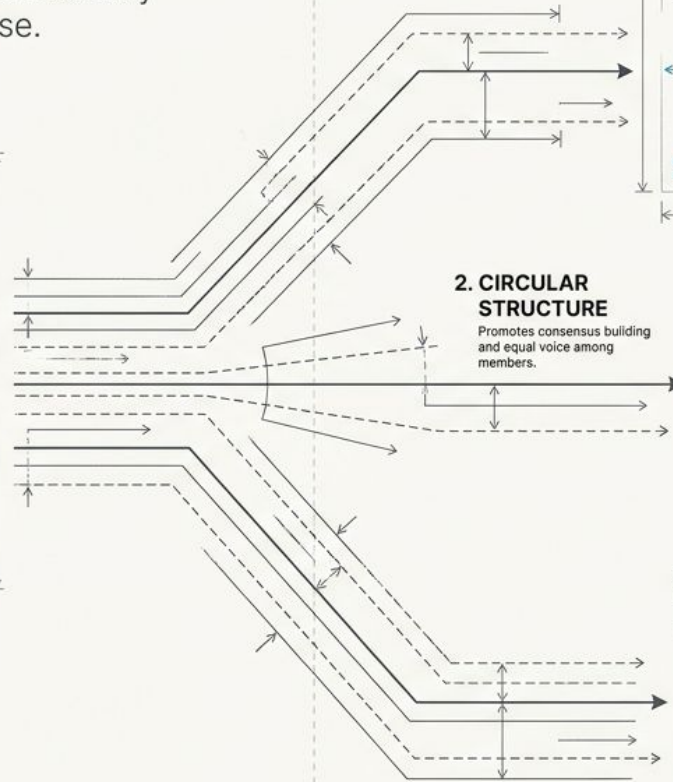


# BEYOND THE BUZZWORD

Why the Specific Type of Demographic Diversity Determines Whether Teams Win or Lose.

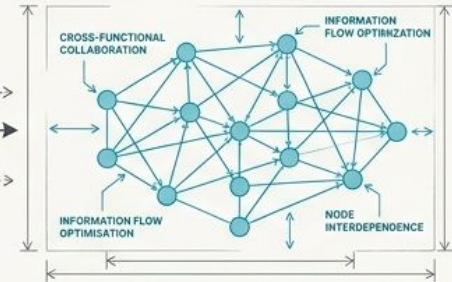


THE MONOLITHIC CONCEPT OF DIVERSITY



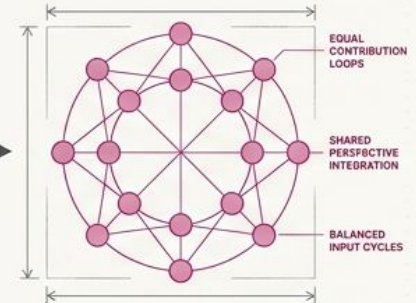
## 1. NETWORK STRUCTURE

Facilitates distributed problem-solving and lateral communication.



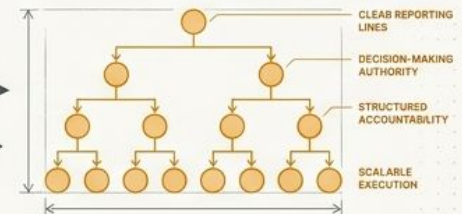
## 2. CIRCULAR STRUCTURE

Promotes consensus building and equal voice among members.



## 3. HIERARCHICAL STRUCTURE

Ensures directive clarity and efficient execution of established plans.

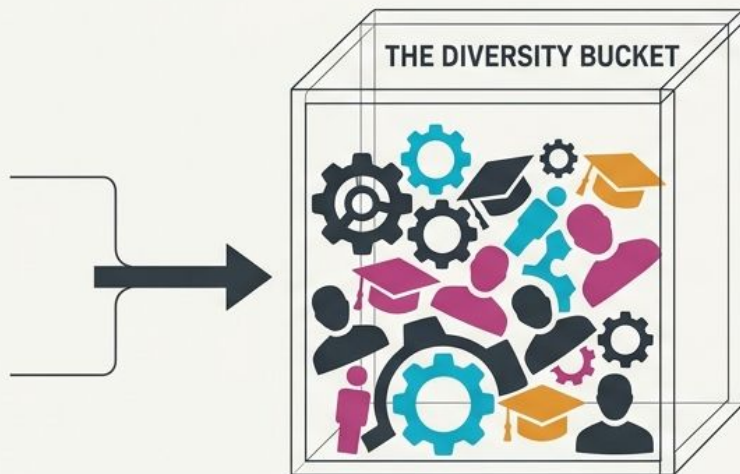


# THE MONOLITH TRAP

Treating diversity as a single bucket yields flatline results.

