Diversity Initiatives:
Unintended Consequences and Policy Implications

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Organizations spend billions of dollars on diversity initiatives intended to create more fair, inclusive, and diverse workplaces. Although organizations assume that their diversity efforts will produce these positive outcomes, many diversity initiatives fall far short of these goals, and some diversity initiatives make things worse. This paper explores how diversity initiatives transmit fairness, inclusion, and competence signals that can have unintended consequences that work against the goals of a diversity initiative:

1. **Fairness Signals** can lead us to falsely assume an organization treats minority groups fairly. When an organization has a diversity initiative, we underestimate and dismiss discrimination against minority groups, but overestimate discrimination against majority groups.

2. **Inclusion Signals** can be good for recruiting minority groups, but may lead to false promises and make majority groups feel threatened, prompting resentment toward minorities.

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<thead>
<tr>
<th>Signal</th>
<th>Potential Unintended Consequences</th>
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<tr>
<td><strong>Fairness Signals</strong></td>
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| Underrepresented groups are treated fairly | • Underestimate anti-minority discrimination  
• Overlook/dismiss/delegitimate discrimination claims  
• Derogate minority discrimination claimants |
| Overrepresented groups are treated unfairly | • Overestimate anti-majority discrimination  
• Endorse unfair hiring practices  
• Compensate for perceived anti-majority bias |
| **Inclusion Signals** |
| Underrepresented groups are included | • False promises, unrealistic expectations (if signal and culture are mismatched)  
• Signal may not be as universal or strong for all groups in all parts of the hiring process |
| Overrepresented groups are excluded | • Psychological and physiological threat  
• Backlash against policies, colleagues, or minority job candidates |
| **Competence Signals** |
| Underrepresented groups are less competent | • Underestimate competence of minority colleagues  
• Underestimate/doubt own competence |
| Positive outcomes for minorities are unearned | • Stereotype activation  
• Attributional ambiguity about positive treatment and career opportunities |
3. Competence Signals may cause us to assume minorities are only successful because of a diversity initiative, undermining the perceived competence of talented minority employees. There is even evidence that minorities rate themselves as less competent in the presence (vs. absence) of diversity initiatives.

What should organizations do?

- **Identify the goals you want to achieve:** Are you trying to reduce prejudice? Increase the representation of women and minorities? Reduce turnover? Foster trust between employees? Your goals will help determine the best course of action for your intervention.

- **Don’t assume** that banning discrimination or teaching people about prejudice will fix the problem. These problems are complex and engrained, and their solutions won’t be simple.

- **Don’t assess only the intended outcomes** of your intervention. Be willing to learn that your intervention had unintended consequences or side effects, and then course-correct.

- **Don’t make diversity training punishment.** People don’t like being forced into training, and they really don’t like being told that they’re prejudiced. When people feel defensive, they can dig in their heels rather than be receptive to change and growth.

- **Introduce collaborative and fun projects that don’t have an explicit focus on ‘diversity.’** One of the most well-established methods for reducing prejudice is engaging in cooperative tasks with members of other groups. By removing a focus on diversity and requiring people to work with each other, a lot of the pressure can be removed.

- **Emphasize justice and merit** rather than diversity for its own sake. This can help avoid the competence signal that minority groups are only there because the organization wanted to boost their diversity numbers.
• **Remember your goals.** You want to be a fair and inclusive organization, not an organization that people falsely assume is fair and inclusive. Building a fair and inclusive organization can be humbling and frustrating, so avoid the temptation to make diversity a PR issue rather than a justice issue.

**Further Reading:**


