

Social Support and Career Optimism: Examining the Effectiveness of Network Groups Among Black Managers

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As companies look for better ways to manage diversity, one of the approaches that is emerging is the use of female and minority network groups. These groups are not well understood, and there has been no quantitative analysis of their impact on minority employees. Social network theory suggests that network groups should enhance the social resources available to women and minorities and in that way enhance their chance of career success, but some critics of network groups suggest that backlash might produce greater social isolation and discrimination. In this paper, we analyze a survey of members of the National Black MBA Association to find out whether network groups have a positive impact on career optimism, what specific effects of these groups are most beneficial, and whether groups enhance isolation or discrimination. Results indicate that network groups have a positive overall impact on career optimism of Black managers, and that this occurs primarily via enhanced mentoring. Network groups have no effect on discrimination, either positive or negative. There are some indications of greater isolation, but also some indications of greater contact with Whites.

KEY WORDS: career; race; networks.

INTRODUCTION

In the 1990s, concern with diversity has grown (Jackson, 1992; Thomas, 1991; Johnston & Packer, 1987) just as support for affirmative action has come under increasing fire (Lynch, 1989). Companies are therefore delving into new strategies to manage diversity, including the addition of cultural audits, new recruiting strategies, and enhanced training (Jackson, 1992; Thomas, 1991). One approach that has become much more common is the

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formation of employee network groups—groups of minority or female employees that meet occasionally for social and career support. This approach is different than all others in that (a) it is one that attempts not only to change attitudes, but social interaction, (b) it tries to harness not only the resources of the corporation, but the resources of minority employees, and (c) it is organized by employees themselves, not management.

Little is known about network groups at this point. There have been some qualitative assessments of the impact of network groups on minority employees based on field studies (Hyde, 1993; Childs, 1992; Friedman & Carter, 1993; Friedman & Deinard, 1991), and recent theory makes more clear why these groups might have a positive impact on the careers of minority employees (Friedman, 1996a). Yet we are not sure which of the expected impacts of network groups actually occur, nor which of these have the most benefit for minority employees. Do network groups enhance social support from other women and minorities? Do they increase the likelihood of having a mentor? If so, do these effects translate into improved feelings about career chances? Moreover, given the presence in some cases of backlash against employees who join network groups (Friedman & Carter, 1993), it is not clear whether the net effect of network groups is positive or negative. In this paper, we discuss barriers to career advancement for minorities, define network groups and explain what effects we expect them to have, and analyze a survey of members of the National Black MBA Association to examine in greater detail the effects of network groups on minority employees. In the empirical part of this paper we address two questions: Do network groups have a positive impact on minority employees? And, if so, what effects of network groups produce that positive impact?

MINORITY AND FEMALE CAREER BARRIERS

Since the passage of the Civil Rights Act of 1963 and the ensuing creation of affirmative action by executive orders, minority and female employment in corporations has increased and the returns to education for these groups has increased (Freeman, 1981; Smith & Tienda, 1988; U.S. Department of Labor, 1992). Still, some have found continued earning differentials for these groups compared to White men (Smith & Tienda, 1988), and few women and minorities have reached high levels of corporations (Spilerman, 1988; U.S. Department of Labor, 1991). Furthermore, there are still many complaints among Blacks and women that they are ignored, isolated in backwater jobs, or passed over for promotion (Davis & Watson, 1982; Dickens & Dickens, 1982; Whitaker, 1993; Driscoll & Goldberg, 1993; U.S. Department of Labor, 1995). As Gottfredson (1992) put it, “affirmative action dramatically increased the hiring of

women and minorities, but it has done less to ensure their promotion or retention (p. 282).”

Whether this is a significant social problem is a matter of much political debate, but at the organizational level we can deduce two negative effects of limited career opportunities. First, to the degree that employees feel that their chances for success in the organization are limited, they are not likely to be highly motivated. According to expectancy theory (Vroom, 1964), motivation is created when the employee expects that accomplishment will be followed by rewards. If there is a low probability that one of the major rewards of work—promotion—is available to an employee (or even a perception that that is the case), the employee will be less motivated. Second, employees who feel that they have little chance of promotion are likely to have feelings of injustice. Equity theory (Adams & Freedman, 1976) suggests that feelings of injustice are stimulated if someone believes that they receive fewer rewards than others who do comparable work or produce comparable achievements. This imbalance would certainly exist in cases where an employee feels that he or she is precluded from career advancement. These feelings of inequity may lead to lessened effort, or other attempts to restore equity such as the use of legal action against the company.