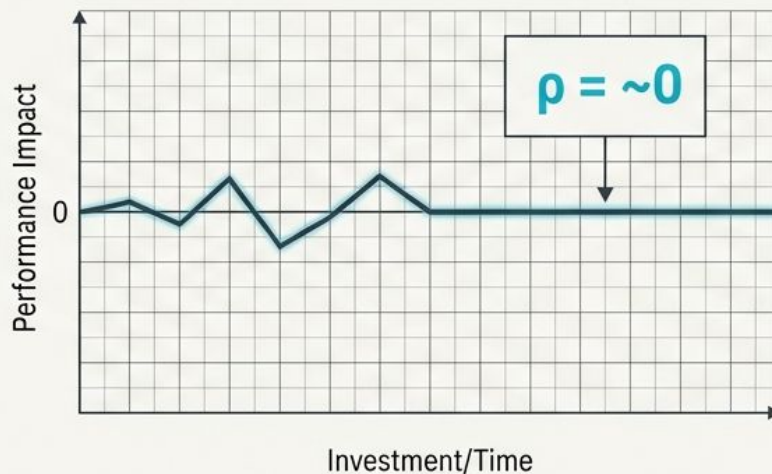
## THE FLAW: THE BUCKET APPROACH

We theoretically collapse fundamentally different demographic attributes (race, age, tenure, education, function) into a single, undifferentiated category.



## THE RESULT: MIXED RETURNS

Meta-analyses show organizational investments in generic diversity yield aggregate effect sizes of zero.



**WE ARE ASKING THE WRONG QUESTION.**

**STOP ASKING:**

**Is diversity good or bad for team performance?**

**START ASKING:**

**WHICH KIND OF DIVERSITY**

**CONCEPTUALIZED HOW,**

**MATTERS FOR WHICH**

**OUTCOMES IN WHICH CONTEXT?**

# THE THREE FACES OF DIVERSITY

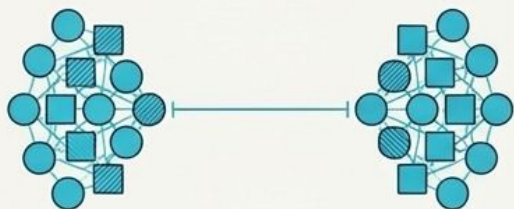
Understanding the distinct types of diversity beyond a single category.

## SEPARATION

Differences in position on a continuum (attitudes, beliefs).

### RISK:

Triggers in-group/out-group polarization.

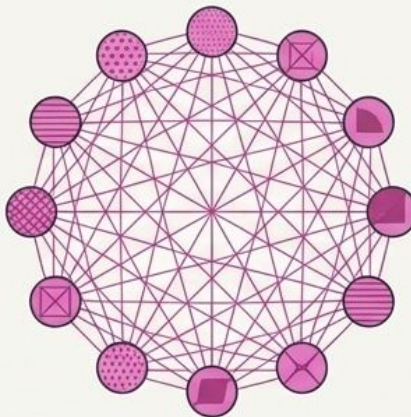


## VARIETY

Differences in kind or category (knowledge, functional expertise).

### PROMISE:

Expands the cognitive resource pool.

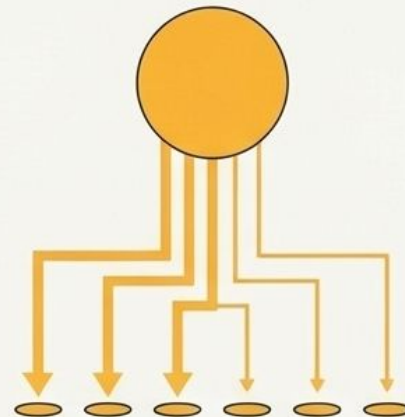


## DISPARITY

Differences in resource concentration (status, pay, power).

### RISK:

Suppresses voice and fosters resentment.



