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You Can't Always Get What You Need: Organizational Determinants of Diversity Programs

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Abstract

While some U.S. corporations have adopted a host of diversity management programs, many have done little or nothing. We explore the forces promoting six diversity programs in a national sample of 816 firms over 23 years. Institutional theory suggests that external pressure for innovation reinforces internal advocacy. We argue that external pressure and internal advocacy serve as alternatives, such that when external pressure is already high, increases in internal advocacy will not alter the likelihood of program adoption. Moreover, institutional theory points to functional need as a driver of innovation. We argue that in the case of innovations designed to achieve new societal goals, functional need, as defined in this case by the absence of workforce diversity or the presence of regulatory oversight, is less important than corporate culture. Our findings help explain the spotty coverage of diversity programs. Firms that lack workforce diversity are no more likely than others to adopt programs, but firms with large contingents of women managers are more likely to do so. Pro-diversity industry and corporate cultures promote diversity programs. The findings carry implications for public policy.

Keywords

diversity management, stratification, institutionalization, corporate culture, power

Firms embrace certain management innovations to signal their commitment to emergent societal values. Diversity innovations are a prime example. The civil rights and women's movements altered the political and corporate fields, creating a strong norm of equal opportunity. Federal legislation encouraged firms to end employment discrimination, and studies show that firms implemented a number of management innovations in response. Yet today, half a century after John F. Kennedy signed Executive Order 10925 requiring federal contractors to take "affirmative action" to open opportunities to all races, and 30 years after the new diversity-management paradigm defined inclusion as good for business, many employers still do very little to promote these goals. The prevalence of most diversity practices remains low. Even things that can be done on the cheap are not broadly popular.

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We seek to understand why some employers embrace diversity management innovations and others do not. We explore the effects of external pressure, internal advocates, functional demand, and corporate culture on the adoption of corporate equal opportunity and diversity programs, emphasizing how organizational processes shape adoption and challenging two ideas about diffusion. First, institutionalists studying anti-discrimination measures (Edelman 1990) and core business strategies (Fligstein 1987) have argued that innovations spread when scholars, consultants, and executives in the organizational field champion them, and then local advocates promote them within the firm, such that external and internal pressures reinforce one another. We argue that for innovations oriented toward new societal norms, internal and external pressures will serve as alternatives rather than reinforcing one another. A firm that has not responded to strong industry norms will thus not react to further increases in internal advocacy. And a firm that has not responded to strong internal advocacy will not react to increases in external pressure.

Second, institutionalists have generally seen functional need as a driver of the spread of new programs and practices (Tolbert and Zucker 1983; Zuckerman 1999). We suggest that for legitimacy-enhancing innovations, adoption will be driven primarily by corporate culture, not by need. More important than a firm's need to promote workforce diversity, or its susceptibility to regulatory scrutiny, will be its past pattern of attentiveness to social norms.

We use annual panel data for more than 800 workplaces, over 23 years, to explore factors affecting adoption of six different diversity programs. We use event-history models with robust standard errors, including controls for a host of organizational characteristics and for change in the wider labor market. Ours is the first study of the diffusion of diversity measures to employ detailed data on workforce composition that were collected in real time by the Equal Employment Opportunity Commission. By understanding what causes firms to adopt diversity programs, we gain insight into why diversity programs have not won a broader foothold.

EQUAL OPPORTUNITY AND DIVERSITY PROGRAMS

We focus on six corporate policies and programs. *Equal opportunity advertisement* policies ensure that an employer's commitment is mentioned in all job advertisements. *Diversity training for managers* usually focuses on strategies for avoiding discrimination in hiring and promotion. *General diversity training,* open to all employees, typically encourages inclusion of members of all groups at work. *Diversity taskforces* bring together people from different departments to brainstorm about ways to open opportunities to women and minorities. *Affinity networks* that offer support and career advice create connections within identity groups, among women, African Americans, or Latinos. *Diversity mentoring programs* are designed to ensure that aspiring women and minorities, as well as white men, find executives who can help them achieve their career goals.

Institutionalists have described such practices as window-dressing, adopted largely to win legitimacy: "Employees, applicants, managers, trustees, and governmental agencies are predisposed to trust the hiring practices of organizations that follow legitimated procedures—such as equal opportunity programs" (Meyer and Rowan 1977:349). Indeed, previous studies show that four of these programs do not lead to increases in workforce diversity. Taskforces and mentoring increase gender, racial, and ethnic diversity in management, but equal opportunity statements, diversity training for managers and for the general workforce, and network programs do not increase diversity (Dobbin and Kalev 2007; Edelman and Petterson 1999; Kalev, Dobbin, and Kelly 2006). Yet because managers, workers, and advocates are likely unaware that certain programs are ineffective, we do not assume that they will back only the programs that work. In fact, as we will see, white women managers promote three programs that have proven ineffective

and one that has proven effective. Diversity experts themselves apparently have little idea that some of their favorite programs are ineffective, as evidenced by the fact that they put great stock in programs, such as diversity training and affinity networks, that social scientists have recently found to be ineffective (Frankel 2009; Thomas 1991).

ORGANIZATIONAL PROCESSES BEHIND DIFFUSION

To understand variation in the adoption of diversity programs, we examine the relationship between internal advocates promoting programs and external pressure from industry norms. We also explore the roles of workforce diversity, regulatory scrutiny, and corporate culture.

Internal Pressure from Identity Groups

Institutionalists have shown that when an innovation supports the interests of a powerful group of managers, firms are more likely to embrace it (Kim et al. 2007; Strang and Jung 2005; Vogus and Davis 2005). Managers who stand to benefit from an innovation advocate for it. Women and minorities typically believe that diversity programs promote their interests, and thus we suggest that firms with more women and minority managers will be more likely to adopt diversity programs.

In support of this prediction, studies show that women and minorities favor diversity programs. Steeh and Krysan (1996) review dozens of studies and conclude that blacks are more supportive than whites of hiring preferences for minorities. Bobo and Kluegel (1993) find that blacks are significantly more supportive than whites of policies that enhance opportunity for blacks, and that white women are more supportive than white men. Cohen and Huffman (2007:682) report that in the 1996 General Social Survey, employed women were 1.2 times as likely as men to agree that "employers should make special efforts to hire and promote qualified women" and that female managers were 1.3 times as likely as male managers to agree.

Women were most often identified as diversity program champions in interviews we conducted with human resources (HR) managers in 2008 and 2009 at 64 workplaces in four large cities. For instance, at a West Coast services firm we heard that the female second-in-command "has really been making it clear that this is important" and showing it by attending meetings and workshops; things her predecessor had not done. At an electronics firm, we heard that the one female vice president led the charge in promoting diversity efforts, but when she moved on her male successor did not keep the programs "on course."

Among historically disadvantaged groups, only white women have won significant numbers of management jobs in more than a handful of firms. In our sample of firms, spanning 1980 to 2002, white women, on average, hold 23 percent of management jobs, whereas African American men and women together hold 4 percent, Hispanics hold 2.5 percent, and Asian Americans hold 1.9 percent. We expect that only white women hold enough management jobs, in enough firms, to show a significant effect on program adoption.

> *Hypothesis 1:* White women in management increase the likelihood that firms will adopt diversity programs.

External Pressure from Industry Norms

Tolbert and Zucker (1983) find that the popularity of civil service reform plays an important role in driving adoption. Following Meyer and Rowan (1977), they suggest that as a management practice gains adherents, its legitimacy promotes adoption. Organizations feel pressure to succumb to new management norms. Prevalence of a practice in an organizational field predicts contagion of innovations among municipal governments (Tolbert

and Zucker 1983), banks (Haveman 1993), hospitals (Burns and Wholey 1993), and a number of other populations. We thus predict that the likelihood of adopting a given program will grow with its prevalence in the relevant population. Hannan and Freeman (1989) find that industry boundaries define a firm's reference group, so we measure prevalence of a practice at the industry level.

Hypothesis 2: Industry prevalence predicts corporate adoption of equal opportunity and diversity programs.

Internal and External Pressure: Reinforcements or Alternatives?

Institutionalists argue that as environmental norms solidify, internal advocates gain resources for convincing their firms to change. Fligstein (1987:44) connects the literature on "organizations and their environments" with that on "internal power processes within firms" to argue that "actors' claims to power" rest on "events outside their organizations." As an organizational field embraces an innovation, it becomes easier for proponents to turn around their own organizations. Edelman (1990) builds on a similar intuition in her study of equal opportunity innovations, pointing to complementarities between external regulatory activism and internal advocacy from personnel experts.

The relationship between external and internal pressure is not typically tested empirically through models that examine dependency between the two (e.g., Edelman1990, 1992; Fligstein 1987, 1990). The complementary relationship thus remains a largely untested component of the theory. We argue that external pressure will serve as an alternative to internal pressure, rather than reinforcing it. We observe that legitimacy enhancing practices diffuse following an s-curve, but the curve typically flattens out well before saturation (Dobbin and Kelly 2007; Edelman 1990). Our intuition is that either internal or external pressure may lead firms to adopt diversity practices, but an additional source of pressure will not increase the odds of adoption. In other words, where strong external pressure fails, an increase in internal pressure will not make a difference, and vice versa. Viewed from the perspective of resistance, firms that are resistant to change will not become more susceptible simply because another source of pressure has been added.