Thus, at an organizational level, perceptions that one is unable to advance one's career can hurt motivation, enhance feelings of injustice, and increase the chance that affected employees might leave the organization, sue the company, or take other actions that commonly occur among employees who feel that they are treated unjustly (Greenberg, 1990). If frustrations with career barriers persist, regardless of whatever objective improvements have occurred since the 1960s, organizations may face significant risks and inefficiencies. Moreover, the opportunities inherent in a more diverse workforce (R. Thomas, 1990) may be lost if minority employees do not feel part of and committed to the organization.

Explanations for Career Barriers

Explanations vary for lower levels of promotion and constrained career patterns among women and minorities. Some would suggest that these patterns can be explained by differences in training and experience (or, as economists put it, differences in “human capital”; see Becker, 1964), and there is some data to support this point. A smaller percentage of Blacks have college degrees than Whites (Spilerman, 1988), a smaller percentage of both women and Blacks study science and engineering in college than White males (Landis, 1991; Gottfredson, 1992), and once they are hired into companies, women and minorities are more often placed into staff

rather than line jobs (DiTomaso, Thompson, & Blake, 1988). Many explanations can be made for these patterns, but once they occur the result is differences in training and experience that affect promotions. Those who emphasize this explanation imply that the current career patterns are appropriate and justified.

At the same time, there is evidence of bias and stereotyping: women are often seen as less logical than men (Taylor & Deaux, 1975), their successes are more often attributed to luck (Deaux & Emswiler, 1974), they are seen as less competent than men (Heilman, Martell, & Simon, 1988), and there are biases against women holding jobs that are gender-stereotyped as male-oriented (Glick, Zion, & Nelson, 1988; Perry, Davis-Blake, & Kulik, 1994). For both women and Blacks, there is evidence that they are evaluated more harshly than White men in performance evaluations (Kraiger & Ford, 1985; Gutek & Stevens, 1979; Landy & Farr, 1980), and positive characteristics are attributed less easily to Blacks than to Whites (Gaertner & McLaughlin, 1983). These biases can make it harder for women and minorities to do well in their jobs and to be recognized for their accomplishments, and thus inhibit their managerial careers. Those who emphasize this explanation suggest that the current career patterns are inappropriate since they result from discrimination against women and minorities.

There is increasing evidence that women and minorities may do less well in organizations because of a third dynamic: patterns of social ties. People tend to feel more comfortable with and interact more with people who are like themselves (Marsden, 1988; Tsui & O'Reilly, 1980; Lincoln & Miller, 1979). This well-established pattern is called "homophily." As a result, those who are in groups that are represented in smaller numbers in an organization will have fewer similar others to meet, fewer relationships with others on the job, and far fewer affective ties with co-workers than those in larger groups. This is the situation typically faced by women and minorities in exempt positions (Ibarra, 1993; Pettigrew & Martin, 1987).

If those in the numerical minority try to find similar others (and in this way build more affective ties), this typically requires that they reach beyond their immediate work area. In this way, women and minorities can enhance the number of affective ties, but as a result they are more likely to have one set of contacts based on work-related commonalities, and another based on socio-emotional commonalities. These two dimensions of relationship overlap more for White men who are in the majority in organizations. Thus, as network theorists put it, majority employees' networks are typically more "multiplex" than those of women and minorities (Ibarra, 1992, 1995). For these employees, work-based ties are reinforced with affective ties.

Also, since women and minorities have to reach far to make contacts with similar others, those contacts are not likely to know each other. Thus, their networks are often less dense than those of majority employees (Ibarra, 1993). Lastly, if we also consider that women and minorities are less often in positions of power, when they do contact each other those contacts are not likely to provide access to top echelons of the organization (Brass, 1985).

As a result of these structural factors, women and minorities are likely to have fewer social resources at work. Having fewer ties means that they are less likely to have access to information that is disseminated informally, and lower levels of multiplexity decreases the likelihood of receiving delicate information from work-based ties, such as coaching about corporate politics, tips on how to adapt to the organization, or information about job opportunities. The probability of having a mentor is also reduced. As D. Thomas (1989, 1990) has argued, cross-race mentoring relationships are often highly strained, and when they do exist it is less likely that these relationships will be of the deeper type that includes a socio-emotional dimension. Thus, minorities are less likely to have mentors at work, and less likely to have ones that are effective and enduring. All of these *social* resources, we know, are as critical to succeeding in organizations as the educational resources emphasized by human capital theorists. An employee's ability to socialize into organizations (Van Maanen & Schein, 1979), learn the political ropes (Baker, 1994), and have mentors and political support (Kram, 1988) all influence career achievement.

This social structural explanation of career barriers paints a more complicated and subtle picture than the human capital or bias explanations described above. This perspective acknowledges that there might exist for all people a tendency to interact with similar others, even where there is no animus, stereotyping, or discrimination. Nonetheless, this more innocuous type of preference does result in lowered chances of success for those whose groups are represented in smaller numbers in an organization, and whose members are predominantly at lower levels in the hierarchy. For these people, natural tendencies toward homophily result in the accumulation of fewer social resources.

