Inclusive Leadership, Stereotyping and the Brain

A research symposium presented by The Program on Social Intelligence and The Sanford C. Bernstein & Co. Center for Leadership and Ethics
September 18, 2009
Symposium Participants
(In order of symposium agenda)

Bruce Kogut
Sanford C. Bernstein & Co. Professor of Leadership and Ethics
Director
Sanford C. Bernstein & Co. Center for Leadership and Ethics
Columbia Business School

Malia Mason
Assistant Professor of Management
Columbia Business School

Susan Fiske
Eugene Higgins Professor of Psychology
Princeton University

Michael Morris
Chavkin-Chang Professor of Leadership
Director
Program on Social Intelligence
Columbia Business School

Lasana Harris
Assistant Professor of Psychology
Duke University

Dana Carney
Assistant Professor of Management
Columbia Business School

David Amodio
Assistant Professor of Psychology and Neural Science
New York University

Valerie Purdie-Vaughns
Assistant Professor of Psychology
Columbia University

Christopher Mayer
Senior Vice Dean
Paul Milstein Professor of Real Estate
Columbia Business School

Susan Sturm
George M. Jaffin Professor of Law and Social Responsibility
Columbia Law School

Laura Liswood
Secretary General
Council of Women World Leaders
Senior Advisor
Goldman Sachs

Monika Mantilla
CEO and President
Altura Capital

JoEllen Helmer
Partner
Ernst & Young

Acknowledgements
Written by Jennifer Itzenson
Design by Carolyn Tharp
Photography by Leslye Smith
Introduction by Professors Bruce Kogut, Malia Mason and Michael Morris, Columbia Business School

After decades of efforts within corporations to reduce prejudice and encourage an appreciation of diversity, why is it still so hard to keep discrimination out of the workplace?

To address this question, the Program on Social Intelligence and the Sanford C. Bernstein & Co. Center for Leadership and Ethics organized a conference on stereotypes, the brain and inclusive leadership that brought together cutting-edge research scientists and business leaders. The conference, held on September 18, 2009, opened with an address by Susan Fiske, the Eugene Higgins Professor of Psychology at Princeton University, which explored the psychological basis for stereotypes and prejudice. Two panel discussions followed, one that took a closer look at new research on how stereotypes affect our thinking and a second that explored how these findings can be brought into practice by individuals, firms and society as a whole.

Our answer to the above question is that it is an error to assume that prejudice always follows the same dynamic. The conference challenged this conventional thinking that all prejudice—whether based on race, creed, culture, gender, age or sexual orientation—looks alike. Most laws, policies and individual efforts to prevent stereotypes from affecting behavior are based on the view that prejudice is tied to strongly negative attitudes and overtly derogatory beliefs about a social group or category. Emerging evidence from social psychology shows that prejudice arises in qualitatively different forms that must be managed in different ways. Recent studies in neuroscience are revealing the brain processes behind stereotypic reactions and how prejudice influences our decision making.

This new research is already leading to tangible results. Leaders in business and finance are drawing on these findings to shape the policies of their firms and to help their employees come to a new understanding of how stereotypes affect the workplace.

We are pleased to have sponsored and organized this conference on a topic central to the ethical concept of organizations: the commitment to fairness and diversity. We are very thankful to our colleagues, both in research and in practice, who have given generously of their time. Columbia Business School, Columbia University and the Office of the Provost provided encouragement and support; we are pleased to include insights from the provost, Claude Steele, one of the leading authorities on the psychological basis of stereotypes. To these colleagues, and to the staffs of our center and program, we express our sincere gratitude.
Keynote Presentation
Universal Dimensions of Social Cognition: Warmth and Competence

We often think of stereotyping and prejudice in the workplace as a problem of previous generations. In the sophisticated environment of today’s global firms, managers are generally enlightened enough to prevent blatant acts of discrimination. Many are aware of and try to compensate for their own biases.

In her keynote presentation, “Universal Dimensions of Social Cognition: Warmth and Competence,” Susan Fiske, one of the world’s leading social psychologists, argued that prejudice is a nuanced phenomenon that can be difficult to recognize. Prejudice, she says, comes in distinct types and leads to distinct patterns of discrimination that must be countered in different ways. “Examining the specific qualities of bias helps you to deal with it,” Fiske said.

According to Fiske’s influential framework, known as the Stereotype Content Model, people judge others on two fundamental characteristics: warmth and competence. Warmth is a measure of positive or negative intention: a person is either your friend or your foe, with you or against you. Competence is a measure of effectiveness: this person is either capable, or not, of achieving their intended goals. “When you meet someone for the first time, you want to know if they’ll be cooperative or competitive,” explained Fiske. “But besides deciding whether the person is on your side or not, you need to know whether the person can act on those intentions. If a person has good intentions but can’t help you, it doesn’t matter quite as much.”