Hypothesis 3: The dependency between internal pressure and external pressure to adopt diversity programs will be negative.

Functional Need versus Corporate Culture

Meyer and Rowan (1977) argue that when managers fail to achieve a particular goal, they adopt programs that symbolize their commitment. Tolbert and Zucker (1983) argue that functional need for an innovation stimulates early adopters. Diversity programs are thought to promote workforce diversity and mollify regulators; adoption is thus commonly linked to workforce homogeneity and regulatory oversight. Indeed, the very first equal opportunity programs were devised by big military contractors in the South, who had practiced Jim Crow and were subject to federal affirmative action oversight (Graham 1990; Leonard 1990).

Yet evidence for these predictions is mixed. Most studies of diversity program adoption do not report effects of workforce demography, although studies show that gender diversity is positively related to adoption of flexible work arrangements, childcare centers (Deitch and Huffman 2001), and sexual harassment training (Dobbin and Kelly 2007). There is stronger evidence that employers subject to regulatory scrutiny adopt diversity programs, but much of that evidence comes from studies exploring the 1970s, when federal regulators were most active (Edelman 1990, 1992; Edelman and Petterson 1999; Kalev and Dobbin 2006; Skaggs 2008).

We suggest that innovations designed to symbolize normative values, such as diversity programs, are driven not by functional need so

much as by social pressure and corporate culture. Hence, neither slow progress on integration nor regulatory oversight will typically be a prime cause of adoption. While we predicted earlier that managerial diversity will lead to program adoption, due to advocacy, we argue that diversity among non-managers will not be related to adoption in the period we study. We argue that regulatory oversight will not promote program adoption, and we measure this in three ways, via civil rights lawsuits against a firm, a firm's exposure to Department of Labor (DoL) oversight by dint of holding a federal contract, and DoL compliance reviews. It bears noting that the Reagan administration lessened regulatory pressure on federal contractors in the 1980s (when our period of study begins), and subsequent administrations did not restore the regulatory regime of the 1970s (Anderson 1996; Kalev and Dobbin 2006).

We suggest that the imperative to symbolize commitment to diversity will be just as strong for firms that have made progress on workforce diversity as for those that have not, and just as strong for firms subject to regulatory scrutiny as for those that escape scrutiny.

Hypothesis 4: Neither non-managerial workforce diversity nor susceptibility to regulatory scrutiny will predict adoption of diversity programs.

In contrast to our argument about the null effect of functional need, we suggest that a corporate culture of formalizing commitment to social norms will be a strong predictor of adoption of diversity programs.

Macro organizational scholars have largely neglected corporate culture, but research shows that a founder's preference for an HR system organized on the star, factory, engineering, or commitment model continues to influence corporate behavior long after the founder is gone (Baron, Burton, and Hannan 1996; Baron, Hannon, and Burton 1999, 2001). Sutton and Dobbin (1996) find that organizations attentive to new legal norms adopt legalistic personnel innovations of all sorts, regardless of their political valence. These findings reinforce the insight that corporate cultures are sticky and resistant to change (Martin 2002). We suggest that a corporate culture of formal responsiveness to new norms, as measured by a firm's past personnel formalization and its commitment to another innovation, work-family programs, will affect adoption of diversity programs.

Hypothesis 5: A corporate culture of personnel formalization and responsiveness to normative innovations will predict adoption of diversity programs.

Other Factors Predicting Diversity Program Adoption

Institutionalists find that professionals are important proponents of innovation. Studies show that firms with human resources departments, diversity staff, and HR consultants are more likely to adopt equal opportunity measures (Dobbin and Kelly 2007; Dobbin et al. 1993; Edelman 1990, 1992). Moreover, consultants often promote additional services to clients (Kelly 2003), so we expect that sexual harassment trainers may promote diversity training. Firms with equal opportunity and affirmative action programs are more likely to develop related measures (Kelly and Dobbin 1999). Previous research on bureaucratic innovations suggests that larger organizations tend to formalize (Blau and Schoenherr 1971; Kalleberg and Van Buren 1996), while older organizations resist change (Selznick 1957; Stinchcombe 1965).

DATA

We use data from our own retrospective survey of employer innovations merged with data on workforce composition collected annually by the Equal Employment Opportunity Commission. We analyze establishment-level, rather than firm-level, data because diversity programs and workforce diversity vary across establishments. We include no more than one establishment per parent firm and follow establishments through changes in

ownership. We control for whether an establishment is part of a larger firm, and whether it is the headquarters.

Equal Opportunity and Diversity Programs

We obtained information on the six innovations through a survey. We drew a stratified random sample of establishments from respondents to the 1999 federal equal employment opportunity (EEO1) census, which covers all private-sector employers with at least 100 workers and federal contractors with as few as 50 workers. We stratified the sample by duration in the EEO1 dataset, choosing half of the establishments from those that had been in the dataset since at least 1982, and half from those that had been in the dataset since at least 1992. We also stratified by size, choosing 35 percent of establishments with fewer than 500 workers in 1999. We sampled from food, chemicals, electronic equipment, transportation equipment, wholesale trade, retail trade, insurance, business services, and health services. We chose representative industries, rather than sampling from the entire economy, to facilitate evaluation of industry effects.

To develop the questionnaire, we conducted 41 exploratory and pilot interviews (not included in the analysis) and drew on previous surveys (in particular, Kalleberg et al. 1996; Kelly 2000; Osterman 1994, 2000). With the help of the Princeton Survey Research Center, we conducted Computer Aided Telephone Interviews with human resources managers, or general managers, to obtain life histories of personnel practices. To identify the ideal interviewee, we wrote to the head of human resources and asked for the employee most knowledgeable about the history of human resources practices. The modal respondent had 11 years of tenure.

We asked respondents about their companies' use of dozens of practices. When a respondent did not know about the history of a certain practice, we asked her to consult with colleagues, following up by phone, e-mail, and fax. We completed 833 interviews, for a response rate of 67 percent of sampled establishments that had a working phone number. This puts our response rate near the top of the range for organizational surveys (Kalleberg et al. 1996; Kelly 2000; Osterman 1994, 2000). After matching survey responses with data from the EEO reports, we omitted 17 cases with extensive missing data on either survey items or EEO items. This left us with 816 cases. Figure 1 reports the proportion of establishments having each of the equal opportunity and diversity measures over time. Note that the denominator changes each year according to the number of organizations present in our sample in that year.

Workforce Composition

We obtained data on the composition of the establishment workforce from the Equal Employment Opportunity Commission under an Intergovernmental Personnel Act (IPA) agreement. Under the Civil Rights Act of 1964, the EEOC has collected annual reports from private employers with more than 100 employees, and from government contractors with more than 50 employees and contracts worth $10,000 or more. Excluded employers, such as state and local governments, schools, and colleges, provide different reports (EEOC N.d.). In the reports, employers detail the race, ethnicity, and gender of workers in each of nine occupational categories. Some researchers worry that employers move jobs dominated by women or minorities to the management category to make their management ranks look more diverse (Smith and Welch 1984). Leonard (1990:53) notes that "pure reclassification would cause black losses in the lower occupations [in the EEO data], which is generally not observed." If employers exaggerate management diversity, the effects of both management and non-management diversity could be suppressed in our analyses. We tried eliminating cases with unusual compositional changes and found that results did not change.

We use data from these EEO1 forms to construct variables for the percent of women

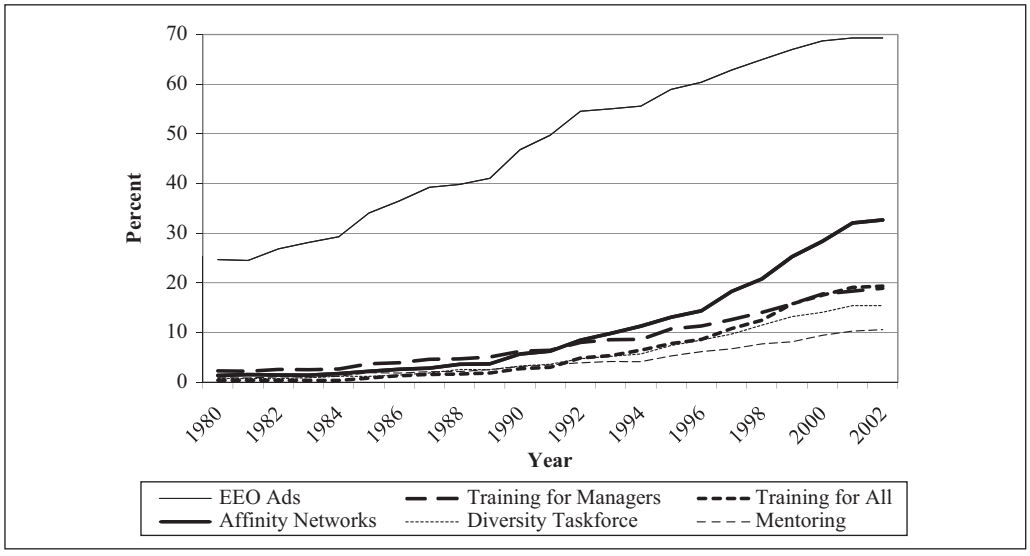

Figure 1. Percent of Firms with Equal Employment and Diversity Programs, 1980 to 2002
Source: Princeton University 2002 Human Resources Survey.

