Expectations of Organizational Mobility, Workplace Social Inclusion and Employee Job Performance

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Summary

Two new concepts, employees’ Expectations of Organizational Mobility (EOM) and Workplace Social Inclusion (WSI) were developed in part from the burgeoning literature on social capital. Two independent tests of the hypotheses in two different organizations found that the greater employees’ expectations of organizational mobility, the lower their workplace social inclusion which in turn was associated with lower employee job performance ratings. Further, the mediating role of workplace social inclusion was confirmed. Our findings support the arguments of those who have warned that employees’ expectations for organizational mobility, and implicitly the human resources philosophy of “employability” that encourages such expectations, is associated with comparatively worse individual job performance via lower levels of employee workplace social inclusion. The value of these concepts for current employability debates, for the use of subjective supervisory judgments in performance appraisal ratings and for researchers interested in organization-based communal social capital is discussed.
Introduction

Popular press and career-advice publications increasingly emphasize that employees should expect to be organizationally mobile throughout their work lives (e.g., Smith, Perry, Dillon, & Smart, 2000). It would seem that employees who view their positions with their current employer as transitory should act differently than those who expect to spend significant time in their organizations. Certainly many scholars (e.g., Leana & Van Buren, 1999) have suggested that employees expecting to be organizationally mobile will behave differently than those expecting a more secure tenure. However, their arguments have not been put to direct test. Here we build on the ideas of those who have suggested that employees who expect that they must be organizationally mobile will act differently than those who do not by theoretically expanding others’ arguments with ideas derived from the organizational and sociology literatures on social capital. We propose that employee expectations that they will be organizationally mobile across employers are dysfunctional for the development of the kind of workplace social inclusion required for success in many settings, which in turn will be reflected in comparatively poorer employee job performance. This thesis then is tested in two independent samples, providing a strong test-and-replication of the argument that expectations of mobility can be dysfunctional for the employees who hold them.

There is some dispute about whether or not organizational mobility actually has increased in the past decades (Cappelli, 1995; Cappelli, 1999a; Jacoby, 1999; Neumark, Polsky & Hansen, 1995). Nevertheless, there can be no doubt that employees are increasingly admonished to expect and be prepared for organizational mobility throughout their careers (e.g., Shachtman, 2000). These practices also are reflected in the advice given to graduating students and other labor-market neophytes, who are told to plan and prepare for careers with different employers.
This shift has been characterized as the “employability trend” in human resources management. Employability is the term used to describe an approach to human resources management in which employers provide interesting jobs and opportunities to develop skills that can be used to build a mobile career, involving what Galunic and Anderson (2000) call “generalized investments in employees.” This is in contrast to an approach that emphasizes employers’ commitment to employees reflected in attempts to provide job security (see Leana & Rousseau, 2000; Tsui, Pearce, Porter & Tripoli, 1997, for a discussion of these two approaches).

As an idea, employability seems to be growing in popularity among executives. Ledford, Lawler and Mohrman (1995) report that their survey of the largest American corporations indicated that between 1987 and 1993 the proportion offering no job security to any of their employees increased from 47 to 63 percent. Corporations such as Apple, Time-Warner, Sun Microsystems, and British Petroleum have publicly stated their desire to offer their employees opportunities to develop their employability and career self-reliance, complete with career planning counseling that encourages employees to consider organizational mobility as an important component in building their own personal employment security. Similar data are reported by Cappelli (1999b) and Neumark (2000). While explaining why employability has become a popular human resources management trend is beyond the scope of this article, we note that advice to maintain one’s employability is something that employees are increasingly likely to hear from the media, counselors, their employers, friends and coworkers.

Human resources management policies promoting staffing by employees who are expecting to be organizationally mobile have been widely criticized as dysfunctional for organizational performance. Among scholarly writers, Pfeffer (1998) suggests that an employability approach fosters turnover, especially among the best employees with the most
marketable skills. Leana and Van Buren (1999) argue that this shift to employability in the management of human resources is deleterious because it damages the organization-based communal social capital on which organizations depend. Pearce (2000) proposes that employment instability means employers must use more costly means to assess the trustworthiness of potential employees. Unfortunately, these and other arguments about the dysfunctional effects of employee expectations of organizational mobility have only recently begun to receive rigorous empirical tests.

We propose that the concept of employee’s expectations of organizational mobility is sufficiently different from related concepts in the field of organizational behavior to merit a distinctive concept and measure – here called Expectations of Organizational Mobility. Expectations of Organizational Mobility (EOM) is the extent to which employees expect to need to change jobs to remain employed in their occupation. It is not intent to leave which implies immediate or near-term action; nor is it the obverse of organizational commitment with its affective component. Employees may be committed to particular employers but still maintain expectations that they will need to remain organizationally mobile to maintain employment. These expectations are based on an individual’s perceptions of common practices in their occupation regarding mobility. Employees may expect to be mobile but remain committed to their current employer for now, because they find it congenial or acceptable until a potentially better opportunity arises. Here we propose that employee expectations that they need to be mobile, in themselves, can have effects on employee intentions and behavior that are dysfunctional for employee job performance and, by extension, dysfunctional for their employers. This is so because, following Leana and Van Buren (1999) and Pearce (2000),
employees who expect organizational mobility during their careers will not develop as much of the *workplace social inclusion* that can be useful to employers.