These three explanations are distinguished in order to guide the analysis of minority and female career patterns. However, we must add, they are not mutually exclusive and indeed they are highly interrelated. If managers decide not to invest in women or minorities (e.g., training, assignment to key jobs) due to discrimination, or if social network patterns result in women and minorities receiving less information and political or career support, then these employees will continually accumulate less human capital. These patterns are illustrated by a recent study of Asian immigrants

on high-tech work teams (Friedman & Krackhardt, 1997). Added investments in education did not translate into being labeled high potential for Chinese employees, largely because added education did not produce greater centrality in work team advice networks for these high-tech employees. Thus, while human capital is determined by factors exogenous to the organization for *new* employees,³ the accumulation of additional skills and resources is often highly constrained for women and minorities due to homophilous social interaction and discrimination.

NETWORK GROUPS

Governmental and managerial policymakers have focused primarily on the first two explanations of differential career patterns for women and minorities—human capital and discrimination. In the U.S., government policies have been established to support minority access to higher education, and it has been declared illegal to discriminate against women or minorities. Most organizations have, in turn, formally established policies against discrimination and in favor of “equal opportunity.” Neither, however, has tried to change the social structural patterns facing women and minorities in the workforce, and, we might add, neither is in much of a position to reshape social interactions at work. By contrast, women and minorities themselves *can* take steps to reshape their social networks, and have begun to do so by forming network groups.

Network groups are associations of minority or female employees that exist within organizations. Some are organized locally, such as Black or female groups in a given plant or office building, or nationally, including people from around the country. They usually meet at night, during lunch, or over the weekends every month or two (national meetings might be once a year), and often include both times for socializing and formal agendas and programs (e.g., providing information on financial planning, planning for Black history month, organizing an inner city tutoring program, or discussing company policies that might be deemed discriminatory). In most cases, White male employees are also allowed to join, but in practice few do.

In order to define more formally what we mean by the term “network groups,” we borrow the four-part definition elaborated by Friedman (1996a). First, network groups are organized based on social identity, such as gender or ethnicity, and their goals are oriented to the concerns or needs of employees from that group. Second, network groups are intraorganiza-

³Coleman (1988) addresses this same interplay of social and educational resources, but at an earlier stage. He argues that it is differences in social resources—such as family structure—that enable some people to stay in and take advantage of school, while others without those social resources are more likely to do badly in school or drop out altogether.

tional entities. There do exist groups of Black bankers, or female marketers, but those will not be considered here since these cross-organizational network groups have a fundamentally different role to play than internal groups. Third, network groups are organized by members rather than by management. Many companies have minority advisory boards composed of selected employees, but these are not network groups. Management may meet with network groups to discuss issues, but if they form and run the group themselves, then it is not a network group. Network groups are self-controlled and self-organized. Finally, network groups are publicly recognized or formally organized. The fact that they are an identifiable organization distinguishes them from natural social networks that always exist in organizations.

Historically, network groups first appeared in the 1970s as women and Blacks began to be hired into management positions in significant numbers. One of the first network groups was formed at Xerox corporation. It began informally, as Black employees felt a need to find each other and provide support for one another (Friedman & Deinard, 1991). Over time, these informal groups became more formal, with written mission statements, by-laws, and rules for nominating officers. Several other companies had network groups in the 1970s, including AT&T and DEC. More recently, there has been a sharp surge in the number of large companies that have formally recognized network groups. A survey of Fortune and Service 500 companies revealed that 29% of respondents had network groups (Friedman, 1996b). Among those that did not have network groups, 29% were considering establishing a group. In the survey of National Black MBA Association members reported in this paper, 34% of respondents reported having network groups in their companies. Among those who did not have groups, 82% said they were considering starting network groups at their companies.

Network groups tend to engage in two kinds of activities: self-help and organizational change. Self-help means doing things that enable individual members to function more effectively and comfortably in the current system. This might include training sessions on sales techniques (see, e.g., Xerox), senior management discussion of corporate strategic plans, or seminars on how to manage one's boss. Similar information is also conveyed informally, as people meet each other and ask each other for information and advice. Organizational change means doing things to change the way the organization works and/or people act within the organization. This might include efforts to institutionalize diversity training for employees, or efforts to change hiring policies if they are thought to be biased. What is required for either activity, and the core of what network groups do, is bringing people together and creating contacts that otherwise would not exist. Network groups help women and minorities make contacts with oth-

ers who are like themselves, find out who among the women and minorities in the organization is interested in meeting and supporting each other, and create opportunities to meet separately and thus in a context where participants are (momentarily at least) not in the minority.