and minorities in the managerial and non-managerial workforces. Table 1 reports descriptive statistics for independent variables. All variables except industry are time-varying. We measure internal pressure as the percent of managers who are white women. To calculate variables for program prevalence in industry we subtract the focal organization. We examine functional need for diversity using seven variables measuring the percent of non-managerial workers who are white women or black, Hispanic, or Asian women or men. We use three binary variables to measure the legal environment: the number of lawsuits a firm has faced under Title VII of the Civil Rights Act, whether a firm is subject to oversight by the DoL's Office of Federal Contract Compliance Programs as a consequence of holding a federal contract, and whether a firm has been subject to a federal contractor compliance review. We examine organizational culture using three variables. Top management support for work-family programs is based on a survey question, addressed to the HR manager who responded, about the years in which top management expressed support for work-family programs. To supplement this subjective evaluation, we include a work-family index, which counts the presence of work-family workshops, dependent care referral services, vouchers for childcare, paid maternity leave, and flextime policies (Cronbach's Alpha scale reliability coefficient = .45). Personnel formalization is a count of performance evaluations, peer performance evaluations, job descriptions, promotion ladders, job posting policies, job advertisement policies, hiring guidelines, promotion guidelines, and discharge guidelines (Cronbach's Alpha scale reliability coefficient = .75). Variables measuring organizational structures, such as presence of an HR department, are binary.

We include control variables for characteristics of the wider labor market. Diversity in the industry and state labor markets may affect the likelihood of innovation. We use the population of establishments that file federal workforce reports to measure industry and state workforce demography, rather than using data from the popular Current Population Survey (CPS), because the CPS data are unstable (due to small sample size) when broken down by gender, race/ethnicity, and industry or state. Results are not sensitive to the choice of EEO or CPS data. Industry

Table 1. Univariate Descriptive Statistics (N = 16,211)

Variable	Mean	SD	Min	Max
Program Prevalence				
Equal Employment Opportunity Advertisements	.485	.173	.113	.833
Diversity Training for Managers	.105	.100	0	.437
Diversity Training for All	.060	.068	0	.288
Diversity Taskforce	.054	.051	0	.253
Affinity Networks	.049	.043	0	.213
Mentoring	.033	.030	0	.120
Corporate Culture				
Work-Family Index	.478	.809	0	4
Top Management Work-Family Support	.473	.499	0	1
Personnel Formalization	4.490	2.257	0	9
Non-managerial Diversity				
White Women	.374	.248	0	1.000
Black Women	.059	.098	0	.893
Black Men	.054	.092	0	1.000
Hispanic Women	.031	.069	0	.735
Hispanic Men	.046	.106	0	.897
Asian Women	.016	.037	0	.493
Asian Men	.017	.040	0	.656
Regulatory Scrutiny				
Government Contractor	.482	.500	0	1
Discrimination Suits	2.408	4.109	0	15
Federal Compliance Review	.040	.196	0	1
Managerial Diversity				
White Women	.233	.213	0	1.000
Black Women	.015	.043	0	.667
Black Men	.025	.057	0	1.000
Hispanic Women	.006	.023	0	.500
Hispanic Men	.019	.056	0	1.000
Asian Women	.005	.020	0	.500
Asian Men	.014	.047	0	.851
Professionals				
HR Department	.850	.357	0	1
EEO or Diversity Staff	.085	.279	0	1
HR Consultant	.292	.455	0	1
Organizational Controls				
Log Size	6.095	1.030	1.609	9.561
Multi-unit Firm	.478	.500	0	1
EEO Policy	.810	.392	0	1
Affirmative Action Plan	.507	.500	0	1
Headquarters	.260	.439	0	1
Log Establishment Age	3.799	.588	2.079	7.607
Union	.246	.431	0	1
Harassment Training–Managers	.437	.496	0	1
General Harassment Training	.310	.462	0	1
State Workforce				
White Women	35.082	5.790	20.943	55.394

(continued)

Table 1. *(continued)*

Variable	Mean	SD	Min	Max
Black Women	6.492	3.952	0	23.178
Black Men	5.802	3.511	0	20.033
Hispanic Women	3.791	3.948	0	20.789
Hispanic Men	2.692	2.943	0	19.699
Asian Women	1.402	1.529	0	7.253
Asian Men	1.511	1.569	0	8.477
Industry Workforce				
White Women	33.837	15.489	13.846	63.913
Black Women	6.519	3.091	2.762	13.635
Black Men	5.931	2.235	2.446	9.544
Hispanic Women	4.140	2.964	.986	17.281
Hispanic Men	2.960	1.458	.769	8.994
Asian Women	1.503	.810	.205	3.710
Asian Men	1.739	1.016	.509	5.809
Industry				
Food	.105	.306	0	1
Chemicals	.106	.308	0	1
Transportation	.117	.322	0	1
Insurance	.107	.309	0	1
Business Service	.102	.302	0	1
Health Care	.135	.342	0	1
Electronics	.108	.310	0	1
Wholesale Trade	.122	.328	0	1
Retail Trade	.098	.298	0	1
Log Industry Size	8.015	.777	6.903	9.346
Industry Unemployment	6.014	2.082	2.200	18.000
Time Trend	11.922	6.394	0	22

expansion typically stimulates innovation, and unemployment typically stalls it. We measure these factors using data from the Bureau of Labor Statistics.

We look at the effects of organizational and environmental factors on adoption of six innovations, lagging independent variables by one year. We impute missing values with a regression based on industry, establishment age, and headquarters status. Results are substantially the same when we omit observations with imputed data. While we have data for the period 1971 to 2002, with the exception of one practice (advertisements) there are very few adoptions before 1980, so we analyze data for the period 1980 to 2002. Including the years between 1971 and 1980 does not alter the substance of the findings. We have at least five years of data for each establishment and at most 23 years. We have the full 23 years for over half of the establishments.

Analytic Strategy and Model Specification

We use discrete-time event-history methods to analyze the cross-sectional annual panel observations. Because we know the year in which each innovation was implemented but not the exact date, and because particular years often contain multiple adoptions, we use a complementary log-log specification (Allison 1995; Kalbfleisch and Prentice 1980). The coefficients have a proportional hazards, or relative risk, interpretation. In the complementary log-log specification, we calculate the effects of independent variables with the formula, 100 [exp (coefficient) – 1].

This gives us the percent change in the hazard of adopting the program in question resulting from a one-unit increase in a given independent variable. Pooling observations from a single case over time violates independence assumptions. We thus use robust standard errors, including an additional error term to model the correlated errors that occur when an organization appears more than once in the dataset (Arellano 1987).

FINDINGS

We present several models. All models include the full set of controls, although coefficients for some control variables are reported in Table A1 in the Appendix. Table 2 presents two models for each diversity program: the first is based on all controls and our main variables of interest, and the second adds an interaction between industry prevalence of the practice and share of white women in management. Table 3 presents results from an exploration of the composition effect, reporting coefficients for binary variables representing different levels of white women in management. Table 4 offers evidence of the relative importance of different factors using standardized coefficients, based on the non-interacted models presented in Table 2.

The findings provide broad support for our predictions about the forces promoting diversity programs. First, a firm's need to promote diversity, as captured by the absence of workforce diversity and by regulatory scrutiny, generally does not predict adoption. Corporate culture, however, does have strong effects, suggesting that a firm's past pattern of response to new societal norms is more important than its need for greater workforce diversity or its susceptibility to regulatory scrutiny. Yet we find that complete lack of gender diversity in management does stimulate adoption of two programs.

Second, external pressure in the form of industry prevalence promotes all six programs and internal pressure from white women managers promotes four of the programs. As we hypothesized, internal and external pressures do not reinforce one another. At high levels of internal (or external) pressure, external (or internal) pressure has no additional effect.

Functional Need versus Corporate Culture

We predicted that functional need for diversity programs, as captured by lack of diversity among non-managers and by regulatory scrutiny, would not drive adoption to the same extent as a corporate culture of response to new societal norms. This prediction is generally borne out in the models presented in Table 2. We see almost no effects of workforce diversity or regulatory oversight on adoption of diversity programs.

White women in non-management do show negative effects on the two types of training, but these effects are not stable across models. Asian American women in non-management show a negative effect on diversity training for managers, but Asian American men show a positive effect. Overall, there is only weak support for the idea that firms slow to hire white women are fast to adopt diversity programs, and no real support for a link between racial or ethnic diversity and program adoption. Moreover, the three measures of regulatory oversight produce, together, only one significant positive coefficient. Federal contractor status and federal compliance reviews do not matter, and discrimination suits show an effect only on taskforces. In an additional analysis, we found that regulatory effects are no stronger in firms that had made little progress on diversity.