**Workplace Social Inclusion, Organizational Mobility Expectations and Job Performance**

*Workplace Social Inclusion*

Because the effects and utility of social relationships are central to so many of the social sciences it is not surprising to find a multitude of different approaches to conceptualizing and studying them. As Burt (1999) notes, social capital as a metaphor for the value of social relationships has become increasingly popular. While definitions have varied (see Adler & Kwon, 2000; Leana & Van Buren, 1999; Lin, 1999; Burt, 2000 for reviews), a common understanding can be identified: social capital is a resource that can facilitate certain actions and is located in a network of more or less durable social relations. For example, social capital can be having the contacts to gain the support of another department, having a well-placed friend who is willing to do a favor, knowing who to call to ensure that customers’ bills are paid promptly, or gaining information from regular golf partners or lunch buddies. Social capital has been analyzed as a property of individuals (Belliveau, O’Reilly & Wade, 1996; Burt, 1997; Burt, 2000; Coleman, 1988), of organizations (Leana & Van Buren, 1999), and of communities (Fukuyama, 1995; Putnam, 1995; Woolcock & Narayan, 2000). Certainly, those who have advocated an employability approach to human resources management assume that social capital is something individuals can acquire and develop, as is reflected in advice to “network” or build linkages with others outside one’s own organization.
An individual’s social capital has been conceptualized as involving linking or communal social capital (Oh, Kilduff, & Brass, 1999). Linking social capital (which is also called bridging social capital by Woolcock and Narayan, 2000) is derived from linking otherwise disconnected groups (Burt, 1992; Freeman, 1979). Individuals who have relationships in otherwise unconnected groups serve as bridges, allowing them information and control benefits. There is a rich and growing empirical literature on the value of linking social capital to individuals who possess it (Burt, 1992; Burt, 1997; Burt, Hogarth, & Michaud, 2000; Burt, Jannota & Mahoney, 1998; Podolny & Baron, 1997). Oh et al. (1999) distinguish this form of social capital from what they call communal social capital. Communal social capital stems from relationships developed among those whose activities are organized around the same focus. Communal social capital is based on embedded, relatively enduring mutual interactions in such institutionalized groups as families, voluntary associations, neighborhoods, and, of course, in work organizations (Leana & Van Buren, 1999). In organizations, Burt (2000) suggests that both forms may provide distinct performance advantages with different tasks and so may complement one another. At present there is no published empirical research on when linking and communal social capital may co-vary negatively or be independent of one another. Our approach does not depend on these concepts as being mutually exclusive.

While the use of the metaphor of social capital allows us to tap into the rich theoretical perspectives of those who have studied human and financial capital and the rigorous methodological approaches of those studying social networks, the present work proposes to draw on the theoretical insights of the social capital literature, but to test our ideas using non-structural self-report measures. Because the term “social capital” is synonymous with structural network position for so many, we call this concept workplace social inclusion, and propose that it
mediates between expectations of organizational mobility and job performance. Workplace social inclusion captures the extent to which employees have informal social ties with others at work and feel as if they belong and are socially included by others in their workplace. The study of such internal ties and sentiments is as old as the field of organizational behavior itself (i.e. Roethlisberger & Dickson, 1939), but usually is associated with the study of formal work groups or teams, and traditionally is called cohesiveness. We suggest that employees may have social ties and feel belonging to informal clusters that cross formal task groups, and accordingly, our new measure, Workplace Social Inclusion (WSI), is not group-specific. Since our focus is on how individuals’ perceptions affect their workplace actions, WSI assesses the extent to which an individual feels socially included in the workplace. It is similar to Faust’s (1997) idea of affiliative centrality in that it reflects the extent to which employees are socially active with others employed by the same organization, but it differs by being a perceptual rather than an objective measure. Likewise, WSI differs from communal social capital since it measures perceptions of being included in the workplace while communal social capital is comprised of the resources in linkages that facilitate actions within an organization. Nevertheless, an individual with ties within an organization (communal social capital) usually would perceive that they have high WSI.

*Expected Organizational Mobility and Workplace Social Inclusion*

We propose that employees’ expectations that they need to be mobile during the course of their careers affect their workplace social inclusion. Leana and Van Buren (1999) suggest that organization-based communal social capital will be undermined in those circumstances when employees are unable to establish an identity that includes their organization (because they see
themselves as transient). Employees who expect to be organizationally mobile more often may hold a “cosmopolitan” outlook towards their careers (Gouldner, 1957, 1958), and may decide that spending time establishing and maintaining social relationships outside their organization is more beneficial for finding future jobs (Lin, 1999) than building more extensive social connections within the organization where they do not expect to be employed for the long term. Although employees might not be able to calculate the exact value of their social relationships, since the full worth of one’s relationships may only be realized in the event of a crisis (when it becomes apparent whether one’s contacts are helpful resources), employees are able to make decisions about spending time and attention either within or outside of the organization developing their networks. Woolcock and Narayan (2000) note that, for example, employees afraid of being left out of important decisions within their organizations and those professionals laying the groundwork for new business development both understand that they need to be actively involved in extra-organizational networking to achieve their goals.

