Diversity in a team stems from differences in demographic, psychological, and organizational characteristics. Research reveals that the various effects of this diversity on teams is dependent on how the research is conducted, the type of diversity examined, and the type of tasks performed. In most cases, diversity is a benefit once a team learns how to create a context that supports diversity. A team with diverse members performs better on decision making, problem solving, and creativity tasks.

Diversity in a team can lead to problems caused by misperceptions about others and competition among subgroups. These problems disrupt team communication and reduce the ability of the team to fully use its resources. Diversity problems are unlikely to go away by themselves, but actions can be taken to help teams improve relations among their members in order to gain the benefits of team diversity.

Learning Objectives

1. Why is the importance of dealing with diversity issues increasing for teams?
2. What are different types of diversity?
3. What are the trait approach and the expectation approach to explaining diversity?
13.1 The Nature of Diversity

Diversity is at the core of teamwork. If people have identical knowledge, skills, or perspectives, then there is little reason to organize them into teams, and it is simpler to just have a supervisor tell the individuals what to do. It is the integration of differences that is the core value of teamwork. But, diversity is also a central challenge for teamwork. How do you get different people to work together smoothly and effectively as a team? From sociological and organizational perspectives, the topic of diversity is increasing in importance. Diversity has many meanings, all of which have different impacts on how teams function.

Why Diversity Is Important Now

Understanding diversity in work teams is important because of the increasing numbers of women and ethnic minorities entering the workforce (Jackson & Ruderman, 1995). Women and ethnic minorities are now in all levels of the organizational hierarchy and no longer primarily work only in certain types of jobs (Jackson, 1992). In today’s organizational environment, diversity occurs in jobs in all areas of organizations.

Age or generational diversity is also increasing in organizations. People are living longer and retirement ages are being extended (Carnevale & Stone, 1995). The relationship between younger and older workers is changing as generations are more likely to work together because organizational hierarchies are flatter. New technology has reversed some of the differences between younger and older workers. For instance, younger workers may be more skilled with technology and may serve as mentors for older workers.

Diversity is increasing by design as well. Organizations are recruiting a more diverse workforce to improve relationships with customers. A design team does not create a car for male buyers only; products must be sensitive...
to all potential customers. Increasing workforce diversity enables organizations to be more sensitive to the diverse markets in society. In addition, globalization is increasing diversity. As organizations become more global, their workforce must be able to interact in culturally diverse teams.

Correspondingly, the more pronounced the use of teams in the workplace, the greater the importance of diversity issues because people must interact with one another to perform their jobs. Teams must deal with the diversity that comes from differences in occupations, departments, and organizational statuses. Work is more interdependent, making it vital for different types of people to be able to communicate with others in new ways.

**Types of Diversity**

Although we often think of diversity in terms of gender or ethnicity, three types of diversity affect teams in organizations: demographic (e.g., gender, ethnicity, age), psychological (e.g., values, personality, knowledge), and organizational (e.g., tenure, occupation, status). Table 13.1 presents an overview of these types of diversity. Demographic diversity relates to the social categories people use to classify others (McGrath, Berdahl, & Arrow, 1995). In our society, distinctions of gender, race, ethnicity, nationality, age, religion, and sexual orientation are considered important in many situations, but that is not true in all societies or eras. For example, religion is a more important demographic variable in the Middle East than in the United States. Differences among European immigrants were considered very important in the United States during the early 1900s, but these are not viewed as culturally important differences today.

**Table 13.1  Types of Diversity**

<table>
<thead>
<tr>
<th>Demographic</th>
<th>Psychological</th>
<th>Organizational</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Values, beliefs, and attitudes</td>
<td>Status</td>
</tr>
<tr>
<td>Race and ethnicity</td>
<td>Personality and cognitive and behavioral styles</td>
<td>Occupation</td>
</tr>
<tr>
<td>Nationality</td>
<td>Knowledge, skills, and abilities</td>
<td>Department or division</td>
</tr>
<tr>
<td>Age or generational</td>
<td></td>
<td>Tenure</td>
</tr>
<tr>
<td>Religion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sexual orientation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Psychological diversity relates to differences in people’s cognitions and behavior. People vary in their values, beliefs, and attitudes. They may be conservative or liberal, religious or not religious, risk oriented or risk averse. People differ in personality and behavioral styles. As discussed in earlier chapters, people may be competitive or cooperative, assertive or aggressive. Finally, people differ in task-related knowledge, skills, and abilities. Team members may be technical experts, have artistic skills, or communicate well.

