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### **Legitimar una política de diversidad en un entorno desafiante: el caso de una escuela de negocios francesa**

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#### Article abstract

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## Légitimer une politique de diversité dans un environnement difficile : L'étude de cas d'une Grande Ecole de Management française

### Legitimar una política de diversidad en un entorno desafiante: el caso de una escuela de negocios francesa

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#### ABSTRACT

This paper explores how a diversity policy is legitimized along moral, pragmatic and cognitive dimensions in a challenging environment (conflicting demands with regard to diversity). In this case study-based paper, we use evidence gathered from 92 interviews with members of key stakeholder groups, observation, and secondary data sources in a French business school. We find that perceptions about the legitimacy of a diversity policy may be ambivalent when legitimacy is evaluated along several dimensions. We conclude that legitimizing a diversity policy requires step-by-step management, with the organization selecting and combining various legitimization strategies over time.

**Keywords:** Legitimacy, diversity policy, legitimization strategies, challenging environment, case study, business school

#### RÉSUMÉ

Cet article explore comment une politique de diversité est légitimée en termes moral, pragmatique et cognitif dans un environnement difficile (exigences contradictoires en matière de diversité). Une étude de cas d'une Ecole de Management française est conduite par le recueil de données primaires – 92 entretiens avec des parties prenantes et observation – et de données secondaires. Nous constatons que les perceptions de la légitimité d'une politique de diversité sont ambivalentes lorsque la légitimité est évaluée sur plusieurs dimensions. La légitimation d'une politique de diversité nécessiterait un management pas-à-pas, sélectionnant et combinant diverses stratégies de légitimation au cours du temps.

**Mots-Clés :** Légitimité, politique de diversité, stratégies de légitimation, environnement difficile, étude de cas, école de management

#### RESUMEN

Este artículo explora cómo se legitima una política de diversidad en términos morales, pragmáticos y cognitivos en un entorno desafiante. Un estudio de caso de una Escuela de Negocios francesa se hizo a través de la recolección de datos primarios – 92 entrevistas y observación – y datos secundarios. Encontramos que las percepciones de la legitimidad de una política de diversidad pueden ser ambivalentes cuando se evalúa la legitimidad en varias dimensiones. Así, la legitimación de una política de diversidad requeriría una gestión gradual, durante la cual se seleccionarían y combinarían varias estrategias de legitimación a lo largo del tiempo.

**Palabras Clave:** Legitimidad, política de diversidad, estrategias de legitimación, entorno desafiante, estudio de casos, escuela de negocios

Diversity policies have become prevalent in today's business world (Chanlat *et al.*, 2013) and they are key strategic elements for organizations worldwide. Yet although the policies are often praised for the principles they defend, stakeholder acceptance remains precarious in practice (Maxwell *et al.*, 2001). The literature reveals that diversity management, which refers to how diversity policies are implemented, has been explored in a variety of contexts (Haas and Shimada, 2014), but how they are legitimized is still an important issue to be addressed.

The legitimacy of policies promoting social values – defined by Suchman (1995, p. 574) as “a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs and definitions” – is a growing concern for organizations (Reast *et al.*, 2013). The primary difficulty managers face is gaining

acceptance of these policies on three dimensions at once: moral (a normative assessment of the policy's rightness for the organization), pragmatic (a cost-benefit assessment of the policy's value) and cognitive (the mere assessment of policy acceptance and understanding) (Claasen and Roloff, 2012). Research has shown that these dimensions interact and influence stakeholder perceptions of overall legitimacy, and they therefore require strategic handling (Tost, 2011). Thus, the crucial question for organizations is how to select and combine the most appropriate legitimization strategies (Scherer *et al.*, 2013).

This task is all the more difficult in challenging environments, where organizations are confronted with competing and sometimes mutually exclusive demands (Greenwood *et al.*, 2011) due to turbulent market conditions, conflicting norms and rules and the various expectations of a high number of heterogeneous

stakeholders (Lamin and Zaheer, 2012). Diversity is a good example of a sensitive socioeconomic phenomenon (Bruna and Chanlat, 2017) that can be described as a contested social value. Indeed, even when a diversity policy is placed at the very heart of an organization's strategy (Thomas, 2004), this does not mean that tensions will not arise between the social objectives it was created to address and the economic ambitions simultaneously pursued (Ely and Thomas, 2001). This is particularly true when organizations simultaneously encounter strong pressures to engage in diversity and strong economic and market requirements (Chanlat *et al.*, 2013). In this paper, we thus seek to answer the following research question: *How does an organization in a challenging environment legitimize a diversity policy – in moral, pragmatic and cognitive terms?* Although most studies focus on how specific stakeholder or institutional pressures influence the legitimization process in companies, our study sheds light on how an organization strategically manages the legitimacy of its diversity policy in the midst of numerous and various conflicting demands coming from stakeholders, the market, norms and rules, and so on. Instead of focusing on political stakes or institutional pressures, the paper describes the journey of a diversity policy legitimization in practice.

This research question was investigated in the French business school sector, which is currently facing challenges in dealing with diversity issues. The case of France is unique as its business schools have fairly recently shifted from a State logic to a market logic and now have to deal with international influences and rules of competition (Thomas *et al.*, 2014). At the same time, they have been heavily impacted by national traditions and they thus need to articulate diversity policies with equal opportunity challenges (Redon, 2016).

We assumed that by focusing on this industry, particularly a French school proactively engaged in diversity, we would capture deep and rich insights from the field on the challenges associated with legitimizing such policies. Single-case studies have been successfully used to examine social issues and their management (e.g., Church-Morel and Bartel-Radic, 2016; Reast *et al.*, 2013). In line with other case study researchers, we therefore provide an in-depth analysis of one organization, chosen because it represents the complexity of our research topic and thus offers the opportunity to pursue our research objectives (e.g., Yin, 2013).

We found that perceptions about the legitimacy of a diversity policy may be ambivalent (both negative and positive) when legitimacy is evaluated along several dimensions (moral, pragmatic and cognitive). To understand these findings, we explored the various legitimization strategies that the school managers used to build the legitimacy of their diversity policy over time. We conclude that legitimizing a diversity policy in a challenging environment requires step-by-step management and that moral reasoning strategies are key to making the policy acceptable and sustainable in a context when the value itself is contested. Pragmatic and cognitive legitimization strategies can also be developed and combined to change stakeholder perceptions about the role of a business school and to adapt to the evolving norms and rules in force in the French business school environment.

Our contributions are threefold. First, we contribute to the field of diversity management by showing how a diversity policy can be legitimized in a challenging environment. In particular,

we show how legitimacy strategic handling can help combine conflicting demands and how perceived drift (economic or social) can be avoided. We also contribute to legitimacy theory by highlighting how an organization can select and combine various legitimization strategies in a complex environment and the factors that are likely to explain these strategic choices. Last, our study provides insight into diversity policy management in the specific context of French business schools.

Our paper is framed as follows: we introduce our theoretical background before presenting our method and our case-study analysis. We then discuss our findings and present our contributions to theory and practice in the legitimacy and diversity streams of literature.

## Theoretical background

Although many companies first adopted diversity policies in response to regulatory pressures (Nkomo and Hoobler, 2014), diversity management has become a key strategic organizational issue (Chanlat *et al.*, 2013). These policies combine aims that may sometimes compete: preventing discrimination, valuing differences and reinforcing the collective through the building of a common identity (Haas and Shimada, 2014), all expected to contribute to enhance economic performance (Cox, 2001). Gaining legitimacy may be particularly challenging as these policies are nested in ethical and juridical constraints, economic considerations and pressures to conform with stakeholder expectations (Bruna and Chanlat, 2017). The strategies to legitimize diversity policies should therefore be explored, especially because they are being implemented in increasingly complex institutional environments (Lamberti and Lettieri, 2011) involving a high number of stakeholders (Fisher *et al.*, 2017) and intense market conditions (e.g., De Jong and Van Houten, 2014). The French business school environment is a good example of a challenging environment (Dameron and Durand, 2013) where organizations face conflicting demands for diversity.

