# “Can upper management drive the ethnic diversification of the managerial hierarchy? A perspective examined through the lens of American sport organizations”


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# Can upper management drive the ethnic diversification of the managerial hierarchy? A perspective examined through the lens of American sport organizations


## Abstract

This study examined the lack of ethnic diversity in the management hierarchy and offered perspectives on this problem through considering underpins of strategic management and change theories. A questionnaire was developed to collect data on perception of top management vision, top management support and supportive practices in sport organizations and sent to 500 collegiate and professional sport organizations in the United States. One hundred and ninety-six respondents (39%) returned their completed survey forms, of which one hundred and ninety-four forms were useable. The results indicated a significant path between supportive practices and the ethnic minority managers ($\beta = 67$, $p < .05$). Additionally, support-vision significantly interacted to influence supportive practices ($\beta = 27$, $p < .05$). In conclusion, top management vision moderated the effect of top management support on supportive practices while mediating the effect of supporting practices.


**Keywords:** ethnicity, leadership outlook, upper management climate, strategic tactics, organizational change and strategic management.
**JEL Classification:** L20.

## Introduction

**Research aim.** Globalization has evolved into an effective and salient organizational strategy during the twenty-first century. Contrary to this strategic focus, the lack of ethnic diversification within the management ranks is a significant problem that could jeopardize this strategy's long-term growth potential.

While some improvement has been achieved, statistics indicate the entrance into managerial positions for the ethnic minorities can still be a challenging goal to achieve as revealed by current employment statistics. For instance, Sum and Khatiwada (2010) stated that the underemployment rates for Hispanics and for Blacks are 12% and 7.5% respectively in the US labor market. Additionally, Dobson (2010) found that the rate of Canadian employment representation of aboriginal people increased from 1.3 per cent to 2.5 per cent; although this modest gain was skewed toward entry-level jobs, not in more senior positions or management. Similar travails were encountered by ethnic minorities in the British workforce. A report in *Equal Opportunities Review* indicated that the low employment rate of ethnic groups is costing the British $8.6 billion in lost economic output because of a lack of ethnic diversity (Ethnic minority employment gap costs economy £8.6 billion, 2007). Additional analysis revealed that ethnic minorities are encouraged within Great Britain to pursue public sector employment to alleviate employment discrimination and inequities in remuneration (Research on ethnic minority employment, 2007). Moreover, DeMaria (2009) suggested that organizational leadership must strategically prioritize diversity initiatives. Consequently, the research aim of this study is to determine whether the internal strategic actions of top management can ameliorate the lack of ethically diversity within the managerial hierarchy.

**The initial assumptions of the paper.** We assume that if and when top management decides ethnic diversity will be a corporate matter and a strategic issue, it will be a component of the strategic management process. Further, we believe that previous findings (e.g. Young and Jordan, 2008; Ronald and Shaw, 2008) showing that top management support is a critical factor in the success of an organizational initiative have relevance to ethnic diversity actions. In addition, we are making an assumption that top management support shapes strategic actions for ethnic diversification. We also assume that top managers need a vision to garner the commitment of subordinates (Ronald and Shaw, 2008) to aver reasoning for ethnic diversification. Finally, it is our supposition that an amalgamation of change and strategic management theories would generate constructive insight regarding the present lack of ethnic diversification within leadership hierarchy.

**Reasoning for the focus of this study.** As previously underscored, there has been a persistent problem of ethnic diversity in the organizational leadership realm. Given the organizational inefficacies that can result from such limitations, employment diversity is receiving increased attention among managerial theories.

A rich case study of Indian organizations conducted by Cooke and Saini (2010) found that strategically

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managing workforce diversity is a value-adding HR function that enhances organizational performance. In an effort to better understand the role of diversity management on organizational performance, Choi and Rainey (2010) found that policies and practices as well as team processes moderated the linkage between racial diversity and organizational performance in US federal governmental organizations. Further examination of US federal governmental agencies indicated that effective diversity management is related to higher level of job satisfaction among racial minority employees (Soltani, 2010). When examining collegiate sport organizations in the US, Cunningham (2009a) revealed that diversity strategy moderated the linkage between racial diversity and organizational performance.

Despite the heightened focus given to employment diversity, our review of the literature suggests that strategic management and change theories have not been sufficiently focused on the problem of inadequate ethnic diversification within contemporary organizations.

## 1. Previous research

Drejer (2004) emphasized that state-of-the-art theories of strategic management have been poorly related to empirical problems facing the practitioners. In this vein, theorists have to be considerate of the fact that strategic management should be related to changing organizational realities (Styhre, 2002). Despite this contextual proposition, few investigators have taken the strategic management approach when analyzing the lack of diversity in the managerial realm. Instead the focal point of theorists has been oriented toward the structuring of work groups and the factors that influence their development. Edelman (1992) argued that such initiatives are merely symbolic and have no real effect on employment representation since formalized HRM structures are adapted to legitimate existing practice in the organization rather than attempting to change it. However not all scholars accepted the symbolic school of thought. Konrad and Linnehan (1995a) enunciated that the presence of formalized diversity programs increases the status of women and racial minorities in management. This view was supported by other investigators (Leck and Saunders, 1992; Leck, St. Onge and LaLancette, 1995) who have advocated the usefulness of formalized supportive practices for diversifying organizational employment statistics. By the turn of the century, there were growing sentiments that both perspectives had some merit. In the 2000s, researchers started to give more attention to factors that facilitated staff diversification. Wilson (2002) described specific practices for broadening and sustaining inclusion in the US workforce. Bassett-Jones, Brown and Cornelius (2007) found that organizational structures and systems were the key requirement to effective diversity management. Foster (2005) conducted qualitative research to investigate contextual factors that influence diversification within US and British retailers. Her research found a need to develop a "home-grown" approach to diversity management that acknowledges their organizational context if diversification is to be successful.