# THE PERFORMANCE IMPACT DASHBOARD

Diversity is not a monolithic force. Different variables dictate entirely different organizational outcomes.

|  | Input / Variable       | Innovation & Creativity         | Routine Efficiency              |
|--|------------------------|---------------------------------|---------------------------------|
|  | Functional Background  | ▲ $\rho = .18$                  | —                               |
|  | Educational Background | ▲ $\rho = .23$                  | —                               |
|  | Race / Sex             | ▼ $\rho = -.13$                 | ▼ $\rho = -.13$                 |
|  | Age                    | — $\rho = -.04 \text{ to } .07$ | — $\rho = -.04 \text{ to } .07$ |

Requires intentional field management.

# PLAYBOOK 1: MATCH DIVERSITY TO TASK

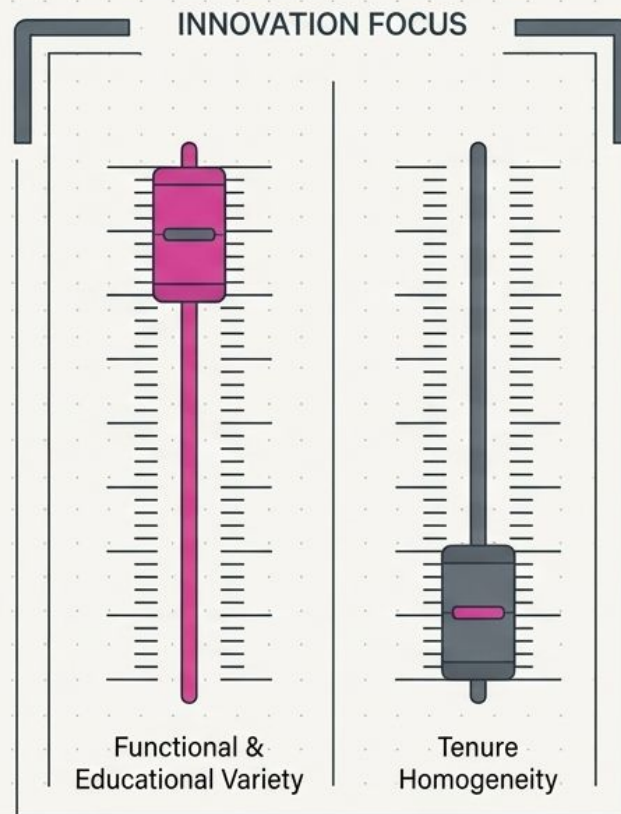
The Rule: When the task demands breadth of perspective (product development, innovation), **dial up variety diversity.**

## THE EVIDENCE

Functional background variety yields a reliable positive effect ( $\rho = .16$ ) for cross-functional design teams.

## THE IDEO MODEL

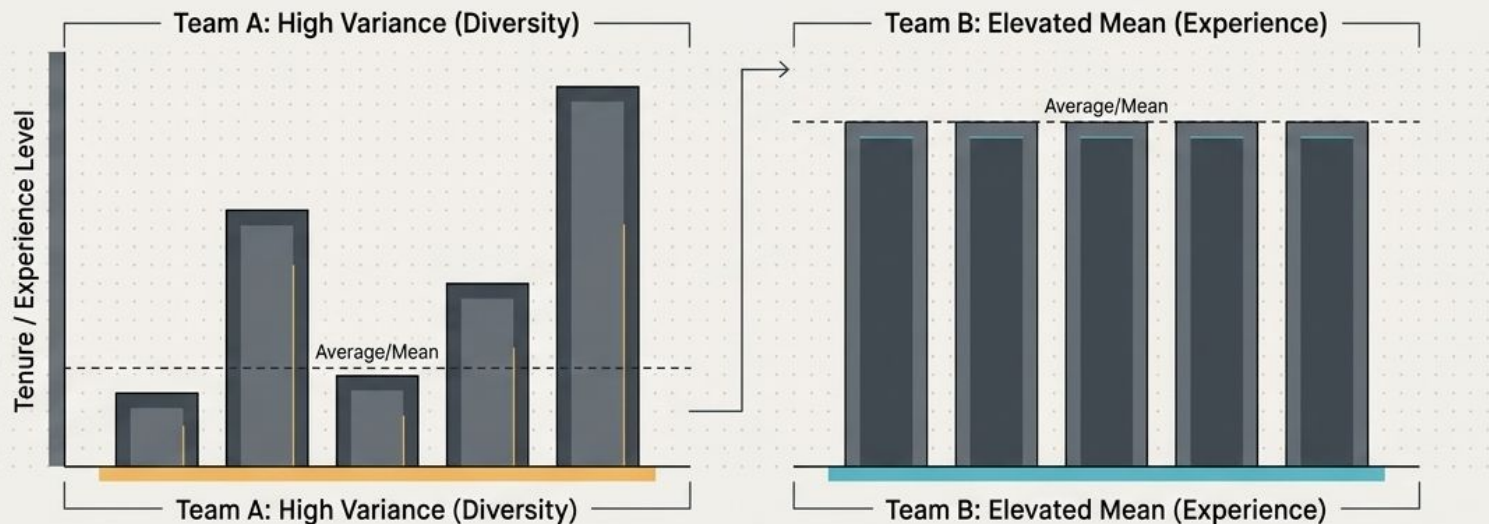
Compose teams with maximum disciplinary variety (anthropologists, engineers, strategists). Manage creative abrasion through rapid prototyping.



