Predicting Joining and Participating in Minority Employee Network Groups

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Do minority employees join network groups due to social identity, dissatisfaction with conditions at work, or career costs and benefits? Results show that joining is driven by social identity as well as expected costs (backlash) and benefits (career enhancement) but not by dissatisfaction, making it unlikely that they will become oppositional. Participation is also driven by cost-benefit calculations and social identity (via the effect social identity has on the perceived benefits of network groups).

Employee network groups have emerged as a new phenomenon in large corporations over the last 25 years, but little is known about these groups. Case studies show that they have been effective at generating organizational change at some companies in the 1970s (Friedman and Deinard 1996) and that African-Americans in companies with network groups report greater levels of career optimism (Friedman, Kane, and Cornfield, 1998), but we do not know who joins network groups or why. Are the motivations purely rational (cost-benefit analysis), or is joining driven also by workplace dissatisfaction (an important predictor of joining unions) or the attraction of community and social ties (an important predictor of joining identified in the voluntary association literature)? Thus, do managers need to worry about groups being “union-like,” and should we think of network groups as “expressive” (McPherson and Smith-Lovin 1986) or purely instrumental? Similarly, what sustains participation among members of these groups once they have joined? In this study, these questions are addressed by examining patterns of joining and participation at one organization with many network groups. Our focus in this study will be on the African-American, Hispanic, and Asian groups owing to the large number

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of employees involved in these groups and the fact that nonmembers of these groups could be identified. Thus, the findings are relevant for ethnic/racial minority employee groups but are not necessarily applicable to other forms or network groups, such as those for gay/lesbian employees, women's groups, or disabled employees, or those that exist outside organizations.

More broadly, this study provides insight into an emerging strategy for “managing diversity.” As companies have deemphasized affirmative action and focused more on ensuring the success and promotion of minority employees (R. Thomas 1990), they have been looking for innovative ways to accomplish these goals. Network groups—if understood, supported, and well run—may provide organizations with a powerful way to reshape the social environment for minority employees. This is why it is so important to learn more about network groups.

Theory

Background on Network Groups. Employee network groups are formally established groups of employees—usually women or minorities—that get together for various activities (see Childs 1992; Friedman 1996; Hyde 1993). Some of the types of activities include social gatherings, discussions about what is going on in the company (e.g., new technologies, corporate strategy, career systems), fundraising for minority scholarships, or planning for company displays during Black History Month [this observation and others that follow come from field observations reported in Friedman (1996) and Friedman and Carter (1993)]. These meetings typically are run by group members, they usually take place over lunch or after work, and they tend to occur about once every month or two. Many groups also organize a yearly conference, with outside speakers, seminars, and workshops (topics can range from sales techniques to personal financial planning to discussions of Hispanic literature).

Most groups are self-financing and are run at very low cost, with two exceptions. First, many groups raise funds for college scholarships and ask for corporate donations to those funds. Second, if groups have full-blown conferences, they often ask for corporate donations to support the costs of the conference. Otherwise, corporate support tends to be small and in the form of permission to use copying machines and e-mail and permission to have some meetings during work hours (mainly for group leaders). Corporate policies toward network groups vary (Friedman and Bogar 1999) but typically require groups to state what their purpose is, have some type of charter and leadership structure, and be open to anyone in the company.
The stated purpose of most groups is to enhance the careers of members by providing social support, information, and leadership opportunities to members. One black group, discussed in Friedman and Carter (1993), describes itself as “a group of employees who come together to help each other feel more comfortable and be more effective in organizations.” Thus most network groups in the 1990s have tended not to be advocacy groups. In the 1970s, groups did lean more heavily toward advocacy, such as the time that a group at Xerox helped bring to the attention of the company discriminatory staffing procedures in San Francisco (Friedman and Deinard 1996). More recently, gay and lesbian groups have advocated for partner benefits (Creed and Scully 1998) in companies. For the most part, however, neither human resources managers nor members (who are among those most familiar with network groups) tend to believe that the network groups should be focused heavily on shaping corporate policies (Friedman 1996).

Still, concerns about network groups being advocacy groups have shaped interactions between groups and companies. From the earliest days of network groups and continuing to this day, some senior managers (often those with less personal experience with groups) have approached network groups fearing that they might become unions and have expressed anxiety about their power and the kinds of complaints or demands they may express (Friedman 1996; Friedman and Deinard 1996). In response, some groups go out of their way to make sure that they are not seen as unions. At General Electric, for example, network group leaders put together a presentation for top management with a slide stating, “We are not unions” (Friedman and Carter 1993).

While some see groups in terms of their potential to be unions or advocacy groups, others have focused on their effects as community-building devices for minority employees within organizations. According to Ibarra (1993), a key challenge facing minorities is that most people tend to interact more comfortably with those who are similar to themselves, which has been supported by work on relational demography (Tsui, Egan, and O'Reilly, 1992; Farh et al. 1999), as well as by research on cross-race mentor relationships (D. Thomas 1990). However, explains Ibarra (1993), if you are a member of a minority, there may be few others similar to you in a company. As a result, minorities may not have as many “close ties” at work as whites, making it less likely that they receive social support and mentoring, nor as many “weak ties” (Granovetter 1973), making it less likely that they receive access to information. Network groups provide minorities with knowledge about other minorities in the company and opportunities to meet with them (Friedman 1996), allowing greater levels of both strong and weak ties to develop. It provides a “developmental network” to ensure mentoring by
multiple people throughout the organization (Higgins and Kram 2001). The end result should be enhanced career development through community building.