Organizational diversity is caused by differences in a person’s relationship to an organization. Factors, such as organizational rank, occupational specialty, department affiliation, and tenure are examples of organizational variables. These variables primarily affect an individual’s status in the organization, which has important consequences for how people interact in teams. Occupational differences relate to differences in language or terminology that may lead to miscommunication, while power differences may disrupt the team’s communication process.

The different types of diversity are not easily isolated from each other. Teams often comprise all three types of diversity, but research is often unclear how to categorize these types of diversity (Cox, 1995). On the one hand, it makes sense to view demographic factors (e.g., gender) as different from organizational factors (e.g., status). On the other hand, one of the main effects of demographic differences is that we give more power and status to certain team members than to others.

The types of diversity vary in how easily they can be observed. Diversity based on age, sex, or race can be considered surface-level factors, as opposed to deep-level factors like psychological variables (Harrison, Price, Gavin, & Florey, 2002). Surface-level factors affect people immediately. People who are similar in surface-level factors are more likely to be initially attracted to each other and form stronger social attachments. Deep-level diversity takes time to recognize. Consequently, the effects of these deep-level differences on teams take time to develop. Although when people think about diversity they often only consider surface-level factors, it is deep-level diversity that has the strongest positive impacts on team performance (Harrison & Humphrey, 2010).

How Diversity Affects a Team

There are two ways to view how diversity affects a team (McGrath et al., 1995). The trait approach assumes that diversity affects how people act. In other words, people with different backgrounds have different values, skills, and personalities; these differences affect how they interact in a team. The expectations approach focuses on the beliefs that people have about what
other people are like. These expectations change how they interact with
people from different backgrounds.

As people work together in a team, they develop a sense of identity with
the team, which becomes stronger as the team becomes more cohesive. Over
time, members develop emotional bonds, create a common language for
communicating, and share experiences. This leads to a convergence of atti-
tudes, beliefs, and values that reduces the importance of background differ-
ences among team members (Harrison et al., 2002).

Although continued interaction affects some types of diversity, it does not
affect all types. Interaction does not change people’s personalities, their spe-
cialized skills, their races, or their ages. However, it does not have to change
these characteristics to reduce the impact of diversity. People identify with
a team to the extent that membership is emotionally important to them and
they care about its collective goals (Brewer, 1995). One implication of team
formation is that team members shift their social categories and create a new
social identity. Members working together in a team develop the category of
teammate. This category can become emotionally more important than the
other ways that members previously categorized the people on the team.

13.2 Problems of Diversity

In diverse teams, members have different approaches to problems and access
to different sources of information. This should help improve team perfor-
mance, but only if the team uses these task-relevant differences. Unfortunately,
diversity may lead to misperceptions that reduce communication by minor-
ity members and increase emotional tension and conflict within the team.
This prevents the team from fully using its resources.

Misperception

False stereotypes and prejudices of team members cause diversity prob-
lems. People from different backgrounds hold different values and respond
to situations differently. These differences in values and behavior can be
threatening to a member’s sense of what is appropriate. To deal with the
psychological anxiety, people may either ignore or misinterpret the contribu-
tions of minority members. (Minority in this case means people with differ-
ent backgrounds from those of most group members.) Over time, minority
members respond to this by contributing less to team communication. The
lack of power these members experience causes them to have less impact on
the team’s decisions (Tolbert, Albert, & Simons, 1995).
Teams members often use gender as an irrelevant cue for expertise (Cohen & Zhou, 1991). Those who are perceived to have expertise generally have greater influence in decision making and are assigned leadership roles in teams. However, teams members tend to value the expertise of a man above that of a women, regardless of actual expertise (Ridgeway, 1997). This is particularly salient today in historically male-dominated contexts, such as science and engineering teams. A recent study showed that the male tendency is to evaluate less educated female teammates more favorably when compared to highly educated female teammates (Joshi, 2014). Additionally, the team gender composition also impacted the extent to which the expertise of highly educated women was used—teams dominated by men used women’s expertise less when compared to teams with a higher proportion of women. These results indicate that gender inequality remains present in teams. One way of combating this is to reach a 20% team membership of minorities and/or women, which research indicates is the point at which discrimination against these members tends to drop (Pettigrew & Martin, 1987).

