

# Effects of Movements and Opportunities on the Adoption of Same-Sex Partner Health Benefits by Corporations

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*In this study, we draw upon a social movement perspective to examine how movements and institutional opportunity (political and cultural) influenced a sample of Fortune 500 corporations' adoption of a controversial organizational practice—same-sex partner health benefits. Our results show that while corporations' gay, lesbian, bisexual, and transgender (GLBT) employee resource groups increased the rate of the corporations' benefits adoption, the effect of the GLBT employee resource groups became weaker when the degree of resource concentration of local GLBT advocacy organizations was high. Political opportunity derived from state legal environments and cultural opportunity derived from the tenor of moral legitimacy in leading national press coverage had little influence on the rate of benefits adoption. Furthermore, the influence of a GLBT employee resource group on the rate of benefits adoption by its corporation became weaker when cultural opportunity, derived from increases in positive tenor of pragmatic legitimacy discourse used by movement and countermovement organizations in the press, was present. Accordingly, our study shows the complicated effects of movements within and outside corporations and cultural opportunity on the adoption of a controversial practice and reveals the importance of mobilizing structure (both internal and external movements) and cultural opportunity in the adoption.*

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In 1994, Alice McKeage and Rob Matras, employees at Ford in Dearborn, Michigan, risked their jobs and reputations and outed themselves to their employer, insisting that their status as gay, lesbian, bisexual, and transgender (GLBT) people was as worthy of Ford's recognition as other specialized employee groups. A year later, GLOBE, a GLBT employee resource group (ERG), was launched. Ten years later, Alice McKeage, while receiving an award for her contributions to the GLBT community, said,

One of the things that I'm thinking about right now is the 21-year-old back in 1969 who lost her family and her friends when they found out she was a lesbian. I'm exceedingly grateful and proud to be a member of this community. Thank you all so much. (Witkowski, 2004: para. 1)

While introducing himself after her award, Ford Vice Chairman Allan Gilmour said, "I'm Allan Gilmour and I would like to introduce myself as a colleague of Alice." Gilmour told McKeage regarding Ford, "You have made it a better place for many, many people" (Witkowski: para. 2).

Since its launch, GLOBE has not only advocated GLBT employee issues for Ford employees but also participated in and sponsored national and local networking events organized by GLBT organizations such as Out at Work (or Not), a Chicago-based organization. Out at Work (or Not) regularly coordinated with other GLBT organizations to organize GLBT workplace workshops and summits in which they brought human resources professionals and GLBT employees together to discuss GLBT workplace issues. Out at Work (or Not) also allowed GLBT employees in organizations to use its resources (e.g., hotlines, newsletters) to recruit other employees to their GLBT employee groups (either formal or informal). It published newsletters to provide information on GLBT employee activities in organizations as well as networking and conference opportunities. Other advocacy organizations, such as Human Rights Campaign, National Gay and Lesbian Task Force, and Out & Equal, advocated for workplace equality in media and published manuals/guidelines to help GLBT employees to establish ERGs. These events and activities not only highlight GLBT workplace movement activities but also point to ways in which GLBT workplace movements organized to mobilize for change. Yet what changes have GLBT ERGs, GLBT advocacy organizations, and collaboration between GLBT employees and GLBT advocacy organizations made to organizations? More broadly, how do movements internal and external to organizations lead to changes in organizational behavior?

How social movements influence organizational behavior has recently begun to attract considerable attention in organization studies. While prior organization studies have advanced our understanding of the relationship between social movements and organizational behavior, important limitations remain. Specifically, prior organization studies have focused primarily on the effect the amount of movement resources had on organizations (e.g., Hiatt, Sine, & Tolbert, 2009; King & Soule, 2007). In so doing, the studies have implicitly assumed away the importance of mobilizing structure in affecting movement outcomes. While movement

resources are critical, the ways movements mobilize resources and coordinate activity are also important because having resources does not necessarily lead to movement success (Edwards & McCarthy, 2007; McAdam, McCarthy, & Zald, 1996; Tilly, 1999). Specifically, mobilizing structure—organizational mechanisms, formal or informal, through which activists coordinate activity to acquire and mobilize resources to engage in collective action (McAdam et al.; McCarthy & Zald, 1977)—influences the capacity of movement activists to overcome challenges associated with recruitment, resource access, and mobilization to affect movement processes and outcomes (e.g., Ganz, 2000; Tilly). An examination of the effect of mobilizing structure on movement outcomes when the targets are organizational practices shall advance our understanding of how movements influence organizational behavior.

Furthermore, prior studies have emphasized only the effects of movements either internal or external to organizations on organizational behavior. For example, some scholars showed that organizational behavior is influenced by employee mobilization efforts (Creed, Scully, & Austin, 2002; Kellogg, 2009, 2012; Kim, Shin, Oh, & Jeong, 2007; Lounsbury, 2001; Raeburn, 2004; Scully & Creed, 2005). Other scholars documented that changes in organizational behavior are influenced by activists in organizational fields that mobilize resources and employ various tactics to change institutional environments (Hiatt et al., 2009; Sine & Lee, 2009; Wijk, Stam, Elfring, Zietsma, & de Hond, 2013) and influence organizational practices (Ingram, Yue, & Rao, 2010; McDonnell & King, 2013; Raeburn; Weber, Rao, & Thomas, 2009). But organizations can face similar movement challenges from within and outside the organizations simultaneously. In examining either internal or external movements separately, their effects have been implicitly assumed to be independent of, or isolated from, each other. Yet movement mobilization within organizations may be enhanced/facilitated by effective movement activity outside the organizations (Raeburn; Reid & Toffel, 2009; Soule, 2009). More importantly, if effective mobilization by external movements has the potential to alter the perception of decision makers in targeted organizations on movement demands and to assist internal movements to attain their goals by helping them to overcome mobilization challenges, it is then theoretically valuable to explore how the relationship between the mobilizing structure of internal movements and their goal attainment can be moderated by the mobilizing structure of external movements.

Finally, the contingent factors that influence the effects of internal movements on organizational practices have not yet been fully explored. Though Kim and his colleagues (2007), King (2008), and Weber et al. (2009) explored how political opportunities within organizations helped activists mobilize resources to achieve their goals, there are opportunities outside organizations that may serve similar purposes (Soule, 2009). Particularly, organizations manage their resource stability and survival by aligning their structures and practices with the institutional environments' regulative systems, normative values, and cultural-cognitive beliefs (J. W. Meyer & Rowan, 1977; Scott, 2001). Changes in institutional environments are likely to facilitate or hinder movement mobilization and affect organizations' incentives to concede to movement demands (Raeburn, 2004; Schneiberg & Lounsbury, 2008). Yet there is a lack of empirical evidence from prior studies as to how opportunities in institutional environments shape the influence of internal movements on organizational practices.

To address these limitations, we investigate the role that internal movements in an organization play in pressing the organization to adopt a controversial organizational practice and how external movements enhance/facilitate the effect of internal movements on the organization's

likelihood of adopting the practice. We further examine how institutional opportunity derived from changes in institutional environments moderates the effect of internal movements on the likelihood of adopting the practice. We define movements as collective attempts by a number of actors to challenge elements of institutional practices, justice, and resource distribution (McCarthy & Zald, 1977; Zald & Berger, 1978). Institutional opportunity refers to conditions derived from changes in institutional environments that have the potential to aid mobilization of internal movements (cf. Raeburn, 2004). We examine two forms of institutional opportunity: political and cultural. Political opportunity stems from changes in the regulative dimension of the institutional environment that endorse the acceptance of a new practice by powerful actors, such as the state (cf. D. S. Meyer & Minkoff, 2004). Cultural opportunity emerges from shifts in the cultural-cognitive dimension of the institutional environment that endorse legitimacy of a new practice. The practice examined here is the provision of same-sex partner health benefits in employee benefit packages—an important goal in the GLBT workplace movements. Same-sex partner health benefits were a manifestation of the emerging institution of equal treatment for GLBT employees and were in direct conflict with the prevailing institution of workplace heterosexism (Chuang, Church, & Ophir, 2011; Ragins & Cornwell, 2001). Prior case studies have described both GLBT employee activists and GLBT advocacy organizations as playing important roles in promoting GLBT equality in the workplace (e.g., Creed & Scully, 2000; Raeburn). This setting provides an opportunity to examine the effects of internal and external movements and institutional opportunity on the adoption of controversial practices.

Our analysis of the adoption of same-sex partner health benefits by Fortune 500 corporations reveals that mobilizing structures of internal GLBT employee activists and GLBT advocacy organizations, as well as institutional opportunity, exerted complex influences on corporations' likelihood to adopt these benefits. Our results show that mobilizing structures of both the internal and external GLBT movements, specifically the presence of a GLBT ERG and resource concentration of local GLBT advocacy organizations, mattered to the adoption of same-sex partner health benefits. Furthermore, contrary to our predictions, our analysis reveals that resource concentration of local GLBT advocacy organizations and institutional opportunity decreased the difference in the rates of benefits adoption between corporations with and without GLBT ERGs. Having an internal mobilizing structure helps to reduce internal barriers to goal attainment of internal movements. Mobilization efforts of external movements and institutional opportunity both have the potential to reduce internal barriers by increasing internal support and decreasing management's resistance to concede to movement demands. As such, the effect of internal mobilizing structure and that of external movements and institutional opportunity on movement outcomes may substitute each other. To that end, our analysis speaks to the importance of examining the contingent factors that influence the effect of internal movements on the adoption of organizational practices. More broadly, our study sheds light on the interactive influences of internal and external movements and institutional opportunity on organizational behavior.

## Theoretical Background

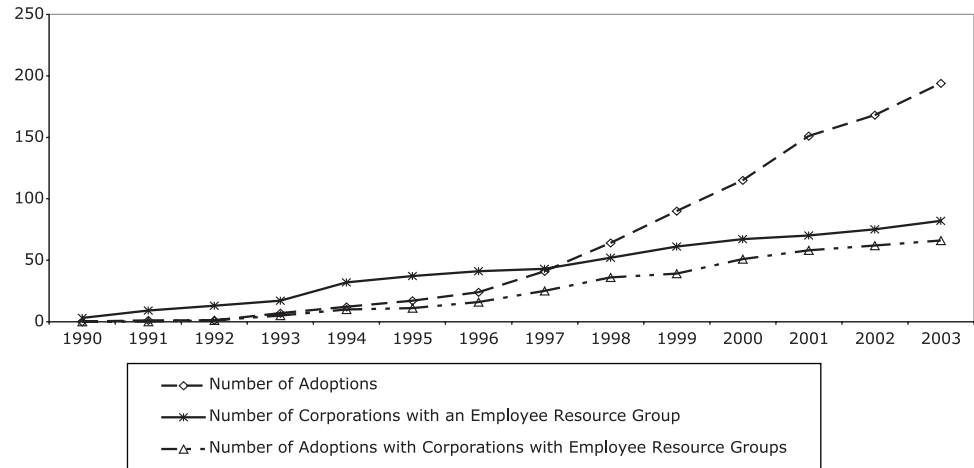
From a social movement perspective, changes in organizational practices may result from resource mobilization by movement participants inside and outside organizations (Edwards & McCarthy, 2007; McCarthy & Zald, 1977; Soule, 2009; Zald & Berger, 1978). Movement

participants invest time, effort, and resources to increase resource availability for collective action to press for such changes. The greater the resource availability for movements, the greater the potential the movements have to attain their goals. Yet the mobilizing structure movement participants have can greatly affect resource acquisition and mobilization. Hence, the effectiveness of resource mobilization stems from not only resource availability but also mobilizing structure (either formal or informal organizational mechanisms) that helps to overcome movement challenges (Ganz, 2000; McAdam et al., 1996; McCarthy & Zald; Tilly, 1999). Movement participants internal and external to organizations face similar challenges associated with resource acquisition and coordination of their activities; however, the key challenges they face may differ (McCarthy & Zald; Zald & Berger). For internal movements, employees' incentives to participate in movement activity can be driven by self-interested calculation of risks and benefits (Olson, 1965). Because of the power organizations have over their employees, such incentives can be affected by employees' fear of repercussions for movement participation. These in turn create challenges associated with recruitment and coordination of participant involvement. For external movements, when there is more than one movement organization, the organizations may have difficulties cooperating and coordinating their activities as a result of different preferences for movement processes and goals (McAdam, 1982) and calculation of risks and benefits (Olson). Thereby, movements internal and external to organizations may require different mobilizing structures to address their respective challenges and difficulties in order to enhance the effectiveness of resource mobilization.

