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Social Identification, Group Differentiation and the Nested Group Model

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Abstract

Utilizing March and Simon's (1958) targets for identification (organization-level, task-group level and sub-group level), the present study explores how organization's can structure organizational life to influence commitment and behavior. Through the manipulation of the salience and perceived distinctiveness of the organization and its groups, firms can alter the level of identification employees have with any one group. The task-group which is the *intermediate-level* group will serve as the focal group for this study which explores the question: how is task-group identity is affected by looking "up" to organizational identity and "down" to sub-group identity? In this study, organizational and task-group identities are made salient in one condition and task-group and sub-group identity are made salient in the simultaneous condition. Inclusiveness of the larger of the two groups is manipulated in each pairing so it is possible to: 1) compare organizational and task-group identity under the conditions of a highly inclusive organization and a low inclusive organization; 2) compare task-group and sub-group identity under the conditions of a highly inclusive task-group and a low inclusive task-group and 3) compare the level and direction of task-group identity in the two conditions. It is anticipated that results will show that it is possible to reverse the task-group identity of the subjects and that identification with the task-group will increase with the organizational level of inclusiveness and decrease when the task-group becomes too inclusive and a sub-group is made salient.

The benefits that accrue to organizations with an engaged workforce are well documented. Committed employees are loyal to their company, more likely to recommend its products and more motivated to recommend the company as a great place to work. But U.S. workers are generally not committed. According to the Gallup Organization, over 70% of the working population in the U.S. is currently not engaged at work. Of those not engaged, 42% plan to voluntarily leave their company within the next year, and of those actively disengaged 70% plan to leave (The Gallup Organization, 2002). To ensure productivity and employee retention, firms must address the issue of commitment which is itself a function of the individual's congruence with the organization's value systems, internalization of its reward system and the presence of a positive and satisfying identification with the organization and its groups (Blau and Boal, 1987; Becker, 1992). Although each of these aspects is partially under the control of the organization, social identity is notably contextual and malleable (Brewer, 1991).¹ It is therefore possible for organization's to structure organizational life to influence commitment and behavior. Through the manipulation of the salience and perceived distinctiveness of the organization and its groups, firms can alter the level of identification employees have with any one group. However, organizations are complex. The preponderance of two category distinctions in the literature (i.e. in-group/out-group, minority/majority) does not accurately reflect organizational reality with its multiple levels and potential sources of identity. March and Simon (1958) suggest four principal targets for identification (see Figure 1):

- 1) extraorganizational identification (i.e. organizations external to the focal organization);

¹ An individual's congruence with the organization's value system and internalization of reward system can also consciously manipulated by the organization but are outside the scope of this analysis.

2) organizational identification (the focal organization itself); 3) task-group or intermediate-level identification (i.e. work activities involved in the job such as function); and 4) sub-groups within the focal organization (i.e. sub-group identification such as ad hoc committees, temporary action learning teams). The current study seeks to correct existing limitations in the literature by utilizing the latter three identities – those within the organization. The task-group which is the *intermediate-level* group will serve as the focal group for this study which explores the question: how is task-group identity is affected by looking “up” to organizational identity and “down” to sub-group identity?

For this experiment, I will utilize organizational/task-group and task-group/sub-group combinations to explore the consequences of inclusiveness of the larger group in the pairing on identification with both groups in the pairing. I posit that identification with the task-group will increase with the organizational level of inclusiveness and decrease when the task-group becomes too inclusive and a sub-group is made salient. This investigation is unique in that it directly manipulates identification, looks down as well up for identity options, and focuses on the ability for reversal of the intermediate or task-group level of identity.

Management of Organizational Identification

Social identity theory suggests that people seek social identities that reinforce self-esteem and reduce subjective uncertainty around the question, Who am I? (Ashforth & Mael, 1989). They desire to know who they are and how they should act and seek associations that provide favorable social comparisons with other groups (Tajfel & Turner, 1986). Organizational identities satisfy both motives by providing a “social field that is both clearly structured and contextually meaningful” (Hornsey & Hogg, 2000). Individuals within a social field such as an

organization self-categorize into a social group to enhance their distinctiveness, then strive to differentiate themselves favorably with other groups to enhance self-esteem.

