EDI PRACTICES IN BUSINESS SCHOOLS

EDUCATING OUR FUTURE LEADERS

2020

EXECUTIVE SUMMARY

The renewed energy of the BLM movement and increasing awareness of anti-Asian sentiment linked to COVID-19 over the course of 2020 focused a spotlight on Equity, Diversity, and Inclusion (EDI) in society broadly, but also specifically in workplaces. These broad societal movements placed unprecedented pressure and scrutiny on organizational leaders. For example, within weeks of the murder of George Floyd, over 15 high-profile corporate leaders stepped down over evidence of racist behavior and their roles in fostering toxic corporate cultures. The failure of organizations to appropriately respond to and lead on these critical societal events simultaneously increased scrutiny on business schools as a key educator of current and future organizational leaders. At the same time, students at world-class business schools in the US and Canada began leveraging social media to detail on-campus discrimination and to advocate for systemic change.

Unfortunately, we have little systematic knowledge of what business schools are already doing or how they are assuming responsibility for broader societal EDI issues. Thus, the purpose of this report is to start a dialogue that addresses two questions:

1. What are Business Schools doing to educate and develop students on EDI Topics
2. What does representation look like in Business Schools?

We accumulated a list of Global Business Schools by drawing on the most recent Top 50 MBA program rankings according to The Economist, the Financial Times, and QS as of June 2020. This resulted in a total of 76 Business Schools, 39 (51.3%) of which are based in the US. Data for the Global MBA Business Schools report was collected from the official website of each Business School between June 2020 and December 2020.

In addition to Global MBA Business Schools data, we also collected MBA and Bachelor of Commerce (BCom) data for the U15 – a group of Canadian Research Universities. Data for these schools was collected between February and April of 2021.

In addition to the primary questions being addressed in this report, we have included recommendations for what business schools can do to improve EDI education going forward as well as a list of resources that have previously provided insight and guidance on EDI education. We hope others find the information in this report useful and commit to advancing equity, diversity, and inclusion within their organizations.

Best,
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The Economist: Full-time MBA Ranking 2019: https://whichmba.economist.com/ranking/full-time-mba/2019; FT: Global MBA Ranking 2019: http://rankings.ft.com/businessschoolrankings/global-mba-ranking-2019; QS: Global MBA Rankings 2020: https://www.topuniversities.com/university-rankings/mba-rankings/global/2020

GLOBAL BUSINESS SCHOOLS
(MBA Program)

EDI Leadership

We examined whether business schools committed significant resources to advancing EDI initiatives based on whether they formed an EDI Committee and/or designated an EDI Leader.

- ## Dean and EDI Leader[1]

    EDI Leaders are senior business school leaders responsible for overseeing EDI strategy and execution at the business school. Some leaders work exclusively on EDI efforts, while others hold additional professorships or administrative duties.
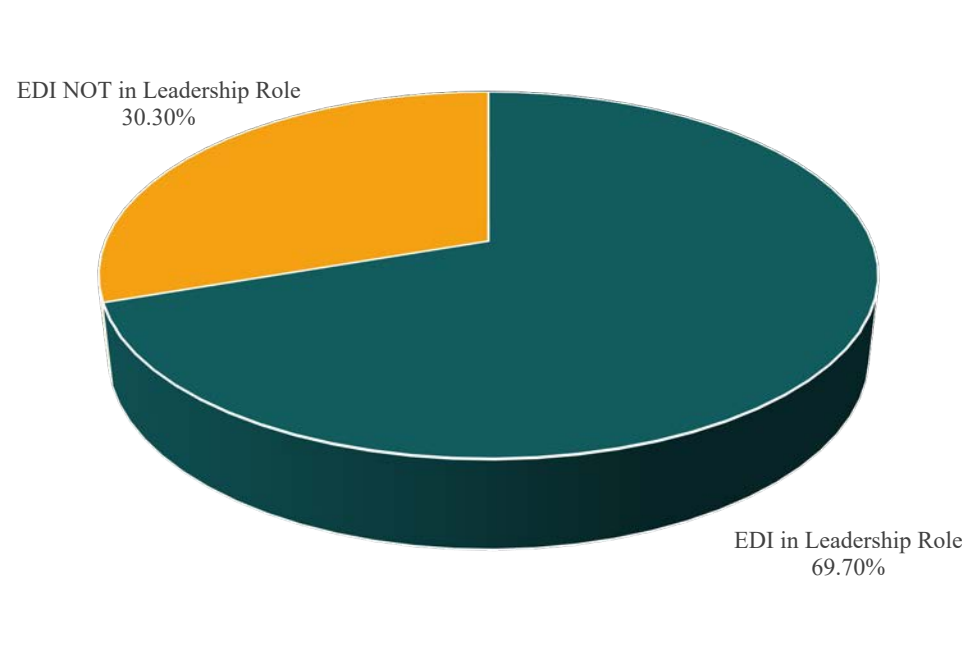

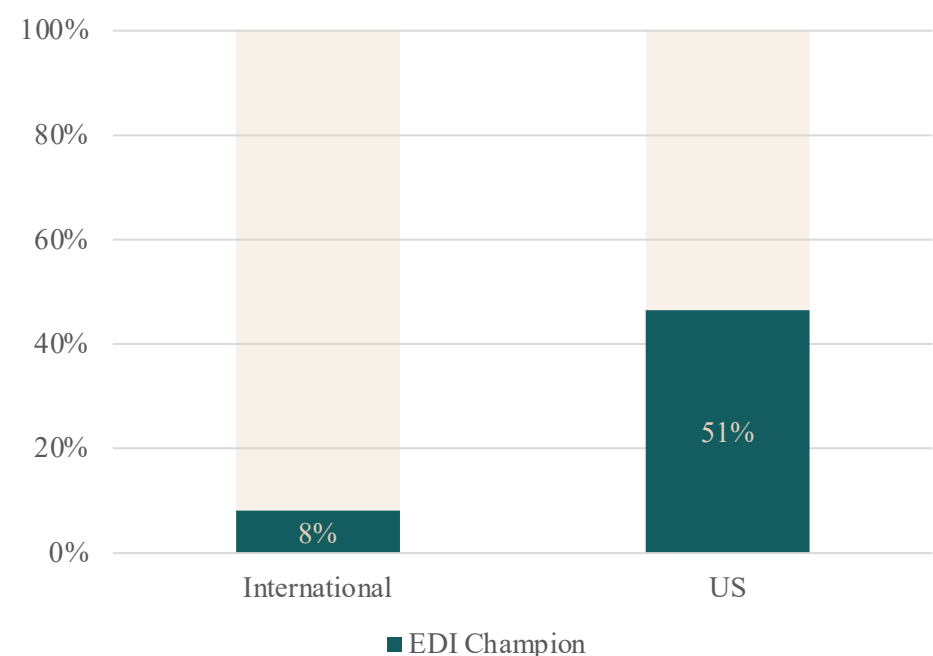Figure 1. Percentages of Schools with an EDI Champion

Figure 2. Percentages of Schools with an EDI Champion, by Location

30.3% of schools had an EDI Leader in the Dean's office or equivalent[2].