While resource mobilization by movement participants influences movement outcomes greatly (e.g., Hiatt et al., 2009; Ingram et al., 2010; Ingram & Rao, 2004; McCarthy & Zald, 1977), opportunity that emerges from changes in political systems can help movements to alter elites' ability and willingness to repress movements, decrease barriers and costs of mobilization, and increase the chance of movement success (Eisinger, 1973; D. S. Meyer & Minkoff, 2004; cf. Tilly, 1978). For instance, Kim and his colleagues (2007) documented that Korean universities were more likely to switch to a direct voting system for presidential selection because weaker power of governance in those universities provided opportunities for change. King (2008) examined political opportunity in the context of corporations' responses to boycotters' demands and found that a corporation was more likely to concede to demands when it suffered a decline in reputation. Weber and his colleagues (2009) showed how antibiotech movement activists affected commercialization decisions of pharmaceutical firms by taking advantage of political opportunity inside the firms. These studies show how the emergence of internal political opportunity exerted great influence on the relationship between movements and movement outcomes.

Because opportunity can be derived from favorable changes in the environments of organizations, internal forms of opportunity are not the only ones that can shape movement processes and outcomes when the organizations are movement targets (Soule, 2009). Raeburn (2004) described changes in state laws, other organizations' experiences, and values of diversity promoted by human resource professionals as institutional opportunities to aid GLBT workplace movement mobilization. Indeed, institutional theorists have long contended that regulative, normative, and cultural-cognitive elements in the institutional environments in which organizations are embedded govern their behavior and affect their resource stability (Scott, 2001). Changes in these elements may influence organizations' incentives to adopt new practices (Chuang et al., 2011; Raeburn). These changes can create favorable conditions

**Figure 1**  
**Trajectories of the Cumulative Adoptions of Same-Sex Partner Health Benefits and Gay, Lesbian, Bisexual, and Transgender Employee Resource Groups in Fortune 500 Corporations, 1990–2003**



for internal movement participants to advocate for adoption of new practices by facilitating movement mobilization and reducing management's resistance to such adoption. Thereby, institutional opportunity may moderate the effect of internal movement mobilization on an organization's decision to adopt a new practice.

### **Movements in Context: Gay and Lesbian Equality in the Workplace**

The issue of sexual orientation has been regarded as one of the final frontier civil rights movements in the United States (Walters, 1994).<sup>1</sup> Gay and lesbian employees have been marginalized or disadvantaged by the institution of workplace heterosexism, which refers to taken-for-granted behaviors and policies that discriminate against sexual minorities in the workplace (Chuang et al., 2011; cf. Herek, 1990; Ragins & Cornwell, 2001). Any organizational practice supporting the institution of equal treatment for gay and lesbian employees defies the institution of workplace heterosexism. While there are many policies manifesting workplace heterosexism (Raeburn, 2004; Ragins & Cornwell), our focus is one specific practice—same-sex partner health benefits. Such benefits were particularly salient and controversial because they recognized the identities of gay and lesbian employees and their committed long-term relationships. The benefits spurred considerable public debate in the 1990s.

The first employer to offer health benefits to gay and lesbian employees' partners was the Village Voice in 1982. Levis Strauss and Silicon Graphic Inc. were the first Fortune 500 corporations to offer same-sex partner health benefits in 1992. In 1993, five other Fortune 500 corporations, Microsoft, Oracle, Apple Computer, Harley-Davidson, and Starbucks, followed suit. The numbers grew slowly over the next few years and then grew rapidly (see Fig. 1).

GLBT movements both within corporations and in organizational fields sought equal treatment for GLBT employees. Gay and lesbian employee activists within corporations developed slogans such as “Out and Equal!” and “Out and Proud!” to enhance their identity and advocate for their goals. Gay and lesbian employee activists pressed for the adoption of same-sex partner health benefits on the basis of equal treatment. They argued that these benefits were a matter of equal pay for equal work since benefits composed a significant portion of compensation (Adams & Solomon, 2000). In some corporations, GLBT employee activists established ERGs to better mobilize resources. GLBT ERGs serve many purposes for GLBT employees, including social gathering, legitimizing the group’s identity, and seeking institutional resources and recognition to reduce heterosexism. Notably, many ERGs provided confidential memberships to those who had not disclosed their sexual orientations at work to help membership recruitment. To enhance group identity, most ERGs developed names for their groups, such as HP Pride (Hewlett-Packard) and Equal! (Lucent Technology). Some ERGs included the objective of the creation of GLBT-friendly policies in the workplace in their charters. They also looked to ally with supportive managers and to acquire executive sponsorships to legitimize their existence and to influence corporate policies. Figure 1 shows the number of Fortune 500 corporations with ERGs and the number of those corporations that started offering same-sex partner health benefits after the founding of their ERGs.

There are a variety of local and national GLBT advocacy organizations (e.g., Human Rights Campaign, National Gay and Lesbian Task Force, Gay & Lesbian Alliance Against Defamation, and Equality Forum) that advocate for gay and lesbian equality. Part of this advocacy is directed specifically at the workplace. GLBT advocacy organizations advocated that corporate policies were essential to equality and that policies supportive of equality for GLBT persons could help corporations increase productivity, enhance employee recruitment and retention, and expand markets (Raeburn, 2004). Furthermore, GLBT advocacy organizations worked directly with GLBT employee activists to help them promote equality and establish ERGs in their corporations and advocated the importance of such equality in achieving corporations’ goals via their campaigns and publications. GLBT advocacy organizations also organized workplace conferences and workshops (e.g., Out & Equal’s Annual Workplace Summit) in which they brought activists and allies together to facilitate strategy development and exchange of experiences. GLBT employee activists—either individually or as representatives of their respective GLBT ERGs—also attended the conferences and workshops to acquire information and experience of GLBT employee activists in other organizations on how to change their corporations (Creed & Scully, 2000; Raeburn).

The gay and lesbian movement advocating for the institution of equal treatment in the workplace has faced stiff opposition from antigay activists and religious conservatives contending that same-sex partner health benefits represented a “special right” and attacked “family values.” For example, to protest Apple’s adoption of same-sex partner health benefits, antigay activists in Texas advocated against Apple’s proposed plant in Texas by arguing that “one Apple today, takes family values away!” The Southern Baptist Convention organized a boycott of Disney in 1996, accusing it of abandoning its “family values” foundation when it decided to offer the benefits.

### *Movements Internal to Organizations*

When organizational practices conflict with the interests of individuals in organizations, the individuals may mobilize resources to challenge the practices (Zald & Berger, 1978).

Awareness of the conflict and motivation to engage in mobilization are driven, in part, by self-interested calculation and mobilization activities of others (either within or outside organizations). When movements take place within organizations, participants work together as organized collective entities that voice grievance and try to change the organizations' practices, whether or not the participants end up successful, expelled, or co-opted (Zald & Berger). Movement participants risk punishment when they challenge those who occupy higher positions in their organizations (Scully & Creed, 2005; Scully & Segal, 2002; Zald & Berger). They often try to form coalitions with supportive managers to increase their access to institutional channels to attempt to influence resource allocation and decision-making processes (Zald & Berger). However, it might be challenging for movement participants to form such coalitions as a result of their marginalized or institutionally disadvantaged positions within organizations and legitimacy of their claims.

Prior studies have suggested that mobilizing structure plays an important role in generating and mobilizing the resources necessary to engage in conflict to influence movement outcomes (McAdam et al., 1996; McCarthy & Zald, 1977). A structure that strengthens recruitment of participants, reduces challenges associated with coordination, and enhances involvement of participants and allies can facilitate resource generation and mobilization, thereby increasing the chance of movement success (Jenkins, 1983). To that end, movement participants with such a structure may have several advantages over the atomistic masses, including administrative efficiency, recruitment, and generation of movement tactics (McCarthy & Zald). For example, Kim and his colleagues (2007) reported that when faculty councils existed within Korean universities, they exerted great influence over change in the president selection systems in their universities. The councils provided avenues that professors could use to have greater collective bargaining power and voice grievances about the system. Hence, movement participants in an organization with a structure that has potential to increase mobilization, compared to the ones without a structure, will have a greater chance to achieve their movement goals.

As for gay and lesbian movements in the workplace, we suggest that the presence of a formal GLBT ERG within a corporation is a kind of mobilizing structure that can play a crucial role in the adoption of the benefits by the corporation. Because gay men and lesbians are invisible minorities, it was difficult for gay and lesbian employee activists to recruit others who were not known to be gay or lesbian to participate in movement activity. Their stigmatized identity also served as a roadblock for recruitment, forming coalitions with allies, and resource access in corporations (Raeburn, 2004). Difficulties in recruitment, coalition formation, and resource access might create challenges associated with coordinating activity and mobilizing resources to attain movement goals. To overcome such challenges, GLBT employee activists in some corporations sought legitimacy of their identity and equal treatment in the workplace by pressing their management to support the establishment of GLBT ERGs. Management support for creating formal GLBT ERGs was driven, in part, by GLBT employee activists, external movement activity, and evolving institutional environments towards GLBT equal treatment in the workplace (Raeburn; cf. Briscoe, Chin, & Hambrick, 2014). The fact that a GLBT ERG exists could indicate substantial management support for GLBT equality or be a symbolic response to evolving institutional environments (Edelman, 1992; Westphal & Zajac, 1994). Even if intended as only a symbolic response by management, a formal GLBT ERG would still provide a structure that GLBT employees could use



to reduce some of the difficulties faced in recruitment and coordination as well as resource mobilization. The creation of a formal GLBT ERG in a corporation was likely to lend a certain degree of legitimacy to gay and lesbian identity in the corporation, which would help recruitment through access to the corporation's communication channels (e-mail and intranets) or through tactical repertoires, such as workshops and social gatherings (Raeburn). This form of mobilizing structure might have also served as a platform for GLBT employee activists and allies from various positions in the corporation to share information and coordinate movement activity and as a channel for them to interact with other activists and allies outside the corporation. The platform and channel, in turn, would help the employee activists develop strategies and mobilize resources to fight for same-sex partner health benefits. Accordingly, we propose:

*Hypothesis 1:* A corporation with a GLBT ERG, compared to ones without a GLBT ERG, will have a greater rate of same-sex partner health benefits adoption.