By the end of the last decade, researchers began to view employment diversity as a strategy. Cunningham (2009a) found that the particular diversity strategy was a moderator to the linkage between the racial diversity orientation and organizational performance in US collegiate athletic organizations. Results of this study showed that there was a significant correlation between a racial diverse orientation and organizational performance when a proactive management strategy was salient. McKay, Avery and Morris (2008) examined mean racial-ethnic differences and sales performance in US retail organizations. The study's findings suggest that both Black-White and Hispanic-White mean differences in sales per hour were significantly smaller in store units perceived to maintain highly pro-diversity work climates. Despite these contributions, the literature clearly illustrates a gap on the presence of strategic management in the managerial aspects of staff diversification. Furthermore, Mahoney and Sanchez (2004) underscored the importance of proposing integrative theoretical framework to better gauge strategic concerns.

Dwyer, Heracleous and Doyle (2003) stressed the importance of linking strategic change management to practice. Change theory posits that senior management support is vital for any transformational initiative to be effectively implemented as a lack of upper management support is seen as one of the prime reasons for the lack of workforce diversity (Byers, 2008). Cunningham (2009b), in observing US collegiate athletic organization, indicated that consideration should be given to how the diversity change intervention will impact the entire organization if it is to gain acceptance and be effecttively diversity integrated. According to Friday and Friday (2003), a planned change approach is needed to effectively manage workplace diversity through a strategic alignment. Through implementing strategic change, French (2005) believed that an organization has a better opportunity to optimally manage workplace diversity.

Despite the accumulated research relating to diversity management, change and strategic management have not been sufficiently integrative to better comprehend the underrepresentative staff of ethnic minorities in leadership positions. Although their relevance to staff inclusion has been documented, we discovered no prior inquiry that amalgamated the two theories in a diversity context.

## 2. Research and epistemological approach

Freeman-Evans (1994) used the definition, "diversity is the management of organizational systems and cultures to ensure that all people are given an opportunity to contribute" (p. 52). Howe-ver, "the process must be managed and built into the culture and value system" recognizing "it will not happen inadvertently by itself" (Freeman-Evans, p. 52). Within the realm of strategic management, top management is primarily deemed as the change agent (Zaccaro and Banks, 2004). The purpose of this study is to examine the role of strategic management and change theories in advancing ethnic diversity within the managerial hierarchy. This observation will be two-fold. First, the potential interaction of upper management outlook and top management climate will be examined through measuring its effect on the development of organizational practices to advance representation of ethnic minority managers. Second, an inspection will delve into the role of organizational practices in mediating the association between top management action and the employment statistics relating to ethnic minorities within managerial ranks.

## 3. Originality of the paper and contribution to knowledge

Talke, Salomo and Rost (2010) indicated that those at the upper level of an organization affect its strategic choice. As such, we offer originality and add to the body of knowledge by examining how strategic management transforms the ethnic diversification within the managerial structure. In summary, the strategic management process comprises vision, goals, strategies, implementation and evaluation. The strategic management model, depicted in Figure 1, is linked to the theoretical framework of this paper.

