

Press release

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Businesses unintentionally discourage diverse ideas

Businesses influence the ideas they receive from external contributors by unintentionally signaling which ideas they like, finds research from ESMT Berlin and INSEAD. This leads to a narrow set of nondiverse ideas.

Prof. [Linus Dahlander](#) from ESMT Berlin, alongside Prof. [Henning Piezunka](#) and PhD candidate [Sanghyun Park](#) from INSEAD, analyzed 1.44 million ideas to understand how organizations unknowingly shape the ideas they receive. Data came from organizations that asked visitors how they could improve their websites before choosing which ideas to use. Chosen ideas were communicated for all to see.

The analysis reveals that organizations with higher consistency in selection tended to favor similar ideas. Over time, contributors adjusted their proposals to align more closely with perceived organizational preferences, enhancing their likelihood of acceptance but also resulting in reduced diversity in the ideas submitted. Individuals who felt their ideas were less likely to be selected gradually ceased making suggestions. Consequently, while the relevance of the ideas submitted may have increased, their diversity diminished.

The researchers also found that idea diversity increased when new contributors, less aware of past organizational choices, made suggestions. Increased diversity of ideas was also observed after established contributors, who would have been influenced by earlier selections, stopped suggesting. However, when contributors interacted more, attention to a company's preferences heightened, causing an increase in similar ideas.

Professor Dahlander explains, "The result of external searches often yields a more limited set of ideas than commonly perceived, representing a trade-off between fit and diversity. Organizations tend to favor ideas that align closely with their current interests, which can be beneficial." He adds, "However, this preference for fit can incur costs: It may prevent organizations from encountering ideas that diverge from their usual practices, inadvertently narrowing the creative scope of external contributors. By not constructively engaging with diverse perspectives, organizations risk losing access to innovative ideas and may miss out on pivotal breakthroughs."

As interactions among external contributors direct their attention toward existing ideas and away from novel ones, managers seeking diverse ideas may benefit from limiting interactions among external contributors. Reducing the visibility of ideas selected could also prevent contributors being influenced by what they think companies want.

These findings were published in the [Academy of Management Journal](#).

About ESMT Berlin

ESMT Berlin is a leading global business school with its campus in the heart of Berlin. Founded by 25 global companies, ESMT offers master, MBA, and PhD programs, as well as executive education on its campus in Berlin, in locations around the world, online, and in online blended format. Focusing on leadership, innovation, and analytics, its diverse faculty publishes outstanding research in top academic journals. Additionally, the international business school provides an interdisciplinary platform for discourse between politics, business, and academia. ESMT is a non-profit private

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