The Sociology of Structural Racism: Minorities, Networking, and Unemployment

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Marketplace.org

Source: http://www.marketplace.org/topics/your-money/ask-money/minorities-have-harder-time-networking

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Minorities have a harder time networking

Interview by David Lazarus
Friday, March 7, 2014 - 12:11

Networking is a fact of life in the business world. Some research, from Rutgers University business professor Nancy DiTomaso, revealed that 70 percent of the jobs that people get in their lifetime come with some type of additional help.

"[Such as] someone who could give them information that other people didn't have, could use influence on their behalf, such as 'this is my friend, look out for them,' or someone who could actually give them an opportunity or hire them for a job," DiTomaso says. "So if Hispanics or blacks or others have higher unemployment rates, it may not be that they aren't networking, it may be that they don't have networks that tie them into where there are job opportunities."

DiTomaso explores that issue in her book, "The American Non-Dilemma: Racial Inequality Without Racism."

"It's not going to change unless there's attention on the public policy level in terms of how organizations think about the decision-making that takes place within their entities," DiTomaso says. "Everyone I talked to claimed to believe in civil rights... they all think that equal opportunity is the solution."

"But everybody that I talked to spent their lives seeking unequal opportunity."

Podcast available here:

http://download.publicradio.org/podcast/marketplace/segments/2014/03/07/marketplace_segment31_20140307_64.mp3

Source: http://www.npr.org/2013/05/06/181636285/op-ed-how-favoritism-is-driving-minority-unemployment **NPR.org**

Op-Ed: How Favoritism Is Driving Minority Unemployment May 06, 2013 1:00 PM

Job seekers often rely on friends, family members and other connections to land jobs. Nancy DiTomaso, professor at Rutgers Business School, explains her research that shows that such seemingly harmless favoritism in networking is driving black unemployment in the U.S.

Folks: You must also listen to the podcast of this story. **PODCAST is available here:**
http://pd.npr.org/anon.npr-mp3/npr/totn/2013/05/20130506_totn_02.mp3?dl=1

Transcript

NEAL CONAN, HOST:

This is TALK OF THE NATION. I'm Neal Conan in Washington.

And now the Opinion Page. If you've been searching for a job, you probably reached out to everyone you know; neighbors, friends, family members. Everyone tells you to network. In a piece for The New York Time's Great Divide series, Nancy DiTomaso argues that the success of that strategy explains high black unemployment. Through such seemingly innocuous networking, she writes, white Americans tend to help other whites. So how did you find out about the job you have now? Was it through your network of friends and family? Give us a call. 800-989-8255. Email: talk@npr.org. You can also join the conversation on our website. That's at npr.org, click on TALK OF THE NATION.

Nancy DiTomaso is a professor and vice dean of faculty at Rutgers Business School and joins us now from our bureau in New York. Nice to have you on the program today.

NANCY DITOMASO: Thank you very much.

CONAN: And I think it's important to point out, you say this is not done maliciously or maybe not even consciously.

DITOMASO: Well, it's certainly is not done in a way that people are aware of the impact of it. Although when I talked to the hundreds of people that I included within my study, almost all of them - albeit two of the people I talked - found 70 percent of the jobs that they held over a lifetime from having some kind of additional help from family, from friends, through someone either telling them about a job that otherwise was not public, using influence to help them stand out from the crowd or in some cases, actually, offering them an opportunity.

And yet, when I asked my interviewees what most contributed to their having the kind of life that they had, almost no one talked about the help they received. Instead, they talked about how hard they had worked, how motivated they were, the education they'd received. So there was a big gap between the amount of help that they'd received and how they thought about what had happened in their lives.

CONAN: And since we live in still a largely segregated society, you write, it is the white who'll be helping other whites. They're the friends and family they know, and it is minorities who will be left out.

Yes. I was surprised in the interviews that I did. Even in a diverse place like New Jersey - and it was only one of the locations where I did these interviews - that there were so few whites that I talked to who had much contact with minorities, with blacks, with immigrants, except perhaps during a brief time in college. Most of the time, they move in rather homogenous neighborhoods, attended relatively homogenous schools and even many workplaces are still quite homogenous. So, yes, when they find opportunities and they think of who might want to know about them, it's usually primarily people like them.

And this is not discrimination as such. It's favoritism.