### MANAGING THE LEGITIMACY OF DIVERSITY POLICIES

In line with Bitektine and Haack (2015), we consider legitimacy not as an asset but as a judgment rendered by different evaluators, individuals at the microlevel (i.e., stakeholders), and collective actors at the macrolevel (i.e., stakeholder groups). Organizational policies like diversity policies are perceived as legitimate when they manage stakeholder expectations and perceptions (Claasen and Roloff, 2012).

We adopt Suchman's (1995) taxonomy with three types of stakeholder evaluative assessment: *moral*, *pragmatic*, and *cognitive*. Although this framework was originally designed for organizations, we chose to apply it to a social policy, in line with Panwar *et al.* (2014).

*Moral legitimacy* is concerned with the alignment of a stakeholder's value system and an organization's values with a social construction justifying organizational choices and actions (Palazzo and Scherer, 2006). In the case of a diversity policy, it involves normative assessments of the rightness of the policy regardless of the costs or benefits to the organization. The moral dimension of legitimacy may be related to the "equality"

paradigm of diversity management that offers equal opportunities to all by focusing on specific disadvantaged groups to eliminate hierarchies of social status (Dass and Parker, 1999). Since the mid-2000s, organizations in Europe have implemented diversity policies based on this paradigm in order to integrate diverse groups of people, thereby fully assuming their inclusive mission and social function and building moral legitimacy among their stakeholders (Bruna, 2011).

*Pragmatic legitimacy* is based on the “*self-interested calculation of an organization’s most immediate audiences*” (Suchman, 1995, p. 578) and is given to an organization by its stakeholders through a reciprocal exchange relationship (Reast *et al.*, 2013). Here, the idea is that stakeholders give value to a diversity policy because it provides them and the organization with something of value in return. This idea can be related to the “business case” approach to diversity management that values differences in a voluntary and strategic manner to drive business growth (Robinson and Dechant, 1997). According to this perspective, diversity policies may gain pragmatic legitimacy by delivering benefits to organizations and their stakeholders in terms of economic return and competitive advantage (Cox, 2001; Kirton and Greene, 2010).

*Cognitive legitimacy* is the “*affirmative backing of an organization or mere acceptance of the organization as necessary or inevitable based on some taken-for-granted cultural account*” (Suchman, 1995, p. 582). In the case of diversity policies, it may imply that these policies not only need to conform to the regulatory rules and normative values, but also have to be understandable and comply with the cultural-cognitive beliefs embedded in the institutional context (Scherer *et al.*, 2013).

Organizations must cope with logics that are difficult to combine to gain and maintain the legitimacy of a diversity policy in its three dimensions. Indeed, the overall legitimacy of diversity policies may be questioned by stakeholders as these policies are driven by a variety of concerns, mainly economic and social (Maxwell *et al.*, 2001; Thomas and Lamm, 2012). A key challenge for companies is persuading their stakeholders of the benefits gained through diversity policies, without crowding out moral concerns and raising the issue of exploitation of this social value for utilitarian motives (Lorbiecki and Jack, 2000). The cognitive legitimacy of diversity policies may also be disputed when stakeholders perceive a mismatch between the organization’s status quo and social exceptions (Scherer *et al.*, 2013), which can be interpreted as a lack of authenticity.

In this context, organizations need to adopt legitimization strategies that build stakeholder acceptance of their diversity policies over time (Brunat and Chanlat, 2017; Suchman, 1995). First, to enhance moral legitimacy, companies can implement a *moral reasoning strategy*, engaging with stakeholders through explicit discussions and other means in order to find more broadly accepted solutions. Second, to strengthen pragmatic legitimacy, they can influence the expectations and perceptions of their most powerful stakeholders: a *strategic manipulation strategy*. Third, to achieve cognitive legitimacy, organizations can adapt their practices to social expectations: an *isomorphic adaptation strategy*. There is no “one best way” to manage the legitimacy of a diversity policy (Scherer *et al.*, 2013). All legitimization strategies have limitations and may fail under some

situations. For example, when organizational members seem relatively unconcerned about social issues and the organization wants to meet the interests of a dominant stakeholder group, an adaptation strategy may be sufficient to maintain the legitimacy of a diversity policy. Yet this same strategy may well fail when the organizational environment is becoming more complex (Lamin and Zaheer, 2012). In contrast, moral reasoning may be appropriate when stakeholder demands are heterogeneous, but this strategy based on deliberation is costly and requires considerable effort from those who engage in it. Last, manipulation may be insufficient to achieve diversity policy legitimacy as this strategy may fail to influence the most relevant stakeholder group. Moreover, in the complex organizational environment of today, legitimization strategies can no longer be used separately. On the contrary, organizations are encouraged to enact these three types of strategy simultaneously (Scherer *et al.*, 2013). Managers notably need to combine them to maintain the overall legitimacy of diversity policies at the different stages of implementation. An organization may begin by dialoguing with key stakeholders in an effort to build its diversity policy, only then launching a broader communication strategy to point out its benefits, not least of which is legal compliance. Furthermore, stakeholder expectations, market conditions, norms and rules will change over time, and the company will thus change its legitimization strategies accordingly.

#### **DIVERSITY POLICIES IN FRENCH BUSINESS SCHOOLS: A CONTESTED POLICY IN A CHALLENGING ENVIRONMENT**

The legitimacy of diversity policies in the context of French business schools (*Grandes Ecoles de Commerce/Management*) is an important topic, and managerial reflexivity is needed as this has been a hot topic in the French higher education sector since the 2000s. This context is also particularly adapted to shed light on the strategies for legitimizing an organizational policy based on a contested social value in a challenging environment. In France, the initial role of business schools was not to address diversity but to support a selective, elitist educational system, an aim clearly at odds with diversity (Soubiron, 2012). These schools were thus set apart in a higher education sector traditionally dominated by the public universities, which were initially in charge of assuring and promoting diversity through “education for all” (De Saint Martin, 2008). Moreover, unlike the universities, French business schools remain free to select their students through their own admission processes and their tuition fees are quite high compared with university fees (which are very low or inexistent compared with European or American universities). They are mainly privately funded by Chambers of Commerce and their faculty members do not have civil servant status but are hired and managed as staff from the private sector (Menger *et al.*, 2015). Yet the French higher education sector, including business schools, now finds itself operating in a challenging environment: increasingly competitive and comprising a rising number of stakeholders with often conflicting expectations (Hawawini, 2005; Vidaver-Cohen, 2007).

In response to the many criticisms they have faced worldwide – especially for training the managers involved in the corporate scandals that shook the business world in the early 21<sup>st</sup> century (Swanson and Frederick, 2003) – business schools have been

encouraged to be mission driven and engage in Corporate Social Responsibility concerns (Boyle, 2004). They play a key social role in training future managers (Gardiner and Lacy, 2006) and producing and disseminating management knowledge (Pfeffer and Fong, 2004; Gioia and Corley, 2002; Laszlo *et al.*, 2017). In France, one of the main social issues they have to address is related to their capacity to engage in diversity, as it is a strong value founded on social equality in the French constitution (Bruna, 2011). This social value is indeed at the very heart of business school concerns, given their traditional characteristics: very high fees limiting student access and highly selective admission processes reinforcing a social elite (Albouy and Wanecq, 2003; Van Zanten, 2010). They have thus been criticized for limiting admissions to students from highly educated, high-income families and are called on to take on the social mission of diversifying the “French managerial elite” (Perugien and Barth, 2016). But the pressure for diversity and social equality is also external, notably due to demographic changes, such as the increasing diversity in the profiles of students, the workforce, and faculty members (Pfeffer and Fong, 2004). The French government and the *Conférence des Grandes Ecoles*<sup>1</sup> also encourage social equality through *égalité des chances* policies that support initiatives fostering access to business schools for high school students with good academic level but coming from priority education areas and underprivileged communities.

