Diversity Climate Perceptions and Employee Turnover Intentions: The Importance of Racial Group Identification

by

Thiam Phouthonephackdy

A thesis

presented to the University of Waterloo

in fulfillment of the

thesis requirement for the degree of

Masters of Arts

in

Psychology

Waterloo, Ontario, Canada, 2016

© Thiam Phouthonephackdy 2016

Author's Declaration

I hereby declare that I am the sole author of this thesis. This is a true copy of the thesis, including any required final revisions, as accepted by my examiners. I understand that my thesis may be made electronically available to the public.

ABSTRACT

The workplace diversity climate shapes our perceptions of our workplaces and influences our intentions to leave or stay with an organization. In two studies we test how two variables – racial group membership and racial group identification – interact with diversity climate, operationalized as multiculturalism and colorblindness, to influence employee turnover intentions. Whereas previous research reports racial group membership to be a moderator of the diversity climate and employee turnover relationship, the present studies did not replicate these findings. Instead, we found a three-way interaction with diversity climate perceptions, racial group membership (i.e., visible minorities vs. White/Caucasian), and racial group identification predicting employee turnover intentions. A multicultural diversity climate related negatively with employee turnover intentions for some, not all, visible minorities (i.e., minority racial group membership) with high racial group identification (Study 1 and Study 2). A colorblind diversity climate related positively with employee turnover intentions for visible minority employees with high racial group identification (Study 2). A colorblind diversity climate related negatively with employee turnover intentions for White/Caucasian participants and unexpectedly with Asian participants with high racial group identification (Study 1). Further, we found a main effect of multiculturalism (vs. colorblindness) suggesting in general, regardless of racial group membership, participants intend to stay with organizations that endorse multiculturalism over colorblindness. We discuss implications for climate and policies in multicultural organizations.

Keywords: multiculturalism, colorblindness, self-categorization theory, social identity

Acknowledgement

I would like to thank my supervisor Dr. Wendi Adair for her support. I would also like to thank my readers Dr. Winny Shen and Dr. Erik Woody for their excellent and energizing feedback. I am grateful for the feedback provided by my fellow students. Finally, I am grateful for the unwavering encouragement of my family.

Table of Contents

Author's Declaration ii
Abstract iii
Acknowledgement iv
List of Figures vi
List of Tables vii

Introduction 1
The Role of Racial Group Membership 5
The Role of Racial Group Identification 7
The Interaction between Racial Group Membership and Racial Group Identification 8

Study 1 11
Method 11
Results 16
Primary Analyses 17
Supplementary Analyses 20
Discussion 22

Study 2 25
Method 25
Results 30
Discussion 32

General Discussion 34
Social Comparison, Discrimination, and Racial Salience 35
Optimal Distinctiveness, the Racial Group, and the Super-ordinate Group 37
Practical Implications 41
Strengths, Limitations, and Directions for Future Research 42

References 45
Appendix A 71
Appendix B 73

List of Figures

1. Study 1, Independent Samples T-Test for Manipulation Check 62
2. Between Groups Test for Three-Way Interaction in SEM 63
3. Study 1, Racial Group Identification by Multicultural Diversity Climate Predicting Employee Turnover Intentions 64
4. Study 1, Racial Group Identification by Colorblind Diversity Climate Predicting Turnover Intentions 65
5. Study 1, Racial Group Identification by Multicultural Diversity Climate Predicting Turnover Intentions by Sub-groups 66
6. Study 1, Racial Group Identification by Colorblind Diversity Climate Predicting Turnover Intentions by Sub-Groups 67
7. Study 2, Scree Plot of Diversity Climate Items 68
8. Study 2, Three-way Interaction between Racial Group Identification, Racial Group Membership, and Multicultural Diversity Climate Predicting Turnover Intentions 69
9. Study 2, Three-way Interaction between Racial Group Identification, Racial Group Membership, and Colorblind Diversity Climate Predicting Turnover Intentions 70

List of Tables

1. Study 1, Diversity Climate Manipulations..... 54
2. Study 1, Independent Samples T-Test for Manipulation Check..... 55
3. Study 1, Descriptive Statistics, Correlations, and Alpha Reliabilities..... 56
4. Study 1, Racial Group Identification by Multicultural Diversity Climate Predicting Turnover Intentions..... 57
5. Study 2, Diversity Climate Perceptions Factor Loadings..... 58
6. Study 2, Descriptive Statistics, Correlations, and Alpha Reliabilities..... 59
7. Study 2, Descriptive Statistics, Correlations, and Alpha Reliabilities..... 60
8. Study 2, Interaction between Racial Group Identification, Racial Group Membership, Multicultural Diversity Climate Predicting Turnover Intentions..... 61

INTRODUCTION

Employee turnover among visible minorities is costly for businesses seeking to increase workplace diversity. Surveys by human resources consulting firms report an estimated financial loss of USD $10,000 per employee exit (Survey confirms high costs of turnover, 1998) or 21.4% of an employee's annual salary (Boushey & Glynn, 2012). The cost of employee turnover increases as the departing employee's rank and expertise increases. Notably, statistics from the Bureau of Labor (U.S.) report that turnover is dependent on employee race, reporting that 30% of White employees have stayed with their current employer for 10 or more years compared to only 21% of Hispanic employees and 25% of Black and Asian employees (U.S. Bureau of Labor Statistics, 2014, Table 3). If visible minorities (i.e., employees of non-White ethnicity) turnover at higher rates, then turnover must be especially costly for companies looking to retain a diverse workforce.

Prior research suggests retaining diverse employees is dependent on the interaction between race and an organization's diversity climate (Tsui, Egan, & O'Reilly, 1992; McKay, Avery, Tonidandel, Morris, Hernandez, & Hebl, 2007; Avery, McKay, Wilson, & Tonidandel, 2007). Broadly speaking, organizational *diversity climate* is a climate that promotes "employees' perceptions that an organization adheres to fair personnel practices and the degree that minority employees are integrated into the work environment" (McKay et al., p. 36). To measure organizational diversity climate, industrial/organizational (I/O) psychologists have asked employees to rate the extent to which they believe their organization offers equal access to training, and values diverse perspectives (e.g., McKay et al., 2007; Avery et al., 2007), and/or the extent to which they perceive their organization has a track record of hiring and promoting employees objectively, regardless of their race, sex, religion, or age (Mor Barak, Cherin, & Berkman, 1998). Diversity climate measures used in this literature do not emphasize the

employee's race over other personal characteristics such as gender, religion, sexual orientation, or age. However, research has shown that race is a highly visible characteristic and using race to categorize our colleagues is arguably automatic (Norton, Sommers, Apfelbaum, Pura, & Ariely, 2006). In light of the saliency of race, this research examines alternative forms of diversity climate that pay particular attention to racial group identity: multiculturalism and colorblindness.

Multiculturalism is a diversity climate in which organizations acknowledge the existence of racial/ethnic group differences within their organizations and signal that such differences are valued. *Colorblindness* is a diversity climate in which the existence of racial/ethnic group differences is minimized, even ignored, in favour of emphasis on equity for individuals, and therefore the importance of individual merit regardless of racial/ethnic group membership (Wolsko, Park, Judd, & Wittenbrink, 2000; Wolsko, Park, & Judd, 2006; Ryan, Hunt, Weible, Peterson, & Casas, 2007; Plaut, Thomas, & Goren, 2009). In practice, a colorblind organization avoids discussion of race issues, but a multicultural organization conveys a message that racial/ethnic groups exist and these racial group differences are valued and have a place within the organization. Although prior research provides empirical support that multiculturalism and colorblindness are two distinct constructs and not opposing ends of the same construct (Ryan, Hunt, Weible, Peterson, & Casas, 2007), there is ample research that indicates a polarization of preferences by racial group. That is to say, in general, majority groups favour colorblindness and minority groups favour multiculturalism (Verkuyten, 2004, 2005; Wolsko et al., 2006).

From a self-categorization perspective (Turner, Hogg, Oakes, Reicher, & Wetherell, 1987), multiculturalism can arguably be viewed as an approach that allows employees to have racial group identities within the larger super-ordinate organizational identity, akin to having a dual identity (Davidio, Gaertner, & Saguy, 2007). Stated differently, one identity is not

overshadowed by the other identity. In contrast, colorblindness argues for one common group identity. The argument for colorblindness stems from the notion that group differences encourage the psychological processes that give rise to in-group favouritism (Davidio et al., 2007); thus, if group distinctions disappear, these group-based biases would be reduced. Advocates of colorblindness argue that to achieve equity for racial groups, the focus should be on the unique individual, and the message that should be emphasized is one that reminds us we are all a part of one group – we are all humans. But, advocates of multiculturalism argue, it is impossible to ignore racial group distinctions due to our apparent physical differences (Park & Judd, 2005). Physical differences are extremely salient and, to a certain extent, it is normal and inevitable that we create categories to understand the world around us (Turner et al., 1987). Therefore, true colorblindness may not be possible.

Despite their differences, both multiculturalism and colorblindness are meant to reduce inequities between members of the White/Caucasian majority group and minority groups, particularly with respect to unequal treatment and discrimination in the workplace (Apfelbaum, Norton, & Sommers, 2012; Rattan, & Ambady, 2013). When comparing the capacity of these two approaches for reducing employee turnover, the question is: Will an approach that acknowledges racial group differences or ignores racial group differences be more effective?

A review of the extant literature suggests that both racial group membership (e.g., Asian, White, Aboriginal etc.) and racial group identification moderate the relationship between diversity climate perceptions and employee turnover. First, from the I/O psychology literature, racial group membership has been shown to interact with a company's diversity climate to explain differential turnover intentions (McKay et al., 2007; Avery et al., 2007). This research reveals that, on average, employees' perception of a pro-diversity workplace climate is inversely

related to turnover intentions, but the strength of this relationship varies significantly by racial group membership. For example, Black managers reported the most negative relationship, followed by White/Caucasian managers and, unexpectedly, Hispanic managers reported a weaker relationship than their White counterparts. Second, from the social psychology literature, individual differences in degree of group identification explain differential individual mobility (i.e., whether they decide to leave a low status group) among members of the same in-group (Ellemers, Spears, & Doosje, 1997).

Although each of these three factors – racial group membership, degree of racial group identification, and workplace diversity climate - have demonstrated a role in explaining differential turnover intentions, it is not clear which factor drives the relationship and when. In the current research, we draw from Self-Categorization Theory (SCT) (Turner et al., 1987) to examine the following question: Does the moderating effect of racial group membership on the relationship of employees' perceptions of their company's diversity climate to employees' turnover intentions depend on individual differences in racial group identification? We propose and examine a three-way interaction between racial group membership, racial group identification, and diversity climate perceptions to predict employee turnover intentions. In doing so we bridge two streams of research examining turnover intentions, from I/O psychology and social psychology, to explain the effects of racial group membership and identification on the direction and strength of the diversity climate and turnover intentions relationship.

This research offers several theoretical contributions and potentially important practical implications. We situate our organizational diversity climate research in SCT (Turner et al., 1987; Hogg and Terry, 2000; Ellemers, De Gilder, & Haslam, 2004), which allows us to leverage the extensive knowledge already generated by SCT concerning antecedents and consequences of high

versus low group identification. We discriminate between racial group membership and racial group identification and track their unique and interactive effects on diversity climate perceptions and turnover intentions. We put forth racial group identification to be a key moderator with practical implications for organizational diversity programs. With the extensive foundation provided by SCT (Turner et al., 1987), organizations can assess the broader organizational and societal contexts that influence the effects of racial group membership and racial group identification on diversity climate and organizational outcomes such as turnover intentions. Knowledge of how contextual factors interact with racial group membership and identification may allow for greater understanding of when a particular diversity program fails or succeeds.

The Role of Racial Group Membership

Racial group membership is purported to interact with diversity climate to explain differential turnover intentions because members of minority groups, relative to members of majority groups, experience more negative racial conditions in the workplace (McKay et al., 2007). Implicit in this is the idea that race is more salient for under-represented groups, and therefore, members of these groups will be more attentive to racial undertones. That is to say, the more experiences of racial discrimination, the greater is the racial salience (Phinney, 1990; Phinney and Ong, 2007). Specifically, Ethnic Identity Theory (EIT) (Phinney, 1990; Phinney et al., 2007) argues that "attitudes toward one's ethnicity are central to the psychological functioning of those who live in societies where their group and culture are at best poorly represented (politically, economically, and in the media) and are at worst discriminated against or even attacked verbally and physically" (Phinney, 1990, p. 499). Citing EIT, McKay et al. (2007) hypothesized that members of the White majority group are likely to experience less discrimination in the workplace, in comparison to members of visible minority groups, and be

less attentive to a company's diversity climate. However, they also argued that White males in particular, being non-beneficiaries of pro-diversity policies, may have a subconscious aversion to minorities, and therefore may be *more* likely to turnover in an organization that endorses a pro-diversity climate (McKay et al., 2007). For these reasons, racial group membership, a proxy for racial group salience, is expected to moderate the relationship between diversity climate and turnover intentions.

The ramifications of racial salience are explicated by SCT (Oakes, 1987; Haslam, Oakes, Reynolds, & Turner, 1999; Ellemers et al., 2004), which argues that group membership drives attitudes and behaviours when social categories are salient. A core proposition of SCT is that, as the salience of one's group increases, the more the self-definition will shift from the individual ("I") to the collective ("we") (Turner et al., 1987; Ellemers et. al., 2004). According to SCT, as a consequence of moving from the individual self to the group self, individual members will increasingly: (a) view themselves as similar to other members of the racial group, (b) perceive their fate is tied to the fate of the group, and (c) be motivated to coordinate and advocate for the interests of the racial group and its members (Oakes, 1987, p. 118; Haslam et al., 2006). In the workplace, if employees of different racial backgrounds experience differential racial group membership salience, SCT predicts that employees who experience high racial group salience are more likely than employees who experience low racial group salience to behave in a racial group-oriented manner. The act of leaving an organization that undervalues one's racial group is a racial group-oriented action because it is behavior motivated to advance the interests of the racial group but not the organization.

The Role of Racial Group Identification

The effect of racial group membership on turnover intentions has sometimes been counter to expectation. For example, in a study of 6,823 managerial employees of a large, retail organization in the United States, McKay et al. (2007) found that, even though a pro-diversity workplace climate was negatively correlated with turnover intentions for all racial groups, they observed the negative relationship was significantly stronger for White managers than for Hispanic managers. These findings were contrary to their predictions. The authors had predicted, based on propositions set out by EIT, that minority groups (including Hispanics) in the U.S., would report, on average, a greater intention to remain with a pro-diversity organization than Whites. To unpack the counterintuitive results of prior research, in the current research, it is put forth that another moderator, the degree of racial group identification, can explain when minority groups choose to stay with diverse organizations.

Individual differences in the degree of group identification have explained when group members remain with a group or turnover (Ellemers et al., 1997). Research using minimal group designs has shown that group identification is a strong predictor of turnover intentions. For example, in a laboratory manipulation of group identification, it was reported that high and low group identifiers differed in their intention to stay or to leave their group (Ellemers et al., 1997). In a series of experiments with Dutch participants using a 2 (group identification: low vs high), x 2 (group boundaries: permeable vs impermeable) design, it was observed that low group identifiers were more willing than high group identifiers to leave a low status group even when it was not possible to leave the group (Ellemers et. al, 1997, experiment 1). In contrast, high group identifiers were unwilling to leave a low status group even when it was possible to leave the group (Ellemers et. al, 1997, experiment 1). These results reveal the important impact of group identification on

turnover intentions, and are consistent with other research showing that high group identifiers often close ranks and demonstrate group loyalty even in the face of group threat (Spears, Doosje, & Ellemers, 1997; Doosje, Spears, & Ellemers, 2002).