8.1% (3/37) of Non-US schools had a recognized EDI leader, compared to over half (51.3%) of US schools[3].

Leaders who are socially representative of the groups they lead benefit from higher levels of trust, perceived competence, and effectiveness. They also influence schemas of leadership, thereby benefiting those who share similar social attributes within the leaders who are socially representative of the groups they lead benefit from higher levels of trust, perceived competence,

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[1] Methodology: Business School EDI Leader and Dean's data was collected from each School's website by searching for a page outlining the Dean's Office, Senior Leadership, or Organizational Chart in the main navigation and footer. Each page was searched for "Diversity," "Equity," and "Inclusion." The Dean's observed gender and race were evaluated based on information provided on this page or the individual's profile page. If a biography included gender pronouns, we used the cited pronouns for the gender categorization. We acknowledge there are some limitations to our data collection efforts, but we felt the benefits of collecting observed leader identity data would be informative for discerning trends for deans and EDI leaders. While gender should be conceptualized beyond the binary, perceived targets were either male or female-passing; thus, we used these two categorizations to account for the privilege associated with identifying with either gender. To standardize the data collection process, we considered race as White/Non-White. This method does not account for plurality. Four Schools did not have pages introducing Senior Leadership; in such cases, a search for a staff directory was conducted via the website's search bar. None of these schools had an EDI Leader. Data was collected between June 2020 and December 2020. To mitigate the subjectivity of perceived race and gender of targets, two undergraduate coders from different racial, cultural, and gender backgrounds made independent judgments and reviewed each others' assignments.
[2] Only Leaders who appeared on Senior Leadership or Dean's Office's pages were recorded.
[3] All Non-US schools which had an EDI Leader were European.

and effectiveness. They also influence schemas of leadership, thereby benefiting those who share similar social attributes within the the organization. As race and gender are dimensions of social identity which influence prototypicality, we examined the racial and gender diversity in the Dean's role as a starting point. We limited these analyses to Westernized locations where the leader prototype is historically a White Male[4].

Since prototypicality is determined by the perceiver, not by the target, we made a judgment on the perceived race and gender of a leader. In real-world contexts, unless a person readily discloses their gender and racial identity, the judgements, stereotypes, and privilege made and given by perceivers depends on the perceiver's mental schemas and experiences.
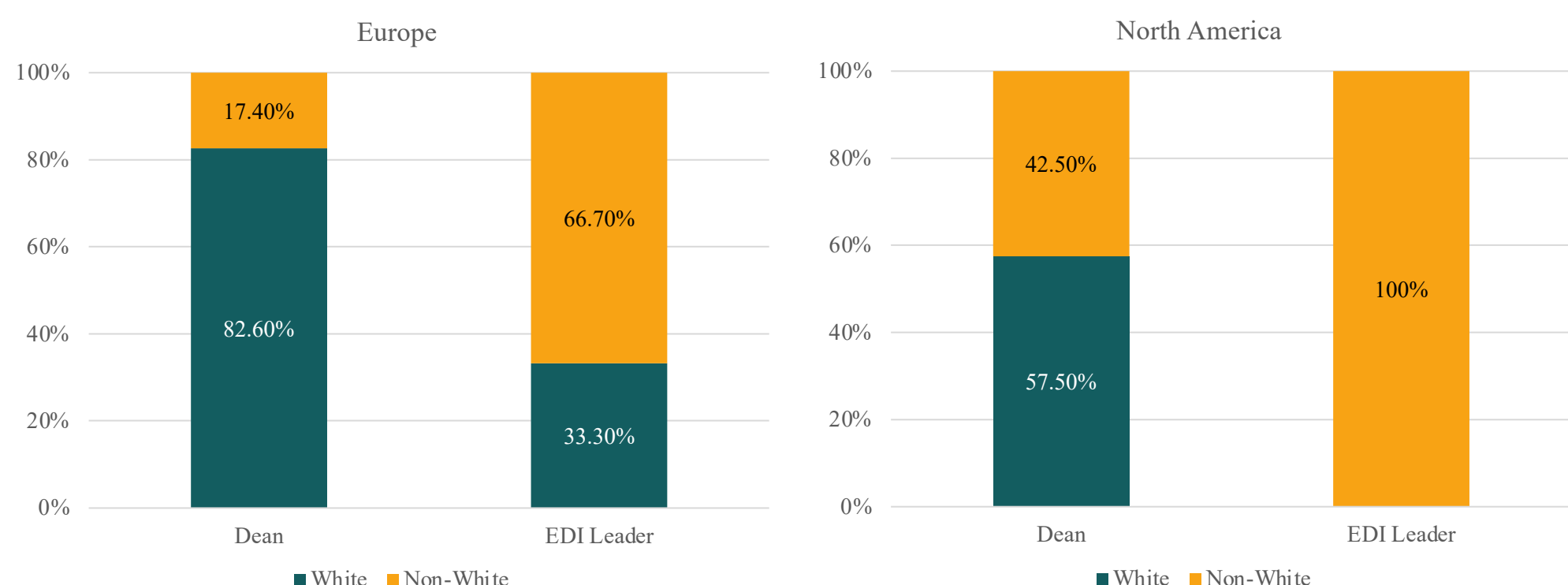

Figure 3. Percentages of of Prototypical White Male Deans vs EDI Leaders

Overall, 2/3rds of Deans across North America and Europe were White Males. Within European schools 82.6% (19/23) were White Male Deans compared to 57.5% (23/40) in North American schools.

Notably, we found that of the 23 schools in Europe and North America which had an EDI leader, only one was a White male. There were no White male EDI leaders in North America.

To build upon this starting point, future reports might also collect data on representation across senior leadership and faculty/staff, to paint a more holistic picture of leader prototypicality and advancement of underrepresented minorities.