### *Movements External to Organizations*

Movements external to organizations may help resource mobilization and goal attainment of internal movements. Movements in organizational fields can shape institutional environments by mobilizing resources to press for change in institutional arrangements (Hiatt et al., 2009; Ingram et al., 2010; Raeburn, 2004). Changes in institutional arrangements then have the potential to reduce internal movement barriers to facilitate their goal attainment. Similar to internal movements, however, effective mobilization of movements external to organizations is subject to the mobilizing structure the movements have. Particularly, when there is more than one movement organization that pursues similar goals, movement organizations may face greater challenges associated with cooperation and coordination due to their separated entities, differential availability of resources, and a lack of formal organizational mechanisms among them (McAdam, 1982). These challenges associated with cooperation and coordination can be derived from different preferences for movement priorities and activities as well as resource allocation. The nonexclusive nature of movement goals often generates an incentive for movement organizations to be free riders (Olson, 1965). Free riding can hamper cooperation and coordination if movement organizations refuse to contribute their resources to movement processes. To that end, the capacity of external movements to mobilize resources is determined by the degree to which the movement organizations can cooperate and coordinate activities (McCarthy & Zald, 1977). To realize mobilization potential resulting from resource availability, a mobilizing structure that facilitates effective mobilization is therefore required (McCarthy & Zald).

We propose that, when there is more than one relevant movement organization, the resource concentration of movement organizations is an important, informal aspect of mobilizing structure that influences cooperation and coordination among movement organizations. When resources are concentrated in a small number of movement organizations, the difficulties associated with coordination and cooperation can decrease for two reasons. First, when resources are held by a smaller number of organizations, the need and effort required for cooperation and coordination can be reduced. The smaller number of organizations with abundant resources is able to set movement priorities and engage in activities without

working with so many other organizations. Second, free riding becomes less of a concern when resource concentration is high. Free riding from organizations with fewer resources would have less impact on movement activities as they have fewer resources to contribute to movement processes (cf. Olson, 1965). Hence, resource concentration among movement organizations can affect mobilization efforts of these organizations, which in turn may influence the relationship between internal movements and their goal attainment.

Turning to gay and lesbian movements in the workplace, prior research suggests that the diffusion of same-sex partner health benefits was driven in part by the local environment of the state in which a corporation was headquartered (Chuang et al., 2011). State legislative systems and societal attitudes and values toward lesbians and gay men differed between states (e.g., Loftus, 2001). Mobilization tactics and strategies required to alter such systems, attitudes, and values are likely to be state specific. Thus, it is possible that the local GLBT advocacy organizations played important roles in promoting equal treatment within workplaces within their states (Raeburn, 2004). In most states, there was more than one local GLBT advocacy organization. Though local GLBT advocacy organizations shared the same overall goal—GLBT equality—they were likely to engage in different activities. These organizations would then be required to coordinate and cooperate to advocate for GLBT equality and to help gay and lesbian employee activists alter organizational arrangements within their corporations (Tilly, 1999). A mobilizing structure that could reduce difficulties associated with coordination and cooperation was more likely to emerge when resources held by the organizations were concentrated among few organizations. The resources held by these few organizations could also help them to settle different preferences for resource allocation and to prioritize movement goals and activities.

To that end, the degree of concentration of local GLBT advocacy organizations' resources in the state of a corporation's headquarters would influence GLBT employee movements in two ways. First, a high degree of resource concentration of local GLBT advocacy organizations helped the advocacy organizations to prioritize movement agenda, make movement claims, and challenge the institutional arrangements manifesting the institution of heterosexism in the social environment of the state (cf. Hiatt et al., 2009; Sine & Lee, 2009). Any reduction in heterosexism in the state would, in turn, help decrease mobilization barriers within workplaces located in the state by altering management's willingness to repress internal movement activity. Second, and more directly, a high degree of concentration of local GLBT advocacy organizations' resources could lead to easier organizing of local activities (such as conferences and workshops) because of fewer difficulties associated with coordination and cooperation. Such activities could facilitate information exchange between external movement activists and GLBT employees and allow the GLBT employees to learn from the advocacy organizations and develop more effective movement claims and tactics that they could then use to challenge existing heterosexist arrangements in their workplaces.

Importantly, prior case studies suggested that GLBT advocacy organizations helped GLBT employees press for increased equality in the workplace by providing information, knowledge, and resources (Creed & Scully, 2000; Raeburn, 2004; Scully & Segal, 2002). This suggests the degree of resource concentration among local GLBT advocacy organizations may positively moderate the effect of a corporation's GLBT ERG on the benefits adoption. If more concentrated resources among local GLBT advocacy organizations reduced difficulties with coordination and cooperation among themselves, they could have a more

positive impact on management's perception of GLBT equality issues and more easily organize activities that would facilitate exchange of information and experiences between external GLBT activists and GLBT employees. A GLBT ERG aids internal mobilization by reducing internal movement barriers, better coordinating activity, and serving as a channel for acquiring external information and experiences. Compared with corporations without GLBT ERGs, GLBT employee activists in a corporation with a GLBT ERG might be able to more effectively coordinate with GLBT advocacy organizations, as the ERG serves as a channel to acquire information and experiences through the activities provided by these organizations. Together with the positive change in management's perception, it might be easier for GLBT employee activists with a GLBT ERG, compared to those without a GLBT ERG, to press management to offer the benefits to partners of GLBT employees. Thus,

*Hypothesis 2:* The positive effect of having a GLBT ERG in a corporation on the rate of benefits adoption will be greater when the concentration of local GLBT advocacy organizations' resources is high.

### *Opportunities in Organizational Fields*

Opportunities that can facilitate mobilization of internal movements and alter elites' willingness to repress employee activists' activity can arise in the institutional environments. Specifically, institutional opportunity emerges from changes in the regulative or legislative elements (political) and cultural-cognitive elements (cultural) of institutional environments. These political and cultural opportunities can help internal movements to mobilize, to shape the perception of management, and to achieve goal attainment (Raeburn, 2004; Schneiberg & Lounsbury, 2008).

*Political opportunity.* The legislative elements of institutional environments where organizations are embedded constitute a form of political opportunity structure that influences movement mobilization. Favorable changes in the legislative elements may provide movement activists with political opportunity by altering elites' or policy makers' perceptions of movement demands (Gamson & Meyer, 1996; D. S. Meyer & Minkoff, 2004). When a controversial practice is in conflict with a prevailing institution, changes favorable to the practice in the legal environment can signal the endorsement of the legal environment of the practice. Though the changes can be due in part to mobilization efforts by activists in organizational fields (e.g., Hiatt et al., 2009; Ingram & Rao, 2004; Sine & Lee, 2009), such changes do endorse a certain degree of regulatory and normative legitimacy of the practice (Edelman & Suchman, 1997; Scott, 2001). The changes have the potential to positively influence the attitudes of managers and other organizational elites' attitudes toward the practice—reducing their resistance to, or increasing their acceptance of, the practice (e.g., Oliver, 1992; Reid & Toffel, 2009). The changes serve as political opportunity for employee activists to better mobilize resources and press for the adoption of the practice. Thus, it is possible that political opportunity that emerges from the institutional environment can positively moderate the effect of internal movements on movement outcomes.

In the context of GLBT employees, we propose that increases in the number of states with a law forbidding discrimination on the basis of sexual orientation are a form of political

opportunity for GLBT employee activists and GLBT ERGs in particular. Though these non-discrimination laws did not require corporations to provide benefits to partners of GLBT employees, the laws did, however, signal a change in the legal environment's recognition of the institution of equal treatment for GLBT employees (Chuang et al., 2011; Raeburn, 2004). The increases in the number of laws thus provided a political opportunity that GLBT employee activists can use in acquiring more support and in their advocacy for equal treatment by emphasizing that equal treatment should include same-sex partner health benefits. A high number of nondiscrimination state laws may already have brought management's attention to legal issues involving GLBT employees. GLBT employee activists in a corporation with a GLBT ERG, compared to those without a GLBT ERG, can build upon this awareness to more effectively advocate that equal treatment requires the provision of equal benefits. Thus, the effect of a GLBT ERG on the rate of benefits adoption would be greater when the number of state nondiscrimination laws is high. Thereby, we propose:

*Hypothesis 3:* The positive effect of having a GLBT ERG in a corporation on the rate of benefits adoption will be greater when the number of state nondiscrimination laws is high.

*Cultural opportunity.* The cultural-cognitive dimension of the institutional environment provides meanings and values to organizational behavior (Scott, 2001). This dimension can constitute cultural opportunity structure that facilitates/constrains movement mobilization (Raeburn, 2004). Cultural opportunity emerges when new meanings and values are expressed by movement activists, bystanders, or elites that have potential to legitimize movement goals (Williams, 2007). While there are various forms of manifestation that reflect such meanings and values, the discourse in the press has been regarded as an important one that reflects evolving meanings and values in the institutional environment and attracts attention from management (e.g., Chuang et al., 2011; Lee & Paruchuri, 2008). When a new organizational practice emerges in institutional environments, it can attract attention from proponents and opponents to contest its legitimacy (e.g., Lounsbury, Ventresca, & Hirsch, 2003). Such contestation is likely to be more intense when the practice is not consistent with wider institutional meanings and values. The contestation of its legitimacy reflected in the press discourse can be a kind of cultural tool to help employee activists to make sense of the practice and to engage in mobilization to advocate for the adoption of the practice. Two types of legitimacy seem particularly relevant to shape movement mobilization and outcomes—pragmatic and moral (cf. den Hond & de Bakker, 2007). Pragmatic legitimacy rests on the self-interested calculations of an organization's most immediate audiences. The audiences are likely to scrutinize organizational behavior to determine the practical consequences, for them, of any activity (Suchman, 1995). Moral legitimacy refers to a normative evaluation of the organization and its activities, which rests on judgments about whether the activity is "the right thing to do" (Suchman). Hence, the discourse in the press that favors the pragmatic and moral legitimacy of a controversial practice can be a source of cultural opportunity that influences mobilization of internal movements within organizations.

Although discourse in the press exerts great influence on organizational behavior, not all discourse attracts equal attention from decision makers in organizations (Lee & Paruchuri, 2008). Lee and Paruchuri showed that the volume of discourse originating from other firms, compared to that originating from journalists and analysts, had a stronger effect on a firm's market entry decision because firms were more likely to attend to others who were in similar situations and had

experiences with making the decisions. In our context, we posit that the discourse of employers (organizations and companies) that have made decisions whether to adopt the practice may create a form of cultural opportunity and draw attention from management in corporations that have yet to make the decision. Specifically, a form of cultural opportunity emerged when the tenor of discourse used by other employers in the press became more positive with regards to pragmatic legitimacy of the same-sex partner health benefits. Management in a corporation would likely take this discourse as a signal that the employers that decided to offer the benefits viewed it as a sound business decision. The more positive tenor of pragmatic legitimacy can benefit a GLBT ERG by (1) enhancing its ability to acquire support, (2) incorporating the practical implications of benefits adoption into its mobilization tactics to persuade its management to provide the benefits, and (3) having management's resistance to the benefits already reduced and its understanding of positive, practical implications of the adoption already increased. In contrast, when a more negative tenor of pragmatic legitimacy discourse of other employers appeared in the press justifying their nonadoption decisions, no such cultural opportunity would emerge. Management would likely take this discourse as a signal that other employers did not view the benefits as a sound business decision. A GLBT ERG would have greater difficulties in gathering support, would not be able to incorporate the practical implications of benefits adoption into its mobilization tactics, and would have to overcome a negative opinion that management may already have drawn based on the more negative tenor of pragmatic legitimacy.