The Interaction between Racial Group Membership and Racial Group Identification

The concept of racial group membership salience is distinct from the concept of racial group identification. Discriminant validity between racial group membership salience and racial group identification has been illustrated by research involving psychological well-being. For example, Yip and Fuligni (2002) measured Chinese racial group membership by asking members to state, for example, How *Chinese* do you feel? Using a daily diary design Yip and Fuligni (2002) found that among Chinese adolescents who report high Chinese identity salience, those who reported *low group identification* (i.e., the degree to which they self-identified with being Chinese) also reported lower well-being than those who reported moderate to *high group identification.*

Whereas racial group membership salience is a perceptually-driven, cognitive tendency to view the self in terms of group membership that results from a meta-contrast process (Turner et al., 1987), racial group identification is an affective attachment, a commitment to, and a sense of belonging felt by members to their racial group (Turner et al., 1987; Ellemers et al., 2004; Phinney & Ong, 2007). *When* racial group membership is salient is highly dependent on context and framing. For example, the meta-contrast process for predicting whether group members will categorize a person as an in-group or out-group member uses a ratio of the average similarity of the person to out-group members versus the average similarity of the person to in-group members. If a person is deemed through this meta-contrast process to be more similar to members of the out-group, then that person is not a member of the in-group. In this way, *racial group membership* is

prescribed and determined largely by one's physical characteristics and is subject to external assumptions of what racial group others perceive ours to be. Racial group membership is not a choice an individual makes per se but rather is dictated more or less by what others see. In comparison, *racial group identification* is a choice, largely driven by an individual's attachment to or connection with a racial group (Ellemers & Jetten, 2013). The voluntary commitment and sense of belonging dimensions of racial group identification are arguably more psychologically meaningful than racial group membership (Phinney & Ong, 2007) and reflective of the emotional ties between the individual and the group (Ellemers, Spears, & Doosje, 1999; Ellemers & Jetten, 2013; Ellemers et al., 2004).

To a certain degree, prior research assumes most, if not all, members identify highly with their racial groups (McKay et al., 2007; Avery et al., 2007), but other research suggests varying degrees of racial group identification exist among members of both the White/Caucasian majority group and members of racial minority groups (Verkuyten, 2005; Morrison, Plaut, & Ybarra, 2010). Arguably, the degree to which the group self becomes more impactful on our attitudes and behaviours should depend on both racial group membership and racial group identification. Furthermore, due to their exposure to more negative racial conditions, visible minorities may experience higher racial group membership salience than Whites. For both groups (majority vs. minority), interactions with racial group identification and diversity climate should predict differential turnover intentions in the following manner.

Hypothesis 1 (Multiculturalism): There will be a three-way interaction between racial group membership, racial group identification, and diversity climate perceptions, predicting employee turnover intentions, such that: (a) as racial group identification increases for visible minorities, there will be negative relationship between a multicultural diversity climate and

turnover intentions, and (b) as racial group identification increases for White/Caucasians, there will be a positive relationship between a multicultural diversity climate and turnover intentions.

Hypothesis 2 (Colorblindness): There will be a three-way interaction between racial group membership, racial group identification, and diversity climate perceptions, predicting employee turnover intentions, such that: (a) as racial group identification increases for visible minorities, there will be a positive relationship between a colorblind diversity climate and turnover intentions, and (b) as racial group identification increases for White/Caucasians, there will be a negative relationship between a colorblind diversity climate and turnover intentions.

The Present Studies

This research examines the effect of multiculturalism and colorblindness in organizations to employee turnover intentions and examines how individual differences in racial group membership and racial group identification moderate this relationship. To test the hypotheses two research designs that complement each other are employed. Study 1 is an experimental design, sampling students who are randomly assigned to one of three diversity climate (i.e., colorblind, multiculturalism, control) conditions. The design of Study 1 allows for stronger inferences about the causal relationship between diversity climate and employee turnover intentions while observing the effects of the moderators. In Study 2, the goal is to replicate the findings from Study 1 and to increase the generalizability of Study 1 results. To this end a field study using a sample of working adults is employed.

Study 1

Racial group membership and racial group identification is predicted to moderate the relationship between diversity climate perceptions and turnover intentions. To test these hypotheses, diversity climate was manipulated (i.e., multicultural condition; colorblind condition; control condition), racial group membership was measured (self-identified white/Caucasian and visible minorities), and racial group identification was measured. All participants were prompted to self-categorize as a member of a racial group. This technique of asking participants to self-categorize has been effective for increasing racial group membership salience (Knowles et al., 2009).

METHOD

Participants

Of the 272 participants recruited, 53% identified as female and 48% identified as White/Caucasian. Participants were students of the University of Waterloo who were randomly assigned to one of 3 experimentally manipulated diversity climate conditions: control (n = 92), multiculturalism (n = 91), and colorblindness (n = 89). Men and women were randomly assigned in the following proportions to each cell, control (men: n = 43; women: n = 49), multiculturalism (men: n = 42; women: n = 49) and colorblindness (men: n = 43; women: n = 46). White/Caucasian participants and visible minority participants were randomly assigned in the following proportions to each cell, control (White/Caucasian: n = 43; visible minorities: n = 47; 2 participants did not self-identify), multiculturalism (White/Caucasian: n = 40; visible minorities: n = 47; 4 participants did not self-identify) and colorblindness (White/Caucasian: n = 47; visible minorities: n = 40; 2 participants did not self-identify). The mean age was 27.7 years (range: 17 to 55) in the *control*

condition, 25.3 years (range: 17 to 46) in the *multicultural condition*, and 22.1 years (range: 16 to 28) in the *colorblind condition*. Equivalence of participant characteristics across conditions indicates random assignment was successful[1]. Students were recruited from a psychology pool. Each student consented to participate for credit.

Procedure

In conducting the present experiment, a recruitment advertisement was posted to SONA, a website that manages student study participation. The advertisement informed potential participants the online surveys would be hosted by Qualtrics™ and, as the cover story, participants were informed the survey would involve communication processes in a business negotiation[2]. Participants were informed the survey will take roughly 10-15 minutes to complete, was confidential, and was voluntary. The study was advertised and open from November through December 2015.

Manipulations

Participants were given a scenario to read in which they were employees of a coffee bean distributor called Coffee Bean Ltd. Their job task was to negotiate coffee bean prices with a potential buyer. As part of their introduction to their employer, participants were given a pamphlet that described Coffee Bean Ltd.'s company culture, and they were instructed to imagine

[1] In general, there was equivalence of participant characteristics across conditions, except that the average age appeared to be different. Therefore, to test whether age was a significant factor, we ran the regression model with age included as a control variable.

[2] Although participants were given a negotiation to review as part of the cover story, their responses directly related to the negotiation are not used in these analyses. A cover story was provided to redirect the participants away from the true purpose of the survey in order to reduce the effect of demand characteristics on the study. If participants know the purpose of the study, their behavior may likely be guided by the hypothesis rather than their own attitudes and beliefs (Sackett & Larson, 1990).

themselves as an employee of the company. The diversity climate manipulations were embedded within the pamphlets. The marketing images and color palette were identical across conditions but the diversity statements were different as presented in Table 1 and below.

In the control condition, participants read the header **"What Makes Us A Stronger Company"** followed by the statements: "Coffee Bean Ltd offers only the finest ingredients and processes for the community, our commitment to quality begins with the coffee bean and continues beyond your empty cup", "We understand that we can't do it on our own, so we connect with like-minded and passionate folks who love coffee as much as we do", and "We will change the way that you think about coffee and how you experience every single cup. We are still students in an always-evolving world of coffee."

In the multicultural condition, participants read the header **"All Groups are Equally Important and Valued"** followed by the statements: **"**Coffee Bean Ltd values the unique characteristics of different racial and ethnic groups of its employees", "At Coffee Bean Ltd., we encourage employees to learn and appreciate the unique histories and cultural experiences of different ethnic groups in our company", "We invest in cross-cultural training that emphasizes the importance of taking into account the history and cultural traditions of different ethnic groups", and "We believe that if we want to help create a harmonious corporate culture and to resolve conflict between groups, we must recognize that each racial and ethnic group has the right to maintain its own unique traditions".

In the colorblind condition, participants read the header **"All Individuals are Equally Important and Valued"** followed by the statements: "Coffee Bean Ltd values the unique characteristics of people regardless of their different race or ethnicity", "At Coffee Bean Ltd., we encourage employees to remember that we're all the same and not become preoccupied with race

and ethnicity", "We invest in training that emphasizes the importance of learning about the similarities between racial and ethnic groups", and "We believe that if we want to help create a harmonious corporate culture and to resolve conflict between groups, we must recognize that each race and ethnicity are artificial labels that keep people from thinking freely as individuals."

Measures

Racial Group Membership. Participants identified their racial group membership as part of the Multigroup Ethnic Identification Measure (Phinney, 2002). Before completing the affirmation and belongingness items, participants were asked to complete the sentence "In terms of ethnic group, I consider myself to be _____" by entering their ethnic group using a text box. Participants who self-identified their ethnic group as White, Caucasian, European, Canadian, and/or European-Canadian were included with the White/Caucasian racial group and the remaining participants were included with the visible minority racial group.[3]

Racial Group Identification. Racial group identification was measured before the diversity climate manipulation and after the diversity climate manipulation using the five-item affirmation and belongingness dimension of the Multigroup Ethnic Identity Measure (MEIM) [4] (Phinney,

[3] Visible minority participants self-identified as Asian, Asian-Canadian, Chinese, Southeast Asian, Pakistani, Indian, Indo-Canadian, Tamil, Turkish, West Indian, Hispanic, African American, and/or Aboriginal. Within each diversity climate condition, approximately 20% of visible minorities self-identified as having an Asian heritage.

[4] A brief note on definitions of the terms racial group and ethnic group is necessary. Race is generally understood in terms of physical characteristics, such as skin color and facial features. While historically the definition of race has been grounded in more biological and genetic terms, ethnicity is used in reference to groups that are characterized by a common nationality, shared culture, or language and shared group history (Betancourt & Lopez, 1993). With the advent of globalization it is not surprising that modern ethnic groups may be diverse racially. For example, Latinos can be White, Black, mixed Asian or combination thereof. Hence, although race and ethnicity may have different meanings in historical contexts, in the current psychology literature they often overlap (Phinney, 2002). In this research, we define racial groups as "self-reported racial-ethnic group categories, such as Asian, Black, Hispanic, White or Caucasian" and following other research (Mor Barak et al., 1998; Phinney, 2000, 2002; Phinney & Chivira, 2002; Mckay et. al., 2007; Avery et. al., 2007; Knowles et. al., 2009) we refer to racial group and ethnic group interchangeably.

2002). The items were “I am happy that I am a member of the ethnic group I belong to,” “I have a strong sense of belonging to my own ethnic group,” “I have a lot of pride in my ethnic group and its accomplishments, “I feel a strong attachment towards my own ethnic group, and “I feel good about my cultural or ethnic background”. These items were rated on a scale of 1=strongly agree to 7=strongly disagree. The MEIM includes three subscales: Affirmation/Belonging (e.g., items that capture affective attachment, affirmation, and sense of belonging to the racial group), Ethnic Identity Achievements (e.g., items that measure pride towards the racial group), and Ethnic Behaviors (e.g., items that measure the frequency with which individuals engage in racial/ethnic behaviours and practices). In the current research we use the Affirmation/Belonging items, which are more reflective of the definition of social group identification (Ellemers et al., 2004). The MEIM with all three subscales is provided in Appendix A.

To check that the manipulation did not change the degree of racial group identification from time 1 (before the manipulation of the independent variable) (α = 0.92) to time 2 (after the manipulation check) (α = 0.95), a paired sample t-test was used and results confirmed there was no difference from time 1 to time 2, t(df) = .2, p > .84.

Turnover Intentions. In the present study, we selected turnover intentions to be the dependent variable. A meta-analysis by Griffith, Hom, and Gaertner (2000) showed turnover intentions to be the strongest predictor of actual voluntary turnover. Two items developed by McKay et al. (2007) were administered following the diversity climate manipulation and before the negotiation task. These items were “I hardly ever think about leaving,” and “It would take a lot to get me to leave the company” (α = 0.79), rated on a scale of 1=strongly agree to 7=strongly disagree. Participants were then instructed to read the task and set a price for the coffee beans.

Diversity Climate Manipulation Check. We developed three items to check the diversity climate manipulation. These items were "How much does Coffee Bean. Ltd value ethnic differences," "Does Coffee Bean. Ltd believe its' employees should be aware of the traditions of different ethnic groups," and "To what extent do you feel your organization is multicultural" (α = 0.85). The items were rated on a scale of 1=not at all to 7=absolutely. The manipulation check was administered upon completion of the negotiation task.

RESULTS

A series of independent samples t-tests, using the mean scores of the manipulation check items as the dependent variable, was conducted to check the manipulation for diversity climate (control, multiculturalism, colorblindness) conditions. Results of the independent samples t-test can be found in Table 2. There was a significant difference in the mean scores comparing the control condition (M=3.64, SD=0.74) to the colorblind diversity condition (M=3.89, SD=0.88); $t(172) = -2.05$, $p = 0.04$, Cohen's $d = 0.31$, and the control condition (M=3.64, SD=0.74) to the multicultural diversity condition (M=4.14, SD=0.76); $t(177) = -4.46$, $p = 0.00$, Cohen's $d = 0.67$. There was a significant difference in the scores comparing the colorblind diversity condition (M=3.89, SD=0.88) to the multicultural diversity condition M=4.14, SD=0.76); $t(171) = -1.97$, $p = 0.05$, Cohen's $d = 0.31$. A Cohen's *d* effect size of 0.31 is considered to be small and an effect size of 0.67 is considered to be medium (Cohen, Cohen, West, & Aiken, 2003). The manipulation check confirms participants assigned to the multicultural condition perceived their company valued ethnic group differences more than the colorblind and control conditions.

We ran an independent samples t-test to show there was no statistically significant mean difference in the degree of racial group identification between White/Caucasians and visible minorities, $t(85) = 1.2$, *ns*.

Descriptive statistics, alpha coefficients, and zero-order correlations can be found in Table 3. The negative correlation between racial group identification and turnover intentions ($r = -0.27$, $p < 0.01$) was significant. As racial group identification increases so does the intention to stay with the organization (e.g., turnover intentions decrease). The significant negative correlation between turnover intentions and the mean score for the manipulation check suggest that as perceptions of a multicultural diversity climate increases turnover intentions decrease ($r = -0.39$, $p < 0.01$).