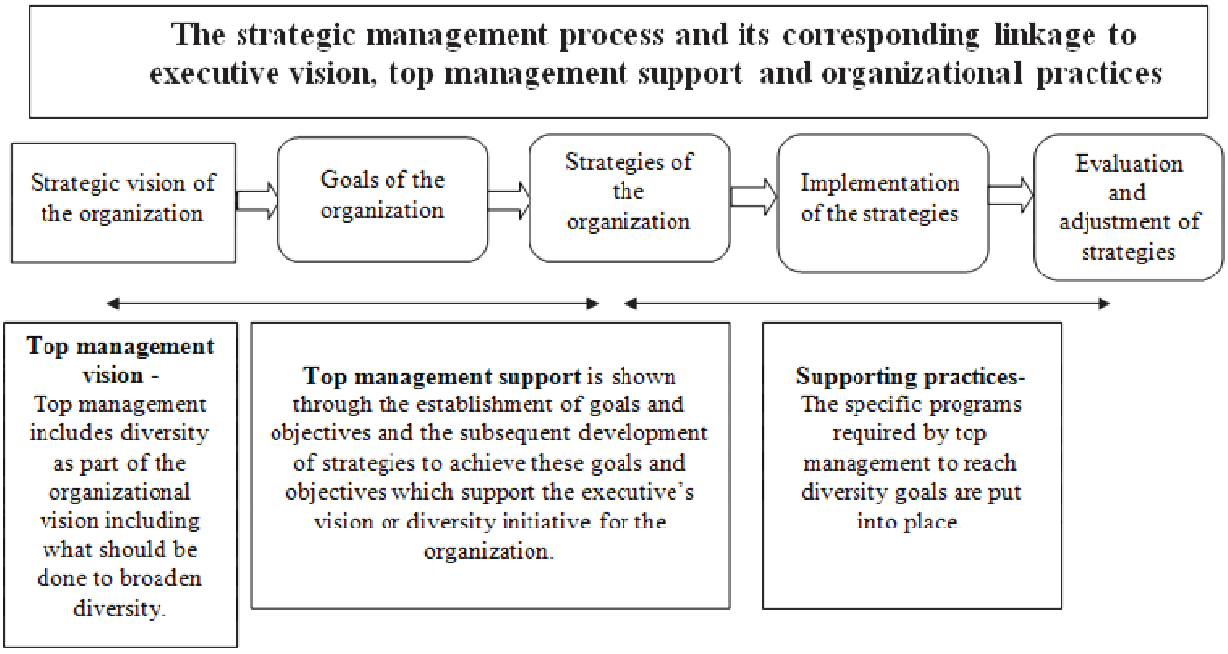



**Fig. 1. Strategic management model as it relates to top management vision, top management support and supporting practices for ethnic diversity**

Additionally, the paper's setting is the American's sport industry which has been identified as lacking ethnic and gender diversity. Hence, examining how the influence of upper management affects ethnic diversification in this sector could add to the knowledge base regarding the managerial role in efforts to broaden inclusion in the workforce. We operationalized ethnic diversity in this study as the inclusion of minorities groups in the work force that represent African, Hispanic, Latino, Mexican, Asian and Native American heritage.

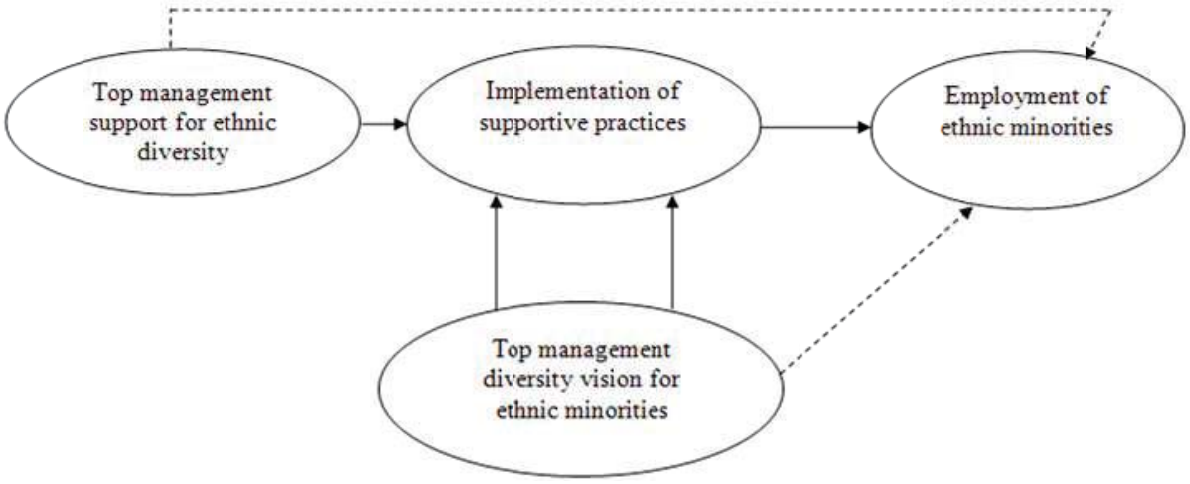
## 4. Theoretical and conceptual framework

Within existing research, change theory has been oriented toward assessing demographic related variables studies rather than investigating the

strategic processes that inject change into the structure of an organization. We specifically are using an integrative theoretical perspective as advocated by Mahoney and Sanchez (2004) to better diagnosis an important strategic concern, ethnic diversity within the leadership hierarchy of contemporary organizations. According to Abell (2006), putting a vision into the organizational fabric must be a priority in the formulation of a future strategic management theory. Similarly, research highlights the integral nature of the organizational leadership in the transformation process via showing the effects of organizational climates on the employment outcomes (Holmes, 2010). Mahoney and Sanchez (2004) emphasized the value of formulating and testing strategic management theory in a pragmatic content. As such, our investigative premise blends change and strategic management theories to analyze ethnicity within the staff function of contemporary organizations.

Our integrative theoretical argument will be tested by modifying a conceptualization applied by Moore, Konrad and Hunt (2010) to assess the representation of employees with disabilities. Figure 2 outlines the development of this conceptualization that shows top management support as the key facilitator of inclusion for ethnic minority employees on the left-hand side of the model. Top management support often is necessary for ethnic diversity to occur (e.g., Cole, Harris and Bernerth, 2006; Zaccaro and Banks, 2004). Consequently, the model posits the effect of top management support for ethnic diversity is mediated by supportive practices adopted by the organizational leadership. Our model further predicts the linkage between top management support and supportive practices through a dotted line that permits for a possibility of a mediation effect where top management support would have a direct influence beyond the effect of supportive practices.