In the Stereotype Content Model, measures of perceived warmth and perceived competence are crossed to create a four-quadrant chart (see Figure 1). All the categories into which society divides itself—such as social classes, ethnic groups, and nationalities—fall into quadrants based on how they are perceived. For example, in the United States, the middle class appears in the high-warmth, high-competence quadrant. “The middle class evokes approval, even from people who are not a part of it,” Fiske said. In the workplace, this can translate into favoritism, such as a better chance of being mentored or promoted. In direct contrast are the poor and the homeless, who are perceived as having low warmth and low competence. These groups evoke contempt, even disgust.

The most novel findings involve ambivalent prejudice (see Figure 2, page 5). Groups that fall into the high-warmth, low-competence quadrant, such as the elderly and the disabled, evoke emotions based on pity, which can lead to both helpful
and harmful behaviors. A manager may feel excess motivation to help a disabled person learn a job’s tasks, and in doing so may reveal expectations of low competence. These impulses could not be more different from the antipathy traditionally associated with prejudice, yet they can be just as damaging in the workplace. The elderly elicit a similar response. “I was hoping to find some place in the world where older people are respected, but we haven’t found that yet,” noted Fiske.

Groups that fall into the final quadrant—low warmth and high competence—also evoke an ambivalent response. These groups, which include Asians, Jews, the rich, and professionals, are respected for their perceived competence but are resented for a perceived lack of warmth. “In the United States, people believe that these groups somehow became so successful because they elbowed their way to the top,” Fiske said. These groups elicit envy, which, like pity, is a mixed emotion.

This simple model yields rich insights about how various stereotypes evoke distinct emotions. It captures the absolute forms of bias, both in favor of and against various groups, as well as the more subtle forms of ambivalent bias. It is also a valuable tool for understanding how we can resist the influence of stereotypes in our thinking and recognize its effects in the workplace. “Managers or people who are advising or training managers need to know that not all discrimination is the same,” Fiske said.

Fiske and her collaborators conducted this research by surveying U.S. residents about their impressions of specific groups. (Respondents to a separate survey nominated the groups.) The groups were rated on attributes including warmth, competence, social status and the emotions they elicit.

The Stereotype Content Model is based on the theory that perceptions of groups form through an intuitive inference process. A group’s perceived warmth is tied to the degree to which it is seen as competitive: competitors are perceived as having low warmth. It is a judgment similar to those made by children on a playground, Fiske notes. “If you’re on my side, then I like you and you’re a good person,” she said. “And if you’re competing with me, then I don’t like you, and you’re a bad person.” Perceptions of competence, by contrast, arise from a group’s social power: we infer that people who have high status have earned it, and that their position reflects their competence, rather than historical accident.

Fiske and her research partners tested these principles in various studies and found that the correlations between status and competence, and between competition and warmth, remained consistent. “Groups wind up with these stereotypes somewhat by
accident of where they find themselves in the social system,” Fiske says. In the United States, this is largely the result of immigration status, she notes.

Fiske’s studies help explain various attitudes about specific immigrant groups. Another study found that judgments about different U.S. immigrant groups fall into similar clusters (see Figure 3, page 5). Fiske found that undocumented immigrants fell in the low-warmth, low-competence quadrant—almost as low on the grid as the homeless. Close by are recent immigrants, farm workers and the poor, as well as Mexicans, South Americans and Africans. Yet documented immigrants—and particularly those seen as having an enviable status, such as technology industry workers, the rich, Europeans and Asians—fall into the high-competence quadrant. “When people get agitated about immigrants, they’re typically not talking about Asian immigrants,” Fiske said. “And they’re certainly not talking about Irish and Italian immigrants, who are seen as nice, warm people who run pubs and pizzerias.”

Fiske also found that distinct biases about specific groups are universal across cultures. In one example, a 2002 study of German data showed that millionaires and professional women fell into the low-warmth, high-competence quadrant, while welfare recipients and the homeless fell in the low-warmth, low-competence quadrant. A comparative study of American students in 1932 and in 2007 showed that Chinese, Japanese and Jews fell in the low-warmth, high-competence quadrant of the grid in both years. She and her research partners also studied data from Japan, Hong Kong and South Korea, where people generally have more of a collectivist mindset. Though she found less of a tendency in these countries to rate one’s own group very positively (the “in” groups appeared in a lower space on the grid), the homeless, illegal immigrants, professionals and the rich fell in their usual places.

While these studies showed how society operates as a whole, Fiske also wanted to see whether these principles explained...
behavior on an individual level. She conducted a study of Princeton University undergraduates that investigated whether personal perceptions of competition and status lead to conclusions about warmth and competence. The students were told they were taking part in a research project about how people interact and form impressions of others (a cover story that allowed them to be judgmental), then placed in a game in which it made sense either to cooperate or to compete. As in the other studies, Fiske found that individuals who were seen as competitive were judged as having low warmth, while those described as high status were assumed to have high competence.