Effects of corporate culture are much stronger, as measured by past formalization of personnel policies and past responsiveness to changing norms for handling work-family conflicts. For four of the six programs, personnel formalization predicts adoption. For five of the programs, work-family programs predict adoption. For two of the six, top management support for work-family programs shows positive effects.

While the absence of workforce diversity does not appear to stimulate program adoption,

Table 2. Event-History Estimates of Program Adoption with Robust Standard Errors, 1980 to 2002

	Equal Opportunity Advertisements		Diversity Training for Managers		Diversity Training for All		Taskforce		Affinity Network		Mentoring	
Model	1	2	3	4	5	6	7	8	9	10	11	12
External Pressure from Industry												
Program Prevalence	9.917**	10.095**	5.412**	7.517**	3.708	9.302*	16.217**	18.797**	9.126*	14.415**	47.179**	50.896**
	(1.470)	(1.532)	(1.668)	(1.872)	(2.718)	(3.707)	(4.360)	(5.075)	(4.643)	(5.331)	(9.717)	(11.802)
Internal Advocacy												
White Women in Management	1.067*	1.449	1.483*	3.171**	2.709**	4.611**	1.644*	2.673*	.214	2.147	−.628	.635
	(.507)	(1.080)	(.629)	(.966)	(.789)	(1.124)	(.786)	(1.164)	(.820)	(1.122)	(1.099)	(2.113)
External and Internal Interacted												
Program Prevalence x WW Mgrs.		−.849		−8.421*		−14.549*		−9.226		−30.061*		−20.605
		(2.146)		(3.548)		(6.374)		(7.967)		(13.222)		(28.587)
Corporate Culture												
Work-Family Index	−.129	−.128	.263**	.271**	.478**	.497**	.457**	.461**	.582**	.597**	.440**	.452**
	(.093)	(.093)	(.078)	(.078)	(.101)	(.103)	(.098)	(.097)	(.111)	(.111)	(.148)	(.152)
Top Mgt. Work-Family Support	.302*	.304*	.435**	.425*	.118	.112	.371	.362	.346	.343	.509	.493
	(.125)	(.125)	(.167)	(.168)	(.233)	(.234)	(.230)	(.230)	(.205)	(.202)	(.359)	(.357)
Personnel Formalization Index	.167**	.168**	.154**	.158**	.086	.085	.156*	.158*	.070	.073	.361**	.364**
	(.034)	(.034)	(.048)	(.048)	(.064)	(.064)	(.066)	(.066)	(.065)	(.065)	(.102)	(.102)
Non-managerial Diversity												
White Women	−.469	−.469	−1.137	−1.229*	−1.837*	−1.918**	−1.247	−1.262	−.046	.026	.113	.070
	(.458)	(.459)	(.622)	(.627)	(.736)	(.743)	(.782)	(.786)	(.751)	(.766)	(1.167)	(1.164)
Black Women	.550	.556	−.679	−.649	−.184	−.238	−.900	−.873	.991	1.083	2.413	2.414
	(.806)	(.806)	(1.047)	(1.043)	(1.304)	(1.341)	(1.334)	(1.329)	(1.288)	(1.283)	(1.481)	(1.475)
Black Men	−.032	−.036	1.004	.962	−.850	−.640	1.320	1.370	−1.996	−2.037	.652	.684
	(.955)	(.958)	(1.095)	(1.120)	(1.209)	(1.246)	(1.385)	(1.385)	(1.510)	(1.576)	(1.915)	(1.924)

(continued)

Table 2. *(continued)*

	Equal Opportunity Advertisements		Diversity Training for Managers		Diversity Training for All		Taskforce		Affinity Network		Mentoring	
Model	1	2	3	4	5	6	7	8	9	10	11	12
Hispanic Women	−.511	−.497	−2.295	−2.437	−2.820	−2.880	2.723	2.686	1.195	1.187	.762	.841
	(1.236)	(1.237)	(1.538)	(1.546)	(2.483)	(2.515)	(2.667)	(2.650)	(1.949)	(1.966)	(3.480)	(3.418)
Hispanic Men	.650	.644	1.332	1.306	−2.301	−2.161	−1.403	−1.353	2.715*	2.795*	.413	.325
	(.678)	(.678)	(.824)	(.815)	(1.354)	(1.352)	(2.113)	(2.116)	(1.368)	(1.372)	(3.491)	(3.493)
Asian Women	−1.969	−1.960	−8.031**	−7.761**	−3.891	−3.680	3.350	3.475	−7.562	−6.945	−13.656	−13.079
	(2.694)	(2.699)	(2.956)	(2.953)	(4.410)	(4.405)	(4.174)	(4.141)	(5.166)	(5.024)	(8.919)	(8.896)
Asian Men	1.766	1.773	7.316**	7.095**	2.226	2.182	−3.904	−3.920	1.377	1.066	2.353	1.988
	(2.187)	(2.198)	(2.406)	(2.375)	(3.568)	(3.433)	(3.450)	(3.449)	(3.918)	(3.902)	(4.322)	(4.351)
Regulatory Scrutiny												
Government Contractor	.129	.128	.332	.324	.243	.259	.107	.099	.275	.268	.411	.397
	(.150)	(.150)	(.172)	(.172)	(.212)	(.213)	(.236)	(.237)	(.225)	(.227)	(.321)	(.319)
Discrimination Suits	.001	.001	.002	.000	.025	.025	.065**	.064**	.023	.021	.006	.006
	(.020)	(.020)	(.016)	(.016)	(.021)	(.021)	(.019)	(.019)	(.022)	(.022)	(.030)	(.030)
Federal Compliance Review	.129	.129	.172	.178	−.224	−.190	−.640	−.635	−.197	−.196	−.146	−.145
	(.256)	(.256)	(.263)	(.263)	(.379)	(.375)	(.402)	(.403)	(.362)	(.363)	(.470)	(.469)
Other Management Groups												
Black Women	−.115	−.130	−.401	−.399	1.116	.903	3.491*	3.600*	−4.175	−3.691	−3.266	−3.070
	(1.613)	(1.614)	(2.264)	(2.260)	(2.163)	(2.212)	(1.765)	(1.775)	(3.356)	(3.290)	(3.431)	(3.447)
Black Men	−.357	−.361	−.402	−.707	−.245	−.778	−.926	−1.181	2.519	2.031	−2.322	−2.483
	(1.462)	(1.463)	(1.587)	(1.616)	(2.432)	(2.530)	(1.953)	(1.973)	(1.687)	(1.662)	(2.464)	(2.535)
Hispanic Women	−1.151	−1.202	.888	.691	−2.882	−3.580	−.036	−.071	1.199	1.616	4.685	4.760
	(3.331)	(3.336)	(3.742)	(3.747)	(5.653)	(5.684)	(4.151)	(4.226)	(6.500)	(6.405)	(4.770)	(4.760)
Hispanic Men	1.563	1.556	1.779	1.817	3.975**	3.826**	−4.993	−5.034	−3.594	−3.674	−2.150	−2.110
	(1.026)	(1.025)	(1.106)	(1.113)	(1.220)	(1.231)	(3.973)	(4.016)	(3.209)	(3.189)	(3.657)	(3.637)
Asian Women	−1.255	−1.335	6.784	6.390	−1.614	−2.474	−8.666	−8.588	2.899	2.851	−7.330	−6.887
	(4.106)	(4.112)	(3.620)	(3.644)	(5.377)	(5.501)	(7.246)	(7.120)	(6.745)	(6.122)	(13.326)	(13.281)
Asian Men	1.221	1.192	−.202	−.121	−.077	.013	5.292**	5.296**	3.212	3.182	4.768*	4.954*
	(1.310)	(1.316)	(1.880)	(1.874)	(2.494)	(2.509)	(1.978)	(2.001)	(2.563)	(2.567)	(2.292)	(2.354)

(continued)

