Racioethnicity, Community Makeup, and Potential Employees’ Reactions to Organizational Diversity Management Approaches*

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Abstract: We draw on the values literature from social psychology and the acculturation literature from cross-cultural psychology to develop and test a theory of how signals about an organization’s diversity management (DM) approach affect perceptions of organizational attractiveness among potential employees. We examine the mediating effects of individuals’ merit-based attributions about hiring decisions at the organization, as well as the moderating effects of their racioethnicity and the racioethnic composition of their home communities. We test our theory using a within-subject policy-capturing experimental design that simulates organizational DM approaches, supplemented with census data for the participants’ home communities. Results of hierarchical linear modeling (HLM) analyses suggest that the manipulated instrumental value for diversity leads to higher perceptions of organizational attractiveness, in part through heightened expectations of merit-based hiring decisions. Further, the manipulated assimilative and integrative DM approach signals are positively related to organizational attractiveness and the effect of integrative DM is strongest for racioethnic minorities from communities with especially high proportions of Whites and Whites from communities with especially low proportions of Whites.

Keywords: diversity management, organizational attractiveness, recruitment, acculturation, values, policy-capturing

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With an increase in workforce diversity, organizations have employed a variety of programs to manage the extent and effects of diversity within their ranks. As part of managing the extent of their diversity, organizations now routinely describe their diversity management (DM) approach in recruiting materials and organizational descriptions (e.g., in the careers sections of their websites). For example, the Boston Consulting Group (BCG; 2014) characterizes its approach as follows:

Diversity is more than our ambition; it’s our advantage. Passionate, open-minded people of all backgrounds, genders, sexual orientations, and ethnicities enable us to analyze problems from a broader perspective and challenge established ways of thinking.

Such signaling of organizational DM approach is meant to attract recruits, particularly from underrepresented minority populations (Kim & Gelfand, 2003; Kochan et al., 2003; Pitts, 2009). Thus, there is now a growing literature (e.g., Chen & Hooijberg, 2000; Martins & Parsons, 2007; Rau & Hyland, 2003; Smith, Wokutch, Harrington, & Dennis, 2004; Truxillo & Bauer, 2000) focused on how DM signals affect potential employees’ perceptions of organizational attractiveness (i.e., perceptions of the organization “as a desirable entity with which to initiate some relationship;” Aiman-Smith, Bauer, & Cable, 2001, p. 221). Within this literature, one area that researchers have been particularly focused on is differences in reactions of beneficiaries and non-beneficiaries of DM programs. However, findings in this

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A line of research have been mixed (Bell, Harrison, & McLaughlin, 2000; Goldberg & Allen, 2008; Harrison, Kravitz, Mayer, Leslie, & Lev-Arey, 2006; Konrad & Hartmann, 2001; Kravitz et al., 1997; Leslie, Mayer, & Kravitz, 2014; Truxillo & Bauer, 2000). Thus, researchers have called for an examination of variation in reactions based on the content of organizational DM programs (Richard & Kirby, 1997, 1998, 1999; Williamson, Slay, Shapiro, & Shivers-Blackwell, 2008) and for an examination of contingency variables (Chen & Hooijberg, 2000; Martins & Parsons, 2007).

In this paper, we address this call by examining the effects of organizational DM approaches on perceptions of organizational attractiveness among both minority and majority racioethnic group members from communities of varying racioethnic compositions. Building on research in cross-cultural psychology (e.g., Berry, 1984) and social psychology (Rokeach, 1973), we theorize about the effects of critical underlying characteristics of DM programs on potential employees’ perceptions of organizational attractiveness. In addition, we examine key mediating and moderating factors in the relationships between DM program characteristics and perceptions of organizational attractiveness.

Our study contributes to research and practice in several areas. In examining the role of context in understanding individuals’ reactions to DM programs, it sheds new light on the phenomenon. Whereas context has been highlighted as an important consideration in understanding the dynamics of diversity and DM (Joshi & Roh, 2009; Martins, Milliken, Wiesenfeld, & Salgado, 2003; Pugh, Dietz, Brief, & Wiley, 2008; Van Knippenberg & Schippers, 2007) our study is the first to explicitly examine how the racioethnic composition of one’s own personal context affects applicants’ reactions to DM programs. Since an individual’s perceptions and evaluations of diversity are a function of the context of his/her upbringing and personal experiences with diversity (Brief et al., 2005), our incorporation of the individual’s diversity context makes an important advance in understanding variation in individuals’ responses to DM programs. Additionally, we build on research on attributions in the context of DM programs at work (e.g., Crocker, Voelkl, Testa, & Major, 1991; Heilman & Alcott, 2001; Heilman, Lucas, & Kaplow, 1990; Major & Crocker, 1993; Major, Feinstein, & Crocker, 1994) to elaborate on the mediating process through which signals about an organization’s DM programs affect potential employees’ reactions. For managers, our study provides an understanding of how potential recruits might evaluate organizations, based on the content of the DM signals themselves and their own demographic and contextual backgrounds. Such an understanding can provide valuable guidance in the design and communication of DM programs in order to attract talented employees from a wide range of racioethnic backgrounds.

Theory and Hypotheses

An important line of research suggests that the depiction of traditionally underrepresented individuals in recruitment materials affects potential recruits’ perceptions of organizations (Avery, 2003; Avery, Hernandez, & Hebl, 2004; Avery & McKay, 2006; Walker, Feild, Giles, Armenakis, & Bernerth, 2009). However, our focus is on how signals about organizational DM programs, rather than signals about workforce diversity itself, affect perceptions of organizations.
In this section, we define DM and use research on values and acculturation to identify two underlying dimensions by which DM approaches may be categorized. We then develop new theory on how signals of these approaches affect potential recruits’ organizational perceptions, as well as on how these effects are moderated by individuals’ racioethnicity and the racioethnic composition of their home community contexts. Our research model is presented in Figure 1.

Based on definitions used in prior research (e.g., Cox, 1993; Olsen & Martins, 2012; R. R. Thomas, 1990), DM programs are made up of organizational practices that focus on one or more of the following: managing the amount of variation in human resources on some characteristic(s), making sure this variation does not inhibit performance, and/or making sure this variation is leveraged to enhance performance. The focus of our study on perceptions of organizational attractiveness most directly relates to managing the amount of variation in human resources on certain characteristics. We should note that affirmative action (AA) programs comprise a specific type of DM efforts that aim to manage variation in human resources by increasing the representation of traditionally underrepresented groups, so we also draw extensively on literature from that area of research (e.g., Heilman & Alcott, 2001; Heilman et al., 1990; Heilman, Rivero, & Brett, 1991; Major & Crocker, 1993; Major et al., 1994) in our theorizing.

Prior research has suggested that the relationship between workforce diversity and organizational outcomes is largely contingent on the organization’s approach to DM (Armstrong et al., 2010; Cunningham, 2009; Ely & Thomas, 2001; Konrad & Linnehan, 1995a, 1995b; McKay & Avery, 2015; Pitts, 2009; Richard & Johnson, 2001), but this research does not speak to the signaling effects of different DM approaches. In this research, we focus on two critical characteristics of DM programs that prior research suggests would act as important signals to potential employees. Specifically, these characteristics are likely to signal why an organization values diversity, as well as how the organization manages diversity. The framework we use for this study builds on prior DM categorizations (Cox & Blake, 1991; Ely & Thomas, 2001; Konrad & Linnehan, 1995a, e.g., 1995b) by recognizing two distinct and theoretically grounded dimensions of an organization’s approach to diversity and DM.

The first characteristic we examine is the organizational value for diversity, or the “why” behind the organization’s DM efforts. Specifically, drawing on the social psychological literature on values (Rokeach, 1973), we differentiate between DM programs signaling diversity as an instrumental value, diversity as a terminal value, or both. DM programs that hold diversity as an instrumental value focus on maximizing workforce diversity as a means to achieve business objectives, while those that hold diversity as a terminal value focus on maximizing workforce diversity itself as a desirable end state or objective. The second characteristic is the acculturation strategy underlying a DM program, or the “how” behind an organization’s DM. Research on cross-cultural psychology (e.g., Berry, 1984) suggests that organizations’ acculturation strategies vary in the extent to which they expect employees to maintain versus suppress their individual identities relative to the dominant organizational culture. Below we discuss the direct,
mediated, and moderated effects of these two characteristics of DM programs on perceptions of organizational attractiveness.