# PLAYBOOK 2: THE POWER OF THE MEAN

The Rule: For routine, convergent, efficiency-oriented tasks, accumulated experience matters more than breadth of perspective.

- The Evidence: Team mean organizational tenure predicts efficiency performance ( $p = .14$ ) far better than tenure diversity.
- The Goldman Sachs Model: Anchor client execution teams with highly tenured, homogeneous senior directors for maximum routine efficiency. Rotate junior staff purely for knowledge renewal.



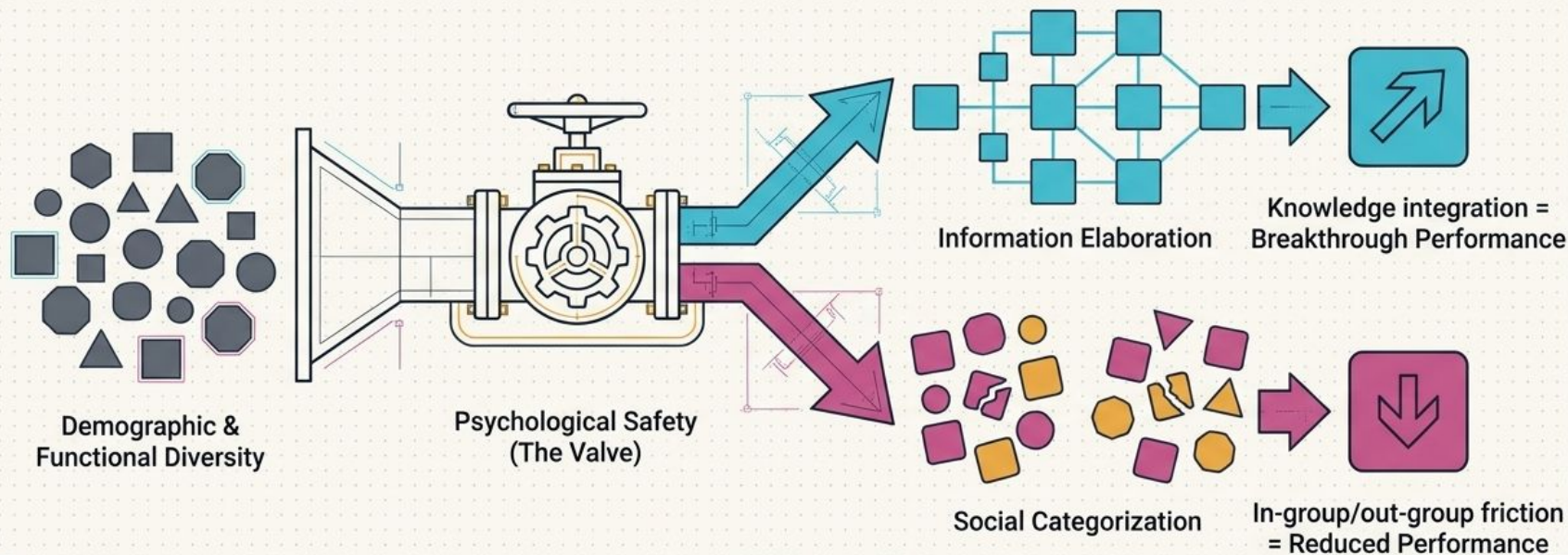
# THE TEAM COMPOSITION BLUEPRINT

Directing leaders on exactly what to optimize based on the task goal.

