The Impact of Internal Labor Markets
On Newspaper Industry Diversification

By

Lee B. Becker & Tudor Vlad

James M. Cox Jr. Center for International Mass Communication Training and Research
Grady College of Journalism and Mass Communication
University of Georgia
Athens, GA 30602
lbbecker@uga.edu, tvlad@uga.edu

George L. Daniels
Department of Journalism
College of Communication and Information Sciences
University of Alabama
gdaniels@ccom.ua.edu

&

Hugh J. Martin
Department of Journalism
Grady College of Journalism and Mass Communication
University of Georgia
hjmartin@uga.edu

The Impact of Internal Labor Markets On Newspaper Industry Diversification

The daily newspaper industry in the United States changed dramatically in the second half of the last century. The number of daily newspapers declined, the number of cities served by only one daily newspaper increased, and the number of newspapers not part of a newspaper group decreased.

The reasons for these changes are complex, as are their consequences (Lacy and Davenport, 1994). One consequence of the consolidation of newspaper titles that has been largely ignored is a restructuring of the way the newspapers construct and access their labor markets. In fact, it may well be that a restructuring of the labor market is one of the motivations for such consolidation.

One potential outcome of creation of a newspaper group is expansion of what economists call the Internal Labor Market (Pinfield, 1995). If the newspaper group integrates or even coordinates the hiring of personnel, the Internal Labor Market could be expanded to cover all or major parts of the group.

This creation of an expanded Internal Labor Market of the daily newspaper company should have significant consequences for the individual newspaper. It should, in the circumstances of an expanded Internal Labor Market cutting across different newspapers of differing sizes, be advantageous for individual papers to hire able talent, to invest in them through compensation, and to encourage their development through training.

This paper tested this expectation in one specific area: the hiring of and investment in journalists. It is predicted that daily newspapers that are part of an optimally configured extended Internal Labor Market will be more likely to hire minority journalists than other newspapers. These newspapers also will be more likely to value professional development of their journalists, and to provide encouragement for their journalists to engage in both internal and external training activities.

The Daily Newspaper Industry

The daily newspaper industry is characterized by a large number of relatively small organizations spread geographically around the country. The large metropolitan dailies that have national or even regional reputations are the exceptions, rather than the norm, in the daily newspaper

industry. In 2002, just under 85% of the 1,457 U.S. dailies had a circulation of less than 50,000 (American Newspaper Publishers Association, 2003). This distribution has remained almost consistent since 1970. There were only 219 newspapers larger than 50,000 circulation in 2002, and only 38 with more than 250,000 daily circulation (American Newspaper Publishers Association, 2003).

Newspaper markets are defined geographically by the extent of a paper's circulation, and the core of those markets is usually the city or county where the paper is located. Head-to-head competition exists only in a handful of newspaper markets. Most daily markets have either a monopoly newspaper or indirect competition between different layers of newspapers (Lacy & Simon, 1993, p. 112-115).

Independent daily newspapers are increasingly rare. Most newspapers are members of a group. Newspaper Association of America data show that 20 newspaper groups with the largest circulation accounted for 67 percent of all daily circulation in the United States in 2000 (American Newspaper Publishers Association, 2001). Newspaper groups of all sizes also use a strategy of assembling clusters of commonly-owned newspapers in geographically adjacent markets, in part to share resources such as newsroom personnel (Lacy & Simon, 1997; Martin, 2002). A third of all U.S. dailies were part of a cluster in 1998 (Martin, 2002).

Daily Newspaper Labor Market

The common assumption has been that the labor market of the daily newspaper industry is hierarchical, with most entry-level hiring taking place at small newspapers. These newspapers, in this view, are the common ports of entry for the market. Becker, Vlad and Martin (2002), in the first empirical test of this assumption, presented data largely consistent with it. The researchers found that a considerably smaller percentage of hiring done by large newspapers is at the entry-level than is true for small newspapers. The larger daily newspapers concentrate their hiring at the level of the experienced employee, hiring relatively fewer journalists who lack any daily newspaper journalism experience. At the same time, large daily newspapers did entry-level applicants. Certainly entry to the occupation of daily newspaper journalist is not only at the smallest newspapers.

This pattern was rather robust, holding across four different years for which data are available, 1985, 1990, 1995 and 2000. Contrary to expectation, the pattern appeared to be relatively unaffected by

the national economy. The final year of the survey, 2000, was one in which unemployment was quite low, yet the pattern was much the same that year as in the three earlier ones, when unemployment was higher.