One benefit of diversity is to increase the types of information and variety of perspectives used to analyze and solve problems in a team (Van der Vegt & Bunderson, 2005). This benefit is lost if the team ignores the input of minority members, or if the minority members do not provide input. The problem of diversity in teams occurs when the team overlooks the right answer because the “wrong” person came up with it.

Emotional Distrust

The dividing of a team into in-group and out-group members creates social friction. Power conflicts create a climate of distrust and defensive communication. Rather than forming a social unit, the team may become subdivided into cliques or divided along fault lines (Mannix & Neale, 2005).

These emotional issues create several group process problems. Diversity may lead to an increase in conflict because people are more distrustful. Not only are there more conflicts, but the conflicts are more difficult to resolve. Emotional distrust prevents the team from forming the social bonds necessary to create a cohesive team. Diversity may prevent the benefits of team cohesion from being realized.

Failure to Use Team Resources

The way the team treats minority members not only reduces their input in the team, but may reduce their desire to contribute. Over time, minority members become less committed to the team’s goals and less motivated to
perform for the team (Ancona & Caldwell, 1992). This in turn is used to justify not rewarding minorities or failing to provide them with opportunities and support to achieve more.

Additionally, diversity affects turnover and socialization in work teams (McGrath et al., 1995). Minority members are more likely to have higher turnover in a team. It is easier for a team to socialize new members into the team if their characteristics are similar to those of the majority. However, a team that starts with a high level of diversity is more likely to have lower minority turnover and a less difficult time socializing diverse new members.

### 13.3 Causes of Diversity Problems

There are several ways of viewing the causes of diversity problems. One view sees diversity as arising from our cognitive processes and is an artifact of our need for social classification. This misperception creates interpersonal problems in the team. A special case of this is misperceptions by the team leader. An alternative view sees diversity as due to power conflicts arising from intergroup competition. Another view believes that diversity problems rather than being caused by psychological issues reflect power struggles between groups.

#### Diversity as a Cognitive Process

Diversity is a social construction based on our cognitive processes. People categorize their social world into groups and treat the members of those groups differently based on their categories (Wilder, 1986). These categories are relatively arbitrary. For example, we are more likely to categorize people in ways that are easily observable (e.g., race rather than religion). Once these categories are formed, they have important implications for how people perceive and interact with others.

Social perception is the process of collecting and interpreting information about others. The primary reason people categorize others is to simplify the world (Srull & Wyer, 1988). Dividing people into categories makes it possible to predict what other people are like. It is a simplification, often not very accurate, but an unavoidable component of human cognition. The problem with social perception is that it leads to premature judgments about what others are really like.

Stereotypes are cognitive categorizations that describe people in preconceived groups. Stereotypes may be positive, negative, or both. For instance,
people may believe that engineers are very analytical, and this may be a good or bad attribute depending on the context. Stereotypes make people in a category seem similar to one another, yet different from us (Wilder, 1986).

This social perception and categorization process, by itself, is not bad. It helps people interact with others. The problem is that the process creates inaccuracies and biases that lead to misperceptions. Table 13.2 shows a set of common perceptual biases that negatively affect how we perceive others. From these biases, it is easy to see how our social perceptions can err.

The problem of diversity is more than just categorization and perceptual biases. When people classify others, they divide their social worlds into in-groups and out-groups. This cognitive distinction has an emotional component (Tajfel, 1982a). We view the group we belong to (our in-group) more positively, and we like, trust, and act friendlier toward in-group members. The addition of an emotional component to our categories shows how stereotypes become prejudices and discrimination. Prejudice is an unjustified negative attitude toward a group and its members. Prejudices typically are based on stereotypes. Prejudices may lead to discrimination if there is social support for negative behavior toward the out-group.

From this cognitive perspective, the problem of diversity is that we misperceive people. People prejudge others on the basis of their categories rather than on how others actually behave. This causes people to treat others inappropriately, to have poorer communications, and to dislike and distrust others without getting to know them (Mannix & Neale, 2005).

---

**Generational Differences: Traits or Stereotypes?**

Research identifies many generational differences among people working today. Successive generations tend to be more neurotic, extroverted, conscientious, and have higher self-esteem (Lyons & Kuron, 2014). From a work attitude perspective, the newer generation of workers has less overall job commitment and satisfaction. Regarding teamwork, there are mixed results, with some studies showing no generational differences, while other studies find older workers are more comfortable with working in teams. Overall, there is an increase in individualism, and a decrease in the desire to work in teams.