|                   | ● INNOVATION & DESIGN TASKS                                                      | ● ROUTINE & EFFICIENCY TASKS                                                         |
|-------------------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| TARGET METRIC     | Novel solutions,<br>patents, breakthroughs                                       | Time-to-completion,<br>unit cost, execution                                          |
| IDEAL COMPOSITION | Maximum Functional Variety                                                       | Elevated Mean Tenure (Experience)                                                    |
| KEY EXAMPLE       | Johnson & Johnson<br>Pharmaceutical R&D<br>(chemists + clinicians + strategists) | Johnson & Johnson Manufacturing<br>(process continuity and<br>operational knowledge) |

## PLAYBOOK 3: PSYCHOLOGICAL SAFETY AS THE CATALYST

Safety is the exclusive bridge between diverse potential and actual performance.

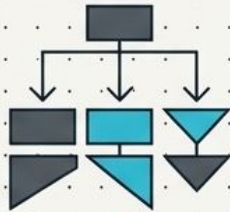


- The Mechanism: Van Knippenberg's model proves diversity only unlocks cognitive resources if the team environment permits interpersonal risk-taking.

- The Google Model (Project Aristotle): Who is on a team matters far less than how they interact.

# Playbook 4: Targeted Bias Mitigation

Addressing the field-data reality of race/sex variety through structural workflow integration.



## 1. The Reality Check

Race and sex diversity show small negative performance impacts in unmanaged field settings due to embedded status hierarchies.



## 2. The Shift

Mandated, compliance-based training fails. Voluntary, skill-based interventions (bias interruption, perspective-taking) succeed.

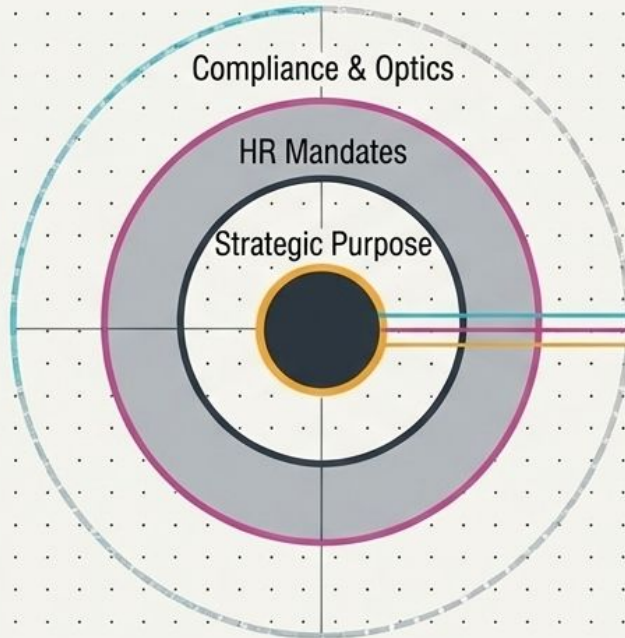


## 3. The Microsoft Model

Mitigation embedded directly into workflows. Every employee sets an evaluated diversity skill-building goal as a core business capability.

# SYSTEM INFRASTRUCTURE: PURPOSE-DRIVEN INCLUSION

Diversity framed as a strategic resource outperforms diversity framed as compliance.



## The Evidence

Teams perform significantly better when members view diversity as a strategic resource rather than a corporate requirement (Homan et al., 2007).

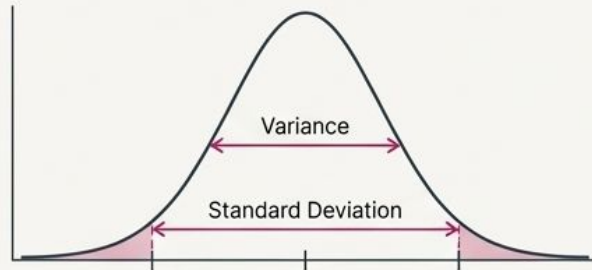
## The Application

Tie demographic makeup directly to business objectives. Cultivate belief in the utility of the team's composition.

# Analytics: Measuring What Actually Matters

Using the wrong math guarantees the wrong conclusions. Match the mathematical operationalization to the theoretical mechanism.