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[4] For examples of this research see (1) Rosette, Leonardelli & Phillips, 2008 and (2) Schein, 1973. While leader prototypes based on race are unavailable for Asian contexts, research suggests males are preferred in these contexts as well (Schein, Mueller, Lituchy & Liu, 1996). In line with these findings, we find 90.9% (10/11) of the Deans in Asian locations were male.

EDI Committee[5]

Business school EDI committees improve organizational effectiveness by centralizing efforts for advancing equity, diversity, and inclusion. They are typically charged with managing resources, developing strategy, overseeing implementation, and serving as a unit of expertise[6].
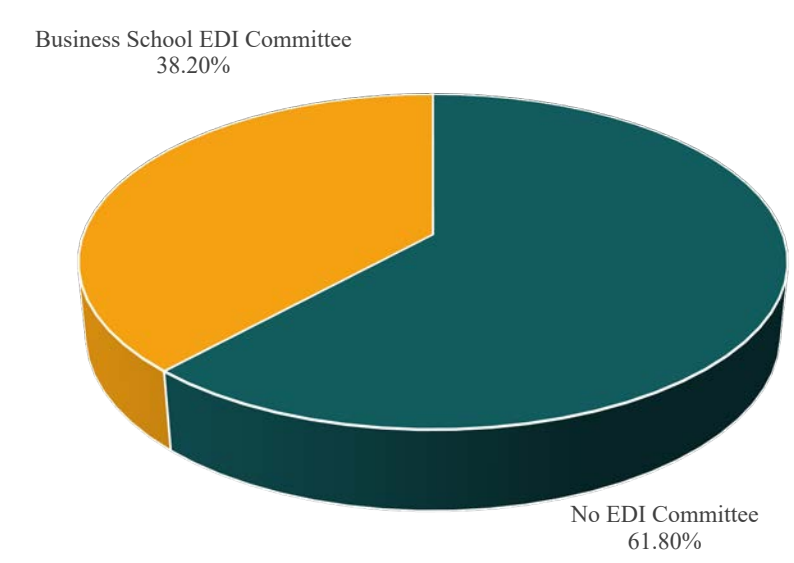
38.2% of schools had an EDI committee at the business school level. 8.1% (3/37) of Non-US schools had an EDI committee, compared to 66.6% (26/39) of US Schools. This follows the trend we saw for EDI course offerings, where EDI seems to be more of a priority for American business schools.

29 of the 47 universities without a business school-level EDI committee had a university-wide EDI committee or task force. As these committees are not funded and organized at the university-level, the business schools' commitment can not easily be ascertained.
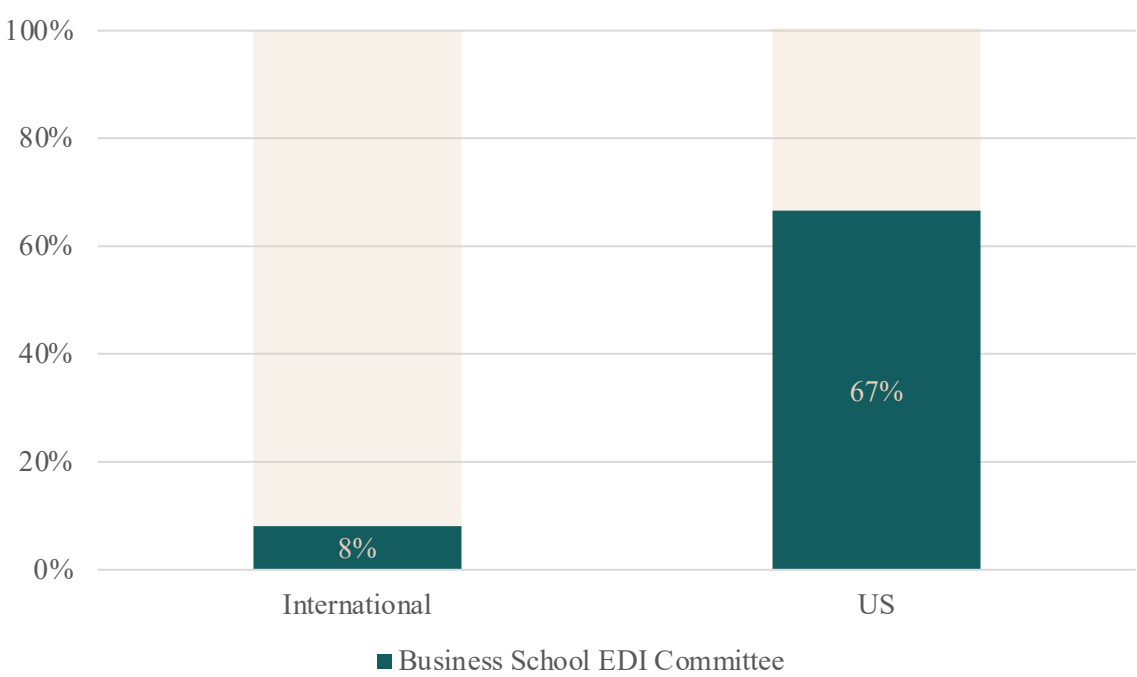
Figure 4. Percentages of Schools with an EDI Committee

Figure 5. Percentages of Schools with an EDI Committee, by Location

MBA Demographics[7]

Representation in organizations has been a topic of growing importance, and business schools are often viewed as a pipeline for the business world. We examined whether business schools dedicated resources to tracking and publicizing student demographic data based on race and gender.

Overall, only 5.3% of schools did not publish any form of gender, racial, or international student status data. Gender diversity was the most commonly reported variable, with 93.4% of schools disclosing this data.

However, every school conceptualized gender as binary. It is unclear whether this is a limitation of the representation within MBA classes, disclosure options, and/or willingness of members to self-identify and disclose.

Non-US schools were less likely to report racial diversity, conceptualized as Students of Colour or US Underrepresented Minorities[8].

