

WORKPLACE FRIENDSHIPS: ORIGINS AND CONSEQUENCES FOR MANAGERIAL EFFECTIVENESS

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ABSTRACT

This study advances research on workplace friendships by suggesting and testing a framework that can help explain not only *how* friendships affect outcomes but *why*. Specifically, I demonstrate that the antecedents leading to formation of a workplace friendship can explain the differential effects of workplace friendships on several job outcomes.

INTRODUCTION

Research has shown that workplace friendships influence individual and organizational outcomes (Gibbons & Olk, 2003; Lincoln & Miller, 1979; Riordan & Griffith, 1995). Specifically, the positive effects of workplace friendships on stress relief, creativity, motivation, job involvement, job satisfaction, organizational commitment, and turnover have been well documented (Gibbons & Olk, 2003; Krackhardt & Stern, 1988; Kram & Isabella, 1985; Morrison, 2004; Riordan & Griffith, 1995; Yager, 1997). Moreover, scholars have also identified the negative outcomes of workplace friendships such as loss of focus on the task, groupthink, creation of conflict of interest situations, appearance of favoritism (Berman, West & Richter, 2002) and the development of romantic relationships which can be detrimental to work and to the organization (Homans, 1950; Quinn, 1977).

Although the above studies provide evidence for the effects (positive or negative) of workplace friendships, they fall short of providing a concise and clear explanation about *why* and *how* friendships produce these outcomes. Furthermore, scholars cannot account for the conflicting empirical evidence found in the literature regarding the effects of friendships on job outcomes. For example, Riordan & Griffith (1995) found a direct positive effect between friendship opportunity and job involvement. Nielsen, Jex, and Adams (2000) examined the same relationship and did not find evidence for such a relationship. Nielsen et al (2000) suggest that the inconsistent results are due to differences in the samples used. Riordan & Griffith (1995) used a single sample from a single organization whereas Nielsen et al (2000) used participants from different organizations. However, it is likely that the inconsistent findings are not merely a function of the samples used and that there are other alternative explanations for why some friendships lead to positive outcomes while others do not. To date, scholars have not examined or put forward any suggestions to account for the differential effects of workplace friendships. The dynamics through which friendships at work lead to various job outcomes are still unknown.

In this study, I attempt to fill this gap and suggest that the antecedent process leading to formation of workplace friendships can shed light and explain some of this variance. I use an existing framework, the workplace friendship formation framework developed by Dotan (2007) and argue and demonstrate that the factors of workplace friendship formation can help explain: 1) the type of outcomes that friendships are/aren't likely to influence; 2) the type of friendships

that are likely to lead to positive outcomes; 3) the type of friendships that are likely to have detrimental effects on outcomes as well as: 4) *why* friendships lead to different job outcomes.

THEORETICAL FRAMEWORK

Workplace Friendship Formation Framework

In her study of the formation of workplace friendships, Dotan (2007) identified six main reasons as to why individuals form friendships at work; namely: 1) Work Safety/Trust; 2) Missing Role; 3) Sanity Check; and 4) Work-values/Life-interests Similarity (WVLI); 5) Proximity, and 6) Instrumentality. Generally, Work Safety/Trust is a factor of friendship formation that is affective or emotional in nature. It is based on an internal feeling of safety and trust with regard to work-related issues/experiences and motivates an individual to pursue a friendship relationship with the given coworker for this reason. Missing Role is a factor of workplace friendship formation that is also affective in nature and suggests that “individuals are likely to form friendships with others who are potential substitutes or resemble some important person or role-model in their life: a mother or father figure, a son, a sister or even themselves at some past stage” (Dotan, 2007: 25). Sanity Check is factor of formation that is cognitive in nature and suggests that individuals will likely form a friendship with a coworker to gain reassurance for the way they are thinking; to gain cognitive confirmation or validation for a particular point of view and regain a feeling of competence. WVLI Similarity is a “relational” based factor of formation since it is based on the characteristics of the dyad rather than the individual. It suggests that individuals who share similar work values and/or life interests are likely to become friends at work. Instrumentality is a factor of workplace friendship formation which is inherently instrumental in nature. It suggests that individuals have career-related instrumental motivations such as a promotion, career advancement or a bonus and pursue a friendship relationship with a given co-worker with the hope of gaining such rewards. Proximity is a situation-based factor of friendship formation and suggests that individuals who are in close physical propinquity are likely to form a friendship relationship.