Social identification, however, is a fluid process of social comparison. Optimal distinctiveness theory suggests that fluctuating commitment among different identities occurs because individuals have a natural tension between the need to be similar and, at the same time, the need to be different (Brewer, 1991; Brewer and Weber, 1994). An excessively inclusive self-categorization may result in a sense of depersonalization and activate the need to differentiate. Individuals who choose a highly individuated identification may feel like an “oddball” and activate their need to assimilate and seek a greater sense of belonging by recategorizing his or her social identity into a more inclusive group. Equilibrium will be established when the need for assimilation and the need for differentiation are balanced. Although shifting identification will naturally happen, corporations can consciously change group boundaries or make particular groups more salient and distinctive. This will have the effect of altering the employees’ tendency to relate to one of several gradations of identities.

Most studies take the perspective of the task-group and manipulate the inclusiveness of the superordinate identity. For example, Gaertner, Rust, Dovidio, Bachman and Anastasio (1996) demonstrated that increasing the salience of an organizational identity can potentially decrease the bias between two task-groups of the organization. In the case of a merger, it was demonstrated that forcing identification with the combined organization prematurely caused acquired firm employees to lose their sense of distinctiveness, before they had a chance to identify with the new entity (Van Leeuwen, Van Knippenberg, and Ellemers, 2000).

Organizations can also introduce sub-groups to provide a distinctive identification opportunity for members. Employees who find unique identity in these adhoc groups are likely

to show less bias toward other outgroups (Hornsey & Hogg, 2000) and more satisfaction with their identity. For example, individuals assigned to an action committee to assess strategic opportunities for their division, may feel distinctive in this new group and strive to perform well to maintain membership in the group. Managers can readily assign employees to sub-groups much more easily than creating a new organizational identity. Sub-groups have the potential to provide a solid basis of identity, particularly if task-level (functional, divisional, work group) groups do not provide a sufficient level of distinctiveness. Sub-groups can also be informal. These groups may form along the lines of gender, race, sexual orientation and cross cut task-group identities. For example, African-American sub-groups within a company tend to draw from different task-groups throughout an organization.

Disenchantment in the Magic Kingdom

Consider the ride operators at Disneyland in California. Disney ride operators may consider the organizational category of Walt Disney Company cast member (what all employees are called) to be too inclusive. Once they're in the park, the organization may simply become part of the objective environment and cease to be a source for identity. At this point in time everyone is a park employee (except for guests), and the organizational level may no longer provide enough distinction. Cast members may then choose to identify with fellow ride operators (a task-group). However, once they're at their position at a particular ride (e.g. Space Mountain, Pirates of the Caribbean) or at a ride operator picnic, for example, they may no longer find ride operator to be particularly distinctive and seek identification with fellow Riverboat pilots, Storybook Princesses, Pirates, Western Sheriffs or Southern Belles (Van Maanen and Kunda, 1990).

Organizations must understand the impact of such distinctions on the behavior of their employees. Often, interaction patterns among employees reflect a preference for like sub-groups (Van Maanen and Kunda, 1990). Part of this reflects the valence associated with being a food worker vs. a ride operator, or a “soda jerk” vs. a Pirate of the Caribbean, and part of it reflects the need for distinctiveness. Whenever group distinctions are present (and they always are), their nature may impact employee relations and socialization. Firms, therefore, need to look down as well as up.

It is for these reasons that mutually exclusive identities assigned to participants, do not provide enough depth of identity to understand behavior in complex organizations. Minority/majority categorization has been employed without seeking to determine how people deal with social identity when nested categorizations are available and identification with them are manipulated. In addition, participants are commonly assigned to minimal in-groups/out-groups to establish mutually exclusive identities. The notable exception is Hornsey and Hogg (1999) who utilize naturally occurring students’ identities with both their university and their “faculty area” or major department. Reliance on real world identification provides an additional level of generalizability that is not present in the forced condition situation. The present study seeks to understand individual reactions to group identity manipulations. Specifically, this investigation will examine how identification with a group at one level of a nested hierarchy, is influenced by its salience and inclusiveness relative to another group level in the hierarchy. Figure 2 outlines the causal diagram.