Value for Diversity in DM Approaches

Building on research on values (Rokeach, 1973) and work attributions (Crocker et al., 1991; Heilman & Alcott, 2001; Heilman et al., 1990; Major & Crocker, 1993; Major et al., 1994), we propose that the value for diversity signaled by organizations evoke different perceptions of organizational attractiveness, in part via attributions about how the organization is likely to make selection decisions. A value is “an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence” (Rokeach, 1973, p. 5). Instrumental values are those that emphasize particular behaviors because the behaviors are believed to be effective means to a desirable end-state. Terminal values, on the other hand, emphasize not the means to these end-states, but rather the desirable end-states themselves (Rokeach, 1973). Describing diversity as a moral or social responsibility signals a diversity value that is more terminal in nature. However, describing diversity as a means to accomplish business objectives signals an instrumental value for diversity. Also, organizations may signal a terminal and an instrumental value for diversity. Of the two dimensions of value for diversity, the instrumental value signal communicates the logic of having diversity (i.e., that diversity leads to higher company performance, which makes it valuable), whereas the terminal value signal does not, leading to a potentially large range of interpretations of this signal, based on a long list of factors. Thus, while we include a discussion of terminal values in the theoretical derivation in the interest of comprehensiveness in describing the construct of value for diversity, we focus our arguments primarily on instrumental value signals.2

Scholars have long noted the significance of rationales or justifications for DM programs, often stating that there are moral and business cases for diversity (e.g., Cox & Blake, 1991; Ely & Thomas, 2001; Kravitz et al., 2000; Kravitz, Bludau, & Klineberg, 2008; Mayer, McCluney, & Sonday, 2015; Richard & Kirby, 1997, 1998), but the values framework contributes a theoretical basis for understanding and categorizing them. Further, the values framework is intended to emphasize the deeper enacted (Brunsson, 1989; Simons, 2002) cultural nature of the organization’s DM approach, whether the rationales are explicit or not. In the context of the current study, we focus on explicit statements about diversity-related values, which would align to prior conceptualizations of DM rationales, but we frame our discussion in terms of the theoretically-derived values dimension.

Richard and Kirby (1997, 1998) explored individuals’ attitudes toward selection decisions made under various DM conditions. Their results suggested that, in general, individuals reacted more positively

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2 Whereas the literature does not provide clear guidance on the expected effects of signals of diversity as a terminal value on organizational attractiveness, it is important to include them in our discussion as they appear in real organizational statements. In our analysis, we control for signals of terminal values to rule out the possibility that any signals of value for diversity produce a positive direct and mediated effect on organizational attractiveness.
to decisions when business-related justifications for the DM efforts were provided than when no justification was provided. Within the AA literature, researchers have found that attitudes toward AA programs are more positive when they are perceived as being beneficial to company performance, and that this instrumental benefit of AA programs was more strongly and consistently related to attitudes than any of the other factors examined (Kravitz et al., 2008). Based on these findings, and their consistency with prior findings (e.g., Kravitz et al., 2000), the authors concluded that “justifications for affirmative action are most likely to be effective when they emphasize the economic advantages of a diverse workforce for the organization itself” (Kravitz et al., 2008, p. 384). Applying this research to the current context, we expect that organizations signaling an instrumental value for diversity communicate to potential employees the organizational relevance of the organization’s DM efforts. Specifically, instrumental value signals indicate the organization’s association of diversity with greater organizational outcomes, which prior research suggests would increase perceptions of organizational attractiveness. Thus,

Hypothesis 1. Organizations signaling diversity as an instrumental value will evoke higher perceptions of organizational attractiveness than organizations that do not signal diversity as an instrumental value.

Merit-based attributions. Based on prior research, we expect that potential employees will form evaluations of organizational DM signals based in part on their attributions regarding expected selection decisions. Traditionally underrepresented individuals are often faced with ambiguity when making attributions about positive or negative outcomes (Crocker & Major, 1989; Major & Crocker, 1993). A negative supervisor evaluation, demotion, or failure to obtain a job, for example, may be attributed either to low competence or to discrimination. Further, these individuals may attribute positive outcomes to either high levels of competence, sympathy on the part of White majority decision-makers, or the desire of Whites to avoid being perceived as discriminatory (Crocker & Major, 1989; Major & Crocker, 1993; Major et al., 1994). DM programs, including AA programs, may heighten the ambiguity in attributions for positive outcomes, because they increase the salience of demographic group membership (e.g., sex or race) and introduce the possibility that staffing decisions are based on this membership (Heilman & Alcott, 2001; Heilman et al., 1990, 1991; Major & Crocker, 1993; Major et al., 1994).

The work of Heilman and colleagues on the stigma effect of AA programs (Heilman & Alcott, 2001; Heilman et al., 1990) suggests that many women and minorities fear being stigmatized in an organization that they think is trying to achieve a targeted demographic makeup. Major and colleagues (1994) found that members of minority groups feel less positive affect with good outcomes when they attribute the outcomes to decisions made on the basis of group membership (e.g., racioethnicity or sex), rather than merit (e.g., performance on a test or presence of job-relevant skills). Furthermore, they found that merit- and group-based attributions are negatively correlated but distinct and may simultaneously occur at high levels (Major et al., 1994).
Based on this research, we expect that signals about the nature of an organization’s value for diversity will influence potential employees’ impressions about how they would be evaluated and selected/rejected by the organization. An instrumental value for diversity signals that the organization views demographic group membership as meritorious and valuable toward achieving the organization’s performance objectives. Furthermore, by describing diversity as an instrumental value, an organization signals that it values the achievement of business objectives, which should increase potential employees’ attributions of hiring decisions to merit-based factors. Consistent with prior research (Major et al., 1994), we also expect that pairing an instrumental with a terminal value for diversity will not detract from these attributions. Therefore,

**Hypothesis 2:** Organizations signaling diversity as an instrumental value will evoke higher merit-based attributions about hiring decisions among potential employees than organizations that do not signal diversity as an instrumental value.

Furthermore, organizations that are viewed as basing their hiring decisions on merit are also perceived as more attractive (Major et al., 1994). Therefore, synthesizing the above discussion and the previous two hypotheses, we expect that the effects of organizations’ diversity value signals on potential employees’ perceptions of organizational attractiveness are partially transmitted through potential employees’ merit-based attributions. Because prior research has indicated that recruitment signals affect organizational attractiveness through a number of perceptual mechanisms (e.g., Dineen, Ash, & Noe, 2002; Olsen, Parsons, Martins, & Ivanaj, in press), we do not hypothesize full mediation. For example, it is conceivable that diversity value signals influence organizational attractiveness through person-organization fit perceptions and perceived potential for advancement, but the exploration of these mechanisms is beyond the scope of the current study. Thus, in sum, we predict that:

**Hypothesis 3:** Merit-based attributions will partially mediate the positive effect of signaling diversity as an instrumental value on perceptions of organizational attractiveness.

**Acculturation Strategies in DM Approaches**

An acculturation strategy refers to the way in which social groups deal with the cultural changes associated with continuous contact with one another (Berry, 1984). In an organizational DM context, it refers to the way in which an organization deals with the existence of multiple social or cultural groups in its workforce. Some organizations expect their employees to sublimate their individual values in the interest of assimilating into a dominant organizational culture. In this acculturation strategy, known as assimilation, both the majority and minority cultural groups are expected to conform to a dominant organizational culture (Berry, 1984; Cox & Finley-Nickelson, 1991). In contrast, other organizations

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3 It should be noted here that while ostensibly this policy treats majority and minority group members equally in expecting sublimation of their values to the organizational culture, because an organization’s culture often derives from the majority group’s culture, members of minority groups may need to engage in more cultural adaptation than members of the majority group in order to conform to the dominant organizational culture (Berry, 1984).
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follow an integration strategy, allowing their employees to maintain their own distinct values rather than assimilating into a dominant organizational culture. In organizations following an integration strategy cultural change is therefore undertaken by majority and minority group members alike (Berry, 1984).

