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The Misperception of Organizational Racial Progress Toward Diversity, Equity, and Inclusion

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Abstract

Despite a checkered racial history, people in the US generally believe the nation has made steady, incremental progress toward achieving racial equality. In this paper, the researchers investigate whether this US racial progress narrative will extend to how the workforce views the effectiveness of organizational efforts surrounding diversity, equity, and inclusion (DEI). Across three studies (N = 1,776), they test whether Black and White US workers overestimate organizational racial progress in executive representation. Torrez, Hollie, Richeson, and Kraus also examine whether these misperceptions, surrounding organizational progress, drive misunderstandings regarding the relative ineffectiveness of common organizational diversity policies. Overall, they find evidence that US workers largely overestimate organizational racial progress, believe that organizational progress will naturally improve over time, and that these misperceptions of organizational racial progress may drive beliefs in the effectiveness of DEI policies.

Public Significance Statement:

Despite interest and resources directed to diversity, Black Americans remain systematically underrepresented in organizational leadership. This work examines how aware the average US worker is of this fact. We find that workers overestimate current progress made toward diversifying organizations and expect unrealistic progress trajectories for the future. We also find that employees are unaware of the relative effectiveness of DEI policies, believing that any DEI policy, regardless of its empirical effectiveness, will promote leadership diversity. The findings suggest that misperceptions of organizational diversity may work against future efforts to make actual progress toward a more anti-racist workplace.

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All data and analysis syntax are available here. Pre-registration materials are available here. Copyright American Psychological Association, 2023. This paper is not the copy of record and may not exactly replicate the authoritative document published in the APA journal. The final article will be available, upon publication, at American Psychologist. Correspondence concerning this article should be addressed to Brittany Torrez, Yale School of Management, 165 Whitney Ave, New Haven, CT 06511. E-mail: <u>brittany.torrez@yale.edu</u>.

In 2001, two Black Americans held the role of CEO at Fortune 500 companies. Two decades later, at the end of the year 2021—despite a renewed focus on diversity, equity, and inclusion (DEI) and increases in public commitments to racial justice—that number stood at three. An examination of the (lack of) growth of racial minority leadership in technology firms, healthcare, and Fortune 500 companies over the last few decades reveals the same pattern of stagnation (DeHaas et al., 2019). Yet, a belief in racial progress as linear, automatic, and naturally unfolding is a persistent part of the collective consciousness of the US (Seamster & Ray, 2018). In this paper, we investigate how these seemingly contradictory states—commitment to this narrative of progress yet a lack of realized progress toward racial equality in DEI outcomes—can coexist. We argue that overly optimistic beliefs about progress toward racial equality, in terms of increased representation of racial minority executives in organizations, acts as a barrier to supporting policies that could engender greater diversity, equity, and inclusion.

Across studies, we ask US workers to estimate trends in the racial composition of organizational leadership in the past, present, and future, and compare these estimates to public data on actual representation trends and population demographics. We predict that US workers will overestimate progress toward equitable leadership representation between Black and White people in leadership in the present, make predictions about rates of progress in leadership that will outpace the trajectory of actual progress and population demographics, and overestimate the effectiveness of common DEI strategies to achieve that progress.

Organizations are key to dismantling racism

Historical racism is endemic to US organizations, and makes them an important context in which to study perceptions of racial progress. In particular, we focus our analysis here on inequality between Black and White workers because this specific racial inequality is fundamental to the growth of organizations within the US (Ray, 2019). The persistent exclusion of racially minoritized people, particularly Black Americans, from the labor market is symptomatic of the racism often embedded in organizational hiring and promotion practices (Mobasseri et al., 2023; Quillian & Lee, 2023; Ray, 2019). These inequalities persist even as organizations state commitments to diversity (Quiroz-Gutierrez, 2021) and meritocracy (Cappelli, 1999; Castilla & Benard, 2010). We study perceptions of racial progress because these perceptions may be central to our understanding of why these stated commitments do not necessarily lead to the dismantling of racist organizational structures, and set the stage for understanding how more accurate perceptions of racial progress may be pivotal to dismantling racism in organizations.

In prior research on perceptions of racial economic equality (Kraus et al., 2017), the more respondents endorsed a belief in a just world, the more they tended to overestimate the extent to which US society had achieved equality between Black and White people on a number of economic outcomes (e.g., wealth, income). Given that perceptions of racial progress are logically based in broader beliefs about societal fairness, organizational spaces, wherein the role of meritocracy and fairness are often very salient, are particularly likely to be inhabited by organizational employees who tend to overestimate progress toward organizational racial equality. We chose to focus on US workers' perceptions of organizational representation because worker participation is critical to dismantling organizational racism (e.g., Kotter, 2012)—change to racist structures within organizations cannot occur without employees' time, effort, or resources. That workers might deny or distort the level of progress toward racial equality in leadership positions is critical to our understanding of worker motivations toward diversifying the workforce.

Thus, we expect that US workers will overestimate the progress organizations have made toward common DEI goals, such as racial diversity among the ranks of organizational leadership. In addition, recall that our basic argument here is that workers, just like most Americans, largely believe that progress toward societal racial equality is unfolding linearly, automatically, and naturally, and, thus, racial equity is an outcome that is certain to be achieved (Kraus et al., 2022b). Thus, we hypothesized that workers will predict that organizations (1) have made more progress toward representation in leadership in the present than public data on actual representation suggests, (2) have greater equality in current leadership representation than public data suggests, and (3) will (continue to) make progress toward their DEI goals into the near future, regardless of current DEI policies. Importantly, we expect these projections to outpace public data on US Census population racial demographics.

Implications of overestimates of organizational racial progress for DEI efforts

This work also examines perceptions of progress due to various organizational diversity policies—that is, how effective these policies are at improving racial diversity in organizational leadership. Understanding how workers view these organizational diversity policies has implications for investment in such policies in the future. Perceptions of diversity policies are particularly relevant at this moment: A recent report from Gartner revealed that 41 percent of employees view their organizations' DEI efforts as divisive, with an equal number resenting these efforts altogether (Rai & Dutkiewicz, 2022). Moreover, DEI policies are currently subject to legislative decisions, in some states, that might eliminate them altogether (Bryant & Appleby, 2023). Understanding how workers perceive the DEI policies and make predictions about their effectiveness is, therefore, critical to making sense of the psychology that animates these regressive legislative practices and developing insights to reduce them.

To this end, in addition to examining whether and the extent that people overestimate progress toward organizational racial equity, the present research sought to investigate potential consequences of such misperceptions. We reasoned that the tendency to believe that organizations are becoming more racially equitable over time could shape perceptions of the efficacy of various DEI policies. Not all DEI strategies are effective at increasing the share of racial minorities in leadership, however (Kalev et al., 2006); although, well-intentioned, some can even be counterproductive to organizational DEI goals (Germano et al., 2021). For instance, a company may be especially likely to adopt an annual bias training program because such programs are relatively inexpensive, easy to implement, and allow for legal protection in lawsuits about job discrimination, despite the empirically-demonstrated minimal gains in representation associated with this strategy (Dobbin & Kelly, 2007; Kraus et al., 202b).

In the present work, we considered whether the tendency to perceive organizational racial progress shapes perceptions of relatively effective vs. ineffective DEI policies. Further, we examined whether individuals' overly optimistic perceptions of organizational racial progress are robust to information about an organization's implementation of DEI policies varying in their effectiveness. In other words, do people expect an organization to (continue to) become more racially diverse when DEI policies adopted by the organization are weak or strong according to empirical evidence? Specifically, we expected racial progress beliefs to be more salient than intuitions about DEI policy effectiveness such that even the most superficial policy (e.g., public statements in support of racial justice) would have the same positive influence on perceptions of Black-White representation in leadership as a more empirically sound DEI strategy (e.g., targeted recruitment shifts in hiring and promotion)—that is, we expect participants will perceive all policies as equally effective at increasing Black-White representation in leadership.

The present work

Three studies examine whether perceptions of organizational equity between Black and White workers reflect belief in the narrative of linear racial progress. We tested our three hypotheses— that workers will (1) expect organizations to have made more progress toward representation in leadership in the present than public data on actual representation suggests, (2) expect greater equality in current leadership representation than public data suggests, and (3) expect organizations to make progress toward their DEI goals into the near future, regardless of current DEI policies— in samples of US workers who made estimates of racial equity for the recent past, the present, and projections for the near future across several organizational markers (e.g., the number of Black-White CEOs in the Fortune 500) that we compared to public data on actual organizational racial demographics (Studies 1-3). We also consider whether and how misperceptions of organizational racial progress relate to different DEI strategies.

Study 1

Study 1 examines whether Black and White US workers overestimate the representation of Black people in organizational leadership positions in the recent past and in the present and examines respondents' predictions for the future. We also examined whether overestimates of organizational racial equity relate to the perceived effectiveness of DEI strategies.

Method

All research conducted in this paper was approved by the Institutional Review Board at Yale University and all participants consented to participate. Prolific Academic was used to recruit participants for a 10-minute survey about their thoughts on racial disparities in the leadership of various organizations. Participants were compensated \$1.50. In total, we recruited 602 participants ($M_{age} = 33.67$, $SD_{age} = 10.60$; 313 Male, 278 Women, 2 Nonbinary, 9 undisclosed; 302 White, 295 Black, 5 undisclosed). This sample size allowed us to detect between-group differences at D = .16 with 80% statistical power.

