Consistency key to corporate expressions of racial solidarity, says study

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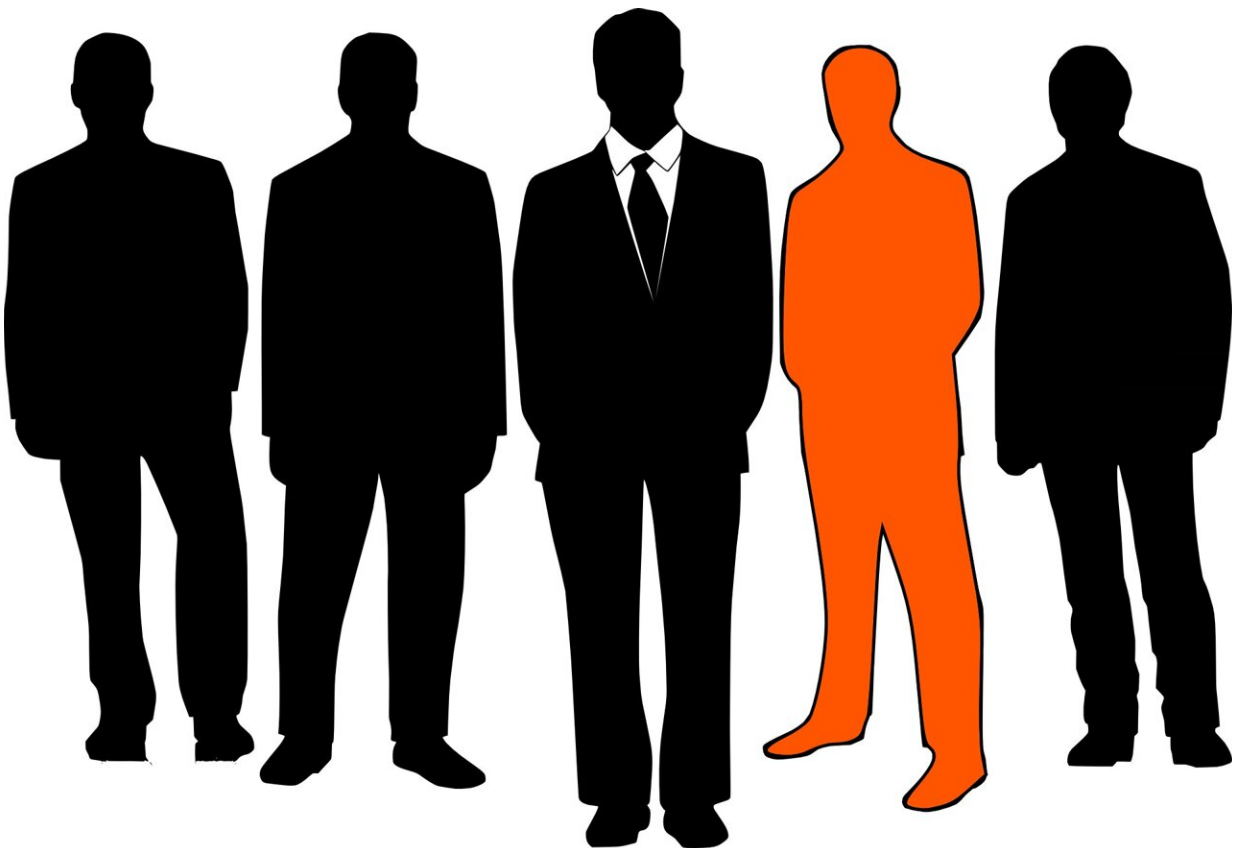

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After violent incidents such as police shootings, and around annual observances like Black History Month, why do some corporate expressions of solidarity with marginalized groups register as genuine, while others may seem performative or even backfire?