Minority Network Group Membership. In companies where network groups exist, many people do not join (Friedman and Carter 1993). This should not be surprising—recruitment is a major concern for all volunteer groups (Knoke 1990) and unions as well (Wheeler and McClendon 1991). The question that needs to be asked is, Why do some people join but not others? A survey by Friedman and Carter (1993) suggested that people choose not to join (1) because they are afraid of being tainted as angry radicals if they join, (2) because the group is riddled with in-fighting and politics, or (3) because of a simple lack of interest. This survey also suggested that people who join do so to gain social support and mentors and to be part of a community of similar others. This study expands and develops these answers by drawing on theories from the literature on unions and voluntary associations.

The answer to the question “Why do people join?” is important for three reasons. First, when managers express anxiety about network groups and their potential to be adversarial, there is probably an implicit belief that frustration may then turn to aggression (Klandermans 1986). Thus managerial fears about network groups are likely to be related to the question of who joins groups and why they join them. Managerial resistance to network groups could be reduced if evidence emerged showing that network group joining was not driven by dissatisfaction. Second, for those who embrace network groups as an effective way to manage diversity, it is important to know why people join so that supporters and leaders can set up groups in ways that encourage joining and commitment. This information would let leaders know if they should focus their efforts on problem solving and advocacy or, more simply, the creation of a community. Third, as researchers begin to look at network groups, it is unclear how we should think about network groups. We need to know which existing models, if any, should be applied to network groups. There is a rich literature about unions and a similarly rich literature about voluntary associations. Are either relevant to researchers who want to study employee network groups?

The study of voluntary organizations dates back to the 1950s, when scholars saw voluntary organizations as a unique phenomenon in American and a key source of social cohesion (Smith and Freedman 1972). Unlike groups such as families, which people are born into, voluntary associations are ones that people choose. Unlike groups such as private companies, which pay people to be members, voluntary associations do not pay their
members (indeed, it is members who pay the associations to join). The basic question asked by scholars of voluntary associations was, Who is involved in these groups and why? Unions, it is important to note, often are considered voluntary associations (Knoke 1990), but a separate literature has developed that focuses on why people join unions in particular. The two literatures have come to overlap in recent decades, with both looking at cost-benefit calculations that drive joining. Where the voluntary association literature stands out is in its focus on community and social ties as a reason for joining; where the union literature is different from the literature on voluntary associations is in the presence of dissatisfaction as a driver of joining.

Early studies of voluntary associations focused on demographic correlates of joining, such as race, gender, and education level. Scott (1957) found that joining was higher among men, those with more education, those higher in social status, and those who did nonmanual work, and Babchuk and Booth (1969) showed that joining was associated with age and length of time in a community. For our purposes, one of the most important findings is that blacks join voluntary associations at higher rates than whites or Hispanics (Williams, Babchuk, and Johnson 1973), a result that remained even after controlling for differences in education level. Williams et al. (1973:664) argued that this result is due to the strength of the black ethnic community (because of negative external pressures), as well as a need to band together to fulfill needs that otherwise are not being met. Blacks, they argue, are more likely to “perceive themselves and their group as objects of collective discrimination.” Similar findings also have been reported for unions, where blacks are more likely to join than other ethnic groups; this is the one demographic variable that has shown consistent effects on union activities across studies even after controlling for work-related differences (Barling, Fullagar, and Kelloway 1992:34). Wheeler and McClendon (1991:65) argued that blacks may be “more prone to collective social action because of the successful experience with the civil rights movement or needing unions for protection against discrimination.” Given these findings, controls were added for age, education, sex, and tenure in the company in all analyses, and we predict that joining will be especially high for African-Americans compared with Asians and Hispanics.

Hypothesis 1: African-Americans are more likely to join network groups than Asians or Hispanics.

More recent research on voluntary associations has moved past basic demographic findings, focusing instead on the importance of social ties and social similarity as a driver for joining. Booth and Babchuk (1969) reported that people join groups primarily through contacts with friends, and
Popielarz and McPherson (1995) found that people tend to join and stay with groups when they are socially very similar to others in the group, resulting in high levels of homogeneity among members (McPherson and Smith-Lovin 1986). These findings, however, applied most strongly to certain types of voluntary associations—those which were “expressive” rather than “instrumental” (McPherson and Smith-Lovin 1986). Expressive groups are those which are ends in themselves and serve social-psychological needs such as affectual support; instrumental groups are those which seek to attain goals outside the organization itself and affect social structures or the distribution of power (Gordon and Babchuk 1966).

To the degree that network groups focus on community building and social support, they are expressive groups. People join as an end in itself—simply being with similar others at network group meetings has a value. Joining, then, should be driven by an employee’s strength of identification with the social group represented by the network group. Greater identification with the group makes those communal ties more valuable, and it increases the likelihood that there will have been preexisting social ties with other in-group members (Lincoln and Miller 1979; Marsden 1988), making it more likely that that person will be drawn into joining. If, by contrast, network groups are primarily instrumental groups and in that way similar to unions, strength of identification should not matter—all that will matter is the group’s perceived ability to achieve its instrumental goals. Indeed, studies of unions have shown that union joining is not heavily influenced by strength of communal identity or “class feelings,” at least not in the United States, where self-interest dominates over “solidarity” or “class consciousness” (Wheeler and McClendon 1991).

Since prior findings suggest that the most important function of network groups is their ability to create a social community (so that they are heavily “expressive” in nature), we predict that group identification will affect network group joining.

Hypothesis 2: Those who are more strongly identified with the social group represented by a network group will be more likely to join the group.

