

SODI

Science of Diversity & Inclusion Initiative

Markkula Center for Applied Ethics
Santa Clara University



Goals for Today

- Introduce you to SODI
- Share latest research in inclusion & diversity
- Provide insight on how companies and researchers are partnering to discover new solutions

Headlines from the last 12 months

- *“Silicon Valley’s Race Gap is Getting Worse, Not Better, New Research Shows” – USA Today*
- *“Soon, there will be just 3 black Fortune 500 CEOs” – CNN Money*
- *“The Results Are In: Women Are Great For Business, But Still Getting Pushed Out” - Forbes*
- *“It’s 2017 and Amazon Only Has One Women Among Its 18 Most Powerful Executives” – Recode*

A living lab to catalyze high impact innovations in Diversity & Inclusion

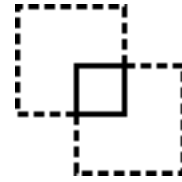
The Science of Diversity & Inclusion Initiative (SODI) is bringing together select companies and top researchers to form a “living laboratory.” This coalition of innovators will design, test, and scale new models that accelerate diversity, inclusion, and belonging.

Our Mission

SODI catalyzes high-impact innovations in diversity & inclusion
by:

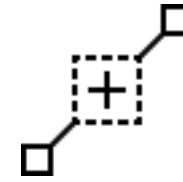


Ensuring research
insights translate to
practical action



Facilitating partnerships
between researchers and
leading companies

Providing forums for companies
to share insights



Fueling the next generation of
researchers

SODI Kick-off Convening

September 2017 | University of Chicago



20 researchers from economics, psychology,
and business

5 companies representing over 500,000
employees

BLACKROCK



MONASH
University



Research Highlights

- Competition
- Assignments and Advancement
- Hiring: Attraction and Selection

Gender and Competitiveness: What do we know and how can it help?



Dozens of studies over the last decade have shown that men are attracted by competition and women shy away from it.

This is regardless of their ability level or objective likelihood of winning the competition.

Gender and Competitiveness: A Seminal Study

Niederle & Vesterlund (2007): Do Women Shy Away from Competition? Do Men Compete Too Much?

Participants invited into lab and perform a task for money (adding up numbers, etc.)

- 1) Piece-rate basis (e.g. \$1 per correct problem).
- 2) Competition with others: winner paid more (e.g. \$4 per success), losers paid less (often zero).
- 3) Participants choose which pay scheme they want before performing task a final time.



Independent of ability, women are **38 percentage points** (50%) less likely to enter competitive environments

Gender and Competitiveness: Findings are Robust

Gupta et al. (2005) - being female lowers probability of competing by **36 percentage points**.

Niederle et al. (2013) - women are less likely to compete by **35 percentage points**

Flory et al. (2017) - older subjects (students + non-students), women are **26 percentage points** less likely to compete in urban US, **12 percentage points** less likely in villages of Malawi

These studies find no gender difference in ability/performance, but huge differences in willingness to compete.

Gender gap in tournament entry is driven by:

1. Men being more overconfident
2. Gender differences in preferences for performing in a competition.

Gender & Competitiveness: Field Experiment

From Lab to Field: Flory, Leibbrandt, List (2015)

Applications for a *real job*, posted in 16 major US cities, with over 9,000 job-seekers.

After expressing interest in the job, individuals told the compensation structure, then given opportunity to apply.

Compensation structure randomly assigned (flat wage, relative performance/competition, team competition).