Dotan (2007) distinguishes the above six factors along ten dimensions that help clarify the theoretical distinction among them. (See Table 3 in Dotan (2007) study for more details about the factors and their dimensions). One of the dimensions she focuses on is whether the factors are “Motivational” or “Facilitating”. Motivational factors suggest that the individuals were motivated to pursue the friendship (for cognitive, affective or instrumental reasons) and hence, the friendship was sought purposely and did not simply happen by chance. Of the six factors the following are motivational: Sanity Check (cognitive), Missing Role (affective), Work Safety/Trust (affective), and Instrumentality (instrumental). Facilitating factors suggest that a stimulant external to the individual precipitated the formation of the relationship. The two factors that are facilitating are: Proximity and WVLI Similarity.

If individuals indeed form friendships at work for such distinct reasons, is it possible that such reasons could help explain why friendships affect outcomes differently? Do friendships that were formed on the basis of motivational factors have stronger effects on outcomes than friendships that were formed as a result of facilitating factors? Is it possible that performance and commitment to the organization varies according to the reason that stimulated initiation of the friendship? For example, does the fact that John became friends with Anne because of stimulant X make him more or less committed to the organization than Robert who became friends with

Jason for stimulant Z? Is a person who formed a friendship at work for instrumental reasons (Instrumentality) more likely to leave the organization than a person who formed a friendship on the basis of affect (Missing Role)? To my knowledge, no one has empirically tested such relationships. To date, no one has examined whether the origins of a workplace friendship (or the reason why it was formed) influences the progression of the friendship and subsequently its effects. Consequently, as a first step at uncovering some of the ‘black box’ through which friendships affect outcomes, I will focus on the antecedents of friendship formation to suggest ways in which workplace friendships affect several job outcomes. Given that Dotan (2007) is the only available framework of the formation of friendships at work, I utilize this framework (and the measure that she developed) to examine the relationship between the six factors of formation and seven job outcomes.

The Job Outcomes

The most common job outcomes that have been examined in relation to workplace friendships are job involvement, job satisfaction, organizational commitment, turnover intentions (Morrison, 2004; Nielsen et al, 2000; Riorden & Griffith, 1995) and absenteeism (Berman et al, 2002; Yager, 1997). The effect of workplace friendships on performance received much less attention; however, it has been studied in relation to friendship group effectiveness (Jehn & Shah, 1997; Shah & Jehn, 1993). I will therefore investigate the relationship between the factors of friendship formation and the above outcomes. Additionally, although the effect of friendships on organizational citizenship behavior (OCB) has not been examined directly, OCB includes citizenship behaviors towards others (OCBO). It is likely that individuals who have friends at work will exert such behaviors toward them and so I will examine this job outcome as well.

In summary, in this Study, I will investigate the direct effect of each of the six factors of friendship formation on job involvement, job satisfaction, organizational commitment, organizational citizenship behavior, performance, turnover, and absenteeism. Additionally, since previous research has also documented indirect effects between workplace friendships and performance (Jehn & Shah, 1997) and workplace friendships and turnover intentions (Riordan & Griffith, 1995; Tett & Meyer, 1993) I will also investigate such indirect effects. I will investigate whether job involvement, organizational commitment, job satisfaction and organizational citizenship behavior mediate the relationship between the factors of workplace friendship formation and the outcomes: performance, turnover, and absenteeism.