Employees’ expectations that they are organizational transients, alone, can undermine their motivation for developing deeply embedded workplace relationships (Leana & Van Buren, 1999). Employees who expect to be organizationally mobile will tend to place less importance on job tasks that are not consistent with their expectations for mobility. For example, employees who expect to be mobile may be likely to make less “small talk” in the hallway at work than those without expectations for mobility, even though doing so might help them to get to know their coworkers better and to build the trust that could be helpful in completing projects in the future. Investment in social relationships is a time-intensive process (Granovetter, 1973), and employees have a finite amount of time to invest. That is, employees who anticipate changing employers in the course of their careers might be expected to invest comparatively less in
building their workplace social inclusion solely in any given employer. This parallels the arguments of those who suggest that investments in human capital are finite and that individuals and their employers make tradeoffs about the best decisions. For example, Becker (1964) proposes that employees generally will pay the costs of general training (e.g., literacy) because employers will not pay for something that will benefit another employer, and employees willingly bear the cost of general training because they expect to reap the benefits of higher future wages. Certainly, those seeking to facilitate mobility often advise employees to develop social relationships outside the workplace by networking via professional associations and other settings not dominated by a single employer. This advice derives from the large body of research indicating that many find new jobs through personal relationships, and ties external to one’s employer often are more valuable than within-organization ties for learning of new opportunities for employment (Granovetter, 1995; Lin, 1999). Employees with high EOM would be expected to focus more on relationships with those outside the organization who may be useful in helping them obtain future jobs with other employers.

\[ H_1: \text{The higher an employee’s expectations for organizational mobility the lower his or her workplace social inclusion will be.} \]

*Workplace Social Inclusion and Job Performance*

Since linking and communal social capital have been viewed by some as inversely related (e.g., Burt, 1992), it might be argued that investing in high levels of organization-based communal social capital would hurt individuals’ job performance and prospects. There is a developed body of research evidence that connects linking social capital and job performance. Linking social capital has been associated with earlier promotions (Burt, 1992; Podolny &
Baron, 1997) and better managerial performance (e.g., Barker, 1993; Burt et al., 1998; Burt et al., 2000). If we consider that individuals have only a finite amount of time to invest in establishing social relationships with others, it is possible that investment in more extensive collegial relationships that result in workplace social inclusion may come at the expense of developing linking social capital and, by consequence, of job performance.

However, just as investments in communal social capital have been shown to benefit performance at the organizational level, higher levels of WSI also may be beneficial to individual performance. Nahapiet and Ghoshal (1998) proposed that organizations’ ability to foster (communal) social capital by bringing people together for recurrent interactions over time provides organizations with a performance advantage over markets. Leana and Van Buren (1999) propose that organization-based communal social capital improves organizational performance because it leads employees to be more committed to the organization, more willing to work flexibly, more likely to subordinate their own goals to the organization’s needs, and more interested in investing in the specialized skills and knowledge organizations need. Pfeffer (1998) has argued that higher levels of workplace trust and collaboration would result in superior organizational performance. This is because employees exchange more information among themselves, are less likely to pursue sub-optimizing personal goals rather than the organization’s collective goals, and are willing to embrace cost reduction and other organizational changes because they do not fear that these changes will be used against them by those they trust.

Finally, Uzzi (1997) found that higher levels of communal social capital were associated with higher levels of performance for organizations within a network. The more embedded individual apparel firms were in networks of apparel firms, the more efficient they were in making allocations and complex adaptations, up to a threshold, beyond which their embeddedness within
this grouping resulted in a dysfunctional lack of information from outside sources. Thus, evidence suggests that employees’ relationships with one another – their mutual knowledge regarding others’ information, practices, assumptions, biases, trustworthiness, and willingness to help one another – can foster better organizational performance.

If higher levels of felt workplace social inclusion fosters greater performance at the organizational level, it would seem that employees’ investment in WSI might be something organizations would want to encourage. Organizational performance is heavily influenced by individual employees’ actions, and it is the purpose of human resources policies and organizational control systems to encourage those individual actions expected to contribute to organizational performance. In fact, we observe many human resources management programs that include investments in management retreats, company picnics and parties, company networking functions, and intra-company advocacy groups like Xerox Corporation’s Black Caucus (Ancona, Kochan, Scully, Van Maanen, & Westney, 1999), all seemingly intended to promote higher levels of employee workplace social inclusion. If organizations expect to benefit from high levels of employees’ WSI, we would expect them to invest in programs, policies and systems intended to encourage its formation and designed to recognize and reward those individuals who have developed more of it. Thus, individuals with greater workplace social inclusion would be expected to have higher performance as judged by those responsible for overall organizational performance.

These arguments are echoed by other scholars who have proposed that developing the dense networks characteristic of organization-based communal social capital can be beneficial for an individual’s job performance. Lin (1999) suggests that, while bridging ties are helpful in obtaining information such as where a new job might be found, bonding (communal) ties are
helpful for maintaining resources, as many jobs demand. Hansen (1999) found that dense inter-unit ties are helpful in transferring complex knowledge across units within an organization, proposing that individuals with organization-based communal social capital would be effective and thus strong individual performers when their jobs involve exchanges of complicated information. The recent findings of Sparrowe, Liden, Wayne, and Kraimer (2001) provide more direct empirical support for the connection between workplace social inclusion and job performance. They found that individuals who held central positions within their work group’s advice network had positive job performance ratings (as rated by group leaders). Finally, Burt (2000) summarizes his review by proposing that communal social capital can foster better individual performance when there is greater task uncertainty, when the individual has few peers, or when trust is particularly important in the setting.

So higher levels of workplace social inclusion should contribute to organizational performance, particularly in settings characterized by specialization and uncertainty, as are many white-collar settings. How then do organizations insure that this valuable individual contribution is encouraged? One way, as previously noted, is to support activities that bring employees together more often in social settings. Another is to make sure that greater social inclusion is included in measures of performance used for personnel and reward decisions. One traditional way this has been done is to rely on supervisor evaluations of performance rather than solely on individual “output” measures. Taken as a whole, the literature suggests that workplace social inclusion would be valued by the organization and thus will be recognized in higher supervisory performance evaluations.