The focus is on the intermediate or task-group level which is affected both by organizational salience and inclusiveness, its own level of inclusiveness and the introduction of a sub-group. In this study, organizational and task-group identities are made salient in one

condition and task-group and sub-group identity are made salient in the simultaneous condition. Inclusiveness of the larger of the two groups is manipulated in each pairing so it is possible to: 1) compare organizational and task-group identity under the conditions of a highly inclusive organization and a low inclusive organization; 2) compare task-group and sub-group identity under the conditions of a highly inclusive task-group and a low inclusive task-group and 3) compare the level and direction of task-group identity in the two conditions. The slope of the identification with task-group will *switch* (i.e. slope of the line will reverse) depending on the condition thus indicating the pliability of identities and the potential for organizations to actively manage identity using sub-groups as well (Figure 3). The hypothesized results are in Table 1. Formally, the hypotheses are:

H1: As organizational inclusiveness increases, organizational group identity will decrease, and task-group identity will increase.

H2: As the task-group inclusiveness increases, task-group identity will decrease and sub-group identity will increase.

Method

Overview

The objective of this experiment is to examine whether identification with a task-level group (intermediate-level group) will reverse itself depending on whether the organizational identity (one level up) or sub-group identity (one level down) is made salient and whether the larger of the two groups viewed as inclusive. In this experiment, I will manipulate the two identities made salient to participants, and induce participants to believe that the larger of the two was either overly inclusive or not. The participants will then be instructed to prioritize a list of

25 objects and services that could be part of a new student union. Identification with each group in the pairing will be tested. It is anticipated that in the organizational/task-group condition, when the organization is very inclusive, people will be more likely to identify with the task-group. It is also anticipated that in the task-group/sub-group condition, when the task-group is very inclusive, people will be more likely to identify with the sub-group.

Participants and Design

In this study, 150 MBA students at the Kellogg School of Management at Northwestern University will be randomly assigned to the conditions of a 2 (category salience: organizational group/task-group combination vs. task-group/sub-group combination) x 2 (inclusiveness of larger group: high vs. low) x 3 (identity: organizational, task-group, sub-group) design.

Category salience and inclusiveness of larger group are between subjects factors and identity is a within-subject factor.

Procedure and materials

Participants will be told that they will be undergoing an experiment on decision-making. The experiment will be run in the classroom. Classroom research, which is becoming more prevalent in micro organizational behavior research takes advantage of the existing culture of the class, a higher level of involvement than in a lab and potentially result in more generalizable at the expense of confounding resulting from a quasi-random assignment (Thompson, Loyd & Kern, 2002).

Manipulation of categorization

Real world categories will be used because they are conveniently present in a business school environment. MBA students have a logical social identification with the university, with the business school and with their major. In addition, utilizing these pre-existing categories

provides for more generalizable findings and avoids the problem of separating the students into minimal sub-groups (Hornsey & Hogg, 1999).

Manipulation of categorization will follow a procedure successfully used by Hornsey & Hogg (2000) in several of their studies. Participants will be told that a Fortune 500 company is considering funding the construction of a new student union on campus and that their task is to select what features they would include in the building if they were in charge of its design. The participants' task is to make a plan of what should be included in the proposed student union in order to make it both popular and feasible. Each participant will be given a list of 25 objects and services (see Appendix) and will be asked to prioritize the 10 options they consider to be the most essential to the success of the building.

The remaining instructions will vary depending on the conditions being tested. In the first condition, the participants' university membership (organizational) and their status as business school students (task-group) will be emphasized to make both identities salient. In addition, half the participants in this condition will be randomly selected to receive instructions that suggest a high level of inclusiveness of the organizational group; the other half of participants will receive instructions that suggest a low level of inclusiveness of the organizational group.

Participants will be told that previous studies suggest that university students can sometimes provide insights that neither company representatives nor their contractors can provide and that the university is interested in aggregating their responses as university students and comparing these responses with those of the company representatives and contractors. Participants will also be told that the university is interested in comparing the responses of

business school students with the responses of students in the arts and sciences and engineering schools of the university.

Participants will be given response forms on which the following organizational labels appear at the top of each page: Company representative, Contractor, NU student. Under the NU student label, the various task-group labels will be listed: Kellogg School of Management student, Weinberg College of Arts and Sciences student, McCormick School of Engineering student. Participants will be told to circle the labels on each page of the response form that best applies to them (i.e. NU student and Kellogg School of Management student).