DITOMASO: Yes. Specifically in this book - my book is called "The American Non-Dilemma, which is published by Russell Sage Foundation - I specifically want to make the point that this is not just the other side of discrimination. Because discrimination is actively excluding certain people from opportunities, and that's illegal. This is actively helping to include people that are like you so that they can gain opportunities, and that is not illegal. And I think that that's a very important distinction.

CONAN: It also suggests that this problem is not going to go away anytime soon.

DITOMASO: No, it's certainly not. But I try to remind the readers of my book or in discussions about this that the civil rights movement was about access to jobs and freedom, right? And so there is a public interest in understanding the extent to which people find jobs primarily through this kind of networking pattern.

CONAN: Yet the civil rights movement was also about allowing people to make choices and not excluding them by any legal basis. And it turns out that given the choice, people tend to group in communities and in churches and, to some degree, in jobs where there is limited contact with people of other races.

DITOMASO: Well, yes, that's true. The extent to which that is a choice or through other mechanisms is, of course, a debatable issue. But the critical thing is if 70 percent of the jobs are found through these kinds of inside connections, then how can we actually talk about a job market? It would mean that those people who are not part of those networks, in fact, would have much harder time finding opportunities and finding jobs, particularly jobs that allow them to lead decent lives.

CONAN: And as you look at this dilemma, this non-dilemma as you described in the title of your book, it is a situation that is self-perpetuating.

DITOMASO: Yes, because it is something that goes on across generations and because my parents or my friends or colleagues helped me, that position is made to have good job skills and sufficient income to then help my children and the next generation. So in that sense, it is self-reproducing.

CONAN: There are other surveys that show that, for example, college graduates did much better than non-college graduates in the recent economic turndown, which has so terribly disproportionately affected African-Americans in particular. Is there not another explanation as to the education gap that causes this problem?

DITOMASO: Well, the people that I talked to were both college graduates and non-college graduates and men and women in several different parts of the country. And surprisingly, I did not find a difference on basis of class, college-educated or not college education - college-educated, in terms of the proportion of jobs that people found over their lifetimes through these kinds of mechanisms. Everyone uses these kinds of mechanisms when it's available to them and particularly to find jobs that are valuable in terms of, again, providing either a decent wage, benefits, pensions. And, therefore, you know, these kinds of jobs are important opportunities and therefore they are hoarded for family and friends or acquaintances or people like me.

CONAN: Particularly in hard times.

DITOMASO: Particularly in hard times.

CONAN: We want to get callers in on the conversation. How did you find out about the job you now have? 800-989-8255. Email us: talk@npr.org. And let's go to Carrie(ph) in Ypsilanti, Michigan.

CARRIE: Hi there.

CONAN: Hi, Carrie. How did you find out about the job you've got now?

CARRIE: I am currently a taxi cab driver, and I found out about the job through a volunteer that I do at a college radio station here in Ann Arbor.

CONAN: And so it was through an acquaintance then.

CARRIE: Well, someone actually who listened to my radio program called and got to chatting with him, and he suggested that because I was looking for a new line of work. So he said it would be interesting for me if I enjoyed driving. And I told him I did so - I mean, I've been doing it just a little over two years. I worked at three different companies in the area, and the company that I end up now also networking came into play because it was someone that I used to work with who suggested another person I should meet who could get me a job at the company that I'm at now.

CONAN: So friend of a friend, former colleague, that sort of thing.

CARRIE: Exactly. But I don't usually take those unless I know that I can perform to my truest ability. If I don't think I'm going to end up liking the thing, I won't use that network because I don't want it to reflect badly on the person that helped me out.

CONAN: And what about the radio gig? You still doing that?

CARRIE: Oh, of course, yes, every Sunday night, from 9:00 to midnight.

CONAN: Congratulations. Stay with it.

CARRIE: Thank you. Thank you. Have a great day.

CONAN: Thanks very much for the call. And, Nancy DiTomaso, it's interesting. You said there was a distinction in your piece. There was a distinction between relatively lower level jobs where it - you may not need a contact to get it and higher paying jobs where you probably do.

DITOMASO: Yes, although I would say that the line between those two is relatively low, so we're not necessarily talking about good jobs or best jobs. We're talking about almost all jobs unless, as one of my interviewees said, it's - one job is as bad as another. For those kinds of jobs where you can go door to door and just find first jobs available, then you may not want to use your networks for that. You might want to save them for more valuable opportunities. But even for working class jobs and even for about half of the jobs that perhaps don't require much education, people still drew on networks to find those kinds of jobs. So it's still pretty pervasive if 70 percent of the jobs over people's lifetimes are found with this kind of additional inside edge.