Effects of Network Groups

The core activity of network groups—bringing people together and creating contacts—inherently has an impact on the organizational social structure experienced by women and minorities. At a minimum, network groups should increase the strength of relationship among women and minorities. It is not likely that these contacts will eliminate the structural effects of homophily for women and minorities, but we should expect some benefits from *any* additions to the social networks of exempt employees. Assuming that network groups do not in any way decrease contacts with others (this possibility is addressed below), these added ties should increase members' network range, and thus their access to information, advice, and political support. Network group members will simply know more people, or know them better than before.

Having more contacts also increases the chance that members will locate someone to be a mentor. This benefit is made even more likely since these added contacts are with people in-group to the network group member. As pointed out earlier, mentor relations are more likely to occur and to have socio-emotional elements if they are intrarace rather than cross-race. During one network group's meetings described by Friedman and Carter (1993), a young Black manager at a Fortune 500 company gave a presentation during a network group meeting, after which a senior Black manager from corporate took her aside to provide advice and feedback on her presentation style. He then found out about her interests and career, and they traded business cards to maintain contact.

Finally, having contacts with other women and minorities ensures that an employee can find people with similar experiences if there is a need to diagnose a problem related to being female or minority, and figure out how to manage it. When a problem occurs that might be attributed to "discrimination" it is helpful to have available someone who has faced similar situations, and perhaps knows the people involved. This allows the person to better diagnose the problem, and thus to generate a more effective and appropriate response. In this way, network groups can enhance members' ability to interact effectively with *all* employees in an organization, not just other network group members.

In sum, we expect network groups to enhance the strength of ties among women and minorities who are members of groups, provide them

with added information, mentoring, and political support, and strengthen ties with majority organizational members. These social structural effects should then improve members' ability to compete in the organization, and thus decrease any feelings that may exist that career progress is impossible.

Hypothesis 1. Female and minority employees in companies with network groups will feel more optimistic about their careers.

Hypothesis 2. Employee network groups enhance career optimism by enhancing access to social resources (including in-group social support, mentoring, feedback, and cross-group social ties).

Some concerns have been expressed, however, that network groups may have negative effects on social relations, at least with majority males. It is paradoxical to imagine that separation can enhance integration (Friedman, 1996a). For those who believe strongly in assimilation, especially, separation is antithetical to the goal of enhancing contacts with the rest of the organization. More specifically, some managers have expressed concerns that as women and minorities spend more time with each other, they will therefore spend less time with White men. Others have argued that the very fact that network groups will help meet some of the practical and emotional needs of members could reduce pressures to turn to White men for those contacts. We, however, do not expect that these types of problems are common. From field studies of network groups, it appears that most groups meet only occasionally, so it is not likely to significantly decrease time spent with others, and the bulk of time for all employees is still spent with their immediate work colleagues. Nonetheless, we will also look for evidence of greater isolation (from White male employees) among network group members, as well as greater inclusion.

Hypothesis 3. Network groups will decrease social support by diminishing cross-group social support and interactions.

It is at this level—changes in social networks—that we expect network groups to have the greatest impact, and provide the greatest benefits to minority and female employees. These effects are inherent to the very existence of a network group, and the effects require only that members take advantage of the contacts they make. They do not depend on the actions of others in the organization, or on the ability of network groups to change the attitudes or behaviors of others in the organization. However, since the efforts of some network groups are directed toward organizational change and enhancing communication with top management about members' concerns, we might also expect network groups to produce positive changes in the organization. Some network groups have effected changes in hiring or promotion policies, encouraged the organization to have diversity training, or sponsored events such as celebrations of Black history month. In these

ways, network groups might be able to reduce organizational and interpersonal biases, stereotyping, and discrimination.

Hypothesis 4. Feelings of discrimination will be lower in organizations that have network groups.

There are several reasons, however, to doubt the effectiveness of network groups at changing organizations and lessening discrimination. Personal biases and discriminatory attitudes are very hard to change. The more extreme the attitude the more likely it is that efforts to influence them will actually strengthen that attitude (Sherif & Hovland, 1961), and people may not even be able to identify or acknowledge their biases if they are held unconsciously as assumptions (Taylor & Deaux, 1975; Deaux & Emswiller, 1974). On an organizational level as well, changing biases may require wholesale changes in personnel systems or organizational culture, neither of which is very easy to do no matter who tries to generate the change. Some survey results reinforce these concerns. HR managers at Fortune and Service 500 firms indicated that they did not see network groups as effective at either changing discrimination or changing corporate policies (Friedman & Carter, 1993). Indeed, many did not think that it was appropriate for network groups to address corporate policies at all. Thus, we expect that network groups might have some positive impact on the organizational context, but we expect that these effects will be smaller than the structural effects of network groups. At the same time, we must consider the possibility that network groups actually *enhance* discrimination: field interviews with network group members revealed concerns that forming network groups might lead to backlash and anger by peers and superiors, and thus make matters worse.