Table 2. *(continued)*

	Equal Opportunity Advertisements		Diversity Training for Managers		Diversity Training for All		Taskforce		Affinity Network		Mentoring	
Model	1	2	3	4	5	6	7	8	9	10	11	12
Professionals												
HR Department	.300	.301	.324	.331	.948	.987	.542	.568	.752	.759	1.030	1.009
	(.201)	(.201)	(.392)	(.390)	(.667)	(.665)	(.433)	(.436)	(.572)	(.575)	(.668)	(.681)
EEO or Diversity Staff	.048	.049	.033	.025	.306	.307	.589**	.586**	.975**	.986**	.542	.547
	(.234)	(.234)	(.208)	(.209)	(.263)	(.259)	(.219)	(.221)	(.237)	(.236)	(.340)	(.340)
HR Consultant	.074	.073	.256	.254	.164	.161	.504*	.518*	.272	.278	.289	.300
	(.138)	(.138)	(.151)	(.152)	(.198)	(.199)	(.210)	(.212)	(.220)	(.221)	(.291)	(.291)
Controls												
Log Size	−.144*	−.145*	.340**	.348**	.168	.168	.579**	.581**	.087	.095	.258	.255
	(.068)	(.068)	(.083)	(.084)	(.107)	(.106)	(.106)	(.106)	(.110)	(.111)	(.174)	(.174)
Multi-unit Firm	.211	.209	.600**	.606**	−.149	−.160	.923*	.931*	.572	.576	.535	.539
	(.162)	(.163)	(.224)	(.225)	(.275)	(.276)	(.377)	(.376)	(.323)	(.323)	(.504)	(.500)
EEO Policy	1.517**	1.515**	.540	.544	.421	.455	1.587	1.600	1.191	1.176	1.190	1.180
	(.220)	(.220)	(.414)	(.412)	(.569)	(.567)	(1.054)	(1.055)	(.639)	(.638)	(1.039)	(1.038)
Affirmative Action Plan	.367*	.366*	−.018	−.022	.397	.421	.615*	.613*	.227	.223	.535	.544
	(.150)	(.150)	(.171)	(.171)	(.240)	(.241)	(.256)	(.255)	(.244)	(.244)	(.323)	(.328)
Log Establishment Age	−.243*	−.244*	−.051	−.040	−.216	−.225	.260	.263	.371	.372	.040	.038
	(.116)	(.116)	(.145)	(.145)	(.192)	(.194)	(.231)	(.232)	(.223)	(.222)	(.267)	(.268)
Union	−.251	−.250	−.101	−.091	.052	.085	−.121	−.124	.479	.492*	.458	.468
	(.161)	(.162)	(.179)	(.180)	(.226)	(.228)	(.226)	(.226)	(.248)	(.244)	(.344)	(.345)
Headquarters	.221	.222	.208	.218	.125	.114	.893*	.889*	.683	.703*	.401	.394
	(.179)	(.178)	(.238)	(.237)	(.288)	(.287)	(.392)	(.389)	(.358)	(.358)	(.561)	(.558)

(continued)

Table 2. *(continued)*

	Equal Opportunity Advertisements		Diversity Training for Managers		Diversity Training for All		Taskforce		Affinity Network		Mentoring	
Model	1	2	3	4	5	6	7	8	9	10	11	12
Harassment Training–Managers			1.008**	.986**	.168	.146						
			(.240)	(.241)	(.304)	(.308)						
General Harassment Training			.303	.301	.972**	.988**						
			(.170)	(.170)	(.257)	(.260)						
Constant	−9.302*	−9.304*	−6.113	−5.156	−10.427	−8.098	−11.802	−11.808	−10.599*	−12.187*	−3.940	−3.845
	(3.684)	(3.692)	(4.500)	(4.599)	(6.199)	(6.116)	(7.033)	(7.052)	(5.344)	(5.375)	(6.752)	(6.775)
Observations	8,808	8,808	14,726	14,726	15,343	15,343	15,316	15,316	15,042	15,042	15,535	15,535
Establishments at Risk	660	660	817	817	819	819	821	821	813	813	821	821
Events	402	402	246	246	146	146	147	147	135	135	78	78
Log-Likelihood	−1450.711	−1450.627	−1008.134	−1005.916	−660.880	−658.647	−617.719	−617.290	−649.966	−647.969	−378.400	−378.148

Note: For controls for Table 2, see Table A1 in the Appendix. Robust standard errors in parentheses.
*$p < .05$; **$p < .01$ (two-tailed tests).

Table 3. Event-History Estimates of Program Adoption with Robust Standard Errors, 1980 to 2002, Detailed Effects of White Women Managers

White Women Managers	E.O. Ads	Training for Managers	Training for All	Taskforce	Affinity Network	Mentoring
None	.639*	.991*	−2.162*	−.512	.849	−1.504
	(.294)	(.431)	(.953)	(.751)	(.536)	(1.172)
1 to 5 Percent	Omitted					
5+ to 10 Percent	.388	.927*	.327	−.527	.363	−.770
	(.281)	(.364)	(.491)	(.432)	(.403)	(.599)
10+ to 20 Percent	.249	.961**	.566	.032	.571	.334
	(.287)	(.368)	(.473)	(.432)	(.414)	(.530)
20+ to 30 Percent	.490	.830*	.605	.135	.814	.501
	(.318)	(.423)	(.526)	(.506)	(.460)	(.606)
30+ to 50 Percent	.798*	1.224**	.705	.465	.566	.246
	(.346)	(.419)	(.540)	(.522)	(.522)	(.715)
50 Percent or More	1.200**	1.606**	1.811**	1.193	.799	−.400
	(.391)	(.498)	(.661)	(.625)	(.605)	(.940)
Observations	8,808	14,726	15,343	15,316	15,042	15,535
Establishments at Risk	660	817	819	821	813	821
Events	402	246	146	147	135	78
Log-Likelihood	−1444.160	−1004.038	−656.352	−613.947	−647.814	−372.104

Note: Based on models identical to the non-interacted models in Table 2. Robust standard errors in parentheses.
*$p < .05$; **$p < .01$ (two-tailed tests).

to give the functional thesis the benefit of the doubt we considered the possibility that workforce or managerial composition might have nonlinear effects that are obscured by the linear specifications we use in Table 2. We did not find evidence of nonlinear effects for non-managerial diversity (results available from the authors upon request), but we did find a nonlinear effect for white women managers. In Table 3 we replicate the non-interacted model in Table 2 for each outcome, breaking down the proportion of white women in management into seven binary categories, ranging from 0 to over 50 percent. We find a j-curve for equal opportunity advertisements and diversity training for managers; firms with no white women in management are significantly more likely to adopt programs than are firms with a few white women, but as white women win more management positions, the likelihood of program adoption rises again. We do not find the same pattern for minority managers, but few employers have more than token numbers of managers from any minority group. This finding provides some additional support for the thesis that firms lacking in diversity will adopt diversity programs. Yet the decline in the likelihood of adoption among firms with token numbers of women managers suggests that executives are satisfied with small steps toward open opportunity.

External and Internal Pressure for Change

For all six programs, the proportion of industry members already on the bandwagon is a strong predictor of adoption (in the case of diversity training for all workers, the effect becomes significant when the interaction with white women managers is added). This suggests that norms in an organizational field are highly influential. Evidence for internal pressure is also strong. White women in management promote the adoption of four of the six programs: equal opportunity advertisements, both types of diversity training, and diversity taskforces. Moreover, Asian American women managers encourage training for managers,

Hispanic men encourage training for all workers, and black women and Asian American men encourage diversity committees. As we suggested, white women likely show a strong pattern of effects because they alone hold substantial numbers of management jobs in numerous firms.

As we predicted, the interaction between white women managers and industry density does not produce significant positive coefficients in the models. Rather, for all four programs for which there was internal pressure for adoption, the interaction is negative and significant. According to Table 2, three cases are significant and negative. Plotting the interaction terms reveals significant interactions in all four cases. When two continuous variables are interacted, the coefficients estimate effects at the mean level of each variable. Plotting the contingent effects of white women at different levels of density provides a finer view of the dependency between the two variables that takes into account the empirical range of the variables.

We show plots for the four variables for which the effects of white women managers depend on industry prevalence: equal opportunity advertisements, diversity training for managers and for all workers, and diversity taskforces. We do not show a plot for affinity networks because, although the interaction coefficient for network programs is significant, the effect of white women managers is not significantly different from zero, and at no level of industry prevalence do white women managers show significant effects.

Figures 2, 3, 4, and 5 show effects of white women when they hold between 1 and 70 percent of management jobs, at the 25th, 50th, 70th, and 95th percentiles of industry prevalence for each practice. For diversity training for managers, for instance, the industry prevalence percentiles translate into 2, 7, 16, and 37 percent of industry members with training. We use solid lines to indicate statistical significance at $p < .05$; dotted lines otherwise.

All four figures show the same pattern. At the lowest level of industry prevalence, increases in white women managers have the strongest effects on program adoption. Their effects are statistically significant. At the 70th or 95th percentiles of industry prevalence, an increase in white women managers no longer increases the likelihood a firm will adopt diversity programs. Thus, white women managers and industry prevalence substitute for one another. An increase in white women managers promotes adoption when a program is not yet popular in an industry. Conversely, an increase in industry prevalence promotes adoption in firms that do not have many white women managers.

Returning to the control variables presented in Table 2, we find support for factors identified in previous studies. Connections to professionals, in the form of full-time diversity staff and HR consultants, increase program adoption. Similarly, firms offering harassment training have a greater likelihood of adding diversity training, likely because harassment trainers promote diversity training. (We repeated the training program analyses excluding the harassment training variables and found no changes in effects of other variables.) Organizational controls generally show the expected effects, whereas labor market controls show a scattered pattern of effects.