In the task-group identity and sub-group identity condition, the participants' business school membership (task-group) and major department (sub-group) will be emphasized to make both identities salient. Half the participants in this condition will be randomly selected to receive instructions that suggest a high level of inclusiveness of the task-group group; the other half of participants will receive instructions that suggest a low level of inclusiveness of the task-group.

After receiving verbal instructions about the business school's intention to compare responses of business school students with the responses of students in other schools of the university, participants will be told that the business school is also interested in comparing the responses of the various majors within Kellogg. Participants in this condition will be given response forms on which the following task-group labels appear at the top of the each page: Kellogg School of Management student, Weinberg College of Arts and Sciences student, McCormick School of Engineering student. Participants will be told to circle the label on each page of the response form that applies to them (i.e. Kellogg School of Management student), and to write their major (sub-group label) on each page as well.

Manipulation of inclusiveness

Following Brewer's (1991) experimental design, the response forms will also include written instructions about the task. In the highly inclusive organizational manipulation, the written instructions are designed to emphasize membership in a large highly-inclusive organization. The instructions will indicate that the university is not interested in their opinions as an individual but as a university student:

Since in this study we are not interested in you as an individual but as a member of the university student population, we do not ask for any personal information. Therefore, we have assigned you an arbitrary code number. We are running this study in order to assess the opinions of students in general. For the purposes of this study you represent an example of the average student regardless of your graduate program.

In the low inclusive organizational manipulation, participants will be given the same response form but with a different set of written instructions. Instructions for participants in this condition emphasize the university as a highly differentiated organization interested in their individual opinion.

In this study we are very interested in you as an individual member of the university student population. We are running this study in order to assess the opinions of a group of students of Northwestern University. We are very interested in individual differences.

The response forms for the task-group/sub-group condition also include written instructions about the task. In the highly inclusive task-group manipulation, the written instructions are designed to emphasize membership in a large highly inclusive task-group. The instructions will indicate that the university was not interested in their opinions as an individual but as a business school student:

Since in this study we are not interested in you as an individual but as a member of the business school population, we do not ask for any personal information. Therefore, we have assigned you an arbitrary code

number. We are running this study in order to assess the opinions of business school students in general.

For the purposes of this study you represent an example of the average student.

In the low inclusive task-group manipulation, participants will be given the same response form but with a different set of written instructions. Instructions for participants in this condition emphasized Kellogg as a highly differentiated task-group interested in their individual opinion.

In this study we are very interested in you as an individual member of the Kellogg population. We are running this study in order to assess the opinions of a small group of Kellogg students. We are very interested in individual differences.

Participants in all conditions are will be given 10 minutes to complete the task of prioritizing the options, after which their response forms will be collected. A research assistant will collect all questionnaires and then hand out an answer sheet for a dot estimation test. Students in all conditions will be presented with a series of 10 slides each containing a series of dots. The students will be required to estimate the number of dots on each slide and record their guesses on a response form. The forms will be collected and students will be told that they will receive their scores later in the semester. The purpose of this task is to provide a degree of discontinuity between the categorization and induction of inclusiveness and the measure of the dependent variable.

Dependent measure-Social identification scale

After the test described above, participants will be given a social identification questionnaire to complete. The measurement instrument to be used was developed by Leonardelli and Brewer (2001) and includes a combination of questions from the *identity* subscale of the collective self-esteem scale (Luhtanen & Crocker, 1992) and the *identification with a psychological group scale* (Mael & Tetrick, 1992). The questions are: "I feel that this group is an important reflection of who I am," "I don't act like the typical person in this group" (reverse-scored), "I have a number

of qualities typical of members of this group,” “Belonging to this group is an important part of my self-image,” “If someone praises this group, it would feel like a personal compliment,” and “If someone criticizes this group, it would feel like a personal insult.” Questions were asked of both groups in the pairing. All items were assessed by the participants with a Likert-type scale (1 = Strongly Disagree to 6 = Strongly Agree). The reverse-scored item will be recoded and the responses will be summed. Higher scores indicate higher levels of identification and lower scores indicate lower levels of identification.