Becker, Vlad and Martin (2002) also found that the creation of newspaper groups had impact on the ways newspapers hired. Those large newspapers that did not have what they termed an Extended Internal Labor Market were no less likely than smaller papers to hire entry-level journalists. It seems that, lacking access to the Extended Internal Labor Market, these newspapers were forced into the External Labor Market and to hire entry-level employees to compensate for the lack of access to job candidates from their internal system. Creation of an Extended Internal Labor Market is one potential outcome of group ownership.

Internal vs. External Labor Markets

Becker, Vlad and Martin drew on the general literature on labor markets in noting that newspapers may hire from either external or internal labor markets. Newspapers compete with other firms in external labor markets. Newspapers that fill jobs by hiring from within are using internal labor markets (ILMs).

Doeringer and Piore (1971) offer a standard definition of ILMs:

"The internal labor market, governed by administrative rules, is to be distinguished from the *external labor market* of conventional economic theory where pricing, allocating and training decisions are controlled directly by economic variables. These two markets are interconnected, however, and movement between them occurs at certain job classifications which constitute *ports of entry and exit* to and from the internal labor market. The remainder of jobs within the internal market are filled by the promotion or transfer of workers who have already gained entry. Consequently, these jobs are shielded from the *direct* influence of competitive forces in the external market" (p.2).

Job ladders are a key variable in the structure of ILMs (Baron, Davis-Blake, & Bielby, 1986, p. 256; Cohen & Pfeffer, 1986, p. 12). These researchers argue job ladders allow organizations to select

employees according to hiring standards determined by the technical requirements of the job. Job ladders also allow groups such as managers or professionals to exercise organizational power by imposing such standards (Baron et al., 1986, p. 270 ; Cohen & Pfeffer, 1986, p. 20).

The theoretical description of ILMs and job ladders is consistent with suggestions that newspaper groups may form their own labor markets. Groups could be expected to do this to reduce job mismatches. For instance, larger dailies in groups might search first for new hires at smaller dailies in the group because that reduces time spent identifying a pool of qualified candidates.

Becker, Vlad and Martin speculated in their paper on additional consequences of the existence of Extended Internal Labor Markets in the newspaper industry. Newspaper organizations that are part of an Extended Internal Labor Market, they argued, should be expected to seek out better entry level employees and to invest more heavily in them than newspapers not part of optimally configured Extended Internal Labor Markets. The rationale is simple. If a newspaper hires good people, invests heavily in them, and then sees they leave, the newspaper wastes its investment. The investment is not wasted, however, if the individual leaves to move up within the group. In other words, the larger group benefits from the initial investment.

Minority Hiring

In today's newspaper market, one prominent indicant of commitment to quality hiring is the hiring of minorities. Minorities have the ability to enrich the organization and its products. Minority hiring also has been a prominent goal of media industries for more than three decades.

A report by the National Advisory Commission on Civil Disorders (1968) chastised broadcasters and newspapers for being "shockingly backward" in not seeking out, hiring, training and promoting black Americans. The report showed that fewer than 5% of all editors and supervisors at the time were black. This prompted U.S. media organizations to launch a concerted diversity effort on the part of the nation's media organizations.

The American Society of Newspaper Editors (ASNE) made the 1978 "parity" pledge and began an annual diversity census in the nation's newspaper newsrooms. At the time, African-Americans held 2% of daily newspaper newsroom jobs. The pledge was not successful. Twenty years later, minorities

made up just 11.5% of the newsroom jobs, yet they were 26% of the total U.S. As a result, ASNE pushed back its diversity goal to year 2025 (Hollie, 1998). According to the latest American Society of Newspaper Editors census, diversity in the newsrooms of American dailies increased by nearly one half of one percent in 2002. The increase of minority journalists to 12.5% of the newsroom workforce still lagged behind the percentage of minorities in the total U.S. population, now 31.1%.

While much has been written about the industry's diversification efforts (McGowan, 2001; Newkirk, 2000) as well as on minority journalists' newsroom experiences at mainstream newspapers newsrooms (McCall, 1994; Nelson, 1994), research on the determinants of success in diversification is limited. Haws (1991) conducted a secondary analysis of the ASNE annual reports. He found that daily newspapers which successfully reached their minimum minority hiring goals were those in communities with relatively small concentrations of minority residents. Essentially, when a community reaches a minority level of approximately 15%, the newspaper is unable to keep pace. Dedman (2002), also using the ASNE data, compared minority employment levels at each of the nation's 1,448 daily newspapers with minority population levels in that paper's circulation area. The data revealed that while some newspaper chains were two-thirds of the way toward achieving racial parity with their communities, others were half-way there. Dedman concluded that a newspaper's staff diversification success depends on the newspaper group owner's diversity policies.