CONAN: Fewer and fewer of us are in union jobs, but did you find any distinction there?

DITOMASO: Well, I certainly talked to some union members, and union jobs, in particular, are ones that, in the past, those who held those jobs thought that they should be able to make them available to their children, to their relatives and so on. And to the extent that the civil rights movement or affirmative action policies or public policies in general made those jobs more broadly available, that induced a great deal of resistance to those kinds of policies. So that is a concern and one of the things that I did find in talking with people in my study.

But let me mention with regard to the caller that a number of the people that I talk to when they realize that they had just told me about this sort of insight edge when we talked about the jobs that they held would say something like, that just got me in the door and then I had to prove myself. But they didn't seem to recognize that many people might have been able to prove themselves if they had gotten in the door. And therefore, it was a significant

advantage, in fact, to get into the door, get the job and have the opportunity for both training and for proving themselves in these situations.

CONAN: We're talking on the Opinion Page this week with Nancy DiTomaso of Rutgers Business School. Her piece, "How Social Networks Drive Black Unemployment," was published yesterday in The New York Times' Great Divide series. She is also the author of "The American Non-Dilemma: Racial Inequality Without Racism." You're listening to TALK OF THE NATION from NPR News. And Erica's(ph) on the line with us from Manchester in New Hampshire.

ERICA: Hi.

CONAN: Erica, you're on the air. Go ahead, please.

ERICA: Well, I'm white. But the reason I was calling is I've now lived in New Hampshire for 11 years and I came to New Hampshire because someone suggested I worked for a paper in New Hampshire. From that paper, someone suggested I work somewhere else when I needed a change. And then when that paper downsized, I started working for the AP because I had a couple of friends that worked there and got me a part-time job and found another job that way. So I've now been here 11 years and never handed anyone a resume.

CONAN: And all of those jobs through connections?

DITOMASO: All of them, yes.

CONAN: And that first one, somebody you knew, how did you know that person?

ERICA: I was in a graduate school program at the time and I was working on Capitol Hill reporting for a paper out in Montana and he was the editor. He was the editor based in D.C. and he liked my writing and said he thought I would - I'd benefit from working for this paper where his friend was the publisher.

CONAN: So one colleague recommended you to another and so then the wheel starts. Is it your experience form your colleagues that just about everybody gets their jobs that way?

ERICA: I would say it's about half. And half a number of people at the company I worked for did apply. But in terms of the people I know in the journalism world, more of them than not actually found their jobs through connections, not through applications. There aren't a lot of jobs listed out there, at least in New Hampshire, for the things I was looking for.

CONAN: I would agree with you. I don't think there's a lot of jobs listed in trade journalism these days. Erica, thanks very much. Good luck to you. And as we listen to that, Nancy DiTomaso, 11 years, three different jobs, never gave anyone a resume. Yet, there are an awful lot of jobs, and you think about for universities or certainly, public jobs, you know, government jobs, where there's seemingly excruciating search process.

DITOMASO: Well, this caller's experience, in fact, was not unusual, given the people that I talked to. In fact, a very typical situation that people would go from one job to the other usually because they knew someone or because someone could tell them about an opportunity that others didn't know about. And although there are lots and lots of processes put in place to try and make it a fair system, I heard over and over again from the people that I talked to in my study you just don't get a job there unless you know someone. This was true in public agencies and large firms, in small firms and entrepreneurial firms. It just is the typical way that people get jobs.

So even if there is a process of an open search and applications come in, still the ones that get selected out, the people that are interviewed, it's usually - have some kind of commonality or contact that allows them to stand out.

For example, I talked to one person who every job he had was through some kind of friends. People liked him and they helped him, and he told, for example, of going to one job interview where he happened to look down the hallway and there was someone he went to high school with who recognized him who came up and put her arm around him, saying this is my friend. Take care of him. That's a very typical kind of story that people tell.

Now, it's important to understand that people know on the one hand that networks are important and that they matter. But on the other hand again, when I ask people, you know, what most contributed to your having the kind of life you have? They didn't say because I had good networks. They said because I worked hard, because I'm smart, because I'm motivated. So there's this huge gap in terms of how we think about what has happened in our lives and how we actually live our lives.