SAMPLE & METHODS

Sample

The participants for this study include employees of a very diverse set of US business organizations ranging from department stores to chemical organizations and financial firms, varying in size and industry. A private professional company that specializes in online survey administration was utilized to distribute an online survey to participants who were randomly sampled from a pool of 20,000 US adults who had previously expressed interest in participating in the company's research projects. Subjects were compensated by the company for their participation in the form of "survey cash". The criteria for participation were that the subjects were between the ages 18 and 65 and that they were currently working a minimum of 20 hours a

week in the same organization. The second criteria was based on the rationale that friendships take time to form (Fehr, 1996) and individuals will more likely form friendships at work if they spend much time there. 2088 individuals expressed interest in participating in the survey, but only 1057 (50.6%) qualified to participate given the above criteria. All 1057 participants completed the entire survey given that the survey was set up in such a way that participants could not move on to the next question without completing the current question, and only fully completed surveys were eligible to participate.

Data Collection & Survey

Data collection for this study was divided into three parts collected at the same time in the fall of 2006 via an online survey. For Part I, participants were questioned about the formation of their closest workplace friendship (IV). The workplace friendship formation measure developed by Dotan (2007) was utilized for this purpose. Specifically, participants were asked a series of closed-ended questions regarding a relationship that had changed from a co-worker to a friend. For the purposes of this study, a ‘friend’ is someone whom the individual identifies as such (Gibbons & Olk, 2003; Krackhardt & Stern, 1988). Nevertheless, since researchers have shown that the closest friendship has the most influence on the individual in terms of influencing job attitudes and outcomes (Haythornthwaite & Wellman, 1998; Krackhardt & Porter, 1985), participants were asked to discuss the closest friendship. In Part II of the survey, participants answered a number of survey questions regarding their job involvement (Kanungo, 1979), job satisfaction (Hackman & Oldham, 1974) organizational commitment (Mowday, Steers & Porter, 1979), organizational citizenship behavior (Williams & Anderson, 1991), turnover intentions (Seashore, Lawler, Mirvis & Cammann, 1982), absenteeism, and performance (Robinson, 1996). In the final part, Part III, data was collected on each participant’s age, gender, marital status, hierarchy status, organizational size, tenure, expectation to stay, and personality (Controls).

Data Analyses

The relationship between each of the six factors of formation and the outcomes was tested using several Ordinary Least Squares (OLS) regression analyses. To examine the mediation model, I used the criteria suggested by Baron and Kenny (1986) and produced several regression models to examine the direct, indirect, and mediation effects. As a ‘formal’ test to examine the significance of indirect effects, I used the Sobel test (Sobel, 1982). Wald tests were conducted when necessary to test the significance of the increment in R^2 .

RESULTS

Results of the Direct Effects

Job Involvement. The Missing Role and Instrumentality factors of formation were each significantly positively related to job involvement. The standardized beta coefficients were 0.143, 0.119 respectively. No other factor was significantly related to job involvement.

Organizational Commitment. Work Safety/Trust and Instrumentality were positively significantly related to organizational commitment (with beta’s =0.143, 0.098 respectively). No other factor was significantly related to organizational commitment.

Job Satisfaction. The results show that three out of the six factors of formation were significant namely, Sanity Check, Work Safety/Trust, and Missing Role. Although all three were significant, Sanity Check has the strongest effect on job satisfaction in comparison to the other two factors, as indicated with a beta almost twice as large as the former two (0.154, 0.094, -0.089 respectively). Missing Role is negatively associated with job satisfaction.

Organizational Citizenship Behavior. Four of the six factors were significant (Proximity, Instrumentality, Work Safety/Trust, and Missing Role); however, only two of the four, namely, Proximity and Work Safety/Trust were positively associated with OCB (with $\beta=0.071$, $\beta= 0.131$ respectively). Both Instrumentality and Missing Role were negatively associated with OCB ($\beta= -0.102$, $\beta= -0.101$ respectively).

Performance. The results show a significant negative relationship between Sanity Check and Performance ($\beta= -0.106$). Proximity, and Work Safety/Trust were each positively significantly related to performance ($\beta= 0.082$, and $\beta= 0.119$ respectively).

Turnover. The factors of formation that had a significant relationship with turnover are Instrumentality and Work Safety/Trust (with beta coefficients: $\beta=0.078$ and $\beta= -0.098$ respectively). Thus, there is a positive relationship between Instrumentality and turnover and a negative association between Work Safety/Trust and turnover.