The Stereotype Content Model also predicts that distinct biases and emotional responses result in distinct patterns of discrimination. Fiske has found that emotional reactions of admiration, pity, envy and disgust are associated with active and passive impulses to help and harm others (see Figure 4, page 6). A group that falls in the high-warmth, high-competence quadrant and evokes pride, such as the middle class, tends to receive both active help (protection) and passive help (association). Those that fall in the high-warmth, low-competence quadrant and evoke pity, such as the elderly and the disabled, are more likely to receive both active help and protection but also passive harm by being excluded or demeaned. The worst off—those in the low-warmth, low-competence quadrant, such as the homeless—are passively avoided and are at times the victims of active harm, such as physical attacks.

Mixed reactions produce the most telling results. “You might help an older person across the street, but you wouldn’t socialize with them,” Fiske said. “They are socially excluded, and you’d rather put them in an institution. And we get along with upwardly mobile entrepreneurs who are members of an ethnic minority, but when the chips are down, this group is actively harmed. People go along with rich outsiders as long as the economy is stable, but as soon as there’s a social breakdown, this group is more vulnerable than others.”

Taken as a whole, the Stereotype Content Model explains how stereotypes and bias in society lead to discrimination. Interactions within the social structure (perceptions of competition and status) give rise to stereotypes (conclusions about warmth and competence), which elicit emotions (admiration, pity, envy and disgust) and lead to individual behavior (active and passive forms of help and harm). Though it may seem counterintuitive, most stereotypes are ambivalent, and most prejudices produce mixed emotions. Most discrimination involves both an impulse to help and to harm.

Prejudice in the workplace today less often takes the form of overt exclusion or hostility than it did 20 years ago. However, it exists in the unconscious emotions of admiration, disgust, pity and envy that can influence our judgments and treatment of others. An understanding of the basic forms of subtle prejudice are important for managers to understand, particularly for those interested in promoting an inclusive, diverse environment, Fiske said. “Managers should be aware of the patterns around them and know that people in an organization will have different experiences based on others’ perceptions of who they are,” Fiske said. “The prejudice and obstacles that these people face will not be the same.”
Stereotypes

Any discussion of how stereotypes and prejudice operate in society naturally leads to a question: How can we control our prejudicial impulses to prevent them from affecting our behavior? In a panel moderated by Michael Morris, the Chavkin-Chang Professor of Leadership at Columbia Business School, professors of psychology and management addressed this question by presenting new research on decision making, self-regulation of behavior, the brain mechanisms behind stereotyping and intellectual performance. Together, they also addressed one of the most pressing concerns for those working on the problem of prejudice: designing interventions that can reduce the negative effects of stereotyping on its targets.

Susan Fiske’s Stereotype Content Model shows how different social groups evoke different emotional responses. People who are seen as having low warmth and low competence, such as the homeless, tend to elicit disgust. Lasana Harris, assistant professor of psychology at Duke University, drew on this model to examine how we make moral decisions. Since emotions affect decision making, Harris wanted to see if disgust, as a moral emotion, influences moral decision making (see Figure 5).

In three experiments, Harris tested how disgust influences our thinking about trust and revenge, fairness and valuing life. His first study was structured as a game involving a dictator, a recipient and an observer. The dictator has a dollar that he can share with the recipient. The observer then decides how much of the dictator’s money to take as punishment if the dictator is perceived as acting unfairly.

The dictators were characterized as either having high warmth and high competence (a man who rescues a dog) or low warmth and low competence (an addict arrested on drug charges). Harris found that low-warmth, low-competence dictators received a harsher punishment for refusing to share money than did high-warmth, high-competence dictators. Similarly, dictators were punished more if they refused to share with a recipient characterized as a hero than one characterized as an addict. “Punishment is meant to restore the victim, and people don’t
Inclusive Leadership, Stereotyping and the Brain 9

restore low social groups as much as they’ll restore in-
groups,” Harris said.

His study on trust and revenge involved two participants: a trustee and an investor. The investor could punish the trustee for unfair behavior. Trustees were portrayed as either responsible, or not, for a difficult fate (a disabled person who caused his injuries by drunk driving, versus a man who becomes homeless after a tragedy) and therefore evoked either disgust or pity.

Harris found that investors were much more willing to give their money to trustees who were not responsible for their fate. However, when trustees who were seen as not responsible for their fate acted unfairly, the investors punished them more harshly. “People judge not just on the social category, but on expectations of how the person should behave,” Harris said.

In his final study, Harris used a version of the “trolley dilemma” to test how people value the lives of others. In this dilemma, a runaway trolley will run over five people if it is not stopped. A bystander can save the five if he is willing to push one person off a bridge, bringing the trolley to a halt. Faced with this scenario, most people say it is unacceptable to sacrifice the person on the bridge, even to save five others. Harris found that when the person on the bridge was described as homeless, the sacrifice was seen as more palatable. “Extreme out-
groups are not evaluated by the moral criteria of fairness and trust,” Harris said. “And their lives are less valued.” (See Figure 6.)