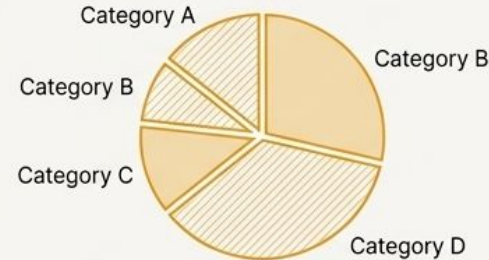
## The **Wrong** Tool: Measuring **Separation**



Standard Deviation / Variance

Produces misleading null results when measuring variety.

## The **Right** Tool: Measuring **Variety**

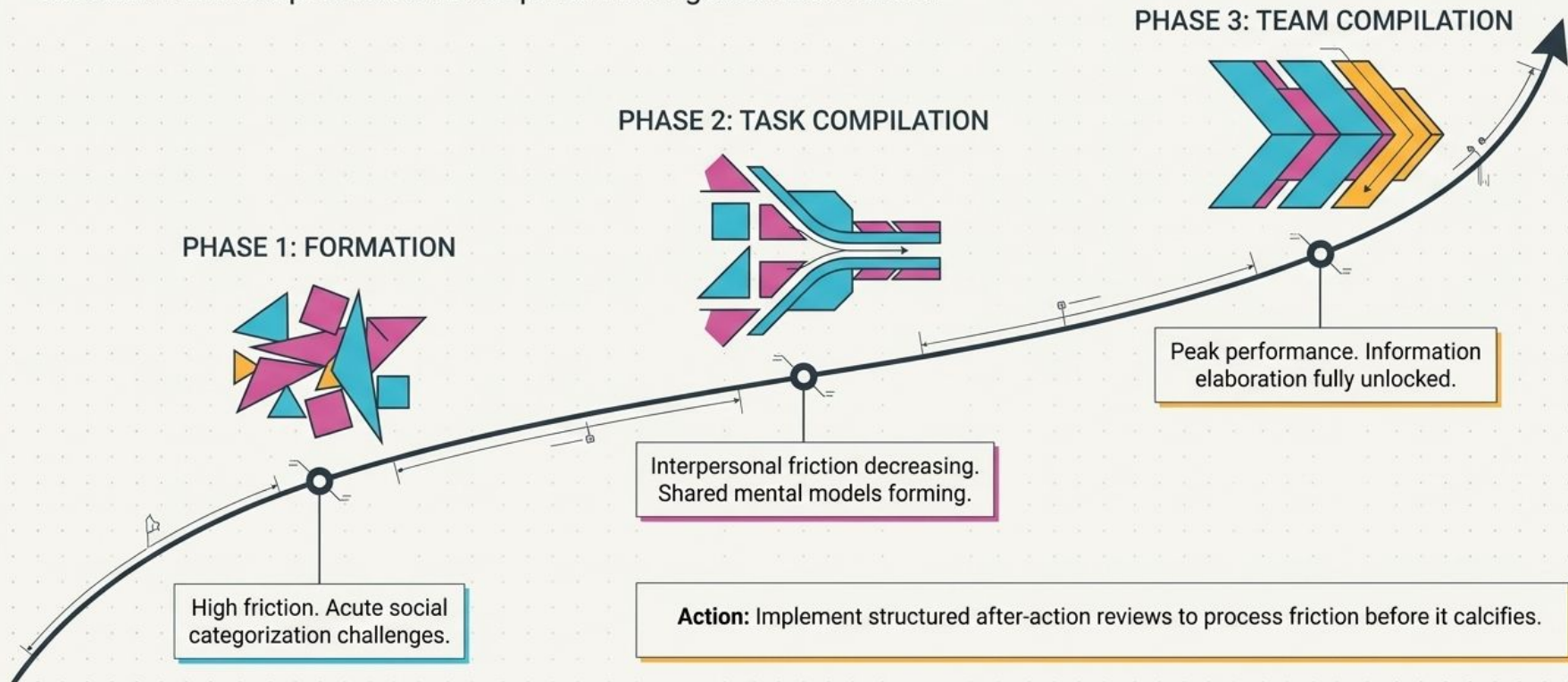


Blau's Index

Correctly captures categorical distribution for functional or educational backgrounds.

