

Business

Move Beyond the Business Case for Diversity

Only moral conviction will help companies stand behind their statements that Black Lives Matter.

By [Laura Morgan Roberts](#)

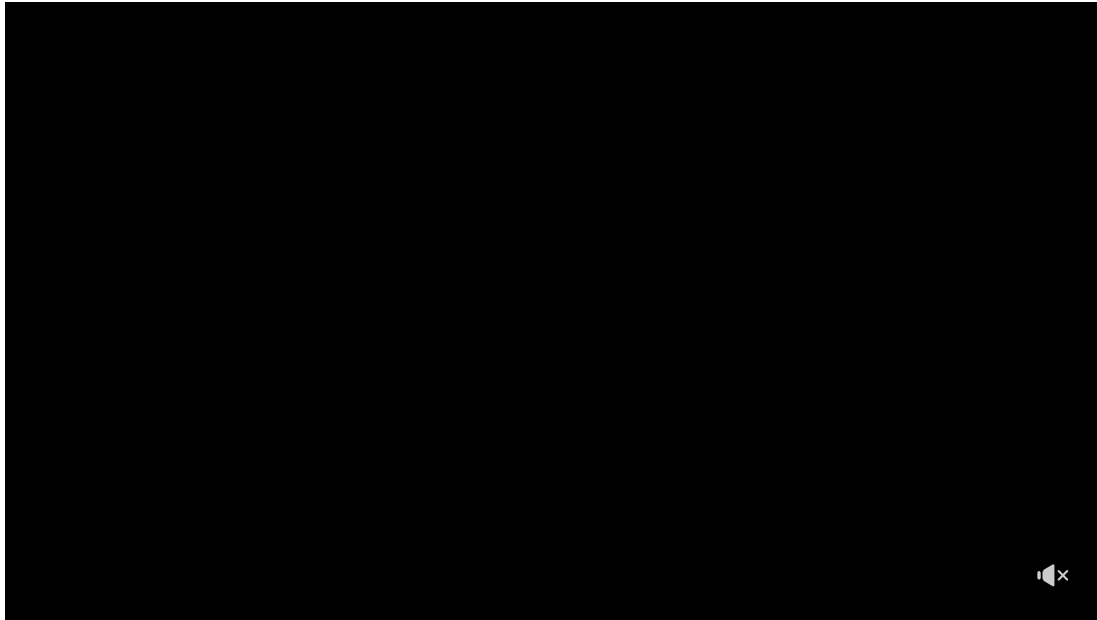
June 28, 2020, 8:00 AM EDT



Make the moral case. *Photographer: Kenzo Tribouillard/AFP/Getty Images*

I have been studying race in the workplace for 25 years, closely examining the experiences of Black workers. I recently published *Race, Work and Leadership*, an edited volume authored by over 50 leading thinkers. Every step of the way, I've been asked to make the business case for diversity – to justify why it is important to increase racial diversity, equity and inclusion by advancing Black leaders at work. *Tell me, what do Black leaders bring to organizations?*

It's time to stop framing equity around a business case. While the data clearly shows that diverse organizations have an advantage, we need to be more honest with ourselves about the limitations of this argument. First, the logic around the business case for diversity is inherently instrumental. "What's in it for me?" is the underlying question. *Prove to me that you are human and deserve to be treated as such. Give me a reason to concede power to you if you gain more leadership responsibilities, influence and control over resources. How will the firm make more money if we agree to treat you like a human?* As a consequence, many individuals who are subject to this framework advance by reinforcing a psychology of exceptionalism – proving why they (compared to the looming stereotypes) are worth hiring, retaining, engaging and advancing.



Then there's the unavoidable reality that the biased status quo is also profitable. Long-time brands have propagated racial stereotypes but continued generating sales and claiming market share, like Aunt Jemima and Uncle Ben's. Exclusive clubs and resorts prohibited Black members for decades, yet remained intact. Manufacturing facilities that pay low wages and offer poor working conditions reduce the production costs for popular clothing and electronic parts. The business case for diversity understates this business case for bias: a profit motive which appeals to discriminatory consumers and inequitable labor practices.

Further, a case is a legal argument. So, the business case raises the question: What's on trial? For whom am I arguing, and what am I defending? The business case is a pro-diversity argument against the status quo – and the status quo is bias. This treats diversity as if it is optional, and the biased status quo is an appropriate fall-back position. We therefore have to make an infallible case for why "diversity" (i.e., Black and brown people) should be seen, noticed, and actively engaged.

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Third, the business case for diversity is inadequate for equipping leaders to make difficult moral decisions like pledging their support and commitment to antiracist initiatives that may alienate some consumers. The business case tends to underestimate these and other costs of advancing justice and equity. If businesses truly stand behind their statements that Black Lives Matter, they will need moral conviction to stay the course of transforming workspaces into more humane, liberatory environments that celebrate racial differences and recognize the brilliance and talents of all people.

The instrumental argument for diversity presumes that leaders can simply “add diversity and stir,” as if hiring more Black and brown people will magically produce innovative teams and new marketing strategies. Yet people of all backgrounds, but especially those who are marginalized, make calculated decisions about which aspects of their identities, values and opinions to conceal or reveal at work. And in workplaces that prioritize assimilation over differentiation, these workers’ unique cultural perspectives are likely to be obscured.

One final reason to move beyond the business case for diversity: It has a long record, and a pretty poor success rate. The “business case” was even embedded in abolitionist appeals, according to research by Caitlin Rosenthal, a historian at UC Berkeley and author of “Accounting for Slavery: Masters in Management.” ¹ When U.S. abolitionists argued for freedom, they argued that it was in the country’s best economic interest to end slavery. If that argument alone had worked, we wouldn’t have needed a Civil War to settle it.

150 years post-emancipation, we still find ourselves using the economic argument, and we still find ourselves on the defensive.

In the Academy of Management Review, my coauthors and I reviewed the 50-year history of diversity, equity and inclusion theory and practice, tracing how race and other forms of systemic

discrimination and privilege have faded into the background in favor of conversations about authenticity, implicit bias, “diversity of thought,” and belonging. While this shift has made the business case for diversity more prominent and palatable, it has sidelined the moral imperative to build institutional systems and cultures that truly value Black lives.

People who are now protesting may be concerned with economic inequality, but they are sacrificing their comfort, job security and perhaps even their health out of a sense of moral outrage. The only palatable and ethical response is a moral one.

Laura Morgan Roberts is a professor at the University of Virginia’s Darden School of Business and the co-editor of the recent book “Race, Work and Leadership: New Perspectives on the Black Experience.”

1 Rosenthal establishes that slavery was not a primitive, agricultural existence –not benign or benevolent, but rather a very sophisticated arrangement of management techniques and practices designed to control the valuation and exploitation of human capital. She illustrates how many of these practices still inform the different accounting and management practices used our organizations today.

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