Research by Dana Carney, assistant professor of management at Columbia Business School, also points to the limits of our rationality. On one level, stereotypes are a means of making efficient judgments about others, which our brains drive us to do. Carney wanted to examine whether physicians, who are trained to be objective toward their patients, experienced bias in the same way as the rest of society. Her strong suspicion was that physicians are no more resistant to bias than the average person. “Most of us say we like different social groups equally,” said Carney. “At the same time, most of us demonstrate, on a deeper mental level, an association between social groups and negative and positive attributes. We have these preferences on a gut level, even if we don’t want to have them.”

She focused her study on how bias affects the treatment of patients. Public health data shows a clear difference between how black and white patients who have the same symptoms of coronary artery disease are diagnosed and treated at hospitals. Most likely culprits for this disparity—socioeconomic factors such as access to care—do not appear to explain the difference in treatment.

Carney designed an experiment to see if physician bias, whether explicitly acknowledged or implicitly felt, were

Lasana Harris, assistant professor of psychology at Duke University, presented “The Neural Correlates of Moral Decision Making about Social Groups.”

Carolyn Tharp and Sandra Navalli ’03, both of the Bernstein Center, discussed the symposium with Kesha Cash ’10.
responsible. She and her research partners surveyed 302 internal and emergency medical doctors in Massachusetts and Georgia about their feelings toward various social groups. She also asked them to give treatment decisions for hypothetical black and white emergency room patients.

She found that while a physician's explicit racial bias did not predict any differences in treatment, a physician's implicit racial bias was related to variability in the quality of patient care. “The more a physician preferred white people, the more likely he or she was to treat a white patient who presented the symptoms,” she said. Her results showed that although physicians tend to believe they are impartial, they are no less likely than the average person to harbor unspoken prejudicial views. “Physicians have a degree of implicit bias that comes from their own experiences, and also from their exposure to the culture and media,” Carney said.

In the course of her study, Carney learned that 67 of the physicians were aware of the research topic. (The findings above are based on the remainder of the sample.) Among these 67 physicians, she discovered a curious effect. The more biased the physicians were against black people, the more likely they were to offer treatment to black patients (see Figure 7). “It's a move in the right direction,” she said. “But when people are aware that race is an issue, they sometimes overcompensate.”

So how can we overcome prejudice, or at least prevent it from affecting our behavior? David Amodio, assistant professor of psychology and neural science at New York University, incorporates models from neuroscience to study how we regulate stereotypes (beliefs about specific social groups) and prejudices (emotional responses to a member of a specific social group). Stereotypes and prejudices act in concert, yet are believed to reflect different psychological aspects of bias.

As Susan Fiske has said, thinking is for doing. Since stereotypes reflect our expectations of specific social groups, they guide our perception of and behavior toward a member of a specific group. Prejudices evoke emotions, such as antipathy, affection and fear, that people experience when confronted by a member of a specific group. In Amodio’s presentation, he argued that stereotyping and prejudice are expressed and regulated by different brain systems. Whereas the expression of stereotypes is tied to the temporal lobes, the expression of prejudice is tied to areas of the brain that process emotions, such as the amygdala (see Figure 8). In contrast to the traditional view of bias suppression, people behave in an unbiased manner when the prefrontal cortex “down-regulates” or suppresses brain areas that express stereotypic and prejudicial responses. Specifically, stereotypic responses are suppressed when the prefrontal cortex regulates the temporal lobes and affective prejudices are suppressed when the prefrontal cortex regulates the amygdala. “This is a very Freudian perspective, in that you've got the id and the ego fighting each other,” Amodio said.

Amodio argues that designing interventions to reduce bias requires a more nuanced view of the neural mechanisms.
involved in responding without stereotypes and prejudices. In an attempt to refine current models of how intergroup responses are regulated, Amodio scanned the brains of 16 white Americans while they inferred information about people from photographs. Participants viewed images of two faces and were told to judge which person appeared more athletic (a black stereotype) and which person seemed more likely to be a friend (a question that triggers an emotional response tied to prejudice).

Under conditions in which participants had little concern about appearing racially biased—such as comparing photographs of two white or two black people—the participants were quick to respond. When asked to choose between a black and a white face, however, there was a delay in response times, suggesting that the participants were regulating their behavior. "It's hard to inhibit things that are in your mind," Amodio said. "But you can definitely inhibit their expression." The discrepancies in response times were accompanied by notable differences in brain activity, which presumably reflect participants' attempts at inhibiting the expression of racial bias. Judgments about athleticism were associated with activity in the right prefrontal cortex, an area that is involved in inhibiting inappropriate social responses. Efforts to regulate judgments about athleticism were associated with increased activity in the medial prefrontal cortex, an area that is associated with perspective-taking (see Figure 9).

These findings suggest that while we regulate stereotypes by inhibiting their expression in behavior, the regulation of affective prejudice involves "humanizing" an out-group member. "Regulating affective bias involves seeing a person in a new and more human light," Amodio said. "Interventions to limit the effects of stereotypes and bias should focus on the humanness of others and promote social interaction. Suppression of thoughts or feelings is not likely to be effective."