Previous research has also documented the effect of race on one's organizational experience, job performance and career outcome. In one study, black managers felt less accepted in their organization and perceived themselves as having less discretion in their jobs than white managers (Greenhaus, Parasuraman, & Wormley, 1990). Powell and Butterfield (1997) found that African Americans made less career progress within organizations than did whites. Specifically, the researchers found that an applicant's race indirectly affected promotional decisions through factors such as length of departmental employment and performance evaluations.

Scholars contributing to the strategic management and leadership literature have written on the organizational value placed on racial diversity, as well as the role of race in hiring research. Reasons favoring diversity (Cox & Black, 1991) include the attraction and retention of the best personnel (including

those with high levels of creativity and innovation), the increase in organizational problem-solving ability, and increases in organizational flexibility.

There is at least anecdotal evidence suggests minority journalists have moved into important positions in some newspapers. Gregory Moore's appointment as editor of the Sunday *Denver Post* & *Rocky Mountain New*s (circulation 789,137) made the paper the largest nationally with an African American editor (Moscou, 2002). Former National Association of Black Journalists President William Sutton currently is the deputy managing editor at *The News & Observer* in Raleigh, North Carolina (Stewart, 2001). Previously, he was managing editor of the *Post-Tribune* in Gary, Indiana, and a reporter and editor at *The Philadelphia Inquirer*.

Media and Personnel Practices

The literature on media personnel practices is sparse and not well integrated. Becker, Beam and Russial (1978) found variability in the commitment of daily newspapers to hiring of a well-trained and diverse journalistic labor force that was predictive of newsroom performance. The better newspapers were more likely to hire better educated journalists and journalists with diverse backgrounds. Becker, Fruit and Caudill (1987) found that media organizations varied by type in their approach to newsroom hiring, and that different approaches were taken to different positions within organizations. In television newsrooms, for example, on-air personnel were evaluated much more subjectively than were photographers and other technical employees. Hollifield, Kosicki and Becker (2001) found that newsroom and organizational culture influenced hiring decisions. Becker, Lowrey, Claussen and Anderson (2000) found that the daily newspapers they studied did not use reporter expertise as the key determinant of assignment to beats or specializations within the newsroom. Lowrey, Becker and Punathambekar (2003) found limited expertise among editors of international news in the daily newspaper industry in the U.S.

Weaver, Beam, Brownlee, Voakes and Wilhoit (2003) have shown that the percentage of U.S. journalists with at least a bachelor's degree has increased dramatically from 1971 to 2002, but there is variability among the industry segments in terms of the types of university education. Daily newspapers, for example, are much more likely to have employees with a journalism degree than are other industry segments. A survey of journalists conducted in 2002 found that more than two-thirds of the respondents

reported receiving no regular training on the job, and that a lack of training was the number one source of job dissatisfaction (Knight Foundation, 2002). The study also found that news organizations have not increased their training budgets in the past decade and that executives were aware of the need for training in the newsrooms. The 2002 survey replicated an earlier study of daily and weekly newspaper journalists from 1992 that found that most journalists want training as they move through their careers but few actually get it (Freedom Forum, 1993).

Descriptions of newspaper labor markets are consistent with more general theoretical discussions in the economics and organizational literature, in which hiring is viewed as a process of matching vacant jobs with people qualified to fill them (Petrongolo & Pissarides, 2001, p. 392). Firms search for employees and employees search for jobs, but matches are not always efficient. Mismatches result if there are "large differences" (p. 399) between worker skills and job requirements. Mismatches also result if workers are located in one market and jobs are located in another. Other factors affecting job matches are the intensity of job searches and competition between unemployed and employed job seekers.

Hypotheses

The literature reviewed above suggests that one outcome of the creation of media groups is alteration and expansion of the company's internal labor market. No longer is the internal labor market restricted to the single property. Under the group configuration, the internal market includes all the properties in the group, and members of the group would be expected to rely on each other to satisfy the member's labor needs. As in Becker, Vlad and Martin (2002), we term this type of internal labor market an Extended Internal Labor Market.