An analysis of statements by Fortune 500 companies following the 2020 police killing of George Floyd finds that costly actions, such as donating money to social justice groups, aren't enough to convey allyship to Black Americans. According to research co-authored by a Cornell expert in organizational behavior, companies must also demonstrate a consistent, long-term commitment to diversity and racial equity.

"Money is just a small piece of the puzzle with respect to Black Americans' allyship assessments," said James T. Carter, assistant professor of organizational behavior at the ILR School. "A company could give millions of dollars, but they are not capturing the benefits of that donation unless they are also consistent."

Carter is a co-author of "Sincere Solidarity or Performative Pretense? Evaluations of Organizational Allyship," published in *Organizational Behavior and Human Decision Processes* with first author Rebecca Ponce de Leon, assistant professor in the Management Division of Columbia Business School; and Ashleigh Shelby Rosette, the James L. Vincent Professor of Leadership at Duke University's Fuqua School of Business.

Organizations are increasingly expected to signal solidarity in response to high-profile "mega-threat" events targeting an identity group, the scholars said, with research showing that people may perceive companies as complicit in racial violence if they remain silent. Businesses may try to convey allyship through products, advertisements, social media posts, and statements.

However, efforts are sometimes viewed as insincere or offensive and can spark a backlash. Walmart, for example, which, after Floyd's death, committed $100 million toward a racial equity center, later provoked anger from Black consumers over its 2021 release of "Celebration

Edition: Juneteenth Ice Cream," which was pulled from stores.

After Floyd's murder, when seemingly every major company—some with inconsistent records on diversity—released ally statements, the research team sought to identify the factors driving marginalized groups' evaluations of allyship. Drawing from economic signaling theory and studies of identity safety, they tested the importance of cost and consistency to an all-Black sample of survey respondents—a rarity, they said, in organizational behavior and social psychology research.

The scholars first collected public statements released by nearly 350 companies—70% of the Fortune 500—during the two months following Floyd's death. The statements were anonymized and coded for elements that signaled costs in terms of resources—such as financial pledges or the hiring of a chief diversity officer—or reputation, like explicitly mentioning race or the names of recent Black victims of police violence instead of using "colorblind" language.

To investigate the role of consistency, the researchers noted if companies placed in the top 100 of Fortune magazine's Measure Up initiative, which ranks Fortune 500 companies relative to one another based on 14 diversity and inclusion metrics.

More than 1,300 Black Americans evaluated the statements—eight per person, randomly selected, for a total of more than 10,000 evaluations—rating the extent to which they agreed that a company was an ally to Black people. Statements that signaled costs received better evaluations than those that didn't. But costly elements only predicted positive evaluations for companies that communicated consistent attention to the issues—in this case, those appearing in Measure Up's top 100.

"You can demonstrate costly signals, and you should," Carter said. "But consistency is key to shaping whether people perceive an organization to be an ally or not."

To test the findings in a more controlled manner, a second study adapted a Fortune 500 ally statement into four versions that varied cost and consistency levels—changing, for example, how much the unnamed company donated to social justice organizations, whether it mentioned race or victim names, and how long it had appeared on a recognized list of best companies for diversity.

Nearly 700 Black Americans evaluated one of the four versions of the statement for allyship, and rated how authentic the company seemed. The results confirmed the relationship between cost and consistency, and suggested that perceived authenticity underpinned the evaluations. The statement was seen as more authentic when it signaled both high cost and consistency.

To sincerely demonstrate solidarity, the authors concluded, costly sacrifices in support of Black people are "necessary but insufficient."

"It is critical that companies convey that they will follow through on these sacrifices in the long run, beyond specific trends or mega-events," they wrote. "Organizations must work to authentically embrace egalitarian policies and values to be considered allies to marginalized communities."

More information: Rebecca Ponce de Leon et al, Sincere solidarity or performative pretense? Evaluations of organizational allyship, *Organizational Behavior and Human Decision Processes* (2023). DOI: 10.1016/j.obhdp.2023.104296

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