Valerie Purdie-Vaughns, assistant professor of psychology at Columbia University, took a closer look at the question of intervention, specifically at combating the negative effects of stereotype threat on the intellectual performance of minorities. Stereotype threat, a theory conceived by Claude M. Steele, provost of Columbia University and professor of psychology, is a phenomenon in which the threat of confirming a stereotype about a group disrupts an individual's performance in an activity.

Previous research has found that one's social identity (such as race, gender or religion) plays a strong role in intellectual
Inclusive Leadership, Stereotyping and the Brain

Steele’s research has shown that when individuals experience stereotype threat, they experience stress. “The prospect of being reduced to a stereotype can be upsetting and distracting, and interfere with your function,” Steele has said. “This threat is intrinsic to most diverse settings; it is the default state of affairs unless something is done to reduce it.” One way individuals can reduce this stress is by making self-affirmations, or statements that remind them about a source of self-worth, whether that’s a partner, church or even a pet.

Purdie-Vaughns wanted to see whether these affirmations could be used not just to reduce stress, but to boost intellectual performance. She conducted a study in which 100 black and white undergraduates took the GRE in math. Before the test, some students were told to write about values that were important to them, and others were told to write about a value important to their social group. Within the control group, there was a significant performance gap between black and white students. This gap was markedly reduced for those students that focused on self- and group-affirmations (see Figure 10).

To move the experiments into an educational setting, Purdie-Vaughns conducted a study with seventh-grade students in a middle-class, racially mixed school district. A series of structured writing assignments was integrated into the curriculum over a period of two years. (Students were unaware of the study; teachers were informed, but did not know which students were subjects.) Purdie-Vaughns and her research partners found that these assignments had a dramatic effect on the students’ performance at the end of the school year. While this technique did not completely close the gap, it significantly reduced it.

In a separate study, Purdie-Vaughns investigated whether President Barack Obama could be a source of affirmation. She had sixth-grade students write about whether it was important to them who had won the election. She found that when black and Latino students wrote about Obama, it significantly reduced their stereotype threat. “Of course, this is less about Obama than about the idea of trying to change the psychological climate,” Purdie-Vaughns said. “This shows that these kinds of psychological interventions can have a dramatic effect on performance.”

All of this research points to the challenge of ameliorating the effect of bias on our behavior and on others. “It can take a long time to change the physical climate in organizations that are working to achieve inclusive leadership,” Purdie-Vaughns said. “But working to change the psychological climate can take us very far.” However, changing this psychological climate is not something that can be achieved simply by mandates from the executive suite. Dedication and fresh insights from business leaders are also necessary to make change a real possibility.

**Figure 10: Professor Purdie-Vaughns showed test accuracy collapsed across three tests as a function of race and affirmation condition.**
Inclusive Leadership in Professional Practice

Leading effectively requires not just an understanding of how bias affects individual behavior, but how to manage the challenges of diversity within an entire organization. Particularly in the worlds of business and finance, inclusive leadership often calls for diplomacy. In a panel discussion led by Christopher Mayer, senior vice dean and Paul Milstein Professor of Real Estate at Columbia Business School, experts and leaders addressed strategies for introducing structural change within institutions and throughout society.

Lawyers and activists have worked for decades to increase diversity in the workplace, but inequality is still embedded in the structure of many organizations. Susan Sturm, the George M. Jaffin Professor of Law and Social Responsibility at Columbia Law School, discussed the law’s limitations for eliminating workplace disparities. While the law provides strong protections against blatant, intentional acts of discrimination, such as excluding members of a group, it does not address what is known as second-generation discrimination: subtle instances of bias that are difficult to identify. “As Susan Fiske said, it is very difficult to detect bias on the individual level, and it’s not necessarily apparent at the time it’s happening,” Sturm said. “And it’s not how the law describes and defines discrimination.”

The effects of second-generation discrimination tend to be diffuse, Sturm said. “This sort of conduct occurs in many critical junctures and many locations within an organization,” she said. This fosters an environment that perpetuates stereotypes and prejudice, which are often linked to the unspoken values of an institution. The power to resist change is also broadly distributed, she noted. Over the course of a career, people of the same experience and capabilities, but different backgrounds, can be nudged along very different trajectories. As discussed in the research panel, Sturm said, “These little differences in treatment accumulate over time and produce larger disparities.”

The solution, she argued, is systematic, multilevel change (see Figure 11). “We need an architecture of inclusion that enables leadership to introduce small interventions throughout an organization,” she said. “This means paying careful attention to decisions that ultimately determine whether everyone will have the opportunity to thrive.”

She called for reframing law’s role in society as a key step toward building this architecture (see Figure 12). “We need to do with law and leadership what Susan Fiske and other social psychologists have done with psychology,” she said. By promoting anti-discrimination within a broader agenda, lawyers can serve as facilitators of innovation, as they were at the Constitutional Convention, Sturm said. “Law is really

### Reframing Law’s Role

- Place courts in larger institutional context
- Expand arenas for building public accountability
- Place anti-discrimination within a broader normative agenda
- Enlist lawyers as facilitators of lawful innovation rather than risk avoiders

### Requires Multi-Level Change

- Pay explicit attention to institution-level change and “scaling up”
- Build capacity and incentives for institutional mindfulness
- Enable leadership that builds mindfulness into practice small interventions in many locations
- Enable small interventions with big effects in multiple locations
- An “Architecture of Inclusion”

Figure 11: Professor Sturm’s solution to discrimination.