Primary Analyses

Our primary aim was to examine the interactive effects of racial group membership (RGM), racial group identification (RGI), and workplace diversity climate perceptions to employees' turnover intentions. The research hypotheses were tested using hierarchical multiple regression using IBM SPSS v23, followed by simple slopes analyses in IBM SPSS AMOS v23. Continuous variables were mean-centered in order to reduce multicollinearity (Cohen, Cohen, West, & Aiken, 2003). Experimental conditions were dummy-coded with the colorblind condition set as the comparison group. Two and three-way product terms were then created using the lower order terms and the dummy-coded conditions. We controlled for age due to differences in the average age across the experimental conditions. The control variable was entered in the first step, lower order terms were entered in the second step, two-way product terms were entered in the third step (e.g., RGM x Multicultural Condition; RGM x Control Condition; RGI x Multicultural

Condition; RGI x Control Condition; RGM x RGI), and three-way product terms were entered in the final step (e.g., RGM x RGI x Multicultural Condition; RGM x RGI x Control Condition).

Results of the initial hierarchical multiple regression analyses revealed no effect of age (B = -.002, SE = .02, p = .88), and no main or interactive effect of the control condition, suggesting the effects of the control condition in the model do not differ from the colorblind diversity climate condition. Hence, to simplify regression analyses, the terms involving age, and the control condition were removed from the subsequent analyses. The final analysis compared the effects of the moderators (e.g., RGM and RGI) on the multicultural and colorblind diversity climate conditions predicting turnover intentions and results are presented in Table 4.

We observed a significant main effect of the multicultural diversity climate condition (B = -.31, SE = .14, p < .05), such that compared to a colorblind diversity climate, a multicultural diversity climate was associated with lower turnover intentions. The effect of RGM (B = -.18, SE = .14, p = .18) was not significant, but there was a significant main effect of RGI (B = -.24, SE = .06, p < .01) such that as racial identification increased turnover intentions decreased. We observed a significant RGI x Multicultural Condition interaction (B = .23, SE = .12, p < .05), but the RGM X Multicultural Condition interaction was not significant (B = .46, SE = .29, p = .11). We did not observe a significant RGM x RGI x Multicultural Condition interaction (B = .37, SE = .24, p = .13).

Because we expected a three-way interaction between the predictors, we further tested our model using structural equation modeling (SEM) in IBM SPSS AMOS v23. Whereas regression models assume residuals have uniform variances across all levels of the predictor variables (Cohen, Cohen, & West, 2003), multiple-group SEM does not assume uniformity of error variance across groups (Kline, 2012) and hence can provide more accurate between-group tests. We created

two groups, a colorblind group (N = 89) and multicultural group (N = 90). For each group we included the paths from the first order terms (e.g., RGM and RGI) and the interaction term (e.g., RGM x RGI) to employee turnover intentions. To test for a three-way interaction of RGM x RGI x Diversity Climate (e.g., multicultural vs colorblind), the slope of the interaction term (e.g., RGM x RGI) to employee turnover intentions was set to be equal across the colorblind and multicultural groups, thus representing the null hypothesis. Results of the model fit (the unstandardized estimates for which are presented in Figure 2) is as follows, $\chi 2(1) = 2.8$, $p = .095$, comparative fit index (CFI) = .98, root-mean-square error of approximation (RMSEA) = .10, probability of close fit (pclose) = .167. An "acceptable" model fit requires a RMSEA of .08 (McDonald, & Ho, 2002, p. 72). Therefore, on the basis of a *p*-value less than .10 and a somewhat poor RMSEA value, we tentatively reject the null hypothesis and cautiously infer a three-way interaction for this sample. To visualize the three-way RGM x RGI x Diversity Climate interaction, we plot the interaction in accordance with Aiken, West, and Krull (2006), and present the graph in Figure 3 and 4.

We used SEM to determine whether simple slopes from RGI predicting employee turnover intentions in each of the conditions differed from zero. Test of the simple slopes for visible minorities revealed a significant negative relationship for both the multicultural diversity climate condition (B = -.28, SE = .13, $p = .026$) and the colorblind diversity climate condition (B = -.36, SE = .12, $p = .002$). With respect to visible minorities, hypothesis 1a (e.g., as racial identification increases for visible minorities, a multicultural diversity climate should predict lower turnover intentions), was supported but not hypothesis 2a (e.g., as racial identification increases for visible minorities, a colorblind diversity climate should predict higher turnover intentions).

Test of the simple slope for the White/Caucasian group revealed a non-significant relationship between RGI and turnover intentions in the multicultural diversity climate condition

(B= .13, SE = .14, *p* = .35) and a significant negative relationship in the colorblind diversity climate condition (B = -.39, SE= .15, *p*= .008). In respect to the White/Caucasian sample, hypothesis 1b (e.g., as racial identification increases for White/Caucasians, a multicultural diversity climate should predict higher turnover intentions) was not supported but hypothesis 2b (e.g., as racial identification increases for White/Caucasians, a colorblind diversity climate should predict lower turnover intentions) was supported.

Supplementary Analyses

Both EIT and SCT suggest that negative experiences related to racial group membership may differ across visible minority subgroups, depending on context. For instance, South-Asian and/or Middle-Eastern employees and/or Black employees may have different experiences to Asian employees and to each other. To explore whether visible minority subgroups react to diversity climate (e.g., multicultural vs. colorblind) differentially, we coded the Racial Group Membership variable to separate participants who self-identified as Asian (N = 62) from the other visible minority groups and, using SEM, compared the effects of different levels of diversity climate on Asians to the other racial groups (N = 201) to predict turnover intentions. We also coded our Racial Group Membership variable to separate participants who self-identified as South-Asian and Middle-Eastern (N = 55) and, using SEM, compared the effects of different levels of diversity climate on this racial subgroup to the other racial groups (N = 208) to predict turnover intentions. Because of limited sample size and similarities in physical characteristics, religious beliefs, and cultural practices, self-identified East Asian, South-East Asian, and Chinese participants were analyzed as one common "Asian" group and for similar reasons, following previous research (Maker, Shah, & Agha, 2005), self-identified South-Asian

and Middle-Eastern participants were analyzed as one common "South-Asian/Middle-Eastern" group.

We used SEM to determine whether simple slopes from RGI predicting employee turnover intentions in each condition differed from zero. Test of the simple slope revealed a non-significant relationship between RGI and turnover intentions in the multicultural diversity climate condition for Asian participants (B = .10, SE = .29, p = .72), but this relationship was significant for South-Asian/Middle-Eastern participants and in the predicted direction (B = -.39, SE = .15, p = .01). Hypothesis 1a (e.g., as racial group identification increases for visible minorities, a multicultural diversity climate should predict lower turnover intentions), was not supported for Asian participants, but was supported for South-Asian/Middle-Eastern participants. In summary, whereas South-Asian/Middle-Eastern participants reported *lower* turnover intentions in the multicultural condition, a multicultural diversity climate had no effect on Asian participants' turnover intentions, a pattern that was also observed for White/Caucasian participants.

Test of the simple slope of RGI predicting turnover intentions in the colorblind diversity climate condition revealed a significant negative relationship for Asian participants (B = -.63, SE = .17, p < .001) but a non-significant relationship for South-Asian/Middle-Eastern participants (B = -.40, SE = .28, p = .16). Hypothesis 2a (e.g., as racial group identification increases for visible minorities, a colorblind diversity climate should predict *higher* turnover intentions), was not supported for Asian or South-Asian/Middle-Eastern participants. In fact, the observed effect for Asian participants was opposite to what was predicted, such that Asians reported *lower* turnover intentions in the colorblind condition, a pattern that was predicted and reported for White/Caucasian participants. In respect to the link between diversity climate and turnover

intentions, Asian participants responded similarly to White/Caucasians. Results are plotted it in accordance with Aiken, West, and Krull (2006) and presented in Figure 5 and Figure 6.

DISCUSSION

The goal of Study 1 was to examine whether participants' racial group membership, and identification thereto, moderated their reactions (e.g., turnover intentions) to different levels of diversity climate (e.g., multicultural, colorblind) as portrayed in organizational marketing materials. Consistent with Self-Categorization Theory (Turner et al., 1987) and previous research (Ellemers et al., 1997), it was observed that racial group membership and the degree of racial group identification interacted with diversity climate to influence turnover intentions. We predicted an inverse relationship between perceived multicultural diversity climate and turnover intentions as racial group identification increased for visible minorities (hypothesis 1a) and, in general, this hypothesis was supported. That is, South-Asian/Middle-Eastern participants were more likely than Asians to report lower turnover intentions in an organization portrayed as multicultural. Additionally, we predicted that a perceived colorblind diversity climate would increase turnover intentions reported by visible minorities as racial group identification increased (hypothesis 2a), but this hypothesis was not supported. In fact, Asians reported *lower* turnover intentions in an organization portrayed as colorblind and there was a non-significant relationship between colorblindness and turnover intentions for South-Asian/Middle-Eastern participants.

We predicted that, as racial identification increased, White/Caucasians would report higher turnover intentions in a multicultural diversity climate (hypothesis 1b) and, although the direction of the relationship was positive, the slope was not significantly different from zero. As predicted by hypothesis 2b, as racial identification increased, White/Caucasians reported lower turnover

intentions in an organization portrayed as colorblind. Overall, there was a main inverse effect of multiculturalism, supporting the notion that, in general, an organization portrayed as multicultural may be more effective than an organization portrayed as colorblind in reducing turnover intentions.

Study 1 provides support for the hypothesis that differential turnover intentions along racial lines depend on the type of diversity climate. A multicultural climate was viewed positively since neither visible minorities nor White/Caucasians reported a higher intention to turnover in a multicultural climate. Our prediction that White/Caucasians would turnover in a multicultural workplace is premised on the assumption that White/Caucasians may feel that minorities benefit from multiculturalism at the expense of White/Caucasians. This prediction was not supported. Along the same lines, we predicted that visible minorities would view colorblindness unfavourably because this ideology does not attend to, and even ignores, the relevancy of race in the workplace. Counter to expectations, Asians (although not South-Asian/Middle-Eastern participants) reported lower intention to turnover in an organization portrayed as colorblind. We look to SCT (Turner, et al., 1987) to explain our unexpected results.

According to SCT, if group categories are not salient, these categories become less useful as heuristic tools and so are used less often. That is to say, to the extent that individuals perceive they can move freely from one social group to another (e.g., group boundaries between racial group, Canadian identity, or psychology student etc. are permeable), the less individuals will use the racial group as a categorization tool (Oakes, 1987; Ellemers et al., 2004). The participant sample in Study 1 was drawn from a Canadian university with a student population that is very racially heterogeneous. Moreover, Canadian society has sometimes been described as a mosaic, where the distinctiveness of racial-ethnic groups is maintained and at the same time the members of these groups are included in the overarching Canadian identity (Palmer, 1976). Therefore, it is

argued that the student participants in a mosaic social context may view racial group boundaries as permeable, which reduces the salience of racial group membership, consequently reducing the influence of the racial group on participants' attitudes and behaviours. Yet, as evidenced by dissimilar results for White/Caucasians, Asians, and Middle-Eastern/South Asians, even in a mosaic society different sub-groups have different racial experiences; thus, resulting in varying levels of racial salience felt by different groups.

Study 2

Study 2 addresses the foregoing concerns by sampling a group of working adults in real organizations in the U.S. In lieu of observing student participants' reactions to portrayals of diversity climate in marketing materials, participants are asked to rate their perceptions of the diversity climate in their current workplace. Study 1 was designed to allow causal inferences between the predictors and turnover intentions under controlled conditions. The second study moves away from the lab and tests the research questions in the field using a single-wave correlational design.

METHOD

Participants

Participants (N = 290) identified as 45.2 % women, 69.7% White/Caucasian, 8.3% African American, 5.9% Hispanic or Latino, 9.7% Asian, 0.7% Middle-Eastern, 3.1% East Indian, 0.7% Aboriginal, and 2.1% self-reported as other ethnicity. Their mean age was 37.8 years (range: 21 to 83). A large proportion of participants resided in North America, with 90.3 % of participants located in the United States, 2.8% located in Canada, 5.5% located in Asia, 0.3% located in Europe, and 1.0% resided in another location. The level of education reported by participants in this sample was high, with 47.2% of participants reported having a college/university degree, 24.5% reported some college/university, 14.5% reported postgraduate degree, 7.6% reported high school degree, and 6.2% had trade/technical/vocational training. With regard to company size, 18.3% 15-49 employees, 11.4% less than 15 employees, 10.3% 50-99, 9.3% 1,000-4,999 employees, 9.0% 500-999, 8.6% 10,000 or more employees, 7.9% 5,000-9,999 employees, and 5.2% worked in a company with 100-499 employees. With regard to salary, 27.5% reported an annual salary greater

than $55,000. With regard to job-level, 55.2% of participants identified as employee, 39% identified junior and middle management, 3.8% identified as senior management, and 2.1% identified as other job position. Participants represented the following industries: 25.2% sales or finance, 23.0% computer, science, mathematical, and education, 19.3% legal, health care, and government services, 10.3% arts and architecture, 9.7% construction, production, and maintenance, 9.7% management and office administration, and the remaining 2.8% did not report their industry.

Procedure

Participants were recruited online via Amazon Mechanical Turk (MTurk). Mturk is a recruiting tool that allows individuals to search for and accept Human Intelligence Tasks (HITS) for pay. In conducting the present field study, a recruitment advertisement was posted to MTurk that informed potential participants this HIT would involve completing a survey hosted by Qualtrics™ concerning their attitudes, work experience, work environment, and demographic information. Participants were informed the survey would take roughly 10-15 minutes to complete, was confidential, and was voluntary. Remuneration was set at $0.75 per participant. The HIT was advertised and open through December 2015.

Measures

Racial Group Membership. Before completing the Racial Group Identification items, participants were asked to complete the following statement “In terms of ethnic group, I identify primarily with” by selecting one of the following racial groups: White, Caucasian, Anglo, European American - not Hispanic; African American; Hispanic or Latino (including Mexican, Central American, and others); Asian (including Chinese, Japanese and others); Middle Eastern;

East Indian; First Nations, Aboriginal, Native American; Other (please specify). Participants who selected White, Caucasian, Anglo, and European American – not Hispanics were included with the White/Caucasian racial group, and the remaining participants were included with the visible minority racial group.

Racial Group Identification. Racial Group Identification was measured using the 5 items as previously in Study 1 (Phinney, 2002) (α = 0.85).

Turnover Intentions. We used the 2 items as previously in Study 1 (McKay et. al. 2007) (α = 0.85).

Diversity Climate Perceptions. Diversity climate perceptions were measured using a measure of multiculturalism and colorblindness developed by Ryan et al. (2007) following Wolsko et al. (2000). Participants rated the extent to which their work organizations endorsed the following statements on a scale of, 1 = Does not at all endorse this statement to 7 = Absolutely endorses this statement. Four items were used to assess a perceived multicultural diversity climate. Starting with "My organization…", these items were "Adopts a multicultural perspective", "Recognizes that there are differences between ethnic groups", "Emphasizes the importance of appreciating group differences between ethnic groups", and "Accepts each ethnic group's positive and negative qualities". Four items were used to assess a perceived colorblind diversity climate. Starting with "My organization…" these items were "Judges one another as individuals rather than members of an ethnic group", "Recognizes that all people are basically the same regardless of their ethnicity", "Recognizes that all people are created equally regardless of their ethnicity", and "Adopts a colorblind perspective in which one's ethnic group membership is considered unimportant".