In the first portion of the survey, participants made estimates of Black-White representation in leadership, described in the next section, as well as estimates unrelated to inequality (e.g., "How many minutes does the average adult exercise per day?", "How many vacation days does the average American worker take per year?"; 0-200). These items were chosen to determine if estimates of representation in leadership would be associated with DEI policy perceptions even after controlling for these general estimations.

Participants made estimates of Black-White inequality in organizational representation at a time point in the past, present, and, for some questions, the future: "For every 100 White CEO's in Fortune 500 firms, how many are Black in 2004/2018/2025?" (100 would mean equal numbers of Black and White CEO's)", "For every 100 White principals in elementary-secondary public schools, how many are Black in 2010/2018? (100 would mean equal numbers of Black and White principals)", "For every 100 White managers in private industry, how many are Black men in 2012/2018/2025? (100 would mean equal numbers of Black and White male managers)", "For every 100 White managers in private industry, how many are Black women in 2012/2018/2025? (100 would mean equal numbers of Black and White female managers)". Participants responded on a scale from 0-100 for each of these estimation questions. Based on prior methodological work (Kraus et al., 2022a), and given that the average US worker has knowledge that the proportion of Black people in the US population (13.4%) is smaller than the proportion of White people (60.1%), we determined that a scale of 0-100 is appropriate for estimating representational disparities. The earliest and latest publicly available Equal Employment Opportunity Commission (EEOC) data available at the time the study was fielded were used to determine each metric of racial economic inequality as well as the past and present date ranges for each question¹. Estimates of progress were calculated by subtracting data on actual progress from participant's estimates of past and current estimates of racial disparities in representation from the four domains previously mentioned (e.g., CEOs in Fortune 500 firms). Since estimates of past inequality ($\alpha = .86$), current inequality ($\alpha = .88$), and progress ($\alpha = .72$) showed high internal consistency across metrics we calculated composite estimates for each point in time and estimates of progress, although we report the results for each individual domain (e.g., CEOs) as well as the aggregate to allow for the most complete depiction of our results.

Participants were also asked to estimate representation in service worker representation as well as inequality in compensation and benefits (see *Supplemental Materials* for these items and analyses). Lastly, participants were also asked about the effectiveness of 11 workplace policies for achieving organizational representation goals which were analyzed as two separate composites: ineffective (e.g., diversity training; $\alpha = .87$) and effective DEI strategies (e.g., targeted recruitment; $\alpha = .78$), based on existing empirical evidence of the effectiveness of these policies from prior research. For example, in a study examining more than 700 employers, representation in Black managers increased when they established responsibility for diversifying (e.g., through affirmative action programs) but did not when using diversity trainings only (Kalev et al., 2006). Participants estimated policy effectiveness using a four-point Likert scale (1 = *Ineffective*, 4 = *Highly Effective*). Following these survey questions, participants answered a

¹An exception to this is the data on the number of Black-White CEOs in which the data was gathered here.

few demographic questions regarding occupation, annual income, and political ideology (see *Supplemental Materials*).

Transparency and openness

All methods and materials can be found in the manuscript or the *Supplemental Materials*. All data and analysis syntax are available <u>here</u>. The study design, hypotheses, and analyses for Study 3 were pre-registered <u>here</u>. No other studies were pre-registered.

Results

Overestimates of progress. We predicted that workers would overestimate recent progress toward Black-White representation in leadership, relative to actual trends in progress based on federal data. Consistent with this first hypothesis, workers overestimated progress toward greater equity in leadership representation, measured in terms of the representation of Black people across all types of leadership positions, t(601) = 22.08, p < .001, d = 0.90, by 7.64 points overall, and specifically, in terms of CEO representation between 2004 and 2018 (t(601) =18.31, p < .001, d = 0.75) by 8.68 points, public school principal representation between 2010 and 2018 (t(601) = 18.71, p < .001, d = 0.7) by 9.22 points, male manager representation between 2012 and 2018 (t(601) = 16.23, p < .001, d = 0.66) by 6.98 points, and female manager representation between 2012 and 2018, (t(601) = 11.28, p < .001, d = 0.46) by 5.34 points.

We also hypothesized that these overestimates of progress would largely be due to overestimates of equality between current Black-White leadership. Indeed, in line with our second prediction, workers overestimated current equality in leadership representation across all types of leadership positions by 22.05 points, t(601) = 26.66, p < .001, d = 1.09. Specifically, workers overestimated current representation in the domains of CEO representation by 25.44 points, $t(601) = 26.83 \ p < .001$, d = 1.09, public school principal representation by 20.77 points,

t(601) = 19.83, p < .001, d = 0.81, male manager representation by 27.53 points, t(601) = 29.28, p < .001, d = 1.19, and female manager representation by 14.46 points, t(601) = 15.53, p < .001, d = 0.63 (see Figure 1).

Figure 1. Comparison between participants' estimates of progress toward Black–White racial representation and actual progress calculated based on federal data (represented by the red diamonds). Error bars indicate 95% CIs around the mean estimate. Participants overestimated diversity in CEO representation, public school principal representation and male and female manager representation. All *p*-values are <0.001.



Respondents also tended to overestimate past equity in leadership representation, a finding that was inconsistent with the data from Kraus et al. (2017, S1) on pay and benefits equity (see *Supplemental Materials* for re-analysis). Participants overestimated past equality in representation, measured in terms of the representation of Black people across all types of

leadership positions by 14.48 points, t(601) = 19.89, p < .001, d = 0.81. Specifically, workers overestimated past equity in the domains of CEO representation by 16.58 points, t(601) = 20.34, p < .001, d = 0.83, public school principal representation by 11.48 points, t(601) = 12.02, p < .001, d = 0.49, male manager representation by 20.39 points, t(601) = 23.41, p < .001, d = 0.95, and female manager representation by 9.46 points, t(601) = 11.54, p < .001, d = 0.47. That respondents overestimated Black-White leadership representation in the past, as well as in the present could be indicative of the strong meritocratic norms in organizations, rendering awareness of racial inequalities less salient to workers (Cappelli, 1999). It may also be that participants viewed the "past" time point as still relatively close to the present and, thus, similarly susceptible to the misperception that society was fairly equitable on these markers (see Kraus et al., 2017).² Interestingly, Black and White workers did not differ in the perceptions of management representation (see the *Supplemental Materials*), a finding we return to in the General Discussion.

Another way to examine overestimates of racial equality in current leadership positions is to compare participant estimates to demographic trends in the US population based on the most recent US Census data. If, for instance, participants' estimates of Black people in leadership positions is larger than the ratio of Black (13.4%) to White (60.1%) people residing in the USA according to the Census, then our working sample of participants is actually estimating that Black people are overrepresented in leadership positions relative to their population share.

When examining participants' estimates of leadership diversity relative to population share, we found that participant estimates of Black-White leadership representation in 2018 were

² Consistent with our first hypothesis, respondents also overestimated progress toward equality between Black and White workers on pay and health benefits. For this analysis and an analysis of diversity estimates in service roles see the *Supplemental Materials*.

significantly greater than Census parity (CEO by 7.02 points, t(601) = 7.41, p < .001, d = 0.30, male managers by 18.63 points, t(601) = 19.82, p < .001, d = 0.81, and female managers by 9.38 points, t(601) = 10.08, p < .001, d = 0.41, see Figure 2). The perception that organizations have already crossed the US Census threshold for population share in estimates of Black representation in leadership positions has additional negative implications for the continuation of DEI goals and policies: If workers erroneously believe that Black leaders are overrepresented in leadership positions relative to their population share, then they may also believe that racial inequality is no longer a problem and DEI efforts are unnecessary.

Figure 2. Comparison between participants' estimates of Black–White representation and actual representation calculated using federal data (represented by the red diamond in the past and present and the hollow diamond in the future for the projection of representation). Error bars indicate 95% CIs around the mean. Participants estimated Black-White representation across each time point of CEOs (Panel A), male managers (Panel B), and female managers (Panel C). All *p*-values are <0.001. Horizontal line represents Census parity.



Predictions of future progress. Our third hypothesis predicted that this narrative of racial progress would extend into predictions of future equity, such that workers would predict positive linear progress toward greater equity in Black-White leadership representation into the future. To test this prediction, we examined estimates of leadership representation in 2025, indexed in terms of the number of Black versus White CEOs and male and female private industry managers. We then compared these values to some a few trends in public data described in what follows: To determine if workers were expecting significant changes in progress, we tested whether these 2025 predictions were significantly higher than Black-White leadership representation estimates in the present (i.e., 2018). In line with our third hypothesis, participants predicted significant progress toward Black-White equality in representation between 2018 and 2025 for CEO representation, t(601) = 20.63, p < .001, d = 0.84, male manager representation, t(601) = 22.03, p < .001, d = 0.90, and female manager representation t(601) = 18.42, p < .001, d = 0.75.