Similarly, when discourse with a more positive tenor of moral legitimacy used by other employers justifying their adoption decisions appeared in the press, it is likely that management in a corporation would take this as a signal that those employers valued the moral principles associated with the benefits. A GLBT ERG can use such discourse to enhance its ability to acquire greater support and in its efforts to persuade its management to provide the benefits. As management's resistance to the benefits may have already been reduced and its understanding of moral values associated with benefits adoption may have already been enhanced by the more positive tenor of moral legitimacy, it would be easier for a GLBT ERG to persuade its management to provide the benefits. In contrast, when discourse with a more negative tenor of moral legitimacy used by other employers justifying their nonadoption decisions appeared in the press, no such cultural opportunity would emerge. Management's attention would still be drawn, but its resistance to offering the benefits could increase as it may not view providing the benefits as the right thing to do. A GLBT ERG would have greater difficulties in gathering support and developing mobilization tactics. A GLBT ERG would also have to overcome a negative opinion that management may already have drawn based on the discourse used by other employers. Thus, we hypothesize:

*Hypothesis 4a:* The positive effect of having a GLBT ERG in a corporation on the rate of benefits adoption will be greater when the tenor in the press about pragmatic legitimacy of the benefits used by other employers is more positive.

*Hypothesis 4b:* The positive effect of having a GLBT ERG in a corporation on the rate of benefits adoption will be greater when the tenor in the press about moral legitimacy of the benefits used by other employers is more positive.

In addition to the discourse of other employers, the discourse of movement and counter-movement organizations can influence employee activists' ability to influence organizational policies. Movement and countermovement organizations can use the press as a means to

contest the legitimacy of a controversial practice (den Hond & de Bakker, 2007; cf. Benford & Snow, 2000). Since movement and countermovement organizations have the potential to mobilize resources to influence resource stability of corporations (e.g., Ingram et al., 2010; King, 2008; King & Soule, 2007), their discourse contesting the legitimacy of the benefits may attract corporations' attention and influence their adoption decisions (cf. Briscoe & Murphy, 2012; King). Cultural opportunity therefore emerges when the discourse is predominately in favor of the practice. The employee activists can use this cultural opportunity to facilitate mobilization and to further influence management to adopt the practice (Raeburn, 2004).

In the context of same-sex partner health benefits, GLBT advocacy organizations and countermovement organizations contested the benefits on grounds of both pragmatic and moral legitimacy and mobilized resources to influence corporations in their decisions to offer the benefits to the same-sex partners of their employees. To the extent that GLBT advocacy organizations and countermovement organizations had potential to influence corporations' resource stability, the tenor of discourse used by those organizations may moderate the relationship between internal movements and the rates of benefits adoption by their corporations. Specifically, when the tenor of the discourse related to the pragmatic legitimacy of the benefits used by GLBT advocacy organizations and countermovement organizations is positive, management in a corporation would take this as a signal that the potential benefits (e.g., improved recruitment, retention) would outweigh the potential costs of the benefits should they decide to offer them. Pragmatic legitimacy discourse with a positive tenor can benefit a GLBT ERG by enhancing its ability to acquire support and by using the potential benefits of adoption to persuade its management to provide the benefits. Management's resistance to the benefits may already have been reduced and its understanding of positive, practical implications of the adoption increased. Likewise, when the tenor of moral legitimacy discourse related to the benefits made by GLBT advocacy organizations and countermovement organizations in the press is positive, management may take this as a signal that their decision to adopt the benefits would be received with more support than opposition. A GLBT ERG can use such discourse to enhance its ability to acquire support and build upon the moral principles articulated by movement organizations into its efforts to persuade its management to provide the benefits. It also would be easier for a GLBT ERG to persuade its management to provide the benefits since management's resistance to the benefits may have already been reduced and its understanding of the moral values related to the benefits adoption may have already been improved by the positive tenor of the moral legitimacy discourse. Thus,

*Hypothesis 5a:* The positive effect of having a GLBT ERG in a corporation on the rate of benefits adoption will be greater when the tenor in the press about pragmatic legitimacy of the benefits used by movement and countermovement organizations is more positive.

*Hypothesis 5b:* The positive effect of having a GLBT ERG in a corporation on the rate of benefits adoption will be greater when the tenor in the press about moral legitimacy of the benefits used by movement and countermovement organizations is more positive.

## Method

### *Data and Sample*

Our sample consists of all corporations ever listed on the Fortune 500 between 1990 and 2002. This period covers initial adoptions of same-sex partner health benefits by Fortune 500 corporations (Briscoe & Safford, 2008; Chuang et al., 2011). Before 1994, Fortune reported

the rankings of manufacturing and services separately. Thus, for the years between 1990 and 1993, we reranked the corporations on the basis of total sales and selected those ever ranked within the top 500. We obtained financial data from the Compustat database for the period between 1990 and 2002.

### *Dependent Variable*

We compiled the adoption data from two major sources: the HRC WorkNet database and the Factiva media database. HRC WorkNet, maintained by Human Rights Campaign, provides comprehensive coverage of benefits adoption in Fortune 500 corporations from 1999 to 2003. We searched Factiva to identify the corporations in our sample that offered the benefits prior to 1999. Combining these two sources, we were able to identify 216 corporations that had adopted the benefits by the end of 2003. After excluding the missing data,<sup>2</sup> we transformed data on the remaining 933 corporations into annual spells. We coded 1 for the year when a corporation started to offer the same-sex partner benefits to its employees and 0 otherwise; we excluded corporations from the analysis after they adopted the benefits, yielding data with 9,358 corporation–annual spells.

### *Independent and Control Variables*

All our independent and control variables were lagged 1 year for the analysis to avoid simultaneity problems and to ensure proper causal inference.

*Presence of a GLBT ERG.* To test Hypothesis 1—the presence of a GLBT ERG would increase a corporation’s rate of benefits adoption—we made great effort to determine whether our sampled corporations had GLBT ERGs and the year the ERG was established. Specifically, the HRC WorkNet database documented corporations with a GLBT ERG and their contact information. We also obtained a list of GLBT ERGs from the National Gay and Lesbian Task Force that provided contact information for each ERG, which we used to ask for the founding years of their groups. In addition, we asked our informants in our interviews and some conference participants to identify whether our sampled corporations had GLBT ERGs and provide their contact information. In total, we identified 82 corporations in our sample in which ERGs were established prior to 2003 and which had not adopted the benefits at the time the ERGs were established. We then constructed a time-varying *Presence of GLBT ERG* dummy variable. Support of the hypothesis will require a positive coefficient estimate for *Presence of GLBT ERG*.

*Concentration of local GLBT advocacy organizations’ resources.* Hypothesis 2 proposed a positive moderating effect of the concentration of local GLBT advocacy organizations’ resources on the effect of a GLBT ERG on a corporation’s rate of benefits adoption. We obtained the financial statements of local GLBT advocacy organizations from the National Center for Charitable Statistics, which has documented information on all registered charitable organizations since 1989. In each year, we extracted the amount of donations received by each local organization that specified its primary activity as advocacy for GLBT equality to construct the concentration of the local GLBT advocacy organizations’ resources. Donations are material resources that can be deployed to facilitate, and cover costs of, future

mobilization (Edwards & McCarthy, 2007). The amount of donations received by an advocacy organization is also an indicator of its access to resources and its prior mobilization efforts. We used the Herfindahl index to capture the degree of *Concentration of local GLBT advocacy organizations' resources* by summing the square of the proportion of each GLBT advocacy organization's donations over the total donations of all GLBT advocacy organizations in the state of a focal corporation's headquarters in a given year. The higher this measure, the more concentrated the local GLBT advocacy organizations' resources. To test the moderating effect of the concentration of local GLBT advocacy organizations' resources on the relationship between a corporation's GLBT ERG and the adoption of benefits stated in the hypothesis, we created an interaction term, *Presence of GLBT ERG × Concentration of Local GLBT Advocacy Organizations' Resources*. Hypothesis support requires a positive coefficient estimate of this interaction term.

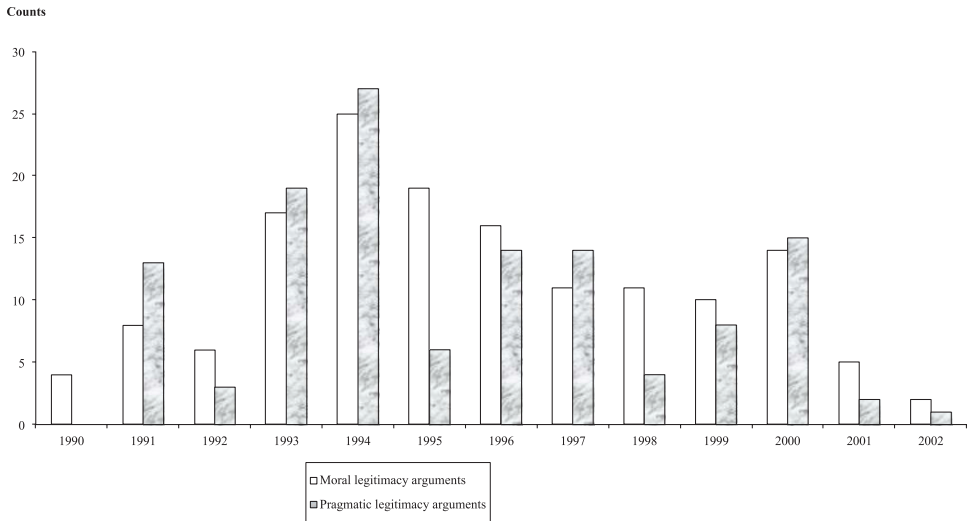
*Political opportunity.* We obtained the information on the year a state enacted a law forbidding discrimination on the basis of sexual orientation from the HRC WorkNet database. The first to enact such a law was the District of Columbia in 1977. It was followed by Wisconsin and Massachusetts in 1982 and 1989, respectively. By the end of 2002, 14 states had enacted such laws. We constructed *Number of state nondiscrimination laws* by counting the number of state nondiscrimination laws in effect in a given year. To test the interaction effect stated in Hypothesis 3, we created an interaction variable, *Presence of GLBT ERG × Number of State Nondiscrimination Laws*. A positive coefficient estimate will be evidence to support the hypothesis.

*Cultural opportunity.* The data used to construct cultural opportunity stemming from press coverage of the benefits between 1990 and 2002 were drawn from the top three circulating newspapers in the United States: the *New York Times*, *USA Today*, and the *Wall Street Journal*. We retrieved full-text articles from both Factiva and LexisNexis databases. We identified 586 relevant, nonduplicated articles by using search strings that we developed to capture the variation in terminology and alternative names related to same-sex partner health benefits.<sup>3</sup>

The article is the level of analysis in most prior studies (e.g., Chuang et al., 2011; Pollock & Rindova, 2003). However, since an article can contain more than one legitimacy statement and our theoretical interest rested upon legitimacy statements deployed by various actors, we coded the articles at the argument level. We defined an argument as a statement made by an actor expressing his or her evaluation in support or refutation of any aspect of the benefits. Two authors then followed Suchman's (1995) definitions of pragmatic and moral legitimacy and coded the arguments in each article with an intercoder reliability (Cohen's kappa) of .71. The inconsistent codings were discussed and consensus was reached. Examples of coded arguments are "because the benefits will make recruitment and retention of workers easier" (positive pragmatic legitimacy argument), "despite talks with its gay and lesbian caucus, Xerox Corp., decided against coverage because of cost" (negative pragmatic legitimacy argument), "[benefits] are a matter of equal pay for work" (positive moral legitimacy argument), and "some of Commins' employees complained [the benefits] endorse 'antifamily lifestyles'" (negative moral legitimacy argument). In 586 articles, we coded 274 legitimacy statements (148 moral and 126 pragmatic). We also coded



**Figure 2**  
**Total Numbers of Pragmatic and Moral Legitimacy Arguments in**  
**the Press, 1990–2002**



*Note:* Our data reveal that movement and countermovement organizations used more moral legitimacy arguments than pragmatic ones to contest the legitimacy of same-sex partner health benefits (yearly mean of moral arguments = 2.61 vs. yearly mean of pragmatic arguments = 1.63;  $p < .02$ ). In contrast, employers used more pragmatic legitimacy arguments than moral ones to justify or elaborate the rationale for their decisions (not) to offer health benefits to partners of their lesbian and gay employees (yearly mean of pragmatic arguments = 5.07 vs. yearly mean of moral arguments = 2.84;  $p < .025$ ).

the legitimacy statements according to the party making the argument into two categories: employers (i.e., arguments made by spokespersons or management of organizations or companies) and movement and countermovement organizations (e.g., Human Rights Campaign, the American Civil Liberties Union, the American Family Association, Southern Baptist Convention). Figure 2 presents the distribution of total coded pragmatic and moral legitimacy statements in the observed time period.