To explore whether multiculturalism and colorblindness are distinct from other measures of diversity climate, we collected data on diversity climate perceptions as operationalized by the extent to which the organizations were perceived to value diversity initiatives (McKay et al., 2007). This operationalization of diversity climate explained differential turnover intentions by racial group membership for employees of a national retail organization in the United States (McKay et al., 2007). It is reasonable to suggest that, based on the content of the scale items, multiculturalism and colorblindness are conceptually different from McKay et al.'s (2007) perceived organizational value for diversity (OVD) construct, in that OVD asks employees to report the perceived pro-diversity actions taken by the company but OVD does not communicate the company's philosophy or ideas about race relations like multiculturalism and colorblindness. Distinguishing these three diversity climate constructs has practical implications if results suggest they differ and one construct is more effective at reducing turnover than the others. McKay et al.'s (2007) OVD measure includes nine items, which are provided in Table 5. Starting with "Please rate your organization's performance on the following items…" sample items included "Recruiting from diverse sources," "Offer equal access to training," "Open communication on diversity," and "Publicize diversity principles". Items were rated on a scale of 1 = well below expectations to 7 = well above expectations.

We conducted a principal components analysis of the 17 diversity climate items using a varimax rotation. The analysis revealed three factors with eigenvalues greater than one. The first factor accounted for 24% of the variance (eigenvalue = 6.9) and consisted of the nine items that were intended to assess the extent employees perceived an organization valued diversity (McKay et al., 2007). The second factor accounted for 20% of the variance (eigenvalue = 2.1) and consisted of the four items that were intended to assess an organization's endorsement of a colorblind

diversity climate. The third factor accounted for 16% of the variance (eigenvalue = 1.2) and consisted of the four items that were intended to assess an organization's endorsement of a multicultural diversity climate. Factor loadings are provided in Table 5 and the scree plot is provided in Figure 7. The results of the exploratory factor analysis provide support for a conceptual distinction between perceived multicultural diversity climate, perceived colorblind diversity climate, and perceived organizational value of diversity in general. We therefore averaged across each set of items to form indices of perceived multicultural diversity climate (α = 0.86), perceived colorblind diversity climate (α = 0.84), and perceived organizational value for diversity in general (OVD) (α = 0.86). The three indices of diversity climate were included in subsequent analyses to test whether a multicultural and/or colorblind diversity climate provides incremental validity when OVD is included in the model.

Control variables. Job satisfaction is one of the best predictors of turnover intentions (Griffiths, Hom, & Gaertner, 2000). Because our intent is to test the incremental validity of our model, we controlled for job satisfaction, which was assessed by asking participants to rate on a scale of 1 = Not at all to 7 = Extremely "How satisfied are you with your place of employment as a place to work?" (Harter, Schmidt, & Hayes, 2002)[5].

[5] In general, single-item measures of psychological constructs are discouraged, primarily because they are presumed to have low reliability that can cast doubt upon the construct and predictive validity of the measure. There are exceptions to this general rule. Single-item measures are sometimes used when the psychological construct being measured is narrow and unambiguous (Sackett & Larson, 1990). A single-item measure of overall job satisfaction is used in this research because reporting one's level of job satisfaction is straightforward. As well, there is meta-analytic support for the sufficiency of the single-item measure of job satisfaction in research (Wanous, Reichers, & Hudy, 1997).

RESULTS

Descriptive statistics, alpha coefficients and zero-order correlations can be found in Table 6 and Table 7. The negative correlation between the three diversity climate indices and employee turnover intentions were significant: multicultural (r = -.43, p < .01), colorblind (r = -.28, p < .01), OVD (r = -.29, p < .01). As employees perceive greater diversity climate, their intention to stay with the organization also increases (e.g., turnover intentions decrease). The positive correlations between the three diversity climate indices are all significant, suggesting commonality among the factors.

The research questions were tested using hierarchical multiple regression in IBM SPSS v23, followed by simple slopes analyses using IBM SPSS AMOS v23. Independent variables were mean-centered in order to reduce multicollinearity (Cohen, Cohen, West, & Aiken, 2003). Two-way and three-way interactions terms were then created using the mean-centered lower order terms. Job satisfaction was entered in step 1, first order terms were entered in step 2, two-way product terms with the diversity climate perceptions indices (e.g., OVD, Multicultural, Colorblind), Racial Group Membership (RGM)[6], and Racial Group Identification (RGI) were entered in step 3, and three-way interaction terms were entered in step 4 along with the RGM x RGI product term. Results of the regression analyses are provided in Table 8.

After controlling for the significant effect of job satisfaction on employee turnover intentions, we observed a significant main effect of perceived multicultural diversity climate (B = -.23, SE = .09, p < .05), such that a perceived multicultural diversity climate was negatively associated with turnover intentions. We observed a significant main effect of RGI (B = -.16, SE

[6] RGM was dummy coded setting the White/Caucasian group = 1 and visible minorities = 0.

= .07, $p < .05$) such that as racial group identification increased, turnover intentions decreased. The first order effect of RGM was not significant (B = -.004, SE = .09, $p = .98$). In step 3, the RGM x OVD (B = -.02, SE = .17, *ns*), RGM x Colorblind Diversity Climate (B = .17, SE = .18, *ns*), and RGM x Multicultural Diversity Climate (B = -.03, SE = .18, *ns*) interactions were not significant. We observed a significant three-way interaction between RGM x RGI x Multicultural Diversity Climate (B = .33 SE = .15, $p < .05$), and a significant three-way interaction between RGM x RGI x Colorblind Diversity Climate (B = .33 SE = .15, $p < .05$). When the three-way interaction terms were entered in the final step, the ΔR^2 was significant, $p < .01$, lending support for our three-way interaction hypotheses.

To visualize the three-way interactions, we plotted them in accordance with Aiken, West, and Krull (2006). The RGM variable was dummy-coded (White/Caucasian = 0; Visible Minorities = 1) and continuous variables were plotted using one standard deviation above and below the means to denote high and low scores respectively. As can be seen in Figure 8, as racial group identification increased, visible minorities reported lower turnover intentions when their perceived their organization was multicultural. In comparison, as racial group identification increased, visible minorities reported higher turnover intentions when their perceived their organization was colorblind (see Figure 9).

Simple slopes analysis revealed the relationship between a multicultural diversity climate and turnover intentions, moderated by racial group identification was negative and significant for visible minorities (B = -.45, SE = .14, $p = .002$). Hypothesis 1a was supported. The relationship between a colorblind diversity climate and turnover intentions, moderated by racial group identification was positive and significant for visible minorities (B = .32, SE = .12, $p = .008$). Hypothesis 2a was supported. With regard to the White/Caucasian racial group, the relationship

between a colorblind diversity climate and turnover intentions, moderated by racial group identification was not significant (B = .075, SE= .07, p = .28) and the relationship between a multicultural diversity climate and turnover intentions, moderated by racial group identification was not significant (B= .02, SE = .06, p = .81). Hypotheses 1b and 2b were not supported. Our small sample size for visible minorities in Study 2 precluded supplementary analyses based on particular racial/ethnic subgroups.

DISCUSSION

Study 2 was designed to address limitations with external validity by testing our hypotheses on a sample of working adults, using an alternate, and complementary research method. In Study 2, perceived multiculturalism and colorblindness were measured in real organizations. Both predictions pertaining to visible minorities were supported. That is to say, a three-way interaction was supported such that, as racial group identification increased for visible minorities, there was an inverse relationship between perceived multicultural diversity climate and turnover intentions (hypothesis 1a), and there was a positive relationship between perceived colorblind diversity climate and turnover intentions (hypothesis 2a). Employees who identified as visible minorities reported significantly lower intentions to turnover in organizations that support multiculturalism.

The two predictions for the White/Caucasian racial group were not supported. A three-way interaction was predicted such that, as racial group identification increased for White/Caucasians, there will be a positive relationship between a multicultural diversity climate and turnover intentions (hypothesis 1b) and an inverse relationship between a colorblind diversity climate and turnover intentions (hypothesis 2b). The turnover intentions of employees who identified as White/Caucasian did not appear to be affected by their workplace's diversity climate.

One reason for the null results observed for one subgroup may be differential racial salience across racial groups. Past research has shown that individuals who identify as White have reported significantly lower racial salience than individuals who identify as members of minority racial groups. For example, at both predominately white universities and historically black universities, White students exhibited significantly lower racial identity salience than Black students and White students thought about race less than Black students (Steck, Heckert, & Heckert, 2003). It is possible that race was not salient for White/Caucasian participants in Study 2. Therefore, these employees were less attentive to diversity climate and a three-way interaction involving the White/Caucasian racial group, racial group identification, and diversity climate predicting turnover intentions was not observed.

GENERAL DISCUSSION

Results of an experiment in which the diversity climate in the workplace was manipulated (Study 1) and a field study in which diversity climate in the workplace was measured (Study 2) provide support for the view that differential turnover intentions across racial groups depend on: 1) the racial group to which employees belong, 2) the employee's degree of identification with their racial group, and 3) the diversity climate that is endorsed by the employer. From Study 1 we observed that, as racial group identification increased, a multicultural diversity climate caused self-identified South-Asian/Middle-Eastern student participants (but not Asian participants) to report lower turnover intentions. The result for Asians did not support our prediction. Also from Study 1, we observed that, as racial identification increased, a colorblind diversity climate caused self-identified Asian and White/Caucasian student participants to report lower turnover intentions. Again, the result for Asians did not support our prediction.

Study 2 results support the predictions that as racial group identification increases for visible minorities, a colorblind (vs. multicultural) diversity climate is associated with higher (vs. lower) turnover intentions. In Study 2, diversity climate had no effect on the turnover intentions of the White/Caucasian employees. Across both studies there was a main negative effect of the multicultural diversity climate and a main negative effect of racial group identification on turnover intentions. The data indicate that, overall, multiculturalism is more effective than colorblindness for reducing employee turnover intentions. Likewise, as racial group identification increases, the intention to turnover decreases. That is to say, low racial group identifiers are more likely, in general, to turnover than high racial group identifiers. Although past research has suggested that racial group membership affects organizational outcomes (McKay et al., 2007), the present research did not find a main effect of racial group membership (e.g., Asian, White/Caucasian etc.)

or a two-way interactive effect between racial group membership and diversity climate, predicting turnover intentions.

Some results from Study 1 were, at first glance, unexpected. For example, Asian participants who identified highly with their racial group reported significantly lower turnover intentions when they perceived their workplace diversity climate to be colorblind, but not when they perceived their organization to be multicultural. Although this result is not true of South-Asian/Middle-Eastern participants, it is worth noting that a colorblind diversity climate did not significantly increase turnover intentions among South-Asian/Middle-Eastern participants, as predicted by our hypothesis 1b (Study 1), suggesting that a colorblind diversity climate was not necessarily rejected by all visible minorities in Study 1. A review of the extant literature provides some explanations for these unexpected findings. The following sections will present two reasons to explain why the direction of the relationship between diversity climate and turnover intentions differed across minority groups: 1) group-level differences in racial salience based on SCT (Turner et al., 1987), and 2) group-level differences in levels of distinctiveness threat based on Optimal Distinctiveness Theory (Brewer, 1991).

Social Comparison, Discrimination, and Racial Salience

SCT (Oakes, 1987; Ellemers et al., 2004) states that individuals must experience racial group membership *salience* in order for race to be used as a heuristic to evaluate their environment. Albeit it might be unavoidable for people to categorize oneself and others[7] along group lines, SCT

[7] A core assumption of Self-Categorization Theory (Turner et al., 1987; Ellemers, De Gilder, & Haslam, 2004) is that, in many situations, it is functional for people to categorize other people into social groups (e.g., race, gender, occupation). To a certain extent it is normal and inevitable that we create categories to understand the world around us. "The human mind must think with the aid of categories" (Gordon Allport (1954/1979), cited in Gaertner, Dovidio, & Houlette, 2010).

offers insight into when our tendency for social categorization might be strongest. According to SCT, external factors (e.g., political environment, discrimination) enhance or attenuate the saliency, and thus the influence of, group identities on perceptions and behaviours (Turner et al., 1987). In fact, external factors can dictate when group boundaries are impermeable, which makes race psychologically salient and accessible (Ellemers et. al., 2004). What this means is that, as perceived group impermeability increases, individuals' awareness of their racial group memberships increases, and the tendency to categorize ourselves and others based on race increases (Oakes, 1987). On the other hand, as perceived group impermeability decreases (i.e., permeability increases), the less salient is one's racial group membership. Therefore, the tendency to categorize ourselves and others based on race is reduced.

Perceived group boundary permeability may have been relatively high for the Canadian student sample in Study 1. Many Canadians believe that, in Canada, the racial-ethnic experience has been one of a cultural mosaic. In a "mosaic" society, ethnic groups maintain their heritage cultures. In comparison, a "melting-pot" exists when people of diverse origins assimilate to be one people and heritage cultures fade into the background (Palmer, 1976). In a cultural mosaic, group boundaries are permeable to the extent that people can be members of their racial group as well as be members of other cultural categories, such as Canadian. There is an inverse relationship between permeability and racial salience (Oakes, 1987). In a cultural mosaic, if racial group membership is not salient (e.g., which arguably may be the case for White/Caucasians and Asians in Study 1), it is conceivable that individuals function on the basis of their personal identities, and evaluate workplace performance based on individual merit without accounting for the interests of their group. For these individuals, regardless of race, a colorblind diversity climate that focuses on the individual, not the group, would be attractive.

However, this mosaic society explanation does not account for the differences observed across all racial groups in Study 1. For example, if a cultural mosaic increases permeability of group boundaries (i.e., reduces racial salience), why not for South-Asian/Middle-Eastern participants as well as for Asian participants? South-Asian/Middle-Eastern participants did not report significantly lower turnover intentions in the colorblind condition compared to the control condition. The different outcomes reported for South-Asian/Middle-Eastern participants may be explained by differences in racial salience due to perceived discrimination on a *group* level (Phinney, 2002; McKay et. al, 2007; Avery et. al. 2007). If South-Asian/Middle-Eastern participants perceive greater discrimination than Asian and White/Caucasian participants, then race will be more salient for the former (Ellemers et al., 2004). Consequently racial group needs are more salient than individual needs (Turner et al., 1987). Fortunately, racial group membership salience is affected by the policies set by workplaces and universities. If certain groups perceive under-representation is high, a multicultural diversity climate may be viewed by minority groups as a signal that the employer is making efforts to increase minority group representation.

Optimal Distinctiveness, the Racial Group, and the Super-ordinate Group

It is not only racial group membership salience that is affected by the broader social context; it is also the degree of racial group *identification* that is subject to environmental influence (Phinney, 2002; Ellemers et al., 2004). According to Social Identity Theory (SIT) (Tajfel, 1982; Turner et al., 1987; Hogg & Terry, 2000), fundamentally, people are attracted to and chose to identify with social groups that contribute to a positive sense of self, such as identifying with groups deemed to be high-status and/or valued by the broader society. That said, it would be misleading to say members of low-status groups present low levels of group identification. In fact, members of low-status groups, to the extent they believe their group has potential to improve it's

standing in society, are quite ready to identify with their groups (Ellemers et al., 2004). Along the same lines, if members of a low-status group believe their group's disadvantaged status to be unjust and illegitimate, then they are ready to identify with their group (Ellemers et al., 2004; Wright, 2010), thereby achieving a positive sense of self.

To satisfy the need for a positive sense of self, members of low-status groups may also disidentify with a low status group in favour of identification with a high-status social group, such as with a high-status occupational group. This option is not always available because sometimes individuals are categorized as members of low-status groups (e.g., women, visible minorities) by others, regardless of the incumbent's level of identification (Branscombe, Ellemers, Spears, & Doosje, 1999). In general though, there is a sense that individuals will look for creative ways to identity with social groups and to feel good about their group membership.

