Stemming the 'Turnover Tide'

Analyzing the Impact of Employee Resource Group Involvement on Voluntary Turnover

Acknowledgements

Given the relatively recent advent of organizational research into employee resource groups (ERG's), I would first like to thank the following field experts for their insight and guidance: Dr. Jonathan Ashong-Lamptey (London School of Economics), Dr. Greg Beaver (University of Minnesota), Fernando Serpa (ERG Council), and Dr. Theresa Welbourne (University of Alabama). Secondly, I would like to thank my friends Andreea and Angie for their statistical expertise. And thirdly, I'd like to dedicate this dissertation to all the ERG leaders worldwide for their extraordinary efforts and volunteerism in helping to improve the employee experience – one company at a time.

Abstract

Voluntary employee turnover has posed an increasing challenge to a company's 'bottom line'. The departure of employees includes the loss of subject matter expertise and human capital, both of which can disrupt and hinder productivity. So more and more companies are now considering the use of proactive initiatives in combating this negative employee outcome. One key internal initiative that has grown in popularity over the years is the employee-driven, company-funded employee resource group (ERG); yet many organizations remain skeptical about its influence on employee outcomes. So this study set out to determine whether or not there was a direct, negative link between employee involvement in ERG's and voluntary turnover. By analyzing the data of 101 employees obtained through an anonymous survey, a much stronger link between ERG involvement and job embeddedness (a core antecedent of voluntary turnover) was discovered. Despite differing from this study's initial hypothesis, such a finding helped justify the potential and utility of ERG's in staff retention, especially for employees of diverse backgrounds.

Table of Contents

Introduction

One of the biggest challenges facing companies today is voluntary employee turnover (Mitchell, Holtom, Lee, and Graske, 2001a). Defined as a "function of the perceived ease of movement and desirability of leaving one's job" (March and Simon, 1958), or simply quitting (Lee, Mitchell, Wise, and Fireman, 1996), this phenomenon can generate both explicit and implicit costs for companies. In terms of explicit costs, voluntary turnover directly incurs recruitment, selection, and training costs for replacement employees (Jiang, Liu, McKay, Lee, and Mitchell, 2012). And in terms of indirect costs, voluntary turnover can indirectly result in a loss of organizational expertise and human capital – both of which are crucial for productivity (Porter, Woo, and Campion, 2016). Coupled together, some scholars have estimated these costs to equivocate to approximately 17% of a company's pre-tax annual income (Holtom and Inderrieden, 2006). So due to its negative impact on the return-on-investment (ROI) of employees, turnover has become a prime target for companies to tackle – if not eliminate altogether (Steel, 2002; Shaw, Gupta, and Delery, 2005).

Over the years, more and more research has been conducted to better understand voluntary turnover. Several studies have shown that some employees are more likely to turnover than others – namely those from diverse backgrounds that have been traditionally underrepresented in the workforce (Buttner and Lowe, 2015). For example, female, LGBT, and racioethnic minority employees are more prone to voluntary turnover compared to their heterosexual, Caucasian male counterparts (Ashong-Lamptey, 2016; Buttner and Lowe, 2015; Friedman and Craig, 2004); racial minority turnover has even been estimated to be 40-50% higher than that of Caucasian employees (Shurn-Hannah, 2000). Such a setback can jeopardize a company's diversity and inclusion (D&I) policy, especially in terms of diverse staff retention (Robinson and Dechant, 1997; Mor Barak, Cherin, and Berkman, 1998). So a lot of focus has been shifted to a workplace concept that researchers claim directly relates to voluntary turnover: job embeddedness (Allen, 2006). This construct is defined as a combination of forces that keep an individual from leaving their job (Crossley, Bennett, Jex, and Burnfield, 2007). Such a concept have been studied and shown to have a negative relationship with voluntary turnover; higher job embeddedness leads to reductions in workplace turnover (Uzzi, 1996; Rhoades, Eisenberger, and Armeli, 2001; Holtom and Inderrieden, 2006). So it's no surprise why most companies are looking to invest in tactics that enhance job embeddedness to alleviate turnover.

But in practical terms, how can a company realistically improve the job embeddedness conditions for its employees to minimize voluntary turnover? The answer could be found through workplace initiatives that simultaneously foster a sense of community among employees while also enhancing their attachment to the company (Price, 1985; Plaut, Garnett, Buffardi, and Sanchez-Burks, 2011). One common type of company-sponsored solution that has been known to fulfill both conditions is the employee resource group (ERG). Sometimes referred to as affinity groups, diversity networks, or business resource groups, ERG's are employee-driven groups formed around a common identity, attribute, or social cause (Welbourne and McLaughlin, 2013). These groups are seen as "powerful ways to reshape the social environment" (Friedman and Craig, 2004: 794) of a company through cultural events and meetings, especially for those employees most prone to turnover. And they're also credited with providing employees with an opportunity to "forge lasting loyalties and bonds not only between…employees, but also to the company" (Douglas, 2008: 15). Overall, ERG's have been regarded, through observation, as initiatives that have the potential to reduce voluntary employee turnover.

However, despite the anecdotal benefits of ERG's in the modern workplace, several issues have arisen. In recent years, ERG's have come under fire by the very companies that sponsor them. Lack of proper funding and mismanagement have resulted in many groups failing to deliver results, which has increased skepticism of many companies regarding the ROI of ERG's (Wittenberg-Cox, 2017). This has even led a few multinational companies (e.g. Deloitte) to disband ERG's altogether (ibid). So the need for investigating and measuring the tangible, business impact of ERG's has intensified. And existing ERG research also has its flaws. While most studies analyze the impact of these groups from employees' perspectives, few have captured the organizational outlook of ERG's (McNulty, McPhail, Inversi, Dundon, and Nechanska, 2017). This approach doesn't clearly articulate the business advantages of ERG's, and it has most likely fueled managers' doubts about their utility (Shaw, et al., 2005). Also, the majority of ERG research tends to be more anecdotal and qualitative in nature, leveraging interviews and intra-organizational observations as primary data sources (McPhee, Julien, Miller, and Wright, 2017); so there's definitely a need for more empirical research conducted through quantitative means. Both gaps in existing research need to be addressed in order to better align ERG's with companies' business strategies – an absolute necessity for their continued funding and existence (Lambert and Hopkins, 1995; Ward, 2013).

But to what extent does participation in ERG's actually mitigate voluntary employee turnover? Given the challenges facing ERG's, this study will attempt to answer this question and 'bridge' both these business and research gaps. In terms of the business impact of ERG's, this study will attempt to identify a business link between ERG's and voluntary employee turnover (Wier, 2017). Via the job embeddedness construct, this study will evaluate whether or not there is an organizational relationship between high ERG participation and reduced voluntary turnover (Friedman and Craig, 2004). Such a discovery would justify the practical utilization of ERG's as effective minimizers of negative employee outcomes – namely turnover. And in terms of ERG research, this project will also attempt to produce an empirical, quantitative study of the D&I initiatives from the organization's perspective. By analyzing the correlations between each construct, this tactic will help determine the strength of a potential correlation between ERG's and voluntary turnover (Klein and D'Aunno, 1986). Such a process would help demonstrate the extent to which ERG participation can reduce voluntary turnover. This quantitative approach could also illustrate the impact of this relationship for employees who are more at risk of turnover (e.g. female, LGBT, and racioethnic minorities) than heterosexual, Caucasian males (Ashong-Lamptey, 2016; Utsey, Chae, Brown, and Kelly, 2002).

Moreover, this study will explore whether or not ERG's are an effective way to align a company's business and D&I strategies. Given the tangible threats posed by voluntary employee turnover to a company's 'bottom line', it's worth exploring which internal, preemptive options are available to managers to reduce the negative employee outcome – especially before considering expensive, external solutions. Since ERG's have been observed to have a beneficial impact on voluntary turnover, it's important to supplement this anecdote with solid, empirical evidence. So 'bridging' both these ERG business and research gaps through this study could do just that – along with demonstrating the strength of these initiatives' impact. Therefore, it's necessary to analyze each construct in the relationship between ERG's and voluntary turnover, to thoroughly understand how one concept influences the other.

Literature Review

Business Problem: Voluntary Turnover

Voluntary employee turnover poses a serious problem to companies, primarily to their reputation and bottom line. Despite investing millions of dollars into attracting and recruiting diverse talent from female, LGBT, and racioethnic minority backgrounds, these companies have trouble retaining these employees (Ashong-Lamptey, 2017; O'Brien, 2018; Ward, 2013). Along with historical workplace barriers, this is due to these employees' less equitable perception of their organizations, compared to that of their white, heterosexual male colleagues (Mor Barak, et al., 1998; Friedman and Craig, 2004). Such a fallacy not only bruises the company's public image among current and prospective clients/stakeholders, but it's also an expensive drain of business resources (Cunningham, Fink, and Sagas, 2005). This has compelled many companies' human resources (HR) departments to start devoting more attention to the negative employee outcome and potential methods to minimize/eliminate it (Ramesh and Gelfand, 2010). But in order to effectively address and mitigate voluntary turnover, its causes need to be fully understood.

According to traditional scholars, like March and Simon (1958) and Mobley (1977), job dissatisfaction was regarded as the primary factor that influenced an employee's decision to leave a company. Such a theory constrained managers to job satisfaction strategies for several decades (Maertz and Campion, 1998). However, modern scholars like Holtom and Inderrieden (2006) theorized that turnover can also be triggered by "particular, jarring events that initiate the psychological decision processes involved in quitting a job" (Lee, et al., 1996: 6): 'shocks'. These unanticipated occurrences (e.g. unsolicited job offers, pregnancy, etc.) tend to initiate a more rapid turnover response than job dissatisfaction, so companies have started researching different ways to mitigate their impact (Hom and Griffeth, 1995; Crossley, et al., 2007). Therefore, voluntary turnover remains a 'hot topic' of discussion among today's companies and their HR managers.