Instead, these schools tended to report international student status and nationality.
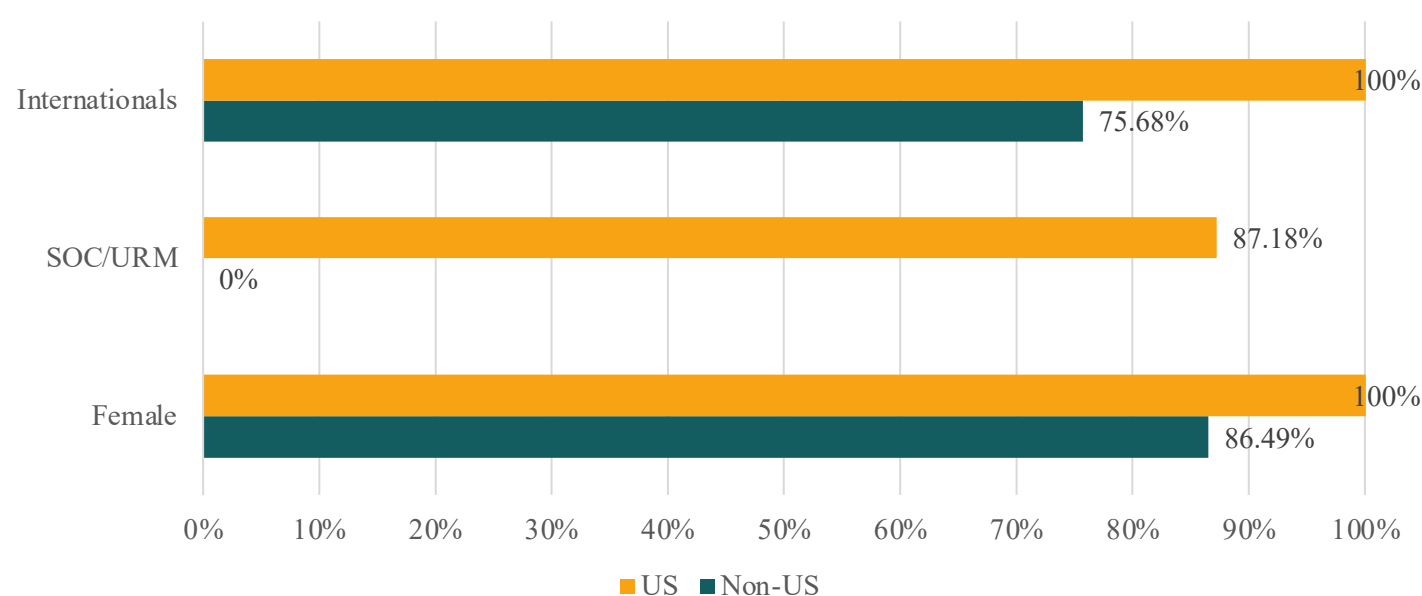

Figure 6. Percentages of Schools Publicize Demographic Data (Female, SOC/URM, Internationals), by US vs Non-US Schools

Every US school reported gender and international student demographics; however, there was variance in the reporting of racial data. Five schools did not report any racial data, while eight schools reported US Underrepresented Minorities specifically, instead of general racial data. Schools also varied in their definitions of "US Underrepresented Minorities," illustrating the complexity and subjectivity of racial categorizations.

While we focused on race and gender due to their inherent relationships with power and status, some schools reported Class Profile data beyond our scope. For example, schools disclosed data on academic and professional background, marital and parental status, sexual orientation, and veteran status.

• **MBA Student Diversity[9]**

We explored diversity by examining representation of Female, Student of Colour (SOC), and International student in the publicized MBA student data. While diversity metrics should not be the only aim of EDI initiatives, the efforts schools have made to increase representation among

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[8] There may also be policy concerns. Interestingly, a representative from the Frankfurt School stated that they were not permitted to track racial data.

[9] Methodology: MBA student diversity data was collected from each School's website by searching the MBA program page for "Class Profile." We conducted the same queries on program brochures, if they were directly advertised on the program outline page. If queries were unsuccessful, we conducted a Google search for "Business School" AND "MBA" AND "Class Profile" OR "Demographics." We noted Female Representation, US Students of Colour/Underrepresented Minorities, International Students, Nationalities, Average Class Size, and Class Year. Data was collected between June 2020 and December 2020. Two undergraduate coders completed this task.

student classes may serve to enhance belongingness for underrepresented groups, and improve labour market equity.
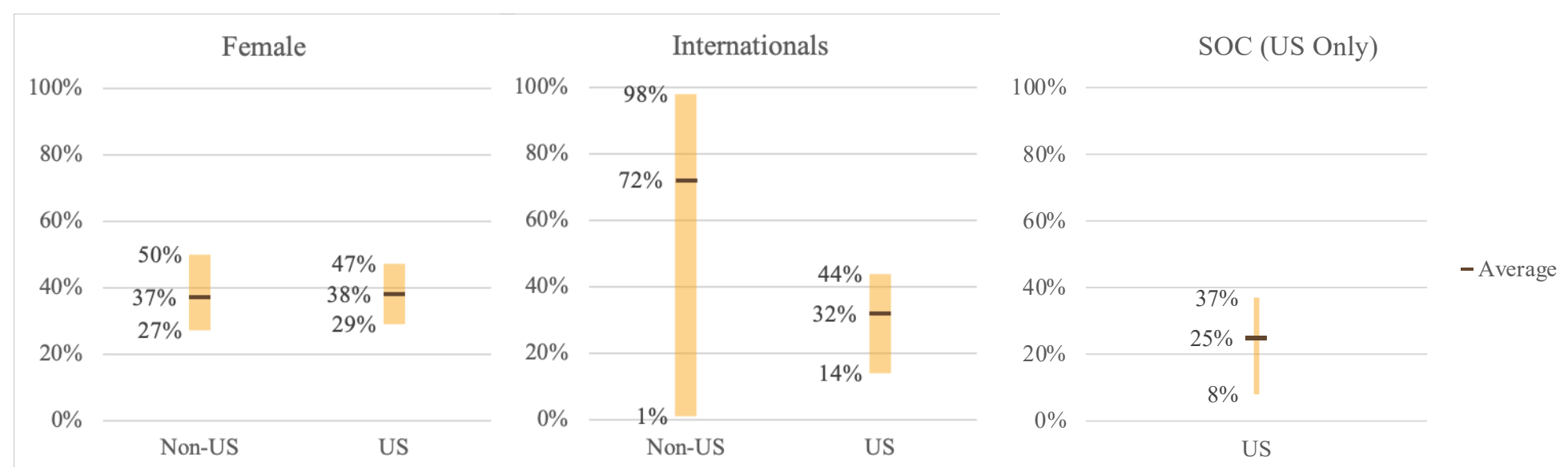

Figure 7. Student Representation, by Region

For 2020/2021 cohort data, we found that Schools averaged 37.6% female representation. Again, Schools only reported on the gender binary. Surprisingly, representation among US and International schools was comparable, contrary to US school's leading performance in Dean and EDI Leader representation[10].