Relative Importance of Different Forces for Adoption

Results point to a strong pattern of effects for external influence from industry peers, corporate culture, and internal advocacy by white women in management. To compare the magnitude of these effects, we standardized coefficients for the non-interacted models reported in Table 2. Table 4 reports the effects of our variables of interest and all other organization-level variables that show a pattern across more than one outcome (scattered industry-level controls have strong effects, but they evince no patterns). Industry norms prove powerful. For four of the six outcomes, industry prevalence has the strongest effect among the variables of interest. Next, corporate culture, as measured by three variables, shows strong effects. The variable white women in management is next in magnitude of effects. Then two measures of size show

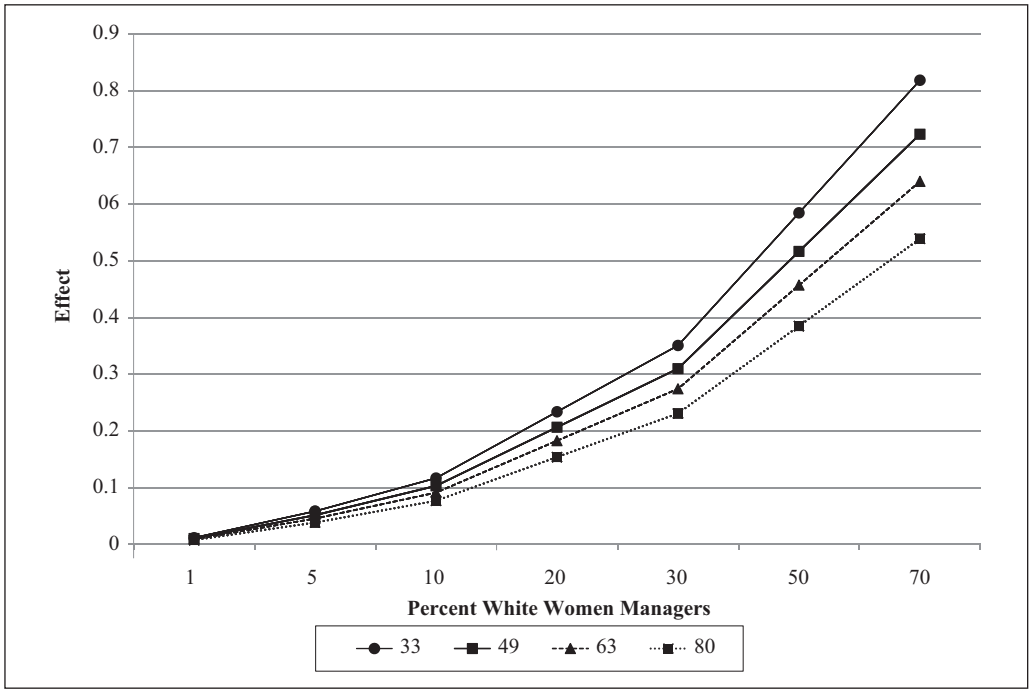

Figure 2. Conditional Effect on Program Adoption of White Women Managers When Equal Opportunity Advertisements are at the 25th to 95th Percentile of Industry Prevalence
Note: Conditional effects when 33, 49, 63, and 80 percent of industry members have the practice. Solid lines represent statistically significant effects at $p < .05$.

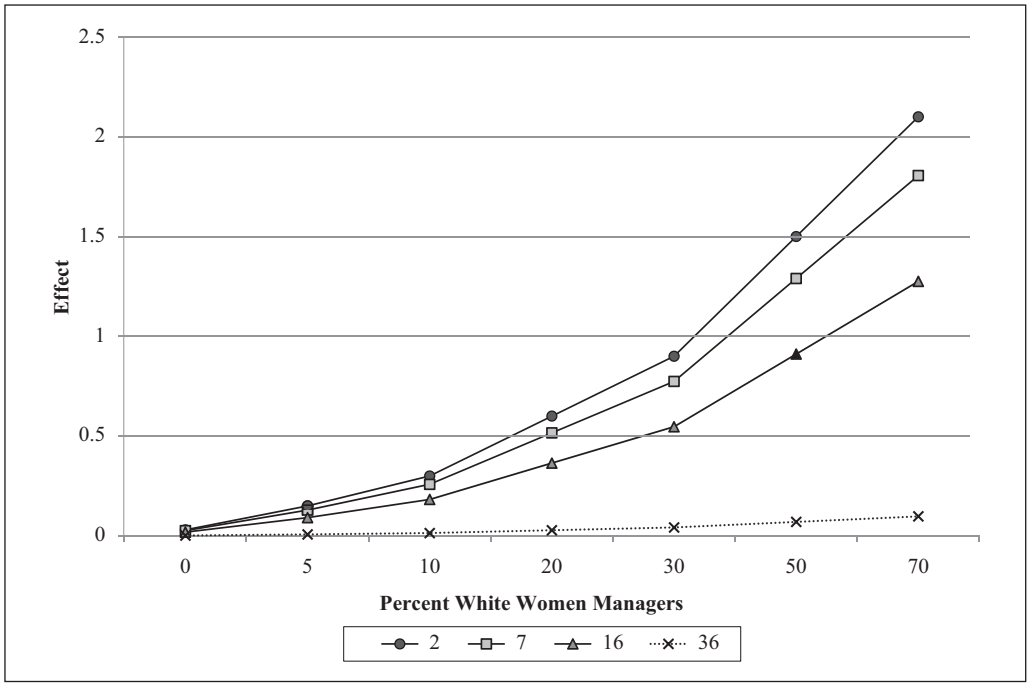

Figure 3. Conditional Effect on Program Adoption of White Women Managers When Diversity Training for Managers is at the 25th to 95th Percentile of Industry Prevalence
Note: Conditional effects when 2, 7, 16, and 36 percent of industry members have the practice. Solid lines represent statistically significant effects at $p < .05$.

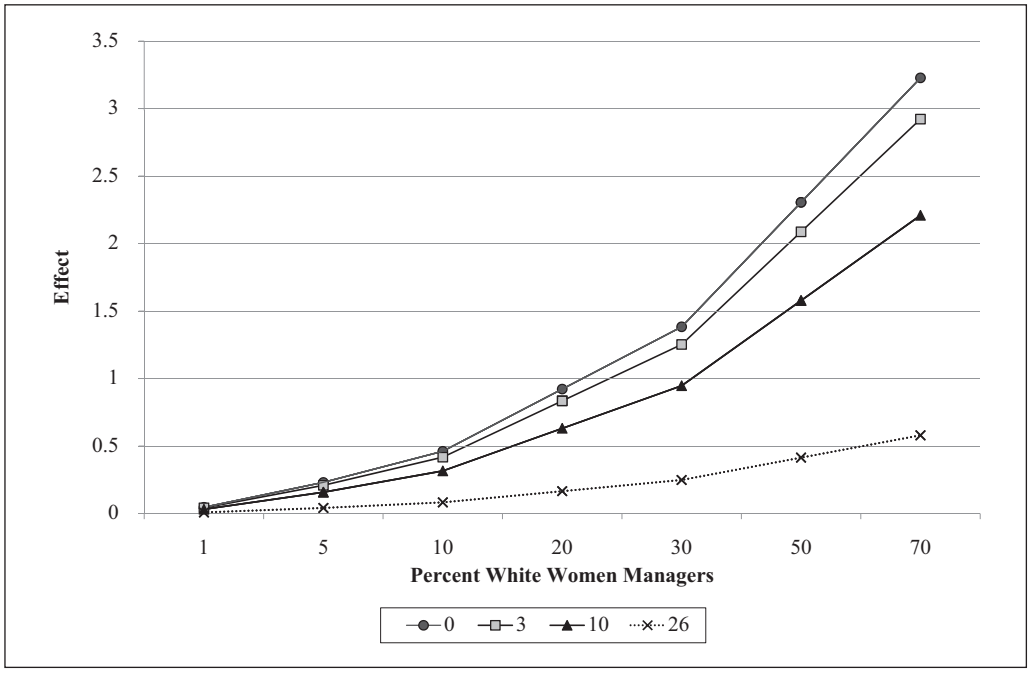

Figure 4. Conditional Effect on Program Adoption of White Women Managers When Diversity Training for All is at the 25th to 95th Percentile of Industry Prevalence
Note: Conditional effects when 0, 3, 10, and 26 percent of industry members have the practice. Solid lines represent statistically significant effects at $p < .05$.