Potential Solution: Employee Resource Groups (ERG's)

In response to increasing voluntary turnover of diverse employees, companies have funded the creation of several D&I programs – namely ERG's. The first ERG's were formed as race-based affinity groups at Xerox during the 1970's, in response to the "racial conflict that exploded during the 1960's" (Douglas, 2008: 12). Such initiatives enabled employees of racioethnic minority backgrounds to congregate for support, host a wide range of cultural

events, and improve access to workplace opportunities (Utsey, et al., 2002; Briscoe and Safford, 2010). The initial success of these groups inspired the creation of future ERG's framed around specific attributes, such as the LGBT community, in later years (Mercer, 2011). And since their inception, the role of these ERG's has gradually evolved. In addition to being part of recruitment strategies, ERG's are now starting to contribute to business innovation (Welbourne, Rolf, and Schlachter, 2017). For example, ERG's can provide valuable customer insight into the different demographic groups that they represent – thereby offering cost-effective, in-house consulting (Welbourne and McLaughlin, 2013). This improved alignment of an organization's HR and business strategies has enabled these groups to increasingly "contribute to the day-to-day operational functions" (Ashong-Lamptey, 2017: 5) and has even signaled the transformation of some ERG's into business resource groups (Welbourne and McLaughlin, 2013). But could involvement in these ERG's actually impact voluntary turnover?

Participation in an ERG has yielded many observable benefits for employees. Some of these benefits pertain to a heightened sense of workplace community. Since ERG's are employee-driven and volunteer-dependent, they have become regarded as community-building devices within companies (Friedman and Craig, 2004). Such a perception has been most apparent amongst employees from diverse backgrounds, for whom these initiatives create 'safe spaces' for discussion and grievances within the workplace (McNulty, et al., 2017). Also, ERG membership tends to enhance individuals' commitment to their company. By enabling their participants to forge a number of professional and personal ties across the company, ERG's ingrain employees into the company's network and overall culture (Holtom and Inderrieden, 2006). These ties are key for individual success and longevity at a company, especially for those at risk of voluntarily leaving (Felps, Mitchell, Herman, Lee, Holtom, and Harman, 2009). But despite these observations, support for ERG's has been declining in recent years. Some companies have complained about the lack of a measurable impact of ERG investment on company performance, despite years of company investment (Anderson and Billings-Harris, 2010; Welbourne, et al., 2017). Plus a lack of buy-in from majority employees (e.g. heterosexual Caucasian males) has further fueled this skepticism (Plaut, et al., 2011); their perception of ERG's as more 'exclusive' rather than 'inclusive' has compelled some companies like Deloitte to disband their ERG's altogether, (Wittenberg-Cox, 2017). Due to these challenges, ERG's must open membership to all employees and articulate their business utility to ensure their survival (Plaut, et al., 2011). And the best way to do this would be through empirical research of the organizational benefits of ERG's.

Research Relationship: ERG Participation and Voluntary Turnover

The overall research model will look at the relationship between ERG participation and voluntary turnover. Several studies have shown that ERG's can positively influence employee behaviors (e.g. performance and interpersonal communication), so they have the potential to directly affect employee outcomes (McNulty, et al., 2017). For example, Ward (2013) documented how involvement in these affinity groups can actually enhance performance and productivity for employees – especially those from diverse backgrounds. And according to Friedman and Craig (2004), ERG's can also discourage negative behaviors that can disrupt company output and morale – such as voluntary turnover. This claim was affirmed by Felps, et al.'s (2009) notion that organizations have many in-house, employee-driven options to reduce avoidable, voluntary turnover. Since involvement in ERG's can create happier employees, it may have the potential to reduce voluntary turnover (Wier, 2017). Moreover, this model will examine the potential link between ERG involvement and voluntary employee turnover.

Consequently, employees who participate in ERG's tend to do so at different levels. While some employees may be heavily involved in one or more workplace ERG, others may only take a more limited approach; this is mainly due to constraints on workplace volunteering (Singh, Vinnicombe, and Kumra, 2006). Since employees don't want to be seen as "placing too much importance on their ERG's at the expense of other work" (Welbourne and McLaughlin, 2013: 37), not all of them become as involved with ERG's as much as they'd like. But for those employees who are more involved in ERG's, they tend to form more professional and personal relationships at work than those who are not (McPhee, et al., 2017). According to Clark (2002), these relationships can heighten an individual's sense of social identity – a concept that theorizes occupational identities as being tied to group membership (Ashforth and Mael, 1989). And when supported by frequent, internal networking behavior, this construct has the potential to alleviate the likelihood of voluntary turnover (Friedman and Holtom, 2002; Porter, et al., 2016). So the following hypothesis can be proposed:

Hypothesis #1: ERG participation has a negative relationship with voluntary turnover.

Additionally, there are three sub-relationships that exist within this model. First, there is the link between ERG involvement and job embeddedness. Since employees leverage informal methods to meet other, like-minded individuals, they're looking to establish 'links'

within the workplace (Byrne, 1971). So it's important to explore how much of an impact the social benefits of ERG participation can have on an employee's sense of embeddedness (Friedman and Craig, 2004). Secondly, there is the connection between job embeddedness and voluntary turnover. Since job embeddedness is known to predict key employee outcomes, it may well influence voluntary turnover (Mitchell, Holtom, Lee, Sablynski, and Erez, 2001b). So it's key to study its potential to predict voluntary turnover – similar to how other studies demonstrated its positive link with job satisfaction (Crossley, et al., 2007). And thirdly, there is the mediating role of job embeddedness between ERG participation and voluntary turnover. Since community linkages can impact an individual's perception of their environment, it's important to examine to what extent they can influence an individual's sense of embeddedness at work (Price, 1985; Steel, 2002; Boyd and Newell, 2014). Becoming part of a workplace group certainly enhances an employee's perception of belonging and their sense of attachment to the company (Klein and D'Aunno, 1986); this in turn could indirectly influence their likelihood of leaving the company (Mitchell, et al., 2001a). Therefore, these three sub-relationships will help explain the finite progression between the independent, mediating, and dependent variables.

Sub-Relationship #1: ERG's and Job Embeddedness

The first sub-relationship in the research model is between ERG participation and job embeddedness. According to Holtom and Inderrieden (2006), job embeddedness is a cluster of ideas that influence an employees' decision to remain at a company. This concept consists of three components that shape an employee's professional attachment: *links* (informal or formal relationships with colleagues), *fit* (compatibility between one's skills and job), and *sacrifice* (opportunities that would be foregone if one leaves) (Mitchell, et al., 2001b). And these three underlying facets are interlinked to illustrate the degree to which an individual is embedded in their job. According to Lewin (1951), highly-embedded employees have many connections that influence their desires to remain. These connections can range from workplace friendships to professional mentors to internal promotional paths (Porter, et al., 2016); leaving the company would jeopardize these ties (Cunningham, et al., 2005). However, individuals may also become 'stuck' in a job due to external factors, such as the need for stable income or family medical coverage (Crossley, et al., 2007; Jiang, et al., 2012). Such a concept demonstrates the collective, environmental aspect of embeddedness (Felps, et al., 2009). Moreover, job embeddedness also plays a primary role in the employee experience.

Since ERG's are formed by employees with a shared, common background, they could be seen as vehicles through which employees can form stronger workplace *links* (Haslam and Ellemers, 2011). As "public spaces in which personal social relationships are formed" (Briscoe and Safford, 2010: 44), ERG's provide mediums through which interpersonal relationships between colleagues can be enhanced. These D&I initiatives are also credited with creating 'safe spaces' where employees' diverse backgrounds are celebrated and shared with the rest of the company (Douglas, 2008); this is key for fostering an inclusive work environment, in addition to encouraging further ties to the company (Kaplan, Sabin, and Smaller-Swift, 2009). And several ERG scholars have noted the positive impact of ERG involvement on an individual's sense of job embeddedness. According to Boyd and Newell (2014), members involved in workplace programs like ERG's develop a stronger degree of social wellbeing. This benefit eventually permeates into other aspects of their organizational identity, boosting their confidence and ability to manage workplace stressors (Clark, 2002). However, a lack of this social, individual-level impact can actually decrease an individual's sense of job embeddedness and lead to negative employee outcomes – such as turnover (Rhoades, et al., 2001). So based on the literature, the following hypothesis can be theorized:

Hypothesis #2: ERG participation has a positive relationship with job embeddedness.

Sub-Relationship #2: Job Embeddedness and Voluntary Turnover

The second sub-relationship of the research model is between job embeddedness and voluntary turnover. According to Mitchell, et al. (2001a), both job dissatisfaction and 'shocks' can trigger the voluntary turnover process – albeit at different rates. These antecedents can arise due to a number of different factors, namely a lacking sense of attachment to a company (Mallol, Holtom, and Lee, 2007). Such a mindset could not only increase an individual's anti-social perception, but it could also lead to anti-social behavior or departure from the workplace (Cockshaw, Shochet, and Obst, 2013). However, job embeddedness has been regarded as an effective tool to combat negative outcomes. According to Holtom and Inderrieden (2006), job embeddedness can actually absorb 'shocks' by proactively creating strong, workplace ties that can help support the affected employee. These ties, such as supportive management or an ERG community, can help an employee navigate periods of crisis and also influence their decision to stay/leave the company (Wright, Burt, and Strongman, 2006). And job embeddedness has also been considered to have a stronger influence on employee outcomes than similar concepts – namely job satisfaction and

organizational commitment. According to Maertz and Campion (1998), these constructs fail to account for the environmental factors that can influence turnover decisions (i.e. work-life balance or diversity climate). So it's clear that job embeddedness exhibits a more appropriate connection to voluntary turnover (Uzzi, 1996; Buttner and Lowe, 2015). Moreover, job embeddedness has a tangible link with employee outcomes such as turnover.