While community is a key driver for joining expressive voluntary associations, dissatisfaction is widely recognized as one very important factor driving the joining of unions. In a review of the literature on unionization, Barling, Fullagar, and Kelloway (1992:50) reported that “global extrinsic job dissatisfaction and facet-specific job dissatisfaction invariably predict a pro-union vote,” and some studies have shown similar effects for intrinsic job dissatisfaction (especially among professional and white-collar employees) (Youngblood, Mobley, and DiNisi 1981). The conceptual underpinning of
this approach is cognitive-dissonance theory (Festinger 1957), which “posits dissatisfaction as setting in motion a search to end the uncomfortable dissonance between what is desired as to pay, etc., and what is actually obtained” (Wheeler and McClendon 1991:50). Unions then may serve as a way to resolve this dissonance. From this starting point, theories vary on the ways in which employees finally decide to vote for a union. Some suggest that dissatisfaction leads to voting only when the employee believes that the union can solve the problem he or she is facing—dissatisfaction must be combined with a sense that the union is highly effective (e.g., Zalesny 1985). Others simply combine dissonance with various indicators of union instrumentality (Wheeler and McCelendon 1991). What is common across many theories of union joining, however, is a belief that the initial trigger for unionization is some level of dissatisfaction or frustration.

Even though it is known from prior research that those in companies with network groups do not report lower levels of discrimination (Friedman, Kane, and Cornfield 1998) and that most companies explicitly steer away from “bargaining” with groups over wages, hours, and working conditions, it still may be that people join network groups out of frustration with conditions at work and that those who join are those who are most unhappy with those conditions, whether it be extrinsic job dissatisfaction, intrinsic job dissatisfaction, or a felt lack of acceptance by the organization.

Hypothesis 3: Those who are higher in workplace dissatisfaction are more likely to join network groups.

If this were the case, one would expect network groups to be places where a great deal of anger is expressed and demands are made. By contrast, employees’ motivations may be more calm and rational, based on an assessment of the likely payoffs from joining groups weighed against the likely costs. Several studies of union joining have proposed this model (Beutell and Biggs 1981; Brief and Rude 1981; Montgomery 1989), suggesting that what matters is that a union is seen as instrumental in achieving valued outcomes and that the costs of joining (in terms of money and risk to job) are not greater than the expected gains. Empirical results have been consistent with this approach: Union instrumentality is strongly related to union support (Fiorito, Gallagher, and Greer 1986), as are perceptions that the costs of joining a union (Florkowski and Schuster 1987). Similar arguments have been made for voluntary organizations in general. As Knoke puts it (1990:109), “the enterprising leader seeks to shape members’ perceptions of the benefits they will gain through participation, thereby convincing them to make contributions they otherwise might not make.” On the cost side, involvement in voluntary associations such as groups that support AIDS
victims can be diminished by the stigma attached to AIDS volunteers (Snyder, Omoto, and Crain 1999). Thus a rational-actor model is likely to apply to network group joining whether our frame of reference is unions or voluntary associations.

These types of cost and benefit concerns can be seen in previous studies of network groups (Friedman and Carter 1993), which include quotes from open-ended survey questions from national black MBA members and field observations at companies with network groups. The most commonly identified cost of network groups is backlash against members. As one black manager who chose not to join a group put it, “We suffer tremendously from fear. We are afraid to be perceived as a radical element which would eventually lead to a position on the famous ‘black list.’” Another said, “It would not be seen well within the company.” The most commonly identified benefit of network groups is benefits to one’s career. As one network group member put it, “This is a network. Use this opportunity to meet people. Why not? You may be talking to someone who can get you a job.” Another added, “Those who are active in networks are better informed. They share information.”

Hypothesis 4: Those who see network groups as having greater potential payoffs are more likely to join, whereas those who see groups as having greater potential costs (backlash) are less likely to join.

Network Group Participation. Once people choose to join a network group, what leads some people to be more active than others? Who puts in the most time making groups run effectively and participating in their activities? These questions are developed more fully in the union literature than in the voluntary association literature because many people join unions but do not participate much after joining. Yet, when union scholars have focused on participation—rather than just joining—what they find begins to converge with the literature on joining voluntary organizations. The association between dissatisfaction and participation in unions is much less clear than that between dissatisfaction and joining; in some cases, participation is even associated with higher levels of job satisfaction. As Gallagher and Strauss (1991:159) point out, “although members who are dissatisfied with extrinsic aspects of their jobs may be more inclined to attend meetings or vote in union elections, dissatisfied workers are less likely to participate in union administration.” At the same time, the effects of community become stronger when one looks at which union members participate more heavily. Barling, Fullagar, and Kelloway (1992:114) reported that several studies “emphasize the importance of identification with the occupational community or group as a strong predictor of participation in union activities.”
Several more recent studies add support to this claim. Cornfield and Hodson (1993) found that activism in one union was associated with social integration into the union; Kelly and Kelly (1994) found that the strongest predictor of union participation was a union member’s sense of group identification; and Klandermans (2002) found that for unions (as well as for other groups), identification with the group heavily influenced participation. Also, while blacks are more likely to vote for a union or join it, there are no consistent differences in black versus white levels of participation in union activities among members, according to Barling et al. (1992).

What does not change when the focus is shifted to participation is the expected role of union instrumentality. Those who believe that unions are more beneficial are more likely to be committed to them and more likely to participate heavily (Fullagar and Barling 1989), so a rational-actor model still should apply. Based on these findings in the literature on union commitment and participation, we propose the following:

Hypothesis 5: Those who are more strongly identified with the social group represented by a network group will participate more in that group’s activities.