To capture the differential of positive and negative legitimacy, we adopted the measure of the Janis-Fadner coefficient of imbalance (Janis & Fadner, 1965). As prior studies suggested (e.g., Deephouse, 2000), this measure has many useful properties, such as (1) a range between  $-1$  and  $1$ , (2) a meaningful zero point when there are equal numbers of positive and negative arguments, and (3) an increase/decrease in the coefficient when the number of positive/negative arguments increases. Specifically, we constructed *Tenor of pragmatic legitimacy by other employers*, *Tenor of moral legitimacy by other employers*, *Tenor of pragmatic legitimacy by movement and countermovement organizations*, and *Tenor of moral legitimacy by movement and countermovement organizations* by using the following formula:

$$[P2 - PN]/\text{Total}^2 \text{ if } P > N; 0 \text{ if } P = N; \text{ and } [PN - N2]/\text{Total}^2 \text{ if } N > P, \quad (1)$$

where P is the number of positive legitimacy arguments and N is the number of negative legitimacy arguments. We then further created four interaction terms to test Hypotheses 4a, 4b, 5a, and 5b. To support the hypotheses, positive coefficient estimates for the interaction terms are required.

*Control variables.* As we have six interaction terms of a GLBT ERG with the concentration of local GLBT advocacy organizations' resources and political and cultural opportunities, we included their main effects in the analysis. In addition, the total number of press articles mentioning the benefits, whether or not they contained arguments, could attract management's attention, thereby influencing their decisions of adoption (e.g., Chuang et al., 2011; Lee & Paruchuri, 2008; Pollock & Rindova, 2003). Thus, we included the total number of press articles mentioning the benefits in each year (*Number of press coverage articles*) to control for its effect on adoption. We also included other corporation-specific and environmental control variables to rule out alternative explanations of benefits adoption. First, prior research suggests that firm performance may influence benefits adoption (Chuang et al.) and make a firm vulnerable to activism (King, 2008). Thus, we included *Return on assets* to control its effect on the rate of benefits adoption. Second, we included *Number of employees* (in thousands) a corporation had in a given year. Gay and lesbian employees were estimated to account for 4% and 17% of the U.S. workforce (Gonsiorek & Weinrich, 1991). Thus, the more employees there are, the greater the likelihood there will be larger numbers of gay and lesbian employees, leading to a greater likelihood of a corporation adopting the benefits. Third, we controlled for the effect of *Total assets* on adoption. Larger corporations' practices are likely to attract attention from various stakeholders and the public, which in turn may affect their rate of adoption compared to smaller corporations. We further grouped the corporations into seven industries on the basis of the two digits of their primary Standard Industrial Classification codes. We then included six industry dummy variables to control for industry-specific idiosyncrasies that may influence corporations' adoption decisions: (1) mining, utilities, and construction; (2) manufacturing; (3) wholesale and retail trade; (4) transportation and warehousing; (5) information technology; and (6) financial, real estate, and insurance. Corporations outside the six industries were collapsed into the reference group for the analysis.

We also included several variables, shown in previous research to have effects, to control for environmental impact.<sup>4</sup> First, past research has found labor market conditions have significant impact upon human resources practices in organizations (e.g., Ingram & Simon, 1995). We obtained *Industry unemployment rate* from the U.S. Department of Labor Bureau to control for the effect of labor market conditions on the adoption. Second, a corporation's GLBT movements could be influenced by the GLBT movements of other corporations (Raeburn, 2004). Therefore, it is possible that ERGs in other corporations could influence the likelihood of another corporation's benefits adoption. Therefore, we included two measures to control for such influences (*Number of ERGs within state* and *Number of ERGs within industry*). Third, institutional theory suggests the benefits adoption could be driven by mimetic isomorphism (e.g., Chuang et al., 2011; Raeburn). Thus, we included *Number of adoptions within state* (measured by the number of adoptions by others within the state of a corporation's headquarters) and *Number of adoptions within industry* (measured by the number of adoptions by others within the same industry) to control for their effects on the rate of

a focal corporation's adoption. Fourth, size of a movement and resources held by movement participants exert great influence on movement outcomes (McCarthy & Zald, 1977). Therefore, we included the number of local GLBT advocacy organizations (*Number of local GLBT advocacy organizations*) and their resources (*Local GLBT advocacy organizations' resources*, with logarithmic scaling) in our sample to control for their effects and also to help to control for the differential effect of local GLBT activism across states on the rate of benefits adoption. We also controlled for resources of national GLBT advocacy organizations by including the donation amounts received by the organizations, *National GLBT advocacy organizations' resources* (logarithmic scaling). Fifth, we included a time-varying dummy variable to indicate whether the focal corporation headquarters' state legislative system prohibited discrimination on the basis of sexual orientation (*Presence of state's nondiscrimination law*) to control for the local state legal environment on benefits adoption. Finally, Figure 2 suggests that the total number of legitimacy arguments first increased in the period between 1990 and 1994, then fluctuated in the period between 1995 and 1999, and declined after 1999. This is due, in part, to the shift in focus of the press coverage on GLBT issues to the debate on the legal definition of marriage. Thus, we used the period 1990 to 1994 as the reference period to construct two time period dummy variables, *1995–1999* and *2000–2002*, to control time period effects of press attention to the benefits on the rate of benefits adoption.

### Analysis

Since our dependent variable is the adoption rate of same-sex partner health benefits by a corporation when it was at risk of adoption in a given year, we estimated a Cox model, where the hazard rate of adoption was modeled as the product of a specific baseline hazard rate and an exponential function of time-varying covariates:

$$h(t) = h_0(t) \exp(\beta X_t), \quad (2)$$

where  $h(t)$  is the hazard rate of adoption at time  $t$ ,  $h_0(t)$  is a (possibly time-dependent) nuisance function that is not estimated,  $X_t$  is a vector of time-varying covariates at time  $t$ , and  $\beta$  is the vector of coefficients corresponding to the covariates. The Cox model is preferred here because we did not know the exact timing of adoption within the spells and because we had "tied" events, that is, years in which more than one corporation adopted the benefits (Allison, 2004). The Cox model also releases us from making assumptions about the form of duration dependence in the hazard rate and allows us to estimate the hazard function without a priori constraints on functional forms. Furthermore, we used the Breslow method to handle tied events as we had a relatively small number of tied events in comparison to the overall number of corporations at risk in any given year (Allison). To account for state-specific unobserved heterogeneity, we clustered corporations on the basis of the state in which their headquarters were located. The models reported below do not violate the proportional assumption of the hazard functions in the Cox model (Allison).

However, each corporation might have had a different propensity to have a GLBT ERG. Specifically, the establishment of a GLBT ERG in a corporation can be driven by management's support for GLBT equality, management's response (either substantial or symbolic) to changes in institutional environments toward GLBT issues in the workplace, or

organizational GLBT-friendly culture (Briscoe et al., 2014; Edelman, 1992; Raeburn, 2004). Therefore, our hazard rate analysis might be subject to endogeneity biases. To mitigate such biases, we employed the two-stage procedures suggested by Heckman (1979) and Hamilton and Nickerson (2003) to first estimate the inverse Mills ratios (by using the results from the probit model of the probability of management to have an ERG in place). We then included the ratios in our hazard rate analysis to correct the biases. For the probit model specification, we used the following variables that have potential to influence a corporation's propensity to establish a GLBT ERG. First, management in a larger corporation might be more attentive to changes in institutional environments, which in turn could influence its propensity to allow a GLBT ERG in the corporation. We thus included *Number of employees* and *Total assets* in the model. Second, institutional theory suggests that management's response to changes in institutional environments could be driven by regulatory and mimetic forces (e.g., Scott, 2001). As such, we added *Presence of state's nondiscrimination law*, *Number of state nondiscrimination laws*, *Number of ERGs within state*, and *Number of ERGs within industry* to the model. Third, we included *Number of local GLBT advocacy organizations*, *Total resources of local GLBT advocacy organizations*, and *Total resources of national GLBT advocacy organizations* to estimate their effects on the probability since external movements might influence management's propensity to establish a GLBT ERG (Raeburn, 2004). Finally, we also included industry dummy variables in the model to control for industry-specific idiosyncrasies and culture that may influence management's propensity. Descriptive statistics are given in Table 1. Correlations among theoretical variables are within a reasonable range (below .30). We conducted variance inflation factor tests to ensure there was little threat of multicollinearity in our model estimation.

## Results

Model 1 in Table 2 reports the result of the probit model of a corporation's probability to have a GLBT ERG in place.<sup>5</sup> Models 2 through 9 in Table 2 report maximum-likelihood estimates of the rate of Fortune 500 corporations' adoption of same-sex partner health benefits. Model 2 includes all control variables as the baseline and inverse Mills ratios estimated from Model 1 specification. In each of Models 3 to 7, we included theoretical variables in the order of our theoretical discussion and then derived a full model, Model 8. *Presence of a GLBT ERG* becomes nonsignificant in Model 8, which may be due to the inclusion of six interaction terms involving *Presence of a GLBT ERG* that increases the degree of multicollinearity between *Presence of a GLBT ERG* and the interaction terms (the variance inflation factor index of *Presence of a GLBT ERG* is 25.17 in the model). Accordingly, in Model 9, we removed four nonsignificant interaction terms in Model 8.