Alternative Hypothesis 4. Feelings of discrimination will be higher in organizations that have network groups.

All of the possible effects we have identified—both positive and negative—are summarized in Fig. 1. Although negative effects of network groups are considered, we expect that network groups will have an overall positive effect on female and minority careers, and that the strongest effect of network groups will be to enhance social resources for members.

RESEARCH

In 1993, we surveyed members of the NBMBA Association. This sample allowed us to assess the impact of network groups on African-American employees across the country. We received 397 replies, out of 2875 mailed. This 14% return rate was low, but in terms of the key variable—the percentage of respondents that had network groups—they did not differ from the rate suggested by a survey of Fortune and Service 500 companies

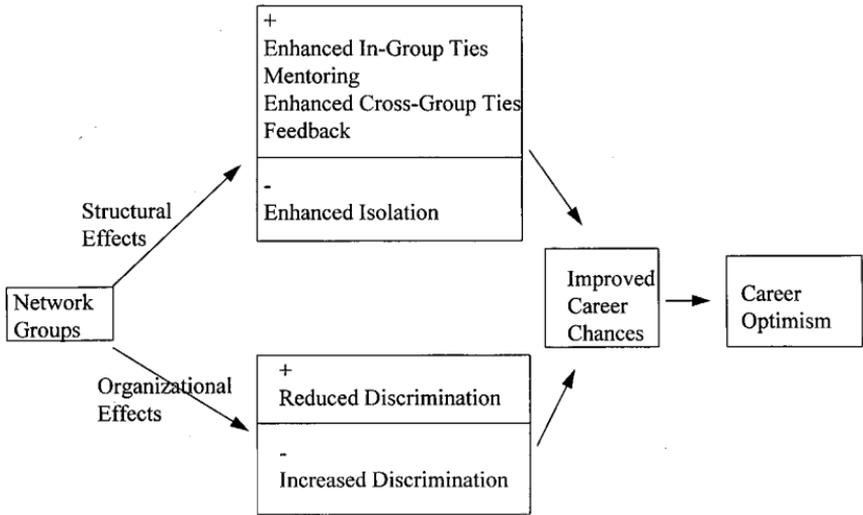


Fig. 1. Effects of network groups on career optimism.

(Friedman & Carter, 1993).⁴ The mean age of respondents was 35 (SD = 7.08), the mean number of years with their current company was 7.19 (SD = 6.44), 55% were male, and 95% had a Master's degree. In terms of organizational level, 35% of respondents identified themselves as individual contributors (nonmanagerial), 31% identified themselves as management, 21% as middle management, and 11% as executive management (2% did not respond to this question).

Each survey included three sets of question (see Table I). First it included questions about demographic information: where the respondent worked and respondent's age, sex, education, years in company, and rank. Second, the survey included questions about network groups. Respondents were asked a simple factual question: was there a network group at their company. If they had a network group, they were asked additional questions about what their network groups was most effective at doing. Third, the survey included attitude questions that were created to assess respondents' perceptions about their careers, jobs, and relationships at work. Respondents were asked to assess, on a 5-point Likert scale, whether they agreed or disagreed with statements about these topics. Two questions that related to career progress were combined to produce a scale that we have

⁴In that survey, 29% of HR managers at Fortune and Service 500 companies reported the presence of network groups in their organizations, while 34% of respondents to the NBMBA survey analyzed here reported the presence of network groups in their organizations. This indicates that the NBMBA sample is not biased in terms of the degree of exposure to network groups.

Table I. Variables

Company characteristics	
Network	Has a network group
Employees	Number of employees in the respondent's company
North	The respondent's company is located in the Northeast
South	The respondent's company is located in the South
West	The respondent's company is located in the West
Profit	The profit made of respondent's company, 1990 (Calculated as: [total debt + (# shares)(price per share)]/total assets)
Respondent characteristics	
Age	
Years in Company	
Education	1 = high school or less, 2 = college, 3 = graduate
Level in Company	1 = nonmanagerial, 2 = mgmt, 3 = middle mgmt, 4 = executive
Sex	0 = male 1 = female
Attitudinal variables	
Discrimination	I have faced racial discrimination at work
Feedback	I receive honest and accurate feedback on my performance
Mentor	I have the support of a mentor in my company
White manager difficult	It is difficult for white managers to serve as my mentor
Support	My strongest support comes from African-Americans
Ties	I maintain extensive ties with African-American employees throughout the company
Career optimism	
(alpha = .69)	I am satisfied with my career progress I expect to move higher in the company in the near future

labeled "Career Optimism" (Alpha = .69). This was used as the dependent variable in our primary analysis for this paper. Given the anonymity of responses to our survey, it was not possible to conduct follow-up surveys to assess actual career progress. Moreover, we believe that respondents can make reasonable judgments about their career progress, and, more importantly, employees' *perceptions* are just as important as what eventually happened. It is perceptions of one's situation, according to expectancy and equity theory, that affect motivation and feelings of justice.