Regarding Students of Colour, of the 19 US schools which tracked this metric for 2020/2021, the average was 24.0%.

International student representation was the highest and most variable amongst International schools, compared to the US. Non-US schools reported an average of 71.7% International student representation, with a maximum of 98.0% (University of Hong Kong), and a minimum of 0.9% (IIM Bangalore).

EDI Courses[11]

To examine how business schools are advancing Equity, Diversity, and Inclusion, we examined whether formal learning opportunities are provided through course offerings.
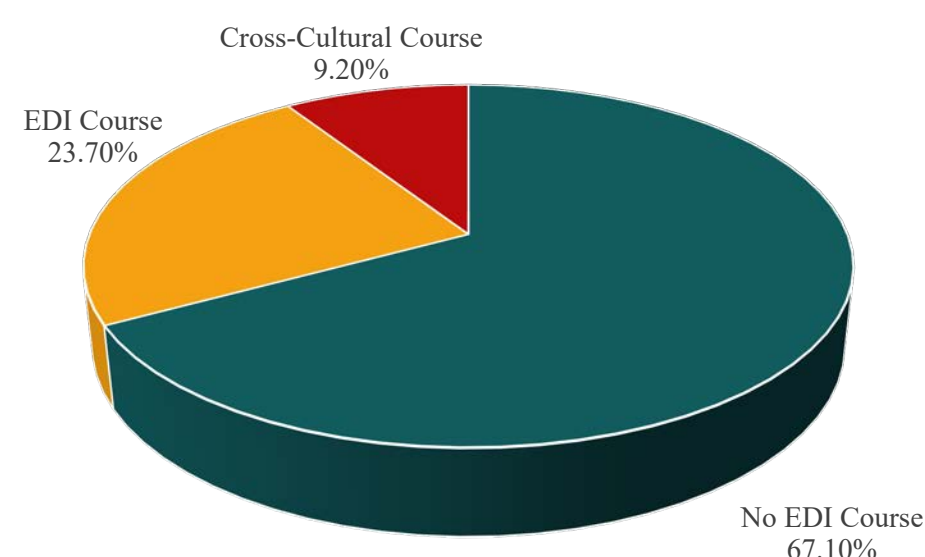
Figure 8. Percentages of Schools Offering an EDI Course

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[10] 18 International and 27 US Schools (Total: 45/76) reported Female representation for 2020/2021.

[11] Methodology: EDI Course data was collected from each School's program outline page by conducting individual queries for "Diversity," "Equity," and "Inclusion." We conducted the same queries on course catalogues and program brochures, if they were directly advertised on the program outline page. Examples of course titles include: Equitable and Inclusive Leadership, and Women in the Workplace. If queries were returned as unsuccessful, we further searched for the terms "cross-" and "cross-cultural" to collect data on the Cross-Cultural Course variable. Examples of course titles include: Cross-Cultural Management and Intercultural Team Building.

To examine how business schools are advancing Equity, Diversity, and Inclusion, we examined whether formal learning opportunities are provided through course offerings.

Only about ¼ (23.7%) of all global business schools offer an EDI course, which either broadly covers equity, diversity, and inclusion in the workplace or specifically explores diversity in the workplace through the lens of an underrepresented group.

9.2% of schools did not offer an EDI course, but provided a course on cross-cultural management, which either explores how cultures differ along several dimensions, or specifically explores managing the integration between a native and non-native culture(s) in the context of international business.
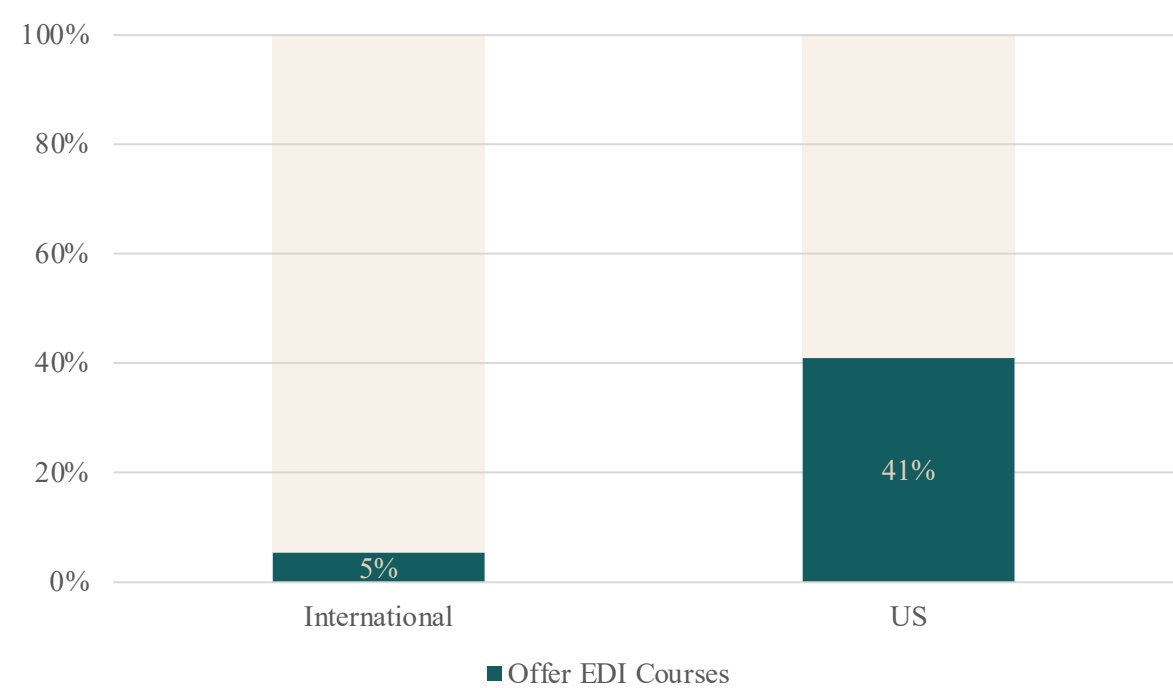
Figure 9. Percentages of Schools Offering an EDI Course, by Location

BLM Statement[12]

Following the murder of George Floyd in May 2020, some higher education institutions released statements acknowledging the current social climate and their role in perpetuating inequities.