And I talk about this in the book and I think that it's important to understand in terms of a policy issue is that while all the people that I talked to said that they believed in equal opportunity as a standard of fairness, they spent their entire lives seeking unequal opportunity. That really is the process by which people are trying to make their way in the world. Nobody really wants to compete on equal basis where they don't know the outcome. They want an advantage and they want to get ahead. That's the kind of language we use and we, in fact, mean we want to stand out from the crowd and get the opportunity before someone else does.

CONAN: Nancy DiTomaso, thanks very much for your time today.

DITOMASO: Thank you.

CONAN: Nancy DiTomaso, a professor and vice dean for faculty and research at Rutgers Business School. Again, her piece, "How Social Networks Drive Black Unemployment," was published yesterday in The New York Times' Great Divide series. You can find a link to it on our website. Go to npr.org and click on TALK OF THE NATION. This is TALK OF THE NATION. I'm Neal Conan in Washington.

New York Times

Source: http://opinionator.blogs.nytimes.com/2013/05/05/how-social-networks-drive-black-unemployment/ The Great Divide
May 5, 2013, 9:12 pm

How Social Networks Drive Black Unemployment

By NANCY DITOMASO The Great Divide is a series about inequality.

It's easy to believe the worst is over in the economic downturn. But for African-Americans, the pain continues — over 13 percent of black workers are unemployed, nearly twice the national average. And that's not a new development: regardless of the economy, job prospects for African-Americans have long been significantly worse than for the country as a whole.

The most obvious explanation for this entrenched disparity is racial discrimination. But in my research I have found a somewhat different culprit: favoritism. Getting an inside edge by using help from family and friends is a powerful, hidden force driving inequality in the United States.

Such favoritism has a strong racial component. Through such seemingly innocuous networking, white Americans tend to help other whites, because social resources are concentrated among whites. If African-Americans are not part of the same networks, they will have a harder time finding decent jobs.

The mechanism that reproduces inequality, in other words, may be inclusion more than exclusion. And while exclusion or discrimination is illegal, inclusion or favoritism is not — meaning it can be more insidious and largely immune to legal challenges.

Favoritism is almost universal in today's job market. In interviews with hundreds of people on this topic, I found that all but a handful used the help of family and friends to find 70 percent of the jobs they held over their lifetimes; they all used personal networks and insider information if it was available to them.

In this context of widespread networking, the idea that there is a job "market" based solely on skills, qualifications and merit is false. Whenever possible, Americans seeking jobs try to avoid market competition: they look for unequal rather than equal opportunity. In fact, the last thing job seekers want to face is equal opportunity; they want an advantage. They want to find ways to cut in line and get ahead.

You don't usually need a strong social network to land a low-wage job at a fast-food restaurant or retail store. But trying to land a coveted position that offers a good salary and benefits is a different story. To gain an edge, job seekers actively work connections with friends and family members in pursuit of these opportunities.

Help is not given to just anyone, nor is it available from everyone. Inequality reproduces itself because help is typically reserved for people who are "like me": the people who live in my neighborhood, those who attend my church or school or those with whom I have worked in the past. It is only natural that when there are jobs to be had, people who know about them will tell the people who are close to them, those with whom they identify, and those who at some point can reciprocate the favor.

Because we still live largely segregated lives, such networking fosters categorical inequality: whites help other whites, especially when unemployment is high. Although people from every background may try to help their own, whites are more likely to hold the sorts of jobs that are protected from market competition, that pay a living wage and that have the potential to teach skills and allow for job training and advancement. So, just as opportunities are unequally distributed, they are also unequally redistributed.

All of this may make sense intuitively, but most people are unaware of the way racial ties affect their job prospects.

When I asked my interviewees what most contributed to their level of career success, they usually discussed how hard they had worked and how uncertain were the outcomes — not the help they had received throughout their lives to gain most of their jobs. In fact, only 14 percent mentioned that they had received help of any kind from others. Seeing contemporary labor-market politics through the lens of favoritism, rather than discrimination alone, is revealing. It explains, for example, why even though the majority of all Americans, including whites, support civil rights in principle, there is widespread opposition on the part of many whites to affirmative action policies — despite complaints about "reverse discrimination," my research demonstrated that the real complaint is that affirmative action undermines long-established patterns of favoritism.

The interviewees in my study who were most angry about affirmative action were those who had relatively fewer marketable skills — and were therefore most dependent on getting an inside edge for the best jobs. Whites who felt entitled to these positions believed that affirmative action was unfair because it blocked their own privileged access.

