The Influence of Signaling, Organizational Reputation, and Applicant Race on Attraction to Sport Organizations

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Abstract 2014-134
Friday, May 30, 2014
20-minute oral presentation (including questions)
(Carnegie III)

Introduction

There has been a marked shift in the demography of the United States over the past several decades, and with it has come a growing interest in diversity issues. Employee diversity and inclusion are associated with greater decision-making (Richard & Shelor, 2002) and performance (Altmann, 2006). Recognizing the benefits, many sport organizations have sought to attract a diverse employee base through their recruitment process. This is achieved in a number of ways, including inclusive advertising and conveying diversity in recruitment materials. Despite the use of this practice, empirical investigation into its effectiveness is lacking. Thus, the purpose of this study was to examine the influence of diversity signals in recruiting materials on applicants’ attraction to the organization. We also considered two intervening variables: race of the applicant and organizational reputation for diversity.

Theoretical Framework

Signaling theory (Connelly et al., 2011; Spence, 1973) helps explain ways in which organizations convey diversity-related information to others. An organization creates signals comprised of bits of information that the organization wants to make known. These signals are available to the general public to influence the views and feelings of fans, investors, employees, and other stakeholders. In turn, signal receivers use this information to evaluate the sender's capabilities (Ferrier, 1997; Fombrun & Shanley, 1990; Mahon, 2002).

Conceptually, sport organizations can send a diversity-related signal and receivers would evaluate and re-evaluate the organizations based on the signal when it comes to its diversity-related reputation. Many times, sport organizations seek to attract a diverse pool of applicants by conveying a culture of diversity and inclusion—particularly through their external communications (Bebbington et al., 2008; Miller & Triana, 2009; Avery, 2003). Given the value potential employees place on diverse workplaces (Fink & Pastore, 1999), we predicted that participants would express a greater probability of applying to the sport organization sending diversity signals through the recruiting poster than their counterparts who viewed a poster without diversity signals (H1).

Other factors might also affect this relationship. For example, organizations with a strong reputation for diversity might be better able to leverage their inclusive recruitment materials. On the other hand, when sport organizations lacking such a history try to promote their diversity in recruiting materials, such efforts might come across as false or inauthentic (Smith et al., 2012). Thus, we hypothesized that organizational reputation for diversity would moderate the relationship between diversity in the recruitment materials and organizational attraction (H2).

Finally, from a social identity perspective (Tajfel & Turner, 1979), people want to have the ability to openly express identities important to them. Diverse workplaces allow such opportunities, and this might be especially important for racial minorities (Avery et al., 2013). Thus, we hypothesized that applicant race would moderate the relationship between diversity in the recruitment materials and organizational attraction (H3).

Methods

Students (n = 205) enrolled at a major public university in the United States took part in an experimental study. The sample included 72 women (35.1%) and 133 men (64.9%); 133 Whites (64.9%) and 72 racial minorities (35.1%); with a mean age of 20.75 years (SD = 1.78).

We designed a 2 (signal: diverse or not diverse) X 2 (diversity reputation: diverse or not diverse) X 2 (job seeker race: racial minority or White) between subjects experiment to test the study hypotheses. Questionnaire packets (i.e., a cover letter explaining the purpose of the study, the recruiting materials, and a questionnaire) were randomly distributed at the end of the class period to students enrolled in kinesiology classes in a major public university in the
United States. Based on the pilot study, MLB was chosen as a more diverse organization and NHL was selected as a less diverse organization. Following Walker et al. (2012), photographs were employed to create diversity signals. For the diverse signal condition, a racially heterogeneous group was shown in one poster. On the other hand, a racially homogeneous (mostly Whites) group was used for the not diverse signal condition. Also, the MLB logo was used for the most diverse organization condition and the NHL logo was used for the least diverse organization condition. These photos were represented as recruiting posters for the purpose of this study.

We asked participants to review the recruitment materials and then respond to a questionnaire measuring their demographics, the manipulation checks, and probability of applying to the sport organization.

Results

We tested the hypotheses via an ANCOVA, with diversity signal, reputation for diversity, and race serving as IV’s, probability of applying to the sport organization as the DV, and sex and age as covariates. Hypothesis 1 was supported as the ANCOVA demonstrated significant main effects for diversity signal, F(1, 195) = 43.51, p < .001. Participants expressed a greater probability of applying to the sport organization with a diverse signal in the recruiting poster (M = 7.00, SE = .23) than the sport organization with a homogenous recruiting poster (M = 4.84, SE = .23). Hypothesis 2 was not supported, as the diversity signal X diversity reputation interaction term was not significant, F(1, 195) = .01, p = .95. Hypothesis 3, which predicted that race would moderate the relationship between diversity signal and probability of applying to the sport organization, was supported, F(1, 195) = 13.42, p < .001. The draw of working for a workplace sending diverse signals was stronger for racial minorities than it was for Whites.

Discussion

These findings are consistent with the associated literature in applied psychology (Walker et al., 2012) and sport (Cunningham & Melton, in press), showing that people value organizations that are perceived to value diversity and inclusion. This study also makes several contributions to the literature, such as (a) although signaling and its effects have been examined in many different contexts (Connelly et al., 2011; Spence, 1973), few researchers have examined the influence of signals from sport organizations (for exceptions, see Cunningham & Melton, in press; Preuss & Alfs, 2011), (b) we responded to Connelly et al.’s (2011) call for more research investigating key intervening processes to better understand how people interpret signals, and (c) inclusion of potential moderators proved instructive given that the main effects of diversity signals were moderated by applicant race. Thus, as using diversity-related signal attracted more diverse individuals, it is also plausible that the organization that sent diversity-related signals can become more diverse and a diversity-inclusive organization. As a result, the organizational performance would be positively associated with the diversity-related signaling.