Since the early 2000s, the number of French business schools adopting diversity policies geared toward social equality and inclusion in response to these criticisms, and in line with *égalité des chances* principles, has been growing. The pioneers have implemented programs to mentor disadvantaged high school students or have created modes of admission specifically dedicated to these students (Buisson-Frenet and Draelants, 2010). Even though these business school initiatives have been driven by institutional actors, student characteristics and employer demands, they have raised many challenges. Indeed, applying the social equality perspective (Bruna, 2011; Van Dijk *et al.*, 2012) to the context of business schools seems to call not only for a radically different admission process to guarantee student diversity, but also adapted teaching and delivery to this diversity, new ways of convincing and retaining alumni networks, and knowledge production and teaching on diversity, in order to support positive relationships among the students themselves and with the faculty (Misra and McMahon, 2006). These challenges are all the more crucial as diversity is also becoming a strategic issue related to competitiveness and reputation (Tapie and Dardelet, 2010; Buisson-Frenet and Draelants, 2010). Diversity policies might help them target a broader customer base that would be more lucrative, such as executive education or international and emerging markets. From a business case perspective (Bruna and Chauvet, 2013; Cox, 2001; Kirton and Greene, 2010), they can also improve business school positioning and reputation and attract diverse skills and stakeholders through the socially responsible image conferred by diversity. This perspective is very important as the French higher education sector has experienced profound mutations in the past decade under the pressure of globalization (Hawawini, 2005). On this highly competitive market, French business schools

have adopted internationalization strategies and have rapidly evolved from nationally focused academic organizations to international academic businesses. They are benchmarked through national and international rankings and seek international and European accreditations (mainly AACSB and EQUIS) (Hawawini, 2005; Thomas *et al.*, 2014). Yet because of these accreditations, they have to deal with a rising number of stakeholders (Vidaver-Cohen, 2007) and need a strong orientation toward reputation and performance (Lejeune *et al.*, 2015). Diversity policies may thus serve the dual purposes of fostering social equality and improving organizational performance, according to the business case approach. In their challenging environment, French business schools are increasingly called to adopt a policy based on a potentially contested social value in terms of objective and the movement away from their initial mission. This situation seems to offer an ideal context for examining how they legitimate their diversity policies.

## Method

The purpose of this research is to understand how an organization legitimizes a diversity policy – in moral, pragmatic and cognitive terms – in a challenging environment. This requires an in-depth investigation of how stakeholders perceive the social policy and how organizational legitimization strategies are able to explain these perceptions. Given the complexity of the phenomenon under study (Miles and Huberman, 1994), we chose a qualitative methodology and concentrated on a single case in order to shed light on the contextual meaning of the processes and structures (Church-Morel and Bartel-Radic, 2016; Reast *et al.*, 2013; Yin, 2013). Despite the limitations of the single-case study, notably that the findings cannot be generalized to other cases or contexts, we provide an in-depth analysis of an organization that is representative of our research topic and objectives and we follow the tradition of interpretative case studies that focus on single, singular cases (Yin, 2013).

## CASE STUDY PRESENTATION

Our case selection started with the definition of the criteria for a single-case study well-suited to our research question. We wanted to select an organization that has successfully integrated multiple diversity initiatives into its business practices, as defined by Yuan *et al.* (2011), and that has faced multiple and conflicting pressures in this regard (challenging environment).

We therefore chose to conduct a single-case study analysis of a French business school called ABS. ABS provides a good example of a successfully implemented diversity policy. It has demonstrated a strong and continuous commitment to diversity for almost 20 years now, having placed this social value at the heart of its mission and its differentiation strategy. Its strategic diversity policy is recognized by a double label: the *label diversité* (the diversity label, typically reserved for firms) and the *label égalité professionnelle* (the professional equality label) obtained after being extensively audited by an independent institution (AFNOR, a French standardization agency), respectively, in 2009 and 2017.

1. The *Conférence des Grandes Ecoles* – CGE – is a nonprofit association founded in 1973 by 18 schools. It now includes 222 *grandes écoles*, including 38 leading management schools and 184 engineering schools that deliver the Master's degree.

Initially focused on the socioeconomic diversity of the student body and the promotion of equal opportunity, the ABS diversity policy has since evolved and is now focused on five commitments: (i) develop research in the management sciences related to CSR and diversity themes in particular; (ii) sensitize and train students as future managers so that they are better equipped to implement and manage CSR and diversity issues; (iii) raise awareness among and train business stakeholders by offering conferences, with content related to diversity and CSR that help build the appropriate skills; (iv) develop territorial anchorage and participate in the economic and societal development of the territory; and (v) manage the business sustainably on the basis of ISO 26000 standards in terms of transparency, accountability, student management, and human resources management.

Despite its strong strategic commitment to diversity, some of ABS's stakeholders have remained skeptical and hold different views about what diversity is and should be at ABS in its economic and social environment. In particular, the school has faced challenging market conditions that force it to adapt quickly in order to stay competitive (due to its small size) while simultaneously facing increasing pressure to endorse a strong social mission. Nevertheless, the school's policy is recognized as a success. Indeed, the school has been accredited for its commitment to diversity, and national and international rankings and experts have repeatedly stressed the authenticity and quality of the policy outcomes. It is thus a single case that is well-suited to our research question, providing rich grounds for exploration (Campbell and Cowton, 2015).

#### DATA COLLECTION

Our study took place within the framework of an advisory mission conducted for ABS (a pseudonym) from May 2012 to February 2014. During this consulting mission, some of the authors were in charge of making a strategic diagnosis on how stakeholders perceived the diversity policy in order to provide recommendations for top managers to improve its overall acceptance. The context of this consulting mission allowed the authors to access all the data and information that they needed about the diversity policy. Moreover, this consulting mission also gave them the chance to observe what had happened in the organization around diversity over a two-year period and to stay in close contact with all involved stakeholders.

We collected both primary and secondary data to triangulate sources. The triangulation was thus based on the diversity of sources following Yin (2013): primary and secondary data were collected and the primary data were based on interviews with a diverse range of individuals. More specifically, we conducted interviews with ABS's internal and external stakeholders and these discursive data were assumed to reflect their conscious and unconscious mental representations (Miles and Huberman, 1994), thus helping us to assess how they perceived the legitimacy of the diversity policy (see Figure 1). An interview guide was created specifically to capture their perceptions, and we presented the findings to relevant stakeholders during meetings, conferences, etc. Although these presentations were organized to validate our conclusions, dialogue with the stakeholders prompted questions about the legitimization strategies that had been developed. We thus returned to our data and coded the elements related to the

various legitimization strategies. We also conducted additional interviews on the topic, especially with "diversity champions" (managers and employees in charge of leading the diversity policy). Moreover, observation and the collection of a large amount of secondary data were also useful in this objective.

**FIGURE 1**  
**Interview guide**

- How do you define "diversity" as a value in the school?
- In your opinion, what are the objectives of the school's diversity policy? What are the main actions associated with it?
- In your opinion, what are the implications (advantages/limits) of this policy for the school?
- What are the implications (advantages/limits) of this policy in your job or your life in the school?
- In your opinion, how could the policy be improved in the school?

Our sampling approach was designed to address the widest range of stakeholders possible in order to build a representative network of affected stakeholders. To identify the key stakeholder groups and representatives, we followed two steps: (i) we asked the top administration of ABS to provide their list of key stakeholders and (ii) we contacted the identified stakeholders to ask them to identify ABS's other stakeholders, using snowball sampling. Ten stakeholder groups were selected: current students (S), administrators (ADM), professors (P), firm representatives with professional ties to the school (firm partners or FP), "preparatory" high school teachers (the French equivalent to upper year high school teachers) from feeder schools (PT), local community leaders (LC), alumni (AL), administrators from similar/competing business schools (BS), current students' parents (SP) and members of the media (M). For the selection of representatives from each stakeholder group, we relied on a convenience sample defined by using contacts provided by the top administration and the stakeholders. We nevertheless tried to schedule more interviews with stakeholders having significant power and legitimacy regarding the school's survival: students, professors, administrators and partners (Cuppen, 2012). These stakeholders were also the best informed and we also consulted them extensively to identify the legitimization strategies. For these four stakeholder groups, we verified that the chosen representatives were sufficiently diverse to represent the original population and ensure the internal validity of our results.