The literature also suggests that there might be such a thing as an "ideal" type of expanded or Extended Internal Labor Market in which movement up through the group could flow most efficiently. This would be an internal market made up of media properties that fully complemented each other. In other words, such an "ideal" type of Extended Internal Labor Market would be one in which the individual properties would be distributed across the size spectrum so that almost all labor needs of the larger property could be provided by the smaller properties. Such an "ideal" type of Extended Internal Labor

Market would have its ports of entry at the small properties, each of which would feed an increasingly larger property in the organization.

The consequences of such an "ideal" type of Extended Internal Labor Market should be many. The properties should be less influenced by the forces of the External Labor Market, since it would be less dependent on it. The individual properties also should be more focused on attracting and hiring qualified applicants at the ports of entry, in rewarding those hired, and in investing in them once hired. This would be true because those who enter the organization will have opportunities for advancement in the company, through the ladders of its Extended Internal Labor Market. Essentially, the Extended Internal Labor Market offers an incentive to smaller properties to engage in personnel policies that are rewarding to the larger organization, rather than simply to the smaller property.

Specifically, media properties that have "ideal" types of Extended Internal Labor Markets should be expected to hire minority employees, since these employees bring resources to the organization and since their hiring is highly promoted and valued in the industry. In addition, media properties that have "ideal" types of Extended Internal Labor Markets should be expected to encourage their employees to seek training opportunities outside the organization and to offer internal training for those employees.

These expectations are stated below for one specific type of media organization (the daily newspaper industry) and for one specific unit of the organization, the newsroom.

H1: Daily newspapers that are part of an "ideal" type of Extended Internal Labor Market will employ more minorities in their newsrooms than daily newspapers that are not part of an "ideal" type of Extended Internal Labor Market.

H2: Daily newspapers that are part of an "ideal" type of Extended Internal Labor Market will encourage their newsroom employees to participate in internal and external training opportunities more than will daily newspapers that are not part of an "ideal" type of Extended Internal Labor Market.

Methodology

To test these expectations, secondary analysis was undertaken of data from a survey of daily newspaper editors conducted in 2001. The survey was part of a four-survey set of parallel studies of newspaper hiring in years 1986, 1991, and 1996, as well as 2000. In the mail and telephone surveys,

editors were asked about hiring the year earlier. The 2001 survey of hiring in 2000 included questions on both internal and external training in the newsroom.

The 2001 survey was conducted in the James M. Cox Jr. Center for International Mass Communication Training and Research, a unit of the Grady College of Journalism and Mass Communication at the University of Georgia. In February of 2001, mail surveys were sent to the 1,464 editors of daily newspapers listed in the 2000 *Editor and Publisher International Yearbook*. After three additional mailings, 605 editors or 41.3% had returned questionnaires. Telephone interviews were conducted with an additional 133 editors, resulting in completed survey data from 738 newspapers, or 50.4% of the total in the population. Telephone contacts were selected among the refusals by circulation size and then probabilistically. The final sample of returned questionnaires was representative of daily newspapers in the United States in 2000 in terms of circulation size. See Becker, Vlad and Martin (2002) for additional details on these surveys.

The 2001 editor survey data were supplemented with data on the entire population of daily newspapers contained in an electronic edition of the 2000 *Editor and Publisher International Yearbook*. Included were measures on staff size, circulation, and group. This new data file for all daily newspapers in the U.S. was next merged with data gathered by the American Society of Newspaper Editors on the employment of minorities in daily newspapers across the country for the period 1990 to 2002. The ASNE data are the result of a mail survey of all daily newspapers conducted at the end of each year. In 2002, 956 of the 1,435 daily newspapers to which survey forms were mailed reported the percentage of minorities in their newsrooms (ASNE, 2002). Dedman (2002) merged the annual reports of ASNE data for 1990 to 2002 and supplemented them with additional data on the communities served by the newspapers. The Dedman data were then merged with those from the 2000 editor survey. Discrepancies in units were addressed in a case-by-case base. In some cases, individual newspapers in a community reported separately to ASNE but as combined units to the editor survey, and vice versa.

Two indices of an Extended Internal Labor Market were created at the level of the group. Each newspaper in the group was assigned a score reflecting the group index. In each case, newspapers were

classified first by circulation into one of five groups: (1) up to 25,000, (2) 25,001 to 50,000, (3) 50,001 to 75,000, (4) 75,001 to 100,000, and (5) 100,001 and more.

Analysis of the 2000 data showed that raw circulation is correlated highly with the number of employees in a daily newspaper and with number of newsroom employees. (In the former case, the Pearson Product Moment Correlation Coefficient was .81, while in the latter it was .96.) This suggests that using circulation as an indicant of newsroom size is appropriate. Newsroom size was not available for newspapers that did not return the survey.