Applying the distinction to the current context, we expect that signals about the acculturation strategy underlying an organization’s DM approach will influence potential employees’ perceptions of organizational attractiveness.

The presence of an acculturation strategy statement within an organization’s DM signal indicates to potential employees their place in the broader context of the organization’s workforce and operations. Whereas a non-specific signal (i.e., one without mention of an acculturation strategy) may indicate that an organization values diversity, it does not provide an answer to the question of how the organization expects individuals from various groups to work together. While potential recruits may not explicitly be looking for the answer to this question, prior research suggests that more detailed previews of organizations can lead to more favorable perceptions (Earnest, Allen, & Landis, 2011). Specifically, because both the assimilation and integration acculturation strategies signal equal treatment for all groups, they more clearly signal a racioethnicity-neutral context than a non-specific DM signal. We therefore predict that individuals, regardless of group membership, are likely to view organizations as more attractive when organizational statements are forthcoming about the acculturation strategy aspect of their DM approach.

In other words, we predict that potential recruits will exhibit more favorable reactions to both assimilation and integration DM signals than to DM signals that are non-specific with regard to acculturation strategy. Inclusion of an assimilation strategy signal may indicate to a potential recruit an opportunity to enter a racioethnicity-neutral context, which may be attractive to both minority and majority group members. For minority group members, it may alleviate fears that their racioethnicity could be a liability within the organization (Crocker & Major, 1989; Major et al., 1994). For majority group members, it may indicate racial fairness and the absence of preferential treatment based on racioethnicity, which has been found to make an organization attractive (Harrison et al., 2006; Konrad & Hartmann, 2001; Williams & Bauer, 1994). While we expect that the presence of an assimilation strategy signal will lead to higher perceptions of organizational attractiveness than the presence of a non-specific signal, we also expect that perceptions of organizational attractiveness will be highest for an integration strategy signal. Assimilation attempts to include all employees, regardless of demographic characteristics, by requiring conformity to an overall organizational culture. However, an integration strategy takes a different approach to equality across groups, in that it allows all individuals to maintain their respective group identities while simultaneously allowing them to have a place in an overall system that values differences (Berry, 1984a; Berry et al., 1987). Thus, signals of an integration strategy may evoke more positive perceptions among potential recruits than signals of an assimilation strategy, because they indicate not just equal treatment of all groups, but also the additional benefit of allowing individuals to
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maintain and express their demographic group identities, rather than sublimating them to a dominant organizational culture. Therefore,

_Hypothesis 4: Acculturation strategy statements within organizations’ DM signals will affect potential recruits’ perceptions of organizational attractiveness such that an integration strategy signal will have a stronger positive effect than an assimilation strategy signal, which will have a stronger positive effect than a non-specific signal._

Two-way interaction with racioethnicity. The above hypothesis predicts a main effect across individuals of various backgrounds. However, based on prior research, we expect that an individual’s demographic characteristics, and in particular, racioethnicity, will moderate the hypothesized main effect of acculturation strategy signals on perceptions of organizational attractiveness. Some researchers have suggested that racioethnic minority group members find DM signals more attractive than do racioethnic majority group members (Kravitz & Platania, 1993; K. M. Thomas & Wise, 1999), though, as noted above, findings on such an effect have been mixed (Bell et al., 2000; Chen & Hooijberg, 2000; Harrison et al., 2006; Kravitz et al., 1997; Williamson et al., 2008). We propose that these mixed findings may be largely due to different evaluations of different types of DM signals, with particular attention to whether they are non-specific, assimilative, or integrative in nature. Building on the above discussion, racioethnic minorities are likely to view both the assimilation and integration DM signals more favorably than the non-specific signal, since they provide more explicit information on how various groups are brought into the organization. While some majority group members may also view this lack of detail in a less positive light, such reactions are likely to be diminished, given the fact that majority members are less likely to be beneficiaries with substantial direct impact from DM programs.

Assimilation entails conformity by both the majority and minority groups to a dominant culture (Berry, 1984a). However, in the US context of the current study, the dominant culture of an organization is often based on the culture of the White majority (Cox, 1993). Thus, an assimilation strategy is likely to evoke more positive perceptions of organizational attractiveness among Whites than among racioethnic minorities. Conversely, while the accepting nature of integration is likely to evoke higher perceptions of organizational attractiveness among both racioethnic minority and majority members, it is likely that racioethnic minorities will appreciate the bilateral cultural changes and compromises inherent in integration to a greater degree than White majority members will. Given that in society in general, minorities are faced with having less impact than Whites on the culture around them, they may be expected to appreciate the integration strategy more as it gives them equal influence over the culture of the organization. Thus, we predict that racioethnic group membership will interact with the organization’s acculturation strategy DM signals in the following way:

_Hypothesis 5: Racioethnic group membership will moderate the effect of acculturation strategy signals on organizational attractiveness. Specifically, (a) the positive effect of integrative DM signals (as compared to non-specific signals) on perceptions of organizational attractiveness will_
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be stronger among racioethnic minority potential recruits than among White majority potential recruits; and (b) the positive effect of assimilative DM signals (as compared to non-specific signals) on perceptions of organizational attractiveness will be weaker among racioethnic minority potential recruits than among White majority potential recruits. Additionally, (c) the positive effect of integrative DM signals will be stronger than the positive effect of assimilation DM signals among racioethnic minority potential recruits, as compared to among White majority potential recruits; while (d) the positive effect of assimilative DM signals will be stronger than the positive effect of integrative DM signals among White majority potential recruits, as compared to racioethnic minority potential recruits.

Three-way interaction with racioethnic composition of home community. In addition, research suggests that the racioethnic context may play a role in moderating individuals’ reactions to diversity and DM efforts (Brief et al., 2005; Martins et al., 2003; Pugh et al., 2008; Ragins, Gonzalez, Ehrhardt, & Singh, 2012). However, the role of the racioethnic context on the dynamics of diversity and DM has received little attention in prior research. Ragins and colleagues (2012) observe that “[e]ven though our lives are nested within our communities, we know relatively little about the effects of community on the workplace” (p. 756) and especially about the effects of diversity of community. One of the findings of their research is that racial dissimilarity from one’s community is a significant predictor of outcomes such as turnover intentions and work stress (Ragins et al., 2012). These and other researchers (e.g., Brief et al., 2005) also find that reactions to racial dissimilarity from their communities may differ based on an individual’s race. Importantly, researchers have found that the signaling effects of the level of racial diversity in an organization on perceptions of the organization’s climate for diversity are moderated by the racial diversity of the community in which an organization is located, such that the signaling effects are more strongly positive when the community has few racial minorities than when it has a greater proportion of racial minorities (Pugh et al., 2008). Based on these findings, we argue that the racioethnic diversity of an individual’s home community will interact with the individual’s racioethnicity and an organization’s acculturation strategy signals, to influence perceptions of organizational attractiveness.

Individuals who have had regular exposure to members of various racioethnic groups in more heterogeneous and inclusive settings are less likely to hold racioethnic stereotypes and may be more accepting of dissimilar others (Allport, 1954; Brewer & Brown, 1998; Martins et al., 2003; Pettigrew & Tropp, 2006; Pugh et al., 2008; Ragins et al., 2012). Thus, majority group members who hail from communities with relatively large numbers of racioethnic minority group members may be more welcoming of the concrete and proactive assimilation- and integration-based DM signals than those who hail from more homogeneous White communities, who might prefer less explicit and more neutral signals. On the other hand, racioethnic minorities from more homogeneous White communities may exhibit stronger reactions to organizations that signal an assimilative and integrative DM approach than other potential recruits, since such organizations will likely be seen not only as a way to acquaint themselves
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with more members of their own racioethnic minority groups, but also as an opportunity to enhance social mobility (Tajfel & Turner, 1979). In other words, minority individuals will likely view membership in organizations following a specific acculturation DM strategy as opportunities to move from a less dominant position in society to a more prestigious one. Finally, as discussed above, the integration DM strategy will allow racioethnic minorities to find a reputable place within an organization, with the added benefit that they can maintain and express their racioethnic group identities. Thus, we propose that:

*Hypothesis 6: The racioethnic composition of potential recruits’ home communities will interact with potential recruits’ racioethnicity and DM signals to affect organizational attractiveness such that the positive effects of assimilative and integrative DM signals (as compared to non-specific signals) on perceptions of organizational attractiveness will be strongest among racioethnic minority potential recruits from communities with a larger proportion of Whites.*

**Methodology**

We tested our hypotheses using a within-subject experimental design. Within-subject designs are important to recruitment research because they simulate the job-seeker’s experience of encountering multiple organizations during the job search process (Martins & Parsons, 2007; Turner, Pratkanis, & Hardaway, 1991). In this policy-capturing (Zedeck, 1977) study, participants were asked to read 31 recruitment announcements and report their perceptions of organizational attractiveness and expectations about hiring on the basis of merit for each. Upon completion of this exercise, participants reported on other variables of interest.

