

Designing Your Own Diversity Initiative

Diversity and Global Policy Course

Bocconi University

The General Objective

Throughout the course, we have discussed the determinants of racial/gender inequality and several policies to address current racial/gender gaps. Importantly, we emphasized the importance of causal inference in measuring the effects of contributing factors and implemented policies.

This assignment is an opportunity to apply what you have learned.

In pairs, your task is to:

- Identify a societal/organizational issue related to diversity that you care about.
- Propose a policy that might address this issue.
- Propose an implementation of the policy that makes it amenable to an impact evaluation in the future.
- Discuss the robustness, advantages, and limitations of your approach.

Alternatively, you can also:

- Identify an important unanswered question in the existing literature on diversity.
- Propose a research design to answer it using causal inference tools.
- Provide the underlying mathematical equations and practical software implementation.
- Discuss the robustness, advantages, and limitations of your approach.

You will prepare a concise set of slides to discuss your idea with the class during a short presentation.

Below are some tips for each step along the way.

1. Introduction and Motivation

Set the stage.

Put yourself in the shoes of a researcher or decisionmaker (*e.g., a manager in an organization, a policymaker in the government, a policymaker in an international organization, a researcher at a think tank or a university*).

The diversity issue you consider does not need to be related to race or gender (*e.g., it could be about ethnicity, immigrant status, sexual orientation, disability, etc.*). Choose something *you* care about.

Provide some descriptive statistics or anecdotal evidence of why this issue matters.

2. Policy Design // Research Design

Now comes the part where you must propose a policy that can make a difference or a research design that can answer a previously unanswered question.

Here are some questions to get you started:

Why is there a problem in the first place? What are the determinants of this issue?

For policies: *What initiatives already exist out there? Do we know if they work? Is your policy here to stay, or will it be eventually discontinued? Is your policy targeted or universal? Can it backfire?*

For research questions: *What has the literature previously shown on this issue? What is your institutional context? How does your design solve some of the limitations of previous studies?*

Choosing a policy intervention or research methodology that already exists in other contexts is totally OK as long as you tailor it to your issue.

3. Policy Implementation // Research Implementation

Now comes the part where you must think carefully about implementing the policy or conducting research. What's the point of making policies if you can never know if they even worked? What's the point of asking questions if you never get an answer? As the researcher or decision-maker, you have the unique opportunity to make things right!

In the class, we saw many techniques to assess causality that all require some form of (quasi-)random variation – i.e., randomized control trials, instrumental variables, regression discontinuity designs, and difference-in-differences approaches (if you need to refresh your memory, check out the slides or the [Scott Cunningham's Mixtape](#)).

You must determine which one of these research designs would be suitable for your policy implementation or your research design.

Here are some questions to get you started:

What will be your control group and your treated group? What is the treatment? Should you expect all groups to be affected by the treatment in the same way? What assumptions are you making?

Are there practical or ethical concerns that make it impossible to randomize treatment assignment? e.g., randomizing teams within the organization could be very inefficient and costly, though it might allow you to estimate the impact of gender diversity on team performance

Will the relevant actors comply with your policy assignment? Will you measure an average treatment effect for the whole population of interest or an average treatment effect for the compliers?

How big should the first implementation be? e.g., if there are serious economic costs to consider if the policy backfires, perhaps a small-scale implementation is preferable.

These questions should help you choose the proper methodology. Be precise in mathematical terms regarding the equations you will eventually estimate and how you will interpret each coefficient. Propose a practical software implementation in Stata/R/Python (you will not need to perform the analysis, though).

4. Robustness, Advantages, Limitations, and Risks of Your Approach

Every approach has advantages and limitations. You will briefly discuss those.

Are there alternative empirical specifications you could run that would further support the validity of your results?

Can the policy implementation create distrust or social unrest in your organization? Consider the different stakeholders in the organization, for instance. e.g., randomizing promotions within the organization is highly unfair and politically unfeasible but might allow you to estimate the economic and social impact of female leaders.

More generally, are you measuring an average treatment effect or a local average treatment effect? i.e., instrumental variable strategies and regression discontinuity designs usually measure local average treatment effects for the compliers (in the case of IV) and for people around the threshold (in the case of RDD)

Should we expect the results of the policy's impact evaluation to be generalizable? Do they have external validity for other contexts? Can the policy be scaled based on these results?