instance, when outsiders interact with insiders and "see" that they maintain an authentic attitude toward diversity management, this may fuel outsiders' perceptions of the organization's commitment to diversity. In summary, Study 3 elaborates on Study 1 and Study 2's finding by demonstrating the powerful effect of authenticity on insider behaviors, a key factor in truly inclusive organizations.

The four different permutations of organizational demography and intentions toward diversity presented in Studies 1 and 2 follow the logic of Cox's (1993) descriptions of the different types of understanding and awareness of diversity in organizations. According to Cox, organizational commitment to diversity is determined, in part, by the company's level of multiculturalism, or the degree to which they strive for inclusiveness and representation of demographic diversity at all levels of the organization. The current research is consistent with Cox's conceptualization in that firms were characterized according to the extent to which they integrate multiculturalism in terms of both their approach to diversity management and numerical representation. Cox's multicultural organization (i.e., high demographic diversity and a sincere diversity image) encourages its workforce to embrace and use its differences to foster creativity and output. Following Cox's parlance then, organizations should strive to be multicultural in nature, not only to avoid discrimination litigation (as the current study suggests), but also to achieve the benefits (i.e., creativity, productivity) inherent in a demographically diverse organization that has an organizational culture conducive to diversity (Chatman, Polzer, Barsade, & Neale, 1998; Cox & Blake, 1991). Thus, the results of Studies 1 and 2 apply and extend Cox's conceptualization, thereby contributing to a greater understanding of the determinants and consequences of organizational climate for diversity.

Further, the results of Study 3 demonstrate that inclusiveness encouraged employees to exhibit more helping behaviors toward new employees, thereby enhancing the climate and providing vital organizational socialization. This

result is consistent with the findings of Studies 1 and 2 that authentic diversity-management attempts (i.e., the more inclusive multicultural organization) resulted in the most positive outsider evaluations. However, while Study 3 manipulated the company's level of inclusiveness, it did not include explicit measurement of the diversity component of the fictitious company's diversity climate. Nevertheless, the results of Study 3 provide further evidence that Cox's (1993) conceptualization—insofar as inclusiveness is concerned—does improve insider employee behavior.

Limitations

As with any hypothetical paper-and-pencil study, caution must be drawn in the generalization of the current study to real-life situations (Gorman, Clover, & Doherty, 1978). Although participants in this study only had limited, rather than contextual or multisource information about the case, this simulates real cases in the media in which quick "sound bites" are given, and readers and viewers must make instantaneous judgments and attributions about the case (Lowry & Shidler, 1998).

Additionally, because research has shown that women and racial minorities are more likely than are White men to perceive discrimination in ambiguous situations (Crocker et al., 1991), we utilized a univariate ANCOVA to control for the potentially confounding effects of race and gender. The results were significant, holding constant the effects of race and gender, but potential effects of participant status should be explored. Future research with larger samples should determine how different groups respond to the interaction between organizational demography and intentions toward diversity in the context of forming perceptions of organizational commitment.

Implications

Despite these limitations, the current studies have several important implications for diversity research and HR management. First, research has shown that the organizational reputation can be instrumental in terms of attracting talented labor from diverse labor pools (Cable & Turban, 2003; Highhouse et al., 1999; Mckim, 2000; Rau & Hyland, 2003; Turban & Cable, 2003). Such an advantage may give organizations with positive reputations for diversity management the edge in recruiting and selecting from diverse untapped labor markets.

Furthermore, organizational decision makers should be cognizant of the fact that when judgments are made about discrimination cases, a negative reputation for diversity may be a crucial factor in attributions of

discrimination (James & Wooten, 2005, 2006). However, simply creating a diverse organization through numerical representation is not enough. An organization may shield itself from allegations of discrimination by publicly stating its commitment to diversity. By making the public aware of organizational demographics, diversity programs, fairness policies, and minority mentoring programs, organizations can demonstrate their commitment to successfully managing diversity (Triandis, Kurowski, & Gelfand, 1992; Wentling & Palma-Rivas, 1998). The results discussed in the present work indicate that an organization may credential itself against being labeled as discriminatory by creating the reputation that it is committed to diversity.

An implication of this paper is that to protect against perceptions of discrimination, organizations must have both numerical diversity and also a true commitment to diversity. When these elements are combined, corporations may actively work toward protecting themselves against litigation through their HR efforts, as well as their reputations. The results of the present study indicate that organizations should thoroughly explain the purposes of and justifications for their diversity policies and programs. Through conveying the company's commitment to diversity, organizations can help create a positive, inclusive organizational culture (Kirby & Richard, 2000). Moreover, having a favorable perception in the general public as an organization committed to diversity may help in the attraction and recruitment of minority applicants (Highhouse et al., 1999; Mckim, 2000; Rau & Hyland, 2003). Additionally, providing a thorough justification for diversity-management policies can help prevent backlash against the programs from nonbeneficiary employees (Eberhardt & Fiske, 1994; Knight & Hebl, 2005). In taking such steps, it is hoped that organizations can move toward mitigating negative outcomes and fostering positive ones. In each of these ways, researchers and practitioners can work toward the effective development and management of diverse organizations.