* Icons indicate the location of schools that published a BLM statement.
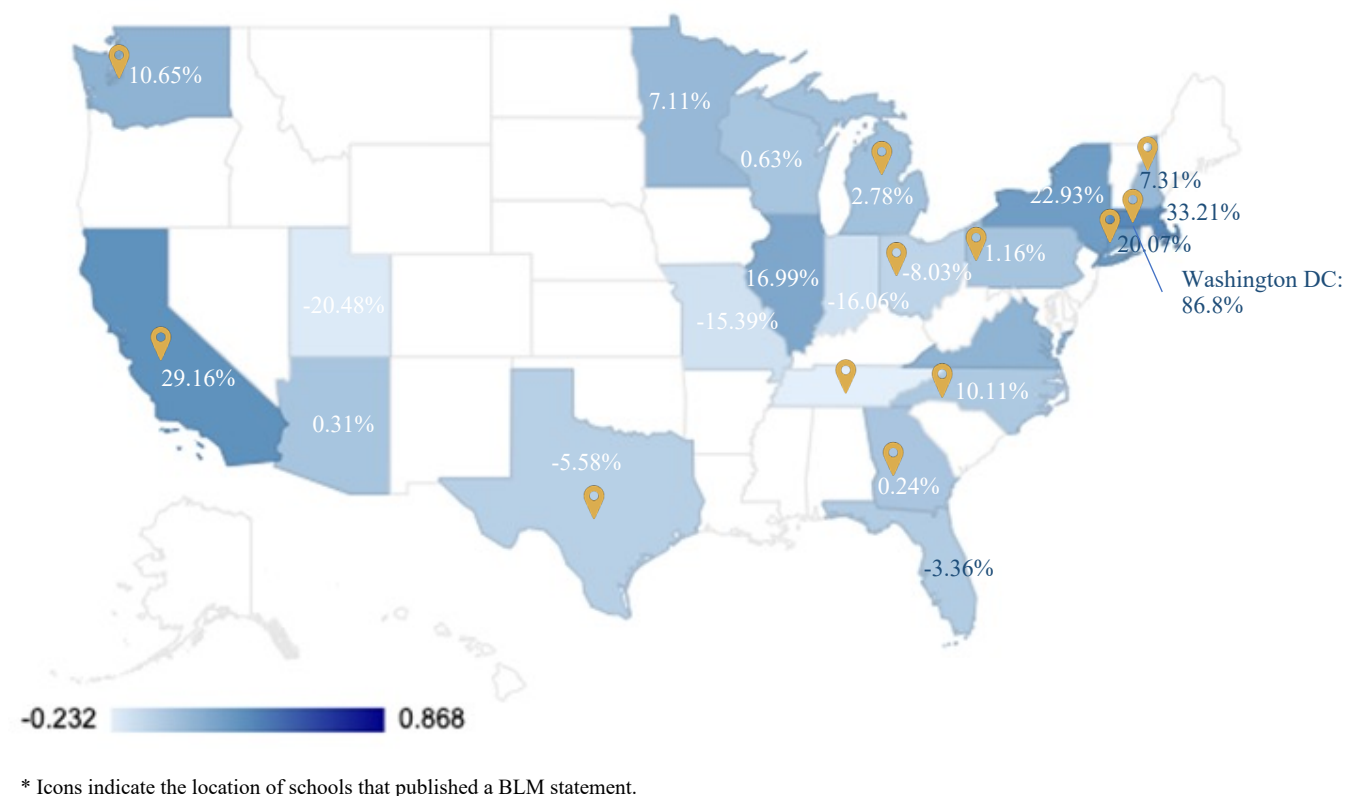
Figure 10. BLM Statement and Democratic States

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[12] Methodology: BLM statement data was collected from each School's website by searching the home page for the terms "Black," "BLM," "rac," (to account for possible variations and suffixes on the term "race") and "commit." Banners, full statements, and statements which were linked on the home page were all recorded. Data was collected between June 2020 and December 2020. Two undergraduate coders completed this task.

We examined whether business schools in the US dedicated resources to address these concerns. Only 48.7% of US schools released a statement on their website acknowledging the BLM movement and ongoing tensions.

71% of Schools with both an EDI leader and EDI committee published a BLM statement, whereas only 36% of schools without both an EDI leader and committee did the same.

Overall, Schools which issued BLM statements were from more pro-Biden states (10.65% median lead over Trump), compared to schools without BLM statements (0.47% median lead over Trump)[13]

U15 Business Schools (MBA & BCom Programs)

The U15 is a consortium of Canada's fifteen most research-intensive universities. Collectively, these universities aim to develop high-quality and sustainable higher education and research policy.

Of the U15 universities, fourteen offer independent schools or faculties dedicated to business or management and thus are focused on work and organizations. While the University of Waterloo offers a business program, it is subsumed within the Faculty of Engineering and does not have independent data or governance. As such, we chose not to include this school in our review.

EDI Leadership

We assessed a school's commitment to EDI based on whether resources were dedicated to an EDI committee or an EDI leader.

**Table 1. Business Schools with EDI Leadership**

EDI Committee	EDI Leadership Role
Alberta School of Business - University of Alberta	**Alberta School of Business** - University of Alberta
Asper School of Business - University of Manitoba	Asper School of Business - University of Manitoba
Desautels Faculty of Management - McGill University	**Desautels Faculty of Management** - McGill University
Edwards School of Business - University of Saskatchewan	Edwards School of Business - University of Saskatchewan
FAS ULaval - Université Laval	FAS ULaval - Université Laval
Haskayne School of Business - University of Calgary	Haskayne School of Business - University of Calgary
HEC Montreal - Université de Montréal	**HEC Montreal** - Université de Montréal
Rotman School of Management - University of Toronto	Rotman School of Management - University of Toronto
Rowe School of Business - Dalhousie University	Rowe School of Business - Dalhousie University
Sauder School of Business - University of British Columbia	**Sauder School of Business** - University of British Columbia
Smith School of Business – Queen's University	Smith School of Business – Queen's University
Telfer School of Management - University of Ottawa	Telfer School of Management - University of Ottawa
Ivey Business School - University of Western Ontario	Ivey Business School - University of Western Ontario

* Bolded business schools have EDI Committee or EDI Leadership role.

Our investigation revealed 5 schools had EDI committees. It is worth noting that 3 of these 5 committees appear to have been assembled over the course of 2020 which may suggest they were a reactionary response to local and societal events.