Accordingly, previous studies have demonstrated the impact of job embeddedness on voluntary turnover. Since high levels of embeddedness have been shown to reduce negative individual behaviors, "job embeddedness [has been] conceived as a key mediating construct" (Mitchell, et al., 2001b: 1108) between employee attitudes and behaviors. This claim has been echoed by other scholars who also identified a link between the construct and employee-initiated actions, such as quitting (Jiang, et al., 2012). And one's degree of embeddedness can also determine their likelihood of leaving a company. Since "people who are embedded in their jobs have less intent to leave" (Mitchell, et al., 2001b: 1116), it's assumed that that a negative relationship exists between the two concepts. Such an observation has compelled companies to invest more resources into socialization tactics for incoming employees – such as robust onboarding orientations (Allen, 2006); the greater number of ties an employee has to their company, the less likely they are to leave (Friedman and Craig, 2004). So given this adverse link between job embeddedness and employee-initiated turnover, the next hypothesis can also be theorized:

Hypothesis #3: Job embeddedness has a negative relationship with voluntary turnover.

Sub-Relationship #3: Job Embeddedness Mediating between ERG Participation and Voluntary Turnover

Finally, the third sub-relationship in this model is the mediating role of job embeddedness between ERG participation and voluntary turnover. Since ERG involvement is a form of voluntary socialization in the workplace, scholars presume that a certain degree of social interaction occurs between employees (McPhee, et al., 2017). These program interactions enable individuals to forge solid *links* with colleagues and managers, which further embeds them into the workplace community (Lambert and Hopkins, 1995); "the more supported, satisfied, and committed the employee is to the organization" (Wright, et al., 2006: 64), the higher their degree of embeddedness. So by satisfying its *links* component, ERG involvement has a progressive correlation with the job embeddedness construct (Mitchell, et al., 2001a). Moreover, ERG involvement has a positive relationship with job embeddedness.

9

Additionally, job embeddedness also has a simultaneous relationship with voluntary turnover. Based on Mitchell, et al. (2001b)'s findings of job embeddedness serving as a key mediating construct between employee attitudes and outcomes, this relationship has been verified by other researchers. They overwhelmingly describe a negative correlation between the two concepts, with higher job embeddedness having a direct, inverse impact on turnover intentions (Jiang, et al., 2012). Since the "link between socialization and turnover has rarely been shown empirically" (Allen, 2006: 251), job embeddedness serves as a more standard construct with turnover. And job embeddedness has also been affirmed as an accurate predictor of employees' turnover tendencies. Through its combination of factors that evaluate workplace connections, job embeddedness has been heavily studied as either a catalyst or inhibitor of employee outcomes (Felps, et al., 2009). Such a fact demonstrates the reliable prediction of voluntary turnover through job embeddedness (Crossley, et al., 2007). So given these simultaneous functions of job embeddedness between ERG involvement and voluntary turnover, the following can be theorized:

Hypothesis #4: Job embeddedness mediates the relationship between ERG participation and voluntary turnover

Other Variable: Moderator

In addition to these primary research variables, another variable to consider would be one that could exponentially affect the strength of the research model's relationship: a moderator. Several external characteristics, such as demographics, could impact the relationship either in a negative or positive manner – so it's important to analyze what role they play (Cunningham, et al., 2005). According to Felps, et al. (2009), future research is needed on contributing factors to job embeddedness that could in turn influence turnover. So these efforts will focus on the first sub-relationship of the research model. And prior studies pinpoint a potential moderator that could play a key role in this model. This is the diverse, self-identified attributes of an individual (D&I identity) – which can include racioethnicity, gender, or sexual orientation (Haslam, 2004; Welbourne, et al., 2017). Such a moderator will help us determine which factors influence the strength of the relationship between ERG participation and voluntary turnover.

Since most ERG's are formulated around a shared demographic identity (e.g. racial background, sexual orientation, or gender), they tend to pull most of their membership from these groups (Welbourne, et al., 2017). And according to Kaplan, et al. (2009), employees with the highest turnover risks (e.g. racioethnic minority, LGBT, and female employees) are

more likely to participate in ERG's than their workplace-majority counterparts. Since employees from diverse backgrounds tend to have a stronger sense of D&I identity in the workplace, it's important to measure what impact this variable may have on their sense of embeddedness – and thereby intentions to leave (Phinney, 1992). So the moderating impact of D&I identity on the overall relationship can also be theorized:

Hypothesis #5: The relationship is moderated by D&I identity between ERG involvement and job embeddedness.

Methodology

Overview of Method

With the primary research objective focusing on the business impact of ERG's on voluntary turnover, it was important to gather primary data directly from current employees who participate in ERG's. Although existing ERG research had plenty of employee-produced data, it was primarily qualitative in nature and obtained through one-on-one interviews (Allen, 2006). But since interviews do not always provide a well-rounded (nor objective) overview, a more optimized option would be more appropriate. So a quantitative method for data collection was selected: an anonymous, online Qualtrics survey. This tool would not only enable rapid data collection at participants' discretion and convenience, but it would also make it easier to gather responses from their digital networks via the 'snowball method' (McNulty, et al., 2017). Eventually, a Qualtrics survey was launched in late March 2018 and gathered responses through the end of June 2018.

Sample

Over the course of three months, 185 survey responses were garnered – of which 101 (54.6%) were complete and valid for analysis. Within this number, responses from participants who were actively involved in their companies' ERG's were prioritized – especially those from multinational companies (Mercer, 2011). These companies are more likely to have the necessary resources and employee interest to support the creation and longevity of these affinity groups (Welbourne, et al., 2017); plus they tend to have ERG's enshrined in their companywide D&I policies (Douglas, 2008). So approx. 54 of the respondents (53.5%) claimed to be active in their companies' ERG's. And employees who would be more inclined to join ERG's was also a priority. According to Friedman and Craig (2004), employees from diverse backgrounds – such as racioethnic minorities – are more likely to join groups that tie to their individual identities. This notion was also reflected in Mercer's 2011 report on ERG prevalence, where groups for female, LGBT, and racioethnic employees were the most common affinity groups reported. So through this survey, 64 responses (63.4%) were gathered from participants who identified as part of these groups.

However, in order to fully understand the role of ERG's, data obtained from employees not involved in their companies' ERG's would also need to be analyzed. Although these D&I initiatives are most prevalent in "[companies] with more than 1,500 employees" (Douglas, 2008: 12), it's important to compare this employee data to that of employees not

involved. This would help determine whether or not the hypothesized link between ERG involvement and turnover is merely a coincidence, especially in companies that lack formal D&I channels (McNulty, et al., 2017). So approx. 47 survey participants (46.5%) claimed to not be involved in ERG's at their company. And these results would be inconclusive without considering data from employees deemed less likely to join ERG's. Since LGBT, female, and racioethnic employees have a greater propensity to join ERG's, these D&I initiatives may be viewed as 'exclusive' by heterosexual, Caucasian males (Welbourne, et al., 2017). According to Plaut, et al., (2011), this group of employees – which makes up approx. 2/3 of private sector workers – often feels excluded from these initiatives and are more reluctant to participate. So it's imperative to include their input (which accounts for 36.6% of survey responses) into the overall comparative data analysis.

Survey and Procedure

A 22-question online survey was created via the Qualtrics platform. In accordance with the research model, a single page of questions was devoted to each variable. This allowed for easier design and analysis during preliminary reviews of the collected data. Aside from the independent variable and demographics questions, 5-point Likert Scale responses were utilized for all other research variable items; participants could rank their agreement with each statement from 'Strongly Disagree' (1) to 'Strongly Agree' (5) (Buttner and Lowe, 2015). And despite the wide selection of available scales, it was ultimately decided to limit the number of overall survey questions. According to Cunningham, et al. (2005), reducing elongated questionnaires can minimize survey fatigue among participants. Such an issue could obscure, or even invalidate, results by increasing 'selection bias' as a means to complete the survey quicker (Mallol, et al., 2007). So a 'Qualtrics randomizer' was included to mix-up the order of survey scales, and more attention was focused on locating shorter survey scales (under 10 questions per section); this action was taken to design a quick and seamless survey.

In terms of distribution, the anonymous online survey was shared via the 'snowball approach' through two primary channels: direct emails and social media. Regarding emails, a Qualtrics survey link was sent in four different stages. First, it was sent to professional contacts at two companies (Schneider Electric and KPMG) that in turn shared it with their respective ERG chapters. Secondly, the anonymous link was publicized to external, LGBT networking organizations: OPEN Finance in the US and Interbank in the UK. Thirdly, the survey link was individually shared with prominent researchers in the ERG field: Dr.

Jonathan Ashong-Lamptey (London School of Economics), Dr. Gregory Beaver (University of Minnesota), and Dr. Theresa Welbourne (University of Alabama). Finally, the Qualtrics survey link was included in an ERG podcast that was conducted with the *Resource Groups Company* in June 2018. And regarding social media, this Qualtrics survey was also shared on Facebook and LinkedIn. By posting the survey weekly to both platforms, the survey attracted responses from both personal and professional networks. It was also shared with multiple specialty groups on LinkedIn (e.g. D&I Leadership, Engagement and Retention Forum, etc.). But despite the success of this 'snowball approach', it may have limited the potential sample size to predominately LGBT ERG contracts (rather than other affinity groups). Moreover, survey distribution targeted companies with existing ERG's, as well as prominent ERG researchers.