We also compared workers' predictions of Black-White leadership representation in 2025 to a benchmark of what Black-White representation is expected to look like at that time based on trends in public data. In addition, we tested participants' predictions of progress made between 2018 and 2025 against the projected trajectory of progress based on public data from the past and present time points. These comparisons will tell us if participants predict that progress is occurring at a significantly faster rate than it likely is and would reach greater magnitudes than is probable based on public data trends. Participants predicted a trajectory of progress that was steeper than public data trends indicate for CEO representation t(601) = 24.05, p < .001, male manager representation t(601) = 23.64, p < .001, and female manager representation t(601) =18.82, p < .001, and of greater magnitude than projections of Black-White representation in leadership in the future based on public data trends (CEOs by 36.94 points, t(601) = 31.99, p < .001, d = 1.30, male managers by 37.57 points, t(601) = 34.73, p < .001, d = 1.42, and female managers by 23.35 points, t(601) = 20.65, p < .001, d = 0.84).

Lastly, we compared participants' predictions of future representation to a projection of demographic parity in 2025 calculated by comparing the number of Black people to White people in the population based on the most recently available Census data (e.g., 2020). That is, we tested whether participants believed that Black-White leadership representation in the future would be significantly greater than what the USA population share is expected to look like for Black and White people in 2025. Participants' estimates of leadership representation, measured in terms of representation of Black versus White CEOs, male managers, and female mangers, were significantly greater than the projected share of Black and White people in the US population in the future, as estimated by the most recent Census (CEOs by 16.73 points, t(601) = 14.48, p < .001, d = 0.59, male managers by 30.10 points, t(601) = 27.83, p < .001, d = 1.13, and female managers by 20.24 points, t(601) = 17.89, p < .001, d = 0.73). All analyses provided convergent evidence in support of our predictions that participants expect positive linear progress toward greater Black-White equality in leadership representation into the future at a rate and magnitude that is both idealistic and unrealistic.

Implications for DEI policies. We expected overestimates of present racial equality to relate to participants' perceptions of the effectiveness of DEI policies. The narrative of racial progress presumes the automatic and natural unfolding of racial equality over time. One likely implication of this narrative is that any DEI policy, even those that are symbolic and largely ineffective when examined empirically (Kalev et al., 2006), would be evaluated favorably. Thus, we expected that overestimates of current organizational racial equality would be associated with greater belief in the effectiveness of DEI policies with little to no demonstrated efficacy.

We used a linear regression analysis to test whether participants' overestimates of current equality in Black-White representation—measured using the composite across leadership domains—were positively associated with perceptions of the effectiveness of empirically-ineffective, symbolic DEI policies (e.g., listening sessions). Our regression model also included race, gender, age, income, education, conservativism, and overestimates of metrics unrelated to inequality (e.g., average vacation days) as predictors so that we could assess the capacity of estimates of leadership racial equality to predict symbolic DEI policy effectiveness over and above that of demographic variables, political ideology, and general (over)-estimation tendencies (see Table 1). Consistent with predictions, we found that participants' overestimates of racial inequality were significantly positively associated with beliefs in the effectiveness of symbolic DEI policies, $\beta = .22$, p < .001. In addition to this central effect, women and higher-income participants were more likely to believe in the effectiveness of ineffective DEI policies. No other variables significantly predicted perceptions of the effectiveness of ineffective DEI policies.

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Variables	β	SE	t	р			
Organizational Representation Overestimates	.22*	.03	4.95	<.001			
Race	.003	.04	0.07	.947			
Gender	09*	.04	-2.26	.024			
Age	02	.04	-0.46	.646			
Income	.10*	.04	2.28	.023			
Education	.06	.04	1.50	.134			
Conservativism	08	.05	-1.77	.077			
General Overestimates	.06	.05	1.30	.194			
Model F	6.59*						
R^2	.07						
<i>Note.</i> Race and gender are recoded as dummy variables $(-1 = \text{Black}, 1 = \text{White}; -1 = \text{Female}, 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 = 1 $							
Male). * <i>p</i> <.05.							

Regression Analyses Predicting Judgments of the Effectiveness of Symbolic DEI Policies as a Function of Participant's Organizational Equality Overestimates Race, Gender, Age, Income, Education, Conservativism, and General Overestimates (Study 1)

Study 2

Study 1 revealed some support for our hypotheses. US workers overestimated progress toward racial equity in leadership representation as well as predicted future gains in representation into 2025 that outstripped 2018 estimates, current progress trajectories based on federal data, and population share based on US Census demographics. Further, overestimates of current racial equality in leadership were associated with a greater belief in the effectiveness of ineffective DEI strategies. To extend these findings, we sought to experimentally manipulate exposure to various diversity policies before participants made predictions of future racial progress in executive representation. This method allows us to determine how much people think DEI policies influence representation in organizational leadership over time, and therefore how effective these policies are, further examining our third hypothesis. Specifically, future estimates of Black-White leadership representation would reveal how relatively effective participants envisioned these various DEI policies to be and, ultimately, enhance our understanding of how this narrative of racial progress holds implications for beliefs in DEI policy effectiveness.

Method

A 10-minute survey was fielded on a sample of 435 participants recruited through MTurk for \$1.50. Only one participant was excluded for not consenting to participate in the study leaving us with 434 participants ($M_{age} = 35.59$, $SD_{age} = 10.33$; 263 Male, 166 Women, 5 undisclosed; 300 White, 70 Black, 24 Asian, 21 Latino/a, 7 Native, 6 another racial group). Our sample included a majority of participants who were working full time (n = 369). This sample size allowed us to detect between-group differences at D = .28 with 80% statistical power.

Before exposure to the experimental manipulation, participants answered the same questions about the representation of Black male and Black female managers in private industry compared to White male and White female managers in 2012 and 2018 as in Study 1. Following these questions, participants were randomly assigned one of three conditions in which they were asked to consider future leadership representation under a specific DEI policy environment. The first condition (a control) stated that most private industry organizations would continue their current policies. The second (an empirically-ineffective policy; see Forscher et al., 2017) stated that most private industry organizations would implement racial bias training with hiring managers. The third (an empirically-effective policy; see Kalev et al., 2006) stated that most private industry organizations would implement targeted recruitment of Black managers. Given that very few organizations engage in targeted recruitment (Estrada-Worthington, 2016), we believe participants envision the status quo of DEI policy (i.e., the control condition) as representing a world where most organizations are indeed doing something in support for DEI, but there is not necessarily a strong policy in place.

Using these policies as a basis for judging future progress, participants were asked to make predictions of Black male and female manager representation in comparison to White men and women in the future (2025): "If most private industry organizations implement racial bias training with hiring managers, for every 100 White women/men manager in private industry, how many are Black women/men in 2025? (100 would mean equal number of Black and White women/men managers)". Importantly, given that we aimed to gather participants' predictions of policy effectiveness via their estimates, we did not provide any information about the relative effectiveness of these policies.

As before, the latest EEOC data available were used to determine each metric and date range of racial representation. Estimates of progress were calculated by subtracting data on actual progress (or predictions of progress) from the estimated progress for each of the racial inequality items. We created three composites representing estimates of Black men and women managers at each time point: past (r = .91), present (r = .90), and future (r = .87). Lastly, participants answered the same demographic questions as in Study 1.

Results

Overestimates of progress. The results of Study 2 provided more support for our predictions that people will overestimate progress made toward (and predictions of) Black-White representation in leadership. In the interest of space, we report the results of these analyses, which replicate the results from Study 1, in the *Supplemental Materials.* Overall, we find, again, that participants overestimate progress made toward racial equity in organizational leadership over time, that participants overestimate current organizational racial equity in leadership, in addition to holding outsized predictions of future racial equity compared to federal projections and Census data. Consistent with Study 1, we also found the participants overestimated past racial equity in organizational leadership.

Implications for DEI policies. We examined whether the DEI policy environment would shape predictions about future progress toward racial equity in organizational leadership. Specifically, would predictions of progress made under an ineffective DEI policy environment be less optimistic compared with those made under an effective DEI policy environment? We tested this by examining predictions of future representation in leadership, in terms of Black versus White male and female representation in management, as a function of the experimental manipulation of DEI policy implementation. Overall, there was no significant main effect of condition on future estimates of male, F(2, 431) = 2.44, p = .088, or female managers, F(2, 431) = 2.03, p = .133. In particular, differences between the two DEI policy conditions (i.e., racial bias training and targeted recruitment) were non-significant based on the null-hypothesis test

(t(296) = 0.28, p = .778) and an equivalence test for these conditions (Lakens et al., 2018) that was statistically significant, (t(296) = 2.31, p = .011).

Examination of predictions for each condition reveals that, for many of the policy conditions, participants predicted progress toward Black-White equality in leadership representation. In both the ineffective bias training condition and the more substantive targeted recruitment strategy condition, participants expected private industry organizations to make significant progress toward racial equality in leadership representation between 2018 and 2025 (racial bias training – male and female managers composite: t(270.4) = 2.92, p = .003; targeted recruitment – male and female managers composite: t(311.03) = 2.71, p = .007), although increased perceptions of progress for female managers did not reach conventional standards of significance (racial bias training – male managers: t(259.44) = 3.80, p < .001; female managers: t(275.19) = 1.87, p = .063; targeted recruitment – male managers: t(301.5) = 3.53, p < .001; female managers: t(316.33) = 1.76, p = .079).

In this study, estimates of future progress in the no policy change condition were not significantly different from 2018 estimates of male or female managers (male managers: t(236.15) = -1.24, p = .216; female managers: t(252.35) = 0.29, p = .774), indicating that participants thought some change in DEI policy would be necessary to improve upon current levels of representation. Overall, these results are consistent with our third hypothesis and provide evidence that US workers are generally unaware of the relative effectiveness of DEI policies aimed at increasing leadership representation, envisioning a linear trend of progress that views an empirically-ineffective policy (racial bias training) as equally effective as an empirically-effective one (targeted recruitment).