*Sample and Data Collection*

We recruited participants via a subject pool of undergraduate students enrolled in upper-level management courses at a large university in the southeastern U.S. Given that these students were enrolled in upper-level courses, they were expected to begin searching for jobs in the near future and therefore comprised an appropriate sample of the population of potential new recruits. There were 94 initial participants in this study. However, seven were deleted due to low within-subject agreement across duplicate experimental stimuli. Such unreliable responses may result from such factors as fatigue, a lack of motivation, or a lack of attentiveness. Given the complexity in coding and interpreting the demographic makeup of the home communities of international students, we also deleted the three international students in the sample, leaving 84 participants in the final sample. Each participant was asked to report on 27 unique stimuli, but of the possible 2,268 observations for this sample, we obtained 2,259 (99.6%). The nine missing observations were due to participants skipping pages and items. The demographic composition of the final sample was as follows: 39.3% females, 27.4% minorities (14.3%

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4 Data for this study were collected as a part of the first author’s dissertation work.
Asian, 3.6% Black, 2.4% Hispanic, and 7.1% other minorities), and 3.6% foreign citizens. Participants were an average of 20.92 years ($SD = 2.48$) old and had an average of 1.34 years ($SD = 2.94$) of full-time work experience.

Experimental Stimuli and Pilot Testing

We constructed the stimuli based on actual online organizational diversity statements and recruitment announcements from online job postings. Two trained raters analyzed 40 diversity statements randomly selected from for-profit, nonprofit, and government organizations. Each statement was rated with respect to the degree to which it signaled diversity as a terminal or instrumental value, as well as assimilation or integration acculturation strategies. After independent ratings, the raters consulted to resolve any disagreements. Based on a content analysis of statements rating particularly high on each value type and strategy, we identified key words or phrases to incorporate into the experimental stimuli for this study. Diversity statements were integrated into recruitment announcements constructed from actual job postings.

We followed the recommendations of Aiman-Smith and colleagues (2002) to fully cross the two dimensions of DM approaches (value types and acculturation strategies), include at least ten stimuli for each variable manipulated (2 dimensions $\times$ 10 stimuli =$ 20$ stimuli), and consider such factors as fatigue and power in determining how many stimuli to present to each participant. Furthermore, our decision to analyze the data with hierarchical linear modeling (HLM; Bryk & Raudenbush, 1992) played a role in determining the final number of stimuli to be used. Within-individual slope estimates in HLM tend to be reasonably stable when approximately 30 observations are available per participant (Hofmann, Griffin, & Gavin, 2000). Crossing four value conditions (terminal, instrumental, both/dual, and non-specific) with three acculturation strategy conditions (assimilation, integration, and non-specific) results in twelve different combinations. We constructed 3 recruitment announcements for each of the combinations, for a total of 36 initial stimuli.

It is important to note that while we did not have any particular hypotheses around the effects of terminal values for this study, we opted to construct and include terminal value signals for two reasons. First, we sought to avoid omitting a potentially large category of signals that are included in real-life diversity management statements, and which potential recruits may use as a point of comparison in making their evaluations. Second, we wanted to ensure that the hypothesized effects for the instrumental value signal were indeed due to that value signal, rather than due to the simple signaling of any value for diversity. Including terminal values in our design and analyses make it possible to eliminate the

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5 After deleting three international students as described above, three foreign citizens remained in this sample. However, these students had attended high school in the US and were therefore included in this study as US residents. Two of the three foreign citizens also belonged to racial/ethnic minority groups in the US.

6 Aiman-Smith et al. (2002, p. 398), in a discussion of recommended numbers of stimuli for policy-capturing studies, use the work of Cohen and Cohen (1983) to specify ten stimuli per variable as one of the more stringent standards. As Aiman-Smith et al. (2002) note, however, considerations about the number of variables of interest, the number of levels of each variable, and participant fatigue, must also be considered in deciding the optimal number of stimuli.
alternative explanation that any value signal (not just that of an instrumental value) would have positive effects on our mediating and dependent variables.

We considered constructing a single representative statement for each level of each dimension (i.e., a terminal value statement, an instrumental value statement, an assimilative statement, and an integrative statement). This would build confidence that any observed variation could be attributed to the experimental conditions. However, repeating the same statements would likely jeopardize our attempt to simulate a job seeker’s efforts to look at a range of different organizations, fail to reflect the variety of ways in which these signals might be sent, and ultimately diminish the generalizability of the results. Thus, we opted to construct a number of different stimuli across the dimensions and cells, acknowledging that this would likely introduce additional variance that could reduce our power to detect the hypothesized effects. However, to mitigate this risk, we took special care in developing, piloting, and presenting the stimuli, as we describe below.

As mentioned above, each diversity statement was integrated into a different recruitment announcement. These introductory recruitment announcements (without the diversity statements) were rated by four trained raters in terms of their attractiveness, and adjustments were subsequently made to minimize any variation and to make all introductory statements as neutral as possible. The final introductory statements are presented in Appendix A. As an additional precaution, introductory recruitment announcements were paired randomly with diversity statements for each participant so that any systematic variance in the dependent variable could not be attributed to the introductory material. In other words, while one participant may have seen introductory statement 1 paired (randomly) with diversity statement 1, for example, other participants would have seen introductory statement 1 paired randomly with other diversity statements. Thus, introductory statements were not “attached” to any particular diversity statements; pairings were random for every participant.

Next, we pilot tested the 36 stimuli with an independent sample of 40 individuals from the subject pool described previously. The order of the stimuli was randomized for each participant. In accordance with the recommendation of Aiman-Smith et al. (2002), we included duplicates of the first four stimuli throughout the study so that we could compute an $r_{WG}$ (James, Demaree, & Wolf, 1984) reliability estimate for each participant at the tenth, twentieth, thirtieth, and fortieth stimuli. Reliabilities were generally stable across the study, indicating that fatigue was not generally a problem. Furthermore, these first four duplicated stimuli served as a “warm-up” for the participants, as responses to these first four statements were discarded, leaving only the responses for the second occurrences to be included in the analyses.

In this pilot test, twenty of these participants read each of the 36 recruitment announcements and,

---

7 Thirty-six unique stimuli plus four duplicates, for a total of 40 stimuli presented to each participant. The stimuli that were duplicated were randomly determined for each participant.
for each, responded to eight manipulation check items. The remaining twenty participants read the 36 announcements and responded to the items to be used in the actual study. Based on this pilot testing, we identified nine problematic stimuli, leaving 27 stimuli for the actual study: three stimuli each for the control (no statement), terminal value (no acculturation strategy), and instrumental integration conditions; and two stimuli for all other conditions. The final stimuli are presented in Appendix A. Further detail on the piloting procedure is presented in Appendix B. The actual study was conducted in the same fashion as the pilot, incorporating the random presentation of the stimuli, as well as the use of four duplicate stimuli (for a total of 31 stimuli presented to each participant).