Measures

For the survey, different measurements were utilized for each corresponding variable:

ERG Involvement. For the independent variable, the goals was to measure the degree of ERG involvement within one's company. But due to a lack of formal scales in this area, the 2012 Out & Equal Summit's *BRG/ERG Community Surve*y was leveraged as a template on which to craft a 4-item scale. This scale requested details around whether or not ERG's were offered, which types of ERG's were available, the frequency of their activities, and the degree of the participant's involvement.

Job Embeddedness. For the mediating variable, a 7-item measurement of one's sense of *job embeddedness* was leveraged. Using the *global job embeddedness* scale from Crossley, et al., (2007), these items sought to acquire a well-rounded perspective of participants' perceived links, fit, and sacrifices at work. And this shortened scale was much more amenable to the desired survey length, compared to Mitchell, et al.'s (2001a) 40-item scale from which it was derived.

Voluntary Turnover. For the dependent variable, selecting an appropriate measurement incurred a bit of trouble. Although company turnover records would have been an ideal option, this data is generally confidential and difficult to access (Allen, 2006); plus they don't always reflect employee-initiated turnover, especially in cases where employees may have been forced to resign (Lee, et al., 1996). So as an alternative, the '*turnover intentions'* measure – an employee's thoughts of quitting and searching for alternative employment – was selected (Ward, 2013). According to Hom and Griffeth (1995) and Hom and Kinicki (2001), turnover intentions have been proven to be an accurate predictor of actual voluntary

turnover, and their use as a suitable substitute has been validated by prior studies. So the 5-item turnover intent scale developed by Walsh, Ashford, and Hill (1985) was settled-on for the survey. Compared to similar scales, this one uses more actionable/certain language regarding an individual's plans to quit (e.g. 'I intend to leave this company within the next 6 months'), which will be key for overall findings.

Control Variables

Additionally, control variables were included in the survey to help 'isolate' the measured effect of the relationship between ERG's and voluntary turnover. According to Cunningham, et al. (2005), demographic data helps provide an encompassing picture of the impact of job embeddedness on voluntary turnover. So it was decided to hold the following two controls constant during this study:

Age. Each participant was given the option to type-in their numerical age at the end of the survey. This would help minimize skewed results in the case that a majority of respondents came from a predominate age group.

Employment Sector. Each participant was requested to select their employment sector (e.g. Public, Private – For Profit, or Private – Non-Profit). And for further data segmentation, participants were also given the option to select their representative industry (out of 15 choices). Both question sets were derived from standardized templates of demographics survey questions and coded with a series of dummy variables. The participant's self-selected sector and industry were coded with '1' and all others coded with '0'.

Results/Findings

Analysis

After gathering enough useable data to begin investigation, it needed to be properly scrubbed. By loading the dataset into IBM's Statistical Package for Social Sciences (SPSS) platform, it was prepped for data analysis through four actions. First, reversed coding was applied to the 'Voluntary Turnover' scale, which had opposing Likert scale values assigned (e.g. 'Strongly Agree' = 5; 'Strongly Disagree' = 1); since this scale's items were of a negative nature, reverse coding was necessary to run proper correlations. Second, 'average' values were created for the two scales derived from the literature: 'Job Embeddedness' and 'Voluntary Turnover'; this would permit easier analysis with loading a single item, rather than multiple. Third, values for a few items that did not have a proper range were recoded. This included the ERG scale's 'Degree of Involvement' and 'Frequency of Activities' questions (recoded to range from $1 \rightarrow 4$ and $1 \rightarrow 6$, respectively), as well as the Demographics scale's 'Industry' question (recoded to range from $1 \rightarrow 16$). And finally, dummy coding (1 = 'Yes' and 0 = 'No') was deployed for easier regression analysis of multiple groups; this was leveraged for the ERG scale's 'Involvement?', 'Offering of ERG's', and 'Type of ERG' questions, as well as the Demographics scale's 'D&I Identity' and 'Gender' questions. Moreover, data scrubbing was necessary to ensure the foundation of a smoother data analysis process.

Next, the basic attributes and reliability of the selected scales were confirmed via SPSS. Through the 'Descriptive Statistics' feature, the mean, standard deviation, and Cronbach's Alpha reliability coefficient of each of survey scale was calculated; these measures are all listed in **Table 1**. In terms of basic attributes, the first two measures helped rule out any variability issues (UCLA, 2018). And in terms of reliability, each of these scales achieved a different score. 'Voluntary Turnover' achieved a high score of 0.915, which suggests high internal consistency (ibid). 'ERG Involvement' followed with a score of 0.823, which is deemed an acceptable score. However, 'Job Embeddedness' scored 0.686 – well below the other two scales. But with an average reliability coefficient of 0.808 for all three scales, these measurements were confirmed to have an acceptable level of internal consistency.

Table 1

Scale Statistics and Correlations

Variable	N of Items	Mean	Std. Deviation	Reliability (Cronbach's Alpha)	1	2	3
1. ERG Involvement	4	5.48	3.908	0.823	-	-	-
2. Job Embeddedness	7	21	4.643	0.686	.266*	-	-
3. Voluntary Turnover	5	16.56	5.773	0.915	0.089	.585*	-

*Correlation is significant at the 0.01 level (2-tailed).

   After scrubbing the data and reviewing the scales' attributes, it was possible to investigate the proposed research question and test the corresponding hypotheses through two stages of analysis. For the preliminary analysis, the SPSS 'Bivariate Correlations' analysis tool was leveraged to illustrate the relationship between the independent (ERG involvement), mediating (job embeddedness), and dependent (voluntary turnover) variables. This method calculated the correlation coefficients between each variable (also listed in **Table 1**) and determined at a glance which were going to be significant for the study. And for the final analysis, 'Generalized Linear Model' regression analysis was conducted for each hypothesis via the SPSS platform. By utilizing the 'Main Effects' tool, analysis became possible for the independent-dependent variable, independent-mediating variable, and mediating-dependent variable relationships. This was followed by testing whether or not the participant's D&I identity attribute would have any moderating effect on these linear relationships via this model's 'Interactions' tool. The results of these analyses are listed in **Table 2**, and each of them were critical in helping determine the relationship strength between variables.

Table 2

Variable Regressions

Variable Relationship	Mean Square	F	Significance
Independent → Dependent (ERG Involvement → Voluntary Turnover)	1.052	0.787	0.377
Independent → Mediator (ERG Involvement → Job Embeddedness)	3.123	7.563	0.007*
Mediator → Dependent (Job Embeddedness → Voluntary Turnover)	45.673	51.593	0.000*
Independent → Mediator ↑ **Moderator** (D&I Identity)	1.871	4.555	0.013*

*Relationship is statistically significant at the 0.05 level ($p < 0.05$).

Hypotheses

Hypothesis #1. The first hypothesis inquired about a negative link between the independent (ERG involvement) and dependent (voluntary employee turnover) variables. With a bivariate correlation coefficient of 0.089 ($r < 0.1$) and low F-Statistic score ($F = 0.787$), the relationship was weaker than anticipated. And with a regression significance value beyond the accepted threshold ($p = 0.377$; $p > 0.05$), this relationship was not deemed to be significant. Despite the ERG scale's high reliability score, the overall relationship between ERG involvement and voluntary turnover was too weak to confirm statistical significance. Therefore, Hypothesis #1 was not supported.

Hypothesis #2. The second hypothesis proposed a positive relationship between the independent (ERG involvement) and mediating (job embeddedness) variables. Based on a bivariate correlation coefficient of 0.266 ($r > 0.1$) and high F-Statistic score ($F = 7.536$), this relationship was measurably stronger than that of Hypothesis #1. And with a regression significance value below the 0.05 threshold ($p = 0.007$), the relationship was also deemed to be statistically significant. Such a positive, bivariate relationship demonstrates a medium-strength link between ERG involvement and job embeddedness. Moreover, Hypothesis #2 was supported.

Hypothesis #3. The third hypothesis surmised a negative relationship between the mediating (job embeddedness) and dependent (voluntary turnover) variables. Based on the findings from prior research, it was no surprise that a strong bivariate correlation ($r = 0.585$; $r > 0.5$) and very high F-Statistic score ($F = 51.593$) was discovered between these two variables. And with a regression significance value well-below the 0.05 threshold ($p = 0.000$), this relationship was absolutely significant. These results definitely reaffirmed the strong, negative relationship between job embeddedness and voluntary turnover from the literature. Consequently, Hypothesis #3 was supported.

Hypothesis #4. The fourth hypothesis presupposed that the mediating variable (job embeddedness) mediated the relationship between the independent (ERG involvement) and dependent (voluntary turnover) variables. By analyzing the correlation coefficients ($r = 0.266$ and 0.585) and F-Statistic scores ($F = 7.563$ & 51.593) of both the independent-mediating variable and mediating-dependent variable relationships, both variable relationships demonstrated considerable strength. And this pattern was also reflected in their regression significance values ($p = 0.007$ & 0.000, respectively). So due to these statistically significant findings, job embeddedness was observed to be an effective mediator between ERG involvement and voluntary turnover. Likewise, Hypothesis #4 was supported.

Hypothesis #5. And the final hypothesis explored the moderating role of D&I identity between the independent (ERG involvement) and mediating (job embeddedness) variables. Since correlation cannot easily be deciphered for moderation, attention was focused on its medium F-Statistic score (F = 4.555) instead. And a strong regression significance value of 0.013 ($p < 0.05$) was discovered for the moderation of D&I identity between the independent and mediating variables. Although this moderating effect was also tested through 'Generalized Linear Models' for the variable relationships in the model, D&I identity was primarily a significant moderator for the independent-mediating variable relationship. However, this moderator specifically focused on whether or not the participant considered themselves part of the diverse employee population (e.g. female, LGBT, or racioethnic communities) – not individual groups. Yet these results still demonstrated significant moderation in this model. Ultimately, Hypothesis #5 was supported.