In Study 3, we sought to directly replicate and extend our findings from the first two studies with a sample of full-time Black and White workers to determine if workplace experience shapes greater accuracy in DEI policy beliefs, or as we have argued, is a context that is particularly susceptible to narratives of racial progress. Study 3 includes an additional symbolic DEI policy (i.e., statements in support of DEI) to create a slate of experimental conditions that represent common DEI practices (Dowell & Jackson, 2020) that vary not only in their efficacy, but also in their substantive properties.

Methods

Study 3 was identical to Study 2 with a few exceptions. We recruited 800 participants through Prolific for \$1.50. Participants were excluded if they did not consent to participate or identify as a Black or White, leaving us with a total sample of 740 participants ($M_{age} = 33.66$, $SD_{age} = 10.43$; 329 Male, 406 Women, 5 undisclosed; 376 White, 364 Black).

Participants completed the System Justification scale (Kay & Jost, 2003) and were asked to rate eight statements (e.g., "In general, you find society to be fair") using a seven-point Likert scale ($1 = Strongly disagree, 7 = Strongly agree; \alpha = .88$). Similar to Study 2, participants were next randomly assigned to one of four diversity policy environments under which they would make predictions of Black-White representation in leadership in the future. Three of the conditions are the same as the conditions presented in Study 2. The last condition (a superficial policy) stated that most private industry organizations would make public statements in support of diversity and inclusion. Following exposure, participants were asked to predict Black male and female manager representation in comparison to White men and women in the future. In addition, one exploratory question asked participants to predict the future inclusiveness of organizations in 2025 (full results reported in *Supplemental Materials*; e.g., "If private industry organizations implement racial bias training, how inclusive of Black employees do you think the average workplace will be in 2025?") using a 7-point Likert scale (1 = Not at all inclusive, 7 = Very inclusive). We created three composites representing estimates of Black men and women managers at each time point: past (r = .76), present (r = .81), and future (r = .92).

After providing their estimates, participants answered two open-ended questions related to their opinions regarding diversity and inclusion in organizations (e.g., "What is the most important thing organizations can do to improve diversity, equity, and inclusion?") that were related to a separate research project. Lastly, participants answered the same demographic questions as in Study 2.

Results

Study 3 allowed us to test our hypotheses more directly by examining whether working participants across DEI policy conditions of varying effectiveness (e.g., implicit bias training and targeted recruitment) and substance (e.g., public statements) predicted greater Black male and female manager representation in the future in comparison to EEOC data trends.

As in Study 2, we report the analyses which replicate the results from Studies 1 and 2 in the *Supplemental Materials*. We find that all of our results are consistent with those reported in Study 2: in line with our hypotheses, participants overestimate progress made toward Black-White representation in leadership, current Black-White representation in leadership, and hold outsized perceptions of future Black-White representation in leadership.

Implications for DEI policies. We also found support for the hypothesis that participants would predict progress toward DEI goals, irrespective of whether they made their projections for the future under a weak or effective policy environment, replicating the results of Study 2. We tested this question by examining estimates of future leadership representation, in terms of Black

versus White representation in management, in each of the four experimental conditions. Overall, there was no significant main effect of condition on future estimates of male, F(3, 736)= 0.70, p = .554, or female managers, F(3, 736) = 0.44, p = .728. In particular, differences between both the symbolic and superficial DEI policy conditions (i.e., racial bias training and statements) and the more substantive, effective DEI policy condition (i.e., targeted recruitment) were non-significant based on the null-hypothesis test (training versus recruitment: t(376) = -0.86, p = .388; statements versus recruitment: t(375) = -0.92, p = .358) and an equivalence test (Lakens et al., 2018; training versus recruitment: t(376) = 2.05, p = .020; statements versus recruitment: t(375) = 1.99, p = .024), demonstrating that the observed group differences are statistically negligent. Participants expected a superficial DEI policy (e.g., public statements) and an ineffective DEI policy (e.g., implicit bias training) to engender the same level of perceived progress (that is, to be just as effective) as more substantive policy (e.g., targeted recruitment). Lastly, as an exploratory step, we also compared the more substantive targeted recruitment DEI policy to the no policy change condition and found that differences here were non-significant based on the null-hypothesis test t(367) = -1.28, p = .201, although the equivalence test between these conditions was not significant according to conventional standards t(367) = 1.60, p = .056.

As in Study 2, in both the ineffective bias training condition and the more effective targeted recruitment strategy condition, participants predicted that private industry organizations to make significant progress toward equality in Black-White leadership representation between 2018 and 2025 (racial bias training – male and female manager composite: t(232.41) = 5.98, p < .001; targeted recruitment – male and female manager composite: t(249.25) = 7.63, p < .001). This was also true for the less substantive statements made in support of diversity and inclusion (male and female manager composite: t(246.78) = 6.75, p < .001). Interestingly, and unlike

Study 2, estimates of future progress in the no policy change condition were significantly different from 2018 estimates of male and female managers (male managers: t(240.44) = 6.14, p < .001; female managers: t(234.92) = 5.90, p < .001) indicating that at least in Study 3, participants thought that even no change in DEI policy would be helpful to achieving the diversity goal of greater Black representation in management. When examining individual estimates for male and female managers, the ineffective racial bias training, the more effective targeted recruitment strategy, and the superficial statements policy change all elicited predictions of increased progress toward DEI goals for male and female managers: t(236.98) = 5.91, p < .001; targeted recruitment – male managers: t(250.75) = 7.55, p < .001; female managers: t(254.77) = 7.35, p < .001; statements – male managers: t(248.29) = 6.57, p < .001; female managers: t(252.59) = 6.60, p < .001).

Overall, these results provide even more evidence that US workers are woefully unaware of the relative effectiveness of DEI policies with regards to increasing representation in leadership, believing even that making no changes to DEI policy will be effective at promoting organizational racial progress in leadership representation.

General Discussion

In this paper, we have examined worker expectations about progress toward organizational diversity, equity, and inclusion goals. An impetus for these efforts is an understanding that, despite persistent beliefs in American progress (Seamster & Ray, 2018), US workplaces continue to fall woefully short of meeting a number of standards for improvement or progress on these goals (DeHaas et al., 2019; Dixon-Fyle et al., 2020). Yet, in our work we find the average US worker lacks an accurate understanding of how little progress has been made toward racial equity in organizational leadership. The failure of US workers to accurately capture progress made toward organizational DEI goals is striking considering the surge of recent commitments made by organizations to alleviate racial injustice (Quiroz-Gutierrez, 2021).

Contribution and limitations

Across three studies, we document how the belief in the natural and automatic unfolding of progress toward racial equality manifests in perceptions of organizational racial equity. Overall, we find consistent evidence that US workers overestimate the progress made toward racial equity in organizational representation. In addition, US workers overestimate current equity in this domain and, unlike in prior work (Kraus et al., 2017), overestimate past equity in organizational leadership as well. US workers' perceptions (and projections) of the organizational DEI progress are strikingly optimistic and inaccurate when compared to public data trends on management representation and Census data on US population demographics. These findings were consistent across our studies and with our three hypotheses. In addition, we find that these workers make the same progress predictions when considering ineffective policies (e.g., racial bias training), superficial policies (e.g., organizational statements), no policy change at all, or policies that are empirically effective (e.g., targeted recruitment). This pattern reveals the pervasiveness of the racial progress narrative in shaping US workers' understanding of the potential effectiveness of DEI policies, even those that are relatively ineffective (the implications of which we expand upon further in the Supplemental Materials).

An alternative account of our findings could be innumeracy related to estimating statistics of organizational representation. This perspective would indicate that the misperceptions we observe in this set of studies represent arbitrary errors versus actual patterns of belief about the persistence of racial inequality in organizations. A few pieces of evidence make this interpretation unlikely. First, the patterns of misperceptions we observe here are consistent with prior research in which people misperceive inequality in a variety of domains (Kraus et al., 2017, 2022a). Second, although we find that people tend to overestimate more broadly (e.g., with regards to the general estimates asked about here), they overestimate racial inequality to a greater extent and these misperceptions of racial representation are uniquely predictive (beyond these general estimates) of key outcomes such as perceptions of policy effectiveness. Third, estimates of racial inequality demonstrate high construct validity with correlates like system justification and conservatism (see *Supplemental Materials*) indicating that these misperceptions are driven by broader belief patterns about inequality rather than spurious estimates. In summary, though future work is needed in these estimates of racial representation, there are several reasons why these patterns appear to reflect perceptions of racial progress in organizations rather than errors.