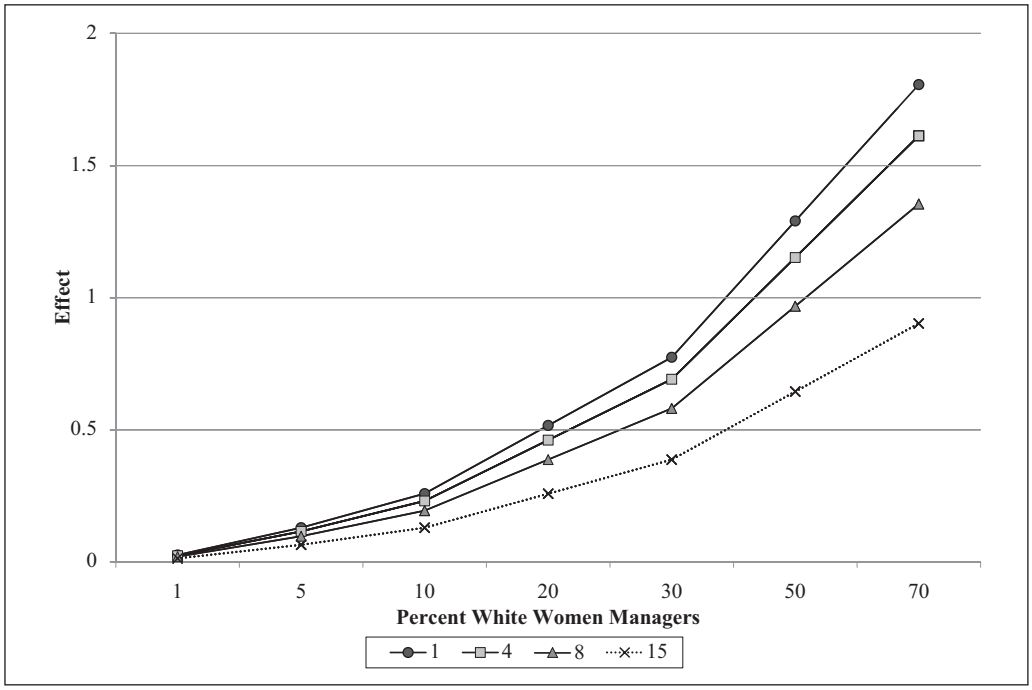

Figure 5. Conditional Effect on Program Adoption of White Women Managers When Diversity Taskforce is at the 25th to 95th Percentile of Industry Prevalence
Note: Conditional effects when 1, 4, 8, and 15 percent of industry members have the practice. Solid lines represent statistically significant effects at $p < .05$.

Table 4. Standardized Coefficients for Program Adoption Analysis

	E.O. Ads	Training for Managers	Training for All	Taskforce	Affinity Network	Mentoring
Program Prevalence in Industry	1.647**	.511**	.241	.801**	.377*	1.389**
White Women in Management	.232*	.319*	.575**	.352*	.046	−.134
Work-Family Index	−.089	.191**	.363**	.339**	.428**	.338**
Top Mgt. Work-Family Support	.147**	.216**	.059	.185	.172	.254
Personnel Formalization Index	.379**	.343**	.192	.348*	.158	.805**
EEO or Diversity Staff	.010	.008	.080	.150**	.243**	.142
Log Establishment Size	−.149*	.347**	.172	.587**	.089	.265
Multi-unit Firm	.104	.300**	−.074	.461*	.286	.267
Affirmative Action Plan	.177*	−.009	.199	.307*	.114	.268

Note: Based on models identical to the non-interacted models in Table 2. Controls and variables that show fewer than two effects across the six outcomes are not shown in the table.
*$p < .05$; **$p < .01$ (two-tailed tests).

two positive effects each, log employment size and a binary variable for whether the workplace is part of a multi-establishment firm. Hence industry norms, corporate culture, and internal advocacy appear to be more important than the usual suspects, including age and size.

CONCLUSIONS

Why is it that half a century after John F. Kennedy put equality of opportunity on the public agenda, corporate adoption of diversity programs is so spotty? Part of the answer is certainly that firms are responsible for defining their own responses to federal regulations (Edelman 1992). But another part of the answer is that the forces promoting diffusion do not weigh heavily in many firms. Theory suggests that internal advocacy, external pressure, need for increased diversity, and corporate culture all play roles in determining whether a firm will institute diversity programs. To understand the variation in corporate adoption of equal opportunity and diversity programs, we explore these forces.

Institutionalists argue that firms with a functional need for a particular innovation are most likely to adopt early in the diffusion cycle (Tolbert and Zucker 1983). We suggest that firms will not respond to a need for diversity, or a need to mollify regulators, so much as to their own corporate culture. Lasting effects of a founder's human resources predilections (Baron et al. 1999) and broad effects of a corporate culture of legalism (Sutton and Dobbin 1996) ground our prediction that a culture of personnel formalization and attentiveness to social norms will promote diversity programs. National cultures are quite stable over time (Dobbin 1993, 1994) and so, we suggest, are corporate cultures.

These predictions are largely borne out. Evidence that firms with poor diversity records adopt diversity programs is weak. Firms with few white women non-managers are more likely to adopt only two of the six diversity programs. Firms with zero white women managers are also more likely to adopt two programs, yet even token numbers of white women managers appear to relieve pressure to install those two programs (Kanter 1977). Lack of racial or ethnic diversity does not motivate firms to create diversity programs. Nor are firms motivated by regulatory scrutiny. Instead, corporate culture is a strong predictor of program adoption across the board, even controlling for industry differences. Firms with a history of making formal commitments to new social norms are significantly more likely to join the diversity management bandwagon.

Theory suggests that industry norms and internal advocacy are both important drivers of new innovations and that they reinforce one another. We suggest that they may serve

as alternatives, for diffusion studies typically show that diversity program adoption stalls well before saturation. Corporate susceptibility may thus be activated by either source of pressure. If a firm is resistant to one source of pressure, however, it will not be moved by the other.

We identify white women managers as the likely internal advocates of diversity programs, and we show that industry norms and white women managers are strong predictors of program adoption, and that they serve as alternatives. We find that for four of the programs we examine, industry norms and internal advocacy do not reinforce one another but interact negatively. As industry norms grow stronger, the effect of white women managers declines to zero. Our findings suggest that firms may respond to either internal or external pressure, but that resistant firms will not convert under pressure from both sources. This may help explain why diffusion of many diversity programs has stalled at low levels.

Taken together, our findings provide a clear picture of why diversity programs have not diffused more broadly. First, firms are responsive to industry adoption norms, but five of the six programs have saturated only 10 to 30 percent of the sample. Second, managerial diversity promotes program adoption, yet management in most firms is still predominantly white and male. Third, corporate culture is a strong predictor, so firms that do not have a history of formalizing their commitment to new societal norms can be expected to stand back. Fourth, firms that lack workforce diversity are scarcely more likely than diverse firms to embrace diversity programs, and firms in the regulatory spotlight are little more likely than those that remain in the dark. The niche for diversity management is thus limited, as most adopters respond to industry or organizational norms or pressures from women already in management. Many firms remain immune to the contagion of diversity programs.

Our findings suggest several amendments to institutional theory. In addition to specifying the relative importance of different causal processes, we offer four key refinements to theory (Haveman 2000). In terms of the relative importance of alternative causes, institutionalists generally emphasize the roles of regulatory scrutiny (Edelman 1990) and professional advocacy (Dobbin and Kelly 2007) in promoting programs oriented to social justice. We find that industry norms, corporate culture, and identity group power are the leading predictors of diversity program adoption in the years after 1980.

As for refinements to theory, first, we challenge the idea that industry norms necessarily reinforce internal advocacy. We find that they act as substitutes in the case of normative innovations. Perhaps industry norms and internal advocates reinforce each other in the promotion of innovations that come from the "technical" environment, which are framed as material to corporate success: executives may be responsive to multiple messages that they need a new business model. But for innovations that express new societal norms, resistance appears to die hard. If future research reveals a positive interaction effect for technical innovations, perhaps there is merit in the distinction between technical environments, which construct "effective and efficient" strategies that firms need to function in the market, and institutional environments, which define "normative" rules and requirements that firms must follow to win "support and legitimacy" (Scott and Meyer 1983:140, 149).

Second, while previous studies suggest that internal advocates for change depend on the external legitimacy of innovations, our findings suggest that internal advocacy can be effective in the absence of strong industry norms. Firms appear to listen to the preferences of important managerial constituencies, in this case white women (Kim et al. 2007; Strang and Jung 2005; Vogus and Davis 2005). The question of how white women managers influence program adoption merits further study. We know that white women and minorities are more likely to favor equal opportunity measures (Bobo and Kluegel

1993; Cohen and Huffman 2007; Steeh and Krysan 1996). Perhaps white women shape policy when they dominate human resources departments, as they often do (Dobbin 2009). As to minority group managers, we do not know whether they will have the same effects as white women managers when their numbers rise beyond token levels.

Third, whereas previous studies of internal advocacy have pointed to professional groups (Edelman 1992; Fligstein 1990), we show that identity groups in management can be important advocates for change. The influence of human resources professionals is modest compared with that of white women managers. This finding suggests that resource dependency theory may be useful in understanding the spread of innovations of interest to identity groups (Pfeffer and Salancik 1978).

Fourth, looking across the pattern of adoption, it is clear that some firms are broadly susceptible to adoption of diversity programs, by dint of a corporate culture of responsiveness to new social norms, a history of putting women in management jobs, and norms of the industry in which they operate. Our findings carry important policy implications. While regulatory interventions have been shown to affect managerial diversity (Kalev and Dobbin 2006), we find virtually no effects of regulation or lawsuits on program adoption, at least in the period after 1980. If women managers promote adoption of anti-discrimination measures, then making an effort to bring more women into management is not only a means of correcting past discrimination, as the backward-looking justification of affirmative action posits. And it is more than a means of increasing opportunity and diversifying management teams, as the forward-looking "business case" for affirmative action posits. Kang and Banaji (2006) note that the growth of women at work reduces implicit gender bias by changing people's associations between work and gender. In the same vein, our findings suggest that firms that increase women's participation in management thereby promote the adoption of diversity programs as well.