Finally, the current work contributes to the literature on diversity climate and inclusiveness by demonstrating that employees are sensitive to the authenticity of the organization's attempts to manage diversity. We have shown that employees distinguish authentically inclusive organizations and, furthermore, that they act on the knowledge by exhibiting more helping behaviors toward new employees. This shows that inclusiveness developed through organizational actions (e.g., diversity management) can trickle down to individual actions. The current work contributes to the literature by confirming past research showing that organizational inclusiveness begins at the top through diversity management, and results in integration at the individual level through helping behavior.

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Appendix A

Stimulus Article Prepared for a Hypothetical Monolithic Organization

Lex Corporation Under Scrutiny in Upcoming Racial Discrimination Lawsuit

Lex Corporation, the world famous financial consulting company, is currently involved in a racial discrimination lawsuit.

Senior consultant, and prominent African American businessman, George Anthony is suing Lex Corp after being passed over for a promotion in favor of his white counterpart Leo Smith. Both men have excellent reputations for being accurate and on-target in their jobs, which involve analyzing the financial soundness of other companies. Recently, the two disagreed in their ratings of a high profile client, Whit & Co., with Anthony rating the company as a poor investment and Smith giving the company a highly favorable rating. Anthony suggests that "Lex Corp is selective in whose arguments they listen to, and they are just using this disagreement as an excuse for their actions." Smith regards the situation differently, stating, "Lex Corp is looking for a team player. That is the main difference between [Anthony] and me." The trial is scheduled to begin April 23, 2003.

> ### Lex Corporation Statistics
>
> - Fortune 500 for 20 years
> - US News and World Report Ranking: #2 Worldwide
> - Stock at 83.25 (up 20 from '02)
> - 650 Financial Analysts Employed
> - 2% African American
> - 1% Hispanic
> - .5% Other Groups
> - 96.5% White

Lex Corp is a Fortune 500 company founded in 1914 by Chicago businessman, William DePres. Last year, at a press conference, the Human Resources Consultant for the company stated, "Although our work involves such a global and constantly evolving environment, we have not yet been able to create a racially diverse workforce to meet these needs." Indeed, one employee speaking on the condition of anonymity said, "Lex Corp markets themselves like they're committed to diversity, but it's all just superficial window dressing. There are many minority groups living in the area, but Lex Corp's negative attitudes toward diversity won't attract more minorities to the company." In fact, 95% of employees polled anonymously in our investigation agreed with this statement about Lex Corp's genuine commitment to diversity.

Appendix B

Stimulus Article Prepared for a Hypothetical Multicultural Organization

Lex Corporation Under Scrutiny In Upcoming Racial Discrimination Lawsuit

Lex Corporation, the world famous financial consulting company, is currently involved in a racial discrimination lawsuit.

Senior consultant, and prominent African American businessman, George Anthony is suing Lex Corp after being passed over for a promotion in favor of his white counterpart Leo Smith. Both men have excellent reputations for being accurate and on-target in their jobs, which involve analyzing the financial soundness of other companies. Recently, the two disagreed in their ratings of a high profile client, Whit & Co., with Anthony rating the company as a poor investment and Smith giving the company a highly favorable rating. Anthony suggests that "Lex Corp is selective in whose arguments they listen to, and they are just using this disagreement as an excuse for their actions." Smith regards the situation differently, stating, "Lex Corp is looking for a team player. That is the main difference between [Anthony] and me." The trial is scheduled to begin April 23, 2003.

Lex Corporation Statistics

- Fortune 500 for 20 years
- US News and World Report Ranking: #2 Worldwide
- Stock at 83.25 (up 20 from '02)
- 650 Financial Analysts Employed
- 20% African American
- 20% Hispanic
- 20% Other Groups
- 40% White

Lex Corp is a Fortune 500 company founded in 1914 by Chicago businessman, William DePres. Last year, at a press conference, the Human Resources Consultant for the company stated, "Because our work involves such a global and constantly evolving environment, we have created a racially diverse workforce to meet these needs." Indeed, one employee speaking on the condition of anonymity said, "Lex Corp is truly committed to the selection, retention, and ultimate success of its diverse employees. There are many minority groups living in the area, and Lex Corp hopes their positive attitudes toward diversity will add to the community." In fact, 95% of employees polled anonymously in our investigation agreed with this statement about Lex Corp's genuine commitment to diversity.