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Appendix

SAMPLE STUDENT RESPONSE FORM

Please circle one:

Company representative
Contractor
Northwestern student

Please circle one:

Kellogg School of Management student
Weinberg College of Arts and Sciences student
McCormick School of Engineering student

Instructions:

A Fortune 500 company is considering funding the construction of a new student union on campus and your task is to select what features they would include in the building if they were in charge of its design. Your task is to rationalize and prioritize a list of what should be included in the proposed student union in order to make it both popular and feasible. Select 10 objects and services from the list below that you consider most essential for the success of the building and put them in order of most important first.

Since in this study we are not interested in you as an individual but as a member of the university student population, we do not ask for any personal information. Therefore, we have assigned you an arbitrary code number. We are running this study in order to assess the opinions of students in general. For the purposes of this study you represent an example of the average student regardless of your graduate program.

Information center
Drycleaner
Laundromat
Hair stylist
Computer store
Bank
Food market
Health food market
Book store
Food court
Coffee shop
Game room
General study area
Quite study area
Outdoor seating area
Indoor searing area
Laptop computer stations
Large meeting rooms (30 ppl)
Small meeting rooms (5 ppl)
Lounge area
Classrooms
Vending machines
Locksmith

Please fill in your choices in order of preference:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

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Figure Caption

Figure 1. March and Simon's (1958) targets of social identity

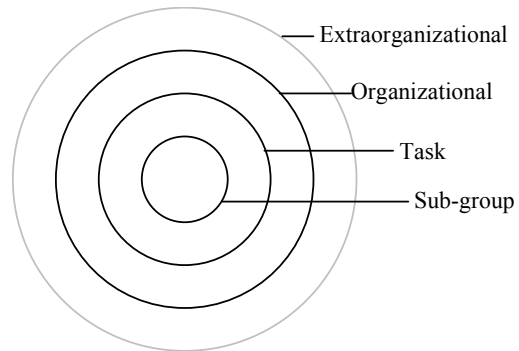


Figure Caption

Figure 2. Causal diagram

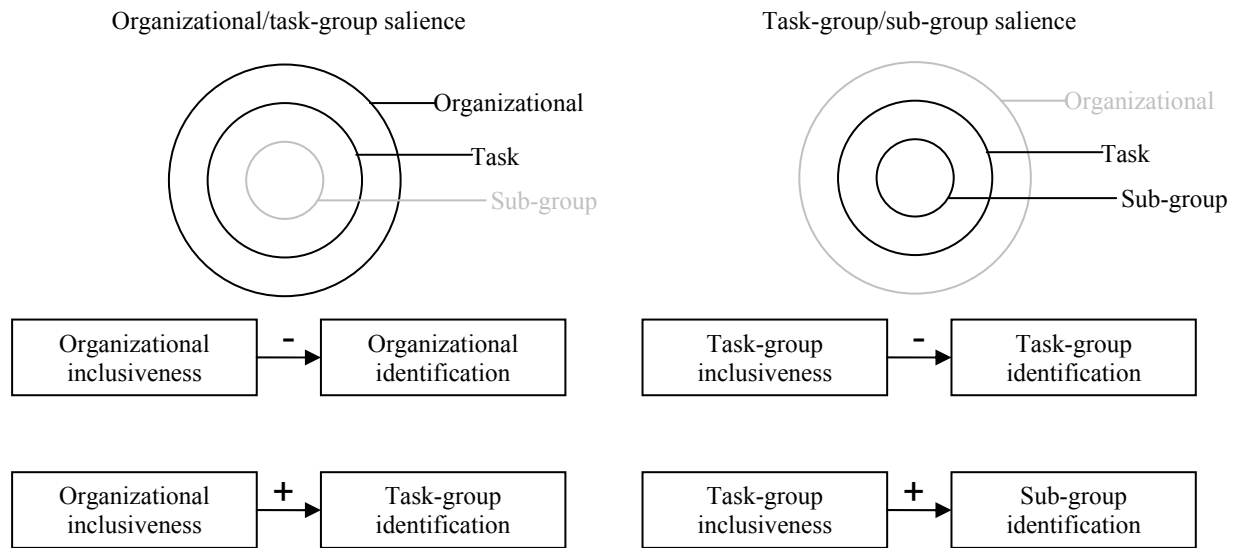
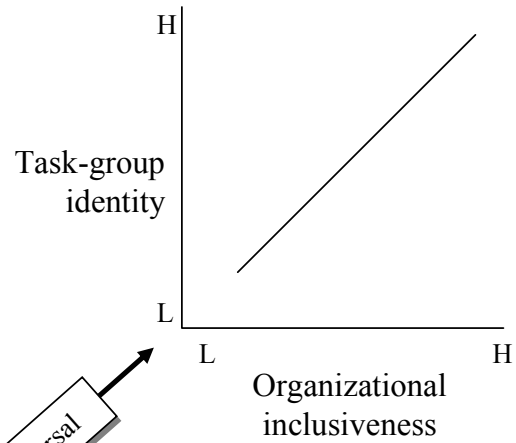
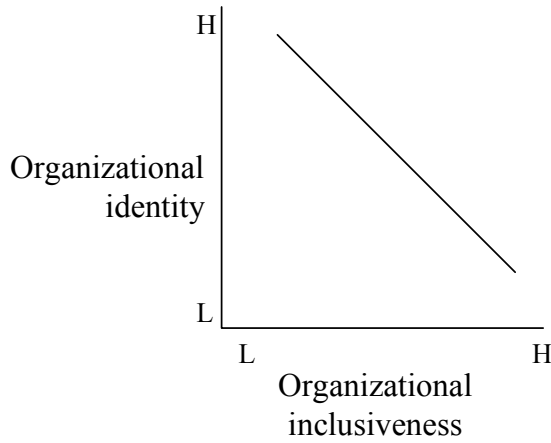