Misperceptions are key to dismantling racism

US organizations continue to make little progress toward improving the representation of Black leaders and, as we find in this work, their constituents continue to commit to being unaware of this lack of progress. These conditions have tangible implications for diversity policies, and also for the lives of Black employees. Misperceptions of current progress and unrealistic predictions of future diversity gains may also create a false narrative of overrepresentation that undermines the hiring and promotion of minorities in the workplace (Chang et al., 2019), or a feeling of threat or resentment among White employees who believe Black employees are greater represented in leadership than they actually are (Bai & Federico, 2021). Through each of these pathways, the perceptions that we study here are potentially consequential for experiences of racism in the workplace, and in developing the organizational will to dismantle racist structures. Psychologists are uniquely poised to tackle this narrative of racial progress. While research has rigorously documented a lack of racial progress in US organizations (see Quillian & Lee, 2023; Zweigenhaft & Domhoff, 2018), psychologists are charged with ensuring that people understand this lack of progress, what it means, and how people become motivated to create more equitable conditions. Even after a supposed racial reckoning in 2020, and subsequent organizational proclamations of anti-racism, Black Americans remain—rightfully so pessimistic about the possibility of dismantling racism in the US (Cox & Edwards, 2022). Many of the commitments US companies pledged to Black communities in their antiracism efforts have not materialized (Quiroz-Gutierrez, 2021). This research helps us understand why this lack of progress toward these goals is unsurprising—and why dismantling racism will require an understanding of our collective, and potentially willful, belief that organizations and society automatically trend toward racial justice and equity.

Constraints on generality

We took steps to examine beliefs about racial progress among samples that include Black and White workers, to determine if worker racial identity shapes these perceptions, as it has in prior research (e.g., Kraus et al., 2017) or not. We do not find this to be the case (see *Supplemental Materials*). It may be the case that due to the position of Black workers in organizations as often recruited for DEI policy implementation that they are more aware of the few successes that have been made. It is also possible that Black people are simply more aware of Black leaders due to the relative salience of ingroup members or the presence of Black people in their social networks. These explanations are certainly worth exploring in future research in order to fully understand the various mechanisms driving overestimations across disparate racial groups. In addition, examining these misperceptions of inequality as it relates to other racially minoritized groups (e.g., Asian-Americans), as well examining these misperceptions more broadly (e.g., among the general population) and more narrowly (e.g., among DEI practitioners). is crucial for a deeper understanding of this phenomenon.

Conclusion

Confronting racial inequality within organizations requires us to acknowledge the woeful reality of racial progress toward organizational equity. Instead, many US workers believe we have already made progress toward organizational diversity that will not likely be achievable for at least several decades to come. Fidelity to the racial progress narrative is not only reflective of a misinformed public, but it is corrosive to future efforts to make progress toward a more equitable, just, and anti-racist workplace. If organizational stakeholders believe racial minorities are already represented in organizational leadership at levels that exceed demographic parity, as our data suggest, why would they be motivated to continue to invest time, effort, or resources into effective DEI policy changes? To make actual progress toward racial equity, organizations, and the people within them, must first confront the reality that this progress is not automatic, guaranteed, or even possible without structural change.

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Online Supplementary Materials

1. Re-Analysis of Kraus et al. (2017)

We re-examined data reported in Kraus, et al. (2017, S1 investigating the economic inequality between Black and White Americans. In this 2017 study, a Qualtrics panel was used to recruit Black and White participants for a 15-minute survey examining their beliefs about society. Survey participants were compensated \$5. The present study analyzed the responses of participants who indicated they worked full time, as these participants are best positioned, based on their occupational roles, to make judgments about Black-White economic inequality as it manifests in the workplace (e.g., income, benefits). With these data, we tested our first two hypotheses that workers will overestimate racial progress toward, and the current state of, racial equity in wages and health benefits—two markers of organizational racial equity.

Method

All studies have been approved by the Institutional Review Board at Yale University. All participants are US residents and they all consented to participate in each study. In Study 1 our reanalysis included approximately half of the original sample (51.5%) from the prior research on estimates of racial inequality (Kraus et al., 2017; S1). The original study assessed estimates of racial economic equality in a sample of White and Black participants from the top (greater than \$100,000 US) and bottom (less than \$40,001 US) of the US income distribution. Participants worked in diverse occupational contexts (e.g., teacher, attorney, healthcare) and approximately 15.7 percent occupied management roles. This left us with a final sample of 229 participants ($M_{age} = 44.64$, $SD_{age} = 13.39$; 128 Male, 101 Female; 125 White Americans, 104 Black Americans; 64 Lower-Income, 165 Higher-Income).

Prior to beginning the survey, participants were provided with definitions for annual family income and wealth. The survey began with participants entering estimates of the wealth distribution in the US in terms of wealth quintiles. Participants then answered questions regarding race-based economic equality in terms of wages for high school educated workers, wages for college educated workers, and health benefits, at one time in the past and again at a time closer to the present (i.e., 2015)³. For instance, participants responded to, "If a White member of the workforce with a high school degree made \$100, how much would a Black member of the workforce with a high school degree make performing the same work in 1973/2015? (100 would mean equality)", "If a White member of the workforce with a four-year college degree made \$100, how much would a Black member of the workforce with a four-year college degree make performing the same work in 1973/2015? (100 would mean equality)", and "If 100 average White families had employer provided health insurance, how many average Black families had those same benefits in 1979/2010? (100 would mean equality)". These items were embedded within a larger battery that included questions less relevant to present investigation (but see again Kraus et al., 2017). Participants made their estimates on a scale from 0-200: zero indicates that White families and individuals have all of the economic resource and Black families and individuals have none, 200 indicates that Black families and individuals have double economic resource than White families and individuals, and 100 indicates that Black and White individuals/families have the same amount of the economic resource (i.e., racial equity).

³ Date ranges for the questions were chosen based on the earliest and latest CPS data available for each metric of racial economic inequality at the time when the studies were fielded.

The estimate from the Current Population Survey (CPS) of Black-White equality on each economic indicator for the corresponding year (past and present) were used as the "accuracy" benchmark. Participants' estimates of each indicator at each timepoint were compared to these benchmark data in order to create accuracy scores. Positive numbers reflect over-estimates of racial equality on the indicator and negative numbers reflect under-estimates. In addition, we calculated an index of how much progress toward racial equity participants thought had been made on each indicator by subtracting their past estimate from their present estimate. The accuracy of these progress scores was also calculated by comparing them to the progress achieved according to the CPS data. Since estimates of past, present, and progress toward equality on each economic marker (i.e., high-school wages, college wages, benefits) were highly correlated, we averaged participant' estimates of each marker to create composite scores of past racial equality ($\alpha = .94$), current racial equality ($\alpha = .92$), and progress toward racial equity over time ($\alpha = .84$), although we report all results disaggregated as well as in aggregate. Lastly, participants then completed a few demographic questions regarding their education level, gender, age, political ideology as well as completed the belief in a just world scale (Lipkus, 1991).

Results

Consistent with our first hypothesis, compared with the federal benchmark data (i.e., the CPS), workers overestimated the amount of progress has been made toward organizational racial equity, t(228) = 17.01, p < .001, d = 1.12. Consistent with the results from the full sample of working and nonworking participants reported in Kraus and colleagues (2017), full-time employees overestimated progress toward racial equity in wages of people with high school degrees (t(228) = 15, p < .001, d = 0.99), wages of people with college degrees (t(228) = 14.83, p < .001, d = 0.98), and the equitable allocation of employer-provided health benefits (t(228) = 14.71, p < .001, d = 0.97). Whereas the gap between Black-White individuals on each of these markers of economic well-being actually became some less equitable between the past and present time points considered here, participants estimated that racial equity on each had improved (high-school wages: \$25.03; college wages: \$22.75; benefits: 24.75).

In addition to these predictions regarding estimates of progress, we also expected participants to overestimate the current degree of racial equality in pay and benefits; this is exactly what we found. Our sample of Black and White workers significantly overestimated current racial equality on the composite economic equality measure (t(228) = 4.44, p < .001, d = 0.29), as well as on the individual measures of racial equality in high school wages (t(228) = 5.33, p < .001, d = 0.35) and college wages (t(228) = 5.20, p < .001, d = 0.34), but the average over-estimate of racial equality in the current allocation of employer-provided health benefits did not reach conventional levels of statistical significance (t(228) = 1.87, p = .063, d = 0.12).

Similar to the pattern reported in Kraus and colleagues (2017, S1), participants underestimated racial equality on these economic markers in the past (t(228) = -6.92, p < .001, d = -0.46). In other words, participants envisioned economic disparities between Black and White Americans in the past as larger than they actually were (Kraus, Hudson, & Richeson, 2021; Onyeador, Daumeyer, Rucker, Duker, Kraus, & Richeson, 2021).

Variable	М	SD	1	2	3	4	5	6	7	8	9	10	11
1. Income	0.44	0.90											
2. Education	2.17	0.90	.48*										
3. Gender	1.44	0.75	33*	30*									
4. Race	0.09	1.00	.08	.11	21*								
5. Conservativism	4.48	1.84	.08 .14*	.09	21*	.19*							
6. Diverse		1.04											
network	2.21	0.73	.01	.01	.19*	43*	11						
7. Past HS Wage	-14.15	42.27	.12	03	12	.21*	.27*	15*					
Inaccuracy													
8. Current HS	15.44	43.84	.13*	.03	16*	.20*	.27*	18*	.76*				
Wage Inaccuracy													
4. Past College	-14.84	38.47	.12	.02	09	.17*	.29*	13*	.85*	.61*			
Wage Inaccuracy													
9. Current College	13.46	39.21	.08	.03	14*	.18*	.30*	19*	.71*	.81*	.72*		
Wage Inaccuracy	15.10	57.21	.00	.05		.10	.50	.17	• / 1	.01	.,2		
10. Past Benefit	-23.67	41.08	.16*	.02	08	.16*	.25*	15*	.82*	.62*	.85*	.66*	
Inaccuracy	25.07	H1.00	.10	.02	.00	.10	.23	.15	.02	.02	.05	.00	
11. Current													
Benefit	5.19	42.10	.09	.00	10	.19*	.22*	21*	.68*	.77*	.64*	.80*	.75*
Inaccuracy													

Table S1. Means, standard deviations, and intercorrelations of demographics and key outcome variables in re-analysis of Kraus et al., (2017)

Note. M and *SD* are used to represent mean and standard deviation, respectively.*p < .05. Race recoded, -1 = Black American, 1 = White American.