Each interview was conducted either in-person or over the phone by one of the study authors. Interviews lasted between 30 and 90 minutes with an average duration of 60 minutes. The interview durations varied widely in great part because the stakeholders differed in their knowledge of the school's diversity functions and objectives: some, like students' parents, were less knowledgeable, whereas others, like employees in competing business schools, were highly implicated in policy creation and thus had much to contribute. In total, 92 semi-structured interviews were conducted. All our interviews were recorded and transcribed. Table 1 displays each stakeholder group and the number of individuals interviewed within each group.

**TABLE 1**  
Sample and Number of Interviews

Stakeholders	Number
Students (S)	21
Administrators (ADM)	20
Professors (P)	12
Firm partners (FP)	12
“Preparatory” school teachers (PT)	8
Local community leaders (LC)	8
Alumni (AL)	4
Administrators of other business schools (BS)	3
Students’ parents (SP)	2
Media members (M)	2

For the secondary data, we collected all the documents produced by the school regarding the diversity policy, such as charters, reports, press releases, working papers, etc. We also gathered press articles, reports and communication documents about ABS’s diversity policy since its launch. These documents were particularly useful for identifying ABS’s legitimization strategies and completing the information collected during interviews.

#### DATA ANALYSIS

Our data analysis had two independent objectives. The first was to assess stakeholders’ perceptions of ABS’s diversity policy legitimacy, and the second was to identify the legitimization elements – strategies – implemented by ABS that were likely to explain the perceptions. We present below the data analysis methods developed to reach each of these objectives.

#### Assessment of stakeholder perceptions of diversity policy legitimacy

The process of data analysis to assess stakeholders’ perceived legitimacy of the diversity policy was separated into three steps (see Figure 2).

The first step used thematic content analysis to identify the issues raised in the stakeholders’ discourses that positively or negatively affected their perceptions of legitimacy. We thus developed a list of first-order codes based on the stakeholder evaluations of ABS’s diversity policy. Each researcher of the team separately performed the analysis of the thematic content before making comparisons to avoid bias (Patton, 2005). In the second step using Claasen and Roloff (2012)’s methodology, we classified these issues by legitimacy type – moral, pragmatic or cognitive – and created second-order codes within each type when necessary to organize the first-order codes around categories of common meaning (see Table 2). In this step, we also evaluated the overall perception of the legitimacy of ABS’s diversity policy by aggregating the positive and negative occurrences for each legitimacy type. In the third step, we developed a matrix crossing stakeholder perceptions of legitimacy and stakeholder groups. The goal was to select the issues most cited by stakeholders for each type of legitimacy.

#### Identification of ABS legitimization strategies related to its diversity policy

To identify the ABS legitimization strategies related to its diversity policy – namely moral reasoning, strategic manipulation and isomorphic adaptation – we relied on the categorization proposed in our literature review. The methodology of Baumann-Pauly *et al.* (2016) was used to identify similar elements through thematic coding of various data sources. The data we coded to identify the legitimization strategies were the interviews with stakeholders – especially the ones with the top administration – and the secondary data. When identified, these elements were presented to the top management team to clarify their content and the underlying motivation behind the strategies (see Figure 3). We then crossed these legitimization strategies with the stakeholder perceptions of legitimacy to gain a deeper understanding of the studied phenomenon.

At different stages of our research process, our results were cross-checked with the various stakeholders interviewed, and more specifically with ABS top management, to validate their relevance and completeness (during conferences and meetings, internal and external communications, etc.). This iterative process enabled us to strengthen the internal validity of our research and to guard against possible interpretation biases. Specifically, the data analysis was performed separately by each researcher and compared to avoid interpretation biases and improve the validity of the analysis (Patton, 2005). Last, the data collection based on triangulation also served to avoid interpretation biases (Yin, 2013).

## Findings

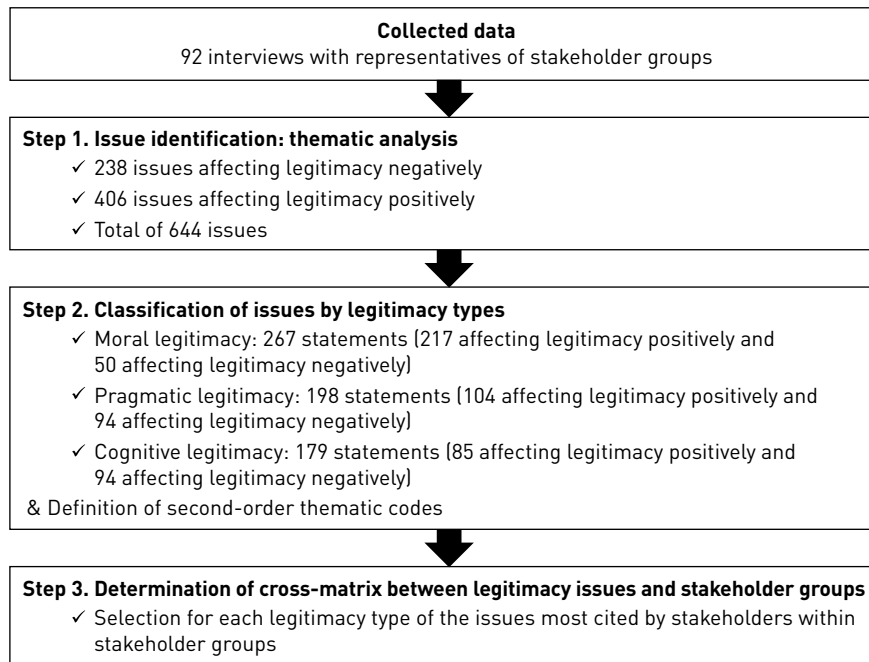
#### STRONG MORAL LEGITIMACY BUILT BY COMMITTED LEADERS THANKS TO MORAL REASONING STRATEGIES

The ABS leaders have managed to strongly and widely convince stakeholders of the moral legitimacy of the diversity policy. During the interviews, most stakeholders agreed that the moral legitimacy of ABS’s diversity policy is strong (217 positive comments *versus* 50 negative comments) (see Table 3).

First, stakeholders acknowledge that the policy fits with their own values and expectations. Despite the fear of a drift toward positive discrimination, they acknowledge that the existing actions contribute to equal opportunity and they express their commitment to this value. Students and preparatory class teachers define the promotion of equal opportunity as a duty for business schools in the French institutional environment (in comparison with French universities that offer free tuition). Professors and administrators defend the same idea and also refer to the pride they feel in defending this value as part of their personal and professional fulfillment and identity: “*I fully embrace ABS’s commitment to diversity. This is part of our mission and I am really proud to be part of this journey.*” (ADM 8)

This success can be explained by the effective moral reasoning strategies carried out by the school’s top management over the past several years to get stakeholders involved. The policy was imagined and launched in 1997 by ABS’s CEO, who has been the head of the school for years. He is outspoken in his attachment to this value and its central place in the school’s mission.