Absenteeism. Instrumentality was the only factor that was significant (with $\beta=0.113$).

Results of the Mediation Effects

Performance. The results indicate that OCB mediates both the relationship between Proximity and performance, and the relationship between Work Safety/Trust and performance.

Turnover. Organizational commitment mediates the relationship between Work Safety/Trust and turnover.

Absenteeism. The findings indicate that OCB (partially) mediates the relationship between Instrumentality and absenteeism.

DISCUSSION

The objective of this study was to examine whether the different reasons for making friends at work could help explain the variance in how workplace friendships affect several individual level outcomes. The results of the study clearly show that the factors of friendship formation can help explain the differential effects of friendships, and can assist in answering the vital question of how and why friendships lead to various outcomes. The results of the study can be summarized into four general findings: 1) There is a difference between the factors and their effects on the same outcome (between groups difference). This is true for all the outcomes examined whether in terms of the direction of the relationship or in terms of magnitude of the effect. 2) Not all the factors are significantly related to all of the outcomes; some factors are particularly important for some outcomes and not for others. 3) There is a difference between the effects of each factor on each outcome. In other words, the factors don't have the same relationship with each outcome and the relationship differs both with respect to the magnitude of the effect and/or its direction. 4) Some factors of formation have direct effects on performance, turnover, and absenteeism, whereas for some factors the effect is mediated by other job variables.

The findings also imply significant differences between "Motivational" and "Facilitating" factors of formation, as well as a distinction between "Affective", "Cognitive" and "Instrumental" factors and their effects. Generally, the results indicate that motivational factors had a stronger effect on the outcomes than facilitating factors. In other words, friendships that were formed because the individual was *motivated* to pursue the friendship (e.g. Sanity Check) and purposely sought the friendship have a stronger effect on job outcomes than friendships that were formed by chance such as Proximity. This suggests that when individuals make conscious decisions about pursuing workplace friendships at work, the relationship is more likely to affect them in terms of job related outcomes than when contextual or external factors facilitate the formation of that friendship. The results further suggest that within the motivational factors, there are significant differences between affective, cognitive and instrumental factors. Specifically, the results show that affective and instrumental factors impact more job outcomes than cognitive factors. In addition, in cases where both instrumental factors and affective factors had an effect on the same outcome, it was the affective factors that had the stronger effect (as indicated by the larger beta coefficient). Thus, affective factors of formation seem to be the most influential factors in relation to the job outcomes. A close examination of the two affective factors in the study; however, reveal additional findings. Work Safety is significantly positively related to organizational commitment, job satisfaction, OCB, performance, and negatively associated with turnover indicating that friendships which were formed as a result of Work Safety/Trust are highly beneficial for organizations. However, the Missing Role factor of formation is only positively associated with job involvement, and is negatively associated with job satisfaction and OCB. Thus, although affective factors may have the strongest affect on the outcomes, they can also have a strong negative effect which can be worrisome. Missing role is the factor of formation that has the highest emotional intensity associated with it in comparison to the other factors. Moreover, it is the factor where the most intimate information is exchanged and the friend pair meet very frequently. These findings imply that too much emotional intimacy at work may be detrimental and managers may want to influence/inhibit the formation of such ties.

CONCLUSION

Heretofore, scholars merely examined the relationship between workplace friendships and various job outcomes and reported the findings without providing an account for why these effects exist. In this study, I provided a framework that focuses on the antecedent process of formation to uncover some of the 'black box'. Additionally, I illustrated that in order to understand current and be able to predict future relationships, it is vital for scholars not only to examine existing relationships in organizations, but to collect data on the progression of the relationship over time. Although this work provides important insights, this is only a first step and there are other explanations that should be explored. For example, scholars could examine whether vertical friendships as compared to horizontal ones differ with respect to their effect on outcomes. The stage of the friendship may be another factor that could explain why some friendships lead to certain outcomes and others do not. Scholars should propose and empirically investigate additional/alternative explanations so that we can gain a better understanding of how and why social relationships impact organizational functioning and effectiveness.

REFERENCES AVAILABLE FROM THE AUTHOR

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