

## Appendix Analysis

### Appendix 1

#### Treatment Effects on African Americans and Hispanics Estimated Separately

In the study setting, ethnic minorities are defined as African Americans and Hispanics, as they are the two main ethnic groups underrepresented at this firm and in the finance sector (and other high profile careers) more generally. In the main text, we examined impacts on both ethnic minorities taken together. Here, we look at estimated impacts on each group separately.

Table A7 shows Linear Probability Model estimates that examine the effects of the 2 treatment categories (*Diversity* and *Major*) on probability of expressing interest (models 1-2), applying (models 3-4), and being selected for the program (models 5-6), separately for each ethnic minority group. Models 1, 3, and 5 exclude Hispanics from the sample and include an indicator for African American as well as variables for its interaction with each treatment category; models 2, 4, and 6 exclude African Americans from the sample and include an indicator for Hispanic and the two related treatment interaction terms. Coefficient estimates for the African American indicator variable show that African Americans are less likely to express interest (model 1,  $p < .05$ ), less likely to apply (model 2, not significant) and less likely to be selected (model 3,  $p < .05$ ) under the status-quo *Control* condition, compared to ethnic majorities.

The bottom panel shows the sum of the coefficients for *Diversity* and the interaction term *African American*  $\times$  *Diversity* (for men) and the sum of the coefficients for *Diversity*, the interaction term *African American*  $\times$  *Diversity* and the interaction term *Female*  $\times$  *Diversity* (for women). They indicate that the impact of *Diversity* messages is sharply positive and significant (model 1: 40 percentage points for men,  $p = .002$ , 37 percentage points for women,  $p = .004$ ;

model 3: 25 percentage points for men,  $p = .049$ , 22 percentage points for women,  $p = .078$ ;  
model 5: 14 percentage points for men,  $p = .018$ , 12 percentage points for women,  $p = .031$ ) – far  
more than enough to overcome the gaps between African Americans and ethnic majorities under  
the status-quo *Control* condition for all three outcomes. As columns 2, 4, and 6 of the bottom  
panel show, impacts of *Diversity* on Hispanic Americans show similar patterns of effects, though  
somewhat less pronounced (model 2: 29 percentage points for men,  $p = .043$ , 28 percentage  
points for women,  $p = .037$ ; model 4: 21 percentage points for men,  $p = .133$  for men, 22  
percentage points for women,  $p = .104$ ; model 6: 7 percentage points for men,  $p = .391$ , 4  
percentage points for women,  $p = .608$ ). However, the effects of the *Diversity* and *Major*  
messages do not significantly differ between African Americans and Hispanic Americans, as the  
pairwise comparisons of the treatment effects show (Table A7, Seemingly Unrelated Estimation  
of models (1) + (2),  $p > .500$ , models (3) + (4),  $p > .506$ , and models (5) + (6),  $p > .432$ ,  
respectively).

## Appendix 2

### Comparison of Treatment Effects Across Diversity I and Diversity II: Additional Analysis

In the main text, we pool the *Diversity I* and *Diversity II* treatments, as they represent the same fundamental approach to attracting employee diversity (explicitly and directly communicating a high value placed by the firm on diversity per se). The main text also discussed nonparametric results showing that the effects of each *Diversity* treatment are very similar to each other. Here, we examine the robustness of these findings through a regression analysis that also accounts for gender. We also show the similar impacts each treatment has on the ethnicity gap, and confirm the two *Diversity* treatments do not differ in their impacts on individuals from overrepresented ethnic groups.

Table A3 shows results from a Linear Probability Model that estimates the treatment effects of *Diversity I* and *Diversity II* independently, accounting for gender of potential candidates. First, we note that the effects of *Diversity I* and *Diversity II* are not significantly different from each other for any of the three outcome variables (panel C: model 1,  $p = .952$  for men and  $p = .427$  for women; model 2,  $p = .948$  for men and  $p = .711$  for women; model 3,  $p = .897$  for men and  $p = .495$  for women).