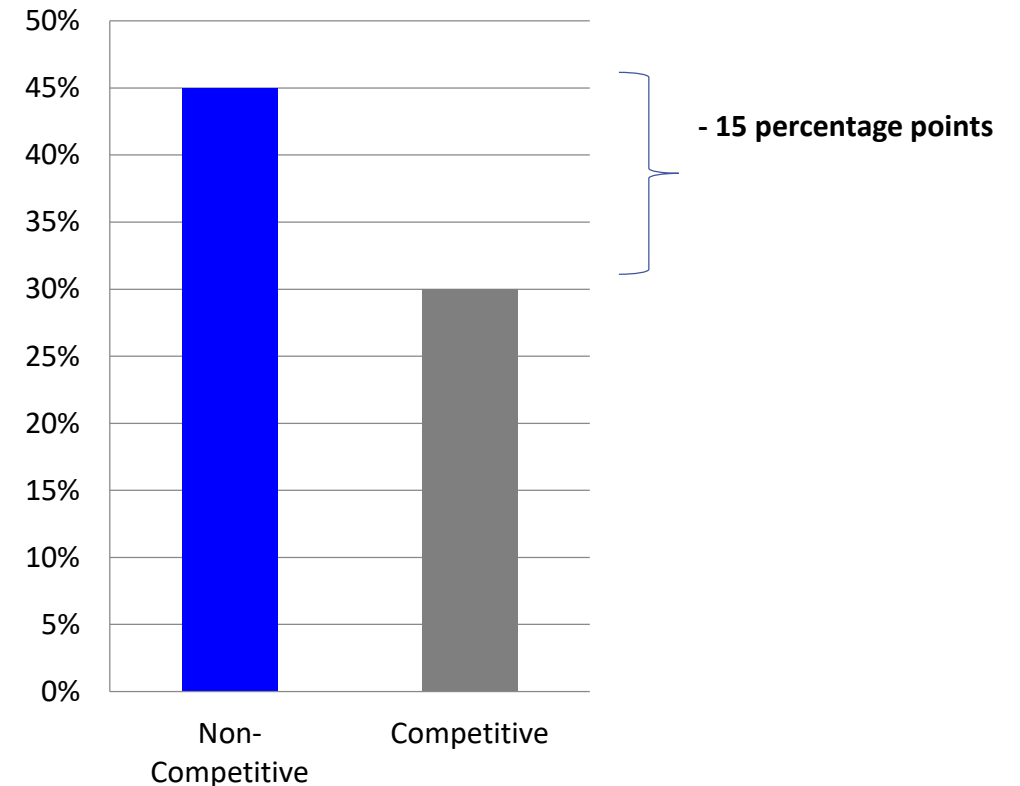
Findings:

Competitive work-setting induced a sharp gender gap in applications (*125% rise in the gap*).

Driven almost entirely by dissuasive effect of competition on women (*one-third* of female applicants drop out).

Highly qualified and experienced women appear to account for a substantial amount of those pushed away.

Percent of Women Applying



Gender & Competitiveness: Implications

A striking finding from research is that highly competent women select out of competition, while incompetent men select into competition.

This has important productivity, efficiency, and hiring implications for firms. By using competition-based incentives, firms may **not** be attracting and retaining the best talent.

Such incentives may be inadvertently:

- pushing away high-skilled individuals (the high-skilled women)
- attracting low-skilled individuals to the field/job

Can we close the gender gap (and keep competition)?

Brandts, Groenert, and Rott (2015):

Advice: High-ability women *more* likely to enter tournaments after advice from subjects who experienced the competition and who know advisee's performance. Low-ability men *less* likely to enter.

- ▶ **Provide feedback on relative performance**
- ▶ **Offer proactive advice/encouragement to women, especially from those more experienced**

Flory, Leibbrandt, and List (2015): Each of the following caused the gender gap to disappear:

Teams: job-seekers told the work is in small groups, and pay is based on performance of their group compared to another group.

Competition Intensity: A smaller fraction of their overall wage depended on their performance relative to their coworkers.

Gender Associations of Job-Task: stereotypically female tasks were emphasized in job description

- ▶ **De-emphasize the importance of competition between colleagues (focus on self-improvement, or compare teams/pairs)**
- ▶ **Emphasize capabilities needed that have female-stereotyped associations**

Assignments and Advancement

Promotability of an assignment:

- Degree to which performance of the task will influence performance evaluation and promotion
- Industry: Revenue-generating tasks seen as more promotable than non-revenue-generating tasks
- Universities: Research-production tasks considered more promotable than service-related tasks

Task allocations differ by gender: Men are more likely to perform high-promotability tasks, women more likely to perform tasks that lead less to promotion (Benschop et al., 1998; De Pater et al., 2010; Misra et al., 2012; Mitchell and Hesli, 2013).

Possible reasons men get the high-promotability tasks:

- Women may avoid competing with others to obtain high-value assignments
- Women may be more reluctant than men to negotiate to obtain these assignments
- Gender discrimination by those assigning the tasks

New findings: Why women get the *low*-promotability tasks

Babcock, Recalde, Vesterlund, Weingart; 2017

Unpacking the drivers of task allocation

Focus: Tasks people prefer be completed, but be completed by *someone else*

Problem: Performing these tasks diverts time away from high-promotability tasks

Survey Findings:

Out of 3,000 professors asked to volunteer for senate (low-promotability, takes time away from research), percentage of women that said yes was 3 times the percentage of men.

Women account for 25% of the faculty, but almost 40% of the faculty senate.

Lab Experiment:

10 rounds, 2 min each, groups of 3 people (mixed gender)

Someone must volunteer to “take one for the team” each round, or everyone earns only \$1

Volunteer earns \$1.25, non-volunteers earn \$2 each.