These generational differences are statistically significant, but how should a team leader or member use this information? “Statistically significant” does not mean that every 20-year-old is less of a team player or more conscientious than every 50-year-old. Regardless of generational trends, each team member is a person, not a category, and should be treated as an individual. Be careful about turning information about group traits into stereotypes that affect how you treat your teammates.
Team Leader

Diversity also affects a team through the relationship between a team member and a leader (Tsui, Xin, & Egan, 1995). As was noted in Chapter 10, leader-member exchange theory describes the dynamics of this relationship. According to the model, the team leader decides early in the relationship whether the team member is part of the in-group or the out-group. If part of the in-group, the team member receives more resources, mentoring, and assistance; has better performance evaluations; and is more satisfied with being part of the team than are members of the out-group.

There are two important insights from the leader-member exchange theory. First, the in-group/out-group evaluation occurs very early in the relationship, before the leader actually knows much about the performance of the team member. Second, the impact of this early impression has long-lasting effects on the relationship between the member, the leader, and the team.

A leader’s quick decision that a team member is either in-group or out-group often stems from the perceptual biases listed in Table 13.2. During the

<table>
<thead>
<tr>
<th>Perceptual Biases: The Common Ways People Misperceive Others</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>First impression error</strong></td>
</tr>
<tr>
<td><strong>Fundamental attribution error</strong></td>
</tr>
<tr>
<td><strong>Similar-to-me effect</strong></td>
</tr>
<tr>
<td><strong>Halo effect</strong></td>
</tr>
<tr>
<td><strong>Selective perception</strong></td>
</tr>
</tbody>
</table>

initial interaction with the leader, the team member is categorized (first impression error). The leader assumes that the behavior of the team member is caused by his or her personality rather than by the situation of interacting with a new leader (fundamental attribution error). The leader is more likely to rate favorably a team member who is similar to the leader (similar-to-me effect). The leader is more likely to rate a team member favorably on many issues if the member’s overall stereotype is positive (halo effect). Subsequent interactions rarely alter this first impression because information that supports the impression is remembered, while conflicting information is ignored (selective perception).

Diversity as a Social Process

An alternative view is that diversity problems arise from social competition and conflict. Why are gender and ethnicity important ways of classifying people? To a sociologist, it is because women and minorities are challenging the power position of white males in our organizations and society. Women and minorities are competing for scarce resources (e.g., jobs, office space, project resources) that the majority group wants to control.

When groups compete, their members form prejudices about each other. As noted in Chapter 5, when competing groups are united by common goals, these prejudices are reduced. A person can classify his or her social world in a variety of ways, but prejudices arise when the out-group is perceived as a threat to an individual’s resources or power.

Diversity affects team interaction by creating power differentials within the team (McGrath et al., 1995). Many of the negative effects of diversity are a direct result of the impacts of unequal power within the team. As discussed in Chapter 8, unequal power in a team disrupts its communication process. In teams with unequal power among members, the level of communication is reduced and the powerful members control the communication process. Power differences affect team cohesion because individuals with similar status are more likely to interact with one another and form friendships (Tolbert et al., 1995). Power differences may also lead diverse teams to have more internal conflicts because of conflicting goals and increased miscommunication.

Conflicts in a diverse team can lead to the formation of “faultlines” (Mannix & Neale, 2005). A faultline occurs when the team becomes divided into opposing sides of an issue due to the formation of subgroups rather than reflecting the actual opinions of team members. For example, a team may become divided by gender and then team members support their gender’s position instead of stating their actual opinion. Faultlines encourage conflict rather than the merging of diverse perspectives to solve problems.
13.4 Effects of Diversity

The results of research on the effects of diversity on teams depend on how the research is conducted, the type of diversity examined, and the tasks the teams are performing. Functional diversity has positive effects on team performance, while personal diversity may decrease cohesion and increase conflict in teams. Sometimes organizations create diversity in teams on purpose to achieve a particular goal. Cross-functional teams are a type of diverse team used to deal with complex issues requiring a variety of skills.