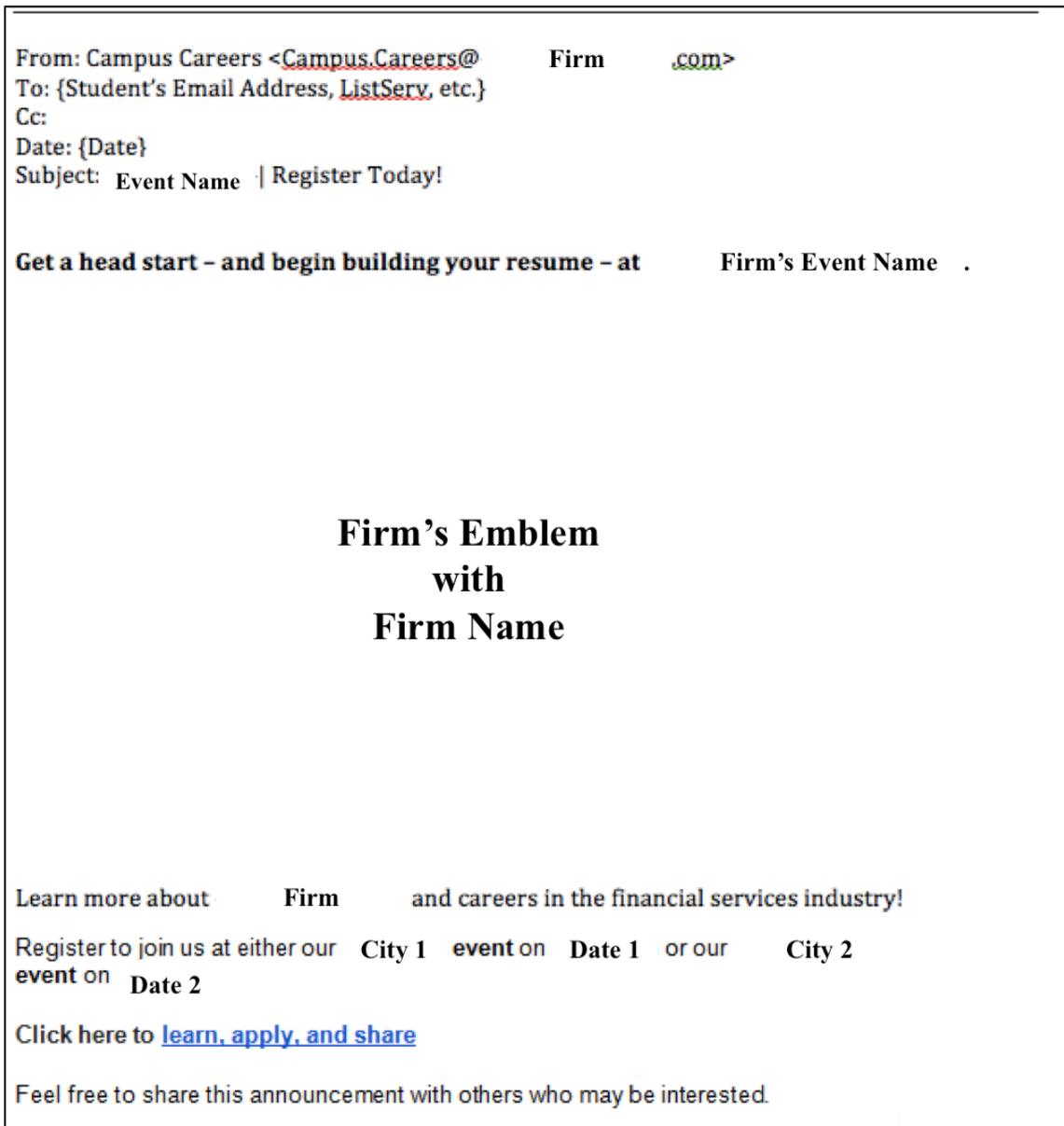
Next, as panel B shows, the effects of *Diversity I* and *Diversity II* on expression of interest and applications by ethnic minorities, when estimated separately, are large and significant (*Diversity I*: model 1,  $p = .004$  for men and  $p = .001$  for women; model 2,  $p = .047$  for men and  $p = .078$  for women; *Diversity II*: model 1,  $p = .004$  for men and  $p = .012$  for women; model 2,  $p = .051$  for men and  $p = .031$  for women). This positive effect translates into selection rates almost 10 percentage points higher under both *Diversity I* and *Diversity II*, as shown in model 3, though

this is not significant (*Diversity I*,  $p = .1379$  for men and  $p = .4415$  for women; *Diversity II*,  $p = .1048$  for men and  $p = .1535$  for women).