As Moore et al. (2010) initially posited in their investigation of the representation of managers with disabilities, top management vision is directly connected to supportive practice beyond the impact of top management support. Supportive practices, in turn, are associated with the increased representation of ethnic minority employees. The dotted line linking top management vision directly to employment outcomes allows for the possibility of partial mediation, where top management vision has a direct effect on the employment of ethnic minorities beyond the impact of supportive practices. Additionally, vision is hypothesized as moderating the effect of top management support on the implementation of supportive practices. This interactive effect suggests that top management support is more prone to lead to the adoption supportive practices if top management vision is clearly disseminated to the organizational workforce.




Source: Modified from Moore et al. (2010).

**Fig. 2. Predictors of the employment of ethnic minorities**

## 5. Hypotheses

In this section, the postulations presented in Figure 2 will be tested. To broaden the reader's knowledge of the issues under investigation, the subsequent background and hypotheses are described.

Strategic management theory focuses on the organizational practices and resource allocation. One of the salient issues debated in the literature has been whether organizational practices are merely symbolic and thus have no real effect on employment statistics (Edelman, 1992). Some perceive organizations as managerializing the legal processes by adopting practices to circumvent the law and sustain organizational success as the expense of failing to ameliorate climates of discrimination and exclusion (Edelman, Fuller and Mara-Drita, 2001). The literature also suggests that

initiatives to educate and spur feedback are not effective in reducing managerial biases since they are primarily window-dressing propositions (Kalev, Kelly and Dobbin, 2006). From these viewpoints, organizations generally attempt to legitimize the established practice rather than change it.

Conversely, others have advocated that supporting practices augment employment opportunities for underrepresented groups (French, 2001; Holzer and Neumark, 2000; Konrad and Linnehan, 1995a; Leck and Saunders 1992; Leck, St. Onge and LaLancette, 1995; Leck, 2002). From this perspective, practices are viewed as important strategic management initiatives for maintaining congruency with the external environment (Parker, Storey and Witteloostuijn, 2010). As the external environment is transformed, organizational practices are perceived as instruments for mobilizing constituents toward change (Gellatly, Hunter, Currie and Irving, 2009). Practices that facilitate a responsibility structure tend to be most effective in recruiting under representative members (Kalev et al., 2006). In such structures, top management is given an opportunity to take a proactive strategic approach to augmenting employment prospects for those perceived as ethnic minorities. When providing closer scrutiny, top management action has been identified as a variable that can be influenced by environmental pressure and organizational structure (Boyne, James, John and Petrovsky, 2010). As such, we feel that organizational practices will mediate change initiated by top management to increase ethnic minority representation.

*H1: Organizational practices facilitating the inclusion of ethnic minorities will mediate the association between top management actions and employment statistics.*

The premise of strategic management theory involves top management formulating the strategic logic for initiatives leading to effective organizational transformation (Mahoney and Sanchez, 2004). However, research has been inconclusive regarding the successfulness of managers in bringing about organizational change. Some scholars (e.g., Bennis and Nanus, 1985; Boyd, 2008; Kotter, 1996, 2007; Nutt and Backoff, 1997) identified top management support as an important determinant in implementing lasting change within an organization. When change is genuine supportive by those at the upper echelon of an organization, positive attitudes and convictions among subordinates can enhance the probability of successful infusion of the change initiative. However, other theorists (e.g. Drejer, 2004; Mahoney and Sanchez, 2004) suggest that management has not always focused on pragmatic problems to progress significant transformation. Furthermore, current research implies that top management only has had a limited effect on strategic change (cf. Barron, Chulkov and Waddell, 2011).

There has been mixed outcomes as well when examining top managers' involvement in improving the job mobility of traditionally underrepresentative populations. Reskin (2000) suggested contextual factors as the proximate causes of discrimination. These factors help to maintain the status quo, and, in these situations, upper management's proficiency in "constructing homogeneous groups, minimizing the salience of ascribed status dimensions in personnel decisions, replacing subjective data with objective data and making decision makers accountable for their decisions" is perceived by Reskin (2000, p. 323) as being restrictive. Top management policies that set numerical goals are seen as unnecessary and ineffective measures with unintended consequences to employment diversity effort (Verbeek, 2011). Further analysis shows however that top management support is instrumental in the augmentation of employment diversity. While common support can be generated by organizational members at the lower echelons for changing direction (Fuller, Edelman and Matusik, 2000) and for initiating a change in an organization's mindset (Meyerson and Fletcher, 2000), causes for staff inclusion initiated at the bottom are likely either to be departmentalized or to have a unit focus and be dependent on the interest and motivation of particular advocates. Consequently, top management's importance in developing strong workforce diversity programs has been recognized and documented (Moore et al., 2010; Moore, Parkhouse and Konrad, 2001; Ng, Wiesner and Jain, 2005; Rynes and Rosen, 1995). Achieving employment diversity, like any incident of change, must be accurately placed in the mindset of the rank and file if it is to incur sustainability. Fairhurst (2011) emphasized that many initiatives of changes do not succeed because they are not properly framed and thus is presented in unambiguous term. A clearly communicated vision, combined with a supportive leadership legitimizes the cause to the rank and file (Guffey and Neinhaus, 2002; Liedtka, 1998). However, even when upper management is supportive an un clear vision will likely will not be about change (Fairhurst, 2011). Additionally, the planned change will fail when a well communicated outlook is imparted without genuine employee support (Long and Spurlock, 2008). As such, we predict that leaders who receive universal support for ethnic diversity measures and who can project clearer outlook will be better equipped to instill change that leads to broaden employment opportunities for ethnic minorities.