Hypothesis 6: Those who see groups as having greater potential payoffs are more likely to participate in their activities, whereas those who see groups as having greater potential costs are less likely to participate in their activities.

Once employees join network groups, differences in their level of identification with that group can be highly consequential. Those who are more highly identified with the group are more likely to build stronger ties with others in the group because they are more likely to see those others as ingroup to themselves (Davidson and Friedman 1998) and thus more socially similar. These enhanced ties are likely to produce enhanced information and social support, making the payoff of network groups higher for those higher in group identification. As a result, we expect greater identification to result in a higher sense of payoff from participating in network groups; this effect, in turn, should enhance participation.

Hypothesis 7: Those who are more strongly identified with the social group represented by a network group will see the group as more beneficial, resulting in higher levels of participation.

Method

Research Site and Sampling. To test out hypotheses, data from a larger research project on employee network groups were used. Data were collected
from one large company that had over 100,000 employees across 12 states in 1998. This company has 20 network groups, some of which were started as early as 1974. All groups are regionally based so that minority employees have one available group to join. Among these 20 groups, 8 are primarily African-American, 2 are Hispanic, 1 is Asian, and 1 is African-American and Asian. These groups are the focus of this study because nonmembers for these groups could be identified, and the groups were large enough to ensure that a group was available to join for all African-Americans, Asians, and Hispanics in the company. Members of gay/lesbian groups were excluded from the analysis because the company would not let us ask employees about their sexual orientation (so we could not identify nonmembers), and members of the women’s group were excluded because there was not widespread familiarity with the one small-city-based women’s group throughout the company (so most women did not really have a women’s group available to join).

The first step of the research was to interview two leaders of each network group to find out about each group’s history. This was done to assess the ways in which each group’s strategy and emphasis might be different (which is not analyzed here), to get information that would help us to draft the survey, and to get feedback on the initial drafts of the survey. During these interviews, new issues came up that shaped what items we developed, and in the later interviews, drafts of the surveys were available to see how they would be read and interpreted. Second, a survey was distributed via the company’s mail system. Survey responses were returned directly to the researchers. The goal for the larger project was to make sure that we received responses from all levels of the company, from men and women, and from all racial/ethnic groups (African-American, white, Asian, Hispanic, and American Indian). Another goal was to include employees from each of the company’s two geographic regions (the two parts were joined by a recent merger; all network groups, however, remained within one or the other former company, and members in each group did not include employees from both companies). To achieve these goals, 80 cells were created (5 ethnic groups, by 2 genders, by 4 organizational levels, by 2 regions). For each cell, the company used its human resources database to select a random set of 100 employees (expecting about a one-third response rate). A total of 5793 surveys were sent out (there were less than 100 employees in some cells), and we received 1583 responses. Thus there was a 27 percent response rate for this phase of the survey.¹

¹ Response rates in individual cells varied from 0 percent (in cells where n was very small, such as female American-Indian top executives) to 67 percent (again, in cells where n was very small). Response
In the survey, respondents were asked whether they were familiar with any of the network groups within the company and, if so, what was the one group that they were most familiar with. Then they were asked whether they were members of that group. This allowed us to see if a usable sample of members from each network group was received and to differentiate between those who joined network groups and those who did not. For some of the smaller groups (e.g., some groups in smaller states that had only 10 or 20 members), surveys were received from only a handful of members. This was not surprising because, using a company-wide random sample, the odds were low that we would have even included them in our initial survey. Since the goal was potentially to be able to compare responses across network groups, additional surveys (called phase II) were sent to members of these smaller groups using membership lists provided by group leaders. Thus all phase II respondents were members of network groups (except for a few people who may have dropped out). This provided a fuller sample of members, allowing for a better analysis of the attitudes and behaviors of members but likely produced a total sample with a higher percentage of members than is really the case. For this reason, the overall joining percentages reported here should not be considered accurate, but analyses comparing those who joined with those who did not join should not be biased in any way because controls were added for survey phase in all analyses. All surveys were anonymous. When surveys were sent out to members of particular groups during phase II, participants were instructed to fill out the survey only if they had not done so already. Response rates for this phase of the survey were approximately 35 percent.

The survey had three levels of questions beyond network group membership. The first level included items about the respondent’s experience of the company, items about the respondent’s job, and demographic items (including sex, race, age, organizational level, region, and years in the company). These were asked of all respondents. Second, respondents were asked questions about particular network groups. These were asked of all respondents who reported some familiarity with any group. Third, more detailed questions about particular network groups were asked of respondents who actually were members of network groups.

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rates were higher in one-half of the company (30 percent) than in the other (22 percent); they were higher for top-level managers (33 percent for level 2 and 28 percent for level 3) than first-level managers (22 percent) or craft-level employees (22 percent). For that reason, we included these indicators as controls in the analyses reported below. Male and female response rates were equal. Response rates for whites were lowest (19 percent), slightly higher for Asians (23 percent), a bit higher for blacks and American Indians (both 28 percent), and highest for Hispanics (32 percent).
The subsample used for this study included blacks, Hispanics, and Asians who were not members of the gay/lesbian, disabled, or women’s groups and had at least heard of network groups at the company. The few cases where employees were not of the ethnic group they joined were excluded. This sample included 424 blacks, 180 Asians (primarily American-born Chinese), and 239 Hispanics. Seventy-one percent of blacks were members of network groups, 39 percent of Asians, and 41 percent of Hispanics. The sample was evenly split between male and female respondents. Mean number of years with the company was 15.8, the median age was 41 to 45 years, 66 percent of the respondents had at least a college degree (5 percent had only a high school degree), and the distribution by organizational level was craft 25.5 percent, first-level manager 34.8 percent, second-level manager 33.1 percent, and top-level management 6.1 percent. Responses were split evenly between the two sides of the company, and 83 percent of the responses were from the initial phase of the survey.

