February 9, 1999

Dear Research & Development Committee,

Enclosed is a Seed Grant application for my proposed study, *Informal Networks Across Careers: Understanding the Emergence of and Changes in Employees’ Informal Networks*. I have enclosed the internal review transmittal form, the pre-proposal form, a budget, and my Internal Review Board approval. A letter of support from the acting chair of the Sociology Department, Scott Sernau, is being sent separately.


While the survey data provided a broad overview of employees’ networks at U.S. Finance, these cross-sectional data were unable to uncover the origins of employees’ networks and explore network changes over time. The proposed study will complement my former one by providing an in-depth exploration of these neglected areas. The proposed study will provide the foundation for a book manuscript on informal networks that integrates my quantitative and qualitative findings.
The funds that I am requesting from the Seed Grant Program will allow me to apply for a research grant from the Sociology Program of the National Science Foundation (NSF). The most important resource I need to succeed in my NSF application is time to travel to the company, to conduct pilot interviews with employees, to transcribe my interviews (each hour interview takes approximately 6-7 hours to transcribe), to develop and revise my interview instrument, and to obtain information on the changes that the company has undergone since my last study. A Seed Grant would provide me with a summer salary that would help me buy such time.

In addition to my NSF application, I will submit an application to the American Sociological Association’s Fund for the Advancement of the Discipline. These awards (up to $5,000) are intended to fund small, ground-breaking research initiatives.

My proposed study has several strengths that should enhance its ability to obtain an NSF grant. First, this research promises to make theoretical insights into network formation and change. Second, the project has interdisciplinary appeal—the issues it addresses are relevant to sociologists, psychologists, business and labor scholars, and organizational scholars. Third, this research will provide an important foundation for future research on networks. While network scholars have developed sophisticated, quantitative measures of network structure and composition, little attention has been paid to measuring network formation and change.

Thank you for considering this application. Please contact me if you have any questions or require additional information.

Sincerely,

Gail McGuire
Assistant Professor, Sociology
**Budget**

**Expense**

Salary for Principal Investigator (9 weeks): ($36,002 * .025)  
$8100.45

Transcriber:  
$233.00

Two round trips, by car, to Columbus, Ohio:  
(1 Round trip is 510 miles; estimate based upon 500 miles @ .28 and 520 miles @ .14)  
$212.80

**Total Cost:**  
$8,546.25

Note: The researcher will absorb all costs not covered by the Seed Grant.

**Budget Justification**

**Salary:**

The most important resource I need to prepare my NSF application is time, which a summer salary would help me to obtain. I require time to travel to Columbus to collect information on the changes that the company has undergone since 1997. I also require time to develop and revise my interview guide, to conduct pilot interviews with workers in Columbus, and to transcribe and analyze those interviews (a one hour interview takes approximately 6-7 hours to transcribe). I also need time to become familiar with NUDIST, the computer program I plan to use to analyze my data.

**Transcriber:**

A transcriber is absolutely essential to analyze intensive interviews. Because of the amount of time it takes to transcribe interviews, I need to have my own equipment.

**Travel:**

I need to travel to Columbus to conduct the pilot interviews and to collect current information on the company (e.g., conduct informal interviews and obtain current copies of company newsletters and financial reports).
Pre-Proposal Form

Project Working Title: Informal Networks Across Careers: Understanding the Emergence of and Changes in Employees’ Informal Networks.

Principal Investigator: Gail McGuire, Assistant Professor of Sociology

Other IUSB personnel involved, if any: none

Target date for submission to outside funding source: June 15, 1999 (ASA grant) and August 15, 1999 (NSF grant)

Funding Sources to be approached: Sociology Program at the National Science Foundation and the American Sociological Association’s Fund for the Enhancement of the Discipline.

Briefly describe the project (what it is intended to accomplish and what activities are proposed)

Despite efforts to formalize the workplace, informal networks play a major role in how work is done and how rewards are distributed in work organizations. While past research has documented the role that these informal relationships play in helping workers to acquire resources, such as information and jobs, little research has investigated the origins of workers’ networks and the ways in which workers’ networks evolve over their careers. Understanding how employees’ form their networks is critical to understanding the benefits and liabilities they bring to workers. Some scholars suggest that an employee’s informal network has a “snow ball” effect on his/her career, meaning that the network that an employee forms early in his/her career produces cumulative advantages or disadvantages throughout his/her career. However, no study has collected data to examine this possibility. Furthermore, virtually no research has examined how the composition of networks changes across employees’ careers.
The purpose of this project is to examine employees' informal networks across their careers. My study focuses on two aspects of informal networks. First, I will examine how employees develop their informal networks. I will examine the social context in which employees met their network members and the factors that facilitated their relationship. Second, I will explore changes in employees' networks across their careers. I will examine changes in the types of people with whom employees form network ties and in the types of help that network members provide to employees. In addition, I will study ineffective network relationships, a topic that has been ignored by most research.

I will conduct intensive interviews with 40 full-time employees from U.S. Finance--10 white men, 10 white women, 10 men of color, and 10 women of color. Interviews will be conducted in person, whenever possible, or over the phone. All interviews will be taped with the permission of the participant. Interviews should last an average of two hours. All interviews will be transcribed and then coded using NUDIST, a computer program used to analyze qualitative data.

This project promises to make at least three contributions to our understanding of work organizations. First, it will inform us about the formation of and changes in employees' networks. While most research has examined employees' networks at a one point in their careers, this study will investigate how networks evolve across employees' careers. Second, this project will shed light on the informal mechanisms contributing to race and sex inequality at work by examining processes of network inclusion and exclusion. Third, the results from this project will help scholars develop surveys on network formation and change. Network scholars have developed measures of network structure and composition, but have paid little attention to measuring the dynamic processes of network formation and change.

Proposed timetable for project:

I plan to begin interviewing in the fall of 1999 and to complete data analysis in the summer of 2000. I plan to begin writing in the fall of 2000 and to complete the project by the summer of 2001.
Briefly indicate resources needed to complete the proposed project (personnel/time, space, equipment/technology, travel, other resources).

The main resources I need are summer salary, a transcriber, and travel funds.

Approximately how much will the research project cost (you will not be held to these amounts):

1. Amount to be sought from external sources: $15,000
2. Matching or in-kind funds to be committed: $0
3. Indirect Costs: $7,500
4. Project Total: $22,500

Approvals:

Principal Investigator: [Signature]

Department Chair: [Signature]

Division Dean: [Signature] 2/9/99