Turning to effects of *Diversity I* and *Diversity II* on the ethnicity gap, we see the impacts on the difference between underrepresented and overrepresented ethnic groups are all large and positive (i.e. in favor of underrepresented ethnicity). This is shown in the Panel A coefficients for the interaction terms between minority ethnicity and each *Diversity* treatment. The estimated impacts of each treatment on the ethnicity gap are also all significant, with the sole exception of selection probability for *Diversity I*.

Finally, we also see there are no significant differences between *Diversity I* and *Diversity II* in effects on overrepresented ethnic groups. This can be seen, for example, in the estimates at the bottom of panel C in Table A3, where none of the differences in estimated impacts of *Diversity I* compared to *Diversity II* are significant (model 1:  $p = .1574$  for men and  $p = .8932$  for women; model 2:  $p = .5740$  for men and  $p = .1841$  for women; model 3:  $p = .7115$  for men and  $p = .1750$  for women).

## Appendix Figures



**Figure A1.** Announcement email.

## Firm's Program Name

For college freshmen and sophomores, summer internships in finance can be hard to come by. Get a head start — and begin building your resume — at **Firm's Program Name** a one day program with **one of the** largest asset manager for current undergraduate freshmen and sophomores from diverse groups.

### Treatment Script

#### ▶ DISCOVER A NEW WORLD

Come explore the ever-changing and exciting asset management industry. Learn about what **Firm** does within the worlds of Technology, Client Business, Corporate, Analytics & Risk, Investments and Advisory & Strategy.

#### ▶ BUILD YOUR RESUME

Discover what it means to be a fiduciary, learn about our innovative technology and hear from professionals in the industry. Gain that competitive edge and enhance your development through financial, professional and technology workshops.

#### ▶ INVEST IN YOUR FUTURE

So What Do You Do With Your Career? Get focused early, develop your network and acquire the tools to become a future leader in the asset management industry. Uncover strategies and communication essentials to utilize during your career search.

### REGISTER TODAY:

Register to join us at either our **City 1** event on **Date 1** or our **City 2** event on **Date 2**. Registration deadline is **Date 3** at 11:59PM EST.

- ▶ For more information on the event and to register, click [HERE](#).
- ▶ If you are interested in this event but are unable to attend this year, click [HERE](#) to be notified of **Firm's** similar events in the future.
- ▶ If you are not interested in this event, please click [HERE](#).
- ▶ To share information about this event with friends, click [HERE](#).

Figure A2. Webpage with details on the opportunity.

## Appendix Tables

Table A1  
Treatment Scripts

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Treatment	Script
T0: Control	{Firm Name} needs you!
T1: Diversity I Non-supported	Wherever you're from, whatever your background, {Firm Name} needs you! At {Firm Name}, we believe that inclusion and diversity are key to our success. By fully leveraging our diverse experiences, backgrounds, and insights, we inspire innovation, challenge the status quo, and create better outcomes for our people and our clients. Making inclusion and diversity a competitive advantage is front and center for us.
T2: Diversity I Fact-supported	Wherever you're from, whatever your background, {Firm Name} needs you! At {Firm Name}, we believe that inclusion and diversity are key to our success. By fully leveraging our diverse experiences, backgrounds, and insights, we inspire innovation, challenge the status quo, and create better outcomes for our people and our clients. Making inclusion and diversity a competitive advantage is front and center for us. In 2015, <ul style="list-style-type: none"><li>• 45% of our Analyst class were women, and</li><li>• 52% were ethnically diverse</li></ul>
T3: Diversity II Non-supported	Whatever you study, wherever you're from, whatever your background, {Firm Name} needs you! We need diversity in our skills and in our minds. This does not change our principles but emboldens them.
T4: Diversity II Fact-supported	Whatever you study, wherever you're from, whatever your background, {Firm Name} needs you! "We need diversity in our skills and in our minds. This does not change our principles but emboldens them" ( <i>Name</i> , CEO of <i>Firm</i> ).