Measures. To measure group identification, Luhtanen and Crocker’s (1992) racial identification scale was used, but we adapted it to refer to racial/ethnic identification, which has been used in prior research. Thus we are positing that in-group relationship is not just a dichotomous variable (i.e., all blacks are in-group to all other blacks) but also a continuous one (some blacks may be more or less strongly identified with being black, making the strength of the in-group relationship with members of a black network groups more or less strong). This approach to social identity and this scale have been used in prior research (Davidson and Friedman 1998). We should point out that mean levels of racial/ethnic group identification were significantly higher for blacks (4.7 on a 7-point scale, SD = 1.5) than for Asians (3.8, SD = 1.4) or Hispanics (3.8, SD = 1.7), indicating that for most blacks, racial/ethnic identification was above the midpoint of the scale, whereas the opposite is true for most Asians and Hispanics. Identification was lowest for whites (3.1, SD = 1.5). Differences across groups were significant ($F = 62.8, p < 0.000$).

To measure dissatisfaction, the internal and external job satisfaction items from the short form of the Minnesota Satisfaction Questionnaire (MSQ) were used (Weiss et al. 1967). In addition, four questions were asked about whether the company was a good place for women and minorities that were formed into a single scale (called “good for minorities”) based on exploratory factor analysis. Between these three scales, several aspects of dissatisfaction were covered that conceivably could drive employees to join a network group.

To measure perceived costs and benefits of network groups (as discussed in Hypotheses 4 and 6), three measures were used. One was a single-item
measure of backlash ("involvement in employee groups can lead to backlash against participants"). This measure indicates whether the respondents believed that there was likely to be a significant cost to joining network groups. The second measure was constructed from two items that loaded together in our exploratory factor analysis (see the Appendix for the full list), including "involvement in groups can enhance one's career." These items suggest that the respondent thinks that network groups are likely to produce positive career benefits. We call this scale "payoff." A third measure was a scale made up of two items that loaded together in our factor analysis that we called "social support." These items were "my immediate supervisor supports my activities in this employee group" and "my peers support my activities in this employee group," which represent a condition that would minimize the cost of participation in network groups. It represents the opposite of the variable "backlash." This scale was not available, however, for analyses where joining a network group was the dependent variable because nonmembers were not asked if people were supportive of their participation in network groups. These two items loaded (weakly) with "backlash" in factor analyses that included only network group members. To make the analyses comparable, however, "backlash" was included as a separate variable in our analyses of network group participation.

Participation was measured using four items that loaded together in our factor analysis. This included items such as "I take part in this group's social activities" and "I do community work with this group." The exploratory factor analyses were done with all items using varimax rotation. Correlations and scale alphas for all variables are shown in Table 1. It is worth noting that, in this sample, blacks are older and more senior in the company; Asians are younger, less senior, and more educated; and Hispanics are younger, less senior, and less educated.