Additional Findings

In order to fully investigate the proposed research question, it was key to determine whether or not participation in ERG's impacted respondents' scores. This required segmenting the sample and comparing the data of two separate groups: individuals who are and are not actively involved in ERG's. So with the mean values (repeated measures) of the variable relationships initiated by the independent variable (ERG involvement), visual representations of this data were created via SPSS's 'Graphs' function. Using the 'Chart Builder' tool, a 'Clustered Bar Chart' (see **Chart 1**) was created for these two variable relationships. First, the 'Involvement in ERG's?' item (dummy-coded for 1 = 'Yes' and 0 = 'No') was inserted onto the 'Cluster on X' axis. This divided-up the dataset based on ERG involvement, represented by different colors. Next, both 'average' values for the Job Embeddedness and Voluntary Turnover variables were inserted onto the chart's y-axis. This created a separate bar for each variable, each sub-divided into the two target groups. With this representation, the average means achieved by participants involved in ERG's were visibly higher than those of participants not involved in ERG's. Comparatively, the scores of respondents involved in ERG's were consistently higher than those of respondents not involved.

Chart 1

Variable Means Comparison (Job Embeddedness and Voluntary Turnover)
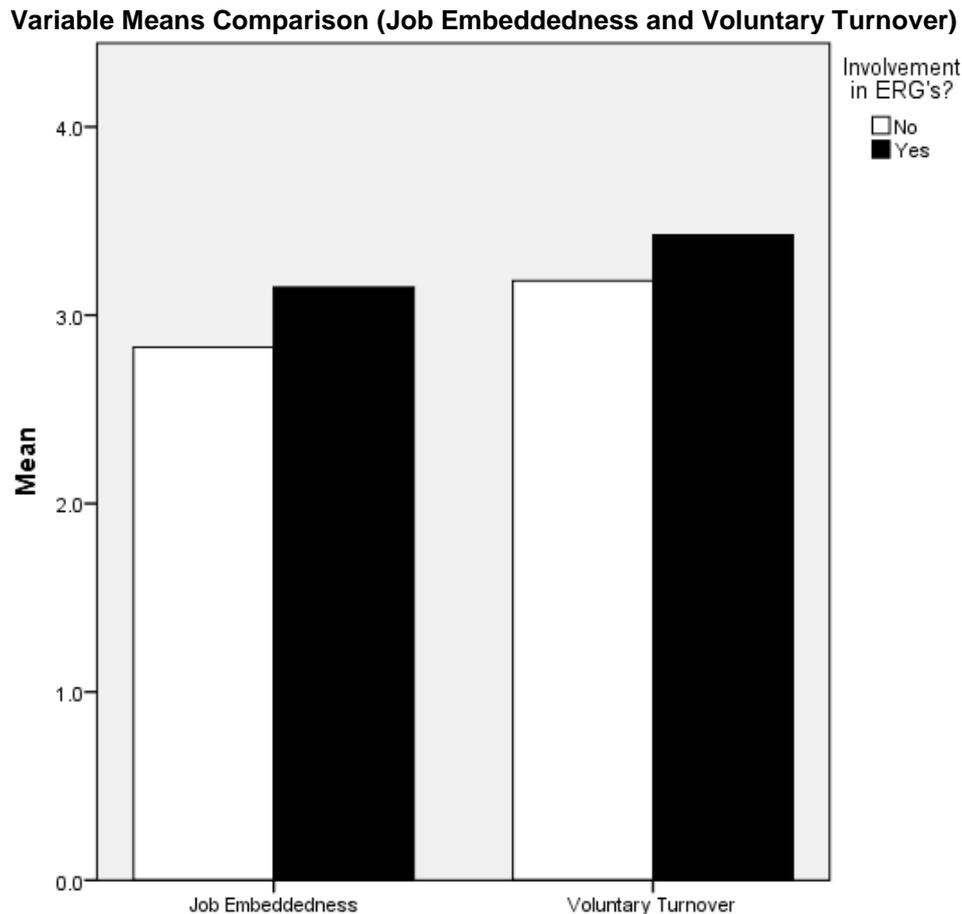
Comparison of variable mean scores for participants involved and not involved in ERG's.
Note the higher values for those involved in ERG's compared to those who aren't.

In addition to testing each of the hypotheses, the control variables' isolation effects of the independent-dependent variable relationship were also evaluated. By leveraging the SPSS 'Linear Regression' tool, regressions were ran with both demographic controls (age and employment sector) to confirm if there were any changes. In terms of age, the resulting regression statistics (F = 0.787; p = 0.377) were identical to those of the initial regression. And in terms of employment sector, its regression statistics (F = 0.782; p = 0.379) were slightly different from those of the initial regression – but with minimal significance. Both control variables confirmed that age and employment sector did not have a moderating effect on the research model. Overall, both control variable regressions reflected no significant impact on the results.

Also, some additional moderation effects of demographic attributes were unveiled in the independent-mediating variable relationship. Although gender didn't produce any significant results (p > 0.05), individual industry and specific D&I attributes did. In terms of industry, there was significant moderation (p < 0.05) for participants working in the

following fields: manufacturing (p = 0.002), education (p = 0.022), and arts/entertainment (p = 0.041). And in terms of D&I identity, further data analysis for the participants' specific D&I attributes (e.g. African-American, LGBT, Veteran, etc.) was conducted to determine moderation between ERG involvement and job embeddedness. With a high degree of job embeddedness, the following three D&I attributes illustrated the top significance values: LGBT (p = 0.010), Asian-American (p = 0.017), & Caucasian (p = 0.023). All these additional moderation results have been listed in **Table 3** below. Moreover, the demographic attributes that were collected enabled deeper data analyses within the research model.

Table 3

Parameter Estimates (Industry and D&I Identity)

Moderation b/n High ERG Involvement & Job Embeddedness	Parameter	B	Std. Error	95% Wald Confidence Interval		Hypothesis Test		
				Lower	Upper	Wald Chi-Square	df	Sig.
Industry	Arts/Education	-1.19	0.5812	-2.33	-0.051	4.196	1	0.041
	Education	-1.333	0.5812	-2.472	-0.194	5.263	1	0.022
	Manufacturing	-1.762	0.5812	-2.901	-0.623	9.191	1	0.002
D&I Identity	Asian-American	1.5	0.6283	0.268	2.732	5.699	1	0.017
	LGBT	1.857	0.7255	0.435	3.279	6.552	1	0.01
	Caucasian	1.262	0.5541	0.176	2.348	5.186	1	0.023

Most significant (p < 0.05) demographic parameter values.

Discussion

Research Aims

After the quantitative survey and subsequent data analysis, it was time to confirm whether or not this study achieved its research aims. In terms of the primary objective, the main goal was to determine whether or not a tangible link between ERG participation and voluntary turnover could be established. Such a goal not only answered the research question regarding the negative impact of ERG involvement on voluntary turnover, but it helped explore a link that had never been attempted before. This goal inspired the secondary and tertiary aims, which explored each sub-relationship of the research model: between ERG involvement and job embeddedness, as well as between job embeddedness and voluntary turnover. And the quaternary objective helped determine whether or not a 'mediating' effect occurred between the research model's variables. This enabled the individual analysis of each independent-mediating variable and mediating-dependent variable relationship. Also, determining whether or not demographic details would produce a moderating effect constituted the quinary aim, to help frame recommendations for future research, as well as business implications. Overall, the undertaken analysis approach aimed to achieve these five research aims.

Major Findings

Multiple findings were discovered through this quantitative research approach. The primary research objective was to establish a negative relationship between ERG involvement and voluntary turnover. According to McNulty, et al. (2017), ERG engagement can produce 'spillover effects' that influence employee outcomes. But while there was a consistent relationship between these two concepts, it was statistically insignificant ($p = 0.377$; $p > 0.05$); this weak link tends to be common between employee attitudes and negative behavior (Maertz and Campion, 1998). And this finding signifies that ERG involvement does not have a direct impact on turnover. Based on this analysis, the relationship between both constructs does not constitute a strong enough correlation to indicate a direct relationship. This could be due to a number of reasons, namely the fact that ERG involvement primarily addresses the social factors that influence voluntary turnover (Friedman and Craig, 2004); job dissatisfaction cannot be eradicated by ERG's alone. Along with the relatively new, unsullied nature of this topic within the past two decades, these factors help explain the lack of a strong

relationship between the independent and dependent variables. Moreover, the study's primary research aim was only partially achieved.

Likewise, the secondary research aim was to prove the hypothesized, positive link between ERG involvement and job embeddedness. According to Boyd and Newell (2014), employees who develop intra-group relations with their colleagues are bound to become socially embedded in the workplace. Such a theory was verified by a statistically significant relationship ($p = 0.007$; $p < 0.05$) between the two constructs; its correlation demonstrated a strong link between ERG involvement and job embeddedness as a whole. And this discovery demonstrated that ERG involvement directly impacts job embeddedness. Based on this analysis, it can be concluded that higher levels of ERG involvement lead to higher levels of social embeddedness (Friedman and Craig, 2004); this is due to the fact that these initiatives "allow for an alternative commonality that strengthens [employee] bonds" (Wier, 2017: 22). This finding could be explained by the social connections (*links*) that tend to be formed through ERG membership (Briscoe and Safford, 2010); this membership in turn helps individuals derive meaning in the workplace (Haslam and Ellemers, 2011). Consequently, this study's secondary research objective was achieved.