Research on the Effects of Diversity on Teams

The large numbers of studies on the effects of diversity on teams produced inconsistent results. Part of the problem is the difference between short-term laboratory research on teams and the study of actual working teams. Homogeneous teams function better in the short run. However, many of the problems with diversity are related to miscommunication that reduces or disappears over time (Northcraft, Polzer, Neale, & Kramer, 1995). Another problem issue relates to the tasks the team is performing. Diversity is a benefit for some types of tasks, but may be a problem for others. The type of diversity studied also causes confusion. Is diversity in demographic variables (e.g., gender, ethnicity) the same as diversity in personal variables (e.g., values, personality, skills)? Does it make sense to combine all types of diversity studies?

Finally, it must be asked whether these are even the right questions. Does it make sense to study the effects of diversity separate from an organizational context? The impact of diversity on a work team depends on the organizational climate and on how the team deals with diversity (Adler, 1986). Diversity is a fact of life for most organizations. The important question is not whether diverse teams are better or worse than homogeneous teams, but rather how to make diverse teams operate more effectively.

To clarify the research on the effects of team diversity, several meta-analyses have been conducted that examine more than a hundred studies (Bell, Villado, Lukasik, Belau, & Briggs, 2010; Jackson, 1992; Mannix & Neale, 2005; Van Knippenberg & Schippers, 2007). Two main theoretical perspectives are used to help explain the inconsistent effects of diversity on teams. The information/decision-making perspective states that differences in knowledge, skills, and perspectives may lead to higher quality and more creative decisions and improved performance. The social categorization perspective states that differences among team members may lead to in-group/out-group divisions within the team that decrease team member friendships, trust, and cooperation, and disrupt the group process.
These different theoretical perspectives led to separating the research studies on the effects of diversity in teams by the types of diversity and the types of tasks the team is performing. One of the most basic divisions of diversity is by personal attributes (surface-level diversity) versus functional attributes (deep-level diversity). Personal attributes include differences in personality, values, and various demographic variables (e.g., age, gender, and race). Functional attributes concern knowledge, abilities, and skills relating to the work environment and differences in perspectives about task issues. Surface-level diversity may lead to problems with communication and team cohesion, and increases in conflict, but often has mixed or limited effects on overall team performance. Deep-level diversity has positive effects on team decision making, creativity, and performance. The positive effects of diversity are more likely to occur in some types of tasks: Diversity improves problem solving and decision making, tasks that require creativity, complex tasks, and less routine work.

There are several moderating variables that impact how diversity affects teamwork. Teams that work cooperatively on interdependent tasks generally benefit from diversity. Teams with a learning orientation that engage in team reflexivity activities are more likely to benefit from diversity. Time working together reduces the negative social impacts of surface-level diversity, while increasing the value of deep-level diversity. As expected, teams in diverse organizations that value and support diversity are more effective at deriving the benefits of diversity.

The challenge of diversity is to get the benefits of functional diversity and differences in perspectives, while managing the communication and conflict problems created by diverse people working together. Positive benefits accrue when a team learns how to overcome the challenges created by diversity (Mannix & Neale, 2005). Diversity can improve problem solving by increasing the number of perspectives. A diverse team is likely to have a greater variety of interpersonal relationships that provide avenues for more information gathering and assistance. Diversity in top management teams is related to innovativeness and willingness to make strategic changes in the way the organization operates.

Harrison and Klein (2007) developed an alternative approach to understanding the effects of diversity on teams by classifying the types of diversity as separation, variety, and disparity. Separation is differences on a particular attribute along a horizontal dimension, such as beliefs, attitudes, and values; variety is categorical differences, such as professional background or expertise; and disparity is differences along a vertical dimension, such as status or power. Separation negatively affects teams by reducing cohesiveness and increasing conflict, but it improves decision making. Variety has positive
effects on teams by improving creativity, innovation, and decision making, although it may increase task conflict. Disparity has the most negative impacts on teamwork because it creates more competition, reduces communication, and promotes social withdrawal.

Diversity of multiple types can occur at the same time. For example, ethnic differences can be variety (type of ethnic background), separation (linked to differences in values), and disparity (differences in status among ethnic groups). The impact of diversity is context dependent—it depends on the team’s purpose, members’ beliefs, and how diversity is managed. For example, ethnic differences may lead to disagreements on some issues but not be relevant to other team activities.

Cross-Functional Teams

In most cases, diversity in a team is something that doesn’t happen on purpose. The team members who come together to complete a task may or may not be a diverse set of individuals. However, there are cases in which diversity is created for a purpose. Cross-functional teams are a good example of diversity by design.