**Analysis.** The first analyses (Model 1 in Table 2) used logistic regression to assess the impact of all hypothesized predictors on network group joining. Also included were controls for sex (male = 0, female = 1), rank (non-exempt, first-line manager, middle manager, executive), years in company, age, education, phase of survey, and premerger company (the last two variables are not reported in the Table 2 because they contain no substantively relevant information). This analysis included all Asian, black, and Hispanic employees who had at least heard of network groups but were not members of the gay/lesbian groups, the women's group, or the disability groups. Regression analysis was used to assess the impact of these same predictors on network group participation, with the addition of the variable "social support." This analysis included all Asians, Hispanics, and blacks who are
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<tr>
<td>5. Female</td>
<td>0.51</td>
<td>0.53</td>
<td>-0.03</td>
<td>-0.12**</td>
<td>0.12**</td>
<td>-0.20**</td>
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<tr>
<td>6. Company</td>
<td>1.51</td>
<td>0.62</td>
<td>0.13**</td>
<td>-0.13**</td>
<td>0.15**</td>
<td>0.01</td>
<td>-0.02</td>
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<tr>
<td>7. Part of phase II survey (not phase I)</td>
<td>0.18</td>
<td>0.39</td>
<td>0.09*</td>
<td>-0.12*</td>
<td>0.14**</td>
<td>-0.22**</td>
<td>0.17**</td>
<td>0.11**</td>
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<tr>
<td>8. Internal job satisfaction</td>
<td>3.62</td>
<td>0.91</td>
<td>0.17**</td>
<td>-0.06</td>
<td>0.13**</td>
<td>0.20**</td>
<td>-0.06</td>
<td>0.00</td>
<td>0.01</td>
<td>(0.90)</td>
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<tr>
<td>9. External job satisfaction</td>
<td>3.14</td>
<td>0.97</td>
<td>0.07*</td>
<td>-0.03</td>
<td>0.04</td>
<td>0.10**</td>
<td>-0.02</td>
<td>0.01</td>
<td>0.02</td>
<td>0.62**</td>
<td>(0.81)</td>
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<tr>
<td>10. Company is good for minorities</td>
<td>4.17</td>
<td>1.25</td>
<td>0.02</td>
<td>-0.12**</td>
<td>-0.06</td>
<td>-0.03</td>
<td>-0.12**</td>
<td>-0.03</td>
<td>-0.03</td>
<td>0.37**</td>
<td>-0.37**</td>
<td>(0.80)</td>
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<tr>
<td>11. Ethnic group identification</td>
<td>4.35</td>
<td>1.57</td>
<td>0.03</td>
<td>0.11**</td>
<td>0.04</td>
<td>0.11**</td>
<td>0.04</td>
<td>0.06</td>
<td>0.17**</td>
<td>-0.02</td>
<td>-0.03</td>
<td>-0.03</td>
<td>(0.82)</td>
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<tr>
<td>12. Backlash against network groups</td>
<td>3.30</td>
<td>1.63</td>
<td>0.06</td>
<td>0.06</td>
<td>-0.01</td>
<td>-0.03</td>
<td>-0.07*</td>
<td>0.07*</td>
<td>-0.02</td>
<td>-0.09**</td>
<td>-0.16**</td>
<td>-0.14**</td>
<td>0.04</td>
<td>—</td>
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<tr>
<td>13. Payoff from being in a group</td>
<td>4.67</td>
<td>1.41</td>
<td>0.02</td>
<td>0.03</td>
<td>0.02</td>
<td>-0.01</td>
<td>0.00</td>
<td>0.04</td>
<td>0.16**</td>
<td>0.08**</td>
<td>0.05</td>
<td>0.13**</td>
<td>0.27**</td>
<td>-0.03</td>
<td>(0.67)</td>
<td></td>
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<tr>
<td>14. Black</td>
<td>0.50</td>
<td>0.50</td>
<td>0.23**</td>
<td>-0.02</td>
<td>0.29**</td>
<td>0.12**</td>
<td>0.04</td>
<td>0.22**</td>
<td>0.38**</td>
<td>0.05</td>
<td>0.01</td>
<td>-0.06</td>
<td>0.27**</td>
<td>0.03</td>
<td>0.19**</td>
<td>—</td>
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<td></td>
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<tr>
<td>15. Asian</td>
<td>0.21</td>
<td>0.41</td>
<td>-0.16**</td>
<td>0.17**</td>
<td>-0.25**</td>
<td>-0.03</td>
<td>-0.06</td>
<td>-0.15</td>
<td>-0.24**</td>
<td>-0.07*</td>
<td>0.00</td>
<td>-0.03</td>
<td>-0.16**</td>
<td>0.02</td>
<td>-0.06</td>
<td>—</td>
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<tr>
<td>16. Hispanic</td>
<td>0.28</td>
<td>0.50</td>
<td>-0.11**</td>
<td>-0.14**</td>
<td>-0.09**</td>
<td>-0.10**</td>
<td>0.01</td>
<td>-0.11**</td>
<td>-0.21**</td>
<td>0.01</td>
<td>0.00</td>
<td>0.04</td>
<td>-0.15**</td>
<td>-0.05</td>
<td>-0.16**</td>
<td>—</td>
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<tr>
<td>17. Social support for being in groups</td>
<td>4.74</td>
<td>1.55</td>
<td>0.05</td>
<td>0.04</td>
<td>0.08</td>
<td>0.13**</td>
<td>0.00</td>
<td>0.06</td>
<td>0.14**</td>
<td>0.34**</td>
<td>0.35**</td>
<td>0.20**</td>
<td>0.09**</td>
<td>-0.15**</td>
<td>0.23**</td>
<td>0.11*</td>
<td>-0.11**</td>
<td>-0.03</td>
<td>(0.82)</td>
<td></td>
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<tr>
<td>18. Join</td>
<td>0.57</td>
<td>0.49</td>
<td>0.12**</td>
<td>0.12**</td>
<td>0.16**</td>
<td>0.20**</td>
<td>0.09**</td>
<td>-0.02</td>
<td>0.30**</td>
<td>0.05</td>
<td>0.02</td>
<td>0.00</td>
<td>0.29**</td>
<td>-0.06</td>
<td>0.32**</td>
<td>0.30**</td>
<td>-0.16**</td>
<td>-0.20**</td>
<td>0.17**</td>
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<tr>
<td>19. Participation</td>
<td>3.74</td>
<td>1.64</td>
<td>0.12**</td>
<td>-0.06</td>
<td>0.16**</td>
<td>-0.02</td>
<td>0.03</td>
<td>0.17**</td>
<td>0.26**</td>
<td>0.04</td>
<td>0.02</td>
<td>0.01</td>
<td>0.24**</td>
<td>0.04</td>
<td>0.44**</td>
<td>0.29**</td>
<td>-0.18**</td>
<td>-0.17**</td>
<td>0.34**</td>
<td>0.31**</td>
<td>(0.84)</td>
</tr>
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</table>

Note: Scale alphas along diagonal; all two-tailed tests.

* p < 0.05.

** p < 0.01.
members of their respective Asian, black, or Hispanic network groups. To assess the mediating role of network group payoff on the relationship between group identification and participation, Baron and Kenney’s (1986) strategy for studying mediating effects was followed. They argued that in order to show that $B$ mediates the relationship between $A$ and $C$ (so that $A \rightarrow B \rightarrow C$), you need to take three steps. First, show that $A$ is related to $C$ ($A \rightarrow C$). Second, show that $A$ is related to $B$ ($A \rightarrow B$). Third, add $B$ to the first equation ($A + B \rightarrow C$). $B$ is shown to mediate the relationship between
A and C if the coefficient for A becomes nonsignificant after B is added (this is full mediation) or if the size of the coefficient for A is reduced when you add B (this is partial mediation). If either happens, then we know that some or all of the effect of A on C is accounted for by the effect A had on B. In this way, B is shown to mediate the relationship between A and C.