*H2: Top management support of and vision for including ethnic minorities will interact such that higher levels of vision will increase the positive impact of support on the development of organizational practices facilitating inclusion of this demographic.*

## 6. Methodology

**6.1. Design.** A survey design was employed to examine ethnic representation in the organizational employment function. Sport organizations provided the sampling frame because they are perceived as the microcosms of contemporary profit and non-profit establishments. As such, these entities are perceived as appropriate units to investigate the topic of this study.

Item generation for the instrumentation was performed through reviewing articles (e.g., Konrad and Linnehan, 1995a; Konrad and Linnehan, 1995b) on HRM practices and workplace inclusion and initiating discussions with managers. Content validity was assessed by a nine-member expert panel consisting of professors from management education and allied disciplines. These experts recommended the use of a survey instrument (see Appendix) to examine: (1) items relating to top management support, vision and practice relating to the inclusion of ethnic minority; (2) levels of social desirability bias through applying a measure created by Crowne and Marlowe (1964); and (3) organizational characteristics (i.e., administrative staff size).

Twenty organizations (that included athletic departments of Division I NCAA member institutions and professional sports clubs) were asked to participate in pilot testing, and 14 executives completed and returned the pilot test questionnaires. From the results of the expert panel and pilot assessments, the instrument was deemed appropriate for gauging initiatives relating to the employment of ethnic minorities. Cronbach Alpha assessments of the pilot test data indicated alphas of .90 or better for the top management support, vision and practice diversity dimension.

For data collection purposes, a database of US sport organizations (Division I NCAA member institutions, minor league baseball clubs and top-tier professional sports franchises e.g., National Football League, National Basketball Association, and Major League Baseball and National Hockey League clubs) was compiled. Introductory letters requesting participation in the study were mailed to one senior manager (e.g., athletic director, vice president for business operations, associate athletic director) for each of 500 randomly selected sport organizations. Parenthetically, these informants were included in the database since they were responsible for the hiring function and were privy to the hiring goals of their respective organizations. At many NCAA members institutions, the Director of Athletics is a member of the chancellor's or president's executive council thus assisting in formulating the strategic hiring plan. Approximately one week after the introductory mailing, survey materials were sent to selected organizations. This was followed by a reminder mailing three weeks later. One hundred and ninety-six questionnaires were returned with an overall response rate of 39%. However, two forms were discarded because they were incomplete but these deletions did not have an effect on the overall response rate.

**6.2. Analysis.** The analytical phase of this study describes the measures, data reliability and validity and statistical tests. Measures operationally define key variables of this study in subsequent paragraphs. These measures were previously explored by Moore et al. (2010) to assess the representation of persons with disabilities in the managerial hierarchy of US sport organizations.

The variable "top management support" was used to define the degree of upper management support for positioning ethnic minorities into managerial positions. A summated two-item index was used to assess top management support within the participating organizations. Respondents were asked to indicate the status of each of the two items by responding to the questions in the following format. "To what extent is each of the following items utilized by top management to advance inclusion for ethnic minorities in the organization?" Responses were as follows: 1 = never, 2 = seldom, 3 = occasionally, 4 = frequently, 5 = always ($\alpha$ = 0.78). The items were the organization's reputation as an equal opportunity employer is important to top management and top management has provided leadership in providing equal opportunity employment for ethnic minorities. These items were categorized within "top management support" because they assessed the hiring philosophy of upper management as it pertained to ethnic minorities.

Additionally, the measure "top management vision" investigated the degree to which upper management possesses an outlook for increasing the number of ethnic managers. A summated five-item index was used to assess vision within the organizations. Respondents were specifically asked to respond to the questions in the following format. "To what extent do you agree the following should be used to broaden inclusion of ethnic minorities?" Responses were indicated on a five point scale with responses as follows: 1 = strongly disagree, 2 = slightly

disagree, 3 = neither agree nor disagree, 4 = slightly agree, 5 = strongly agree ($\alpha$ = 0.86). The five items addressed are organizational hiring goals are set with respect to ethnic minorities; managerial development training programs are targeted toward ethnic minorities; job descriptions include responsibilities to insure a diverse administrative staff that includes ethnic minorities; network and groups have been established within your organization for ethnic minorities; and job promotion practices are designed to compensate for previous employment inequalities toward ethnic minorities. These items were classified under the vision construct because they assessed what should be practiced to achieve ethnic diversity in the organizational workforce. In other words, they imparted the outlook of top management regarding ethnic diversification.