H2: Employees with higher workplace social inclusion will have higher job performance as rated by their supervisors.
Workplace Social Inclusion as a Mediator of Expected Organizational Mobility and Job Performance

Employees’ expectations of organizational mobility could be argued to result in either lower or higher individual job performance. On the one hand, employees may want good job performance records that would improve their chances of finding a job with another employer. They might want to build a résumé that was portable, and recognition of good job performance would presumably be a useful component of such a résumé. Certainly, the many employers publicly asserting that employees should prepare themselves to be employable and expect a career of organizational mobility presumably do not believe that employees’ expectations of mobility will result in lower employee job performance.

On the other hand, Tsui et al. (1997) found that employees working in jobs for which employers did not expect long-term employment relationships with their employees had lower job performance than employees working for employers seeking to foster long-term employee tenure. Yet, we do not know why this should be. Do employees who feel that the organization has not made a long-term commitment to them reciprocate by withholding effort? Only those employees who do not depend on a record of job performance to secure their next organizational position would take such risks. In short, there does not seem to be overpowering evidence or a theoretical argument indicating that EOM will have either positive or negative direct effects on individual employees’ job performance.

However, when we consider the above arguments regarding workplace social inclusion there is reason to suppose that it may mediate the relationship between expected organizational mobility and individual job performance. If employees’ expected organizational mobility is

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negatively associated with employees’ workplace social inclusion, which in turn has a positive association with job performance, we would have reason to predict that workplace social inclusion would mediate the relationship between expected organizational mobility and individual job performance. That is, if employees expect that they will need to change employers in the course of their careers, they will have lower WSI, which in turn will lead them to be seen as poorer performers by their supervisors. We do not expect full mediation, since as Baron and Kenny (1986: 1176) note, “because most areas of psychology, including social, treat phenomena that have multiple causes, a more realistic goal may be to seek mediators that significantly decrease [the relationship] rather than eliminating the relation between the independent and dependent variables altogether.”

H₃: The negative relationship between expected organizational mobility and employees’ job performance will be partially mediated by expected organizational mobility’s negative association with workplace social inclusion.

Method

Setting and Procedure

Data were collected in two U.S. organizations, an aerospace components company and a research university. These two organizations provide two quite different settings in which to test the hypotheses about employees’ expectations for organizational mobility and workplace social inclusion. The university operates in a relatively stable task environment, with layoffs of just a small number of employees occurring only once in the previous decades (when the state suffered a severe economic recession). By contrast, the aerospace components company operates in a highly cyclical industry with mass layoffs of the sampled professional and technical workers.
occurring every few years. Any aerospace employee with at least ten years’ seniority would have witnessed or experienced at least one such mass layoff. Nevertheless, organizational mobility occurred in both settings and both contained respondents of long tenure as well as highly mobile employees. No occupations with long-standing practices of organizational mobility were sampled, allowing for a focus only on those employees most likely to be influenced by employability admonitions to become more organizationally mobile. Thus, if we can find support for the hypotheses in two such different organizations, this would provide greater confidence in the hypothesized effects.

**Aerospace components company.**

The aerospace components company is a large firm that designs and manufactures sophisticated air and spacecraft equipment. Customers include both private airplane manufacturers and governmental defense and space agencies. Because work in the aerospace industry is cyclical, employees rely on social connections as well as on technical skills to maintain a steady flow of work. The company had a policy of maintaining small divisions, splitting those that grew to more than several hundred employees. Three divisions worked on designs for the company’s signature aerospace component, with differences only in the kinds of material used for space or commercial aircraft applications. Engineers and technicians frequently moved among divisions, and they were not considered fundamentally different by the employees. These employees worked in highly collaborative settings; engineers and technicians worked on components of more complex designs, requiring frequent meetings to coordinate their work. Further, downstream manufacturing problems in this complex innovative work often
required the creation of ad hoc problem solving teams to diagnose and solve emergent manufacturing or product performance problems.

Data were collected in three company divisions located in southern California. All engineers and engineering technicians were asked to complete questionnaires. Over 90% were male and nearly all held at least a bachelor’s degree. The questionnaires had identifying codes to allow responses to be matched with data from personnel files (e.g., age). From 284 potential respondents, 223 usable surveys were returned, representing a 79 percent response rate. Inspection of the non-respondents indicated that they did not differ from respondents on available occupational or demographic data. In addition, thirty-three supervisors (one was unavailable) were asked to complete surveys asking for their evaluations of their subordinates’ job performance. Usable questionnaires were returned from 25 supervisors (a 76 percent response rate), producing ratings that could be assigned to 126 of the responding workers.

**Research university**

The university is a state university located in the western region of the United States. Because the research university is a large bureaucratic organization, employees who have greater workplace social inclusion would be expected to be able to increase the efficiency with which they can complete their work since they are likely to know who to turn to outside of the formal chain of command for non-routine matters. For example, budget officers might be faced with a new problem in allocating costs on a complex grant. If they know who else on campus had faced a similar problem, they could more quickly set up the new accounting system. Similarly, higher WSI might help managers gain complex informal performance assessments of an employee from another unit who had applied for one of their job openings.
A random sample of the university’s non-faculty managerial and professional employees was surveyed. Of 390 potential respondents, 234 useable surveys were returned, representing a 60 percent response rate. Inspection of the available information on non-respondents did not uncover differences in respondents on available occupational or demographic data. In addition, performance appraisal data were obtained from the organization's personnel records for 166 employees for a response rate of 71 percent.