Figure 12: Professor Sturm described a need in reframing law’s role in society in order to build an architecture for inclusion.
about designing institutions so they’ll reflect a set of values,” she said.

Laura Liswood, in her role as a senior advisor to Goldman Sachs, has worked to shape the values of an institution, which she accomplishes in part by drawing on insights from social psychology. Often, this requires adapting these findings for the workplace. “At Goldman, I don’t like to use the terms stereotypes and bias, because those are pretty hard things for people to take in,” said Liswood, who is also secretary general of the Council of Women World Leaders. “I use words like archetypes and preferences, and I do this in a way so people can see for themselves how we get preferences from religion, parents, peers and the media.”

One of the greatest challenges is getting people to venture outside of their own perspective, Liswood said. “Historically overrepresented groups have a tendency not to know what historically underrepresented groups are going through,” she said. She calls this the elephant-and-mouse theory of social interaction: the elephant does not need to know about the mouse, but the mouse needs to almost everything about the elephant.

In one focus group at a firm, the participants included white men, white women, men of an ethnic minority and women of a minority. Only the white men thought the organization was a meritocracy, Liswood said. “When you rise up in an organization with subtle inequities that benefit some and not others, you say, ‘Of course it’s a meritocracy.’ No one says, ‘I got to the top of this organization because I was subtly advantaged.’”

Cultural differences often lead to behaviors that can be misunderstood in diverse environments, Liswood said. In the United States, young boys are often told that the squeaky wheel gets the grease. Girls still hear the old chestnut, “If you don’t have anything nice to say, don’t say anything at all.” In Japan, conventional wisdom says that the nail that sticks out gets hit on the head. “None of this is necessarily wrong, but if you’re in a diverse group that is having a meeting, the only person talking is the wheel,” she said, and the managers give the wheel the promotion.

Those at the top of hierarchies have the power to allocate resources, and they can do so fairly or unfairly, Liswood said. “It is up to the institution to level the playing field, to reach out to the others to speak up,” she said. “But it is also important for the individual to get out of the comfort zone of what they were taught.”

Monika Mantilla, CEO and president of Altura Capital, agreed that getting people to see beyond their own experiences is one of the most daunting challenges to diversity and inclusive leadership. “We never talk about stereotypes and bias in our industry,” she said. “Even the concept of diversity sometimes generates a negative reaction, because there are always those who followed the Noah’s Ark strategy”—simply hiring people of different backgrounds, without making a broader effort for inclusion—“and it didn’t have a positive outcome.” This sometimes sets a precedent that her firm struggles against, she said.

The asset management world is still composed largely of older white men, Mantilla said. Her firm tracks money managers who have less than $10 billion under management. About a quarter of these firms are minority-owned, and they manage about 1.6 percent of the market. This is not because of poor returns; in fact, these smaller firms are entrepreneurial and often outperform their larger rivals. “The key objections to these firms include their size and the absence of information about them,” she said. She founded Altura Capital to provide data and analytics on this spectrum of market, so these firms can be compared to their peers.

Mantilla agreed that broadening the outlook of institutional leaders requires skillful diplomacy, and that industry-wide change will be hard to come by. “There will always be barriers, and there will always be someone telling these firms that they are not supposed to be managing billions of dollars,” she said. “It’s important to create a dialogue with all the key constituents.” Despite these barriers, Mantilla is working to ensure that
the industry will be more diverse in 20 years. She called for eliminating stereotypes by proving the capability of those who are unrepresented in the financial world. “We need to rewire ourselves as we move forward,” she said. “If we do so, we can create an industry where there is opportunity for the full participation of all sources of investment talent.”

At Ernst & Young, where JoEllen Helmer is a partner, inclusion and diversity are seen as essential for the firm’s competitiveness on a global level. However, the firm has struggled to increase diversity within its highest ranks. At the staff level, the firm is evenly split between men and women, and about 40 percent of staffers are members of an ethnic minority, Helmer said. By the time these staffers reach the partnership level, the percentage of women falls to 17 percent, with a similar decline for minorities. “And the drop really starts at the senior management level,” Helmer said.

After analyzing this disparity, leaders of the firm reflected on how unconscious bias was affecting their behavior. “We saw it in how we’re promoting people, in salaries and in how we’re assigning jobs,” Helmer said. Women were being pushed to nonprofits, while men were steered toward Fortune 500 clients. To remedy this, the firm created a program called “Leadership Matters.” “We look at ourselves and what our own biases are and identify them,” Helmer said. “As Dana Carney said, you react differently when you know what your unconscious biases are.”