This pattern suggests that diversity programs may contribute to a virtuous cycle of integration, in which program adoption promotes white women and white women promote diversity measures that expand opportunity. This may help to explain the finding that firms that reach a certain threshold of diversity continue to see progress (Cohen, Broschak, and Haveman 1998; Ely 1994; Kurtulus and Tomaskovic-Devey 2009). Yet internal advocacy appears to be misplaced as often as not. White women managers encourage adoption of one program—task forces—that has been shown to promote diversity, but they also encourage adoption of three programs that have proven ineffective—EEO advertisements, diversity training for mangers, and general diversity training. White women managers do not promote mentoring, which has proven effective (Edelman and Petterson 1999; Kalev, Dobbin, and Kelly 2006).

If federal policymakers aim to promote programs that increase opportunity for women and minorities, they may need to rethink policy instruments. On the one hand, regulatory interventions do not appear to encourage firms to adopt programs designed to promote equality of opportunity. On the other hand, susceptible firms—those with a progressive culture, internal advocates, or progressive industry peers—adopt diversity programs regardless of regulatory enforcement, yet they often choose programs that do not actually promote workforce diversity.

APPENDIX

Table A1. Controls for Table 2

	Equal Opportunity Advertisements		Diversity Training for Managers		Diversity Training for All		Taskforce		Affinity Network		Mentoring	
State Workforce												
White Women	−.028	−.027	−.029	−.030	−.044	−.042	−.014	−.010	−.046	−.035	.059	.062
	(.035)	(.035)	(.048)	(.048)	(.063)	(.062)	(.080)	(.079)	(.058)	(.058)	(.104)	(.104)
Black Women	.063	.062	.394**	.392**	.311*	.314*	.188	.188	.167	.160	.165	.166
	(.090)	(.090)	(.102)	(.105)	(.132)	(.137)	(.160)	(.163)	(.174)	(.180)	(.231)	(.235)
Black Men	−.121	−.119	−.493**	−.493**	−.382*	−.387*	−.240	−.237	−.190	−.169	−.065	−.064
	(.110)	(.110)	(.137)	(.140)	(.179)	(.186)	(.207)	(.211)	(.215)	(.221)	(.289)	(.293)
Hispanic Men	.146	.144	−.070	−.079	.326	.332	.167	.164	.362	.323	.153	.146
	(.153)	(.153)	(.145)	(.146)	(.194)	(.194)	(.219)	(.220)	(.237)	(.240)	(.379)	(.382)
Hispanic Women	−.193	−.191	.005	.015	−.471*	−.476*	−.281	−.274	−.586*	−.527	−.091	−.081
	(.191)	(.191)	(.174)	(.177)	(.230)	(.232)	(.260)	(.261)	(.291)	(.297)	(.442)	(.447)
Asian Women	.422	.430	−.414	−.393	.606	.611	−.527	−.553	.622	.584	−.750	−.754
	(.525)	(.527)	(.558)	(.560)	(.564)	(.564)	(1.045)	(1.042)	(.634)	(.636)	(.994)	(.993)
Asian Men	−.504	−.509	.405	.387	−.631	−.641	.556	.584	−.645	−.590	.760	.765
	(.523)	(.524)	(.565)	(.567)	(.567)	(.568)	(1.051)	(1.048)	(.628)	(.629)	(1.013)	(1.013)
Industry Workforce												
White Women	.047	.041	−.075	−.125*	−.031	−.115	−.073	−.099	−.093	−.129	−.110	−.118
	(.046)	(.050)	(.052)	(.057)	(.067)	(.070)	(.068)	(.073)	(.062)	(.068)	(.084)	(.086)
Black Women	−.250	−.252	−.123	−.053	.256	.401	.320	.364	.326	.402	.546	.557
	(.166)	(.166)	(.199)	(.203)	(.229)	(.244)	(.224)	(.231)	(.271)	(.283)	(.370)	(.373)
Black Men	.201	.197	−.225	−.300	−.123	−.302	−.203	−.248	−.270	−.318	−1.075*	−1.079*
	(.203)	(.203)	(.260)	(.265)	(.314)	(.315)	(.284)	(.290)	(.295)	(.303)	(.421)	(.424)
Hispanic Men	−.071	−.083	−.035	−.113	.315	.242	.315	.278	.210	.137	.609	.573
	(.165)	(.167)	(.195)	(.202)	(.224)	(.222)	(.244)	(.247)	(.207)	(.217)	(.356)	(.367)
Hispanic Women	−.198	−.190	−.253	−.217	−.792	−.805	−.924	−.896	−.862	−.773	−1.366*	−1.332
	(.327)	(.327)	(.390)	(.396)	(.487)	(.475)	(.515)	(.518)	(.455)	(.477)	(.694)	(.703)

(continued)

Table A1. *(continued)*

	Equal Opportunity Advertisements		Diversity Training for Managers		Diversity Training for All		Taskforce		Affinity Network		Mentoring	
Asian Women	.279	.332	.582	.686	.667	.677	.072	.104	−.181	−.060	−1.569	−1.584
	(.423)	(.454)	(.476)	(.484)	(.687)	(.658)	(.600)	(.601)	(.624)	(.649)	(1.031)	(1.045)
Asian Men	−.370	−.406	−.435	−.598	−.376	−.602	−.643	−.710	−.206	−.297	.490	.456
	(.243)	(.269)	(.293)	(.309)	(.363)	(.360)	(.376)	(.385)	(.317)	(.328)	(.575)	(.576)
Industry												
Food	.593	.560	−.284	−.255	−.077	−.389	−.983	−.952	−.757	−.453	−1.599	−1.507
	(1.080)	(1.089)	(1.013)	(1.034)	(1.538)	(1.435)	(1.453)	(1.449)	(1.232)	(1.256)	(1.649)	(1.698)
Chemicals	−.860	−.919	−2.026*	−2.144*	−.412	−.848	−1.856	−1.891	−1.043	−.718	−3.529*	−3.584*
	(.998)	(1.017)	(.952)	(.972)	(1.463)	(1.376)	(1.511)	(1.516)	(1.188)	(1.219)	(1.395)	(1.412)
Transportation	−.600	−.684	−2.177	−2.493*	−1.370	−1.978	−2.772	−2.793	−2.580	−2.312	−3.682*	−3.661*
	(1.289)	(1.317)	(1.189)	(1.239)	(1.734)	(1.613)	(1.764)	(1.767)	(1.537)	(1.584)	(1.798)	(1.825)
Insurance	.245	.265	−.808	−.838	−.862	−1.054	−1.788	−1.796	−.708	−.521	−3.700**	−3.705**
	(.695)	(.694)	(.760)	(.771)	(1.104)	(1.109)	(.976)	(.983)	(.919)	(.954)	(1.239)	(1.247)
Business Service	1.070	1.025	−1.104	−1.202	−1.746	−1.976	−.911	−.992	−1.140	−1.111	−1.382	−1.366
	(.795)	(.807)	(.767)	(.775)	(1.127)	(1.059)	(1.003)	(1.005)	(.977)	(.988)	(1.357)	(1.368)
Health Care	−.261	−.282	−.760	−.974	−2.547*	−2.598*	−1.169	−1.312	−.603	−1.205	.188	−.082
	(.989)	(.991)	(1.076)	(1.094)	(1.256)	(1.214)	(1.121)	(1.124)	(1.376)	(1.451)	(2.088)	(2.119)
Electronics	−.217	−.290	−1.968*	−2.080*	−.048	−.400	−.360	−.378	−.319	−.092	−4.080**	−4.038**
	(1.014)	(1.031)	(.908)	(.916)	(1.537)	(1.350)	(1.291)	(1.295)	(.935)	(.988)	(1.401)	(1.417)
Wholesale Trade	−.486	−.560	−2.030*	−2.116*	−1.257	−1.533	−1.436	−1.445	−2.356*	−2.158*	−3.115*	−3.084*
	(.989)	(1.006)	(.889)	(.903)	(1.438)	(1.272)	(1.301)	(1.301)	(.980)	(1.027)	(1.400)	(1.417)
Log Industry Size	.495	.524	.495	.579	.705	.823	.286	.354	.831	1.024*	−.053	−.060
	(.311)	(.317)	(.350)	(.358)	(.551)	(.538)	(.420)	(.417)	(.474)	(.459)	(.582)	(.584)
Industry Unemployment	.023	.023	.042	.044	−.039	−.029	−.009	−.004	.045	.051	−.103	−.102
	(.039)	(.039)	(.058)	(.059)	(.078)	(.077)	(.084)	(.084)	(.069)	(.069)	(.095)	(.095)
Time Trend	−.201**	−.201**	−.011	−.007	.008	.006	−.016	−.019	.021	.015	−.123	−.119
	(.040)	(.040)	(.047)	(.049)	(.057)	(.057)	(.056)	(.056)	(.054)	(.054)	(.068)	(.069)

*$p < .05$; **$p < .01$ (two-tailed tests).

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