Next, the tertiary research objective sought to establish a negative link between job embeddedness and voluntary turnover. According to Holtom and Inderrieden (2006), a negative correlation exists between both constructs – especially for individuals with a high degree of embeddedness. This argument was justified by a highly, statistically significant relationship ($p = 0.000$; $p < 0.05$) that was uncovered between the two variables; prior studies of this direct link was reaffirmed by the data (Crossley, et al. 2007). And this discovery reinforces the reliability of job embeddedness as an effective predictor of voluntary turnover. The former construct "predicts the key outcomes of both intent to leave and 'voluntary turnover'" (Mitchell, et al., 2001b: 1102), demonstrating its potential in mitigating employee-elected departure; higher levels of embeddedness thereby reduce turnover intentions (Jiang, et al., 2012). Such a finding could be explained by the impact that job embeddedness can have on an individual's perceived *fit* within their company, *links* with their colleagues, and potential *sacrifices* they would have to give up if they quit (Holtom and Inderrieden, 2006). Therefore, this study's tertiary research aim was achieved.

Similarly, the quaternary research aim involved analyzing job embeddedness as a potential mediator in the research model. According to Porter, et al. (2016), the job embeddedness construct has the potential to mediate between social programs in the workplace and employee outcomes. This claim was supported by the two strong, significant

links (p = 0.007 & 0.000) that this analysis revealed; each helped to demonstrate the importance of job embeddedness linking the independent and dependent variables. And this finding illustrates the key role that job embeddedness can play in linking employee involvement and employee outcomes. Since socialization tactics – like ERG involvement – "enable organizations to actively embed new [and existing] employees" (Allen, 2006: 237), voluntary turnover can be effectively mitigated. This demonstrates the indirect link (via job embeddedness) between ERG involvement and voluntary turnover, through which employees experience an increase in reasons to stay at a company (Porter, et al., 2016). Such a mediation could be explained by the role of the construct's individual-organizational ties that are boosted by ERG's and negatively influence voluntary turnover (Friedman and Craig, 2004; Jiang, et al., 2012). Subsequently, this study's quaternary research objective was achieved.

And finally, the quinary research objective focused on determining whether or not demographic details would have a moderating effect between ERG involvement and job embeddedness. In terms of D&I identity, this analysis discovered that this attribute had a significant (p = 0.013; p < 0.05) moderating impact between the independent-mediating variable relationship of the model. Participants who self-identified as LGBT or Asian-American evidenced the greatest relationship strengths (p = 0.010 and 0.017, respectively) out of other D&I demographics; this reaffirms the notion that individuals with a stronger D&I identity are more likely to reap the rewards of ERG involvement (McPhee, et al., 2017; Welbourne, et al., 2017). Additionally, a surprising significance was also discovered for Caucasian employees (p = 0.023). Despite their lack of a D&I identity, this result illustrates the impact that ERG's can also play for majority-background employees (Plaut, et al., 2011). And in terms of industry, this analysis uncovered significant results for employees in specific organization types. With manufacturing and education receiving the top scores (p = 0.002 and 0.22, respectively), participants from both industries appear to have the strongest relationships out of the other organizations. This finding could be explained by the increasing popularity of ERG's in manufacturing facilities and unionized professions, through which employees are further engaged to boost morale and productivity (Mercer, 2011). Ultimately, these demographic attributes indeed produced a moderating effect within the research model.

Business Implications

Based on these major findings, several business implications can be drawn from this study. First, ERG's have been shown to have a high ROI in affecting employee outcomes. Although ERG involvement doesn't have a direct link to voluntary turnover (as initially

hypothesized), it can significantly impact job embeddedness (Douglas, 2008). This is achieved through the creation of social ties with other ERG members that can enhance one's sense of embeddedness within their company (Boyd and Newell, 2014). By creating a "positive organizational experience for [its] members" (McPhee, et al., 2017: 1114), ERG's can beneficially impact constructs (like job embeddedness) that directly influence voluntary turnover. And it's also recommended that companies leverage the positive impact of ERG's on job embeddedness. Since these D&I initiatives are a cost-effective method of enhancing job embeddedness, more companies should recognize their utility and invest more funding into their creation (Singh, et al., 2006); a proactive approach would be much less expensive than a reactive one (Welbourne and McLaughlin, 2013). This in turn strengthens *links* amongst employees and fosters a stronger sense of job embeddedness – which directly impacts voluntary turnover (Welbourne, et al., 2017). Accordingly, companies should continue investing in ERG's in order to increase their employees' embeddedness at work.

Next, a second business implication of this study is the mitigating power of job embeddedness on voluntary turnover. Since the construct "captures those factors that embed and keep an employee in [their] position" (Mitchell, et al., 2001b: 1115), it has the potential to either boost or minimize employee departure. A lack of job embeddedness is usually described as a common reason for individuals who decide to quit their jobs (Felps, et al., 2009); however, those with higher levels of embeddedness feel less tempted to resign (Allen, 2006). And another recommendation instructs companies to craft their retention strategies around job embeddedness. Given its proven value in retaining employees, job embeddedness should be the main goal of any retention policy (Jiang, et al., 2012). The construct can be "established and maintained through careful attention to the connections employees make" (Mitchell, et al., 2001a: 105) within the workplace, resulting in a more collaborative organizational culture. So as long as managers are willing to invest in the appropriate resources that foster job embeddedness, they're bound to see an increase in retention (Holtom and Inderrieden, 2006). Nevertheless, companies should design their employee retention plans around job embeddedness.

Additionally, a third business implication focuses on the need to proactively combat voluntary turnover. Unlike involuntary turnover, where employee separations are initiated by the organization, voluntary turnover is preventable (Felps, et al., 2009). But since the "process of voluntary employee quitting clearly unfolds over time" (Lee, et al., 1996: 33), companies are given a window in which they can intervene; it presents a valuable opportunity to resolve issues that may compel employees to consider departure (Ramesh and Gelfand,

2010). And it's recommended that companies invest in workplace initiatives that mitigate voluntary turnover before it becomes an afterthought. Ranging from ERG's to other employee-led programs, these initiatives have been regarded as effective, socialization vehicles through which employees can form relationships and discuss shared issues (Allen, 2006). Such a fact gives managers the chance to address these shared concerns in a timely manner, which further demonstrates the companies' support for its employees (Douglas, 2008); the less support employees receive from their organizations, the more likely they are to leave (Rhoades, et al., 2001). Therefore, companies should undertake proactive measures to prevent voluntary turnover.

And finally, a fourth business implication of this research involves the impact of ERG involvement for both employees of diverse and non-diverse backgrounds. For diverse employees, ERG's can provide both a sense of workplace community and social identity fulfillment (Friedman and Craig, 2004; Welbourne, et al. 2017). Since these employees tend to have a higher turnover risk, ERG involvement can be an effective method of embedding them into the workplace and discouraging departure (Hofhuis, Van Der Zee, and Otten, 2014; Shurn-Hannah, 2000); this would be an effective option for companies like Google that are experiencing exoduses of their diverse talent (O'Brien, 2018). And ERG involvement can also benefit employees from majority (heterosexual, Caucasian) backgrounds. By providing networking, educational, and socialization opportunities in the workplace, ERG's engage employees of all levels, backgrounds, and skill sets (Douglas, 2008). These activities tend to help build employee confidence and improve their prospects within the company (Wittenberg-Cox, 2017). As long as they actively welcome all employees (e.g. LGBT employees and their allies) to their events, ERG's will continue to align with the company's business strategy (McNulty, et al., 2017); this generates buy-in from all employees and minimizes perceptions of exclusion (Plaut, et al., 2011). Moreover, companies can effectively engage and embed all their employees through ERG's.

Limitations

Despite the successes of this quantitative study, there were definitely a few limitations that were encountered. Based on the review of the literature, it was discovered that ERG's constitute a fairly new topic of focus in organizational research (Welbourne, et al., 2017). Due to the "limited peer-reviewed literature on the [business] impact of ERG's" (McPhee, et al., 2017: 1105), only a select number of sources could be leveraged for this model; most ERG literature tends to focus on benefits for employees, rather than organizations (McNulty,

et al., 2017). And this limited research narrowed the possible options for ERG research scales. Since no existing scales specifically pertained to ERG membership, a new scale had to be created based on a non-research scale: the 2012 Out and Equal *BRG/ERG Community Survey*. This potentially limited the scope of the ERG variable, as well as the research utility of this survey (Welbourne, et al., 2017). Hence, a few research limitations were encountered with the independent variable.

Likewise, this study came across a few research limitations for the mediating and dependent variables. For job embeddedness, most research focuses primarily on the construct's *links* aspect – rather than *fit* or *sacrifice* (Lee, Yang, and Li, 2017; Ward, 2013). This complicated the ability to determine if the latter two played as strong of a role in the research model (Welbourne and McLaughlin, 2013). And limitations were also encountered for voluntary turnover. Since intentions to leave a company is considered to be a stigmatized topic (that not many people feel comfortable disclosing), it was challenging to obtain authentic information from respondents (Mallol, et al., 2007). Although the turnover intentions scale has been regarded as an effective predictor of actual turnover, it will never be as accurate as documented turnover in employee records (Lee, et al., 2017). Therefore, additional research limitations were encountered with the other variables.

Additionally, several limitations were discovered with the data collection method. In terms of the survey items, making all answers optional resulted in a lot of incomplete responses; nor did the addition of a randomizer make much of a difference in minimizing 'response bias' (Ramesh and Gelfand, 2010). Both issues made it difficult to obtain enough useable responses for the data analysis process, which limited the scope of the overall investigation into ERG involvement's impact on voluntary turnover. And a few limitations were also encountered during survey distribution. By using the 'snowball method', there had to be heavy reliance on informal networks – some more willing to share the survey than others (McNulty, et al., 2017). This resulted in an imbalance of survey responses, in which most of them came from members of LGBT networks (at KPMG and Schneider Electric). Such a fact made it difficult to obtain responses from less-common ERG's (e.g. Veterans and Multicultural) and limited the perspective of ERG involvement to primarily LGBT groups. Thus, several limitations were encountered during data collection.