Figure S1. Comparison between participants' estimates of progress toward Black–White racial economic equality and actual progress based on economic data calculated using the CPS. Error bars indicate 95% CIs around the mean. Participants overestimated racial progress in college wages, high school (HS) wages, and employer-provided health. Red diamonds represent actuals. All *p*-values are <0.001.



Participants also overestimated past inequality between Black and White Americans in high school wages (t(228) = -5.07, p < .001), college wages (t(228) = -5.84, p < .001), and employer-provided health benefits (t(228) = -8.72, p < .001). By contrast, participants overestimated current racial equality between Black and White Americans in high school wages (t(228) = 5.33, p < .001) and college wages (t(228) = 5.20, p < .001), but not employer-provided health benefits, although this effect was marginal (t(228) = 1.87, p = .063; see Figure S1).

Figure S2. Comparison between participants' estimates of progress toward Black–White racial economic equality and actual progress based on economic data calculated using the CPS. Error bars indicate 95% CIs around the mean. Red diamonds represent actuals.



Since estimates of past, present, and progress toward equality on each economic marker (i.e., high-school wages, college wages, benefits) were highly correlated, we averaged participant' estimates of each marker to create composite scores of past racial equality ($\alpha = .94$), current racial equality ($\alpha = .92$), and progress toward racial equity over time ($\alpha = .84$). As in the prior research, estimates of current racial inequality were marginally predicted by participant's race, $\beta = .12$, p = .065, political orientation, $\beta = .14$, p = .060, and were significantly predicted by belief in a just world, $\beta = .17$, p = .030 (see Table S1).
Table S2

Race.12Gender.02Age09Income.10Education09Conservativism.14Belief in a Just World.17*	.07 .07 .07 .07 .07	$ 1.85 \\ 0.31 \\ -1.43 \\ 1.40 \\ -1.24 $.065 .757 .156 .162
Age09Income.10Education09Conservativism.14	.07 .07	-1.43 1.40	.156 .162
Income.10Education09Conservativism.14	.07	1.40	.162
Education09Conservativism.14		-	
Conservativism .14	.07	1.24	
		-1.24	.216
Belief in a Just World .17*	.07	1.89	.060
	.08	2.18	030
Model <i>F</i> 5.50*			
<i>R</i> ² .12			

Regression Analyses Predicting Overestimates of Current Racial Equality a Function of Participant Race, Gender, Age, Social Class, Conservativism, and Belief in a Just World (Study 1)

2. Supplemental Results Study 1 (Service Worker, Compensation/Benefits Analysis, Comparison of Policies)

Consistent with our first hypothesis, respondents overestimated progress toward equality between Black and White workers on pay and health benefits, t(601) = 27.43, p < .001, by 25.07 points overall, and specifically, in terms of high school wages (t(601) = 22.90, p < .001) by 26.42 points, college wages (t(601) = 21.77, p < .001) by 23.65 points, and employer-provided health benefits (t(601) = 22.21, p < .001) by 25.14 points

In addition, participants also overestimated the representation of Black employees in service roles in private industry in the past (t(601) = 6.77, p < .001) and present (t(601) = 3.45, p < .001), as well as service roles in elementary schools in the past (t(601) = 17.15, p < .001) and present (t(601) = 20.25, p < .001).

Since estimates of past inequality ($\alpha = .85$), current inequality ($\alpha = .83$), and progress ($\alpha = .74$) showed high internal consistency across metrics we calculated composite estimates for each point in time and estimates of progress. As in the prior research and Study 1, estimates of current racial inequality were predicted by participant's political orientation, $\beta = .35$, p < .001, (see Table 2). That race was not a significant predictor of current inequality estimates as in previous research and in Study 1 is suggestive of the aforementioned prevalent nature of meritocracy in modern organizations.

Finally, as a preliminary test of our predictions in Studies 2 and 3, we used a paired sample *t*-test to examine differences in participants' perceptions of empirically effective⁴ versus empirically ineffective policies. Participants did not perceive any differences in effectiveness of policies that are characterized as more (versus less) effective according to past empirical work, t = -0.40, p = .687.

⁴ Empirically effective policies were categorized based on past empirical work (Kalev et al., 2006) and included: Targeted recruitment of underrepresented minorities through pipeline programs, Preferential hiring and promotion of racial minorities, and Mentorship program for racial minorities in the workplace. Empirically ineffective policies were: Diversity and inclusion task force, Listening sessions with underrepresented racial minorities, Zero-tolerance discrimination policy, Affinity groups for racial minorities in the workplace, Mandatory diversity training for executive leadership, Monthly communication about diversity goals and data, Monthly diversity and inclusion trainings, Annual mandatory microaggressions training, and Annual mandatory unconscious bias training.

3. Study 2 Supplementary Results

When comparing estimates of Black versus White manager representation (e.g., the composite estimate), to benchmarks based on the EEOC data, we find that participants overestimated overall DEI progress between 2012 and 2018, (t(433) = 13.64, p < .001, d = 0.66) by 7.64 points. Specifically, respondents estimated significant positive progress toward male manager representation (t(433) = 13.85, p < .001, d = 0.67) by 8.54 points and female manager representation, (t(433) = 10.20, p < .001, d = 0.49) by 6.75 points; both estimates were greater than the actual progress estimated from the EEOC data. For example, whereas the share of Black to White male managers increased by 1.16 points between 2012 and 2018, full-time employees estimated it increased by 9.70 points.

Also consistent with our second hypothesis, participants tended to overestimate racial equality in the present at all time points and across domains: Participants overestimated current Black manager representation (t(433) = 28.14, p < .001, d = 1.35) by 37.60 points. Specifically, participants overestimated Black male manager representation (t(433) = 31.38, p < .001, d = 1.51) by 41.67 points as well as Black female manager representation (t(433) = 23.77, p < .001, d = 1.14) by 33.54 points (see Figure 3). Interestingly, and consistent with Study 1, participants also overestimated past leadership diversity for Black managers generally (t(433) = 22.83, p < .001, d = 1.22) by 33.12 points, as well as Black female managers (t(433) = 25.32, p < .001, d = 1.22) by 33.12 points, and Black female managers (t(433) = 19.47, p < .001, d = 0.93) by 26.80 points. Notably, and also aligning with Study 1, 2018 estimates had already surpassed population share estimates based on the Census (male managers: t(433) = 24.82, p < .001, d = 1.19, by 32.94 points; female managers: t(433) = 20.25, p < .001, d = 0.97, by 28.59 points).

Predictions of future progress. We also found support for our hypothesis regarding outsized predictions of future leadership diversity, measured in terms of participant predictions of Black versus White management representation in 2025. Collapsing across the experimental conditions, participants predicted that there would be significant progress in leadership diversity by 2025, compared to their 2018 estimates for male managers (t(433) = 8.91, p < .001, d = .43)and female managers (t(433) = 3.17, p = .002), d = .15). Importantly, these predictions for the future had steeper trajectories than those anticipated by EEOC data trends [in male manager representation (t(433) = 16.27, p < .001) and female manager representation (t(433) = 9.03, p < .001) .001)] and were of greater magnitude compared to these trends in EEOC data [male managers: t(433) = 38.67, p < .001, d = 1.86, by 47.49 points; female managers: t(433) = 28.10, p < .001, d= 1.35, by 34.49 points]. As well, the 2025 future predictions also bypassed population share estimates of Black and White people via the Census (male managers: t(433) = 32.59, p < .001, d = 1.56, by 40.02 points; female managers: t(433) = 25.56, p < .001, d = 1.23, by 31.38 points). Overall, participants predicted that progress would occur at a significantly faster rate than it likely will and would reach greater magnitudes than is probable based on EEOC and Census data trends.

In addition, interestingly, participants' perceptions of the rate of progress from the present to the future are significantly greater than their perceptions of the rate of progress from 2012 to 2018 (CEOs: t = 6.36, p < .001; Male Managers: t = 8.75, p < .001; Female Managers: t = 7.99, p < .001). This means that participants perceptions of progress are not only inaccurate, they are accelerating as they increase into the future, despite the slow trajectory of progress (or lack of progress) demonstrated by the public data.

As in the prior research and Study 1, estimates of current racial inequality (a composite of current Black male manager and Black female managers inequality; r = .90) were predicted by participant's political orientation, $\beta = .54$, p < .001 as well as educational attainment, $\beta = .09$, p = .035.

Table S3

Regression Analyses Predicting Current Racial Inequality a Function of Participant Race, Gender, Age, Social Class, Conservativism (Study 2)

Variables	β	SE	t	р
Race	01	.04	312	.755
Gender	.02	.04	0.72	.474
Age	07	.04	-1.80	.073
Income	.05	.04	1.29	.199
Education	.04	.04	0.90	.370
Conservativism	.35*	.04	8.72	<.001
Model F	16.06*			
R^2	.13			
<i>Note.</i> Race and gender are recoded as dummy variables $(-1 = B)$	lack, $1 = Wh$	ite; -1	= Female	e, 1 =
Male). * <i>p</i> <.05.				