Also, the level to which the organization adopts actions for the purpose of broadening managerial opportunities for ethnic minorities was covered by the measure "supportive practices". Respondents were asked to assess practice through assessing five items structured in the following format. "To what extent, has each of the following measures adopted to expand the inclusion of ethnic minority managers in the organization?" Respondents provided their replies on the following scale: 1 = never, 2 = seldom, 3 = = occasionally, 4 = frequently, 5 = always ($\alpha$ = 0.79). The examined practices are organizational hiring goals are set with respect to ethnic minorities'; managerial development training programs are targeted toward ethnic minorities; job descriptions include responsibilities to insure a diverse administrative staff that includes ethnic minorities; network and groups have been established within your organization for ethnic minorities and job promotion practices are designed to compensate for previous employment inequalities toward ethnic minorities. These items measured the extent to which practices has been adopted to maximize inclusion of ethnic minorities in the organizational workforce. A list of the items comprising each construct is shown in the Appendix. A variable was also created to examine the effect of the interactive measure between top management vision and top management support. This measure was created by applying the deviation score approach outlined by Kline and Dunn (2000) for application with path models. A top management support deviation score was first computed by subtracting each observation from the mean for "support variable". Subsequently, the deviation score was calculated for top management vision by subtracting each observation from its mean. The cross-product of the top management support and top management vision deviation scores was derived to obtain the measure. Finally, the term "representation of ethnic minority managers" refers to the percentage of ethnic minorities comprising the managerial staff of an organization. Respondents were asked to indicate these data by selecting one of the following six responses: 1 = 5 percent or less; 2 = 10 percent; 3 = = 25 percent; 4 = 35 percent; 5 = 45 percent; 6 = 50 percent or more. Data revealed that 60% of responding organizations reported that ethnic minority managers represented 5% or less of managers; 25% reported that 10% of the managerial staff were ethnic minorities; 8% reported that 25% of their managers were ethnic minorities; 3% indicated that 35% of the managerial staff were ethnic minorities; 2% revealed that ethnic minorities represented 45% of the managerial staff and 2% revealed that ethnic minorities represented 50% or more of the managerial staff.

When conducting this research, several inspections were performed to ensure the reliability and validity of the data. Since a single informant per organization was used, we initially were apprehensive about the potential for common methods bias. However in this examination, strong evidence was available to show percept-percept inflation of results was a minimal concern. First, questions were not presented in a pattern that would heighten respondents' concerns with being consistent in their answers. Second, the structure of the survey instrument into top management support, vision and practice categorization and the wording of questionnaire items were designed to reduce uniform responses. Third, forced choice attitudinal rating scales were designed to generate unbiased responses (i.e., respondents were not given the option of a "neutral" rating). Finally, the topic and questions were structured to ascertain an organizational perspective; thus, respondents were unlikely to state strongly subjective views. Crampton and Wagner (1994) argued that when the aforesaid conditions are met, the likelihood of percept-percept inflation of the results is minimal. In addition, the validity of the survey data was enhanced by controlling for social desirability bias and administrative staff size in preliminary analysis. A summated 12-item index developed by Crowne and Marlowe (1964) was utilized to assess whether respondents provided socially desirable responses to questions about with ethnic minorities in sport management. Respondents assessed each of the 12 questions on a Likert scale (coded: 1 = strongly disagree, 2 = moderately disagree, 3 = slightly disagree, 4 = slightly agree, 5 = moderately agree, and 6 = strongly agree). The size measure was operationalized through measuring the size of the administrative staff. Responses were coded as: 1 =

= small staff (0 through 7 executives); 2 = medium-size staff (8 through 15 executives); and 3 = large staff (16 or more executives). Preliminary analysis indicated that top management support, top management vision and supportive practices showed no significant correlates (paths) with administrative size and social desirability bias. As such, there was no need to include these controls in the hypothesis testing.

Additionally, divergent and convergent validity of the top management support, top management vision and supportive practice constructs were assessed through confirmatory factor analysis (CFA). Results showed a Chi square value of 76.39 (24, $N$ = 190, $p$ = 0.20). Additionally, the assessment indicated an RMSEA of .02; a GFI of .95 and an IFI of .99. The CFA results showed factor loadings were correctly categorized into the top management support, vision and practice constructs thereby suggesting the establishment of convergent validity. Further, the CFA provided two indicators of divergent validity. According to Kline (2005), divergent validity is established when the intercorrelations among the examined constructs are not excessive (e.g., < .85). The higher intercorrelation shown was a coefficient of .66 for top management vision and top management support constructs. In addition, Fornell and Larcker (1981) stated that divergent validity exists when the squared correlations among the three factors are lower than the average variance extracted (AVE) by each construct. In no instances, were the squared correlations among the top management support, top management vision and supportive practices higher than the AVE for each factor.

For hypothesis testing, the research model outlined in Figure 2 was assessed using path analysis. The path model was created and tested using AMOS structural equation modeling software.

## 7. Results

**7.1. Model test.** Tests of model fit showed a chi square value of 4.47 (3, $N$ = 194, $p$ = 0.22). Additionally, the assessment indicated an RMSEA of .05 and an NFI of .98 also indicated that the data did not depart significantly from the model (Hair, Black, Babin, Anderson & Tatham, 2006).

**7.2. Hypothesis testing.** Table 1 shows descriptive statistics for the "hypothesis-testing" model. In Table 2, the coefficients for each causal path are shown. Results of the path analyses were reported according to the respective hypothesis.