Hypothesis 1 posited that a corporation with a GLBT ERG would increase its rate of benefits adoption. The positive coefficient estimate of *Presence of a GLBT ERG* in Model 9 ( $\beta = 2.28, p < .001$ ) provides support for the hypothesis. It suggests that an internal GLBT mobilizing structure, such as a formal ERG, significantly helped gay and lesbian employee activists press their corporation to offer health benefits to their partners more quickly. Specifically, a corporation's rate of benefits adoption was 9.77 times faster [ $=\exp(2.28)$ ] if it had a GLBT ERG. Hypothesis 2 suggested a positive moderating effect of the concentration of local GLBT advocacy organizations' resources. The significant coefficient estimate of the control

**Table 1**  
**Correlations and Descriptive Statistics for Theoretical and Control Variables**

Variable	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1. Presence of a GLBT ERG	1.00													
2. Concentration of local GLBT advocacy organizations' resources	.25***	1.00												
3. Tenor of pragmatic legitimacy by other employers	-.02*	-.03*	1.00											
4. Tenor of moral legitimacy by other employers	-.01	.02*	.03*	1.00										
5. Tenor of pragmatic legitimacy by movement and countermovement organizations	.01	.00	.24***	-.16***	1.00									
6. Tenor of moral legitimacy by movement and countermovement organizations	-.03*	-.05**	-.04**	.05**	.11***	1.00								
7. Number of press coverage articles	.02*	.03*	.21***	-.25***	.40***	-.40***	1.00							
8. Return on assets	.05**	.07***	-.01	-.02*	-.01	.01	.01	1.00						
9. Number of employees	.13***	.19***	-.01	-.01	.02*	.00	.00	.03*	1.00					
10. Total assets	.13***	.13***	-.01	-.02*	.03*	-.03*	.03*	-.03*	.32***	1.00				
11. Mining, utilities, and construction	-.05**	.04**	.00	.00	.01	.00	.00	-.02*	-.10***	-.03*	1.00			
12. Manufacturing	.01	-.12***	.01	.00	.00	.02*	-.01	.06***	-.08***	-.17***	-.34***	1.00		
13. Wholesale and retail trade	-.03*	.07***	-.01	-.01	.00	-.01	.01	.00	.11***	-.09***	-.14***	-.41***	1.00	
14. Transportation and warehousing	.08***	-.01	.00	.00	.00	.00	.00	-.01	.07**	-.02*	-.07***	-.22***	-.09***	1.00
15. Information technology	.04**	-.01	.01	.00	-.01	.00	.00	.00	.01	.00	-.08***	-.23***	-.09***	-.05**
16. Finance, real estate, and insurance	.02*	.09***	.00	.01	-.01	-.01	.01	-.05**	-.06**	.41***	-.11***	-.34***	-.14***	-.07***

(continued)

Table 1 (continued)

Variable	1	2	3	4	5	6	7	8	9	10	11	12	13	14
17. Industry unemployment rate	-.09***	-.08***	.25***	.23***	-.28***	.09***	-.14***	-.03*	-.02*	-.20***	.09***	.00	.13***	-.05**
18. Number of ERGs within state	.11***	.13***	-.06***	-.02*	.06***	-.10***	.07***	.01	.00	.13***	-.03*	.02*	-.05**	-.01
19. Number of ERGs within industry	.05***	-.07***	-.09***	-.03*	.13***	-.11***	.08***	.04*	-.08***	-.04**	-.37***	.83***	-.37***	-.18***
20. Number of adoptions within state	.03*	.04**	-.10***	-.05**	.16***	-.04**	.00	-.02*	-.01	.09***	.00	.00	-.01	.00
21. Number of adoptions within industry	.04**	-.01	-.17***	-.08***	.26***	-.07***	.01	-.02*	-.02*	.05**	-.19***	.35***	-.13***	-.12***
22. Number of local GLBT advocacy organizations	.07***	.06***	-.04**	.00	.05**	-.07***	.07***	.00	-.02	.12***	.00	-.03*	-.05**	.00
23. Total resources of local GLBT advocacy organizations	.09***	.33***	-.07***	-.01	.06***	-.11***	.12***	.00	.00	.09***	-.04**	.05**	-.04**	-.05***
24. Total resources of national GLBT advocacy organizations	.01	.03*	-.18***	-.11***	.12***	-.05**	-.12***	-.04**	.04**	.04**	.02*	.01	.02*	-.01
25. Presence of state's nondiscrimination law	.04**	.06***	.00	.01	.02*	-.09***	.09***	.01	-.04**	-.01	-.04**	.07***	-.01	-.05**
26. Number of state nondiscrimination laws	.04**	.06***	-.14***	-.08***	.30***	-.39***	.41***	-.01	.04**	.07***	.01	-.01	.02*	.00
27. 1995-1999	.04**	.03*	-.27***	-.25***	.19***	-.21***	.23***	.05**	.02*	.05**	.00	-.02*	.01	.01
28. 2000-2002	.01	.03*	-.18***	-.02*	.15***	-.08***	-.04**	-.04**	.04**	.03*	.02*	.01	.01	-.01

(continued)

**Table 1 (continued)**

Variable	15	16	17	18	19	20	21	22	23	24	25	26	27	28	M	SD
1. Presence of a GLBT ERG															0.06	0.25
2. Concentration of local GLBT advocacy organizations' resources															0.26	0.35
3. Tenor of pragmatic legitimacy by other employers															0.06	0.51
4. Tenor of moral legitimacy by other employers															0.53	0.58
5. Tenor of pragmatic legitimacy by movement and countermovement organizations															0.17	0.60
6. Tenor of moral legitimacy by movement and countermovement organizations															-0.08	0.54
7. Number of press coverage articles															45.58	20.67
8. Return on assets															0.03	0.11
9. Number of employees															28.69	62.39
10. Total assets															10.78	31.08
11. Mining, utilities, and construction															0.10	0.30
12. Manufacturing															0.51	0.50
13. Wholesale and retail trade															0.14	0.35
14. Transportation and warehousing															0.05	0.21
15. Information technology	1.00														0.05	0.21
16. Finance, real estate, and insurance	-0.07***	1.00													0.10	0.30

(continued)

Table 1 (continued)

Variable	15	16	17	18	19	20	21	22	23	24	25	26	27	28	M	SD
17. Industry unemployment rate	.03*	-.25***	1.00												5.53	1.35
18. Number of ERGs within state	.04**	.09***	-.15***	1.00											4.18	4.10
19. Number of ERGs within industry	-.19***	-.09***	-.30***	.15***	1.00										20.95	16.44
20. Number of adoptions within state	-.01	.03*	-.23***	.74***	.20***	1.00									2.19	4.88
21. Number of adoptions within industry	-.06**	.00	-.42***	.20***	.75***	.42***	1.00								10.20	14.12
22. Number of local GLBT advocacy organizations	.04**	.10***	-.10***	.86***	.07***	.72***	.13***	1.00							4.89	6.26
23. Total resources of local GLBT advocacy organizations	.01	.07***	-.15***	.60***	.16***	.38***	.19***	.61***	1.00						10.27	5.32
24. Total resources of national GLBT advocacy organizations	-.03*	-.04**	-.24***	.15***	.31***	.44***	.74***	.11***	.15***	1.00					15.97	0.93
25. Presence of state's nondiscrimination law	-.03*	.00	.01	.32***	.11***	.33***	.09***	.34***	.24***	.06**	1.00				0.22	0.41
26. Number of state nondiscrimination laws	-.02*	-.02*	-.43***	.23***	.37***	.39***	.64***	.18***	.25***	.66***	.14***	1.00			9.40	2.91
27. 1995-1999	.00	.01	-.46***	.12***	.12***	.02*	.03*	.08***	.12***	-.15***	.05**	.37***	1.00		0.40	0.49
28. 2000-2002	-.03*	-.04**	-.25***	.13***	.28***	.42***	.69***	.10***	.13***	.86***	.04**	.54***	-.36***	1.00	0.17	0.37

Note: N = 9,358. GLBT = gay, lesbian, bisexual, and transgender; ERG = employee resource group.

\*  $p < .05$ .

\*\*  $p < .01$ .

\*\*\*  $p < .001$ .



**Table 2**  
**Models of the Adoption of Same-Sex Partner Health Benefits by Fortune 500 Corporations, 1990–2003**

Theoretical variable	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9
Hypothesis 1 (+)									
Presence of a GLBT ERG	1.34*** (0.15)	2.08*** (0.23)	1.34*** (0.15)	2.08*** (0.23)	-0.16 (1.09)	1.43*** (0.14)	1.56*** (0.17)	1.09 (1.25)	2.28*** (0.27)
Hypothesis 2 (+)									
Presence of a GLBT ERG × Concentration of Local GLBT Advocacy Organizations' Resources				-1.45*** (0.48)				-1.38** (0.51)	-1.54** (0.49)
Hypothesis 3 (+)									
Presence of a GLBT ERG × Number of State Nondiscrimination Laws					0.13 (0.09)			0.11 (0.12)	
Hypothesis 4a (+)									
Presence of a GLBT ERG × Tenor of Pragmatic Legitimacy by Other Employers						-0.23 (0.33)		0.20 (0.47)	
Hypothesis 4b (+)									
Presence of a GLBT ERG × Tenor of Moral Legitimacy by Other Employers						-0.17 (0.14)		-0.05 (0.17)	
Hypothesis 5a (+)									
Presence of a GLBT ERG × Tenor of Pragmatic Legitimacy by Movement and Countermovement Organizations							-0.36* (0.17)	-0.55* (0.29)	-0.40* (0.20)

*(continued)*

**Table 2 (continued)**

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9
Hypothesis 5b (+)									
Presence of a GLBT ERG × Tenor of Moral Legitimacy by Movement and Countermovement Organizations							0.37 (0.26)	0.31 (0.33)	
Control variables									
Concentration of local GLBT advocacy organizations' resources		1.30*** (0.20)	0.91*** (0.20)	1.15*** (0.20)	0.94** (0.19)	0.92*** (0.20)	0.89*** (0.20)	1.14*** (0.20)	1.14*** (0.20)
Tenor of pragmatic legitimacy by other employers		0.77 (0.50)	0.88* (0.50)	0.86* (0.49)	0.88* (0.51)	0.94* (0.50)	0.89* (0.52)	0.82* (0.50)	0.85* (0.51)
Tenor of moral legitimacy by other employers		-0.18 (0.27)	-0.19 (0.24)	-0.14 (0.24)	-0.18 (0.25)	-0.15 (0.25)	-0.20 (0.24)	-0.13 (0.24)	-0.14 (0.24)
Tenor of pragmatic legitimacy by movement and countermovement organizations		0.11 (0.38)	0.14 (0.41)	0.15 (0.41)	0.12 (0.41)	0.13 (0.41)	0.19 (0.39)	0.24 (0.39)	0.24 (0.39)
Tenor of moral legitimacy by movement and countermovement organizations		0.14 (0.10)	0.12 (0.20)	0.10 (0.20)	0.12 (0.20)	0.11 (0.20)	0.08 (0.20)	0.07 (0.19)	0.10 (0.20)
Number of press coverage articles		3.00E-03 (0.01)	1.00E-03 (0.01)	1.00E-03 (0.01)	1.00E-03 (0.01)	1.00E-03 (0.01)	2.00E-03 (0.01)	2.00E-03 (0.01)	2.00E-03 (0.01)
Return on assets		0.69** (0.22)	0.57* (0.27)	0.58* (0.29)	0.56* (0.28)	0.57* (0.27)	0.59* (0.27)	0.60* (0.30)	0.59* (0.29)
Industry unemployment rate		0.03 (0.10)	0.07 (0.09)	0.08 (0.09)	0.06 (0.09)	0.07 (0.09)	0.07 (0.09)	0.08 (0.09)	0.08 (0.09)
Number of adoptions within state		-0.05 (0.05)	-0.05 (0.04)	-0.05 (0.04)	-0.05 (0.04)	-0.05 (0.04)	-0.05 (0.04)	-0.05 (0.04)	-0.04 (0.04)
Number of adoptions within industry		0.03 (0.02)	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)
Number of employees	2.00E-03 (2.00E-03)	1.00E-03 (1.00E-03)	1.00E-03 (1.00E-03)	2.00E-03* (1.00E-03)	2.00E-03* (1.00E-03)	2.00E-03* (1.00E-03)	2.00E-03* (1.00E-03)	2.00E-03* (1.00E-03)	2.00E-03* (1.00E-03)
Total assets	0.02** (3.00E-03)	1.00E-03 (3.00E-03)	1.00E-03 (3.00E-03)	1.00E-03 (3.00E-03)	1.00E-03 (3.00E-03)	1.00E-03 (3.00E-03)	1.00E-03 (3.00E-03)	1.00E-03 (3.00E-03)	1.00E-03 (3.00E-03)
Mining, utilities, and construction	0.53 (1.89)	-0.50 (0.51)	-0.50 (0.50)	-0.48 (0.49)	-0.51 (0.51)	-0.50 (0.51)	-0.49 (0.51)	-0.48 (0.50)	-0.47 (0.49)