4. Study 3 Supplementary Results

Overestimates of progress. Results of Study 3 were again broadly consistent with our predictions: When comparing estimates of racial equality to the EEOC data, we found that fulltime employees overestimated overall DEI progress between 2012 and 2018, $(t(739) = 23.24, p < 10^{-10})$.001, d = 0.85) by 8.01 points. Specifically, respondents estimated significant positive progress toward male manager representation (t(739) = 23.29, p < .001, d = 0.86) by 9.20 points and female manager representation (t(739) = 18.37, p < .001, d = 0.68) by 6.81 points that was greater than the progress made based on estimates from the EEOC. For example, whereas the share of Black to White male managers increased by 1.16 points between 2012 and 2018, fulltime employees estimated it increased by 10.36 points. In addition, participants overestimated Black relative to White manager representation in the past (t(739) = 16.80, p < .001, d = 0.62) by 9.07 points and present (t(739) = 25.24, p < .001, d = 0.93) by 17.08 points. Specifically, American workers overestimated Black male manager representation in the past (t(739) = 23.52, p < .001, d = 0.87) by 13.33 points and present (t(739) = 31.91, p < .001, d = 1.17) by 22.54 points as well as Black female manager representation in the past (t(739) = 8.24, p < .001, d =0.30) by 4.80 points and present (t(739) = 16.25, p < .001, d = 0.60; see Figure 4) by 11.61 points. Notably, and consistent with the prior studies, 2018 estimates of Black managers had already surpassed Census proportions of Black versus White populations (Male managers: t(739)= 19.58, p < .001, d = 0.72, by 13.83 points; Female managers: t(739) = 9.31, p < .001, d = 0.34, by 6.65 points).

Predictions of future progress. We also found support for our hypothesis regarding predictions of future leadership diversity, measured in terms of Black versus White management representation. Collapsing across experimental conditions, participants predicted significant progress in leadership diversity relative to their 2018 estimates for male managers (t(739) = 19.40, p < .001, d = 0.71) and female managers (t(739) = 18.38, p < .001, d = 0.68). Importantly, these future predictions were on steeper progress trajectories than those indexed by EEOC data in male manager representation (t(739) = 27.11, p < .001) and female manager representation (t(739) = 22.97, p < .001) and of greater magnitude than projections of manager diversity in the future based on current EEOC data trends (male managers: t(739) = 37.36, p < .001, d = 1.37, by 33.88 points; female managers: t(739) = 24.52, p < .001, d = 0.90, by 22.21 points;). As well, the 2025 future predictions also bypassed parity based on proportions of Black and White populations via the Census (male managers: t(739) = 29.13, p < .001, d = 1.07, by 26.41 points; female managers: t(739) = 37.26, p < .001, d = 0.78, by 19.09 points).

As in the prior research and Studies 1-2, estimates of current racial inequality (a composite of current Black male manager and Black female managers inequality; r = .81) were predicted by participant's political orientation, $\beta = .31$, p < .001 as well as age, $\beta = -.11$, p = .003.

Exploratory analysis: perceptions of inclusion. Finally, though changes in leadership diversity matter for organizational DEI goals, changes in organizational climate that make firms more inclusive of a greater diversity of people is also a stated goal of DEI policies. Thus, we turn toward our exploratory measure of predictions of future inclusion. Regressing estimates of inclusion on condition with all conditions compared against our control where policy continues, future progress predictions and controlling for race, gender, age, income, education, and conservativism we find that predictions of future progress significantly, in turn, predict estimates of future inclusion above and beyond these covariates, $\beta = .43$, p < .001, whereas condition is not

a significant predictor of future inclusion (see Table 2). This analysis suggests, potentially, that full-time employees' perceptions of inclusion are driven by an overall perception of the natural unfolding of progress and not any individual policy designed to improve organizational DEI efforts. This is a topic worthy of future inquiry. Aside from representation estimates, greater conservatism was associated with estimates of higher inclusion.

Table S4

Regression Analyses Predicting Judgments of the Future Inclusion as a Function of Condition, Participant's Future Organizational Equality Estimates, Race, Gender, Age, Income, Education, and Conservativism (Study 3)

Variables	β	SE	t	р
Condition: Racial Bias Training	.11	.09	1.15	.252
Condition: Targeted Recruitment	.15	.09	1.58	.113
Condition: Statements	.11	.09	1.19	.235
Future Organizational Representation Estimates	.44*	.03	13.03	<.001
Race	.04	.03	1.04	.298
Gender	.05	.03	1.47	.141
Age	03	.03	-0.81	.419
Income	.06	.04	1.58	.115
Education	.00	.04	0.02	.984
Conservativism	.13*	.03	3.77	<.001
Model F	23.02*			
R^2	.23			

Note. Race and gender are recoded as dummy variables (-1 = Black, 1 = White; -1 = Female, 1 = Male). **p*<.05.

5. Study 2 Descriptive Statistics, Intercorrelations, and Additional Items

Study 1

Respectability Politics Scale (Jefferson, 2019)

1 = not at all important; 7 = extremely important

- 1. How important is it that Black people behave responsibly in public?
- 2. How important is it that Black people carry themselves in ways that others will respect?
- 3. How important is it that Black people behave in ways that contribute to a positive image of the group?
- 4. If Black people want to convince White people that they deserve equality, how important is it that members of the group behave better?
- 5. How likely is it that Black people would be treated better by society if members of their racial group behaved better? (1 = not at all likely, 7 = extremely likely)

Table S5. Means, standard deviations, and intercorrelations of demographics and key outcome variables.

Variable	М	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
1. Age	33.67	10.60																							
2. Income	3.83	1.53	06																						
3. Education	2.10	0.67	.07	.25*																					
4. Conservativism	3.42	1.91	.07	.12*	.19*																				
5. Race (Recoded)	0.51	0.50	.14*	.17*	01	11*																			
6. RPS	5.12	1.49	.12*	.01	.06	.48*	13*																		
HS wage past inaccuracy	-32.41	28.67	13*	12*	06	18*	15*	08*																	
HS wage current inaccuracy	-58.83	29.80	.00	07	.01	18*	13*	18*	.53*																
College wage past inaccuracy	-37.67	29.34	12*	14*	05	12*	18*	.00	.73*	.46*															
10. College wage current inaccuracy	-61.32	27.38	01	08	.02	12*	18*	11*	.43*	.65*	.56*														
 Benefits past inaccuracy 	-26.42	31.40	12*	11*	08*		06	12*	.64*	.36*	.57*	.33*													
12. Benefits current inaccuracy	-51.56	32.77	02	11*	01	27*	09*	21*	.39*	.55*	.35*	.45*	.63*												
CEO past inaccuracy	9.62	20.00	.01	.15*	.14*	.39*	03	.31*	40*	37*	32*	31*	46*	43*											
14. CEO current inaccuracy	15.30	23.26	04	.15*	.11*	.39*	02	.34*		37*		34*	31*	43*	.86*										
Male managers past inaccuracy	20.39	21.37	.02	.09*	.05	.31*	.07					30*	37*	40*	.65*	.63*									
Male managers current inaccuracy	27.53	23.07	.00	.09*	.05	.31*	.06		27*	35*		28*	26*	40*	.60*	.69*	.89*								
17. Female managers past inaccuracy	9.46	20.11	02	.12*	.09*	.37*	05		41*	36*	28*	28*	42*	43*	.70*	.66*	.68*	.67*							
18. Female managers current inaccuracy	14.46	22.84	05	.10*	.09*	.35*	05	.28*	24*	34*	14*	28*	28*	40*	.65*	.73*	.67*	.72*	.86*						
19. Principals past inaccuracy	11.48	23.43	.01	.10*	.10*	.19*	.04	.19*	33*	34*	24*	33*	34*	35*	.51*	.51*	.58*	.56*	.56*	.51*					
20. Principals current inaccuracy	20.77	25.70	04	.09*	.10*	.20*	00	.23*	20*			30*	22*	33*	.49*	.59*	.54*	.60*	.52*	.56*	.88*				
21. Service private past inaccuracy	8.16	29.63	.09*	.03	04	14*	.13*	09*	13*	10*	14*	15*	08	12*	.04	.02	.23*	.19*	.10*	.07	.26*	.23*			
22. Service private current accuracy	3.79	27.01	.04	.08	.01	08*	.10*	03	09*		11*	20*	06	18*	.10*	.14*	.28*	.29*	.15*	.17*	.32*	.34*	.89*		
23. Service elementary past inaccuracy	20.83	29.80	.11*	.01	06	13*	.08	07	11*	12*	15*	14*	04	12*	.05	.07	.20*	.19*	.11*	.10*	.28*	.27*	.68*	.63*	
24. Service elementary current inaccuracy	23.15	28.02	.07	.06	01	10*	.04	04	06	16*	08	18*	00	14*	.08	.15*	.20*	.24*	.15*	.19*	.34*	.36*	.62*	.67*	.89*

Note. M and *SD* are used to represent mean and standard deviation, respectively. *p < .05. Race recoded, 0 = Black American, 1 = White American. RPS = Respectability Politics Scale, HS = High-school.