**FIGURE 2**  
**Stakeholders' assessment of the perceived legitimacy of the diversity policy**

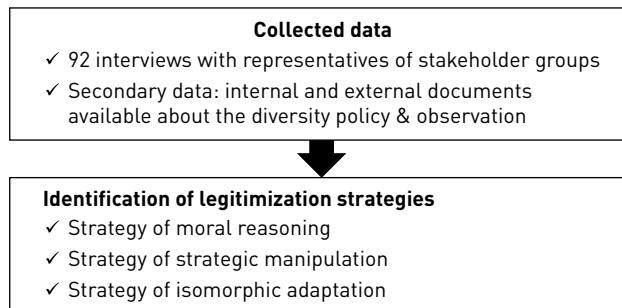


**TABLE 2**  
**Coding legitimacy perceptions: issues mentioned by stakeholders**

Contribution to equal opportunity <b>(47+)</b>	Support to diversity as a social value <b>(134+/23-)</b>	<b>Moral Legitimacy (217+/50-)</b>
Values defended and shared by corporate business partners <b>(17+)</b>		
Increase in personal and professional fulfillment <b>(33+)</b>		
Value included in various standards & accreditations <b>(15+)</b>		
Risk of discrimination <b>(23-)</b>		
Value institutionalized in the French context (laws, standards, etc.) <b>(22+)</b>		
Importance of the actions and structures implemented (diversity office, recruitment procedures, etc.) <b>(58+)</b>	Value supported by the organization & leaders <b>(83+/27-)</b>	
Value supported and defended by leaders <b>(25+)</b>		
Risk of standardization of differences <b>(13-)</b>		
Fear of an against-productive effort <b>(14-)</b>		
Image & ranking <b>(27+)</b>	Advantages for the school <b>(59+/52-)</b>	<b>Pragmatic legitimacy (104+/94-)</b>
Capture and reveal talent <b>(32+)</b>		
Performance over diversity: risk of instrumentalization <b>(15-)</b>		
Costly strategy (at the expense of other investments) <b>(10-)</b>		
Risk of school degree devaluation & lowered selectivity <b>(27-)</b>		
Satisfaction of companies and partners <b>(18+)</b>	Advantages for stakeholders <b>(45+/42-)</b>	
Satisfaction of students with diversity characteristics <b>(27+)</b>		
Difficulty in adapting to student and faculty needs for professors and staff <b>(13-)</b>		
Risk of conflict <b>(18-)</b>		
Perception that diversity principles are inapplicable and/or useless in daily practices <b>(11-)</b>	Authenticity <b>(85+)</b>	<b>Cognitive legitimacy (85+/94-)</b>
Events, actions and staff's engagement in alignment with the school's values <b>(18+)</b>		
Importance of the existing initiatives compared with other business schools <b>(35+)</b>		
Contribution to stakeholder awareness <b>(32+)</b>	Coherence of actions <b>(94-)</b>	
Unclear strategy in terms of diversity <b>(36-)</b>		
Competing demands of different paradigms for diversity <b>(28-)</b>		
Little evaluation of diversity initiatives <b>(30-)</b>		



**FIGURE 3**  
**Legitimization strategies of the diversity policy**



He developed an early vision of a top management school accessible to all talents, especially through an apprenticeship program so that the apprenticeship companies would pay the fees. He also opened new access paths for students who did not come from preparatory classes (the traditional French elite undergraduate curriculum). This decision met with strong opposition from the preparatory class teachers – who defended their own curriculum – but also from graduates or those in charge of promoting the school. Questions especially arose about the reasons for this choice and the risk that it might tarnish the elite image of the school. Criticism also emerged about the sincerity of the top manager’s commitment and his true willingness to carry out such a policy beyond social washing, especially from other business schools, local community leaders and internal detractors. One firm partner explained: “*When the first diversity actions were engaged, we were not sure it was not a publicity stunt or a fad.*” (FP 4)

In 2013, the Dean decided to appoint a young manager as Director of Human Resources and Diversity, as she had been involved in the early development of diversity initiatives and defined herself as an activist, energetic and committed to ensuring diversity in the school. Her ongoing efforts with her team to promote diversity within the school and embed it within the school’s functioning (diversity office, recruitment procedures, etc.) have borne fruit. Most stakeholders now recognize the quality of the structures and processes implemented to support diversity and the presence of key leaders that embody this policy. One administrator said: “*I was very pleasantly surprised by the diversity in the school and that the diversity is on several levels... the person in charge of human resources explained it to me. I had never seen this done elsewhere. Diversity is really embodied here.*” (ADM 9) Furthermore, the HR and diversity Director has been instrumental in hiring people with disabilities on her own team, demonstrating her willingness to lead by example, and has increased the range of responsibilities in associations defending diversity outside school, thus building an ecosystem of support for her initiatives.

Moreover, the school has engaged in dialogue with professional associations and various stakeholder groups inside and outside the school since 2007. The diversity policy has often led to discussions with individual critics, as well. One administrator said: “*We’re engaged in a continuous improvement process. We often learn from our detractors. We try to discuss each of our actions as much as*

*we can, even if sometimes we’re disappointed with the feedback. There’s no other way I know to progress, however.*” (ADM 5) The diversity department has also conducted a strong educational campaign over the years about the value of diversity, directed at both internal and external stakeholders through training and work sessions, events, partner meetings, partnerships, etc. The interviewed stakeholders believe that the school has managed to carry out an integrative diversity policy and counteract the opponents to the school’s initial engagement: “*The value is now accepted by the majority. It seems consistent with our environment as an educational institution and with our market.*” (LC 3)

#### CONTESTED PRAGMATIC LEGITIMACY SUPPORTED BY MANIPULATION STRATEGIES

Beyond the success reached on moral legitimacy, our findings suggest less consensus surrounding the valuations of the pragmatic legitimacy of the diversity policy (104 positive comments versus 94 negative comments) (see Table 3).

First, historical concerns remain in the stakeholders’ discourses regarding the contribution of diversity to the creation of competitive advantage for the school. Indeed, when the first diversity initiatives were implemented in 1997, ABS was considered a pioneer in its environment and often faced criticism linked to the fear that the value of the ABS diploma and the selectivity criteria would decline. In particular, some business partners, alumni and professors feared that a positive commitment to diversity would supplant a logic of competence: “*What the school is doing in terms of social diversity is good but, to be honest, as an alumnus I’m also a little worried about the value of my diploma. I mean, they should be careful not to lower the admission standards to have more diversity.*” (AL 2) Moreover, concerns remain internally in reaction to the growing importance of diversity initiatives and their concomitant budget over time. Administrators, mainly, fear the costs of this policy and express doubts about its return on investment: “*We have to recruit students whatever their economic situation but at the same time we also have to select creditworthy students. We invest a lot in diversity initiatives but is it really profitable?*” (ADM 9)

On the other side, professors and preparatory class teachers express the concern that the value may become instrumentalized. Indeed, diversity initiatives have brought significant competitive opportunities for ABS, especially by giving it the chance to attract a larger range of students from various backgrounds. In other words, they fear that diversity may become a mere selling point, which would be detrimental to the school’s image. “*We can’t play with values. They can be beneficial for the business, but enhancing profitability or ranking cannot become the only objective.*” (PT 5)

These results thus suggest that stakeholders fear that excesses or drifts might occur: a social drift that could lead to diversity engagement whatever the impact in terms of attractiveness and economic performance and a utilitarian drift that could lead to the transformation of diversity into the sole means of meeting economic objectives.

In this context, we found that ABS manages the pragmatic legitimacy of its diversity policy through several manipulation strategies.