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T5: Major  
Non-supported                      Whatever you study, from nursing to neuroscience and ethnic studies to psychology, {Firm Name} needs you!

T6: Major  
Fact-supported                      Whatever you study, {Firm Name} needs you! In last year's {Firm's Program Name}, over 30 majors were represented, from nursing to neuroscience and ethnic studies to psychology.

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Table A2  
Distribution of Ethnicity and Gender across Treatments

	Treatment							Total
	Control	Diversity I Non-Supported	Diversity I Fact-Supported	Diversity II Non-Supported	Diversity II Fact-Supported	Major Non-Supported	Major Fact-Supported	
Panel A: Ethnicity								
Black or African American	10 14.08%	9 12.68%	7 9.86%	8 11.27%	15 21.13%	14 19.72%	8 11.27%	71 100%
Hispanic or Latino	14 14.74%	16 16.84%	14 14.74%	15 15.79%	14 14.74%	9 9.47%	13 13.68%	95 100%
Asian	80 14.95%	72 13.46%	71 13.27%	74 13.83%	63 11.78%	84 15.7%	91 17.01%	535 100%
White	49.38%	44.44%	47.33%	44.85%	39.38%	53.16%	55.49%	47.73
Two or more races	53 15.45%	49 14.29%	46 13.41%	51 14.87%	56 16.33%	46 13.41%	42 12.24%	343 100%
Native, Hawaiian,	32.72%	30.25%	30.67%	30.91%	35%	29.11%	25.61%	30.6%
Cannot tell	0 0%	0 0%	2 22.22%	1 11.11%	3 33.33%	0 0%	3 33.33%	9 100%
	0%	0%	1.33%	0.61%	1.88%	0%	1.83%	0.8%
	0 0%	1 100%	0 0%	0 0%	0 0%	0 0%	0 0%	1 100%
	0%	0.62%	0%	0%	0%	0%	0%	0.09%
	5 7.46%	15 22.39%	10 14.93%	16 23.88%	9 13.43%	5 7.46%	7 10.45%	67 100%
	3.09%	9.26%	6.67%	9.7%	5.62%	3.16%	4.27%	5.98%
Panel B: Gender								
Female	76 14.02%	81 14.94%	80 14.76%	68 12.55%	75 13.84%	77 14.21%	85 15.68%	542 100%
Male	46.91%	50%	53.33%	41.21%	46.88%	48.73%	51.83%	48.35
Cannot tell	80 14.65%	77 14.10%	65 11.90%	89 16.30%	84 15.38%	76 13.92%	75 13.74%	546 100%
	49.38%	47.53%	43.33%	53.94%	52.5%	48.1%	45.73%	48.71
	6 18.18%	4 12.12%	5 15.15%	8 24.24%	1 3.03%	5 15.15%	4 12.12%	33 100%
	3.7%	2.47%	3.33%	4.85%	0.62%	3.16%	2.44%	2.94%
Panel C: Total								
Total	162 14.45%	162 14.45%	150 13.38%	165 14.72%	160 14.27%	158 14.09%	164 14.63%	1,121 100%
	100%	100%	100%	100%	100%	100%	100%	100%

Note: For each demographic category (ethnicity or gender), the first row indicates the number of individuals in the given category and treatment group. The second row shows the distribution of

the given demographic group across treatments. The third row shows the percentage of each treatment group comprised by the given demographic group.