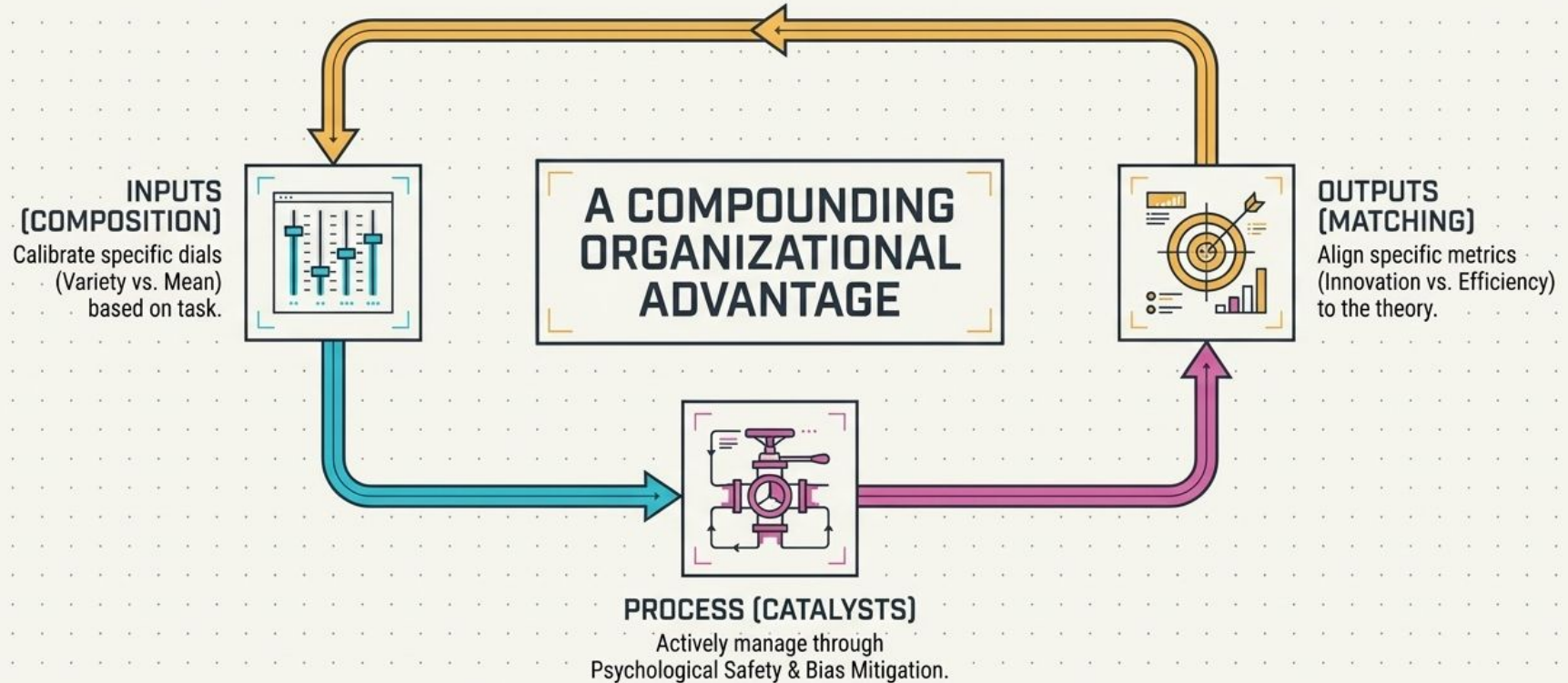
# CONTINUOUS LEARNING: THE DEVELOPMENTAL ARC

Diverse teams face initial friction. Rushing them into high-stakes execution without protected development time guarantees failure.



# THE MODERN DIVERSITY ECOSYSTEM

Successful diversity is a precisely designed system, not a passive demographic fact.



# THE EXECUTIVE CHECKLIST

An ultra-clean, highly structured 5-point checklist designed for immediate executive scanning.



## 1. Staff for variety when innovation matters.

Prioritize cross-functional and educational spread for design and product teams.



## 2. Staff for experience when efficiency matters.

Optimize for elevated mean tenure when the goal is routine execution.



## 3. Manage surface-level friction through safety.

Race and sex variety require intentional management, inclusive leadership, and bias mitigation.



## 4. Match metrics to theory.

Disaggregate your data. Measure variety with variety indices; measure efficiency through means.



## 5. Embed in systems, not slogans.

Diversity is an operational capability. Connect it explicitly to strategic purpose.