But interviewees' feelings about such policies betrayed the reality of their experience of them. I found these attitudes evident among my interviewees — even though, among the 1,463 jobs they discussed with me, there were only two cases in which someone might have been passed over for a job because of affirmative action policies benefiting African-Americans. These data are consistent with other research on affirmative action.

There's no question that discrimination is still a problem in the American economy. But whites helping other whites is not the same as discrimination, and it is not illegal. Yet it may have a powerful effect on the access that African-Americans and other minorities have to good jobs, or even to the job market itself.

Nancy DiTomaso, the vice dean for faculty and research and a professor of management and global business at Rutgers Business School, is the author of "The American Non-Dilemma: Racial Inequality Without Racism."

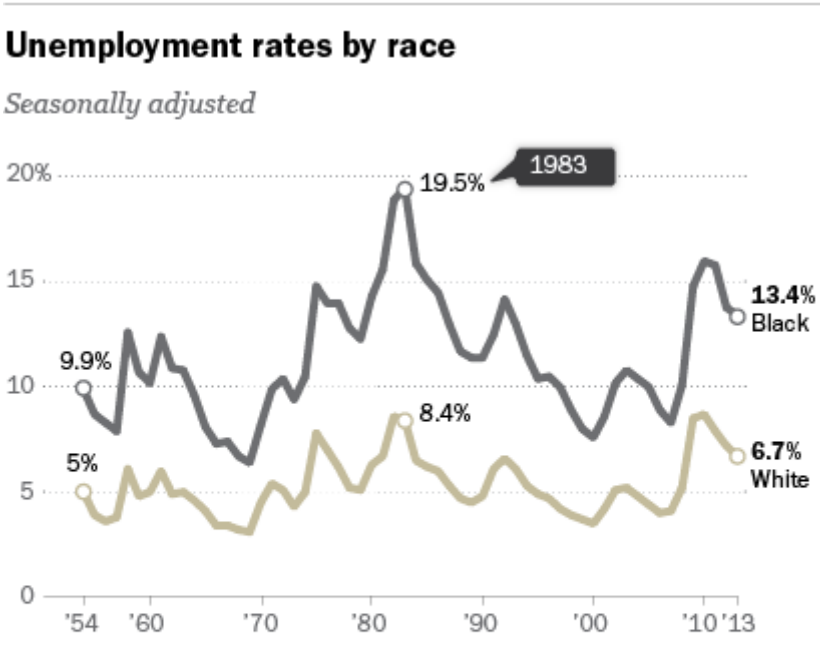
PewResearchCenter

Source: http://www.pewresearch.org/fact-tank/2013/08/21/through-good-times-and-bad-black-unemployment-is-consistently-double-that-of-whites/

August 21, 2013

Black unemployment rate is consistently twice that of whites

By Drew DeSilver36 comments



Source: Bureau of Labor Statistics

Note: "Black and other," 1954-1971; "Black or African American" thereafter. 2013 average is January-July.

PEW RESEARCH CENTER

Much has changed for African-Americans since the 1963 March on Washington (which, recall, was a march for "Jobs and Freedom"), but one thing hasn't: The unemployment rate among blacks is about double that among whites, as it has been for most of the past six decades.

In 1954, the earliest year for which the Bureau of Labor Statistics has consistent unemployment data by race, the white rate averaged 5% and the black rate averaged 9.9%. Last month, the jobless rate among whites was 6.6%; among blacks, 12.6%. Over that time, the unemployment rate for blacks has averaged about 2.2 times that for whites.

The widest gaps, when black unemployment was as much as 2.77 times that of white unemployment, came in the late 1980s, as the manufacturing sectors that employed

disproportionate shares of African-Americans shriveled. The smallest gaps, ironically, came in the summer of 2009 during the Great Recession; white unemployment rose so high, so fast, that the black jobless rate was "only" 1.67 times higher.

The black-white unemployment gap appears to have emerged in the 1940s, according to a 1999 analysis of Census data. Although labor economists, sociologists and other researchers have offered many explanations for the persistent 2-to-1 gap — from the differing industrial distribution of black and white workers to a "skills gap" between them — there's no consensus on causes. One 2011 working paper, after reviewing existing research on wage and unemployment differentials among blacks and whites, concluded that "none of the existing models of race discrimination in the labor market explains the major empirical regularities."