Results

Joining. Results are shown in Model 1 of Table 2, which includes the odds ratio for each coefficient in this model (for logistic regression, this provides a sense of the true impact of each predictor on the dependent variable, “joining”). This first model shows no effects for the three indicators of dissatisfaction ("internal satisfaction," “external satisfaction,” and “good for minorities”), providing no support for Hypothesis 3. Dissatisfaction does not appear to drive joining. Significant effects were found for group identification (supporting Hypothesis 2) and for our indicators of cost (“backlash”) and benefits (“payoff”), supporting Hypothesis 4. It appears that minority employees join network groups based on the potential gains of joining, as well as strength of group identity, but not due to dissatisfaction. Hypothesis 1, suggesting that blacks are more likely to join network groups than other minorities also was supported. (The results for blacks is the same if Asians are the nonincluded group.)

In order to test whether a more refined representation of the dissatisfaction theory might reveal results, a series of additional analyses were done that added an interaction term between “effectiveness” (a measure of whether the respondent thought the group was run well) and “payoff” and each of the indicators of dissatisfaction. This was done to address the possibility that dissatisfaction only affected joining when combined with higher levels of perceived effectiveness of network groups. That is, as indicated in some union studies (Zalesny 1985), while a person might be dissatisfied, he or she would only turn to particular solutions (in this case, network groups) if he or she thought these would be of help in solving that problem. None of these interaction terms was significant, and they are not reported here.

Participation. Results are shown in Table 2, Model 2. As with the joining results, dissatisfaction measures do not predict level of involvement in network group activities. Cost-benefit measures do predict level of participation. Those who see groups as being higher in payoff are more active, as well as those who experience greater levels of social support (thus reducing the costs of participation). These results support Hypothesis 6. Group identity also
had an effect on participation, supporting Hypothesis 5. We tested Hypothesis 7 using Baron and Kenney’s (1986) strategy for assessing mediating effects. Model 4 in Table 2 show that “group identity” affects “payoff”; Model 3 shows that “group identity” significantly affects “participation” when “payoff” is not included in the model; Model 2 shows that “group identity” affects “participation” less when “payoff” is included in the model (the coefficient for “group identity” is reduced from 0.20 to 0.14). Thus “group identity” affects “participation,” partially at least, by enhancing the perceived benefits on network groups. This provides partial support for Hypothesis 7. Those who are the most active are not the most dissatisfied but rather are those who see network groups as most beneficial. Group identification enhances participation directly but also enhances the perceived benefits of network groups, which, in turn, enhance participation.

Looking at the control variables, it is noteworthy that “joining” is not affected by age, education, or years with the company but is affected by rank and sex. Those who are higher in the organization are more likely to join than those who are lower in the organization. This makes sense given that one of the primary benefits of network groups is mentoring (Friedman, Kane, and Cornfield 1998), which is critical for managers (Kotter 1982) but not quite as valuable for nonexempt employees. Indeed, one of the debates frequently encountered within network groups is whether to make them exclusively for managers or for all levels of employee (Friedman and Carter 1993). One also can see that women are more likely to join network groups. We do not have any ready explanation for this finding. It may be that women are simply more interested in community and social engagement, even though women’s groups did not develop much at this company. One possibility is that being female and minority combine to heighten attachment to an ethnic community (see, e.g., Bell and Nkomo 2001). Although our current data do not show especially high ethnic identification among minority employees who are women, there still may be among minority women a greater sense of obligation to their community and thus a greater willingness to join. Among those who do join, however, neither rank nor sex showed any effects on levels of participation.

Discussion and Conclusion

Our findings suggest that minority employees do not join network groups as a result of dissatisfaction; joining is not predicted by either job dissatisfaction or employee perceptions that the company is a bad place for non-majority employees. Rather, minority network groups are more likely to
draw members based on group identity, such as occurs with expressive voluntary associations. Those who identify more strongly with the ethnic or racial group represented by the network group are more likely to join. This suggests that managers need not be overly fearful that groups will become antagonistic and that having network groups may make minorities who strongly identify with their racial and ethnic heritage feel more comfortable joining the company. In addition to group identity, joining is driven by a fairly pragmatic cost-benefit calculus. Those who feel that joining has higher costs (in terms of backlash) are less likely to join, whereas those who see groups as having a strong career payoff are more likely to join. If companies want groups to flourish, they need to ensure that employees’ managers and peers are supportive of them. This can be done by sharing information broadly about the purpose of the groups and by outreach by network group leaders. Companies also need to ensure that groups are run in an effective way. This can be done by encouraging high-potential minority managers to become active in network group leadership.

A similar pattern emerged in our examination of level of participation among members. Those who saw the group as having a greater payoff and received the greatest support for their involvement in network groups were most active in their groups. Those higher in ethnic group identity also were more likely to be active partly due to the fact that they experienced groups as being more helpful. This is not surprising because the stronger intragroup social ties that should come from a stronger group identity are likely to make network groups more productive for these employees.

These results suggest that managers should not expect network groups to be driven primarily by a dynamic of frustration/aggression (Klandermans 1986) but rather by very pragmatic career concerns and community-building sensibilities. This undercuts managerial concerns that network groups might become opposition groups [even though it might disappoint others who see in network groups the basis of a new form of employee voice (Levine and Bishop 1999)]. If network groups succeed at enhancing careers, as members seem to expect, they should help companies to enhance diversity at higher organizational levels; if they succeed at enhancing community and building mentoring networks (Higgins and Kram 2001), as members seem to expect, minority employee turnover should be reduced due to higher levels of social embeddedness (Mitchell et al. 2001). However, despite these potential benefits of network groups, minority employees are less likely to join if they feel that there may be some retribution for joining, and they are more likely to join if they feel support from peers and supervisors. Thus a company’s reaction can make or break a network groups. More research needs to be done to assess whether these potential benefits of
joining actually occur and what types of company actions encourage or discourage network groups formation.