Table A3  
Impacts of Diversity I and Diversity II Estimated Separately

	(1)	(2)	(3)
	Interested	Applied	Selected
Panel A: Treatment Effects on Ethnicity Gap, Gender Gap, Overall			
Diversity I	-0.0072 (0.0602)	0.0082 (0.0540)	-0.0072 (0.0220)
Diversity II	0.0665 (0.0596)	0.0343 (0.0527)	-0.0134 (0.0211)
Major	0.0892 (0.0614)	0.0674 (0.0550)	-0.0130 (0.0199)
African American/ Hispanic	-0.1450 (0.0885)	-0.0614 (0.0865)	-0.0076 (0.0437)
African American/ Hispanic × Diversity I	0.3460*** (0.1190)	0.2220* (0.1150)	0.0979 (0.0641)
African American/ Hispanic × Diversity II	0.2650** (0.1160)	0.1890* (0.1140)	0.1130* (0.0652)
African American/ Hispanic × Major	0.0271 (0.1140)	-0.0064 (0.1100)	0.0155 (0.0551)
Female	0.1060 (0.0714)	0.0798 (0.0656)	0.0430 (0.0327)
Female × Diversity I	0.0316 (0.0887)	-0.0339 (0.0811)	-0.0396 (0.0381)
Female × Diversity II	-0.0500 (0.0894)	0.0125 (0.0827)	-0.0007 (0.0407)
Female × Major	-0.0312 (0.0891)	-0.0191 (0.0820)	0.0252 (0.0399)
Constant	0.2490*** (0.0472)	0.1820*** (0.0421)	0.0241 (0.0180)
Panel B: Treatment Effects on Ethnic Minority Individuals			
Effect of Diversity I on African American/ Hispanic Men [F-test p-value]	0.3380*** [.0045]	0.2300** [.0466]	0.0907 [.1379]
Effect of Diversity I on African American/ Hispanic Women [F-test p-value]	0.3700*** [.0013]	0.1970* [.0780]	0.0511 [.4415]
Effect of Diversity II on African American/ Hispanic Men [F-test p-value]	0.3320*** [.0045]	0.2240* [.0510]	0.0994 [.1048]
Effect of Diversity II on African American/ Hispanic Women [F-test p-value]	0.2820** [.0119]	0.2360** [.0314]	0.0986 [.1535]
Panel C: Pairwise Comparison of Treatment Effect of Diversity I vs. Diversity II			
Effect of Diversity I vs. II on African Am./ Hispanic Men [F-test p-value]	0.0064 [.9521]	0.0068 [.9484]	-0.0086 [.8968]
Effect of Diversity I vs. II on African Am./ Hispanic Women [F-test p-value]	0.0880 [.4271]	-0.0395 [.7105]	-0.0475 [.4953]
Effect of Diversity I vs. II on Ethnic Majority Men [F-test p-value]	-0.0737 [.1574]	-0.0261 [.5740]	0.0063 [.7115]
Effect of Diversity I vs. II on Ethnic Majority Women [F-test p-value]	0.0078 [.8932]	-0.0724 [.1841]	-0.0326 [.1750]
Observations	1,1210	1,1210	1,1210

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Note: The dependent variables are dummy variables taking the value 1 (0) if the individual does (not) express interest in the program - model (1), if the individual does (not) submit an application – model (2), or if the individual is (not) selected – model (3). The explanatory variables for *Diversity I*, *Diversity II*, *Major*, *African American or Hispanic American*, and *Female* are dummy variables taking the value 1 (0) if the individual does (not) belong to the respective treatment or demographic group. \*\*\*p < .01, \*\*p < .05, \*p < .1. Robust standard errors in parentheses.

Table A4  
 Impacts of Supporting Diversity Statements with Factual Information (LPM)

	(1)	(2)	(3)
	Interested	Applied	Selected
Fact-supported	-0.000386 (0.0437)	0.0204 (0.039)	-0.0178 (0.0124)
African American/ Hispanic	0.0729 (0.0636)	0.0942 (0.0599)	0.0589* (0.0339)
African American/ Hispanic × Fact-supported	-0.00438 (0.0897)	-0.03200 (0.0849)	0.02190 (0.0513)
Female	0.0886** (0.0436)	0.0544 (0.0393)	0.0114 (0.0167)
Female × Fact-supported	0.00234 (0.0618)	0.0214 (0.0567)	0.0540** (0.0255)
Constant	0.3010*** (0.0300)	0.2080*** (0.0262)	0.0211** (0.00971)
Observations	959	959	959

Note: Coefficient estimates from an OLS regression (linear probability model). The sample is restricted to the treatment groups (control group omitted). The dependent variables are dummy variables taking the value 1 (0) if the individual does (not) express interest in the program - model (1), if the individual does (not) submit an application – model (2), or if the individual is (not) selected – model (3). The explanatory variables *Fact-supported*, *African American or Hispanic American*, and *Female* are dummy variables taking the value 1 (0) if the individual does (not) belong to the respective treatment or demographic group. \*\*\*p < .01, \*\*p < .05, \*p < .1. Robust standard errors in parentheses.