**Measures**

**Expected Organizational Mobility**

A five-item scale was developed in order to measure the extent to which respondents felt that they expected to be mobile across employers (scale items appear in the Appendix). A broad sample of items was developed to try to capture the various reasons employees may give for expecting organizational mobility. The scale was constructed using an exploratory factor analysis with varimax rotation in which items were retained that had factor loadings well above the suggested minimum of .40 on one factor (Ford, MacCallum, & Tait, 1986). As can be seen in the Appendix, the EOM Scale had good convergence, and its discriminant validity in relation to WSI is excellent. When the five items measuring EOM are factor analyzed, one factor emerges (one eigenvalue greater than 1.00 accounted for 42.3% of the variance). The internal consistency reliabilities, scale means, standard deviations, ranges and intercorrelations – for all scales reported for each organization separately – appear in Table 1.

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Insert Table 1 about here

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One validity test for this new measure is to test the extent to which this measure of expected organizational mobility is distinct from organizational commitment. We included our mobility scale items and items from the Porter, Steers, Mowday, and Boulian (1974) organizational commitment scale in a factor analysis with varimax rotation. The factor analysis demonstrated that the mobility and commitment scales were independent of one another (two eigenvalues greater than 1.00 accounted for 55 percent of the variance and on-factor loadings ranged from .60 to .83 while off-factor loadings were less than .33). Furthermore, organizational commitment consistently has been found to be weakly associated with job performance (Mathieu & Zajac, 1990; Mowday, Porter, & Steers, 1982; Steers, 1977). Similarly, here we found correlations between organizational commitment and performance to be .14 and .11 in the aerospace company and research university, respectively, while our measure of expected organizational mobility bore significant negative correlations with job performance in both settings (-.44 and -.16). Finally, there is the rather low 19 percent shared variance between the two scales. Thus, we have strong evidence to suggest that this employees’ expected organizational mobility measure is independent from organizational commitment.

Regarding age as a potential confound, it is possible that younger employees may have greater expectations for mobility and that survey results may reflect other age-related effects rather than expected organizational mobility itself. Discussions of employment instability are much in the news, and younger people are likely to lean more heavily on news media and corporate communications for their understanding of employment trends, while older people are more likely to develop their expectations from years of observations of their own and coworkers’ direct experiences; and certainly older employees may have a greater behavioral commitment to their organization via pensions, organization-specific skills and the like. There are only
employee age data for the aerospace components company. Using that organization alone we found that age was negatively correlated with EOM (see Table 1), as would be expected. However, age was unrelated to the other variables, making it unlikely to serve as a significant control variable (Cook & Campbell, 1979). Nevertheless, we ran the tests on the aerospace components company both with and without the age control as a conservative approach designed to assure that age was not confounded with EOM.

Workplace Social Inclusion.

Although organizational centrality has been measured by both self-reports and others’ assessments, most current empirical work on social capital uses network measures (e.g., Burt, 1992; Friedman & Krackhardt, 1997). However, most network measures depend on studying entire populations and thus are difficult to use for those with professional jobs in large, complex organizations (Wasserman & Faust, 1994). For example, in the research university, the ombudsman receives literally hundreds of inquiries a year; a campus accountant receives fewer requests for information, yet still fields questions from dozens of fellow employees. Similarly, depending on the type of project and the stage of the design work, engineers in the aerospace components company may have extensive contacts with manufacturing employees or engineers from other divisions. While previous work on group cohesiveness assumed formal task groups as the sole setting for felt social inclusion, we wanted to capture the feeling of social inclusion in complex work settings and regardless of formal position. Thus, we sought to develop a measure using a self-report content measure of workplace social inclusion that would not be dependent on either assuming one finite set of relationships or on our ability to capture the entire universe of potential workplace relationships, and that also would not exhaust the patience of respondents.
While workplace social inclusion is undoubtedly multifaceted, here we measured what we believed to be the core of the concept: a sense of inclusion. Felt inclusion or belonging also reflects the communal component of embeddedness described by those writing about communal social capital (Fukayama, 1995; Leana & Van Buren, 1999; Putnam; 1993). Leana and Van Buren (1999) emphasized the importance of such associability to communal social capital. Those who perceive themselves to be excluded by others at work will spend less time learning about these coworkers, will feel less obligated to assist them and will be less likely to feel that they can call on them for information and assistance. Inclusion captures the potential for information that an individual might possess as a result of socially-based ties (Hansen, 1999) and being embedded in social resources (Lin, 1999) that extend beyond task requirements. WSI was assessed as the degree to which the employee felt socially included with coworkers and consisted of three items assessed on a five-point agree-disagree scale (included in the Appendix).

An assessment of the validity of this new measure of workplace social inclusion was conducted by measuring the degree to which it was associated with employees’ trust in coworkers (an eight-item scale from Pearce, Branyiczki & Bigley, 2000), since it would be expected that those with greater social inclusion would also have greater trust in fellow coworkers. WSI and trust were significantly related with a correlation coefficient of .48 in the aerospace company and .58 in the research university. Further, the items composing WSI and trust loaded on two factors reproducing the original scales in the aerospace components company, but on a single factor for the research university sample. Thus, this new WSI measure has an acceptable internal consistency reliability in two separate organizations (see Table 1), good discriminant validity from the other scales used in this test (Appendix) and had predicted significant correlations with other variables in its nomological network.
Job Performance

Job performance was assessed in two different ways in the two sampled organizations. For the aerospace components company the workers’ supervisors were asked to rate the performance of each of their subordinates. Supervisors responded to, “Finally, please rate the following individuals on their OVERALL PERFORMANCE. Please do not rank order them in comparison to one another, but rate them individually on the quality of their overall contribution to your group,” on a scale ranging from 1 = “modest contributor” to 5 = “top contributor.”