Measures

Organizational attractiveness and merit-based attributions. In order to further reduce the potential for subject fatigue, measures of organizational attractiveness and merit-based attributions (both measured for each of the 31 stimuli) were kept as short as possible. Study participants indicated their organizational attractiveness perceptions for each stimulus via three items (on a seven-point Likert scale—1 = “strongly disagree;” 7 = “strongly agree”) taken from prior scales measuring organizational attractiveness (Martins & Parsons, 2007; Schwoerer & Rosen, 1989; Turban & Keon, 1993). The specific items used in this study were, “I would sign up for an interview with this company,” “I would be interested in pursuing a job application with this company,” and “I would like to work for this company.” The scale yielded a Cronbach’s $\alpha$ of .98 across participants. Attributions about the basis of hiring decisions were measured with two items on a seven-point Likert scale (1 = “not at all;” 7 = “to a great extent”) constructed based on Heilman et al. (1996) and Major et al. (1994). Participants were asked about the extent to which the organization is likely to give importance to “Ability/Skill” and “Work Aptitude” in its hiring decision. This two-item scale yielded a Cronbach’s $\alpha$ of .94.

Demographic characteristics. After reading and indicating reactions to the 31 stimuli, participants completed a questionnaire in which they were asked about their demographic characteristics. Participants were asked to select their sex (male or female), to indicate their race/ethnicity in a free-response format, and to indicate their age and number of years and months of full-time work experience. Racioethnicity was recoded to a dichotomous variable indicating whether the participant was of a racioethnic majority (i.e., White) or minority (i.e., non-White) group. This variable was used as a moderator in our analyses, while other characteristics were collected in order to obtain a general profile of the sample, described above.

Proportion of the White majority in the home community. In the demographic characteristics questionnaire, participants were asked to provide the U.S. postal (ZIP) code for the high school from which they graduated, or to provide the name of the high school and its city and state if they could not remember the ZIP code. With a few exceptions, participants could recall their ZIP codes, and ZIP codes were successfully entered for these exceptions after finding mailing addresses for their high schools. Consistent with prior research (e.g., Brief et al., 2005; Pugh et al., 2008; Ragins et al., 2012; Sacco &
Schmitt, 2005), we used these ZIP codes to obtain census data regarding proportions of racioethnic groups for each participant’s home community from the U.S. Census Bureau (2000).

While this is not a perfect operationalization of participants’ home communities (e.g., some participants may have moved shortly before graduation or attended boarding school), it captures a piece of the social context in which most participants received a significant part of their education while maintaining survey brevity and clarity. Asking participants more generally to provide the location of the place they call “home” is likely to be ambiguous for many who, for example, have geographically separated families (which is fairly common in the U.S.) or for those who have moved multiple times during childhood, call their current college town “home,” etc. We decided to ask specifically about the participants’ high school communities to reduce such ambiguity and to inquire about the social context during a critical stage of the participants’ human development.

In addition, we decided to utilize the proportion of Whites, rather than a measure of heterogeneity (e.g., Blau, 1977; Gibbs & Martin, 1962) because consistent with the community research mentioned above, the current research is aimed at understanding the dominance of this racioethnic group in the participants’ home communities, and not necessarily the diversity of those communities. Because this particular sample was collected in the U.S., which is numerically dominated by Whites, the two were highly negatively correlated (−.93, p < .01). Furthermore, replacing the variable in our analyses yielded very similar results. However, it is important to note the conceptual difference between these two measures. A low heterogeneity score may not only indicate a high proportion of Whites, but it may of course also indicate a high proportion of any other racioethnic group. This latter circumstance (which exists in many U.S. communities) would yield a low heterogeneity score, despite the fact that the proportion of Whites would also be low. This would represent a social dynamic likely to be quite different from one in which the homogeneous community is dominated by Whites, even though it would yield an equivalent heterogeneity score. Thus, with the numerical dominance of the White racioethnic group as the variable of interest in this study, we used the proportion of Whites in the participants’ home communities in the analyses.

Analysis

We used hierarchical linear modeling (HLM; Bryk & Raudenbush, 1992) to analyze the data collected for this study. HLM takes into account the multilevel nature of these data and allows the use of all available data, without the need to conduct complete listwise deletions for missing observations. Level one was the level of the stimuli, where the independent variables (acculturation strategy, using a dichotomous variable for each strategy; and value type, also using a dichotomous variable for each), mediator (merit-based attributions), and dependent variable (organizational attractiveness) were measured. Level two was the level of the individual potential recruit, where the moderators (racioethnic group membership and proportion of Whites in the home community) were measured. It would have been technically possible to add a third level for groups of participants by ZIP code and enter the proportion of
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Whites at the ZIP code group level. However, most participants provided a unique ZIP code that would place them into a group by themselves, leading to unreliable level-three slope estimates (Hofmann et al., 2000). Thus, we assigned the ZIP code-level values for the proportion of Whites variable to the individual participants at level two, even though this confounds the between- and within-ZIP code error terms (Bryk & Raudenbush, 1992), an arguably “lesser evil” for this particular sample. As described below, we conducted a progressive series of HLM tests to examine main effects, two-way interactions, and three-way interactions. As is often done in regression analysis (P. Cohen, Cohen, West, & Aiken, 2003), the proportion of Whites in the home community were centered on the mean to alleviate potential concerns about multicollinearity involving interaction terms at level two.

**Results**

Table 1 details the means, standard deviations, and correlations at levels one (stimulus level) and two (individual level), respectively. We conducted a confirmatory factor analysis (CFA) to understand whether the two self-report variables (organizational attractiveness and merit-based attributions) were indeed distinct constructs, especially given their strong correlation \((r = .65, p < .01)\). The hypothesized two-factor model fit the data well \((\chi^2[4] = 28.82, p < .01; CFI = 1.00; RMSEA = .05)\), while a one-factor alternative did not \((\chi^2[5] = 3151.15, p < .01; CFI = .79; RMSEA = .53)\). The two-factor model exhibited significantly better fit than the first \((\Delta \chi^2[1] = 3122.33, p < .01)\), suggesting that our measures of organizational attractiveness and merit-based attributions are indeed capturing two distinct constructs.

Table 2 contains the results of the HLM tests of effects on organizational attractiveness. Consistent with the recommendations of Bryk and Raudenbush (1992), we conducted an initial HLM analysis of the unconditional model (column 1) to determine whether there was sufficient variation in organizational attractiveness between individuals (level 2) to proceed with HLM to test our hypotheses. Indeed, this initial analysis suggested that 40% of the variation occurred between individuals (level 2), justifying our use of HLM for further analyses. We proceeded to test for the hypothesized main effects at the stimulus level (level 1; see column 2), including the diversity values (Hypothesis 1) and acculturation strategies (Hypothesis 4), adding merit-based attributions (implicit in Hypothesis 3) in a subsequent step (column 3).

[Insert Tables 1-2 about here.]

In order to test Hypothesis 1, we examined the level-one main effects model presented in Table 2 (column 2), where results indicate a positive effect of the instrumental value signal (unstandardized estimate = .23, \(p < .01\)) on perceptions of organizational attractiveness, supporting the hypothesis. This effect remained significant when controlling for and merit-based attributions (column 3) and demographic characteristics (column 4). In Hypothesis 2, we predicted that the instrumental value signal would increase merit-based attributions. We conducted a further set of analyses with merit-based attributions as the dependent variable, and the results are presented in Table 3. The instrumental value condition exhibited a positive relationship with merit-based attributions (unstandardized estimate = .12, \(p < .05\)),
regardless of whether demographic characteristics were included (Table 3, columns 2 and 3), supporting Hypothesis 2. Finally, these tests taken together suggest the partial mediation relationship predicted in Hypothesis 3. Applying Bauer, Preacher, and Gil’s (2006) test of the indirect effect showed that the indirect effect (unstandardized estimate = .09) was indeed significant at the $p < .05$ level, supporting Hypothesis 3. The partial mediation effects are presented in Table 4 (column 1).

Because organizational attractiveness and merit-based attributions were measured at the same time, we also tested an alternative model in which organizational attractiveness mediates the relationship between diversity value signals and merit-based attributions. Effect estimates from this alternative model are also presented in Table 4 (column 2). These analyses indicate the possibility that organizational attractiveness fully mediates the effect of the instrumental value signal on merit-based attributions. We explore this further in the discussion section.