Future Research

Given the numerous limitations that this study faced, several recommendations can be made for future research on the topic of ERG involvement. In terms of survey distribution,

it'd be best to target companies with existing, robust ERG networks. Formally approaching multinational companies that host a multitude of employee-led diversity groups, and requesting their voluntary participation in the survey, would help provide a well-rounded set of responses from participants across different ERG's (Mercer, 2011). This would help achieve a more balanced perspective of ERG involvement during the data analysis process (Ashong-Lamptey, 2016). And it would also be best to increase the sample size to at least 200 complete responses. Not only will this strengthen the means of the variable relationships, but it will also help widen the research scope. Such an action would also allow deeper analysis based on a single geographic region (e.g. the US), rather than a combined one like that of this study (Friedman and Craig, 2004). Moreover, several tweaks to the quantitative data collection process are recommended by this study.

Next, it's recommended to research other observed benefits of ERG membership. In terms of job embeddedness, it would be wise for future scholars to investigate the link between ERG involvement and the construct's *fit* aspect. Since job embeddedness is considered "more encompassing that the separate fit constructs" (Mitchell, et al., 2001b: 1107), it would be helpful to see which commonalities it does share with concepts like *organizational fit* in relation to ERG's. Such a finding could further explain how ERG involvement can enhance an individual's perceived *fit* that prevents them from leaving a company (Holtom and Inderrieden, 2006). And future scholars could also explore the link between ERG involvement and the *sacrifice* aspect of job embeddedness. While ERG involvement can formulate social ties both in and outside the workplace, it would be interesting to learn to what extent they would constitute a *sacrifice* when leaving a company (Allen, 2006). Since these "sacrifices associated with leaving the organization might be especially significant" (Cunningham, et al., 2005: 334), scholars should consider researching which specific *sacrifices* are generated through ERG involvement. Therefore, this study recommends further investigating the other aspects of job embeddedness in their relation to ERG involvement.

Also, another construct that could be worth exploring is the psychological sense of community. Defined as the "feeling [that] comes from one's personal involvement [in a] group" (Clark, 2002: 93), this concept has been considered a mediator between workplace community programs and employee outcomes (Boyd and Newell, 2014). Such an observation would be worth investigating, since ERG's are becoming an increasingly common type of company-funded community programs. And this construct is also assumed to have a direct impact on job embeddedness. By boosting an individual's social identity in the workplace, it

would be interesting to investigate which aspects of job embeddedness could be positively influenced by this construct (Briscoe and Safford, 2010). Exploring the link between the psychological sense of community and these two variables could help us to better understand the impact of company-funded social programs on employee-initiated outcomes like turnover. Furthermore, this construct would be another potential area for future research.

Conclusion

Given the detrimental impact that voluntary turnover can have on a company's 'bottom line', it's becoming an increasingly popular topic in management research. This selected approach was one of the first quantitative, employer-centric attempts undertaken to explore whether or not there was a direct, negative link between ERG involvement and employee-initiated turnover. And although the support for the initial hypothesis was underwhelming, the effective utility of ERG's in boosting job embeddedness – a proven antecedent of voluntary turnover – was ultimately discovered. Such a finding garners further research into the impact of ERG involvement on the contributing factors of employee outcomes like voluntary turnover. In order to proactively minimize employees' propensity to resign, companies should invest more resources into these cost-effective, employee-led initiatives. Not only do ERG's have the potential to enhance employees' sense of workplace embeddedness, but they also can help foster a collaborative, organizational culture that mitigates intentions to leave. These initiatives shouldn't be overlooked by companies faced with increasing rates of voluntary turnover – especially of staff from diverse backgrounds; ERG's are definitely worth the investment. Therefore, these findings justify the ROI of ERG's within a company's employee retention strategy.

References

1. Allen, D. (2006). 'Do Organizational Socialization Tactics Influence Newcomer Embeddedness?' *Journal of Management*, 32(2): 237-256.

2. Anderson, R. and Billings-Harris, L. (2010). *Trailblazers: How top business leaders are accelerating results through inclusion and diversity*. Hoboken, NJ: Wiley.

3. Ashforth, B. and Mael, F. (1989). 'Social Identity Theory and the Organization'. *Academy of Management Review*, 14(1): 20-39.

4. Ashong-Lamptey, J. (2016). 'Crafting an Identity: An Examination of the Lived Experiences of Minority Racial and Ethnic Individuals in the Workplace.' PhD Thesis, *London School of Economics*. Accessed 15 Apr 2018. http://etheses.lse.ac.uk/3475/1/Lamptey_Crafting_an_Identity.pdf

5. Ashong-Lamptey, J. (2017). 'The business case for diversity: tackling the inconvenient truth.' *HRZone.com.* Accessed 13 Mar. 2018. *www*.hrzone.com/lead/culture/the-business-case-for-diversity-tackling-the-inconvenient-truth.

6. Boyd, N. and Newell, B. (2014). 'Psychological Sense of Community: A New Construct for the Field of Management'. *Journal of Management Inquiry*, 23(2): 107-122.

7. Briscoe, F. and Safford, S. (2010). 'Employee Affinity Groups: Their Evolution from Social Movements Vehicle to Employer Strategies'. *Perspectives on Work*, 14(1/2): 42-45.

8. Buttner, E. and Lowe, K. (2015). 'Addressing Internal Stakeholders' Concerns: The Interactive Effect of Perceived Pay Equity and Diversity Climate on Turnover Intentions'. *Journal of Business Ethics*, 143(3): 621-633.

9. Byrne, D. (1971). *The Attraction Paradigm*, 11. New York: Academic Press.

10. Clark, S. (2002). 'Employees' Sense of Community, Sense of Control, and Work/Family Conflict in Native American Organizations'. *Journal of Vocational Behavior*, 61(1): 92-108.

11. Cockshaw, W., Shochet, I., and Obst, P. (2013). 'General Belongingness, Workplace Belongingness, and Depressive Symptoms'. *Journal of Community & Applied Social Psychology*, 23: 240-251.

12. Crossley, C., Bennett, R., Jex, S., and Burnfield, J. (2007). 'Development of a global measure of job embeddedness and integration into a traditional model of voluntary turnover'. *Journal of Applied Psychology*, 92(4): 1031-1042.

13. Cunningham, G., Fink, J., and Sagas, M. (2005). 'Extensions and Further Examination of the Job Embeddedness Model.' *Journal of Sport Management*, 19(3): 319-335.

14. Douglas, P. (2008). 'Affinity Groups: Catalyst for Inclusive Organizations'. *Employment Relations Today*, 34(4): 11-18.

15. Felps, W., Mitchell, T., Herman, D., Lee, T., Holtom, B., and Harman, W. (2009). 'Turnover Contagion: How Coworkers' Job Embeddedness and Job Search Behaviors Influence Quitting'. *Academy of Management*, 52(3): 545-561.

16. Friedman, R. and Craig, K. (2004). 'Predicting Joining and Participating in Minority Employee Network Groups'. *Industrial Relations*, 43(4): 793-816.

17. Friedman, R. and Holtom, B. (2002). 'The Effects of Network Groups on Minority Employee Turnover Intentions'. *Human Resource Management*, 41: 405-421.

18. Haslam, S. (2004). *Psychology in Organizations: the Social Identity Approach* (2nd Ed). London: Sage.

19. Haslam, S. and Ellemers, N. (2011). 'Identity Processes in Organizations'. In S. Schwartz, K. Luyckx, and V. Vignoles (Eds.), *Handbook of Identity Theory and Research* (715-744). New York: Springer.

20. Hofhuis, J., Van Der Zee, K., and Otten, S. (2014). 'Comparing Antecedents of Voluntary Turnover among Majority and Minority Employees'. *Equality, Diversity, and Inclusion: An International* Journal, 33(8): 735-749.

21. Holtom, B. and Inderrieden, E. (2006). 'Integrating the Unfolding Model and Job Embeddedness Model to Better Understand Voluntary Turnover'. *Journal of Managerial Issues*, 18(4): 435-452.

22. Hom, P. and Griffeth, R. (1995). *Employee Turnover*. Employee turnover. Cincinnati: South-Western.

23. Hom, P. and Kinicki, A. (2001). 'Toward a Greater Understanding of How Dissatisfaction Drives Employee Turnover'. *Academy of Management Journal*, 44(5): 975-987.

24. Jiang, K., Liu, D., McKay, P., Lee, T., and Mitchell, T. (2012). 'When and How is Job Embeddedness Predictive of Turnover? A Meta-Analytic Investigation'. *Journal of Applied Psychology*, 97(5): 1077-1096.

25. Kaplan, M., Sabin, E., and Smaller-Swift, S. (2009). 'Introduction to ERGs'. *The Catalyst Guide to Employee Resource Groups*, 20 Sep. 2009. Accessed 20 May 2018. http://www.catalyst.org/knowledge/catalyst-guide-employee-resource-groups-1-introduction-ergs.

26. Klein, K. and D'Aunno, T. (1986). 'Psychological Sense of Community in the Workplace'. *Journal of Community Psychology*, 14(4): 365-377.

27. Lambert, S. and Hopkins, K. (1995). 'Occupation Conditions and Workers' Sense of Community: Variations by Gender and Race'. *American Journal of Community Psychology*, 23(2): 151-179.

28. Lee, T., Mitchell, T., Wise, L., and Fireman, S. (1996). 'An Unfolding Model of Voluntary Employee Turnover'. *Academy of Management Journal*, 39(1): 5-36.