The firm has rolled out the program to partners and plans to expand it to the staff level, she said. It is also developing training to make people aware of the insider-outsider mentality, the phenomenon discussed by Liswood. “When you walk into a room, you should be aware of the dynamics,” Helmer said. “If we can work more effectively as a team, that will have a big impact on the quality of work we’re doing for our clients, how our employees feel about working at the firm and how long they stay.”

As part of another new initiative, the firm now includes specialists on inclusion and diversity in all roundtable discussions that help determine an employee’s compensation. The specialists look for signs of unconscious bias, such as presenting two workers with similar experience and performance in different manners. “We hope that when we get through this, we’ll be a better firm overall,” Helmer said.

During the question-and-answer session, the panelists discussed the most important steps for moving forward. Mantilla and Helmer both stressed the importance of a top-down approach. “If you include diversity at the management level, it will permeate throughout the organization,” Mantilla said. Helmer added, “It’s not just the right thing to do, it’s a competitive advantage. If you don’t work towards this, you’re not going to be competitive globally.” Sturm emphasized the importance of a systematic approach. “You need to connect the framework to larger issues of mission,” she said. “If you’re not making those connections, it’s not going to stick.”

Liswood focused on the importance of understanding differences within a firm. “You need to disaggregate the data, because not all employees experience a firm the same way,” she said. “What are the social consequences for a woman negotiating for a raise versus a man? What about for a woman stating her accomplishments, versus a white man or a Japanese man? Who gets punished, and who gets praised?”

Susan Fiske joined the discussion, agreeing that these differences can have a profound effect. “At every decision point in a person’s career, tiny biases multiply like compound interest,” she said. “It’s death by a thousand cuts.” She said that it is important for the leaders of a firm to back inclusion and diversity efforts but added that encouraging interdependence among groups is one of the most successful interventions. “People have to share goals, and it can’t be simulated—it has to be goals that people really care about,” she said. “I think the biggest message here is that there isn’t one single problem; nor is there any one solution.”
About the Sanford C. Bernstein & Co. Center for Leadership and Ethics

The Sanford C. Bernstein & Co. Center for Leadership and Ethics is the umbrella for all activities on leadership, ethics and governance at Columbia Business School.

The center supports faculty research projects and case development on such topics as socially responsible investing, the role of private equity and sovereign wealth funds, corruption and bribery in developing countries, governance of and by financial institutions and the global evolution of boardrooms to encompass more women and diversity.

About the Program on Social Intelligence

The Program on Social Intelligence (PSI) draws on the School’s growing expertise in psychology and related social sciences. PSI activities are grounded in a proven blend of empirical assessment, experiential learning and executive coaching. This combination helps students sharpen their self-awareness, judgment and decision making and expand their abilities to solve problems. PSI activities, which continue through the MBA experience from orientation to alumni reunions, have been integrated into such core management classes as Leadership Development and electives such as Managerial Negotiations.
The New Face Of Workplace Discrimination

By Michael Morris and Susan Fiske

A version of this article appeared on Nov. 12, 2009, on Forbes.com. Reprinted with permission.

Discrimination at work has come a long way in recent decades. It has learned to conceal itself even from those who make it happen. But it’s still there, despite decades of activism, legislation and human resources programs to counter it and to promote an appreciation of diversity.

Why is it so stubborn? Part of the problem is that we’re used to thinking that all prejudice against stereotyped groups—whether based on race, creed, culture, gender, age or sexual orientation—looks alike. Most laws, policies and personal efforts to prevent stereotypes from affecting decisions are premised on the traditional view that prejudice arises from strongly negative attitudes and overtly derogatory beliefs about social groups or categories.

Emerging evidence in social psychology and neuroscience reveals, however, that prejudice comes in qualitatively different forms that have to be managed in different ways. In fact, the kinds of prejudice faced by most groups don’t fit the traditional image. A recent Columbia Business School conference, “Inclusive Leadership, Stereotypes and the Brain,” brought together business leaders and academic researchers to share some of the new wisdom about the psychology of prejudice and the new ways that firms such as Altura Capital, Ernst & Young and Goldman Sachs have worked to become more inclusive.

In the keynote presentation at the conference, Susan Fiske, a Princeton University psychologist (and one of the authors of this article), presented her finding that people judge others on two fundamental characteristics: warmth and competence. Warmth is a matter of positive or negative intentions. Another person is either friend or foe, with you or against you. Competence involves that person’s effectiveness: He or she is either capable or not of realizing those intentions. Fiske’s research across many countries has found that a group’s place in the social structure predictably determines those assessments, which in turn determine our sometimes unconscious emotional responses and ultimately our discriminatory behavior toward members of a group. What’s most striking about this view is that it identifies four different kinds of prejudice that can be destructive to workplace inclusiveness.

The four kinds of prejudice appear in the two-by-two quadrants made by crossing the model’s dimensions of perceived warmth and competence. The model captures purely positive and negative prejudice as well as some more subtle forms of ambivalent prejudice. Groups such as the middle class fall into the high-warmth, high-competence quadrant. Members of groups seen this way evoke admiration and approach responses that in the workplace translate into getting hired and mentors. While such responses are no doubt warranted for many middle-class people, for others they amount to undeserved favoritism. In direct contrast, groups perceived as low-warmth, low-competence, for example in the United States groups such as homeless people and undocumented immigrants, evoke disgust and an urge to avoid them.