In order to test Hypothesis 4, we returned to the test results of the level-one main effects model in Table 2 (column 2). Both assimilation and integration were significantly and positively related to potential recruits’ organizational attractiveness perceptions, both variables with unstandardized weights of .30 (both $p < .01$), meaning that they evoked significantly higher organizational attractiveness perceptions than the acculturation-neutral DM signal condition. Similar effects remained when controlling for merit-based attributions (column 3) and demographic characteristics (column 4). In conjunction with this analysis, we used the HLM software to conduct a planned contrast to directly compare the effects of the assimilation and integration DM signals. In HLM, this contrast involves conducting a chi-square test to determine the fit of the data when including a contrast factor for the assimilation manipulation (-1) and for the integration manipulation (+1). A significant chi-square test would indicate that the effects of these manipulations are significantly different (i.e., the difference between the integration and assimilation effects is not zero). The test yielded a non-significant chi-square statistic of .0003 (1 df). Considering the significant effects of both DM signals when compared to the non-specific condition and the non-significant difference between the assimilation and integration DM signals, Hypothesis 4 received partial support.

We then added the main effect for racioethnicity (Table 2, column 4), followed by the acculturation strategy-by-racioethnicity interaction terms (column 5) in order to test the moderation effects described in Hypothesis 5. No significant interaction terms were found in this test, meaning that the within-individual slopes do not vary significantly as a result of racioethnicity. Therefore, Hypothesis 5, which predicted an interaction between acculturation strategy and racioethnic group membership, was not supported.

Next, we added the two-way interaction effects involving the proportion of Whites in the potential recruits’ home communities (Table 2, column 6), followed by the three-way interaction terms (column 7) to test Hypothesis 6. The three-way interaction term involving the integration strategy signal,
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Racioethnic group membership, and proportion of Whites in home communities was significant (unstandardized estimate = -1.71, \( p < .05 \)), but the three-way interaction term involving the assimilation strategy signal was not. In order to better understand the nature of this interaction, we plotted two lines for each of the racioethnic minority and majority groups—one for individuals from communities with a proportion of Whites equal to one standard deviation higher than the mean and one for individuals from communities with a proportion of Whites equal to one standard deviation lower than the mean. The four lines were each drawn to illustrate the effects of the three experimental conditions (non-specific, assimilation, and integration). This graph of the interaction is presented in Figure 2. It indicates that perceptions of organizational attractiveness increase from the control condition to both of the assimilation and integration conditions (consistent with the findings described above). To assess support of Hypothesis 6, we examined the graph of the significant three-way interaction of integration strategy signal, racioethnic group membership, and proportion of Whites in home communities. We found support for our arguments for Hypothesis 6, that racioethnic minorities from communities with a higher proportion of Whites would report higher perceptions of organizational attractiveness for the integration strategy signal than would racioethnic minorities from communities with a lower proportion of Whites. Also supporting our arguments for Hypothesis 6, the plot indicates that Whites from communities with a lower proportion of Whites (higher proportion of minorities) report higher perceptions of organizational attractiveness for the integration strategy signal than do Whites from communities with a higher proportion of Whites. However, we had not expected that this latter effect would be stronger than the former, as the graph indicates. Thus, we found partial support for Hypothesis 6.

[Insert Figure 2 about here.]

Discussion

We proposed that potential recruits’ perceptions of organizational attractiveness in response to organizational DM signals will be a function of the DM approach implied by the signal, the racioethnic group membership of the potential recruit, and the proportion of White individuals in the potential recruit’s home community. We tested and found support for much of the proposed model with an experimental within-subject policy capturing study. We now discuss the results, provide some suggestions for future research, and note the theoretical and practical contributions of this study.

First, our results supported the hypothesized positive effect for a signaled instrumental value for diversity on organizational attractiveness, partially mediated by merit-based attributions. The instrumental value for diversity appears to increase potential recruits’ confidence that the organization makes hiring decisions on the basis of merit, which in turn positively impacts their perceptions of organizational attractiveness. Further, although it is a post hoc interpretation of the data, we note that the terminal value for diversity does not have any significant negative effect on merit-based attributions or organizational attractiveness. This lends support to the idea that the terminal and instrumental values may be held simultaneously by organizations (Olsen & Martins, 2012), parallel to the idea that that group- and merit-
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based attributions may be made simultaneously by individuals (Major et al., 1994), without detrimental effects.

Second, we found that both integrative and assimilative DM signals evoke higher organizational attractiveness perceptions than a non-specific DM signal, which was consistent with our expectation. Our finding suggests that potential employees key in on explicit discussion of an organization’s DM approach within recruitment and other communications in their initial evaluations of organizations. Although we also predicted that integration signals would generally evoke more favorable perceptions than would assimilation signals, this hypothesis was not supported. This null finding may indicate that our experimental manipulations were too subtle to elicit effects on organizational attractiveness, or that while our manipulation was typical, potential recruits simply do not pick up on the relatively subtle distinction in job announcements. It may be the case that individuals would react more strongly to assimilation versus integration signals in reality and/or in job contexts other than recruitment. Future research may investigate this dimension in field studies and in other contexts in which it is manifested as an actual environmental characteristic rather than as an informational signal.

Of course, the null finding could also imply that individuals do not, on average, believe that the maintenance of a demographic group identity is particularly important or possible within an organizational context, though further analyses reveal that the relationship is likely more complicated. Alternatively, other facets of identity, such as a professional identity, might be seen as more of a homogenizing force, allowing individuals to view assimilative DM efforts to be as acceptable as integrative DM efforts in an organizational context. In addition, Berry (1984a, 1984b) notes that the US, where we conducted our study, is known as a “melting pot” society, which is more accepting of the assimilation acculturation strategy. It is possible that individuals in more multicultural or “salad bowl” societies like Canada, where an integration DM approach is likely more acceptable (Berry, 1984a, 1984b), may view assimilative DM signals less favorably. Future research should examine such possibilities using samples from other national contexts. Additionally, the findings did not support our hypothesis regarding the two-way interaction between acculturation strategy signals and racioethnicity. This may also be an indicator of the identity-related and/or contextual issues discussed above.

Finally, the study partially supported our hypothesis regarding the interaction of DM signals, respondent race, and racioethnic makeup of the respondent’s home community. Consistent with our arguments, we found a stronger effect of integrative DM signals among racioethnic minorities from communities with higher proportions of White individuals than among those from communities with a lower proportion of White individuals. As discussed above in the hypothesis development, these individuals may indeed see the organization signaling integrative DM as providing a way to socialize with others in their racioethnic groups, as well as a way to enhance their social mobility without losing their racioethnic identities. Also consistent with our arguments, we found that Whites from communities with lower proportions of Whites also exhibited a stronger effect of integrative DM signals than did Whites...
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from communities with higher proportions of Whites. This could be a result of similar social mobility-related mechanisms, but as we argued, it probably reflects increased exposure to racioethnic minorities leading to a greater inclination to interact with individuals of other backgrounds. Unexpectedly, the effect of integrative DM signals was stronger for Whites from communities with lower proportions of Whites than it was for racioethnic minorities from communities with higher proportions of Whites. Future research might measure mediating attitudes and cognitions, such as beliefs about social mobility and the inclination to interact with members of other groups, to test the mechanisms underlying these findings.

Limitations and Additional Opportunities for Future Research

This study had some limitations that provide potential opportunities for future research other than those discussed above. First, while we derived our experimental manipulation stimuli from actual DM statements by organizations, a natural concern with experimental research is that it lacks the degree of generalizability inherent in field studies. Thus, future field work could be conducted in order to complement the current study. For example, one could measure demographic characteristics and perceptions of potential recruits as they search for jobs and follow up with them to understand actual job choices. The researcher may then proceed to determine the DM approach implemented by the organization chosen to understand job choice as a result of the variables discussed in this study.

In addition, given that participants of this study were soon going to be applying for entry-level positions, the results of this study may not apply to more experienced potential recruits who are moving from one job to another. More experienced workers are likely to have encountered organizational DM efforts and the effects of diversity at work. Such experiences are likely to shape individuals’ perceptions of DM signals, for example by shaping beliefs about the existence of discrimination at work. Future research, conducted in samples of individuals with more extensive work experience, may explore how discrimination beliefs or other such constructs as skepticism about DM might moderate the relationship between specific DM approach signals and perceptions of organizations.