Figure Caption

Figure 3. Hypothesized results

H1 (Organizational/task-group salience)



H2 (Task-group/sub-group salience)

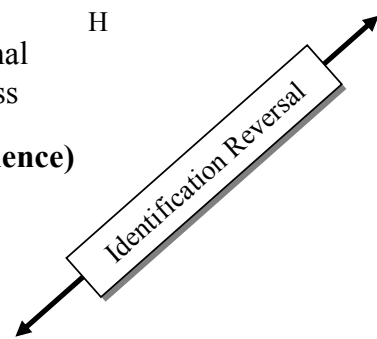
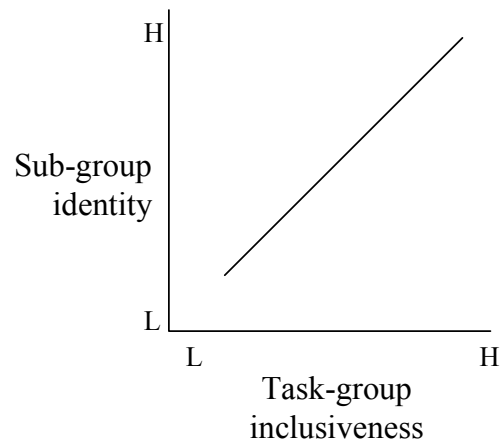
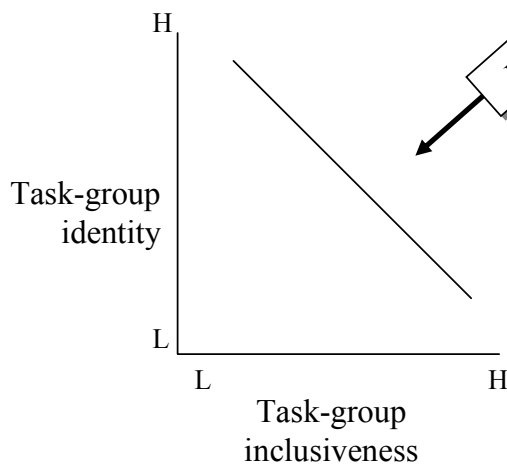


Table Caption

Table 1. Hypothesized results

Saliience	H1: Organizational/ Task-group		H2: Task-group/ Sub-group	
	High Inclusive Organizational group	Low Inclusive Organizational group	High Inclusive Task-group	Low Inclusive Task-group
Identity				
Organizational	L	H		
Task-group	H	L	L	H
Sub-group			H	L