The need that runs counter to the need for positive self-regard (i.e., this need motivates identification and inclusion with social groups) is the need for uniqueness (i.e., this need motivates dis-identification with large social groups). Whereas SIT/SCT (Tajfel, 1982; Turner et al., 1987; Hogg & Terry, 2000) place emphasis on the way in which the broader social structure influences positive self-regard and group identification, Optimal Distinctiveness Theory (ODT) (Brewer, 1991, 1993) places emphasis on how opposing *individual-level* needs for inclusion and for uniqueness (i.e., distinctiveness needs) affect the degree of group identification. According to ODT (Brewer, 1991, 1993), the degree of group identification depends on a balance of these competing needs. When inclusion needs are oversatisfied, distinctiveness needs become aroused, and individuals are motivated to differentiate from social groups. Conversely, when the need to belong is aroused, distinctiveness needs recede, and individuals are motivated for greater identification and inclusion with social groups. Optimal distinctiveness is achieved when inclusion and

distinctiveness needs are simultaneously satisfied (Brewer, 1991, 1993; Badea, Jetten, Czukor, & Askevis-Leherpeux, 2010).

An overly inclusive social identity, as in the case for large social groups such as "human" that is emphasized by a colorblind diversity approach, may fail to satisfy this need for distinctiveness and should therefore arouse resistance to being assimilated under a super-ordinate social category. Empirical support of this resistance to being assimilated under overly inclusive social identities is provided by studies involving an experimentally manipulated assimilation context, in which a sub-ordinate group identity (i.e., humanities or math-science students in this case) is threatened to be lost to a super-ordinate group identity (i.e., students). Distinctiveness threat caused participants to identify more strongly with the sub-ordinate group (Hornsey & Hogg, 2000). Research has also shown, in the face of distinctiveness threat to a valued group identity, which can often be racial group identity, group members seem to increase their identification with the threatened group (Spears et al., 1997; Ellemers, Spears, & Doosje, 2002). Because low-status groups are often numerical minorities, their very distinctiveness is a source of meaning for their identity (Livingstone, Spears, Manstead, & Bruder, 2011); thus, attempts to assimilate these individuals can result in backlash. The implication for organizations then might be to use a multicultural approach to diversity where sub-ordinate racial group identities are valued (e.g., not threatened).

When distinctiveness threat and identity threat are present, as may be fostered in an overly inclusive diversity climate such as colorblind, group identification has been shown to be stronger in small, distinctive groups than in moderate to large groups (Brewer, 1993; Badea et al., 2010). Consequently, in small groups, concern for the collective "we" would be strong for group members. Group distinctiveness and identity threat arguably contributed to the inverse relationship

between a multicultural diversity climate and turnover intentions for South-Asian/Middle-Eastern participants in Study 1. That is to say, group threat perceived by South-Asian/Middle-Eastern participants increased in-group identification, resulting in members with strong group concerns, and culminating in intentions to remain in a diversity climate, such as multiculturalism, that is supportive of their group. However, based on the Study 1 data, distinctiveness threat may not have been felt by Asians because, unexpectedly, as racial identification increased, Asians reported lower turnover intentions in a colorblind diversity climate but not in a multicultural diversity climate.

In the absence of group distinctiveness threat, research has shown that group identification tend to be stronger in moderately sized groups than in small and large groups (Badea et al., 2010). If Asians did not perceive group threat, then perhaps these members perceived their group to be too small and too distinctiveness (e.g., the sample size for the Asian sub-group in Study 1 was 62, compared to 55 for South-Asian/Middle-Eastern and 130 for White/Caucasian). Based on the data, ODT (Brewer, 1991, 1993) might explain this counterintuitive result for Asians as reflective of unsatisfied inclusion needs and over-satisfied distinctiveness needs experienced by Asians. With respect to the need to be included, it could be that membership in the Asian sub-group was insufficient to satisfy inclusion needs, and members sought satisfaction of their inclusion needs through identification with more inclusive social groups. Rather than emphasize their racial distinctiveness, it is reasonable to speculate that Asian participants were motivated by a need to belong to larger, more inclusive social groups such as students or human. Hence, the racial group may not be the most salient social group for Asians. Consequently, for Asians, the colorblind approach to diversity, where the larger "human" social group is emphasized over racial group needs, was associated with lower turnover intentions.

As racial group salience and racial group identification increases, the more the self-definition will shift from the individual ("I") to the collective ("we"), and individual members will be increasingly motivated to act in the interests of the in-group (Turner et al., 1987; Ellemers et al., 2004). The current research suggests the direction of the relationship from diversity climate to organizational outcomes (i.e., turnover intentions) as moderated by racial group membership and racial group identification does not always proceed as predicted. A review of the literature suggests the existence of additional moderators. For example, group salience and identification are affected by different sub-group experiences in the broader social context (Tajfel, 1982; Turner et al., 1987; Hogg & Terry, 2000) and by individual-level needs for inclusion and distinctiveness (Brewer, 1991, 1993). Nevertheless, the current research provides compelling support for the notion that accounting for racial group membership in the absence of racial group identification is insufficient for determining the effectiveness of diversity programs on workplace outcomes.

Practical Implications

The present research suggests that a perceived multicultural diversity climate, in which all racial groups are valued, is more effective than a colorblind diversity climate at reducing employee turnover intentions. Our data suggest that expressing value for racial groups is important to employees while downplaying valued racial groups is not endorsed in general. However, the extant literature reveals that members of majority groups may perceive multiculturalism to be exclusionary, resulting in backlash from the White/Caucasian majority group (Plaut, Garnett, Buffardi, & Sanchez-Burks, 2011). The challenge for organizations is to create an inclusive multiculturalism – one that maximizes inclusion and minimizes resistance (Stevens, Plaut, & Sanchez-Burks, 2008). Fortunately, interventions that position multiculturalism as inclusive of

White/Caucasians, not only of minority groups, have been shown to reduce this feeling of exclusion by White/Caucasians (Plaut et al., 2011).

Results from both studies suggest that, for employees, as racial group identification increases so does the intention to stay with employers. Therefore, one way for organizations to retain a diverse workforce is to provide employees with opportunities to identity with valued racial groups that are sources of positive self-regard. It seems intuitive that a multicultural diversity climate should provide members of diverse groups with a good foundation for this positive self-regard. Indeed, in the two studies reported here, there was a strong inverse relationship between a multicultural diversity climate and lower turnover intentions.

Strengths, Limitations, and Directions for Future Research

In Study 1 we used a student sample to test our hypotheses. Compared to adults working on a full-time basis, a student sample as a whole will have less opportunity to be exposed to aspects of the workplace such as discrimination. The scarcity of personal experience with race-related incidents at work might reduce the potency of the experimental manipulations. This limitation was mitigated in Study 2 in which working adults were surveyed. Moreover, the vignette design of Study 1 (i.e., that instructs participants to imagine they work at Coffee Bean Ltd.) lacked external validity. That said, portrayal of companies using advertisements and corporate materials have been used with success in prior research (Avery, 2003). Also, in Study 1 we did not check the manipulation of colorblindness, only the manipulation of multiculturalism. Future research should check the manipulations of both the colorblind and multicultural conditions to ensure the manipulations are varying the constructs of interest.

In Study 2, visible minorities were analyzed as one group due to the limited sample size. Given our hypotheses hinged on differential experiences of discrimination by members across racial groups, it would have been more informative to test our three-way interaction hypotheses by racial subgroup (e.g., Black, Asian, Hispanic). For example, in Study 1 we were able to compare the reactions of Asian and South-Asian/Middle-Eastern participants to uncover that the Asian participants endorsed a colorblind but not a multicultural diversity climate compared to South-Asian/Middle-Eastern participants. The results of this analysis suggest that members of different racial minority groups won't always respond similarly to the same diversity ideology. Notably, it is not always the case that minority participants will prefer a multicultural diversity climate over a colorblind diversity climate.

The current research reveals the importance of racial group identification as a moderating factor for organizational diversity climate and employee turnover intentions. Future research can explore *why* low and high racial group identifiers respond differently to multiculturalism and colorblindness in the workplace. With respect to racial minorities, knowledge gained by cross-cultural psychologists studying the emerging field of bicultural identity integration (BII) (i.e., the degree to which individuals with more than one cultural identity perceive their identities to be compatible or in conflict) may offer insight into why minorities leave or stay with a multicultural vs. a colorblind workplace. There are two key findings in this field. First, individuals vary in the degree to which they perceive their two cultural groups to be compatible or in conflict (Benet-Martínez & Haritatos, 2005), and second BII has been shown to be malleable and susceptible to change by external factors (Cheng & Lee, 2013). For example, when bicultural participants were asked to recall positive bicultural experiences, they perceived their two cultures to be compatible (i.e., high BII), but when participants were asked to recall negative bicultural experiences, they

perceived their two cultures to be in conflict (i.e., low BII) (Cheng & Lee, 2013). This finding is noteworthy because it suggests that BII is not always a stable trait that is resistant to change. Furthermore, it is conceivable that a multicultural diversity climate can promote high BII because this approach promotes the acceptance of racial group identities within the broader organizational identity. Promoting high BII is beneficial for organizations because high BII has been correlated with positive psychological outcomes such as social adjustment and psychological well-being (Benet-Martínez & Haritatos, 2005). Further research can test whether a multicultural diversity climate leads to high BII, compared to a colorblind diversity climate, and also test whether high BII mediates the relationship between diversity climate and employee turnover.

With the extensive foundation already provided by social identify theory (Tajfel, 1982) and SCT (Turner et al., 1987), future research can look at the broader organizational and societal factors that influence when racial group membership becomes salient and when racial group identification becomes strongest; thus, when colorblindness or multiculturalism would be endorsed by employees. One question remains: do members of minority groups always prefer multiculturalism over colorblindness? Based on our data the answer seems to be not always (i.e., Study 1). Hence, additional research using longitudinal methods such as diary studies can document when (e.g., in which situations) do racially-ethnic employees, including White/Caucasians, consider a colorblind or a multicultural approach to be most appropriate in the workplace.

References

Aiken, S. G., Aiken, L. S., & Krull, J. L. (1996). Experimental personality designs: Analyzing categorical by continuous variable interactions. *Journal of Personality, 64(1),* 1- 48.

Apfelbaum, E.P., Norton, M.I., & Sommers, S.R. (2012). Racial color blindness: Emergence, practice, and implications. *Current Directions in Psychological Science, 21(3),* 205-209.

Avery, D.R. (2003). Reactions to diversity in recruitment advertising – Are differences black and white? *Journal of Applied Psychology, 88(4),* 672-679.

Avery, D.R., McKay, P.F., Wilson, D.C., & Tonidandel, S. (2007). Unequal attendance: The relationships between race, organizational diversity cues, and absenteeism. *Personnel Psychology, 60,* 875-902.

Badea, C., Jetten, J., Czukor, G., & Askevis-Leherpeux, F. (2010). The bases of identification: When optimal distinctiveness face social identity threat. *British Journal of Social Psychology, 49,* 21-41.

Benet-Martínez, V., & Haritatos, J. (2005). Bicultural identity integration (BII): Components and psychological antecedents. *Journal of Personality, 73,* 1015-1050.

Betancourt, H., & Lopez, S.R. (1993). The study of culture, ethnicity, and race in American psychology. *American Psychologist, 48(6),* 629-637.Branscombe, N.R., Ellemers, N., Spears, R., & Doosje, B. (1999). The context and content of

social identity threat. In N. Ellemers, R. Spears, & B. Doosje (Eds.), *Social Identity* (35-58). Oxford: Blackwell Publishers Ltd.

Brewer, M.B. (1991). The social self: On being the same and different at the same time. *Personality and Social Psychology Bulletin, 17,* 475-482.

Brewer, M.B. (1993). In-group identification as a function of depersonalization, distinctiveness, and status. *Psychological Science, 4(2),* 88-92.

Boushey, H., & Glynn, S.J. (2012, Nov. 16). *There are significant business costs to replacing employees.* Retrieved from https://www.americanprogress.org/issues/labor/report/2012/11/16/44464/there-are-significant-business-costs-to-replacing-employees/

Bureau of Labor Statistics (2014, Sept. 18). *Employee tenure in 2014. Economic news release.* Retrieved from http://www.bls.gov/news.release/tenure.nr0.htm

Buss, A.H., & Portnoy, N.W. (1967). Pain tolerance and group identification. *Journal of Personality and Social Psychology, 6,* 106-108.

Cheng, Chi-Ying, & Lee, Fiona. (2013). The malleability of Bicultural Identity Integration (BII). *Journal of Cross-Cultural Psychology, 44(8),* 1235-1240.

Cohen, J., Cohen, P., West, S.G., & Aiken, L.S. (2003). *Applied multiple regression/correlation analysis for the behavioral sciences*, 3rd ed. Hillsdale: Erlbaum.

Doosje, B., Spears, R., & Ellemers, N. (2002). Social identity as both cause and effect: The

development of group identification in response to anticipated and actual changes in the intergroup status hierarchy. *British Journal of Social Psychology, 41,* 57-76.

Dovidio, J.F., Gaertner, S.L., & Saguy, T. (2007). Another view of "we": Majority and minority group perspectives on a common ingroup identity. *European Review of Social Psychology, 18,* 296-330.

Ellemers, N. (2012). The group self. *Science, 336,* 848-852.

Ellemers, N, Spears, R., & Doosje, B. (1997). Sticking together or falling apart: In-group identification as a psychological determinant of group commitment versus individual mobility. *Journal of Personality and Social Psychology, 72(3),* 617-626.

Ellemers, N., Spears, R., & Doosje, B. (Eds.). (1999). *Social identity: Context, commitment, content.* Oxford: Basil Blackwell.

Ellemers, N., Spears, R., & Doosje, B. (2002). Self and social identity. *Annual Review of Psychology, 53,* 161-18.

Ellemers, N., De Gilder, D., & Haslam, A.S. (2004). Motivating individuals and groups at work: A social identity perspective on leadership and group performance. *Academy of Management Review. 29(3),* 459-478.

Ellemers, N., & Jetten, J. (2013). The many ways to be marginal in a group. *Personality and Social Psychology Review, 17(1),* 3-21.

Gaertner, S.L, Dovidio, J.F., & Houlette, M.A. (2010). Social categorization. In John. F. Dovidio,

Miles Hewstone, Peter Glick, & Victoria M. Esses (Eds.), *The SAGE Handbook of Prejudice, Stereotyping and Discrimination* (pp. 526-543). London: SAGE Publications.

Griffith, R.W., Hom, P.W., & Gaertner, S. (2000). A meta-analysis of antecedents and correlates of employee turnover: Update, moderator tests, and research implications for the next millennium. *Journal of Management, 26,* 463-488.

Harter, J.K., Schmidt, F.L., & Hayes, T.L. (2002). Business-unit-level relationship between employee satisfaction, employee engagement, and business outcomes: A meta-analysis. *Journal of Applied Psychology*, *87*, 268–279.

Haslam, A.S., Oakes, P.J., Reynolds, K.J., & Turner, J.C. (1999). Social identity salience and the emergence of stereotype consensus**.** *Personality and Social Psychology Bulletin*, 25(7), 809-818.

Hogg, M.A., & Terry, D.J. (2000). Social identity and self-categorization processes in organizational contexts. *Academy of Management Review, 25(1),* 121-140.