Most intriguing are the effects of group identification. If strong ethnic identification leads to involvement in network groups and involvement pays off in terms of career development, then minorities with the stronger ethnic identification may be among those who advance furthest in the organization. This could have the effect of bringing a stronger awareness of minority issues to the top echelons of a company and enhance the strength of ties between top management and minority employees. This runs counter to expectations that those who see themselves as more different would have a harder time fitting in. These results also suggest that the recent moves toward seeing race/ethnicity as a self-definition, not a just as a set of externally determined categories (Waters 2000), already may be well underway within organizations.

Some limitations of this research also need to be pointed out. First, this research is an extensive case study. While there is no reason to believe that this case is in any way abnormal, dynamics in other companies and for other types of employee network groups may be different. This company is one that has had network groups for quite a while. As a result, it has learned to deal with network groups, and network group leaders have a base of history and experience to draw on. The dynamics in newly formed network groups may not be the same. Also, this is a very large company and one in a region where there is a significant minority population. Both factors allow for a critical mass of minorities that is not available to smaller companies and ones in different regions of the country. Without this critical mass, some of the dynamics may be different. That is, if the total pool of people that one might connect with through a network group is extremely small, then the logic of joining may break down entirely. Lastly, the dynamics may be different for women’s groups, gay/lesbian groups, or groups for the disabled or in companies that also do not have unions. Studies with these populations also must be done.

Second, the data that were collected are not longitudinal, so the proposed cause-effect relationship could be questioned, especially our finding that dissatisfaction did not influence joining. Could joining lead to improved conditions, hiding a true relationship between dissatisfaction and joining? This is possible, but there is evidence to suggest that network groups generally do not have such global effects (Friedman, Kane, and Cornfield 1998), and it is unlikely that changes would affect all three aspects of dissatisfaction that were measured. Still, a longitudinal data-collection strategy is needed to be certain. In addition, the cross-sectional design of this study leaves open the possibility that joining a network group actually causes an
increase in ethnic group identification in addition to being the result of ethnic group identification. Again, although interviews conducted during this study and a prior study (Friedman and Carter 1993) suggest that group identification is a major factor in joining, we cannot be certain without longitudinal data.

Third, only some of the variables used in the literature on unions were tested. This study did not try to fully replicate the elaborate models developed in union studies due to the fact that we sought to compare predictions derived from two different literatures and the fact that the study of network groups is just beginning. In addition, joining could be driven by other unmeasured variables, such as the quality of service provided by group (Flood, Turner, and Willman 1996), leader quality (Greene, Black, and Ackers 2000), amount of spare time (which may be less for women than men due to child care responsibilities) (Forrest 2001), peer pressure, or other forms of dissatisfaction. Future studies can explore these variables.

Lastly, this study does not address the question of why network groups form in the first place. As Dunlop (1948) pointed out, there are relationships among employees prior to the formation of unions; it takes certain conditions to stimulate the transition from unorganized workers to organized workers. Similarly, one should assume that even without network groups, minority employees have some relationships and common interests; sometimes those relationships are formalized as network groups, whereas sometimes they remain informal. What makes that transition occur? We can speculate that groups form when there is a critical mass of minority employees in particular locations, when knowledge about network groups travels from other companies that have network groups, and perhaps when institutional resistance to group formation is reduced in human resources departments or among top executives. Further research can address this question more systematically.

Despite these limitations, this is the first comprehensive study of network group membership and participation, and the data have allowed us to assess theoretically important relationships among a number of variables. As network groups grow, we need to understand clearly the similarities and differences between these new groups and more traditional ones such as voluntary associations and unions. This study is a first step in that process.

REFERENCES


Gordon, C. Wayne, and Nicholas Babchuk. 1966. “A Typology of Voluntary Associations,” in The


Survey Items

Payoff of Network Groups. From my personal experience, employee groups are very helpful.
Involvement in employee groups can enhance one’s career at this company.

Backlash. Involvement in employee groups can lead to backlash against participants.

Social Support for Network Group Participation. My immediate supervisor supports my activities in this employee group.
My peers support my activities in this employee group.

Group Identification. In general, belonging to my racial/ethnic/cultural group is an important part of my self-image.
Overall, my racial/ethnic/cultural group membership has very little to do with how I feel about myself.
The racial/ethnic/cultural group I belong to is an important reflection of who I am.
The racial/ethnic/cultural group I belong to is unimportant to my sense of what kind of a person I am.

The Company Is Good for Minorities. It is easy for women in this company to acknowledge their identity.
It is easy for minorities in this company to acknowledge their identity.
Among minorities, this is seen as a good company to work for. Among women, this is seen as a good company to work for.

*External Job Satisfaction.* The way my boss handles people. The competence of my supervisor in making decisions. The way company policies are put into practice. The praise I get for doing a good job. My pay and the amount of work I do.

*Internal Job Satisfaction.* The chance to work alone on the job. The chance to do different things from time to time. The chance to do things for others. The chance to do something that makes use of my abilities. The freedom to use my own judgment. The feeling of accomplishment I get from the job.

*Participation.* I take part in this group’s social activities. I attend training programs and activities provided by this group. I do community work with this group. I meet with top management through this group.