Six other attitude questions were used in this analysis. Respondents were asked about the strength of their ties with Black employees, as well as the degree to which their "strongest support" came from other Black employees. The second question is closely related to the first one, but also represents the *relative* strength of support from Blacks and Whites in the organization. Someone might respond strongly to this statement either because they have very strong ties to other Blacks, or because they have very weak ties with Whites. Thus, high scores on this question could be an indicator of isolation from Whites. Respondents were also asked two questions about mentors. One simply asked if they had a mentor. The second asked if it was difficult for a White manager to be a mentor. The latter question is also relevant to the question of isolation: if mentors are more available due to network groups, but Blacks' ability to work with

White mentors is decreased, that would be an indication of isolation. Respondents were also asked whether they experienced discrimination at work and whether they received feedback about their work. These questions allowed for an analysis of many, but not all, aspects of the model shown in Fig. 1.

For all analyses, the five demographic factors were included. No predictions were made about the effects of these variables, but it is reasonable to assume that optimism might be affected by factors such as age and organizational rank. In addition, we did an analysis to determine if company size, region, or profitability affected career optimism. For a subset of the surveys ($n = 172$), the companies for which respondents worked could be matched with companies included in the CRSP database. For these respondents we were able to add data about the size of the organization, the geographic region, and corporate profitability. Regression results showed no significant effects of any of these variables on career optimism. Since no effects were found, and further inclusion of these variables in the model would severely reduce the number of usable responses in our analysis, we did not include these variables again. Variables are listed in Table I. Means, SD, and correlation tables for all variables used in the analyses are in Table II.

Analysis

The first step in our analysis was to determine whether network groups had a positive impact on career optimism. The results of these regressions are listed in Table III, model 3. Controlling for respondent characteristics, *network groups do significantly increase career optimism*, providing support for Hypothesis 1. Several of the controls were also significant. Those who were at higher levels in the company were more satisfied with their career progress, while those who were older and had been at their company longer (controlling for level in the company) were less satisfied.

After establishing the overall effect of network groups, we investigated more closely their particular effects. We wanted to know the effects of network groups on social structure and discrimination, and find out which, if any, of these effects mediated the relationship between network groups and career optimism. This series of analyses followed the method proposed by Baron and Kenny (1986) for identifying mediating effects. Having established that network groups affect career optimism, this effect is shown to be mediated by a third factor if that factor is also significantly affected by network groups *and* the addition of that factor to the original model eliminates the significance of the network group effect.

Table IV shows the results of regression models that examine the impact of network groups on social structure and discrimination, controlling

Table II. Correlations

	Mean	SD	1	2	3	4	5	6	7	8	9	10	11	12	13
1 Age	35.34	7.01	1.00												
2 Career optimism	2.99	1.08	-.13***	1.00											
3 Discrimination	3.54	1.23	.22***	-.25***	1.00										
4 Education	2.96	.19	.03	-.01	.10*	1.00									
5 Feedback	2.96	1.23	-.05	.41***	-.29***	-.07	1.00								
6 Level in co.	2.09	1.01	.37***	.25***	.04	-.05	-.08	1.00							
7 Mentor	2.54	1.35	.02	.42***	-.05	.04	.20***	.20***	1.00						
8 Network	.34	.48	.05	.11*	.00	.04	.01	.08	.14**	1.00					
9 Sex	.45	.50	-.27***	.02	-.05	.04	.03	-.23***	.12*	.00	1.00				
10 Support	3.17	1.24	-.08	-.02	.09	-.02	-.08	.01	.12*	.19***	-.05	1.00			
11 Ties	3.59	1.08	.07	.10*	.06	-.03	.07	.16***	.15***	.21***	-.02	.56***	1.00		
12 White manager	2.97	1.25	.02	-.26***	.25***	-.04	-.26***	-.07	-.23***	-.11*	-.08	.20***	.02	1.00	
13 Years in co.	7.19	6.44	.61***	-.16**	.21***	-.01	-.06	.23***	.07	.11*	-.10	-.02	.14**	.11*	1.00

* $p \leq .05$.