Hornsey, M.J., & Hogg, M.A. (1999). Subgroup differentiation as a response to an overly-inclusive group: A test of optimal distinctiveness theory. *European Journal of Social Psychology*, *29*, 543-550.

Hornsey, M.J., & Hogg, M.A. (2000). Subgroup relations: A comparison of mutual intergroup differentiation and common ingroup identity models of prejudice reduction. *Personality and Social Psychological Bulletin, 26(2),* 242-256.

Kline, R.B. (2012). Assumptions of structural equation modeling. In R. Hoyle (Ed.), *Handbook*

of structural equation modeling (pp. 111-125). New York: Guilford Press.

Knowles, E.D., Lowery, B.S., Hogan, C.M., & Chow, R.M. (2009). On the malleability of ideology: Motivated construals of color blindness. *Journal of Personality and Social Psychology, 96,* 857–869.

Leach, C.W., Van Zomeren, M., Sven Zebel, M.L.W., Vliek, S.F.P., Doosje, B., Ouwerkerk, J.W., & Spears, R. (2008). Group-level self-definition and self-investment: A hierarchical (multicomponent) model of in-group identification. *Journal of Personality and Social Psychology, 95(1),* 144-165.

Livingstone, A.G., Spears, R., Manstead, A.S.R., & Bruder, M. (2011). The more, the merrier? Numerical strength versus subgroup distinctiveness in minority groups. *Journal of Experimental Social Psychology, 47,* 786-793.

Maker, A.H., Shah, P.V., & Agha, Z. (2005). Child Physical Abuse: Prevalence, Characteristics, Predictors, and Beliefs about Parent-Child Violence in South Asian, Middle Eastern, East Asian, and Latina Women in the United States. *Journal of Interpersonal Violence, 20 (11),* 1406-1428.

McDonald, R.P., & Ho, M.R. (2002). Principles and practices in reporting structural equation analyses. *Psychological Methods, 7(1),* 64-82.

McKay, P.F., Avery, D.R., Tonidandel, S., Morris, M.A., Hernandez, M., & Hebl, M.R. (2007). Racial differences in employee retention: Are diversity climate perceptions the key*? Personnel Psychology, 60,* 35-62.

Mor Barak. M.E, Cherin D.A, & Berkman, S. (1998). Organizational and personal dimensions in diversity climate: Ethnic and gender differences in employee perceptions. *Journal of Applied Behavioral Science, 34,* 82–104.

Morrison, K.R., Plaut, V.C., & Ybarra, O. (2010). Predicting whether multiculturalism positively or negatively influences white Americans' intergroup attitudes: The role of ethnic identification. *Personality and Social Psychology Bulletin, 36(12),* 1648–1661.

Norton, M.I., Sommers, S.R., Apfelbaum, E.P., Pura, N., & Ariely, D. (2006). Colorblindness and interracial interaction: Playing the political correctness game. *Psychological Science, 17,* 949-953.

Oakes, P. J. (1987). The salience of social categories. In J. C. Turner, M. A. Hogg, P. J. Oakes, S. D. Reicher, & M. S. Wetherell (Eds.), *Rediscovering the social group* (pp. 117-141). Oxford, UK: Blackwell.

Palmer, H. (1976). Mosaic versus melting pot: immigration and ethnicity in Canada and the United States, *International Journal, 31(3),* 488-528.

Phinney, J.S. (1990). Ethnic identity in adolescents and adults: Review of research. *Psychological Bulletin, 108(3),* 499-514.

Phinney, J.S. (1992). The Multigroup Ethnic Identity Measure: A new scale for use with diverse groups. *Journal of Adolescent Research, 7(2),* 156-176.

Phinney, J.S., & Chavira, V. (1992). Ethnic identity and self-esteem: an exploratory longitudinal

Study. *Journal of Adolescence, 15*, 271-281.

Phinney, J.S., & Ong, A.D. (2007). Conceptualization and measurement of ethnic identity: Current status and future directions. *Journal of Counseling Psychology, 54(3),* 271–281.

Plaut, V.C., Garnet, F.G., Buffardi, L.E., & Sanchez-Burks, J. (2011). "What about me?" Perceptions of exclusion and whites' reactions to multiculturalism. *Journal of Personality and Social Psychology, 101(2),* 337-353.

Plaut, V.C., Thomas, K.M., & Goren, M.J. (2009). Is multiculturaism or color blindness better for minorities? *Psychological Science, 20(4),* 444-446.

Rattan, A., & Ambady, N. (2013). Diversity ideologies and intergroup relations: an examination of colorblindness and multiculturalism. *European Journal of Social Psychology, 43,* 12-21.

Ryan, C.S., Hunt, J.S., Weible, J.S., Peterson, C.R., & Casas, J.F. (2007). Multicultural and colorblind ideology, stereotypes, and ethnocentrism among Black and White Americans. *Group Processes & Intergroup Relations, 10(4), 617-637.*

Sackett, P.R., & Larson, J.R., Jr. (1990). Research strategies and tactics in industrial and organizational psychology. In M.D. Dunnette & L.M. Hough (Eds.), *Handbook of industrial and organizational psychology* (Vol. 1, pp. 419-489). Poalo Alto, CA: Consulting Psychologists Press.

Steck, L.W., Heckert, D.M., & Heckert, D.A. (2033). The salience of racial identity among

African-American and white students. Race and Society, 6, 57-73.

Stevens, F.G., Plaut, V.C., & Sanchez-Burks, J. (2008). Unlocking the benefits of diversity: All-inclusive multiculturalism and positive organizational change. *The Journal of Applied Behavioral Science*, *44(1),* 116-133.

Spears, R., Doosje, B., & Ellemers, N. (1997). Self-stereotyping in the face of threats to group status and distinctiveness: The role of group identification. *Personality and Social Psychology Bulletin, 23(5), 538-553.*

Tajfel, H. (1982). Social psychology of intergroup relations. *Annual Review of Psychology, 33,* 1-39.

Tsui, A.S., Egan, T.D., & O'Reilly, C.A. (1992). Being different: Relational demography and organizational attachment. *Administrative Science Quarterly*, *37,* 549-579.

Turner, J.C., Hogg, M.A., Oakes, P.J., Reicher, S.D., & Wetherell, M.S. (1987). *Rediscovering the social group: A self-categorization theory.* Oxford, UK: Blackwell.

Vancouver, J.B., & Carlson, B.W. (2015). All things in moderation, including tests of mediation (at least some of the time). *Organizational Research Methods, 18(1),* 70-91.

Verkuyten, M. (2005). Ethnic group identification and group evaluation among minority and majority groups: Testing the multiculturalism hypothesis. *Journal of Personality and Social Psychology, 88(1),* 121–138.

Verkuyten, M., & Brug, P. (2004). Multiculturalism and group status: The role of ethnic

identification, group essentialism and protestant ethic. *European Journal of Social Psychology, 34,* 647-661.

Wolsko, C., Park, B., Judd, C.M., & Wittenbrink, B. (2000). Framing interethnic ideology: Effects of multicultural and color-blind perspectives on judgments of groups and individuals. *Journal of Personality and Social Psychology, 78(4),* 635-654.

Wanous, J.P., Reichers, A.E., & Hudy, M.J. (1997). Overall job satisfaction: How good are single-item measures? *Journal of Applied Psychology, 82(2), 247-252.*

Wolsko, C., Park, B., & Judd, C.M. (2006). Considering the Tower of Babel: Correlates of assimilation and multiculturalism among ethnic minority and majority groups in the Unites States. *Social Justice Research, 19(3),* 277-306.

Wright, S.C. (2010). Collective action and social change. In John. F. Dovidio, Miles Hewstone, Peter Glick, & Victoria M. Esses (Eds.), *The SAGE Handbook of Prejudice, Stereotyping and Discrimination* (pp.577-595). London, UK: SAGE Publications.

Yip, T., & Fuligni, A.J. (2002). Daily variation in ethnic identity, ethnic behaviors, and psychological well-being among American adolescents of Chinese descent. *Child Development, 73(5),* 1557-1572.

Table 1: Study 1, Diversity Climate Manipulations

Control Condition	Multicultural Condition	Colorblind Condition
What Makes Us A Stronger Company	**All Groups are Equally Important and Valued**	**All Individuals are Equally Important and Valued**
Coffee Bean Ltd offers only the finest ingredients and processes for the community, our commitment to quality begins with the coffee bean and continues beyond your empty cup. We understand that we can't do it on our own, so we connect with like-minded and passionate folks who love coffee as much as we do. We will change the way that you think about coffee and how you experience every single cup. We are still students in an always-evolving world of coffee.	Coffee Bean Ltd values the unique characteristics of different racial and ethnic groups of its employees. At Coffee Bean Ltd., we encourage employees to learn and appreciate the unique histories and cultural experiences of different ethnic groups in our company. We invest in cross-cultural training that emphasizes the importance of taking into account the history and cultural traditions of different ethnic groups. We believe that if we want to help create a harmonious corporate culture and to resolve conflict between groups, we must recognize that each racial and ethnic group has the right to maintain its own unique traditions.	Coffee Bean Ltd values the unique characteristics of people regardless of their different race or ethnicity. At Coffee Bean Ltd., we encourage employees to remember that we're all the same and not become preoccupied with race and ethnicity. We invest in training that emphasizes the importance of learning about the similarities between racial and ethnic groups. We believe that if we want to help create a harmonious corporate culture and to resolve conflict between groups, we must recognize that each race and ethnicity are artificial labels that keep people from thinking freely as individuals.

Table 2:

Independent Samples T-Test for Manipulation Check - Overall

Conditions	Mean (SD)	*t*	*df*	*p*	*Cohen's d*
1. Colorblind, Control	3.64 (.74), 3.89 (.88)	2.05	172	*.04*	.31
2. Multicultural, Control	3.64 (.74), 4.14 (.76)	4.46	177	*.00*	.67
3. Multicultural, Colorblind	3.89 (.88), 4.14 (.76)	1.97	171	*.05*	.31

Independent Samples T-Test for Manipulation Check for Visible Minorities

Conditions	Mean (SD)	*T*	*df*	*P*	*Cohen's d*
Colorblind, Control	3.60(.95), 3.47(.74)	.70	83	*Ns*	-
Multicultural, Control	4.15(.71), 3.47(.74)	4.5	90	*.00*	.94
Multicultural, Colorblind	4.15(.91), 3.60(.95)	3.09	83	*.003*	.31

Independent Samples T-Test for Manipulation Check for White/Caucasians

Conditions	Mean (SD)	*t*	*df*	*P*	*Cohen's d*
Colorblind, Control	4.17(.75), 3.85(.68)	2.10	85	*.04*	.45
Multicultural, Control	4.21(.81), 3.85(.68)	2.20	80	*.03*	.48
Multicultural, Colorblind	4.21(.8), 4.17(.74)	.23	81	*Ns*	-

Table 3: Study 1, Descriptive Statistics, Correlations, and Alpha Reliabilities

N = 271	Mean	SD	1	2	3	4
1. RGM	.49	.50	-			
2. RGI	5.56	1.21	.10	**.93**		
3. Turnover Intentions	2.80	1.12	-.09	-.271**	**.79**	
4. Manipulation Check	3.89	.82	.19 **	.073	-.387**	**.85**

Visible Minorities (*N*=134)	Mean	SD	1	2	3
1. RGI	5.46	1.32	**.94**		
2. Turnover Intentions	2.88	1.20	-.34**	**.82**	
3. Manipulation Check	3.75	.85	-.003	-.27**	**.87**

White/Caucasians (*N*=130)	Mean	SD	1	2	3
1. RGI	5.71	1.09	**.92**		
2. Turnover Intentions	2.87	1.04	-.12	**.74**	
3. Manipulation Check	4.07	.76	.10	-.51**	**.81**

Note. RGM = Racial Group Membership, RGI = Racial Group Identification, RGM is coded White/Caucasian = 1; Visible Minorities = 0. Alphas are bolded. ** $p < .01$

Table 4: Study 1, Racial Group Identification by Multicultural Diversity Climate Predicting Turnover Intentions

Step	**1**	**2**	**3**
Intercept	**2.97**** (.11)	**3.03**** (.12)	**3.04**** (.12)
RGM	-.18 (.14)	**-.320▲** (.17)	-.31 (.17)
Multicultural	**-.31*** (.14)	**-.50*** (.20)	**-.51**** (.20)
RGI	**-.24**** (.06)	**-.37**** (.08)	**-.32****(.09)
RGM x Multicultural		.46 (.29)	.46 (.28)
RGI x Multicultural		**.23*** (.12)	.46 (.16)
RGM x RGI		.17 (.11)	.05 (.14)
RGM x RGI x Multicultural			.37 (.24)
ΔR^2	***.087*****	***.031****	*.008*

Note. RGM = Racial Group Membership, RGI = Racial Group Identification, Multicultural = Perceived Multicultural Diversity Climate, $N = 271$. Changes in R^2 are bolded. * $p < .05$; ** $p < .01$; ▲$p = .054$

Table 5: Study 2, Diversity Climate Perceptions Factor Loadings

Diversity Climate Items	**Factor 1**	**Factor 2**	**Factor 3**
Adopts a multicultural perspective.	.303	.399	**.699**
Recognizes that there are differences between ethnic groups.	.207	.183	**.758**
Emphasizes the importance of appreciating group differences between ethnic groups.	.240	.155	**.836**
Accepts each ethnic group's positive and negative qualities.	.267	.552	**.590**
Judges one another as individuals rather than members of an ethnic group.	.123	**.768**	.211
Recognizes that all people are basically the same regardless of their ethnicity.	.141	**.780**	.282
Recognizes that all people are created equally regardless of their ethnicity.	.150	**.805**	.336
Adopts a colorblind perspective in which one's ethnic group membership is considered unimportant.	.070	**.733**	.029
Recruiting from diverse sources.	**.551**	.026	.225
Offer equal access to training.	**.558**	.395	-.036
Open communication on diversity.	**.758**	.083	.157
Publicize diversity principles.	**.649**	-.061	.208
Offer training to manage diverse population.	**.657**	.020	.080
Respect perspectives of people like me.	**.638**	.283	.235
Maintains diversity-friendly work environment.	**.686**	.408	.041
Workgroup has climate that values diverse perspectives.	**.684**	.275	.247
Top leaders visibly committed to diversity.	**.666**	.142	.228

Extraction Method: Principal Component Analysis.

Rotation Method: Varimax with Kaiser Normalization.

a. Rotation converged in 5 iterations.