For the university sample we used annual performance appraisal ratings gathered from company records. Employees’ most recent performance appraisal ratings were obtained for the purpose of this study. The performance appraisal ratings were on a five-point Likert scale similar to the performance ratings in the aerospace components company. As part of a Management-by-Objectives appraisal system the supervisors were asked to provide an overall rating, with the policy stating, “The overall performance evaluation should be based upon both the performance objectives and standards. There is no formula to determine this rating, rather a supervisor should use their own judgment and insure that the rating is consistent with individual ratings.”

These two distinct measures help insure that the results are not methods dependent: the performance appraisal data were collected from company records and were part of normal company procedures, while the aerospace company’s performance ratings were obtained from the questionnaires distributed for this study. Although both assessments are formally subjective, the archival measure for the research university would have been influenced by the Management-by-Objectives-type appraisal system. We hoped these two different approaches to
measuring supervisors’ assessments of employee job performance would lend additional confidence to any findings. Validity confirmation for the aerospace company performance measures was obtained with a substantial correlation of .56 between performance and supervisor-rated cooperation. The strength of this correlation suggests that this performance measure also captures the employees’ collaborative behaviors. Although both evaluations are single-item measures, the university’s performance measure reflects the established way that employee performance is assessed and on which pay and promotions are based, and the aerospace components company data was intended to be consistent with that from the research university.

Results

The first hypothesis proposed that those employees expecting greater mobility across employers would have lower workplace social inclusion. In Tables 1 and 2 we can see that this hypothesis was confirmed. There was a significant negative relationship between EOM and WSI in both the university and the aerospace company. Whether in the relatively stable research university or more volatile aerospace components company, those managerial, professional and technical employees expecting more organizational mobility also had lower workplace social inclusion.

For the second hypothesis it was expected that employees with greater workplace social inclusion also would have higher job performance as rated by their supervisors. Again, we find
this hypothesis supported in both sampled organizations (see Table 1 and 2). Workplace social inclusion is significantly associated with supervisor-rated job performance in both organizations. Thus, high levels of workplace social inclusion are associated positively with individuals’ job performance, at least in the eyes of their supervisors.

Finally, the third hypothesis proposed that the relationship between expected organizational mobility and job performance would be partially mediated by workplace social inclusion. Following the procedures recommended by Baron and Kenny (1986), we found that WSI did partially mediate the relationship between EOM and job performance, as indicated by significant effects in the regression analyses shown in Table 2. Further, the addition of age as a control variable in the organization where that information was available produced identical results (Table 2). Thus, workplace social inclusion is central to understanding the negative relationship between employees’ expected organizational mobility and job performance. These results are consistent with the argument that those employees who perceive that they need to be organizationally mobile tend to be less socially included with coworkers and also to suffer from low performance assessments from their supervisors.

Discussion

As we hypothesized, employees expecting to be organizationally mobile were found to be comparatively more weakly socially included in their workplaces, with such inclusion bearing a positive relationship to supervisory ratings of employees’ job performance. Workplace social inclusion partially mediated the relationship between employees' expectations of organizational mobility and their job performance, even after controlling for employee age. Before discussing the implications of these substantive findings, we note that this study relied on new concepts and
scales that may prove useful in testing ideas about employability and in extending communal
social capital and group cohesiveness ideas more broadly in organizational behavior research.

*Development of new concepts and scales*

We report tests using two new scales. The first represents employability from an
employee’s perspective – the Expected Organizational Mobility (EOM) Scale. This scale is
distinct from organizational commitment and, unlike that scale, was significantly negatively
associated with supervisor–assessed job performance. As more employees anticipate being
organizationally mobile these expectations become an increasingly important factor in the
workplace. A short, easily administered scale with good reliability and validity facilitates our
understanding of these processes. The scale also can be used to test other proposed effects of an
employability approach to human resources management, such as lowered employee trust and
commitment. Future research might profitably seek the further development and refinement of a
scale assessing a concept, expected organizational mobility, that appears to be of increasing
importance.

The second new scale is a self-report scale measuring workplace social inclusion (WSI).
This self-report measure is easier to administer than measures that ask for sociometric reports or
the recollection of specific contacts and, like Tsai and Ghoshal (1998), does not pre-specify the
group or set of workplace colleagues where felt inclusion is possible. It is important to note that
this scale is not equivalent to network measures of social capital, because it taps employees’
perceptions of their workplace social inclusion rather than their social capital as reflected in self
and others’ reports of their structural position in a finite network. Further refinements,
elaborations, and validation of this measure are needed, particularly focusing on expanding the
facets of this undoubtedly complex concept. Such a self-report measure’s flexibility, and its demonstrated importance in the two organizations sampled here, suggests it holds great promise.

*Employee performance costs of expectations of organizational mobility*

As hypothesized we found that the greater employees’ expectations that they needed to change employers to keep working in their occupation, the lower were supervisors’ assessments of their job performance. These results provide confirmation of Leana and Van Buren’s (1999) and Pfeffer’s (1998) warnings that the recent enthusiasm for encouraging employees to think of themselves as organizationally mobile can have negative performance consequences. They were primarily concerned with the organizational performance costs as the most able left the company. Here we found that the costs of these expectations can be more immediate and personal for employees, who are more likely to be viewed as weaker performers by their employers.

Given the long history of employers seeking to foster employee attachments to their organization through pensions tied to seniority and workplace social-inclusion fostering programs, this more recent trend of encouraging employee expectations for organizational mobility throughout one’s career calls for more research that would shed light on this trend, the reasons behind it and its organizational effects. If it is based on an attempt to be honest with employees, suggesting that they prepare for a brutal reality, we express ourselves in admiration of a paternalism that seeks to put employees’ welfare before organizational needs. If it is based on overreactions to legal advice intended to prevent any future claims of implied job security, our results suggest that those who foster such programs, perhaps, need to more highly weight the cost to the organization of socially isolated, poorer performing employees, focused primarily on scouting for their next employer. Certainly, given the evidence that employee mobility may not
be increasing in practice, our results suggest that employees need to be aware of the personal costs of embracing expected organizational mobility. We hope these empirical results might spur a shift from warnings of the organizational costs of employee expectations of mobility to greater attention to documenting the actual correlates of these expectations.