**TABLE 3**  
Summary of main findings

	Perceptions of legitimacy issues	Main stakeholders	Perception of legitimization strategies		
Moral	Support to the value defended by the school	(+) Contribution to equal opportunity	<b>Strategy of moral reasoning</b> ✓ Dialogue with NGOs (AFMD, Face Hérault, etc.) and with stakeholders (Administrators, especially top management) ✓ Discussion with individual critics and raters (Administrators) ✓ Education and learning program for all stakeholder groups (Professors and Administrators) ✓ Partnerships with various stakeholders (Administrators, Professors and Business Partners) ✓ Leading by example and militant speeches with internal and external stakeholders (Administrators, Students and Professors); ✓ Demonstration of the relevancy/fit of the chosen value with the requirements of the organizational environment (Administrators, Professors and Business Partners)		
		(+) Values defended and shared by corporate business partners			
		(+) Increase in personal and professional fulfillment			
		(+) Value included in various standards & accreditations			
		(-) Risk of discrimination			
		(+) Value institutionalized in the french context (laws, standards, etc.)			
	Value supported by the organization & leaders	(+) Importance of the actions and structures implemented	All stakeholders		
		(+) Value supported and defended by leaders	All stakeholders		
		(-) Risk of standardization of differences	Professors, Administrators and Business partners		
		(-) Fear of an against-productive effort	Professors and Administrators		
Pragmatic	Advantages for the school	(+) Image & ranking	<b>Strategy of strategic manipulation</b> ✓ Demonstrating the possibility of another business model for business schools through impression management (Administrators and Professors); ✓ Adaptation of discourses to various stakeholder groups through decoupling (Administrators, Students, Professors and Business Partners) ✓ Lobbying the main external influencers to defend the relevancy of diversity in the French business school environment (Administrators and Business Partners)		
		(+) Capture and reveal talent			
		(-) Performance over diversity: risk of instrumentalization			
		(-) Costly strategy (at the expense of other investments)			
		(-) Risk of school degree devaluation & lowered selectivity			
	Advantages for stakeholders	(+) Satisfaction of companies and partners		Business partners, Alumni, Administrators and Professors	
		(+) Satisfaction of students with diversity characteristic		Professors, Administrators, Students and Parents	
		(-) Difficulty in adapting to student and faculty needs for professors and staff		Professors and Administrators	
		(-) Risk of conflict		Professors and Administrators	
		(-) Perception that diversity principles are inapplicable and/or useless in daily practices		Professors and Administrators	
		Authenticity		(+) Events, actions and staff's engagement in alignment with the school's values	All stakeholders
				(+) Importance of the existing initiatives compared with other business schools	All stakeholders
				(+) Contribution to stakeholder awareness	All stakeholders
				Coherence of actions	(-) Unclear strategy in terms of diversity
(-) Competing demands of different paradigms for diversity	Professors, Administrators and Students				
(-) Little evaluation of diversity initiatives	Professors, Administrators and Students				

First, top managers have been lobbying since 2007 to persuade external evaluators, investors and governance members of the relevancy of diversity: *“The school has worked year after year to change the norms in its environment and to find the most valuable and influential stakeholders to do so. A dialogue has been initiated with accrediting bodies, professional associations, other business schools, etc. for the purpose of recognizing diversity as a legitimate goal for a business school.”* (FP 7) The steady progression of ABS in the national and international rankings over the last decade has reassured the most reluctant opponents. In particular, standards and accreditations bodies have progressively integrated CSR criteria into their evaluation of business schools worldwide, placing ABS in a favorable competitive position. For example, one supporter told us: *“The evolution of the diversity policy has directly influenced their rise in the (business school) rankings thanks to a better image: it has totally transformed the image of ABS.”* (LC 2)

Diversity leaders have also made efforts to convince all stakeholder groups by using decoupling practices. In particular, the adaptation of discourses to different stakeholder needs has been developed. This has been extremely powerful in reassuring stakeholders about possible drifts of diversity policy (positive discrimination or instrumentalization). One professor explained: *“Top management struggled in the last decade to defend diversity issues in accordance with the expectations of specific audiences. The discourses were very passionate but without strong arguments. Now, true argumentations have been built to defend the economic value of the diversity policy for investors or governance members and to defend the relevancy of the actions for social equality, for example when talking to NGOs or local associations.”* (P 7)

Furthermore, ABS leaders have managed to convince stakeholders over time that another business model is possible for business schools. A conviction strategy, using impression management, has thus been developed. As a local representative told us: *“The vision of a lot of people is that a business school is for rich kids, but this is not the case; with the apprenticeship program [a work-study program] and the scholarships provided by the school’s foundation, money is no longer a barrier. Moreover, these initiatives helped us to create a new business model that is positive in diversity and economic terms. For instance, with the apprenticeship program students do not directly pay the fees – these are paid by their companies – and the school still gets its money while promoting diversity. We change the image that people have of a business school and we build our own story.”* (LC 3)

#### **“STILL IN PROGRESS” COGNITIVE LEGITIMACY FOSTERED BY ADAPTATION STRATEGIES**

As previously seen, despite achieving strong moral legitimacy for their diversity policy, ABS’s top managers are still reframing the business model and adapting their discourses to make their strategy understandable to stakeholders. This ongoing institutionalization of diversity nevertheless does not occur without generating inconsistencies in its transposition into daily routines and practices (see above) and its appropriation by stakeholders. Cognitive legitimacy is limited (85 positive comments *versus* 94 criticisms), revealing concerns about the taken-for-granted nature of the policy.

Despite the ongoing actions developed to justify the contribution of diversity actions to ABS’s business model, stakeholders highlight the difficulties of translating these strategic objectives into daily routines. Some of the students, professors and administrators regret the blurred definition of diversity initiatives and express difficulty in transposing them into concrete practices at the school. They also acknowledge the difficulties that can arise when facing diversity issues. For instance, one student told us: *“Working with people from different backgrounds can be difficult. It takes work, understanding, teaching... it’s a long process but we manage to know each other better and figure out how we can advance collectively.”* (S 5)

Internally, administrators and professors regret the lack of explanations about the usefulness of the various actions and how to link them with the school’s strategic intent. Because of a multiplication of diversity initiatives in the last few years, they sometimes denounce some actions as incoherent and unreliable, shifting from an economic to a social logic without consistency. One ABS employee noted: *“We need to put more effort into giving better explanations about how the diverse actions can be linked in a global and coherent policy. This is probably clear for the policy leaders but for us it’s not always the case.”* (P 4) In particular, they would like more proof of their value for the school’s performance and/or their own interests. For example, one administrator at ABS stated: *“To see if (these diversity policies) work and what their impact is on performance, you would need to assess the existing policies. And I am far from convinced that our investments in these policies are all that profitable...”* (ADM 4)

The top managers have, however, developed strong strategies of isomorphic adaptation to address these criticisms. First, they have strengthened the evaluation process. For example, the policy is periodically assessed by independent experts, internal employees through a satisfaction survey, and partners. More broadly, the school has demonstrated its ability to scrupulously follow the French diversity regulations and now holds recognized labels and certifications in this field since 2009. Diversity leaders also regularly interact with professional associations and strive to meet the expectations of stakeholders about diversity issues (expectations identified from surveys, committees, events, working groups, benchmarks with other schools worldwide, etc.). An alumnus noted, for example: *“The week focused on global responsibility and diversity, the international teams that we were put into, the non-profit work that student groups do... it’s all an important part of our education and it’s special to our school.”* (AL 1)

The authenticity of the diversity policy is also perceived in the school’s actions compared with other business schools. The stakeholders noted that the school demonstrates a strong and easily understandable commitment to its mission both intrinsically (coherence with a chosen mission) and extrinsically (stronger commitment than other schools). One ABS employee noted: *“It’s true that at ABS, unlike other schools, diversity is seen in our practices. It shows not only in our values but in our actions, and that’s an important tool for legitimization compared to what’s done in other schools.”* (ADM 11) Here, the school has engaged important initiatives to demonstrate, internally and externally, that while diversity has become a “norm” in the business school environment due to isomorphic pressures, what it does in terms of diversity is much more significant than what the other schools do.

## Discussion and conclusion

Our findings suggest that the legitimacy of a diversity policy may arouse ambivalent perceptions and that the equilibrium among the three dimensions of legitimacy (moral, pragmatic and cognitive) may be unstable and in jeopardy when the policy overemphasizes one dimension at the expense of the others (Tost, 2011). In our case, we show that not all stakeholders agree with a diversity policy, despite its success in practice (Dass and Parker, 1999). In particular, we demonstrate that stakeholder appraisals depend on how well the policy has fulfilled the objectives set by the organization, which is determined by the organization's ability to combine various objectives through strategic handling (Van Dijk *et al.*, 2012). In particular, our results highlight the interplay of various legitimacy strategies in building the overall legitimacy of the diversity policy (Scherer *et al.*, 2013).