In the simple index of Extended Internal Labor Market, each newspaper group was assigned a score from 1 to 5 based on the number of circulation groupings in which the group had newspapers. If the group had at least one paper in each group, it received a score of 5. If it had a newspaper on two groups, it received a score of 2. Newspapers not in groups received a score of 1.

The second index reflected whether the total circulation for group newspapers in each category of circulation was equal. Groups were penalized for having different circulation totals in different categories. This was done using what is termed a Frechet technique (Wilansky, 1964). This formula compared the total circulation in a lower category with the total circulation within the next higher category. For example, if one category was twice in size of another category, the size of the reduction would be .33 by the Frechet weighting, and hence, the score would be .66. If the difference was four time, then the reduction increased to .43 and the score is .57. If the two amounts were equal, the group would earn a score of 1. The size of the deduction from 1 increased as the inequality increased.

Once the group score was calculated for both indices, that score was assigned to each newspaper in the group. In fact, the correlation between these two measures was extremely high, .974 (Pearson Product Moment Correlation).

Hypothesis 1 was tested using the measure of minority hiring from the ASNE data for year 2000, since the Extended Internal Labor Market indices were created based on group composition that year. Hypothesis 2 was tested with three measures from the 2001 editor survey. Respondents were asked to indicate if the paper encouraged its journalists to apply for midcareer "training opportunities outside the

paper itself" at universities and at media training centers. In addition, respondents were asked if the newspaper operated "its own internal midcareer training program for its journalists."

Findings

The data base contained 950 newspapers that could be classified according to the two Extended ILM indices and also contained a report from ASNE on the percentage of minorities in the newsroom in 2000. The mean scores for the newspapers in the five Extended ILM groups, using the simple index, is shown in Table 1.

As predicted, newspapers that are part of a group with an ideal type of Extended ILM report higher levels of minority staffing in their newsrooms than do newspapers that do not have such an Extended Internal Labor Market. The progression from newspapers with a score of 1 on the index to newspapers with a score of 3 is incremental. Newspapers with a score of 4, for some reason, have fewer minorities. Newspapers in groups with a score of 5 have more than twice the percentage of minorities in their newsrooms as newspapers with a score of 1. The relationship is summarized by the Pearson Product Moment Correlation Coefficient of .23. (The relationship is significant at the .05 level, without adjustment for the fact that two-thirds of the population are included in the sample.)

The second index, created using the Frechet technique, is highly correlated with the first (.98). The correlation coefficient between level of minority hiring and the index based on the Frechet technique was .21. Because of the similarity of the techniques and the slightly better prediction based on the simple index, the simple index was used in all tables for this report.

Hypothesis 1 predicted that there would be a relationship between level of minority employment in the newsrooms and whether the newspaper had, through its group structure, an Extended Internal Labor Market, consistent with the data in Table 1. Of particular concern, however, is the behavior of small newspapers, where the incentive to hire minority staffers would be low if the paper did not have an Extended Internal Labor Market. In such cases, the managers might argue that the hiring of minorities had limited rewards for the paper, since they and other qualified employees would likely move quickly to larger media organizations. Since the paper was not part of a larger group, there would be limited reward for making the extra effort to hire highly mobile employees.

In Table 2, the level of minority employment is shown for newspapers broken down both by the Extended ILM score and by newspaper size. Consistent with expectation, small newspapers (with circulations of 25,000 and less) had higher percentages of minority newsroom staffers if they were part of an Extended ILM than if they were not, again, with the exception of newspapers in ILM grouping 4. Small newspapers with an ILM score of 5 had twice the level of minorities as newspapers with an ILM score of 1.

The gap between level of minority staffing at the bottom of the ILM index and at the top persists for all five groupings of newspapers, but among the largest newspapers, even those newspapers with ILM scores of 2 and 3 have relatively high levels of minority employment in their newsrooms. Consistent with the expectation, the ILM effect on minority hiring seems to be greater at the lower levels of group integration of the labor market. In fact, this effect exists for newspapers under 5,000 in circulation, newspapers between 5,000 and 10,000 in circulation, and newspapers between 10,001 and 25,000 in circulation.

The second hypothesis predicted that those newspapers with an Extended Internal Labor Market would invest more in training of their employees than would newspapers that were not parts of groups with an Extended Internal Labor Market. Data in Table 3 are consistent with this expectation. These data are for the 721 newspapers that were part of the 2001 Editor Survey and answered questions on midcareer training.