** $p \leq .01$.

*** $p \leq .001$.

Table III. Determinants of Career Optimism^a

Model	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Respondent characteristics												
Age	-.174*		-.169*	-.179*	-.176**	-.167*	-.177**	-.195**	-.189**	-.137*	-.153*	-.208***
Sex	.038		.036	-.041	-.041	.035	.031	-.028	-.013	.034	-.021	-.040
Education	.015		.009	.025	.022	.011	.008	-.005	.003	.030	.034	-.009
Years in co.	-.127**		-.139*	-.046	-.054	-.144*	-.138*	-.079	-.093	-.114*	-.119*	-.050
Level in co.	.354***		.347***	.228***	.227***	.338***	.348***	.260***	.324***	.338***	.305***	.249***
Mediating variables												
Ties			.070	.063	.063	.057						
Support			-.073	-.081	-.081		-.063					
Mentor			.300***	.295***	.295***			.358***				.336***
White mentor difficult			-.060	-.050	-.050				-.208***			-.152**
Discrimination			-.103*	-.102*	-.102*					-.209***		
Feedback			.262***	.287***	.287***						.369***	
Network group												
NG		.106*	.103*		.056	.092*	.115*	.056	.079	.099*	.100*	.042
Adjusted R ²	.120***	.009*	.128***	.348***	.349***	.129***	.129***	.242***	.167***	.166***	.269***	.262***
Δ R ² due to NG	.01*		.01*		.003	.008*	.013*	.003	.006	.010*	.010*	.002

^aModels report standardized betas.

**p* ≤ .05.

***p* ≤ .01.

****p* ≤ .001.

Table IV. The Relationship Between Network Groups and Mediating Variables^a

	Ties	Support	Mentor	White	Discrim.	Feedback
Respondent characteristics						
Age	-.013	-.107	.090	-.130 ⁺	.147*	-.049
Sex	-.002	-.096 ⁺	.189***	-.132*	.019	.041
Education	-.019	-.017	.022	-.007	.112*	-.054
Years in co.	.056	.007	-.185**	.240***	.146*	-.067
Level in co.	.138*	.018	.235***	-.095 ⁺	-.052	.132*
Network group	.223***	.212***	.127*	-.100*	-.042	.024
Adjusted R ²	.065***	.041**	.091***	.046***	.058***	.008

^aModels report standardized betas.

⁺ $p \leq .10$.

* $p \leq .05$.

** $p \leq .01$.

*** $p \leq .001$.

for respondent characteristics. Network groups had a positive impact on ties with other African-American employees, as was expected, and they had a positive impact on mentoring, also as expected. These results are consistent with Hypothesis 2. Network groups also increased the sense that Black employees' strongest support comes from other Blacks, and it decreased the feeling that it is hard for Whites to serve as mentors. These findings provide mixed results regarding the question of enhanced isolation of Black employees due to network groups. The effect of the support variable indicates that network groups do not produce as much support from Whites as they do from Blacks, which leaves open the possibility that Blacks become more isolated from Whites as a result of the formation of network groups. However the question about difficulties with White mentors indicates that members' ability to work with Whites is actually enhanced, as we expected. Thus, there is some evidence in support of Hypothesis 3, but this evidence is ambiguous and contradictory.

Network groups appear to have no effect on discrimination or feedback, leading us to reject both Hypothesis 4 and alternative Hypothesis 4. The discrimination finding is not surprising. We were not very confident that network groups would have an impact on the organization. Note, however, that network groups apparently do not make matters worse—there is no indication of any *increase* in discrimination due to network groups as might be expected by those who emphasize White male backlash. That backlash might still be there, but it is not significant enough to make those who have network groups feel that they have to face greater amounts of discrimination. Lastly, the lack of effects of feedback were surprising to us. We expected the existence of network groups to translate into social support, which would include more information about one's performance at work. This non-effect may indicate that the greater social support that is being received due to network groups is not coming from those who are

in a position to provide feedback about performance on the job, perhaps due to the fact that the added ties created by network groups are often, by necessity, with people distant in the organization. As such, they would not have intimate ongoing information about one's performance.

We assessed the mediating impact of these effects in two steps. First, we added all six variables to model 3 (see Table III), to find out if this would eliminate the effect of network group on career optimism. As seen in model 5, the addition of this block did eliminate the significance of network groups. Among these variables, having a mentor and receiving feedback both have a positive impact on career optimism, while feelings of discrimination reduce career optimism. All of these effects were expected. Second, we introduced each of these variables into the model separately to examine their effects on the significance of network groups. The two factors which, alone, eliminated the significance of network groups were having a mentor and discomfort with White mentors. These results indicate that the positive effect of network groups on mentoring is the key factor mediating the relationship between network groups and career optimism. Network groups enhance mentoring and reduce feelings of discomfort with White mentors. These were the only factors that both (a) were significantly effected by network groups, and (b) eliminated the significance of network groups in the model. In the final model (model 12 of Table III), these two factors—mentor and difficulties with White mentor—are included together. This produced the lowest coefficient for network group, and significant effects for both mentoring-related variables.