(continued)

**Table 2 (continued)**

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9
Manufacturing	-2.75 (2.07)	2.47 (1.32)	1.82 (1.17)	1.62 (1.17)	1.83 (1.19)	1.87 (1.17)	1.91 (1.16)	1.73 (1.17)	1.76 (1.15)
Wholesale and retail trade	0.34 (1.85)	-0.05 (0.39)	-0.16 (0.38)	-0.14 (0.38)	-0.16 (0.38)	-0.16 (0.38)	-0.16 (0.38)	-0.14 (0.38)	-0.14 (0.38)
Transportation and warehousing	1.68 (1.88)	0.25 (0.46)	0.37 (0.44)	0.46 (0.43)	0.41 (0.44)	0.37 (0.44)	0.37 (0.43)	0.45 (0.42)	0.42 (0.43)
Information technology	1.11 (1.88)	1.11* (0.46)	1.10** (0.38)	1.13** (0.37)	1.13** (0.37)	1.09** (0.37)	1.11** (0.37)	1.13** (0.37)	1.10** (0.37)
Finance, real estate, and insurance	-0.84 (1.91)	1.56* (0.61)	1.42* (0.56)	1.39* (0.54)	1.42** (0.55)	1.43** (0.55)	1.45** (0.56)	1.42** (0.53)	1.43** (0.54)
Number of ERGs within state	0.15* (0.06)	-0.05 (0.06)	-0.04 (0.06)	-0.02 (0.05)	-0.03 (0.06)	-0.04 (0.06)	-0.04 (0.06)	-0.03 (0.05)	-0.03 (0.05)
Number of ERGs within industry	0.09*** (0.02)	-0.08* (0.04)	-0.07 (0.04)	-0.06 (0.04)	-0.07 (0.04)	-0.07 (0.04)	-0.07 (0.04)	-0.06 (0.04)	-0.06 (0.04)
Number of local GLBT advocacy organizations	-0.06 (0.04)	0.11*** (0.03)	0.09** (0.03)	0.08** (0.03)	0.09** (0.03)	0.09** (0.03)	0.09** (0.03)	0.08** (0.03)	0.08** (0.03)
Total resources of local GLBT advocacy organizations	0.10* (0.04)	-0.02 (0.05)	0.01 (0.04)	0.01 (0.04)	0.01 (0.04)	0.01 (0.04)	0.01 (0.04)	0.01 (0.04)	0.01 (0.04)
Total resources of national GLBT advocacy organizations	-0.02 (0.02)	-0.01 (0.03)	-0.02 (0.03)	-0.02 (0.03)	-0.02 (0.03)	-0.02 (0.03)	-0.02 (0.03)	-0.01 (0.03)	-0.01 (0.03)
Presence of state's nondiscrimination law	0.11 (0.37)	0.34** (0.16)	0.37* (0.15)	0.43* (0.15)	0.38* (0.15)	0.36* (0.15)	0.37* (0.15)	0.42** (0.15)	0.41** (0.15)
Number of state nondiscrimination laws 1995-1999	0.38*** (0.07)	0.18 (0.19)	0.32 (0.21)	0.33 (0.22)	0.30 (0.20)	0.32 (0.22)	0.31 (0.20)	0.28 (0.20)	0.30 (0.21)
2000-2002		1.65** (0.47)	1.82** (0.49)	1.80** (0.49)	1.80** (0.49)	1.81** (0.50)	1.85** (0.49)	1.84** (0.49)	1.84** (0.49)
Inverse Mills ratios		1.68 (0.85)	1.98* (0.92)	1.96* (0.90)	1.94* (0.91)	1.94* (0.92)	1.98* (0.90)	1.94* (0.88)	1.94* (0.89)
Constant		0.44* (0.22)	0.13 (0.21)	0.08 (0.20)	0.12 (0.21)	0.14 (0.20)	0.15 (0.20)	0.10 (0.18)	0.12 (0.18)
Yearly corporation spells		-17.36** (2.01)							
Wald chi-square		9,358	9,358	9,358	9,358	9,358	9,358	9,358	9,358
Log pseudo likelihood		-1,255.04	-1,227.05	-1,224.07	-1,226.26	-1,226.59	-1,224.44	-1,221.70	-1,222.92
Likelihood ratio test ( <i>df</i> )		55.9(1)***	vs. M2	5.9(1)**	vs. M3	0.9(2)	5.2(2)*	10.7(6)	8.2(2)**
VERSUS nested model (M)			vs. M2	vs. M3	vs. M3	vs. M3	vs. M3	vs. M3	vs. M3

*Note:* The dependent variable in Model 1 is the probability of a corporation having an ERG. The dependent variables in Models 2 through 9 are the hazard rates of the adoption of same-sex partner health benefits. Standard errors (in parentheses) are the robust estimator corrected for state. GLBT = gay, lesbian, bisexual, and transgender; ERG = employee resource group.

\**p* < .05.  
 \*\**p* < .01.  
 \*\*\**p* < .001.

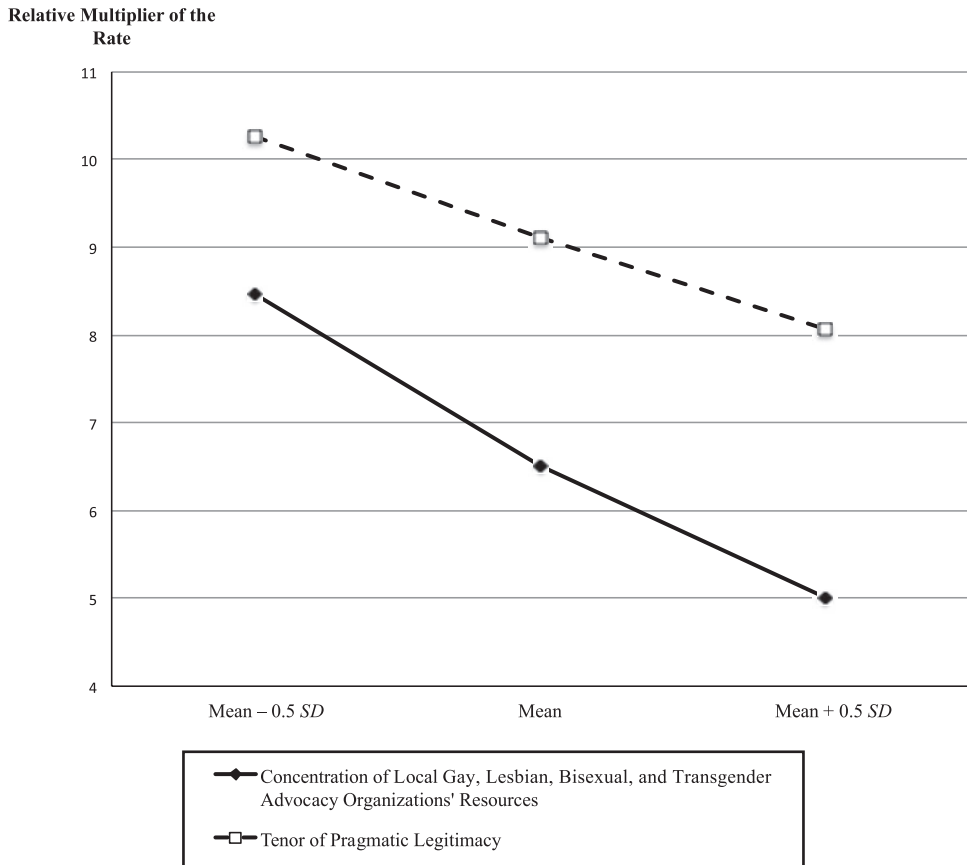
variable, *Concentration of local GLBT advocacy organizations' resources*, in Model 9 showed a positive main effect of mobilizing structure of external movements on the benefits adoption ( $\beta = 1.14, p < .001$ ). Specifically, an increase in 1 *SD* of *Concentration of local GLBT advocacy organizations' resources* increased a corporation's rate of benefits adoption by a factor of 1.49 [ $=\exp(1.14 * 0.35)$ ]. However, the negative, significant coefficient estimate of *Presence of GLBT ERG × Concentration of Local GLBT Advocacy Organizations' Resources* in Model 9 fails to support Hypothesis 2 ( $\beta = -1.54, p < .01$ ). It suggests that the positive effect of having an internal mobilizing structure (i.e., GLBT ERG) was stronger when resources were less concentrated within the external movements.

Turning to our two sets of hypotheses on the effects of political and cultural opportunities on the relationship between a corporation's GLBT ERG and the rate of benefits adoption by the corporation, the coefficient estimates of *Presence of GLBT ERG × Number of State Nondiscrimination Laws* are not significant in Models 5 and 8. It suggests that the number of state laws did not have effects on the rates of benefits adoption between corporations with and without ERGs.

Regarding the effects of cultural opportunity stated in Hypotheses 4a, 4b, 5a, and 5b, in Models 6 through 9, only the coefficient estimate of *Presence of GLBT ERG × Tenor of Pragmatic Legitimacy by Movement and Countermovement Organizations* is significant but negative ( $\beta = -0.40, p < .05$ , in Model 9), thereby failing to support the hypotheses. Together with the results of the main effects of cultural opportunity variables, these suggest the impact of legitimacy tenor used by other employers and movement and countermovement organizations in the press on the rate of benefits adoption exhibited a complicated pattern. Specifically, the tenor of pragmatic legitimacy by other employers had an independent positive effect on the rate of benefits adoption ( $\beta = 0.85, p < .05$ , in Model 9). The effect of the tenor of pragmatic legitimacy by movement and countermovement organizations negatively moderated the influence of internal mobilizing structure (i.e., a GLBT ERG) on the rate of benefits adoption. However, the tenors of moral legitimacy by both other employers and movement and countermovement organizations exerted no influence on the rate of benefits adoption in the observed period.

To better appreciate the significant interaction effects reported in Model 9, we plotted interaction graphs. Because our hazard rate of adoption was estimated on the basis of an exponential function, we transformed the correspondent coefficients in Model 9 into an estimated multiplier of the rate to reflect the multiplicative effect of variables on the rate of a corporation's benefits adoption. Specifically, Figure 3 shows the moderating effects of resource concentration of local GLBT advocacy organizations' resources (solid line) and the tenor of pragmatic legitimacy by movement and countermovement organizations (dash line) on the relative multiplier of the rate between corporations with and without ERGs. We used the mean and 0.5 *SD* above and below the mean of *Concentration of local GLBT advocacy organizations' resources* and *Tenor of pragmatic legitimacy by movement and countermovement organizations* to estimate the relative multipliers of the rates by using the correspondent coefficients in Model 9. As shown in the solid line, an increase in 1 *SD* in *Concentration of local GLBT advocacy organizations' resources* decreases the relative rate from 8.47 [ $=\exp(2.28 + 1.14 * \{0.26 - 0.17\} - 1.54 * \{0.26 - 0.17\})/\exp(1.14 * \{0.26 - 0.17\})$ ] to 5.01. These suggest that the degree of concentrated resources held by local GLBT advocacy organizations decreased the relative effect of an ERG on a corporation's rate of benefits adoption

**Figure 3**  
**The Moderating Effects of Concentration of Local Gay, Lesbian, Bisexual, and Transgender Advocacy Organizations' Resources and Tenor of Pragmatic Legitimacy by Movement and Countermovement Organizations on the Relationship Between Internal Movements and the Rate of Benefits Adoption**



and that the presence of an ERG had a stronger influence on the corporation's rate of benefits adoption when the degree of resource concentration among local GLBT advocacy organizations was low.

