Gender diversity in business schools: An opportunity for enhanced performance?

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Early diversity research mostly focused on the link between diversity and performance. However, results were equivocal with studies finding positive, negative, and null effects. Cumulative evidence from meta-analyses indicates that simply increasing diversity will most likely not affect performance and this finding applies to gender diversity as well (Joshi & Roh, 2009; van Dijk, van Engen, & van Knippenberg, 2012). More recently, research has shifted towards boundary conditions that increase the likelihood for positive performance effects to occur. Organizational and group norms, such as diversity climate, have been studied and were highlighted as one key factor (Dwertmann, Nishii, & van Knippenberg, 2016). Unfortunately, we know little about how to create such positive climates. Leadership has been linked to diversity climate repeatedly but with few concrete theoretical and empirical investigations. In a current project, we examine the link between leader-member exchange (LMX) differentiation and diversity climate. We propose and show that the criteria based on which leaders differentiate their relationship quality with their employees, the basis of differentiation, matter. Differentiating based on demographic similarity leads to lower diversity climate. Differentiating based on other factors such as performance and needs signals that everyone can become a member of the leader’s in-group and positively affects diversity climate. A stronger focus on the boundary conditions that exist within business schools might help elevate women to senior positions and result in positive performance effects.