In addition, we found 3 schools have leadership roles solely dedicated to fostering diversity, equity, and inclusion. One school (Université de Montréal) listed EDI as one of various people management responsibilities assigned to that leadership role. Notably, all of these roles are assumed by women.

- ## Dean and EDI Leader
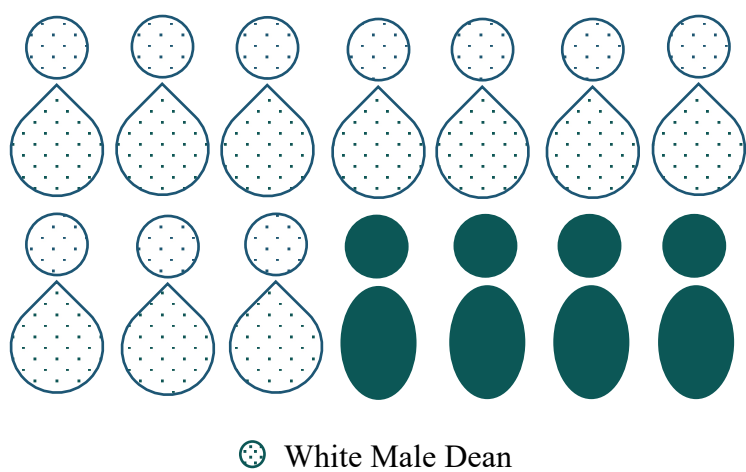
⊗ White Male Dean

*10 out of 14 (71%) of Business School Deans match the prototypical leader of a White Male

Figure 11. Prototypical Dean (White Male) vs Non-Prototypical Dean in Business School

Similar to the limitations noted in the Global Business School section, we had to make assumptions about gender identity and race for business school leaders. We acknowledge these limitations and note our analyses are based on bystander observations.

Of the 14 business school deans, 11/14 (79%) of the Deans were classified as male, and our observations suggest that 13 of the 14 (93%) appear to be White. In comparison, the 4 leaders with EDI responsibilities were all women and 75% appeared to be White.

Student Demographics

Table 2. Student Demographics for BCom and MBA Programs

Student Demographics	BCom	MBA
% of Female (Median)	No School Reported	39%
% of Students of Color	No School Reported	No School Reported
% of International Students (Median)	No School Reported	32%

- ## BCom

Based on our review, no Bachelor of Commerce (BCom) programs publicly present demographics about their student body. We could find only 1 school that publicly posted data about international students.

- ## MBA

For MBA programs, 64% of the programs advertised the percentage of females or international students in their programs. NO programs posted information about racialized/underrepresented students.
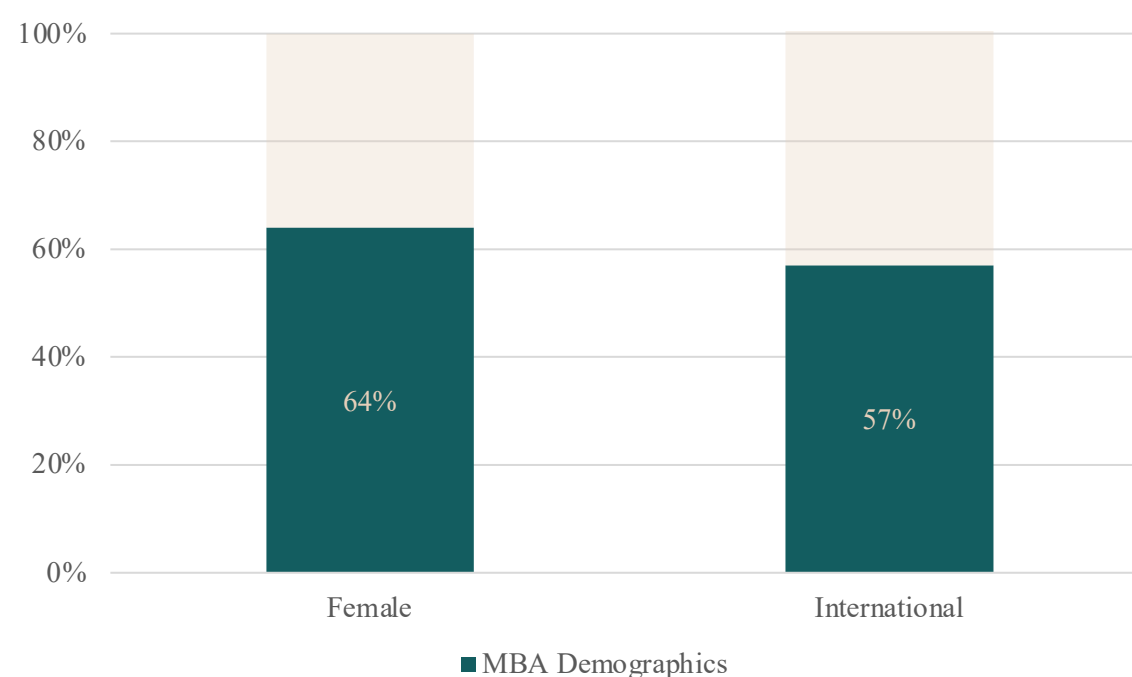
Figure 12. Percentage of U15 schools which Reported Female or International Demographic Data

EDI Courses

For BCom programs, our investigation revealed 7 out of the 14 schools offer at least one course on an EDI-related topic. Furthermore, 5 schools offered at least one course fully dedicated to Indigenous topics in the business context. MBA programs appeared to be less likely to offer courses on EDI topics. Only 3 MBA programs publicly listed courses that focused on EDI topics.

Table 3. Business Schools with EDI Courses

BCom	MBA
Alberta School of Business - University of Alberta	Alberta School of Business - University of Alberta
Asper School of Business - University of Manitoba	Asper School of Business - University of Manitoba
Desautels Faculty of Management - McGill University	Desautels Faculty of Management - McGill University
Edwards School of Business - University of Saskatchewan	Edwards School of Business - University of Saskatchewan
FAS ULaval - Université Laval	FAS ULaval - Université Laval
Haskayne School of Business - University of Calgary	Haskayne School of Business - University of Calgary
HEC Montreal - Université de Montréal	HEC Montreal - Université de Montréal
Rotman School of Management - University of Toronto	**Rotman School of Management** - University of Toronto
Rowe School of Business - Dalhousie University	Rowe School of Business - Dalhousie University
Sauder School of Business - University of British Columbia	**Sauder School of Business** - University of British Columbia
Smith School of Business – Queen's University	**Smith School of Business** – Queen's University
Telfer School of Management - University of Ottawa	Telfer School of Management - University of Ottawa
Ivey Business School - University of Western Ontario	Ivey Business School - University of Western Ontario

* This data was collected based on what was publicly posted about the program's available courses.
* Bolded business schools provide EDI courses in BCom and/or MBA programs.