First, our findings show that, in a challenging environment where diversity was initially contested, the first goal of top managers was to build the moral legitimacy of the policy. The objective was to convince others through management by example and extended dialogue with stakeholders that diversity had its place and was morally relevant in the French business school environment. The idea was to encourage stakeholders to dream of another model of a business school (beyond elitism), accessible to all and capable of integrating all talents. This was done by questioning the moral responsibility of business schools and their social impacts in their environment. It is worth noting that, concomitant with these moral reasoning strategies, the school implemented several actions to demonstrate the sincerity of its commitment to the value and created a network of diversity champions. Consensus was sought and created primarily through policy design and argumentation strategies to take into account stakeholder perspectives on both social and economic objectives (Van Ewijk, 2011). In this situation, moral reasoning strategies are proactively developed to inform and change stakeholders' perceptions by addressing diversity issues that may erode the organization's legitimacy in the future (Scherer *et al.*, 2013). The choice to implement a moral reasoning strategy before others seems appropriate for building trust and engaging dialogue with those stakeholder groups likely to support diversity initiatives and argue against the "contested" view of this value in the midst of heterogeneous stakeholder demands (Bauman-Pauly *et al.*, 2016). The consensus on the moral legitimacy of the diversity policy may have been fostered by the maturity of the French business school context. Indeed the *égalité des chances* policy supporting the admission of students from diverse socioeconomic backgrounds has been prominent for more than 15 years now (Buisson-Frenet and Draelants, 2010): diversity appears to be a less contested value. The time factor also seems very significant as the diversity policy was implemented 15 years ago, as well. Our results thus tend to show that acceptance of the role of business schools in supporting students' social equality has improved and, consequently, has reinforced the legitimacy of the diversity policies already in place in these organizations.

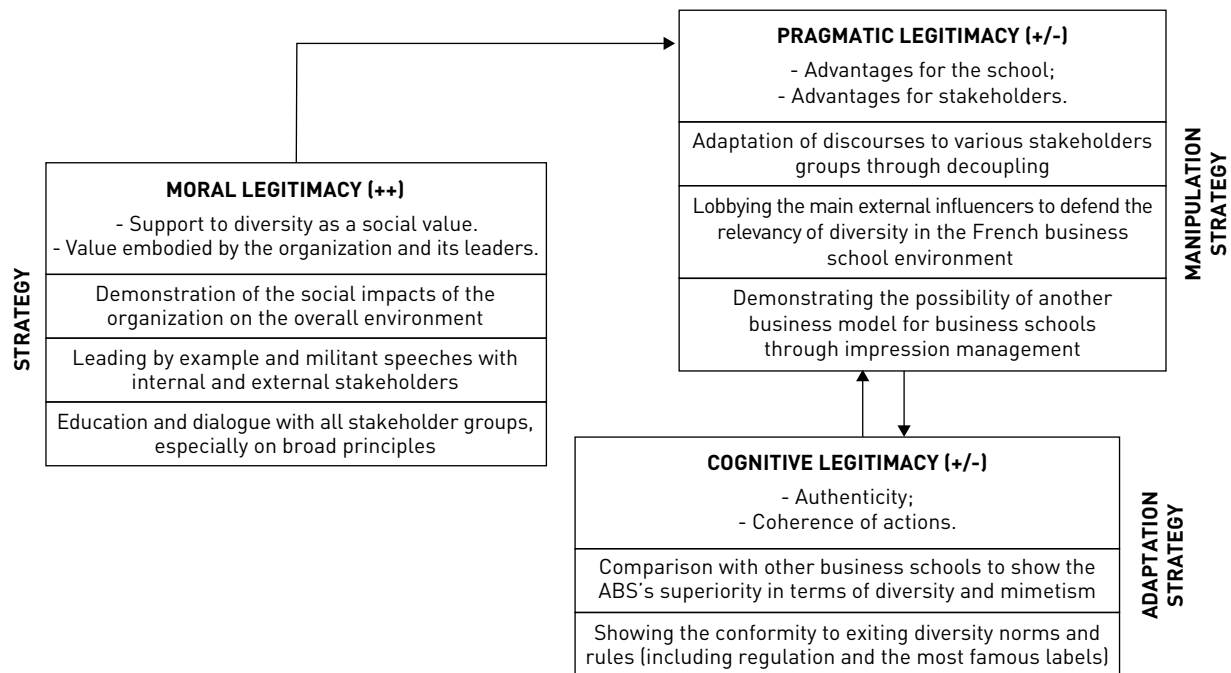
When a strong level of moral legitimacy was reached, the diversity managers then engaged in initiatives to build both the pragmatic and cognitive legitimacy of ABS's diversity policy. Manipulation strategies were used through decoupling,

impression management and lobbying to build acceptance of a new business model for the business school in the French context. The objective was to demonstrate to stakeholders that a new combination of social and economic objectives was feasible and sustainable in this environment. While strategies of decoupling and impression management have been discussed critically in the business and society literature (Palazzo and Richter, 2005; Weaver *et al.*, 1999), they appear in this case to be key instruments for managing the inevitable imbalance of stakeholder interests and building organizational cohesion around the development of a renewed business school model. In the midst of competing injunctions, manipulation strategies enabled the top managers to reassure the stakeholders that felt threatened by potential tensions between social and economic benefits (Marais *et al.*, 2018). Indeed, the tensions around cognitive legitimacy identified by our case study may be derived from the need to articulate the social equality perspective supported by the institutional context with the business case perspective due to market conditions. Our results thus tend to show that diversity policies may become a key strategic option helping French business schools to reconcile these two perspectives. Nevertheless, and as for many industries, this articulation is complex and calls for new management approaches and innovative practices.

The interplay with cognitive legitimacy took on its full meaning when the school adapted and conformed selectively to the norms and rules in its environment that would serve its new vision. Here, strategic manipulation and adaptation strategies interacted to build acceptance of ABS's mission and business model in its environment. This was all the more necessary because, when complexity is observed through a cognitive lens, stakeholders are likely to perform a more extensive feature-based evaluation to decide whether the policy is beneficial to them and/or the organization (Bitektine, 2011). In addition, this interaction likely reinforced the moral acceptance of the value and its policy by making diversity "taken-for-granted" in the business school environment. Indeed, under conditions of change and uncertainty, organizations seek accepted standards of behavior to ensure a level playing field and similar costs incurred by all companies within the industry – and at the same time to provide them with legitimacy (Haack *et al.*, 2012)

In conclusion, we highlight the step-by-step management through which the legitimization strategies used by top managers to strengthen each dimension – first moral, then pragmatic and cognitive – contributed to policy acceptance (see Figure 4) At the end of our study, however, the construction of the pragmatic and cognitive legitimacy of the policy was still an ongoing process, with ambivalent stakeholder perceptions. The construction of these legitimacy dimensions will be key in the next few years to sustain the moral legitimacy of these policies in French business schools and demonstrate their *raison d'être*. This is important because the willingness of the top managers to be guarantors of the policy's moral legitimacy sometimes prevented them from also assuming the pragmatic nature of the policy. Therefore, sustaining the delicate balance and interplay between the three forms of legitimacy is ongoing and new forms of strategic handling are likely to be developed in the future.

**FIGURE 4**  
**A step-by-step management of a diversity policy legitimization**



We confirm that when an organization attempts to use different legitimization strategies in a challenging environment and the inherent contradictions in the environmental challenges and organizational responses prevail (Gibson and Birkinshaw, 2004), contradiction and conflict may be the rule, rather than the exception, in the process of managing legitimacy.

#### LIMITATIONS AND FUTURE RESEARCH

This study has limitations that should be noted. First, our findings are based on a single organization that implemented a diversity policy and sought consensus on its legitimacy. We had full access to a range of internal and external stakeholders, which provided us with a rather complete representation of the phenomenon under review (Yin, 2013). Yet given the organization's unique attributes, we must acknowledge that the generalizability of our findings is limited by this choice. Our hope is that future studies will be able to provide a more robust picture with expanded sampling.