**Employee performance benefits from social inclusion**

Workplace social inclusion partially mediated the relationship between expected organizational mobility and job performance in both organizations. Thus, employees, as well as their organizations and communities, also may reap benefits from developing the dense workplace social relationships that have been called organization-based communal social capital. One of the challenges that organizations face in attempting to develop organization-based social relationships is that employees expect to see benefits of a time investment within the organization even though such benefits are not necessarily immediate (cf., Leana & Van Buren, 1999; Adler & Kwon, 2000). Our results point to a significant benefit that employees can experience by developing more extensive and deeper social relationships at their current workplace: higher supervisory performance assessments. This has several implications.

First, it suggests that workplace social inclusion can lead to benefits for employees, such as the promotions and increased pay that are based on supervisors’ evaluations. Second, it implies that a removal of all subjective judgment from evaluations of employees’ performance may have the indirect effect of creating disincentives for employee investments in workplace social inclusion, because the quality of employees’ social inclusion would be difficult to capture in any purely objective-based performance evaluation. Third, future research could explore other possible advantages and disadvantages that employees experience as a result of developing
deeper and more extensive workplace social inclusion. Related avenues include investigating the connection between workplace social inclusion and other concepts, such as trust and the efficient sharing of complex information that have been posited to be related to embedded ties (e.g., Burt, 2000; Coleman, 1988; Fukuyama, 1995). Finally, it would be interesting to explore whether a curvilinear relationship exists between workplace social inclusion and individual employee performance similar to the effect that Uzzi (1997) found in an industrial community.

Limitations and future research

This study is not without limitations. One limitation is that, because the data used were cross-sectional, the direction of causality between the variables cannot be stated with certainty. High job performance ratings, for instance, may contribute to the development of workplace social inclusion rather than the causal direction that we posited. In any case, although causality has not been established here, in both settings employees’ expectations of organizational mobility, levels of workplace social inclusion, and supervisors' assessments of job performance all co-vary as predicted. This is a meaningful finding in itself, since we were able to find the same pattern in two disparate organizational settings. Future research might seek to clarify the causal relationships among these three phenomena. In addition, we also acknowledge that, since our data were collected in the United States, our conclusions do not necessarily apply in other countries where normative expectations regarding social relationships can be quite different. As Burt et al. (2000) found in a comparison of managers in the United States and France, there are both similarities and differences pertaining to social relationships in differing cultural contexts that need to be understood.
Another limitation is that, by relying on supervisors’ assessments of employee performance, it is possible that the findings could be biased – that high levels of WSI include good relationships with supervisors, and we know supervisors rate those subordinates with whom they have good relationships more highly (Liden & Graen, 1980). However, the fact that supervisors rate more highly those who have closer ties to others should not be assumed to reflect favoritism alone. Supervisors may establish better relationships with those subordinates who are better performers; and the argument that establishing better relationships with others is valuable in that it improves one’s performance is central to Leana and Van Buren (1999) and Pfeffer’s (1998) ideas. Rather than a limitation, this might be considered an opportunity to reconsider the assumption that the well-established relationship between employees’ good rapport with their supervisors and the ratings they receive reflects favoritism, rather than supervisory recognition of the value of deeper social workplace relationships for employee performance. This leads to a caution suggested by these results: one might predict that employees with expectations for organizational mobility would devote even less time and attention to their workplace social relationships if their performance ratings were entirely objective. Finally, all of the measures used here were either very short or single-item (the supervisors’ performance ratings). While scales with few items are more easily integrated into other research studies, the new scales introduced here, EOM and WSI, need further validation before they should be widely adopted.

In conclusion, this study provides preliminary evidence in support of the argument that admonishments to employees to expect organizational mobility may prove to be a hindrance rather than a help to them. We found that employees, in two quite different organizations, with greater expectations of mobility were less socially included at work. When individuals do not
build social relationships in the organizations in which they work, our results indicate that this can be costly to the individual employee, and by implication, the organization. Thus, the advice that employees hear in the media or from others that fosters expectations of organizational mobility may make employees worse performers, which ultimately may make them less employable. Societal-level employment advice that seeks to take employees’ best interests to heart may actually undermine their interests as well as those of their employing organizations. While increasing expectations that one must remain organizationally mobile may be a function of societal-level changes in employment that no individual or organization can do anything about, certainly these results suggest that employers who emphasize an employability approach to human resources management are fostering expectations associated with lowered workplace social inclusion and lower job performance for their employees. These are outcomes that they presumably would not welcome. The study reported here supports the concerns expressed by those who propose that increasing employee expectations of organizational mobility is dysfunctional, and suggests that the ways that such expectations affect organizational behavior need to be more fully explored.
References


Russell Sage Foundation.


Pearce, J. L. (2000). ‘Employability as trustworthiness’. In C. R. Leana and D. M. Rousseau


*Administrative Science Quarterly, 22*: 46-56.