Table A5.

## Researcher-Coded vs. Self-Identified Ethnicity/Race (Completed Applications)

	Self-Identified Ethnicity or Race						Total
	Asian	Black or African American	Hispanic or Latino	White	Two or more races	Does not self-identify	
Panel A: Coded as Asian	128 90.14% 94.12%	0 0% 0%	0 0% 0%	2 1.41% 3.64%	3 2.11% 23.08%	9 6.34% 50.00%	142 100% 49.82%
Panel B: Coded as African	0 0.00% 0.00%	14 87.50% 82.35%	0 0% 0%	0 0% 0%	2 12.50% 15.38%	0 0% 0%	16 100% 5.61%
Panel C: Coded as Hispanic	0 0.00% 0.00%	0 0% 0%	33 97.06% 71.74%	0 0% 0%	1 2.94% 7.69%	0 0% 0%	34 100% 11.93%
Panel D: Coded as White	1 1.35% 0.74%	2 2.70% 11.76%	12 16.22% 26.09%	47 63.51% 85.45%	7 9.46% 53.85%	5 6.76% 27.78%	74 100% 25.96%
Panel E: Coded as 2+ races	2 66.67% 1.47%	0 0% 0%	0 0% 0%	1 33.33% 1.82%	0 0% 0%	0 0% 0%	3 100% 1.05%
Panel F: Coded as Native, Hawaiian or other	1 100% 0.74%	0 0% 0%	0 0% 0%	0 0% 0%	0 0% 0%	0 0% 0%	1 100% 0.35%
Panel G: Coded as Cannot tell	4 26.67% 2.94%	1 6.67% 5.88%	1 6.67% 2.17%	5 33.33% 9.09%	0 0% 0%	4 26.67% 22.22%	15 100% 5.26%
Total	136 47.72% 100%	17 5.96% 100%	46 16.14% 100%	55 19.30% 100%	13 4.56% 100%	18 6.32% 100%	285 100% 100%

Note: Of the 285 individuals who completed and submitted an application, about 95% indicated their race or ethnicity in the application form. This table compares our measure of ethnicity to self-identified ethnicity for this subsample, which helps assess the accuracy of our method for identifying and coding ethnicity. Panels indicate researcher-coded ethnicity, and columns indicate self-identified ethnicity. The first row of each panel indicates the number of individuals for the respective combination of coded and self-identified ethnicity/race. The second row of each panel shows the percentage of individuals coded by researcher as the panel ethnicity that

self-identified as the column ethnicity. The third row of each panel shows the percentage of individuals self-identifying as the column-ethnicity that were coded as the panel ethnicity.

Table A6  
 Researcher-Coded vs. Self-Identified Gender (Completed Applications)

	Self-Identified Gender		Total
	Female	Male	
Panel A: Coded as Female	155 99.36% 97.48%	1 0.64% 0.79%	156 100% 54.74%
Panel B: Coded as Male	2 1.65% 1.26%	119 98.35% 94.44%	121 100% 42.46%
Panel C: Coded as Cannot tell	2 25% 1.26%	6 75% 4.76%	8 100% 2.81%
Total	159 55.79% 100%	126 44.21% 100%	285 100% 100%

Note: All of the individuals who completed and submitted an application indicated their gender in the application form. This table compares our measure of gender to self-identified gender for this subsample, which helps assess the accuracy of our method for identifying and coding gender. Panels indicate researcher-coded gender, and columns indicate self-identified gender. The first row of each panel indicates the number of individuals for the respective combination of coded and self-identified gender. The second row of each panel shows the percentage of individuals coded by researcher as the panel gender that self-identified as the column gender. The third row of each panel shows the percentage of individuals self-identifying as the column-gender that were coded as the panel gender.