Other unmeasured moderators also possibly play a role in the relationships we found. For example, Kim and Gelfand (2003) found that the degree to which individuals hold an ethnic identity moderates their reactions to diversity-related language in recruitment statements. Research that incorporates such identity-related work may be particularly relevant to the acculturation strategy dimension of organizational DM approaches.

Additionally, research suggests that different racioethnic minority groups may perceive DM programs in different ways (e.g., Linnehan, Konrad, Reitman, Greenhalgh, & London, 2003; Williamson et al., 2008). Our operationalization of racioethnicity was a dichotomous one, based on whether each participant was a member of the White majority or not, and just over half of the racioethnic minorities in our sample were of Asian descent. While such a dichotomous operationalization is consistent with our theorizing regarding acculturation strategies, and we did find a significant three-way interaction using this dichotomous operationalization, future research should investigate how these effects might further differ.
across racioethnic minority groups, especially considering that many DM programs target specific groups.

We operationalized home communities using the ZIP codes of the high schools from which our participants graduated. As we described above, we believe that by using this indicator, we have captured, for the most part, the home communities of the participants. However, in hindsight, we suggest that researchers using this methodology in future studies should include a direct question asking about what respondents consider to be their home communities. Interestingly, having this subjectively identified home community alongside the ZIP code(s) in which respondents have spent their formative years may present an opportunity all its own to conduct a comparative examination of the nature and effects of the racioethnic composition of one’s home community using multiple conceptualizations of home community.

In our stimulus materials, we presented participants only with introductory statements and statements about diversity and DM. No other organizational or job characteristics were mentioned, and research has found such characteristics to be influential on applicants’ evaluations of organizations (K. M. Thomas & Wise, 1999). Future research may investigate the impact of organizational DM approach signals in relation to, or controlling for, other organizational characteristics, as well as whether demographic characteristics moderate the relative importance of these various organizational characteristics.

Finally, as mentioned in our results section, a test of an alternative model reveals the possibility that organizational attractiveness fully mediates the relationship between the instrumental value signal and merit-based attributions. While this model fits the data, we propose that our theorizing tips the scale in favor of the hypothesized model. Prior research suggests that attributions serve as antecedents to reactions to organizational practices and programs (Crocker et al., 1991; Heilman & Alcott, 2001; Heilman et al., 1990; Major & Crocker, 1993; Major et al., 1994). However, we acknowledge that other theoretical explanations may explain the alternative model. For example, individuals may make assessments of organizational attractiveness that they then justify by making merit-based attributions in an attempt to minimize any potential cognitive dissonance (Festinger, 1957). Future research may focus specifically on attributions and organizational attractiveness to further explore the direction of causality.

Theoretical Contributions

Our findings suggest several implications for theory on DM. First, this study adds to prior research that suggests that potential recruits’ perceptions of organizations are a function of combined interactive effects among DM signal types, demographic characteristics, and individual differences (Chen & Hooijberg, 2000; Martins & Parsons, 2007; Williamson et al., 2008). Interestingly, while we noted earlier that prior research has exhibited mixed findings for the effect of demographic group membership on perceptions of DM signals (Bell, Harrison, & McLaughlin, 2000; Goldberg & Allen, 2008; Harrison, Kravitz, Mayer, Leslie, & Lev-Arey, 2006; Konrad & Hartmann, 2001; Kravitz et al., 1997; Truxillo & Bauer, 2000), we found a fairly strong main effect for racioethnicity in which minorities tended to find the DM signals more attractive overall. This is a post hoc observation that should be interpreted with
caution, but it is possible that this main effect is due to the type of statements used in this study or the context in which it was conducted. Second, and relatedly, this study also suggests the importance of society-level contextual factors in determining applicant reactions to DM programs: the racioethnic composition of the potential recruits’ home communities interacts with individual racioethnicity and signal type (i.e., assimilative versus integrative DM) to affect organizational perceptions. This finding is an important contribution to theorizing on the effects of DM signals and adds to a broader set of studies seeking to incorporate the racioethnic composition of the context into theories of diversity and DM (e.g., Brief et al., 2005; Martins et al., 2003; Pugh et al., 2008; Ragins et al., 2012).

Third, as noted above, the unexpected effect among Whites from communities with particularly high proportions of racioethnic minorities suggests that DM may not always be seen by members of the traditional majority group as threatening or as a source of conflict. More confirmatory research is required to explore this topic in depth, but our finding helps explain some inconsistent findings regarding the effects of race on reactions to DM signals. As we posited above, prior interactions with racioethnic minorities may lead to inclinations toward diversity-friendly policies at work. The contact hypothesis (Allport, 1954; Pettigrew & Tropp, 2006) suggests that in addition to increased exposure to other groups, factors such as cooperative goals and support from authorities for equality are also necessary to produce such favorable reactions. It is possible that participants viewed the DM signals in this study as providing such conditions, but this finding and our research opens a potentially fruitful avenue for more deeply integrating social psychological theory and the study of DM.

Finally, this work contributes to research in the form of an empirical test of a theory-driven framework of DM. It therefore contributes not only to our understanding of DM, but also to the theories from which the framework was derived. For example, the study informs cross-cultural psychology through its exploration of the effects of the acculturation strategies of assimilation and integration (Berry, 1984) on individual perceptions in an organizational context.

Practical Implications

Our findings provide guidance to managers and organizations in calibrating their signaling of DM programs. Of particular importance to managers is the effect of the integrative DM signals on racioethnic minority potential recruits from particularly White-dominated communities and White potential recruits from communities with particularly high proportions of racioethnic minorities. Organizations in such communities that seek to achieve a more representative workforce would be well-advised to signal an integration strategy. Furthermore, our study suggests that emphasis on the instrumental value of diversity in general sends important signals that influence merit-based attributions and organizational attractiveness. We again note that organizations may hold and signal this value in addition to diversity as a terminal value. In fact, recent research indicates that holding a terminal value may be more motivating to some hiring managers as they seek to increase or maintain workforce diversity (Mayer et al., 2015). Taken together, this implies that many organizations may benefit from embracing a dual-value approach.
Of course, in making recommendations with regard to the integration strategy and the instrumental or dual value for diversity, we do not advise organizations to be deceptive or to misrepresent their actual DM approaches, as attracting applicants who do not fit may be detrimental with regard to such outcomes as commitment, satisfaction, and retention (Kristof-Brown, Zimmerman, & Johnson, 2005; Schneider, 1987). However, other research suggests that the actual adoption of diversity as at least an instrumental value, as well as implementation of an integration strategy, may be beneficial to performance outcomes (Armstrong et al., 2010; Ely & Thomas, 2001; Kochan et al., 2003; Major et al., 1994; van Knippenberg, De Dreu, & Homan, 2004; Van Knippenberg & Schippers, 2007). Our finding suggests that recruiters and managers within organizations adopting such an approach should be proactive in including information about it in their recruitment materials.

**Conclusion**

We used research on acculturation and values to examine how different DM signals may influence potential employees’ perceptions of organizations. We found that these signals affect potential recruits’ perceptions in general and in interactions with other factors. First, our study suggests that organizations signaling an instrumental value for diversity will see positive effects on potential recruits’ perceptions of organizational attractiveness, in part through their merit-based attributions. Second, and of particular importance, is our finding of a significant three-way interaction among integrative DM signal, potential recruits’ racioethnic group membership, and racioethnic composition of their home community. This research highlights the importance not just of the content of DM signals in influencing perceptions of the organization, but also of the demographic makeup of the contexts of potential employees toward whom the signals are directed. As such, it advances our theoretical understanding of the effects of DM programs, and provides actionable implications for management practitioners seeking to attract and retain a diverse workforce.