The ways people’s decisions can be affected by the differing emotions evoked by these two types of groups were elucidated by studies presented at the conference involving functional magnetic resonance imaging of brain activity. Lasana Harris, a researcher at New York University, described how he had presented research participants with ethical dilemmas such as a crisis decision about train routing in which the only way to save the lives of a group of people would involve killing a specific single person. When that person was described as homeless rather than middle-class, the participants were more likely to decide to take the action that would kill him.

Inclusive Leadership, Stereotyping and the Brain 17
Moreover, Harris found homeless vs. middle-class individuals evoked less activity in participants’ brain centers associated with empathy or mind-reading. They also evoked fleeting micro-expressions of disgust and contempt, signs of implicit emotional reactions under the surface of participants’ conscious thinking about the decision. Such findings confirm what many businesses have been realizing, that contemporary discrimination is often less a problem of overt derogatory beliefs than of implicit emotions that can tip decisions about people when there is no clear right answer.

The most novel observations from Fiske’s work involve ambivalent prejudice. High-warmth, low-competence stereotypes, such as those of the elderly or the disabled, engender emotional responses based on pity, which produce behaviors that both help and harm.

A manager who views a new employee as disabled may feel extra motivation to help that person learn the job's tasks, yet may also reveal an expectation of low competence. Such a patronizing response could not be more different from the outright antipathy traditionally associated with prejudice, yet it can be just as harmful in the workplace.

The final quadrant in the model is another kind of ambivalent prejudice characterized by a different emotion. Groups perceived as low-warmth and high-competence, including, in the United States, Asians and Jews, elicit envy, which combines admiration for what the group has attained with a desire to take it from them given the chance. As Fiske explained in her presentation, the (biased) perception is that these socioeconomically ascendant groups have achieved their success by elbowing their way to the top at the expense of others. They are respected for their apparent competence but resented and sometimes sabotaged for their alleged lack of warmth.

Aren’t such prejudices anachronistic? Sure, in terms of the conscious beliefs that most managers endorse. Yet that doesn’t make us immune to what we have absorbed from the popular culture. Prejudice in the workplace today takes the form of exclusion or overt hostility far less often than it did in our parents’ or grandparents’ time. It hides away instead in unconscious emotions of admiration, disgust, pity or envy that can color managers’ everyday judgments and evaluations of other people.

Discrimination may be ever so slight, yet many of us have seen its effects. Two individuals of the same experience and capabilities but different backgrounds can be nudged along very different paths. Fiske explained that even slight favoritism accumulates to build dramatic discrepancies. “At every decision point in a person’s career, these tiny biases multiply like compound interest,” she said. (Moreover, there are few legal remedies for victims of this kind of bias, Susan Sturm, a professor at Columbia Law School, pointed out at the conference.)

Which all leads to a big challenge for managers: How do you address subtle instances of bias that are difficult to identify? One clear implication is that diversity efforts focused merely on recruiting entry-level employees from a broad spectrum of ethnic, nationality and class backgrounds—what Laura Liswood, a senior adviser to Goldman Sachs, called the “Noah’s Ark approach”—are destined to fail.
The problem is that discrimination, largely unintended and largely invisible, occurs in everyday activities such as task assignments, informal mentoring and performance appraisals. Liswood conducted focus groups of finance-industry professionals who were a mix of white men, white women, nonwhite men and nonwhite women. She found that the white men tended to believe their firms were meritocracies, but all the other groups cited many kinds of discrimination they had experienced and observed.

Why hadn’t the white men seen that? As Liswood said, those who thrive in a workplace that has subtle inequities tend not to notice that they are advantaged. When diversity efforts focus exclusively on recruiting, the result is too often that the firm hires people because they are different but then fails to promote them—precisely because they are not the same.

So how can we as managers monitor our prejudicial impulses and prevent them from guiding our behavior? A good first step is to become aware that prejudice comes in different forms. We may act with prejudice toward groups that we think or feel positively about in some ways. Conversely, the people we mentor of different backgrounds will experience the same workplace differently, depending on the warmth and competence associations imposed on them because of their backgrounds.

Finally, we may need to acknowledge having been favored or given the benefit of the doubt ourselves because of implicit evaluations, more than we’d like to admit. In the business world, inclusive leadership means venturing beyond one’s own perspective. It’s not just a matter of fighting blatant, intentional acts of discrimination. That’s the easy part.

**Michael Morris** is the Chavkin-Chang Professor of Leadership and director of the Program on Social Intelligence at Columbia Business School, which sponsored the conference in conjunction with the Sanford C. Bernstein & Co. Center for Leadership and Ethics. **Susan Fiske** is the Eugene Higgins Professor of Psychology at Princeton University and received a 2009–10 Guggenheim Award for writing about the emotions of envy in people’s upward social comparisons and scorn in their downward comparisons.