Peter is a vice president in a large corporation. As part of his duties, he supervises fifteen managers; fourteen of these managers are men. Only one of the managers is a black man, and one is a white female.

Peter is replacing one of the white, male managers. He has advertised the position both in house and outside, as required by his company's hiring policies. After reviewing all of the applications, he believes that Steve, an employee of the company for 12 years, is the most qualified applicant. However, in the pool of applicants there are three qualified women and two qualified black men, one of whom is Mike, another of his current managers.