**References**


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Table 1  
*Means, Standard Deviations, and Correlations*  
Level 1 \((N = 2259)\)

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Level 2 \((N = 84)\)

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*Notes.* Numbers in parentheses are scale reliabilities (coefficient alphas). *\(p < .05\), **\(p < .01\)
### Table 2

**HLM Results on Organizational Attractiveness**

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<tr>
<td>Intercept</td>
<td>4.69** (.10)</td>
<td>4.38** (.12)</td>
<td>4.46** (.09)</td>
<td>4.71** (.14)</td>
<td>4.80** (.16)</td>
<td>4.78** (.16)</td>
<td>4.78** (.16)</td>
</tr>
<tr>
<td>Racioethnicity (Race; 1 = majority)</td>
<td></td>
<td>- .34* (.16)</td>
<td>- .47* (.18)</td>
<td>- .45* (.18)</td>
<td>.65* (.18)</td>
<td>.65* (.18)</td>
<td>.65* (.18)</td>
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<tr>
<td>Proportion of Whites in Home Community (% White)</td>
<td></td>
<td></td>
<td>.27 (.56)</td>
<td>.28 (.56)</td>
<td>-.25 (.96)</td>
<td>-.39 (1.04)</td>
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<tr>
<td>Race × % White</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.71 (1.15)</td>
<td>.94 (1.32)</td>
<td></td>
</tr>
<tr>
<td>Assimilation Strategy (Assim.)</td>
<td>-.30** (.08)</td>
<td>.23** (.06)</td>
<td>.23** (.06)</td>
<td>.12 (.11)</td>
<td>.13 (.11)</td>
<td>.12 (.11)</td>
<td></td>
</tr>
<tr>
<td>Assim. × Race</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.14 (.13)</td>
<td>.14 (.13)</td>
<td></td>
</tr>
<tr>
<td>Assim. × % White</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.27 (.45)</td>
<td>-.04 (1.76)</td>
<td></td>
</tr>
<tr>
<td>Integration Strategy (Integ.)</td>
<td>-.30** (.07)</td>
<td>.26** (.05)</td>
<td>.26** (.05)</td>
<td>.13 (.10)</td>
<td>.13 (.10)</td>
<td>.17† (1.0)</td>
<td></td>
</tr>
<tr>
<td>Integ. × Race</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.18 (.12)</td>
<td>.15 (.11)</td>
<td></td>
</tr>
<tr>
<td>Integ. × % White</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>-.11 (.41)</td>
<td>.96 (1.66)</td>
<td></td>
</tr>
<tr>
<td>Integ. × Race × % White</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.48 (1.95)</td>
<td></td>
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</tr>
<tr>
<td>Terminal Value</td>
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<td>.06 (.04)</td>
<td>.06 (.04)</td>
<td>.06 (.04)</td>
<td>.06 (.04)</td>
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</tr>
<tr>
<td>Instrumental Value</td>
<td></td>
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<td>.15** (.04)</td>
<td>.15** (.04)</td>
<td>.15** (.04)</td>
<td>.15** (.04)</td>
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<tr>
<td>Merit-Based Attributions</td>
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<tr>
<td>Variance Components</td>
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<td></td>
<td>.62** (.03)</td>
<td>.62** (.03)</td>
<td>.62** (.03)</td>
<td>.62** (.03)</td>
<td></td>
</tr>
</tbody>
</table>

| Intercept (τ₀) | .79               | 1.09                      | .55                        | .53                        | .53                          | .53                        | .54                        |
| Assimilation Strategy Slope |                  | .03                        | .07                        | .17                        | .17                          | .17                        | .17                        |
| Integration Strategy Slope |                  | .23                        | .09                        | .09                        | .09                          | .09                        | .09                        |
| Terminal Value Slope |                  | .20                        | .06                        | .06                        | .06                          | .06                        | .06                        |
| Instrumental Value Slope |                  | .08                        | .02                        | .02                        | .02                          | .02                        | .02                        |
| Merit-Based Attributions Slope |                  |                            |                            |                            |                            | .05                        | .05                        |
| Level 1 (σ²) | 1.20             | 1.09                      | .60                        | .60                        | .60                          | .60                        | .59                        |

Notes. HLM = Hierarchical Linear Modeling. N = 2259 observations (level 1 = L1), 84 individuals (level 2 = L2). We report unstandardized estimates, followed by standard errors in parentheses. All L1 variables were entered as uncentered dichotomous variables, except for merit-based attributions, which were grand-mean centered. * p < .05, ** p < .01, † p < .10
Table 3

<table>
<thead>
<tr>
<th>Variables</th>
<th>1: Unconditional</th>
<th>2: Stimulus (L1) Effects</th>
<th>3: Demographic (L2) Effects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>4.94** (.09)</td>
<td>4.92** (.09)</td>
<td>4.99** (.17)</td>
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<td>Racioethnicity (Race; 1 = majority)</td>
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<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Proportion of Whites in Home</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Community (% White)</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Terminal Value</td>
<td>—</td>
<td>-.08 (.05)</td>
<td>-.08 (.05)</td>
</tr>
<tr>
<td>Instrumental Value</td>
<td>—</td>
<td>.12* (.05)</td>
<td>.12* (.04)</td>
</tr>
</tbody>
</table>

Variance Components

<table>
<thead>
<tr>
<th></th>
<th>Level 1 ($\sigma^2$)</th>
<th>Level 2 ($\tau_{00}$)</th>
<th>Level 2 ($\tau_{10}$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>.63</td>
<td>.58</td>
<td>.58</td>
</tr>
<tr>
<td>Terminal Value Slope</td>
<td>—</td>
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<td>.10</td>
</tr>
<tr>
<td>Instrumental Value</td>
<td>—</td>
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<td>.06</td>
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<tr>
<td>Level 1 ($\sigma^2$)</td>
<td>1.05</td>
<td>1.00</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Notes. HLM = Hierarchical Linear Modeling. N = 2259 observations (level 1 = L1), 84 individuals (level 2 = L2). We report unstandardized estimates, followed by standard errors in parentheses. All L1 variables were entered as uncentered dichotomous variables. * p < .05, ** p < .01

Table 4

<table>
<thead>
<tr>
<th>Effect</th>
<th>1: Hypothesized Model (DV = organizational attractiveness)</th>
<th>2: Alternative Model (DV = merit-based attributions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>First-stage</td>
<td>.12** (.05)</td>
<td>.27** (.05)</td>
</tr>
<tr>
<td>Second-stage</td>
<td>.63** (.03)</td>
<td>.57** (.03)</td>
</tr>
<tr>
<td>Direct</td>
<td>.17** (.04)</td>
<td>-.02 (.04)</td>
</tr>
<tr>
<td>Indirect</td>
<td>.09** (.04)</td>
<td>.15** (.04)</td>
</tr>
<tr>
<td>Total</td>
<td>.27** (.05)</td>
<td>.12* (.05)</td>
</tr>
</tbody>
</table>

Notes. N = 2259 observations (level 1 = L1), 84 individuals (level 2 = L2). We report unstandardized estimates, followed by standard errors in parentheses. Significance testing of the indirect effect was conducted according to the procedures outlined in Bauer et al. (2006). Rounding and estimation methods result in minor discrepancies in unstandardized estimates of around .01. * p < .05, ** p < .01. Consistent with Edwards and Lambert’s (2007) terminology, first-stage effects refer to the effects of the independent and moderating variables on the mediator, while second-stage effects refer to the effect of the mediator on the dependent variable.
Figure 1. The hypothesized model.

Signals of Organizational DM Approach

Value Type
None Specified, Terminal, Instrumental, Dual

Acculturation Strategy
Neutral, Assimilation, Integration

Merit-Based Attributions

Organizational Attractiveness

LEVEL 1 VARIABLES
(Stimulus Level)

LEVEL 2 VARIABLES
(Individual Level)

Proportion of Whites in Home Community

Racioethnic Group Membership
Figure 2. Visualization of three-way interaction

![Graph showing the visualization of three-way interaction with acculturation strategy on the x-axis and organizational attractiveness on the y-axis. The graph compares different groups (minorities and whites) across specific, integration, and assimilation strategies.]
Author/s:
Olsen, JE; Martins, LL

Title:
Racioethnicity, Community Makeup, and Potential Employees' Reactions to Organizational Diversity Management Approaches

Date:
2016-05

Citation:

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