Table 6: Study 2, Descriptive Statistics, Correlations, and Alpha Reliabilities

	Mean	SD	1	2	3	4	5	6
1. RGM	.70	.46	-					
2. RGI	5.42	1.13	-.14*	**.93**				
3. Multicultural Div. Climate	5.16	1.23	-.01	.10	**.86**			
4. Colorblind Div. Climate	5.50	1.19	.11	.12*	.62**	**.84**		
5. OVD	4.70	1.20	-.07	.17**	.57**	.43**	**.86**	
6. Turnover Intentions	3.50	1.88	-.02	-.05	-.43**	-.28**	.29**	**.88**

Note. RGM = Racial Group Membership, RGI = Racial Group Identification, RGM is coded White/Caucasian = 1; Visible Minorities = 0. Alphas are bolded. ** $p < .01$

Table 7: Study 2, Descriptive Statistics, Correlations, and Alpha Reliabilities

	Mean	SD	1	2	3	4	5
Visible Minorities (N=88)							
1. RGI	5.66	1.02	**.91**				
2. Multicultural Div. Climate	5.17	1.18	.45**	**.84**			
3. Colorblind Div. Climate	5.30	1.16	.41**	.62**	**.76**		
4. OVD	4.82	1.19	.41**	.52**	.43**	**.85**	
5. Turnover Intentions	3.56	1.81	-.08	-.40**	-.28**	-.28**	**.82**
White/Caucasian (N=202)							
1. RGI	5.32	1.17	**.94**				
2. Multicultural Div. Climate	5.16	1.26	-.03	**.87**			
3. Colorblind Div. Climate	5.59	1.19	.03	.62**	**.87**		
4. OVD	4.64	1.23	.07	.60**	.44**	**.87**	
5. Turnover Intentions	3.47	1.91	-.04	-.44**	-.28**	-.29**	**.91**

Note. RGI = Racial Group Identification, OVD = Perceived Organizational Value of Diversity. Alphas are bolded. ** $p < .01$

Table 8: Study 2, Interaction between Racial Group Identification, Racial Group Membership, Multicultural Diversity Climate Predicting Turnover Intentions

Step	**1**	**2**	**3**	**4**
Intercept	3.50** (.08)	3.50** (.08)	3.54** (.15)	3.42** (.16)
Job Sat.	**-.91**** (.06)	**-.85**** (.06)	**-.89**** (.06)	**-.90**** (.06)
OVD		.02 (.08)	.09 (.14)	.07 (.15)
Colorblind		-.04 (.09)	-.12 (.16)	-.15 (.16)
Multicultural		**-.23***(.09)	-.13 (.16)	-.25 (.16)
RGM		-.004(.17)	.02 (.18)	-.01 (.19)
RGI		**-.16***(.07)	**-.18***(.07)	**-.61****(.07)
RGM x OVD			-.02(.17)	-.003(.18)
RGM x Multicultural			-.16 (.19)	-.01 (.19)
RGM x Colorblind			.09 (.19)	.16 (.19)
RGI x OVD			.16(.08)*	.31(.15)
RGI x Multicultural			-.14(.07)*	-.45(.15)**
RGI x Colorblind			.15(.06)	**.32**** (.13)
RGM x RGI				.55**(.18)
RGM x RGI x Multicultural				.39*(.17)
RGM x RGI x Colorblind				-.26▲ (.15)
RGM x RGI x OVD				-.18(.17)
ΔR²	***.50****	***.029****	***.022****	***.013****

Note. N = 290, RGM = Racial Group Membership, RGI = Racial Group Identification, Multicultural = Perceived Multicultural Diversity Climate Changes in R^2 are bolded. ▲p = .08; * p < .05; ** p < .01.

Figure 1: Study 1, Independent Samples T-Test for Manipulation Check

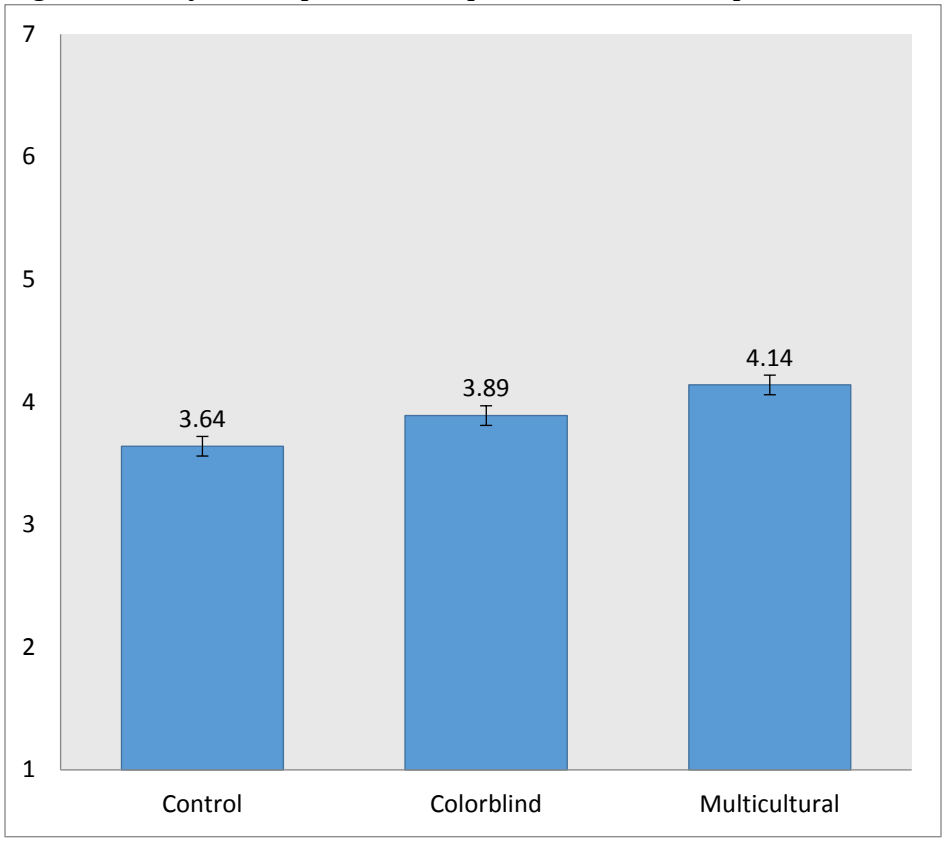
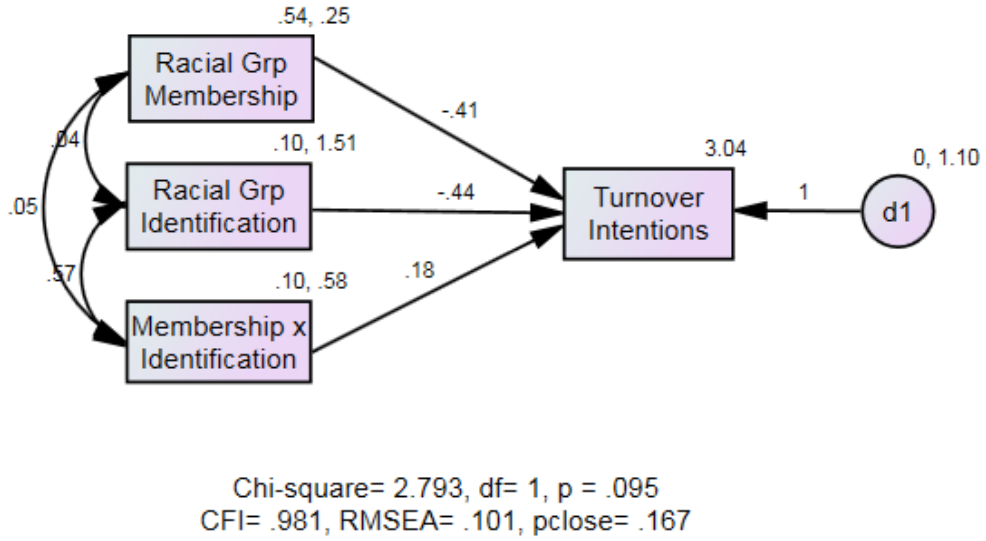


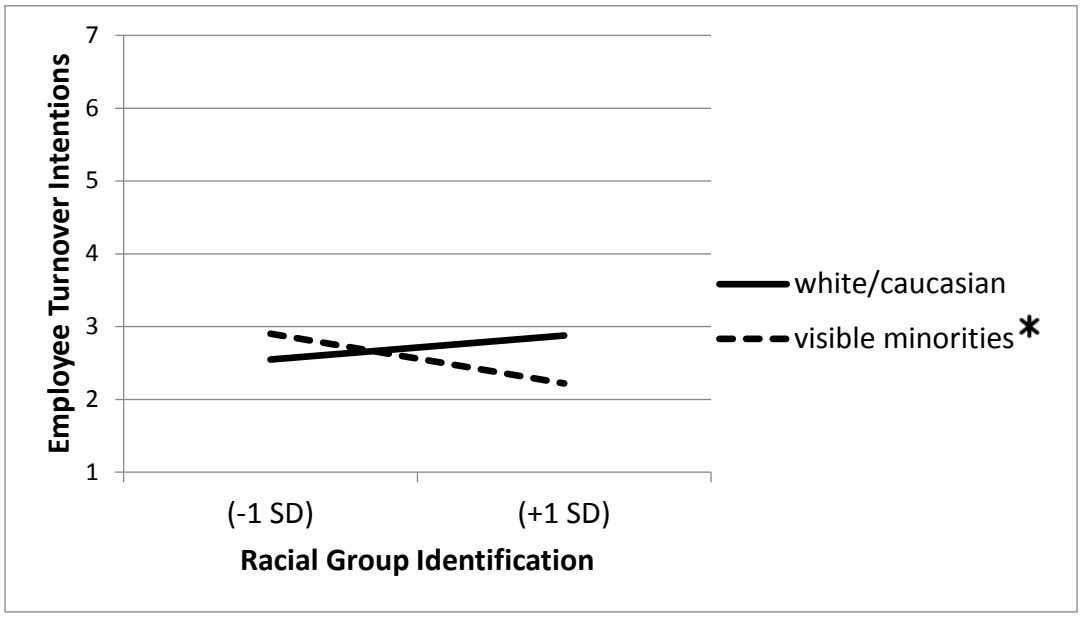
Figure 2: Between Groups Test for Three-Way Interaction in SEM



Note. These are the results with the path coefficient from Racial Group Membership X Racial Group Identification to Turnover Intentions set equal between the two groups, Colourblind and Multicultural. This equality constraint tests the null hypothesis for the three-way interaction of Racial Group Membership X Racial Group Identification X Group.

Figure 3: Study 1, Racial Group Identification by Multicultural Diversity Climate Predicting Employee Turnover Intentions

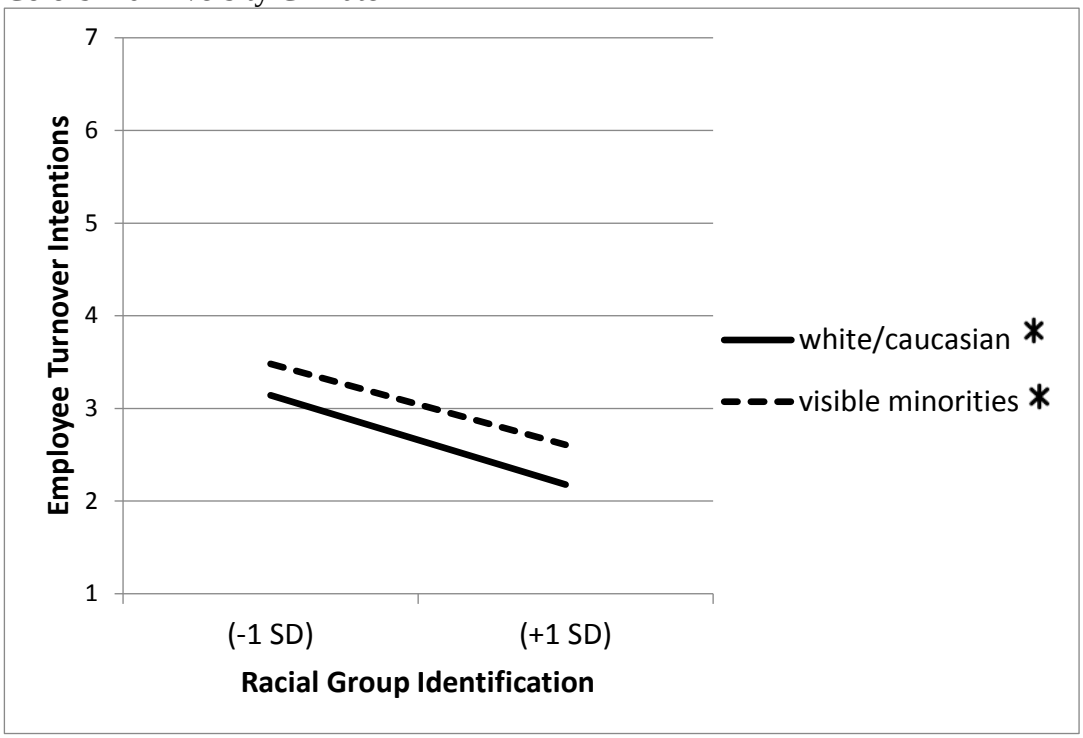
Multicultural Diversity Climate



Note. * test of simple slopes are significant, $p < .05$

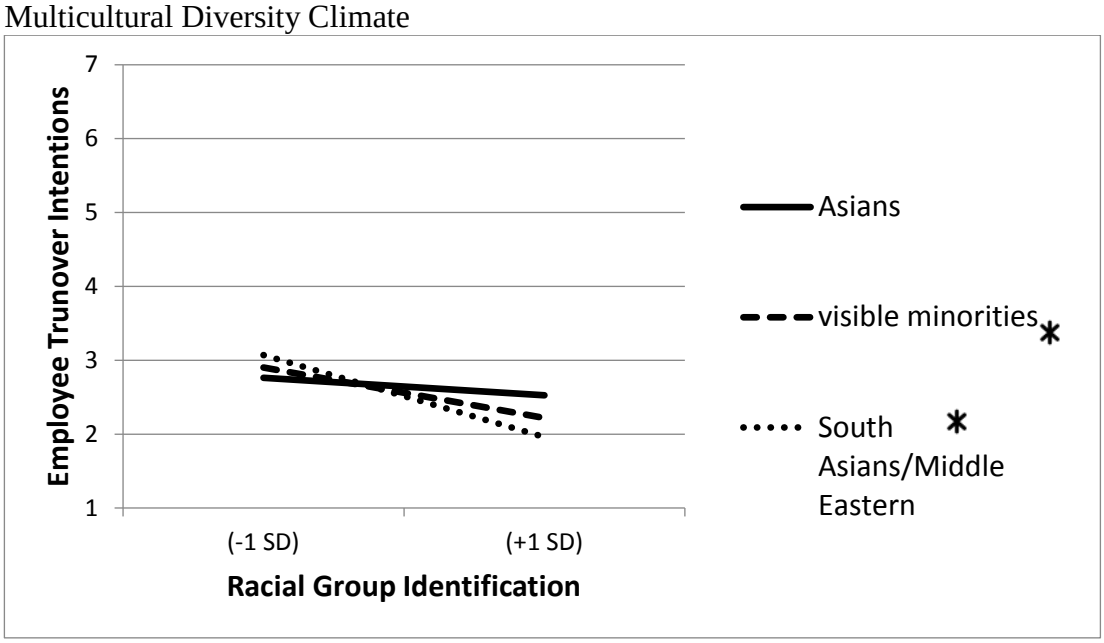
Figure 4: Study 1, Racial Group Identification by Colorblind Diversity Climate Predicting Turnover Intentions