Table A7

## Impacts on African Americans and Hispanic Americans Estimated Separately

	(1)	(2)	(3)	(4)	(5)	(6)
	Interested	Interested	Applied	Applied	Selected	Selected
Diversity	0.0409 (0.0547)	0.0299 (0.0549)	0.0250 (0.0484)	0.0123 (0.0488)	-0.0121 (0.0195)	-0.0103 (0.0201)
Major	0.0810 (0.0620)	0.0911 (0.0626)	0.0604 (0.0554)	0.0656 (0.0561)	-0.0205 (0.0196)	-0.0110 (0.0199)
African American	-0.2180** (0.0994)		-0.134 (0.0983)		-0.0489** (0.0207)	
African American * Diversity	0.3630*** (0.1300)		0.2200* (0.1260)		0.1510*** (0.0582)	
African American * Major	-0.0212 (0.1250)		-0.0540 (0.1180)		0.04920 (0.0499)	
Hispanic American		-0.0954 (0.122)		-0.0122 (0.120)		0.0223 (0.0694)
Hispanic American * Diversity		0.259* (0.140)		0.198 (0.138)		0.0766 (0.0816)
Hispanic American * Major		0.0984 (0.165)		0.0647 (0.160)		-0.00693 (0.0832)
Female	0.1360* (0.0742)	0.1030 (0.0749)	0.1070 (0.0676)	0.0747 (0.0686)	0.0357 (0.0340)	0.0461 (0.0348)
Female * Diversity	-0.0301 (0.0840)	-0.00488 (0.0844)	-0.0221 (0.0765)	0.00646 (0.0773)	-0.0176 (0.0369)	-0.0220 (0.0379)
Female * Major	-0.0196 (0.0922)	-0.0344 (0.0936)	-0.00959 (0.0844)	-0.0149 (0.0860)	0.0407 (0.0412)	0.0210 (0.0418)
Constant	0.2360*** (0.0478)	0.2510*** (0.0481)	0.1690*** (0.0424)	0.1840*** (0.0428)	0.0274 (0.0179)	0.0228 (0.0184)
Treatment Effects on African Americans						
Diversity Effect on Men	0.4040*** [F-test p-value]		0.2450** [0.0492]		0.1380** [0.0183]	
Diversity Effect on Women	0.3730*** [F-test p-value]		0.2230* [0.0779]		0.1210** [0.0310]	
Major Effect on Men	0.0598 [F-test p-value]		0.00644 [0.9544]		0.0287 [0.5414]	
Major Effect on Women	0.0402 [F-test p-value]		-0.00315 [0.9792]		0.0694 [0.1678]	
Treatment Effects on Hispanic Americans						
Diversity Effect on Men		0.2890** [0.0428]		0.2104 [0.1330]		0.0662 [0.3906]
Diversity Effect on Women		0.2840** [0.0366]		0.2169 [0.1038]		0.0442 [0.6084]
Major Effect on Men		0.1895 [0.2537]		0.1303 [0.4202]		-0.0179 [0.8230]
Major Effect on Women		0.1551 [0.3356]		0.1153 [0.4594]		0.00305 [0.9721]
Pairwise Comparison of Treatment Effects on African Americans vs. Hispanic Americans						
[F-test p-value]	> 0.5004		> 0.5068		> 0.4327	
Observations	1,026	1,050	1,026	1,050	1,026	1,050

Note: Linear probability model. Samples are all individuals excluding Hispanic Americans for models (1), (3), and (5) and all individuals excluding African Americans for models (2), (4), and (6). The dependent variables are dummy variables taking the value 1 (0) if the individual does (not) express interest in the program - models (1) and (2), if the individual does (not) submit an

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application – models (3) and (4), or if the individual is (not) selected – models (5) and (6). The explanatory variables for *Diversity*, *Major*, *African American*, *Hispanic American*, and *Female* are dummy variables taking the value 1 (0) if the individual does (not) belong to the respective treatment or demographic group. Final panel reports p-values for pairwise comparison of treatment effects on African Americans vs. Hispanic Americans (Seemingly Unrelated Estimation of models [1] + [2], models [3] + [4], models [5] + [6]). Robust standard errors in parentheses. \*\*\*p < .01, \*\*p < .05, \*p < .1.