Second, longitudinal studies to examine the changes in legitimacy perceptions and related stakeholder expectations would be valuable to enrich our understanding of how organizations manage the legitimization process in a dynamic way. Future studies should investigate whether the ordering of the dimensions is consistent across contexts or differs with the type of policy or organization being evaluated, the stakeholder expectations, or the type of actions taken by the organization. In particular, institutional changes may generate new competitive demands from stakeholders, and the interactions of stakeholder perceptions should be explored (Bitektine and Haack, 2015).

Academic works on French business school diversity policies are emerging to explore how the schools implement them, how they balance social equality and market imperatives, and how they manage the related challenges (e.g., dedicated track at the IRMBAM Conference 2017; Bruna, 2017). This topic may help business schools reinventing their model and foster an even more responsible management education system.

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## APPENDIX

Moral legitimacy	<b>Support to diversity as a social value</b>	<p><i>"Diversity is a collective responsibility in our business environment. Together with our partners - associations, schools, and firms - we have a duty to give the best opportunities to every candidate and to discover and showcase talent everywhere. It's a shared goal and we're all committed to it." (FP 4)</i></p> <p><i>"Many stakeholders ask us if being engaged in a diversity policy is linked to performance. They want figures, proof. For me, some subjects are much more qualitative and moral in nature. We need to defend diversity as a norm within society, not as a result. We need to work on our beliefs and prejudices so that we can uphold one of the most fundamental social values in France, already defined and circumscribed by numerous norms and laws. It's very rewarding." (LC 3)</i></p>
	<b>Value supported by the organization &amp; leaders</b>	<p><i>"So far, the diversity policy has helped many students with talent. We're proud and delighted with this success. Whatever opinion you have about this initiative, you have to admit that the results are indisputable." (ADM 7)</i></p> <p><i>"There's a whole set of procedures within the Group that ensures the effective implementation of internal diversity principles. All of these procedures are assessed and recognized by employees, experts and our partners too." (ADM 11)</i></p>
Pragmatic legitimacy	<b>Advantages for the school</b>	<p><i>"I don't at all believe that it works when you try to help a category of people by adapting the standards of a competitive exam; you need to either help them do better on the exam or change the rules but for everyone. You get involved in either positive discrimination or social equality, but you can't do both, otherwise it doesn't make sense." (BS 1)</i></p> <p><i>"Diversity can be a significant competitive advantage for the school. It's in line with company demands because we're looking for talent with various profiles and backgrounds. It's also a good way to create partnerships with companies that also promote this value in their strategy. A diversity policy should not, however, ignore the reality of the market and what is reasonably possible to do. All organizations have limited resources and the objective is not to destroy corporate value, like the value of the degree for students, for instance." (AL 4)</i></p>
	<b>Advantages for stakeholders</b>	<p><i>"We had a student from a really disadvantaged background. He worked at night to earn money and went to school during the day. And through ABS's policies and scholarship program, he was able to work abroad (England and Japan). He ended up being the valedictorian... we're so proud of him. We're delighted that he could benefit from the school and that he was given a chance." (ADM 8).</i></p> <p><i>"Employers do not always have access to certain parts of the general population. So it's good if the school recruits diverse people through competitive exams, trains them, and offers them to these employers. It's a real added value for these companies." (M 1)</i></p>
Cognitive legitimacy	<b>Authenticity</b>	<p><i>"At the very beginning of the integration process, we had a conference about diversity. We also have courses dedicated to that subject and for some classes working with other people it counts as an evaluation criterion. We have learned very quickly what is possible at school and what is not. It is not the same everywhere" (S 2)</i></p> <p><i>"The school was pioneer for the labels it got for diversity. This is a well-deserved recognition and a strong signal that diversity really exists at school" (SP 1)</i></p>
	<b>Coherence of actions</b>	<p><i>"For issues such as how to value diversity in recruitment, there are no real guidelines. What's the real strategy? If we don't define it, no one can understand it, and suddenly it leads to too many interpretations. No explanation, no involvement, no consistency, and this means implementing multiple actions with no real objective." (ADM 1)</i></p> <p><i>"We don't know who to turn to when we need help sometimes. And all of us are from different places but we don't know how to meet French students or get to know people from here." (S 1)</i></p>
Moral reasoning strategy	<b>Demonstrating the social impacts</b>	<p><i>"I don't have a judgment of what's good or not for society in terms of diversity. Or of what the school has to do in this regard. What I care about is that business schools are accessible to most students and that specific actions are taken to help bridge financial gaps, cultural gaps. A good diversity policy for me is one that serves the personal interests of students and their families in priority. It is wonderful that the school defend its mission and actions in this objective" (SP 3)</i></p> <p><i>"The school is really voluntary to demonstrate what it does well to promote equal opportunity. We appreciate the efforts made to document the various initiatives." (M 2)</i></p>
	<b>Leading by example</b>	<p><i>"The school really have some strongly committed members, not only top managers but also representatives in each department. They encourage people to be committed by showing what we can do to enhance equal opportunity" (FP 11)</i></p> <p><i>"My role has been created in order to look across the school and to integrate diversity everywhere, in coherence with other goals. That is why I combine the positions of HR Director and Diversity Manager." (ADM 4)</i></p>
	<b>Education and dialogue</b>	<p><i>"We have managed over the years to create a network of partners that share the same values as ours. They promote diversity as much as we do. As a consequence, we work in tandem. We need them and they need us. We try to combine an alignment in terms of values with economic aspects of our partnership." (ADM 10)</i></p> <p><i>"The school has created a learning community around the value of diversity. This is a global approach including diversity education. This is worth noting in our environment." (AL 3)</i></p>



<b>APPENDIX</b>		
<b>Manipulation strategy</b>	<b>Decoupling</b>	<p><i>"When I talk to the governance members, I put the emphasis on the business case for diversity. When I talk to NGOs or professional associations, I try, on the contrary, to promote social equality initiatives" (ADM 5)</i></p> <p><i>"Sometimes, I acknowledge that there is a need to reassure some stakeholders. It is not possible to say everything. We have to select carefully the information that we want to diffuse about diversity to protect our image" (P10)</i></p>
	<b>Lobbying</b>	<p><i>"The accreditation bodies do not really care about diversity. But we still think that we can make them change. We are engaged in discussion with the people in charge of compiling the rankings and [who are] part of the accreditation committees to promote the inclusion of diversity in their criteria." (LC 2)</i></p> <p><i>"Some studies have been conducted at the school to show the extent to which diversity can be an asset for the school's performance. I have participated in a conference presenting such results and it was very interesting. It really changes the way they see diversity and the associated opportunities." (BS 2)</i></p>
	<b>Impression management</b>	<p><i>"The CEO can get quite carried away on diversity issues: sometimes it even borders on propaganda speeches to demonstrate that diversity works" (P 2)</i></p> <p><i>"We show what we can do at best. We have strong communication programs that try to work on our image to make it more inclusive and responsible. It is part of the game." (P 12)</i></p>
<b>Adaptation strategy</b>	<b>Comparison with other business schools</b>	<p><i>"The school often communicates on what it does for diversity in comparison with other schools (actions, budgets, etc.). I found that very convincing and it shows me how our school is different. This is important because all the schools talk about diversity but very few do something in reality" (S 19)</i></p> <p><i>"All the schools compare themselves to each other. It can appear useless but this is what matters to our students. They are more and more selective for their school and diversity can make a difference. (ADM 15)</i></p>
	<b>Conformity to diversity norms and rules</b>	<p><i>"The norms and labels available in our environment are numerous. On the one side, you have the various educational accreditations (AMBA, EQUIS, AACSB) and, on the other side, you have the various labels and national requirements for diversity. Sometimes these educational and diversity norms are not aligned and can conflict. We need to select those that are favorable for us" (BS 1)</i></p> <p><i>"The school has managed, as we do in our companies, to get labeled and accredited for what it does in terms of diversity. It is really an added value" (FP 8)</i></p>