We conclude from our analysis that network groups do have a positive impact on Black employees, at least as indicated by their expressed satisfaction with their career progress. More specifically, network groups have an impact on the social structure of organizations. Those with network groups have more ties with other African-Americans, they have more support from mentors, and they are better able to work with White mentors. However, network groups do not appear to affect job feedback, as we had expected. We were also surprised to find that having more ties with other Blacks did not in itself improve career optimism. Rather, it is the effect of network groups on mentoring that appears to be the primary mechanism that enables network groups to enhance career optimism for African-American managers. Having more ties with other Blacks is positively correlated with mentoring (see Table II),⁵ but it is mentoring, not ties with other Blacks, that mediates the relationship between network groups and career optimism. Finally, we found that feelings of discrimination did have

⁵Similar results were found in a regression model predicting mentor support. With controls added for age, sex, education, years in company, and level in company, maintaining ties with African-Americans had a positive coefficient that was significant at the .05 level.

a significant impact on career optimism, but network groups had no impact on feelings of discrimination. Thus, as expected, network groups' primary effect is on social structure and personal career support, not their ability to change organizations and attitudes.

DISCUSSION

The recent rapid expansion of network groups represents a shift in approach to minority and female career achievement and satisfaction. While companies are not necessarily backing away from affirmative action or attitude training, the network group alternative recognizes that significant constraints exist for women or minorities—even those who get access to jobs and who face attitudes that are more accepting than in the past. These constraints occur because of the natural tendency of most people to interact more comfortably with others who are like themselves in significant ways. Network groups do not eliminate these tendencies, but try to draw as much as possible on the potential benefits of within-group ties in an organization. Network groups are designed to help members identify those few others who are like them within an organization, build relationships with those people, and have access to an additional layer of social support. There should be little doubt that biases still exist, and that educational differentials are still a problem. Nonetheless, there is something to be gained from taking steps to enhance the social resources of women and minorities in organizations.

This approach to enhancing career achievement, at least in the eyes of a sample of African-American managers, appears to be effective. The analysis reported in this paper indicates that Blacks who are in companies that have network groups are more optimistic about their careers than those who are in companies that do not have network groups. Moreover, a clearer picture is emerging as to *why* network groups benefit Black employees. Network groups enhance the chance that employees will have mentors to support their career development, and enhance their ability to work well with White mentors.

However, network groups do *not* provide members with feedback about their jobs and they do not reduce feelings of discrimination. While these two factors have significant effects on career optimism of Black employees, network groups do not have a significant effect on these factors. The effects of network groups appear to be limited to reshaping patterns of social interaction and gaining social support, rather than creating any wholesale changes in the organizations where they exist. This result is consistent with that reported in Friedman (1996a), where HR managers from Fortune and Service 500 companies suggested that network groups were

effective at providing social support for members, but relatively ineffective at shaping policies or fighting discrimination. Conversely, network groups enhance ties among Black employees, but this alone does not enhance career optimism for Black employees. The benefit of enhanced contacts with other Blacks is, again, through mentoring. Those who have more contact with other African-Americans (which is enhanced by network groups) are more likely to have a mentor. The positive impact of network groups comes from the *overlap* of social and professional ties (or, as network theorists call it, the creation of “multiplexity”).

The analysis also indicates that some of the negative effects of network groups, feared by some observers of network groups, occur at only minimal levels, if at all. Network groups clearly do not enhance feelings of discrimination among Black employees. If we can assume that they would notice negative feelings generated by backlash at network groups, it appears that fears of backlash are not warranted. There is some indication, however, that network groups may increase isolation of Blacks from Whites, but the evidence for this effect is mixed and unclear in this data. On balance, then, network groups are a positive force in the eyes of Black managers.

Limitations of the Study

This study includes the first quantitative analysis of network groups, and thus provides key insights into the effects of network groups. However, we should be clear that the study has several weaknesses. First, the response rate is relatively low, providing some concerns about the representative ness of the sample. This is a problem that we had to live with given the difficulty gaining access to large numbers of Black managers across organizations. The National Black MBA Association was very supportive in providing a partial list of members to survey, but they also made it clear that this was a group that received many appeals (from the NMBBAA as well as others) to fill out surveys.

Second, although we identified statistically significant effects of network groups on career optimism, the size of the effects were small. Some might therefore dismiss the findings, but we would argue that this is an area of such persistent challenge and frustration that even small effects should be greeted with hope. Moreover, given that network groups are relatively unobtrusive in most organizations and relatively costless, and given the fact that our sample is certain to include both effective and ineffective network groups,⁶ we would argue that even small positive effects are noteworthy. Finally, we would eventually like to have data on actual promotion rates and career achievement. However, given the difficulty of obtaining such data we believe that measures

⁶We thank Barry Gerhart for this observation.

of career optimism serve as reasonable indicators of the effects of network groups, and should be considered an important area in their own right. For Black employees to have added hope and optimism is a positive step, and one that can immediately help an organization.

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