Table 1. Reports of top management support, top management vision, top management support-vision interaction, practice and representation of ethnic minority managers: correlations and descriptive statistics ($N$ = 194)

| Variables | | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|---|
| 1 | Top management vision | - | | | | |
| 2 | Top management support | .13 | - | | | |
| 3 | Support X vision interaction | -.33** | -.30** | - | | |
| 4 | Supporting practices | .61** | .35** | -.02 | - | |
| 5 | Representation of ethnic minority managers | .01 | .09 | .01 | .20* | 1.00 |
| Variables | | 1 | 2 | 3 | 4 | 5 |
| M | | 15.62 | 7.64 | 2.08 | 13.01 | 1.56 |
| SD | | 6.21 | 2.47 | 18.68 | 5.41 | 1.19 |

Note: * presents $p$ < .05, ** presents $p$ < .01.

Table 2. Unstandardized and standardized betas, and levels of significance for hypothesis testing model (standard errors in parenthesis: $N$ = 194)

| *Parameter estimate* | *Unstandardized* | *Standardized* | *p* |
|---|---|---|---|
| Top management vision → supporting practices | .59(.05) | .67 | .05 |
| Top management support → supporting practices | .77(.12) | .35 | .05 |
| Top management support X vision → supporting practices | .08(.02) | .27 | .05 |
| Supporting practices → ethnicity minority managers | .04(.02) | .20 | .05 |

Note: $\chi^2(3) = 4.47$, $p$ =.22; NFI = .98; RMSEA = .05

*H1: Organizational practices facilitating the inclusion of ethnic minorities will mediate the association between top management actions and employment statistics.*

A significant direct linkage was shown between supportive practices and representation of ethnic minority managers. Based on this outcome, H1 is supported.

*H2: Top management support of and vision for including ethnic minorities will interact such that higher levels of vision will increase the positive impact of support on the development of organi-*

*zational practices facilitating inclusion of this demographic.*

The findings showed a significant top management vision and top management support interaction on practice. Thus, a high level of top management vision resulted in positive support for practices facilitating inclusion of ethnic minority managers. We graphed the form of the interaction to determine whether it was consistent with H2's prediction (Figure 3). To plot the graph, top management vision was divided into low vision (scores one or more standard deviations below the mean) and high vision (scores one or more standard deviations above the mean). Subsequently the score for top management support (labeled "support") and supportive practices (labeled "practice") were plotted for low and high top management vision. The dashed line showed top management support and practice when vision was low while the solid line indicated the plots for the two variables at the high level of vision.

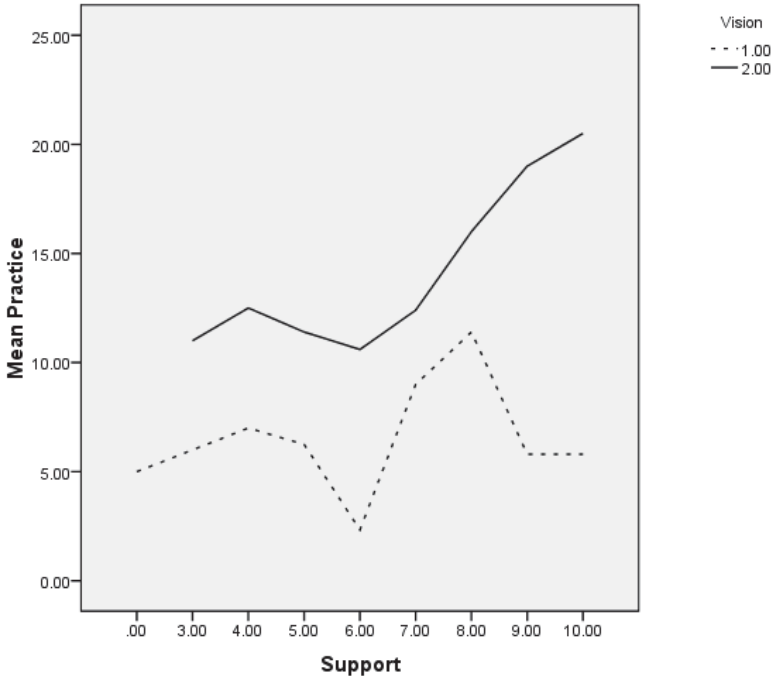



**Fig. 3. A graphical depiction of the top management vision-top management support interaction on supporting practices for ethnic diversity**

## 8. Discussion

This investigation's intent was to offer enlightenment on the problem of ethnic similarity in the managerial hierarchy. In performing this examination, we focused on two assumptions of this issue. First, the role of supporting practices in mediating the association of top management support and ethnic diversity representation was analyzed. Second, we assessed whether top management vision moderated the relationship between top management support and supporting practices.