Women volunteered 50% more often than men (average of 3.4 times versus 2.3 times).

In each round, women are on average 11 percentage points more likely to volunteer.

Over 60% of men invest only once, twice, or never, compared to just 40% of women.

The willingness to volunteer is the same among men and women in single-sex groups.

Why the difference?

Partially due to women volunteers

- More frequently volunteering to perform less-promotable tasks.

Partially due to others (men and women)

- Expecting women to perform such tasks.
- Being more willing to ask women to do them.



Beliefs that women more than men will perform less-promotable tasks appears as a central unifying explanation of these differences.

Practical Steps - to secure a more equal and potentially productivity enhancing allocation:

- Random assignment of low promotability work tasks.
- Turn taking – track who performs, and assign more equitably across employees.
- Encourage/facilitate awareness of the differential allocation.

Hiring: Attraction & Selection

Flory, Leibbrandt, Rott, and Stoddard (2018).

Large US company (~ 15,000 employees). We randomized content in recruiting materials to vary signals of company interest in diversity.

Experiment was embedded in recruitment to fill actual positions in a professional development program for 1st and 2nd year undergrad students. Potential candidates saw one of the following messages at the top of informational webpage inviting them to apply to workshop.

Message Type	Description
Control	Diversity-neutral statement
Diversity 1	Emphasized company's valuation of diversity as a competitive advantage that raises firm productivity
Diversity 2	Emphasized company's valuation of diversity as a part of company culture
Major	Encouraged individuals from a variety of fields of study

Hiring: Attraction & Selection

Diversity Messages nearly *tripled* the proportion of ethnic minorities interested.

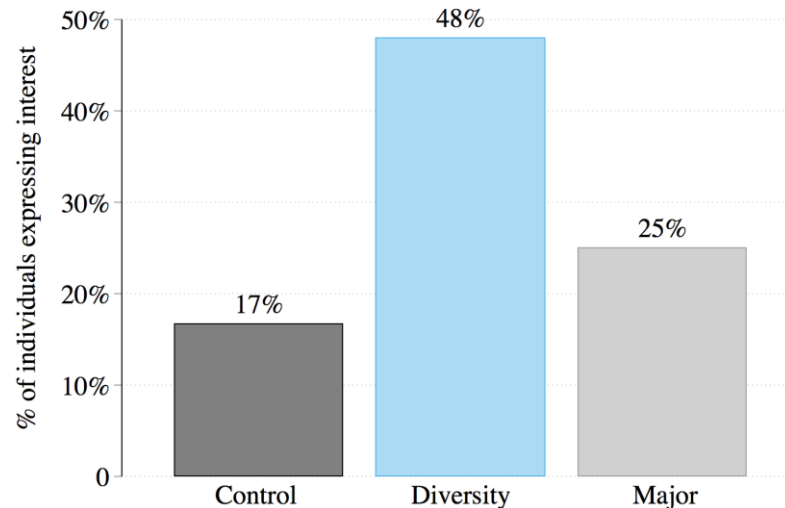
They *more than doubled* the proportion that applied.

Largest impact on applications was from a quote from CEO ("We need diversity in our skills and minds. This does not change our principles, but emboldens them."). Raised application rates **from 17% to 45%**.

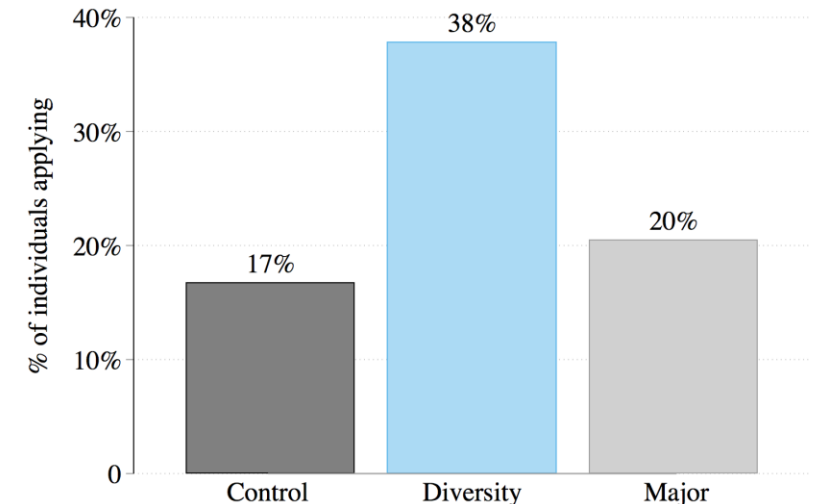
Rates of interest and applications among non ethnic minorities were not pushed down (rose slightly).

