BEYOND SIMPLE COUNTS: A NEW APPROACH TO MEASURING & MONITORING WORKPLACE DIVERSITY

M.L. Egan, Ph.D., Marc Bendick, Jr., Ph.D.
Bendick & Egan Economic Consultants, Inc., USA
& John Miller, Ph.D.
George Mason University, USA
http://www.bendickegan.com
STATISTICAL ANALYSIS KEEPS METRICS LINKED TO THEORY

- CROSS-CUTTING CHANGES
- GENERIC PROCESS
- ANOVA DETAILS PROBLEMS
- MODAL CREATES METRICS
- REGRESSIONS ESTIMATE "HEADWINDS"
- "HEADWINDS"
APPLYING THEORY TO A SPECIFIC FIRM

THEORY:

IN-GROUP, OUT-GROUP PROCESSES

FIRM-SPECIFIC:

IN/OUT GROUPS: 16 METRICS REFLECT DATA, CULTURE
STRUCTURE: TRANSNATIONAL – MATRIX, NETWORKS
STRATEGY: EXCELLENCE
HISTORY: VISIBLY DIVERSE BUT NOT INCLUSIVE
QUALITATIVE STUDIES INDICATE PROBLEMS
<table>
<thead>
<tr>
<th>CULTURAL/PERSOANAL</th>
<th>EDUCATION/EXPERIENCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>Degree from one of “core” 20 universities</td>
</tr>
<tr>
<td>White</td>
<td>Experience, &lt; 8 yrs outside firm</td>
</tr>
<tr>
<td>Age 36-55</td>
<td>Been w/ firm &gt; 8 years</td>
</tr>
<tr>
<td>Married w/ dependents</td>
<td>Does not move much w/in firm</td>
</tr>
<tr>
<td>Culture – industrialized country passport, English native language</td>
<td></td>
</tr>
</tbody>
</table>
REGRESSIONS QUANTIFY “HEADWINDS” -- after controlling for productivity-related characteristics

<table>
<thead>
<tr>
<th>OUT-GROUP CHARACTERISTICS</th>
<th>EFFECTS ON SALARY</th>
<th>PROBABILITY IS A MANAGER</th>
<th>PROBABILITY OF INTER UNIT MOBILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>MODAL EMPLOYEE</td>
<td>------</td>
<td>------</td>
<td>------</td>
</tr>
<tr>
<td>7 CULTURAL &amp; PERSONAL CHARACTERISTICS</td>
<td>-14.5%</td>
<td>-40.4%</td>
<td>-79.0%</td>
</tr>
<tr>
<td>8 EDUCATION &amp; EXPERIENCE CHARACTERISTICS</td>
<td>-9.7%</td>
<td>-26.8%</td>
<td>-89.6%</td>
</tr>
<tr>
<td>ABOVE 15 + CUMULATIVE EFFECT</td>
<td>-23.0%</td>
<td>-54.8%</td>
<td>-92.0%</td>
</tr>
</tbody>
</table>
ANOVA DETAILS PROBLEMS BY UNIT, TIME PERIOD OR PROGRAM

- The box encompasses the middle 50% of the units. The line in the box is the median.
- Small dots represent individual units. The large dot represents the unit in the title.
- The box encompasses the middle 50% of the units. The line in the box is the median.
WHAT IS BETTER ABOUT METRICS TIED TO THEORY?

- MEASURES INCLUSION, REPRESENTATION DOES NOT
- METRICS ENCOMPASS VISIBLE & INVISIBLE DIFFERENCES
- AVOIDS QUOTAS BASED ON SIMPLE DEMOGRAPHICS
- ATTENTION ON UNDERLYING PROCESSES, NOT SYMPTOMS
- ATTENTION ON CHANGING FIRM, NOT INDIVIDUALS