Results show that "supportive practice" is a significant mediate of the association of top management support and employment statistics. This linkage suggests that upper management support is likely to be received when the infrastructure exists to make positive change. Conversely, the top leadership will certainly be more hesitant when the structural capacity is not in place to implement transformation that will enable the specific objective to be achieved. In other words, those at the upper level are going to be less likely to advocate for ethnic diversification within the managerial ranks if a responsible structure has not been created for carrying out this mission (Kalev et al., 2006). Furthermore, if the organizational foundation has not been solidified, the communication of top managers' support could be seen as symbolic among key stakeholders rather than a genuine change effort (Edelman, 1992)

Relative to the second hypothesis, our findings identify top management vision as a moderator to the relationship between top management support and supporting practices. Vision has been document as the driver of the organizational change (Whelan-Berry and Somerville, 2010). When the organizational leadership presents a vision for ethnic diversity that is understandable in terms of strategic benefit, the rank and file as well as other stakeholders will be more accepting and likely to work on behalf of the initiative (Moore et al., 2010). Furthermore, by formulating a clear vision, the organizational leaders can provide enhanced strategic direction for adopting

effective change (Talke et al., 2010). However, if an ambiguous vision emanates from the top, employees will be confused as to what is being changed and their role in inducing this transformation. Under this condition, employees will be unlikely to support the ethnic diversification (Fairhurst, 2011). When top management has a nebulous outlook of the diversification expectations, it will be difficult for them to comprehend what specific structures are needed to augment the representation of ethnic minority managers (Kalev et al., 2006).

## 9. Implications for theory and practice

Past research focusing on ethnicity in the workplace (Cooke and Saini, 2010; Soltani, 2010; Sangmi and Mor Barak, 2008) has had a thrust toward affirmative action and diversity perspectives. Many of these investigative efforts were also empirically conceptualized. Our research is theoretically ground in organizational change and strategic management theories and support their theoretical relevance to the degree of ethnicity inclusion within managerial positions. As such, we have employed an integrative theoretical approach as advocated by Mahoney and Sanchez (2004) to place ethnic diversification in a strategic context designed to strengthen organizational competiveness.

From the practical perspective, our examination gives attention to the salience of a vision from top management in generating employee acceptance and support for the proposed change (Gellatly et al., 2009). We also add to the body of knowledge through emphasizing the value of a supporting infrastructure in sustaining top management support. Specifically, our study offers the systemically protocol for ameliorating the ethnic similarity problem within the managerial context. By applying this approach, the practitioner is inculcated on strategic management's and organizational change's relevance to staff diversification.

## 10. Study limitations and direction for future research

Although this study provides a good starting point to better understand the lack of ethnic diversity in the managerial structure, it has limitations. First, our study was limited to examining, US collegiate and professional sport organizations. While these entities made an important contribution to understanding ethnic diversity, their ability to communicate a global perspective is constrained. Future replications should sample organizations from the international community. Second, we must consider the lack of variation in the representation of ethnic minorities within responding organizations. The percentages of ethnic minorities are skewed to the low end of the continuum, and this is consistent with the findings of Gaumer and Coulam (2009) and Starks (2009) that revealed an underrepresentation of ethnic minorities at the managerial level of U.S. private hospitals and federal agencies, As such, further investigations should employ stratified random sampling in organizations having high representation of ethnic minority managers and organizations having low representation of ethnic minority managers. A stratified design would likely generate additional variations in the representation variable and would be able to offer further knowledge of how top management support, vision and practice relate to the proportion of ethnic minority leaders in employment settings.

## Conclusion

The basic point of this study was top management vision as it relates to ethnic diversity. A clear vision was shown to emanate the organization's commitment to ethnicity through supporting initiatives. As such, we have been able to address the importance of ethnic diversity in management through an integrative approach that combines strategic management and change theories.

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## Appendix. Survey items

**Top management support.** To what extent is each of the following items utilized by top management to advance inclusion for ethnic minorities in the organization? (Response code: 1 = never; 2 = seldom; 3 = occasionally; 4 = = frequently; 5 = always).

- The organization's reputation as an equal opportunity employer is important to top management.
- Top management has provided leadership in providing equal opportunity employment for ethnic minorities.

**Vision.** To what extent do you agree the following should be used to broaden inclusion of ethnic minorities? (Response code: 1 = strongly disagree; 2 = slightly disagree; 3 = neither agree nor disagree; 4 = slightly agree; 5 = strongly agree).

- Organizational hiring goals are set with respect to ethnic minorities.
- Managerial development training programs are targeted toward ethnic minorities.
- Job descriptions include responsibilities to insure a diverse administrative staff that includes ethnic minorities.
- Network and groups have been established within your organization for ethnic minorities.
- Job promotion practices are designed to compensate for previous employment inequalities toward ethnic minorities.

**Practice.** To what extent, are each of the following measures adopted to expand the inclusion of ethnic minority managers in the organization (Response code: 1 = never; 2 = seldom; 3 = occasionally; 4 = frequently; 5 = always)?

- Organizational hiring goals are set with respect to ethnic minorities.
- Managerial development training programs are targeted toward ethnic minorities.
- Job descriptions include responsibilities to insure a diverse administrative staff that includes ethnic minorities.
- Network and groups have been established within your organization for ethnic minorities.
- Job promotion practices are designed to compensate for previous employment inequalities toward ethnic minorities.

Finally, the term "*representation of ethnic minority managers*" refers to the percentage of ethnic minorities in an organization's management hierarchy. Subjects were asked to indicate the data by selecting one of six responses. Responses were coded as follows: 1 = < 10 percent, 2 = 10 percent to 19 percent, 3 = 20 percent to 29 percent, 4 = 30 percent to 39 percent, 5 = 40 percent to 49 percent, and 6 = 50 percent or more.