The dashed line in Figure 3 shows the moderating effect of the tenor of pragmatic legitimacy used by movement and countermovement organizations. An increase in 1 *SD* in the tenor of pragmatic legitimacy decreases the relative rate to 8.07 from 10.27. Together with the results of the main effects of cultural opportunity, our analysis here offers a more fine-grained examination of the relationship between cultural opportunity of press discourse and internal movement mobilization. Specifically, it was the tenor of pragmatic legitimacy used by other employers and movement and countermovement organizations in the

press discourse that aided/hindered employee activists in their attempts to help management understand practical implications of benefits adoption. Though the legitimacy used in other employers' justification of their adoption decisions exerted independent influence on benefits adoption, the positive tenor of legitimacy expressed by movement and countermovement organizations mattered more when a mobilizing structure of internal movements, such as an ERG, was lacking. Importantly, the results from both interaction effects imply that a mobilizing structure for internal movements is more crucial for pressing for change when employee activists are faced with difficult conditions such as a lack of effective mobilization of external movements and negative sentiment on the practical implications of their movement goals for their organizations.

The effects of other control variables are worth mentioning. *Number of local GLBT advocacy organizations* had a positive effect on the rate of benefits adoption. However, total assets of national GLBT advocacy organizations had no effect. The positive effect of *Presence of state's nondiscrimination law* suggests a state's legal environment presented political opportunity for activists to use as institutional resources to advocate for the benefits adoption.

## Discussion and Conclusion

How movements exert influence on organizational behavior has been documented in organization studies. Most attention in recent studies has been on understanding how the effect of movements on organizational behavior is shaped by the amount of movement resources and activities, the independent effects of movement activities inside or outside organizations, and opportunity within organizations (e.g., Hiatt et al., 2009; Ingram et al., 2010; Kim et al., 2007; Lounsbury, 2001; McDonnell & King, 2013; Raeburn, 2004). Nevertheless, we know little about how mobilizing structures of movements internal and external to organizations jointly influence organizational practices and little about how institutional opportunity may alter the relationship between internal movements and an organization's decision to adopt a new practice. Exploring these questions is important because mobilizing structure plays an important role in shaping mobilization and movement outcomes, and organizations often face simultaneous mobilization efforts by individuals and groups within both organizations and organizational fields. As well, institutional environments have the potential to provide opportunity to facilitate mobilization to put pressure on the organizations. Hence, our study makes several important contributions to the literature on social movements and organizations.

First, with few exceptions, most studies of resource mobilization have emphasized the strength of mobilization, measured by the number of advocacy organizations or the numbers of their members (e.g., Hiatt et al., 2009; Ingram & Rao, 2004; Sine & Lee, 2009) and mobilizing tactics (e.g., Soule, 2009). However, scholars from traditional social movement literature have cautioned us that resources do not necessarily enhance mobilization and lead to movement success (e.g., Ganz, 2000; Tilly, 1999). As suggested by McCarthy and Zald (1977), a structure that promotes participant recruitment, increases resource access, reduces cooperation and coordination challenges, and enables generation of movement tactics is crucial for movement processes and outcomes. Our study revealed the role of mobilizing structure in influencing a corporation's decision to adopt same-sex partner health benefits. For internal movements, because participants may be punished by corporations and may have

limited access to institutional resources (Raeburn, 2004; Zald & Berger, 1978), participant recruitment and coordination of participant involvement are particularly difficult. A formal structure (such as a GLBT ERG established within a corporation) that has the potential to reduce such difficulties is critical for movement processes and outcomes. For external movements, when there is more than one movement organization with the same or similar agenda, movement organizations face different challenges, such as cooperation and coordination to engage in political contest (cf. Tilly). A structure that can reduce cooperation and coordination challenges is critical to achieving collective goals (Olson, 1965). Our analysis—the effect of the concentration of resources held by local GLBT advocacy organizations on the rate of benefits adoption—sheds light on this possibility.

Second, we built upon the notion of institutional opportunity put forward by Raeburn (2004) by examining how various forms of institutional opportunity shaped outcomes of internal movements in organizations. Thus far, studies have examined the effects of opportunity (political opportunity) derived from changes in the internal environment of organizations on movement outcomes (Kim et al., 2007; King, 2008; Weber et al., 2009). Though our study showed political opportunity derived from changes in the regulatory element of institutional environments did not aid internal movements in attaining their goals, our treatment of cultural opportunity derived from discourse in the press revealed interesting and complicated effects. While prior studies show actors in organizational fields engage in discourse activity to contest organizational arrangements (e.g., Lounsbury et al., 2003), little is known about which actors and which kind of discourse can help to legitimize movement claims and provide employee activists with the opportunity to better mobilize resources for change. Our results revealed the differential effects of types and sources of press discourse on the rate of benefits adoption. Our analysis showed that while movement and countermovement organizations focused more on contesting the moral legitimacy of same-sex partner health benefits (as shown in Fig. 2), such contestation had no impact on the rate of benefits adoption. In contrast, it was the self-interested calculation of pragmatic legitimacy that enhanced cultural-cognitive understanding of the benefits, which then influenced corporations' decisions to offer the benefits. The tenor of pragmatic legitimacy of the benefits in the press derived from prior employers' adoption decisions reduced the financial uncertainty of the benefits, which in turn influenced the rate of benefits adoption by corporations. The tenor of pragmatic legitimacy voiced by movement and countermovement organizations altered the effect of a GLBT ERG on the rate of benefits adoption by its corporation.

Third, and importantly, while the results of our interaction hypotheses were contradictory to what we had predicted, they are valuable findings for the literature on social movements and organizations. Social movement scholars contend that favorable conditions/opportunities facilitate movement mobilization and the attainment of movement goals by reducing barriers to mobilization in the form of increases in support from bystanders and decreases in resistance of powerful actors (e.g., McAdam et al., 1996; D. S. Meyer & Minkoff, 2004; Snow, 2007). It is not clear, however, how the effect of internal mobilizing structure on goal attainment is influenced by external favorable conditions/opportunities. Having an internal mobilizing structure can reduce internal barriers to goal attainment. Favorable external conditions/opportunities may also reduce some of these internal barriers by, for example, altering the perception of decision makers of movement demands—substituting some mobilization efforts of an internal mobilizing structure. Nevertheless, having such a structure can

be crucial for movement participants in attaining their goals when the favorable external conditions/opportunities are not present (cf. Tilly 1999). Our results speak to this complexity: The difference in the rates of benefits adoption between corporations with and without GLBT ERGs reduced as resources of local GLBT advocacy organizations became more concentrated and the tenor of pragmatic legitimacy in the press became more positive. These findings are theoretically important and meaningful because they shed light on the varied effects of movement activities on movement outcomes and their contingencies (Soule, 2009; Tilly, 1999). Broadly, prior studies focused on the effects of internal or external movements and the moderating effect of internal political opportunity on organizational behavior (e.g., Kim et al., 2007; King, 2008; McDonnell & King, 2013). Our focus on mobilizing structures (both internal and external) and institutional opportunity provides an additional, valuable explanation of the relationship between social movements and organizations.

This study has limitations, which are opportunities for future research. Our research design and data did not permit an exploration of the tactics deployed by participants of internal and external movements. We wonder whether the tactics of internal movements differed from each other and whether those differences accounted for differences in outcomes (Soule, 2009). Since movement participants within organizations tend to bear the risk of job security (Scully & Segal, 2002; Zald & Berger, 1978), we wonder whether the tactics of internal movements systematically differed from external movements. Our study shows that a formal structure of internal movements has a very strong effect on movement outcomes, but this formal structure was not necessary nor did it make movement goal attainment inevitable. Not all formal structures actually facilitate movement mobilization (Ganz, 2000). Informal structures, such as networks of relationships, can aid resource mobilization (e.g., Kellogg, 2009; Raeburn, 2004). It is possible that both formal and informal movement structures exist in organizations. Untangling the roles played by formal and informal movement structures within organizations, the effects that they have on each other, and their relative effects can provide a more complete and nuanced understanding of how collective action within organizations influences organizational behavior.

Furthermore, recent studies have suggested that organizations vary in their internal political systems that produce different forms of political opportunity with differential access by movement participants (Kim et al., 2007; Raeburn, 2004; Weber et al., 2009). Future research into the effects that various forms of internal political opportunity exert on intraorganizational movements (mediating and/or moderating) can advance our understanding of internal movement mobilization processes and outcomes. Our treatment of the mobilizing structure of external movement organizations showed its importance to the adoption of organizational practices. As a result of data availability, we were unable to examine the effect of the mobilizing structure of countermovement organizations. Future research into the role of the mobilizing structure of countermovement organizations and its influence, relative to that of movement organizations, on movement processes and outcomes is warranted. Our attention to cultural opportunity derived from press coverage of organizational practices added a valuable modification to the literature on media, organizations, and movements by shedding light on the differential effects of legitimacy and actors. However, cultural opportunity is not limited to discourse in the press and legitimacy of a new practice (Williams, 2007). Future research exploring other forms of cultural opportunity, and their effects, is warranted to enhance our understanding of how cultural opportunity influences the effect of internal movement



mobilization on organizational response to movement demands. To this end, we see great opportunities to “mobilize” social movement theses to attain a better understanding of organizational behavior.

## Notes

1. To better appreciate the context of our setting, we conducted interviews with individuals involved with 10 GLBT movements in their corporations, attended five GLBT workplace conferences and forums, and reviewed publications and press articles related to GLBT issues in the workplace.

2. A total of 52 corporations were excluded from the final sample because of missing data: the number of employees, financial data (i.e., total assets and return on assets), the year they adopted benefits, or the year their GLBT ERGs were founded.

3. The search strings we developed to retrieve articles include same-sex benefits, domestic partner benefits, DP benefits, opposite sex benefits, same-sex partners, same-sex relationship, (same-sex) and benefits, (gay or lesbian or transsexuals) and (benefits) and (employees), (same-sex union) and (benefits), (domestic partner) and (benefits), (homosexuals) and (partner benefit), and (sexual orientation) and (benefits).

4. We could not control for the size of the GLBT population or for the number of same-sex couples since no reliable annual data are available.

5. As shown in Model 1 in Table 2, the probability of a corporation having an ERG was driven by its size (*Total assets*), the establishment of ERGs in other corporations (*Number of ERGs within state* and *Number of ERGs within industry*), *Total resources of local GLBT advocacy organizations*, and *Number of state nondiscrimination laws*. The significant coefficient of inverse Mills ratios suggests in Model 2 that our specification of Model 1 captured the factors that affected both the establishment of an ERG and the likelihood of benefits adoption. Most of these variables that are significant in Model 1 become nonsignificant in Models 2 through 9. The inverse Mills ratios became nonsignificant after we entered theoretical variables (Models 2–9). These data suggest that our analysis is less likely subject to endogeneity biases.

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