Study 2

Table S6. Means, standard deviations, and correlations with confidence intervals

Variable	M	SD	1	2	3	4	5	6	7	8	9	10
1. Age	35.59	10.33										
2. Education	2.10	0.66	09									
3. Income	3.42	1.34	05	.32**								
4. Race	1.56	1.06	02	04	.01							
5. Conservativism	4.59	1.87	01	.22**	.03	08						
6. Black Male Manager Past Estimate	40.15	27.25	07	.28**	.08	08	.57**					
7. Black Male Manager Current Estimate	49.84	27.66	08	.24**	.08	07	.56**	.89**				
8. Black Female Manager Past Estimate	38.26	28.68	07	.29**	.06	08	.57**	.91**	.85**			
9. Black Female Manager Current Estimate	46.66	29.40	06	.23**	.07	07	.57**	.85**	.90**	.89**		
10. Black Female Manager Future Estimate	49.55	25.57	02	.20**	.04	06	.46**	.77**	.75**	.79**	.77**	
11. Black Male Manager Future Estimate	57.03	25.58	05	.21**	.04	06	.47**	.76**	.80**	.74**	.79**	.87**

Note. M and *SD* are used to represent mean and standard deviation, respectively. Race recoded, 0 = Black American, 1 = White American. * indicates p < .05. ** indicates p < .01.

Study 3

After providing their estimates, participants answered two open-ended questions related to their opinions regarding diversity and inclusion in organizations (e.g., "What is the most important thing organizations can do to improve diversity, equity, and inclusion?") that were related to a separate research project.

System Justification Scale

1 = strongly disagree; 7 = strongly agree

- 1. In general, you find society to be fair
- 2. In general, the American system operates as it should
- 3. American society needs to be radically restructured (reverse-coded)
- 4. The United States is the best country in the world to live in

- 5. Most policies serve the greater good
- 6. Everyone has a fair shot at wealth and happiness
- 7. Our society is getting worse every year (reverse-coded)
- 8. Society is set up so that people usually get what they deserve

Table S7. Means, standard deviations, and correlations with confidence intervals

Variable	М	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Age	33.60	10.37														
2. Education	2.00	0.72	.13**													
3. Income	3.68	1.47	04	.28**												
4. Race	0.51	0.50	.14**	.07	.24**											
5. Conservativism	3.07	1.81	.11**	.10**	.01	02										
6. RPS	4.68	1.61	.13**	.07*	03	15**	.45**									
7. System Justification	3.12	1.26	.13**	.09*	.09*	.08*	.53**	.40**								
8. Diverse network	2.37	0.64	14**	.04	05	53**	.07	.08*	02							
9. Black Male Manager Past Estimate	20.36	15.42	04	.00	03	.03	.21**	.23**	.28**	.05						
10. Black Male Manager Current Estimate	30.73	19.22	10**	05	01	.03	.27**	.25**	.27**	.03	.83**					
11. Black Female Manager Past Estimate	16.26	15.85	03	.01	06	02	.25**	.24**	.26**	.08*	.76**	.68**				
12. Black Female Manager Current Estimate	24.73	19.44	06	01	04	02	.29**	.26**	.27**	.05	.73**	.81**	.86**			
13. Black Female Manager Future Estimate	37.26	24.63	05	08*	05	.03	.19**	.17**	.14**	.03	.53**	.64**	.55**	.67**		
14. Black Male Manager Future Estimate	43.42	24.67	09*	07*	02	.04	.17**	.17**	.15**	.01	.55**	.70**	.48**	.61**	.92**	
15. Inclusive	4.61	1.28	04	01	.05	.06	.21**	.22**	.31**	02	.31**	.37**	.28**	.35**	.46**	.45**

Note. M and *SD* are used to represent mean and standard deviation, respectively. Race recoded, 0 = Black American, 1 = White American. RPS = Respectability Politics Scale, HS = High-school. * indicates p < .05. ** indicates p < .01.

6. Two potential pathways to racial progress misperceptions.

It is pertinent in this work to understand the psychology that drives organizational racial progress misperceptions. The two strongest predictors of racial inequality perceptions in Study 1 and Study 2 are conservatism ($\beta = .21, p < .001$; see Table 2 and 3) and system justification ($\beta = .18, p < .001$; see Table 3). That we find conservatism strongly predicts misperceptions (i.e., overestimations) aligns with recent work documenting a partian divide in status threat responses to shifting racial demographics in the US (Brown, Rucker, & Richeson, 2022). It is possible that conservatives similarly feel threatened by the increased status of Black people in leadership roles in organizations and thus, anticipate that their presence is much larger than it actually is.

A similar, but distinct, process may occur amongst high system-justifiers. Given that system justification involves a motivated defense of the status quo, it stands to reason that high system justification beliefs would be associated with belief in the success of organizational systems and policies—a belief in success that would translate DEI policy adoption into subsequent overestimates of Black representation in management (see Kraus et al., 2017). Fleshing out both of these potential psychological drivers of misperception—as well as understanding the various remediation strategies that target these processes—will be important in future work.

Table 2

Variables	β	SE	t	р
Race	01	.04	312	.755
Gender	.02	.04	0.72	.474
Age	07	.04	-1.80	.073
Income	.05	.04	1.29	.199
Education	.04	.04	0.90	.370
Conservatism	.35*	.04	8.72	<.001
Model F	16.06*			
R^2	.13			

Regression Analyses Predicting Current Racial Inequality as a Function of Participant Race, Gender, Age, Social Class, Conservatism (Study 1)

Table 3

Variables	β	SE	t	р
Race	.03	.04	428	.669
Gender	03	.04	833	.405
Age	12*	.04	-3.45	<.001
Income	04	.04	-1.07	.284
Education	06	.04	-1.61	.108
Conservatism	.21*	.04	5.13	<.001
System Justification	.18*	.04	4.36	<.001
Model F	14.33			
R^2	.12			

Regression Analyses Predicting Current Racial Inequality as a Function of Participant Race, Gender, Age, Social Class, Conservatism, and System Justification (Study 2)

7. Practical Implications

Practical Implications

We also find evidence that these misperceptions could have important implications for the DEI policies that organizational stakeholders believe will be effective in engendering future progress. In Study 1, we find that overestimates of organizational progress are associated with support for ineffective and superficial DEI policies and in Studies 2 and 3, we find that US workers believe that DEI policies, with varying levels of demonstrated empirical effectiveness in other work, will all significantly increase progress from where it is currently and where it is projected to be based on current data trends. In Study 3, in particular, we find that these workers make the same progress predictions when considering ineffective policies (e.g., racial bias training), superficial policies (e.g., organizational statements), no policy change at all, or policies that are empirically effective (e.g., targeted recruitment). This pattern reveals the pervasiveness of the racial progress narrative in shaping US workers' understanding of the potential effectiveness of DEI policies, even those that are relatively ineffective.

It is crucial to consider the potential consequences of both these patterns of overestimation and predictions of future progress. As previously mentioned, people in the US spend a large portion of their lives at work. Underrepresented racial minorities' feelings of success and inclusion are shaped fundamentally by their experiences in the workplace. That US organizations continue to make little progress toward improving the representation of racial minorities in leadership and that its constituents are so committed to being unaware of this lack of progress has tangible implications for the lives of racial minorities. Misperceptions of current progress and unrealistic predictions of future diversity gains are not only likely to minimize investment in effective DEI policies, but they may also create a false narrative of racial minority overrepresentation that undermines the hiring and promotion of minorities in the workplace (Chang et al., 2019), and a feeling of threat or resentment among White employees who believe racial minorities are more represented in leadership than they actually are (Bai & Federico, 2021).

To overcome these misperceptions, organizational stakeholders must confront the reality of DEI progress in their own organizations. Most organizations have begun the process of carefully tracking data related to the representation of racial minorities in their organizations. A careful review of the persistent failure to create DEI progress, and the policies that beget this failure, will help firms recalibrate to all the processes and changes that have been tried (and failed) over the history of the organization and its leadership. Confronting these real, and predictable, trends in organizational failure is necessary to develop a DEI strategy that will be effective. In addition, organizations must confront the myth that current policies and practices are meritocratic. That we find a considerable overestimation of racial equity in the representation of organizational leadership in the past, present, and future predictions compared to both actual and projected data reveals a deep commitment to the racial progress martive in organizations, especially given how observable and public these characteristics are—particularly the number of Black CEOs in the *Fortune* 500. Disrupting narratives of racial progress may then involve disrupting this pervasive myth of meritocracy and confronting the real, structural barriers that continue to inhibit organizations from actually becoming more diverse over time.

A common problem in the context of understanding racial inequality is the expectation that individual levels of the application of effort, skill, and talent will be sufficient to overcome deeply rooted institutional structural barriers to DEI. In our work, we find that US workers believe an individual-level policy around racial bias (e.g., training) will be as effective in improving DEI as a structural shift in hiring practices (e.g., targeted recruitment). These results reflect a general societal understanding of racial inequality, which prioritizes individual agency over structural policy as the primary driver of that inequality (Rucker et al., 2019). Achievement of actual racial progress means acknowledging that organizational policies, even policies that have resulted in both monetary successes and legal protection for the organization, have been unsuccessful, and that radical, more equitable, structural interventions are necessary to transform the organization's norms and practices.