One common explanation, as William A. Darity Jr. of Duke University told Salon in 2011, is that blacks are "the last to be hired in a good economy, and when there's a downturn, they're the first to be released." A 2010 article testing that "last hired, first fired" hypothesis against panel data from the Current Population Survey (from which the unemployment rate is derived) found considerable support for the "first fired" part but not for the "last hired" part: Blacks are in fact disproportionately likely to lose their jobs as the business cycle weakens, but the hiring side is more complex: "[E]arly in the business cycle, those blacks with a stronger attachment to the labor force (i.e., the unemployed) are the first hired. Blacks who are nonparticipants tend to be hired late in the business cycle when labor demand is particularly strong."

Harvard Business Review
Source: http://blogs.hbr.org/2014/01/white-people-do-good-things-for-one-another-and-thats-bad-for-hiring/

White People Do Good Things for One Another, and That's Bad for Hiring

by Nancy DiTomaso | 10:00 AM January 2, 2014

At some point in your career, you were probably turned down for a job at a new organization in favor of an "internal" candidate. Most of us have had that experience. It's even more likely (though you probably weren't aware of it) that you've been rejected at times in favor of outside applicants who were known quantities to the hiring managers—candidates who were referred by other employees or recommended by friends of friends. That's how the world works.

In fact, if you look back on your own checkered past, and if you're honest with yourself, you'll recall that a lot of the jobs you did get came through personal connections of some kind—associates, mentors, friends, family. You're savvy about organizations, and savvy job-seekers rarely go in cold.

But what if you're not a former associate of anyone in any employer that might need your skills? What if you're not a mentee, a friend of a friend, a relative? What if you don't come recommended by a trusted source—if you don't have an "in" of any kind and are not a known quantity?

Then you're out of luck, and that's exactly why today's corporate executives are missing the point about diversity: Whites don't have to do bad things to minority groups in order to maintain a racial advantage in employment and wealth. They only have to do good things for one another. And they do good things for one another all the time.

In a study I conducted among white workers, I found that 70% of the participants' jobs, past and present, had been landed with the help of friends or relatives who were in a position to provide inside information, exert influence on the candidates' behalf, or directly offer job or promotion opportunities.

Yet virtually all of these employees, as well as white managers I've interviewed, maintain that they oppose racism and are in favor of equal opportunity.

In my work on diversity, I often meet CEOs who are genuinely concerned about disparities and are highly motivated to increase their organizations' diversity. Yet they frame the issue in terms of discrimination and "bias against." They don't see the powerful locked-arms effect of the "bias for" that's prevalent in hiring and promotion decisions. I once spoke to an executive whose company was being celebrated for its commitment to diversity, but over dinner I was told proudly by one of the key HR managers that the company relies on referrals from existing employees for many of their middle-management hires.

Which brings me to take an unpopular stand: Up with bureaucracy.

I don't mean the kind of bureaucracy that drives people crazy. I mean the kind that provides minority candidates with protections from biases that are embedded in corporate decision-making. It's perfectly logical for managers to want to interview and hire known quantities—résumés can be opaque and mendacious, and there's no Angie's List equivalent for finding highly recommended employees (at least not yet). But when it comes to hiring and promotion, I'm in favor of a systems approach that reduces reliance on the kinds of judgments that lead to bad decisions—an approach that is measured not on process but on outcomes with regard to the competency, race, ethnicity, and gender of hired or promoted employees.

I'll be the first to acknowledge that a systems approach can feel inadequate; the "numbers" never tell a complete story. Neither companies nor universities rely solely on test scores, because they know that doing so wouldn't lead to the best outcomes. So the trick is creating a systems approach that evaluates candidates in a holistic way. That means an array of metrics, from competency tests to psychological profiles regarding fit for the job. Companies need to establish specific criteria on what constitutes competence in any given job, and they need to collect data on those specific criteria rather than rely on assumptions or impressions. To be effective, metrics need to be specified in advance, and they need to be up to date and not based solely on managerial perceptions.

Part of the solution is a new mind-set on executives' part. There's abundant evidence that just trying harder or wanting to do better doesn't make a difference. What does matter is being conscious of the decisions we are making—we need to move these crucial decisions from the unconscious to the conscious realm. If we think about being accountable for the decisions we make, and if we stop believing that we can make truly unbiased or objective decisions, then we are less likely to make decisions that reflect implicit or unconscious bias in favor of people like ourselves—and more likely to end up with a workforce that is more diverse and better fits the needs of our organizations and their global clients.