

Are your diversity efforts widening the gap instead of closing it?

Foiled by diversity? When diversity, equity, and inclusion initiatives exacerbate inequality instead of reducing it

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As companies across the globe implement DEI (Diversity, Equity, and Inclusion) initiatives, many are surprised to find that these programs sometimes worsen the very inequalities they aim to address. With increased pressure from activist movements and regulatory bodies, organizations feel compelled to act. However, by focusing on visible diversity metrics, they may neglect the deeper issues of equity and inclusion. This article discusses the implications of different DEI logics and how organizations can better navigate these challenges to avoid reinforcing bias and inequality.

WHAT WE STUDIED

The study investigates the underlying frameworks behind DEI initiatives, focusing on three core logics: moral justice, business case, and power activism. We analyzed the management literature and organizational case studies to understand how these DEI logics interact, and how their misalignment can lead to unintended consequences. Each logic offers different mechanisms for driving change, but when organizations prioritize diversity over equity and inclusion, they risk creating superficial diversity at the expense of real progress.

KEY INSIGHTS

1. Moral Justice Logic: Equality Through Litigation

This framework is rooted in the historical fight for civil rights and focuses on achieving equality through legal frameworks. In organizations, this logic manifests in anti-discrimination policies and equal opportunity initiatives. However, the reliance on litigation as a mechanism for change often fails to address deeper

systemic biases, leading to an over-focus on compliance rather than meaningful inclusion.

2. Business Case Logic: Diversity for Performance Gains

The business case logic promotes diversity as a means to improve organizational performance. By highlighting the economic benefits of a diverse workforce, it encourages organizations to diversify for competitive advantage. Yet, this logic often reduces diversity to a tool for profit and overlooks the importance of equity and inclusion, resulting in tokenism and surface-level changes that do little to challenge ingrained inequalities.

3. Power Activism Logic: Coercion for Demographic Change

Power activism, influenced by social movements like #MeToo and Black Lives Matter, pushes for rapid demographic changes through coercion, such as quotas and other mandatory measures. While this logic can create visible shifts in diversity, it often leads to backlash and resistance within organizations, especially if inclusion and equity are not prioritized alongside these efforts. The coercive nature of this approach can alienate stakeholders and foster a culture of resentment rather than true integration.

TAKEAWAYS

1. Avoid Superficial Diversity Metrics

Organizations should be wary of focusing solely on demographic diversity (e.g., gender or racial quotas) without addressing the underlying issues of equity and inclusion. Achieving a truly diverse workforce requires more than just numbers—it demands a culture that fosters genuine inclusion and fairness.

2. Build Equity and Inclusion into the Core

Equity and inclusion should be treated as prerequisites for any successful diversity initiative. Organizations need to develop strategies that ensure all employees, regardless of background, have equal opportunities to thrive. This includes fair hiring practices, equitable compensation structures, and an inclusive work environment.

3. Balance External Pressure with Internal Culture

While external activist groups may push for quick changes, such as demographic quotas, organizations must ensure that these efforts align with their internal culture and long-term goals. Imposed diversity without fostering a supportive environment can lead to disengagement and further entrench existing inequalities.

IMPACT

The research underscores the risk of focusing on diversity at the expense of equity and inclusion.

Organizations that prioritize visible diversity metrics may inadvertently exacerbate bias and inequality, reinforcing existing power dynamics rather than challenging them. This has far-reaching implications for companies as they navigate the complex landscape of DEI. To create meaningful change, organizations must shift their focus toward fostering equitable and inclusive environments where diversity can truly flourish.

RECOMMENDATIONS

Organizations should adopt a more holistic approach to DEI initiatives. Instead of solely measuring success by diversity metrics, leaders should evaluate how well their practices promote equity and inclusion. This involves integrating equity into hiring, compensation, and career development processes, and fostering a culture where all employees feel valued and included.

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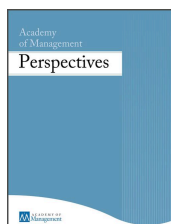
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