Of those newsroom managers working for a newspaper with an extended ILM score of 1, only 27.5% said they would encourage journalists in their newsrooms to participate in a university-based midcareer training program, compared with 40.3% of those editors working for a newspaper with an extended ILM score of 5. The difference is statistically significant at the .05 level (again without correcting for the sampling fraction, based on the difference of proportions test). Newspaper editors working for newspapers with a low score on the extended ILM index also were less likely to say they would encourage their journalists to participate in midcareer training offered by an institution, such as the Poynter Institute in Florida or American Press Institute, in Virginia. Editors of papers with an extended ILM score of 1 also were less likely than editors working at papers with an extended ILM score of 5 to

report that their own paper had an internal midcareer training program for its journalists. All of these findings are consistent with Hypothesis 2.

Unlike with minority hiring, however, investment in midcareer training at small newspapers is not associated with the Extended ILM score of the newspaper. As Table 4 shows, editors at small papers are unlikely to be particularly encouraging of their employees who whish to seek midcareer training through university programs or at other training institutes, and this sentiment does not vary by ILM score. Much the same is true in terms of providing midcareer training within the newsroom.

Each of these three training variables, though influenced overall by ILM score, as Table 3 showed, are even more influenced by newspaper size. Editors at large papers are much more likely to encourage their journalists to seek midcareer training opportunities than are editors at smaller papers. The larger papers also are more likely to offer internal midcareer training opportunities. Journalists working at smaller papers, of course, are recent employees, and perhaps it is reasonable for editors at the small papers to expect them to wait until they have proven themselves before they seek such training opportunities.

Conclusions

The data reported here are consistent with the expectation that the Internal Labor Market of a newspaper has influence on its approach to personnel. Specifically, the paper hypothesized that newspapers that had an Extended Internal Labor Market would be more likely to hire minorities in their newsrooms and more likely to invest in all newsroom employees than would newspapers that did not have such an Extended Internal Labor Market.

The Extended Internal Labor Market, which allows newspapers to limit ports of entry to the market to small newspaper properties and then promote those employees along ladders up through the organization, is an efficient response to the uncertainties of labor markets. It allows the employer or manager to avoid some of the uncertainties that result from accessing an External Labor Market, such as competition for and scarcity of talent matching the particular needs of the employer.

In fact, it may well be that creation of an Extended Internal Labor Market is either one of the incentives of creation of larger newspaper groups or an unintended consequence. At least in terms of

personnel management, the consequence of creation of newspapers groups and the resultant Extended Internal Labor Market is positive. This is consistent with the finding of Demers (1996) that managerial competence and efficiency is an outcome of group expansion.

One important cautionary note is in order. The measures of the existence of an of Extended Internal Labor Market used in this paper are estimations, based on the potential for those markets. It remains possible that some of the newspaper groups with the potential for the creation of such an Extended Internal Labor Market have not actually operationalized it. It is the potential, rather than the certainty of operation, that is indexed by the measures used in this paper. The assumption that these are actually operating makes sense, given the advantages they would provide. But it is clearly not a certainty.

In fact, it may be that variation in the operationalization of the Extended Internal Labor Markets used here explains some of the anomalies of the findings. In Table 1, for example, newspapers that are part of groups scoring a 4 on the Extended ILM index do not behave as predicted. Perhaps these newspapers are parts of groups that have not maximized the possible benefits of the ILM. It also may be that the ILM is deficient in another way. Clearly it lacks a newspaper of a certain size. This is a topic for further exploration.

The data are encouraging, in that they show that the labor markets of newspapers matter in terms of personnel practices. At the same time, size matters as well, as the data on training programs makes clear. Future research must untangle more about the internal labor markets of newspapers and other media so as to be able to understand what role they ultimately play in newsroom performance.

References

American Society of Newspaper Editors (2002). Newsroom employment drops sharply; diversity increases. **Retrieved November 14, 2003, from the ANSE website, http://www.asne.org/print.cfm?printer_page=%2Findex%Ecfm%Fid%3D3432.**

Baron, J. N., Davis-Blake, A., & Bielby, W. T. (1986). The structure of opportunity: how promotion ladders vary within and among organizations. *Administrative Science Quarterly, 31*, 248-273.

Becker, L. B., Beam, R., & Russial, J. (1978). Correlates of daily newspaper performance in New England. *Journalism Quarterly*, *55*, 100-108.

Becker, L. B, Fruit, J. W., & Caudill, S. L. (1987). *The Training and Hiring of Journalists*. Norwood, N.J.: ABLEX.