Colorblind Diversity Climate



Note: * = test of simple slopes are significant, $p < .05$

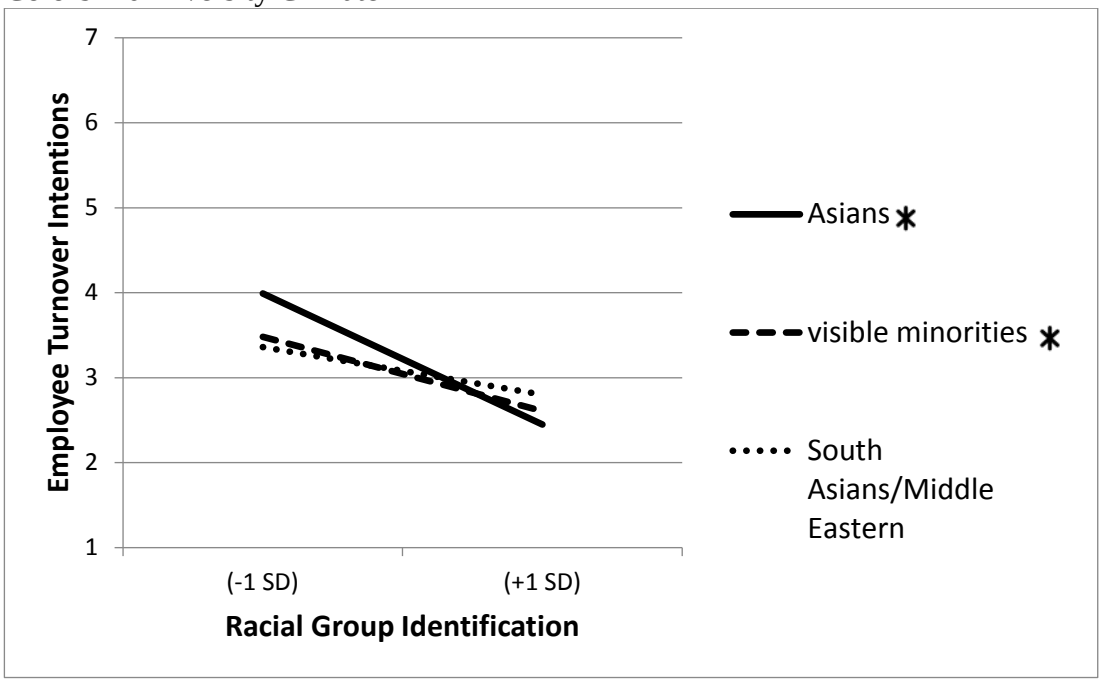
Figure 5: Study 1, Racial Group Identification by Multicultural Diversity Climate Predicting Turnover Intentions by Sub-groups



Note: ✱ = test of simple slopes are significant, $p < .05$

Figure 6: Study 1, Racial Group Identification by Colorblind Diversity Climate Predicting Turnover Intentions by Sub-Groups

Colorblind Diversity Climate



Note: ✱ = test of simple slopes are significant, $p < .05$

Figure 7: Study 2, Scree Plot of Diversity Climate Items

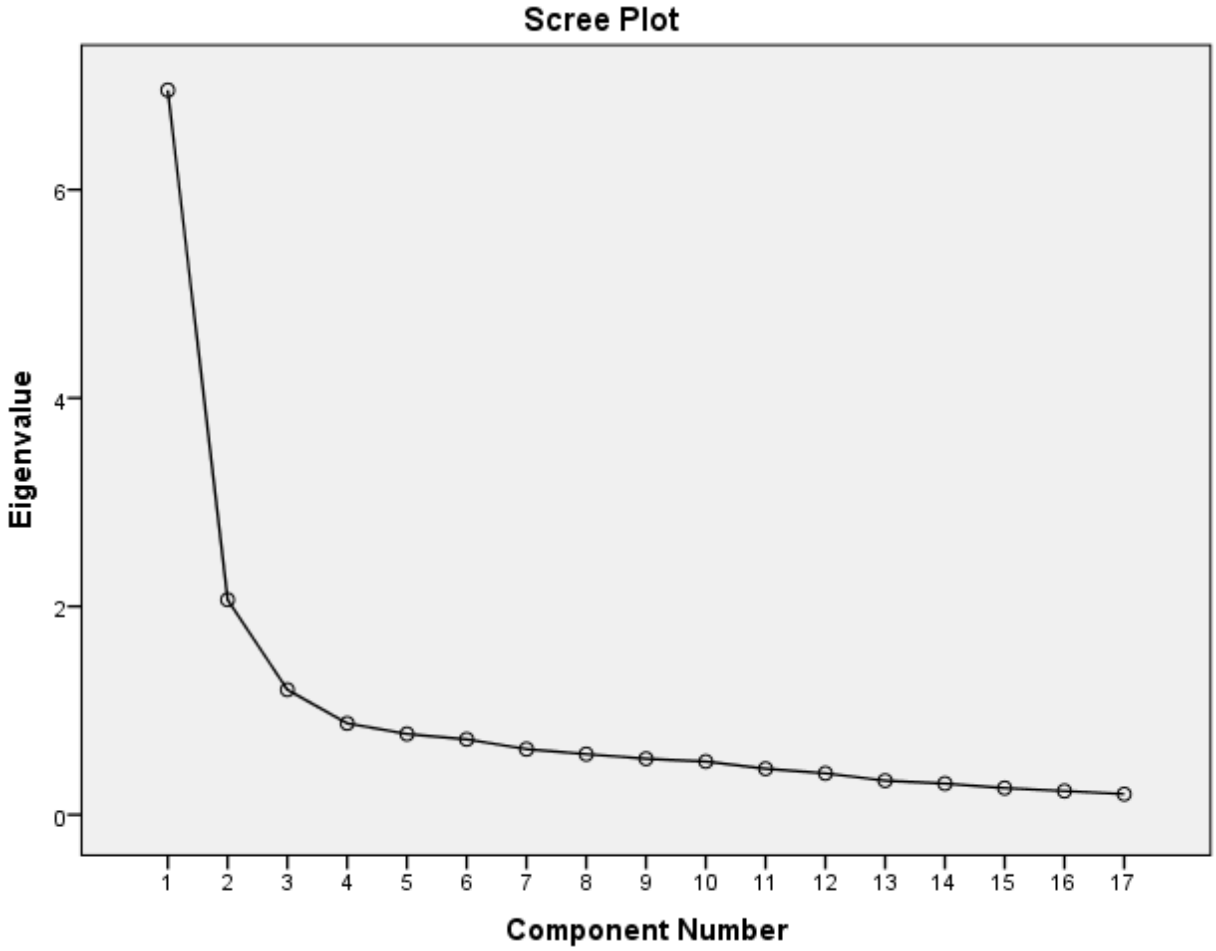
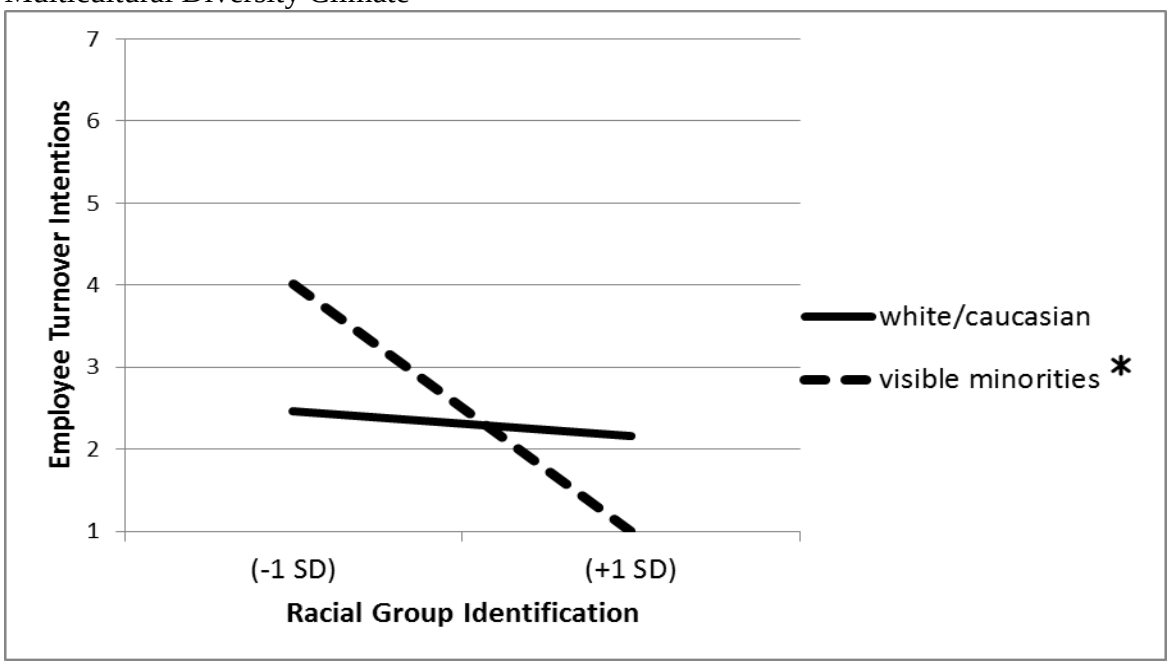


Figure 8: Study 2, Three-way Interaction between Racial Group Identification, Racial Group Membership, and Multicultural Diversity Climate Predicting Turnover Intentions

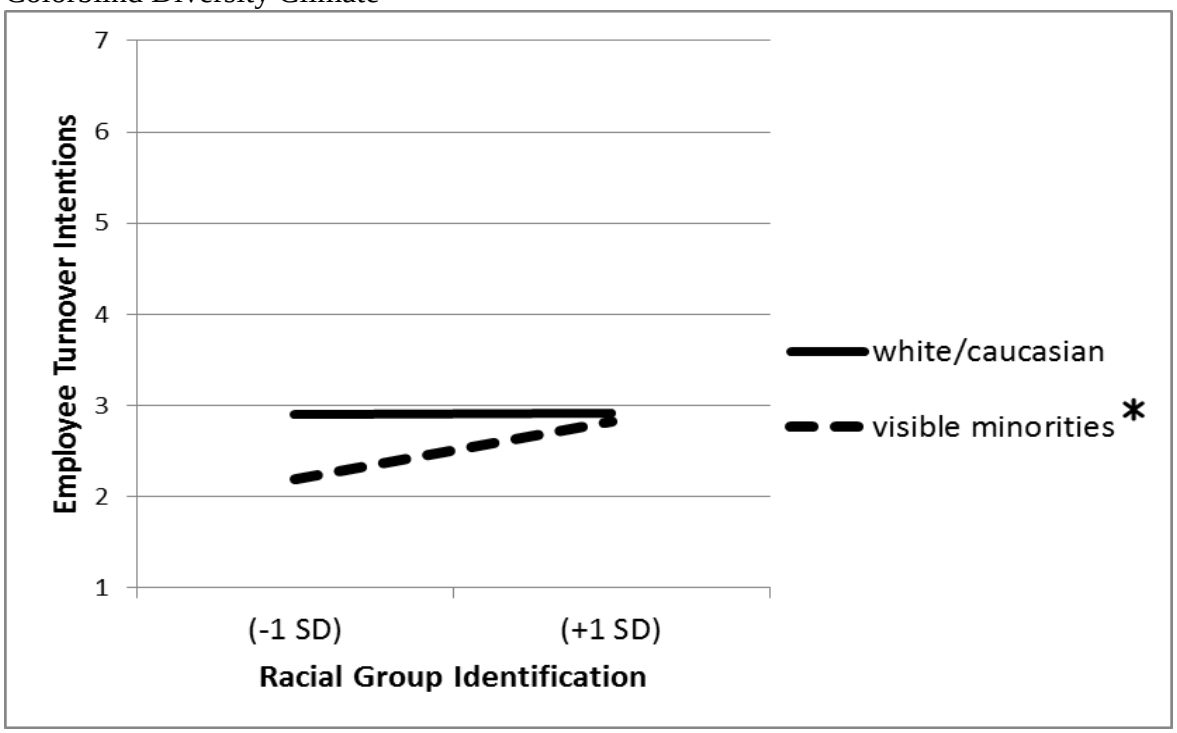
Multicultural Diversity Climate



Note: ✱= test of simple slopes are significant, $p < .05$

Figure 9: Study 2, Three-way Interaction between Racial Group Identification, Racial Group Membership, and Colorblind Diversity Climate Predicting Turnover Intentions

Colorblind Diversity Climate



Note: ✱ = test of simple slopes are significant, $p < .05$

Appendix A
Survey Scales

Study 1

The Multigroup Ethnic Identity Measure (MEIM) (Phinney, 2002)

Instructions: In this country, people come from a lot of different cultures and there are many different words to describe the different backgrounds or ethnic groups that people come from. Some examples of the names of ethnic groups are Caucasian, Hispanic, Black, or Asian. Every person is born into an ethnic group, or sometimes two groups, but people differ on how important their ethnicity is to them, how they feel about it, and how much their behavior is affected by it. These questions are about your ethnicity or your ethnic group and how you feel about it or react to it.

Please complete: In terms of ethnic group, I identify primarily with _____.

Please indicate the extent to which you agree with the following statements.

1 = strongly disagree, 7= strongly agree

Affirmation/Belonging

1. I am happy that I am a member of the ethnic group I belong to.

2. I have a strong sense of belonging to my own ethnic group.

3. I have a lot of pride in my ethnic group and its accomplishments.

4. I feel a strong attachment towards my own ethnic group.

5. I feel good about my cultural or ethnic background.

Note: the below subscales were not used in the present research but are provided for informational purposes.

Ethnic Identity Achievement

1. I have spent time trying to find out more about my own ethnic group, such as its history, traditions, and customs.

2. I have a clear sense of my ethnic background and what it means for me.

3. I think a lot about how my life will be affected by my ethnic group membership.

4. I am not very clear about the role of my ethnicity in my life. R

5. I really have not spent much time trying to learn more about the culture and history of my ethnic group. R

6. I understand pretty well what my ethnic group membership means to me, in terms of how to relate to my own group and other groups.

7. In order to learn more about my ethnic background, I have often talked to other people about my ethnic group.

Ethnic Behaviors

1. I am active in organizations or social groups that include mostly members of my own ethnic group.

2. I participate in cultural practices of my own group, such as special food, music, or customs.

Appendix B

Survey Scales

Study 2

Diversity Climate Perceptions Items (Multiculturalism/Colorblindess)

(Ryan et al., 2007)

Instructions: It is important to separate your personal beliefs about diversity from your workplace's policies about diversity. In this Study we are interested in your workplace's diversity climate. Please describe your workplace's diversity climate by determining the extent to which you believe your workplace endorses the following statements:

1= Does not at all endorse this statement, 7= Absolutely endorses this statement

My organization…

1. Adopts a multicultural perspective.

2. Recognizes that there are differences between ethnic groups.

3. Emphasizes the importance of appreciating group differences between ethnic groups.

4. Accepts each ethnic group's positive and negative qualities.

5. Judges one another as individuals rather than members of an ethnic group

6. Recognizes that all people are basically the same regardless of their ethnicity.

7. Recognizes that all people are created equally regardless of their ethnicity.

8. Adopts a colorblind perspective in which one's ethnic group membership is considered unimportant.

Diversity Climate Perceptions Items (Organizational Value of Diversity)

(McKay et al., 2007)

Instructions: Please rate your organization's performance on the following items:

1 = well below expectations, 7 = well above expectations.

1. Recruiting from diverse sources.

2. Offer equal access to training.

3. Open communication on diversity.

4. Publicize diversity principles.

5. Offer training to manage diverse population.

6. Respect perspectives of people like me.

7. Maintains diversity-friendly work environment.

8. Workgroup has climate that values diverse perspective.

9. Top leaders visibly committed to diversity.