29. Lee, X., Yang, B., and Li, W. (2017). 'The Influence Factors of Job Satisfaction and its Relationship with Turnover Intention: Taking Early-Career Employees as an Example'. *Anales de Psicologia*, 33(3): 697-707.

30. Lewin, K. (1951). *Field Theory in Social Science*. New York: Harper & Row.

31. Maertz, C. and Campion, M. (1998). '25 Years of Voluntary Turnover Research: A Review and Critique'. *International Review of Industrial and Organizational Psychology*, 13: 49-81.

32. Mallol, C., Holtom, B., and Lee, T. (2007). 'Job Embeddedness in a Culturally Diverse Environment'. *Journal of Business Psychology*, 22: 35-44.

33. March, J. and Simon, H. (1958). *Organizations*. New York: Wiley.

34. McNulty, Y., McPhail, R., Inversi, C., Dundon, T., and Nechanska, E. (2017). 'Employee voice mechanisms for lesbian, gay, bisexual and transgender expatriation: the role of Employee-Resource Groups (ERGs) and allies'. *International Journal of Human Resource Management*, 29(5): 829-856.

35. McPhee, D., Julien, M., Miller, D. and Wright, B. (2017). 'Smudging, connecting, and dual identities: case study of an aboriginal ERG'. *Personnel Review*, 46(6): 1104-1119.

36. Mercer (2011). 'ERG's Come of Age: the Evolution of Employee Resource Groups'. Jan. 2011. Accessed 5 Mar 2018. https://docplayer.net/5069891-Ergs-come-of-age-the-evolution-of-employee-resource-groups.html.

37. Mitchell, T., Holtom, B., Lee, T., and Graske, T. (2001a). 'How to Keep Your Best Employees: Developing an Effective Retention Policy'. *Academy of Management Executive*, 15(4): 96-109.

38. Mitchell, T., Holtom, B., Lee, T., Sablynski, C., and Erez, M. (2001b). 'Why People Stay: Using Job Embeddedness to Predict Voluntary Turnover'. *Academy of Management Journal*, 44(6): 1102-1121.

39. Mobley, W. (1977). 'Intermediate Linkages in the Relationship between Job Satisfaction and Employee Turnover'. *Journal of Applied Psychology*, 62: 237-240.

40. Mor Barak, M., Cherin, D., and Berkman, S. (1998). 'Organizational and Personal Dimensions in Diversity Climate'. *Journal of Applied Behavioral Science*, 34: 82-104.

41. O'Brien, S. (2018). 'Google Has a Hard Time Holding Onto its Black Employees.' *CNN*, 15 Jun. 2018. Accessed 16 Jun 2018. http://money.cnn.com/2018/06/15/technology/google-diversity-report/index.html.

42. Out and Equal Workplace Advocates (2012). *ERG/BRG Community Survey*. Accessed 13 Mar 2018. http://old.outandequal.org/resources/community/employee-resource-groups-erg-registry/ergbrg-community-survey/.

43. Phinney, J. (1992). 'The Multigroup Ethnic Identity Measure: A New Scale for Use with Diverse Groups'. *Journal of Adolescent Research*, 86(5): 825-836.

44. Plaut, V., Garnett, F., Buffardi, L., and Sanchez-Burks, J. (2011). 'What About Me? Perceptions of Exclusion and Whites' Reaction to Multiculturalism'. *Journal of Personality and Social Psychology*, 101(2): 337-353.

45. Porter, C., Woo, S., and Campion, M. (2016). 'Internal and External Networking Differentially Predict Turnover Through Job Embeddedness and Job Offers'. *Personnel Psychology*, 69: 635-672.

46. Price, R. (1985). 'Work and Community'. *American Journal of Community Psychology*, 13(1); 1-12.

47. Ramesh, A. and Gelfand, M. (2010). 'Will They Stay or Will They Go? The Role of Job Embeddedness in Predicting Turnover in Individualistic and Collectivistic Cultures'. *Journal of Applied Psychology*, 95(5): 807-823.

48. Rhoades, L., Eisenberger, R., and Armeli, S. (2001). 'Affective Commitment to the Organization: the Contribution of Perceived Organizational Support'. *Journal of Applied Psychology*, 86(5): 825-836.

49. Robinson, G. and Dechant, K. (1997). 'Building a Business Case for Diversity'. *Academy of Management Executive*, 11(3): 21-31.

50. Shaw, J., Gupta, N., and Delery, J. (2005). 'Alternative Conceptualizations of the Relationship between Voluntary Turnover and Organizational Performance'. *Academy of Management Journal*, 48(1): 50-68.

51. Shurn-Hannah, P. (2000). 'Solving the Minority Retention Mystery'. *Human Resource Professional*, 13: 22-27.

52. Singh, V., Vinnicombe, S., and Kumra, S. (2006). 'Women in Formal Corporate Networks: An Organizational Citizenship Perspective'. *Women in Management Review*, 21(6): 458-482.

53. Steel, R. (2002). 'Turnover theory at the empirical interface: Problems of fit and function'. *Academy of Management Review*, 27: 346-360.

54. UCLA Institute for Digital Research and Education (2018). 'What Does Cronbach's Alpha Mean? SPSS FAQ'. *UC Regents*. Accessed 7 July 2018. https://stats.idre.ucla.edu/spss/faq/what-does-cronbachs-alpha-mean.

55. Utsey, S., Chae, M., Brown, C., and Kelly, D. (2002). 'Effect of Ethnic Group Membership on Ethnic Identity, Race-Related Stress, and Quality of Life'. *Cultural Diversity and Ethnic Minority Psychology*, 8(4): 366-377.

56. Uzzi, B. (1996). 'The Sources and Consequences of Embeddedness for the Economic Performance of Organizations: The Network Effect'. *American Sociological Review*, 61: 674-698.

57. Walsh, J., Ashford, S., and Hill, T. (1985). 'Feedback Obstruction: The Influence of the Information Environment on Employee Turnover Intentions'. *Human Relations*, 38(1): 23-46.

58. Ward, G. (2013). 'An investigation of performance and participation in employee resource groups at a global technology company'. PhD Thesis, *Wayne State University*. Accessed 21 Apr 2018. https://search.proquest.com/docview/1348707095/?pq-origsite=primo.

59. Welbourne, T. and McLaughlin, L. (2013). 'Making the Business Case for Employee Resource Groups'. *Employment Relations Today*, 40(2): 35-44.

60. Welbourne, T., Rolf, S., and Schlachter, S. (2017). 'The case for employee resource groups: A review and social identity theory-based research agenda'. *Personnel Review*, 46(8): 1816-1834.

61. Wier, M. (2017). 'Employee Resource Groups Harness Power of Diversity'. *Canadian HR Reporter*, 30(19): 22.

62. Wittenberg-Cox, A. (2017). 'Deloitte's Radical Attempt to Reframe Diversity'. *Harvard Business Review*, 3 Aug. 2017. Accessed 15 May 2018. https://hbr.org/2017/08/deloittes-radical-attempt-to-reframe-diversity.

63. Wright, S. Burt, C., and Strongman, K. (2006). 'Loneliness in the Workplace: Construct Definition and Scale Development'. *New Zealand Journal of Psychology*, 35(2): 59-68.

Appendix

Anonymous Survey

1. Does your organization offer employee resource groups (ERG's)?
   a. Yes   b. No   c. Unknown
2. How often do you participate in you organization's ERG's?
   a. Never b. Seldom c. Some of the time   d. Most of the time e. N/A
3. Which types of ERG's are you a member of?
   a. African American/Black b. Asian/Pacific Islander c. Disability d. Faith-Based
   e. Generational f. Hispanic/Latinx g. LGBT h. Multicultural
   i. Veterans j. Women k. Young Professionals l. Other
4. How often does your ERG host activities?
   a. Weekly b. Bi-weekly c. Monthly d. Bi-monthly e. Quarterly f. Annually g. N/A
5. I feel attached to this organization.*
6. It would be difficult for me to leave this organization. *
7. I'm too caught up in this organization to leave. *
8. I feel tied to this organization. *
9. I simply could not leave the organization that I work for. *
10. It would be easy for me to leave this organization. *
11. I am tightly connected to this organization. *
12. I am starting to ask my friends/contacts about other job possibilities. **
13. I am thinking about quitting my job. **
14. I intend to leave this company within the next 6 months. **
15. I often look to see if similar positions in other firms are open. **
16. I am thinking about contacting a recruiter about other job possibilities. **
17. Which of the following communities do you identify as part of?
    a. African American/Black/Caribbean b. Asian/Pacific Islander c. Caucasian/White
    d. Hispanic e. LGBT f. Middle Eastern g. Native American/Indigenous h. Veteran i. Other
18. Which gender do you identify as?
    a. Male   b. Female   c. Transgender
19. What is your age? (free text fill in)
20. How would you describe your current employment sector?
    a. Public – Government b. Private – Corporation/For Profit c. Private – Charity/University
21. Which of the following most closely matches your current industry?
    a. Accounting/Banking/Finance b. Agriculture/Forestry c. Arts/Entertainment
    d. Construction e. Education f. Energy/Power g. Healthcare/Medical h. Hospitality
    i. Manufacturing j. Mining k. Public Administration l. Real Estate m. Retail
    n. Technology o. Transportation p. Other
22. What is your current country of residence?
    a. United Kingdom (UK)   b. United States (US)   c. Canada   d. Other

*Likert scale response options (1=Strongly Disagree; 2=Disagree; 3=Undecided; 4=Agree; 5=Strongly Agree)

**Inversed Likert scale response options (5=Strongly Disagree; 4=Disagree; 3=Undecided; 2=Agree; 1=Strongly Agree)