Becker, L. B., Lowrey, W., Claussen, D. S., & Anderson, W. B. (2000). Why does the beat go on? An examination of the role of beat structure in the newsroom. *Newspaper Research Journal*, *21*, 2-16.

Becker, L. B, Vlad, T. & Martin, H. J. (2002, August). The impact of internal labor markets on newspaper industry diversification. Paper presented to the Annual Conference of the Association for Education in Journalism and Mass Communication, Miami Beach, Florida.

Cohen, Y., & Pfeffer, J. (1986). Organizational hiring standards. *Administrative Science Quarterly, 31*, 1-24.

Cox, T.H., & Black, S. (1991). Managing cultural diversity: Implications for organizational competitiveness. *The Executive*, *5*(3), 45-56.

Dedman, B. (2002, April 11). Newspapers Fall Short of Diversity Goal. *The Boston Globe*, pg. C1.

Demers, D. F. (1996). *Corporate Newspaper: Fact of Fiction.* Ames: Iowa State University Press.

Doeringer, P. B., Piore, M. J., & U. S. Dept. of Labor Manpower Administration. (1971). *Internal labor markets and manpower analysis*. Lexington, Mass.: Heath.

Freedom Forum (1993). *No Train, No Gain: Continuing Training for Newspaper Journalists in the 1990s*. Arlington, VA.: The Freedom Forum.
.

Greenhaus, J.H., Parasuraman, S., & Wormely, W.M. (1990). Effects of Race on Organizational Experiences, Job Performance Evaluations, and Career Outcomes. *Academy of Management Journal*, 33(1), p. 64-86.

Haws, D. (1991). Minorities in the Newsroom and Community: A Comparison. *Journalism Quarterly, 68* (4), 764-771.

Hollie, L. (1998, October 26). Editors Adjust Diversity Goal. *MediaWeek*. 8, 40, p. 8.

Hollifield, C., A., Kosicki , G. M., & Becker, L. B. (2001). Organizational vs. professional culture in the newsroom: Television news directors' and newspaper editors' hiring decisions. *Journal of Broadcasting and Electronic Media*, *45*, 92-117.

Knight Foundation (2002). *Newsroom Training: Where's the Investment?* Miami, FL: The John S. and James L. Knight Foundation.

Lacy, S., & Simon, T. F. (1993). *The economics and regulation of United States newspapers*. Norwood, N.J.: Ablex Pub.

Lacy, S., & Davenport, L. (1994). Daily newspaper market structure, concentration, and competition. *The Journal of Media Economics, 7*(3), 33-46.

Lacy, S., & Simon, T. F. (1997). Intercounty group ownership of daily newspapers and the decline of competition for readers. *Journalism & Mass Communication Quarterly, 74*(4 Winter), 814-825.

Lowrey, W., Becker, L. B., & Punathambekar, A. (2003). Determinants of newsroom use of staff expertise: The case of international news. *Gazette, 65*, 41-63.

Martin, H. J. (2002). *Effects of Intercounty Group Ownership of Newspapers on Prices and Competition: A Partial Replication and Extension*. Manuscript submitted for publication.

McCall, N. (1994). *Makes Me Wanna Holler: A Young Black Man in America*. New York: Random House.

McGowan, W.M. (2001). *Coloring the News: How Crusading for Diversity Has Corrupted American Journalism*. San Francisco: Encounter Books.

Moscou, J. (2002, November 18). Moore on the way. *Editor and Publisher*. p. 10.

Nelson, J. (1994). *Volunteer Slavery: My Authentic Negro Experience.* Chicago: The Noble Press.

Newkirk, P. (2000). *Within the Veil: Black Journalists, White Media*. New York: New York University Press.

Newspaper Association of America (2001). *Facts about Newspapers*. A supplement to Presstime.

Newspaper Association of America (2003). *Facts about Newspapers*. A supplement to Presstime.

Pinfield, L. T. (1995). *The Operation of Internal Labor Markets: Staffing, Practices and Vacancy Chains*. New York: Plenum Press.

Powell, G.N. & Butterfield, D.A. (1997). Effect of Race on Promotions to Top Management in A Federal Department. *Academy of Management Journal*, *40* (1), 112-128.

National Advisory Commission on Civil Disorders (1968). *Repor*t. New York: Bantam Books, Inc.

Stewart, P. (2001). Getting African-American journalists on the 'write' track. *Black Issues in Higher Education*, *18*, p. 28.