Appendix. Factor Analysis of Scale Items

<table>
<thead>
<tr>
<th></th>
<th>Factor 1</th>
<th>Factor 2</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Expected Organizational Mobility</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>It is common in my profession to be actively searching for a job.</td>
<td>-.05</td>
<td>.67</td>
</tr>
<tr>
<td>It seems like many of my co-workers are looking for other jobs.</td>
<td>-.25</td>
<td>.63</td>
</tr>
<tr>
<td>I am actively looking for another job.</td>
<td>-.15</td>
<td>.70</td>
</tr>
<tr>
<td>In my profession, the best way to raise your salary is to change companies frequently.</td>
<td>.01</td>
<td>.56</td>
</tr>
<tr>
<td>I have considered leaving to start my own company or go into independent consulting.</td>
<td>-.12</td>
<td>.62</td>
</tr>
<tr>
<td><strong>Workplace Social Inclusion</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I feel like an accepted part of a team.</td>
<td>.82</td>
<td>-.08</td>
</tr>
<tr>
<td>I feel included in most activities at work.</td>
<td>.78</td>
<td>-.16</td>
</tr>
<tr>
<td>Sometimes I feel like an outsider (^a).</td>
<td>.86</td>
<td>-.12</td>
</tr>
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</table>

Eigenvalues

|          | 2.75 | 1.45 |

---

\(^a\) Aerospace components company and research university combined

\(^n\) Negatively worded item
Table 1. Descriptive Statistics and Pearson Correlations for Both Samples

<table>
<thead>
<tr>
<th>Variable</th>
<th>X</th>
<th>s.d.</th>
<th>range</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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<tr>
<td><strong>Aerospace Components Company</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Expected Organizational Mobility</td>
<td>2.88</td>
<td>.69</td>
<td>1.40-4.40</td>
<td>(.69)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Age</td>
<td>41.88</td>
<td>12.36</td>
<td>25-73</td>
<td>-.50**</td>
<td>--</td>
<td></td>
<td></td>
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<tr>
<td>3. Workplace Social Inclusion</td>
<td>3.65</td>
<td>.78</td>
<td>1.00-5.00</td>
<td>-.30**</td>
<td>.07</td>
<td>(.75)</td>
<td></td>
</tr>
<tr>
<td>4. Rated Performance</td>
<td>3.44</td>
<td>1.18</td>
<td>1.00-5.00</td>
<td>-.20*</td>
<td>.08</td>
<td>.26**</td>
<td>--</td>
</tr>
<tr>
<td>n</td>
<td>223</td>
<td>150</td>
<td>221</td>
<td>126</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Research University</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. Expected Organizational Mobility</td>
<td>2.56</td>
<td>.61</td>
<td>1.20-4.40</td>
<td>(.59)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Workplace Social Inclusion</td>
<td>3.89</td>
<td>.67</td>
<td>1.00-5.00</td>
<td>-.25**</td>
<td>(.79)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Performance Appraisal Rating</td>
<td>3.88</td>
<td>.65</td>
<td>2.00-5.00</td>
<td>-.15*</td>
<td>.19**</td>
<td>--</td>
<td></td>
</tr>
<tr>
<td>n</td>
<td>234</td>
<td>234</td>
<td>166</td>
<td></td>
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* p < .05
** p < .01
Table 2. Regressions Testing Workplace Social Inclusion (WSI) as a Mediator of Expected Organizational Mobility and Performance

<table>
<thead>
<tr>
<th>Variable</th>
<th>WSI (Aerospace Components Company)</th>
<th>Rated Performance (Aerospace Components Company)</th>
<th>Rated Performance (Aerospace Components Company)</th>
<th>Rated Performance (Aerospace Components Company)</th>
<th>WSI (Research University)</th>
<th>Performance Appraisal Rating (Research University)</th>
<th>Performance Appraisal Rating (Research University)</th>
<th>Performance Appraisal Rating (Research University)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>β</td>
<td>t</td>
<td>β</td>
<td>t</td>
<td>β</td>
<td>t</td>
<td>β</td>
<td>t</td>
</tr>
<tr>
<td>Age</td>
<td>-.13</td>
<td>-1.51</td>
<td>-.02</td>
<td>-.23</td>
<td>.08</td>
<td>.86</td>
<td>.01</td>
<td>.13</td>
</tr>
<tr>
<td>Expected Mobility</td>
<td>-.41**</td>
<td>-4.67</td>
<td>-.21*</td>
<td>-2.01</td>
<td>-.14</td>
<td>-1.29</td>
<td>-.25**</td>
<td>-3.91</td>
</tr>
<tr>
<td>WSI</td>
<td>.29**</td>
<td>3.27</td>
<td>.26*</td>
<td>2.86</td>
<td></td>
<td></td>
<td>.19*</td>
<td>2.46</td>
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<tr>
<td>Df</td>
<td>2,147</td>
<td>2,112</td>
<td>2,112</td>
<td>3,111</td>
<td>1,232</td>
<td>1,164</td>
<td>1,164</td>
<td>2,163</td>
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<tr>
<td>Adjusted R²</td>
<td>.12</td>
<td>.02</td>
<td>.08</td>
<td>.08</td>
<td>.06</td>
<td>.02</td>
<td>.03</td>
<td>.04</td>
</tr>
<tr>
<td>R² Change</td>
<td>.13**</td>
<td>.04</td>
<td>.09**</td>
<td>.01</td>
<td>.06**</td>
<td>.02*</td>
<td>.04*</td>
<td>.05*</td>
</tr>
<tr>
<td>F</td>
<td>11.20**</td>
<td>2.37</td>
<td>5.70**</td>
<td>4.38**</td>
<td>15.27**</td>
<td>4.00*</td>
<td>6.07*</td>
<td>4.32*</td>
</tr>
</tbody>
</table>

Entries represent standardized regression weights.
* p < .05
** p < .01