RECOMMENDATIONS

Our review provides new insight into what business schools are doing to educate and develop current and future leaders on managing equity, diversity, and inclusion in organizations. Yet, there is still more work to be done. Below we provide recommendations for what business schools can do to advance EDI education and development for organizational leaders going forward.

1. **Align:** Define guiding principles, such as transparency, empathy, and change management best practices.

2. **Commit:** Secure commitment from leadership to meaningfully invest financial and organizational resources into EDI efforts.

3. **Define:** Define "Equity, Diversity, and Inclusion" and an EDI mission for the organization, considering its market position, key stakeholders, and social context.

   Example: The Asper School of Business (University of Manitoba), operates in the city with the largest Indigenous population in Canada. Its Indigenous Business Education Partners program supports Indigenous Undergraduate and MBA students through providing resources and services such as tutoring, scholarships and bursaries, arranged networking opportunities, and student community events.

4. **Assign:** Centralize decision-making power through appointing an EDI Leader with legitimate and expert power. Appoint a Committee with a clearly defined mandate and diverse representation across all levels of the organization.

   Example: HEC has a streamlined organizational chart outlining EDI involvement, roles, and responsibilities for organizational units ranging from the Board to a Task Force. Additionally, execution is governed by a Steering Committee, EDI Committee, and EDI Working Group, all which have their own mandates.

5. **Audit:** Audit the entire organization using a stakeholder approach. Employ journey roadmaps and focus on the most marginalized within each stakeholder group to identify how EDI can be woven throughout the entire experience, ensuring a holistic approach. Formal courses, programs, and policies should be evaluated, as well as the organizational climate and norms.

6. **Measure:** Determine and track Key Performance Indicators (KPIs), paying particular attention to equity and inclusion to ensure efforts are not centred on tokenization. While the Association to Advance Collegiate Schools of Business (AACSB) recommends schools to collect diversity statistics, it should facilitate industry-wide benchmarking by recommending specific metrics. For example, for diversity, schools may consider collecting socioeconomic statistics on applicants, and evaluating the percentage of students enrolled from target schools. For inclusion, schools could annually survey students, faculty, and staff on their experience, cutting statistics by relevant demographics. For equity, schools could assess the percentage of courses which adhere to standardized assessment marking schemes.

7. **Reward:** Incentivize idea generation and reward behaviours which promote EDI. Ensure labour to advance EDI is recognized meaningfully, through both formal and informal organizational rewards.

8. **Communicate:** Be transparent with progress, and demonstrate how claims are backed up by work.

   Example: Berkeley Haas leads with presenting a 5-year Strategic Plan and tracker, which is updated regularly to reflect progress on defined initiatives and tactics.

   Example: MIT Sloan provides a comprehensive and publicly-available resource page, which is frequently updated with relevant initiatives and publications.

9. **Iterate:** Get started and be comfortable updating initiatives as more data and experience is obtained. Include discussions of where EDI activities did not go according to plan.

10. **Share:** Connect with other institutions to share both best practices and key takeaways from experiences which did not go according to plan, to develop shared knowledge.

ADDITIONAL RESOURCES

Academic Resources

Avery, D. R., & Thomas, K. M. (2004). Blending content and contact: The roles of diversity curriculum and campus heterogeneity in fostering diversity management competency. Academy of Management Learning & Education, 3(4), 380-396.

Bell, M. P., Connerley, M. L., & Cocchiara, F. K. (2009). The case for mandatory diversity education. Academy of Management Learning & Education, 8(4), 597-609.

Kulik, C. T., & Roberson, L. (2008). Common goals and golden opportunities: Evaluations of diversity education in academic and organizational settings. Academy of Management Learning & Education, 7(3), 309-331.

Ragins, B. R., & Ehrhardt, K. (2020). Gaining perspective: The impact of close cross-race friendships on diversity training and education. Journal of Applied Psychology.

Rosette, A. S., Leonardelli, G. J., & Phillips, K. W. (2008). The White standard: Racial bias in leader categorization. Journal of Applied Psychology, 93(4), 758–777.

Schein, Virginia. (1973). The Relationship Between Sex Role Stereotypes and Requisite Management Characteristics. The Journal of applied psychology. 57. 95-100.

Zhang, M. M., Xia, J., Fan, D., & Zhu, J. C. (2016). Managing student diversity in business education: Incorporating campus diversity into the curriculum to foster inclusion and academic success of international students. Academy of Management Learning & Education, 15(2), 366-380.

Practitioner Articles

How Business Schools Can Help Corporate America Fight Racism - https://hbr.org/2020/11/how-business-schools-can-help-corporate-america-fight-racism.

We Built a Diverse Academic Department in 5 Years. Here's How. - https://hbr.org/2020/07/we-built-a-diverse-academic-department-in-5-years-heres-how.

Academia Isn't a Safe Haven for Conversations About Race and Racism - https://hbr.org/2020/06/academia-isnt-a-safe-haven-for-conversations-about-race-and-racism.

Why business schools will need a curriculum overhaul if corporations are going to meet their pledges for equity, inclusion and diversity - https://www.thestar.com/news/gta/2020/10/04/why-business-schools-will-need-a-curriculum-overhaul-if-corporations-are-going-to-meet-their-pledges-for-equity-inclusion-and-diversity.html.

How can business schools tackle racial inequality?- https://www.ft.com/content/5367f6a9-4a5b-418c-b1ba-a3060e588ce2.

Pulling Rank: Want to address systemic racism at business schools? Let's start with M.B.A. program rankings, write seven business school scholars. - https://www.insidehighered.com/admissions/views/2020/09/08/business-school-rankings-could-promote-racial-equity-dont-opinion.

Can MBA programs build a new generation of antiracist leaders?- https://qz.com/work/1893611/can-mba-programs-teach-students-to-be-anti-racist/.

How Business Schools Are Adapting to Promote Diversity - https://www.mba.com/business-school-and-careers/diversity-and-inclusion/how-business-schools-are-adapting-to-promote-diversity

Business Schools Fight Anti-Asian Hate - https://www.businessbecause.com/news/mba-degree/7542/business-schools-anti-asian-hate.