Weaver, D., Beam, R., Brownlee, B., Voakes, P., & Wilhoit, G. C. (2003 August). The American journalist in the 21st century: key findings. Presented to the annual conference of the Association for Education in Journalism and Mass Communication, Kansas City, Missouri.

Wilansky, A. (1964). *Functional Analysis.* New York: Blaisdell Publishing Company.

Table 1. Minority Hiring by Extended ILM

ILM Index	Mean	N	SD
1	5.45	344	8.82
2	7.50	139	11.25
3	8.51	142	10.91
4	6.18	113	7.15
5	12.36	212	10.01
Total	7.84	950	9.98

Note: Cell entries are mean percentage minority for newspapers in this group.

Table 2. Minority Hiring by Extended ILM With Circulation Groups

Newspaper Size	ILM Index	Mean	N	SD
0 thru 25,000	1	5.23	284	9.08
	2	7.08	95	12.64
	3	8.20	84	12.77
	4	3.91	58	6.24
	5	11.09	58	12.22
	Total	6.42	579	10.60
25,001 thru 50,000	1	4.14	31	4.29
	2	5.56	25	6.32
	3	6.66	27	8.86
	4	4.11	27	3.62
	5	9.87	60	7.68
	Total	6.77	170	7.05
50,001 thru 75,000	1	9.05	15	12.37
	2	3.85	6	5.74
	3	8.39	9	5.15
	4	8.56	9	5.65
	5	12.47	35	8.36
	Total	10.11	74	8.80
75,001 thru 100,000	1	9.17	3	1.36
	2	13.20	2	0.85
	3	8.45	6	2.84
	4	8.67	6	7.83
	5	14.84	16	12.82
	Total	11.94	33	9.87
100,001 plus	1	9.05	11	4.52
	2	16.51	11	4.13
	3	13.39	16	5.63
	4	17.78	13	5.43
	5	16.55	43	8.46
	Total	15.30	94	7.23

Note: Cell entries are mean percentage minority for newspapers in this group.

Table 3. Training Policy and Activities by Extended ILM

	Encourage Participation in University Based Programs		Encourage Participation in Training Centers		Operate Own Internal Midcareer Training Program	
	Percent Yes	N	Percent Yes	N	Percent Yes	N
ILM Index						
1	27.5	313	33.9	313	14.1	306
2	26.6	109	33.9	109	17.1	105
3	31.6	95	48.4	95	27.5	91
4	30.7	75	46.7	75	25.7	74
5	40.3	129	57.4	129	24.6	126
Total	30.5	721	41.3	721	19.4	702

Table 4. Training Policy and Activities by Extended ILM With Circulation Groups

Newspaper Size	ILM Index	Encourage Participation in University Based Programs Percent Yes	N	Encourage Participation in Training Centers Percent Yes	N	Operate Own Internal Midcareer Training Program Percent Yes	N
0 thru 25,000	1	25.4	268	29.9	268	13.7	262
	2	20.0	85	27.1	85	14.6	82
	3	22.9	48	31.3	48	11.1	45
	4	25.0	44	38.6	44	27.9	43
	5	22.7	44	36.4	44	14.0	43
	Total	23.9	489	30.9	489	14.9	475
25,001 thru 50,000	1	22.7	22	40.9	22	13.6	22
	2	28.6	14	50.0	14	21.4	14
	3	27.3	22	45.5	22	28.6	21
	4	22.2	18	44.4	18	16.7	18
	5	50.0	38	68.4	38	23.7	38
	Total	33.3	114	52.6	114	21.2	113
50,001 thru 75,000	1	58.3	12	75.0	12	8.3	12
	2	66.7	3	66.7	3	33.3	3
	3	28.6	7	71.4	7	57.1	7
	4	25.0	4	50.0	4	50.0	4
	5	38.9	18	50.0	18	29.4	17
	Total	43.2	44	61.4	44	30.2	43
75,001 thru 100,000	1	100.0	2	100.0	2	100.0	2
	2	100.0	1	100.0	1		1
	3	50.0	4	100.0	4	25.0	4
	4	75.0	4	100.0	4	25.0	4
	5	37.5	8	62.5	8	42.9	7
	Total	57.9	19	84.2	19	38.9	18
100,001 plus	1	44.4	9	66.7	9	12.5	8
	2	83.3	6	66.7	6	40.0	5
	3	64.3	14	85.7	14	64.3	14
	4	80.0	5	80.0	5	20.0	5
	5	61.9	21	85.7	21	38.1	21
	Total	63.6	55	80.0	55	39.6	53