Evidence suggests Diversity messages attracted *high quality* candidates.

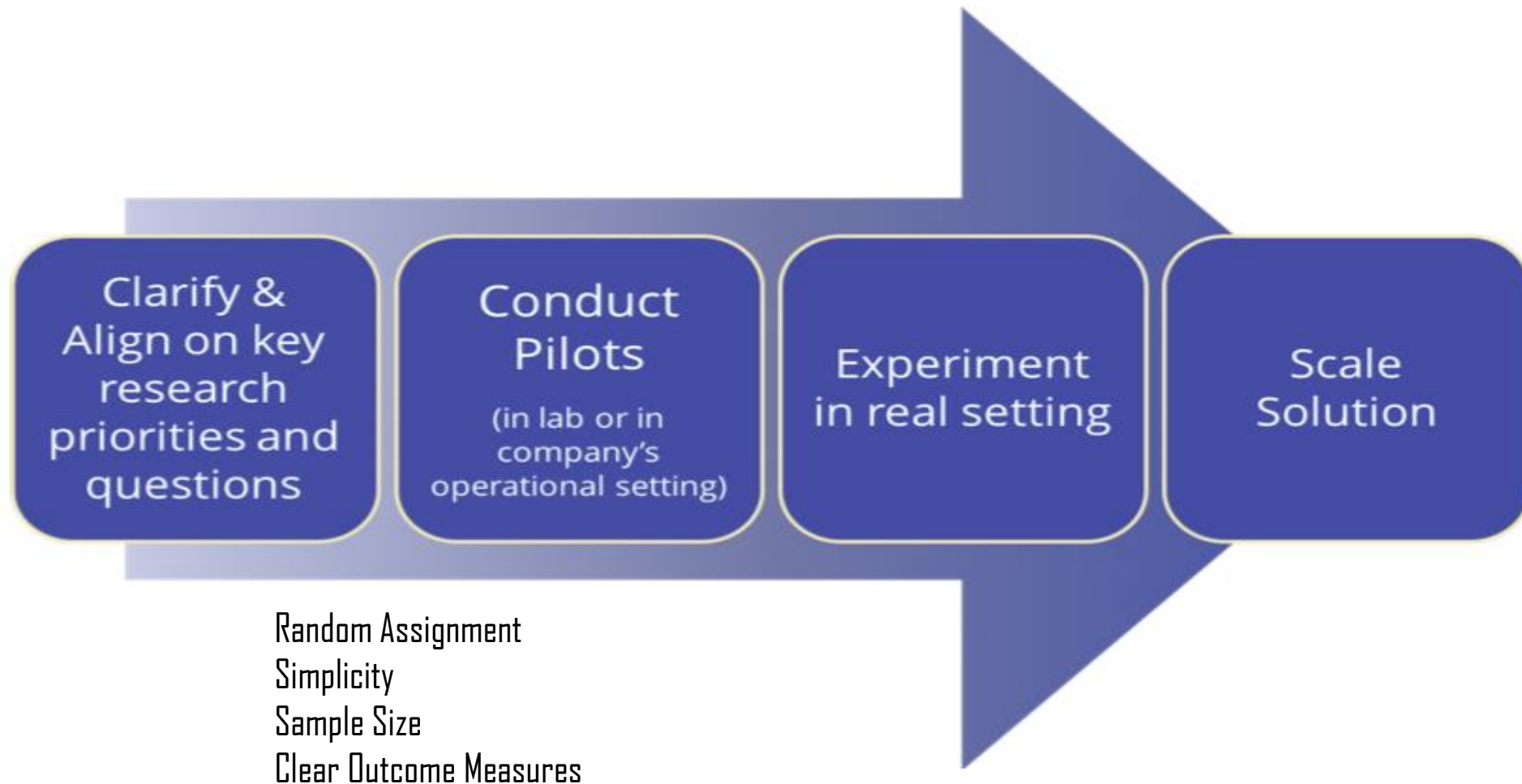
Percentage expressing interest



Percentage applying



SODI Experimental Process



SODI Experiments

- **Impact of messaging on application rates for full-time positions**
 - Entry level (domestic and international)
 - Lateral
- **Impact of showing managers their specific historical hiring and promotion rates by demographic group.** Does holding up the mirror motivate managers to learn more about inclusive hiring/promotion practices? Does it change outcomes?
- **Impact of holding up the mirror - Assignment of High Visibility vs. Service Roles**
- **Identifying gender bias in beliefs about growth potential and the impact on hiring decisions**

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www.sodi.org

- Learn more
- See research highlights from all of the SODI researchers
- Updates and information on future convenings