The complexity of organizations and the tasks they perform often require cross-functional teams (Northcraft et al., 1995). For example, when an organization designs a new product, the design team often includes members with different technical skills (e.g., electronics, materials, and programming) because of the complexity of the product. The design team may include members from different departments (e.g., marketing, engineering, manufacturing) to ensure that the innovation is supported by the entire organization. The diversity in cross-functional teams relates to both functional and organizational diversity.

Cross-functional teams are highly valuable because they bring together knowledge and expertise that exists throughout an organization. The integration of information in these teams promotes new product development and encourages organizational learning. However, cross-functional teams are often difficult to operate because the competing viewpoints that are necessary for creativity create conflicts that hurt team relationships. The diversity of viewpoints in these teams is crucial for their success, but success only happens if team members are willing to share their knowledge and learn from each other (Edmondson & Nembhard, 2009).

A successful cross-functional team is like a successful negotiation: The participants retain their individual values and differences while forming an agreement that uses these differences in a synergistic way (Uhl-Bien & Graen, 1992). The challenge of cross-functional teams is learning to manage
conflict constructively. Some conflicts arise from legitimate organizational or professional differences (Pelled, Eisenhardt, & Xin, 1999). Resolution of these conflicts is part of the value of cross-functional teams. However, other conflicts are related to stereotyping, distrust, and biases that limit communication among team members. Such biases prevent teams from negotiating agreements even when the agreements are in everyone’s best interest.

13.5 Application: Creating a Context to Support Diversity

Diversity is both a strength and a problem for teams (Dyer, Dyer, & Dyer, 2007). When diversity is not handled effectively, it can increase conflict, create emotional problems, and reduce team effectiveness. The key to gaining the value of diversity is to create an environment that supports constructive controversy so that members are able to express their differences in a safe and useful manner. Diversity programs focus on increasing awareness to eliminate misperceptions, improving group process skills, creating a safe environment for communication, and dealing with team and organizational issues.

Increasing Awareness

Organizations try to deal with diversity issues through training programs to increase multicultural awareness. Awareness programs are designed to make people more aware of their assumptions and biases about other groups. The goal is to increase knowledge and awareness of diversity issues, challenge existing assumptions about minority groups, and eliminate stereotypes (Battaglia, 1992).

Diversity practices that acknowledge differences among cultures (multiculturalism) have a more positive impact on social interaction than practices that focus on ignoring differences and avoiding inappropriate behavior (color blindness) (Vorauer, Gagnon, & Sasaki, 2009). Multicultural approaches lead to an outward focus and encourage more interaction with other team members. In contrast, color blindness encourages a prevention focus where team members are concerned about not offending others. Anxiety over saying the wrong thing reduces communication, which can lead to increased misunderstandings among team members.

Although emphasizing similarities among team members may increase group harmony, it discourages viewing issues from multiple perspectives (Todd, Hanko, Galinsky, & Mussweiler, 2011). Acknowledging differences
among team members encourages viewing issues from multiple perspectives, which improves decision making. Multicultural teams are more likely to be creative when team members recognize and respect the differences among the team (Crotty & Brett, 2012). This encourages team members to feel more comfortable to state ideas from their unique perspective. Team members acknowledge their cultural differences and try to combine these different perspectives in unique ways to support the development of creative ideas.

Awareness training needs to go beyond just teaching about cultural differences (Triandis, 1994). Increased understanding should lead to the development of social contacts and friendships that cut across demographic boundaries. It is these informal social contacts that develop into relationships that reduce misperceptions, lead to improved understanding of differences, and promote trust. To build this bridge among team members, the team should develop a team culture that spans the differences (Mannix & Neale, 2005). Actions as simple as discussing what members have in common and their unique contributions are a way to start the bridging process.

Improving Group Process Skills

Many conflicts in diverse teams are due to miscommunication caused by stereotypes and distrust. To deal with them, team members can be trained to communicate better with one another and to appreciate the unique contributions of other members (Northcraft et al., 1995). Skill-based diversity programs improve people’s interpersonal skills to better manage diversity issues (Battaglia, 1992).

One approach to managing diversity is to break down the social boundaries between people. This does not happen by just having members interact in a team. There must be approaches that equalize power in the team for communication to break boundaries (Nkomo, 1995). When individuals feel the threat of negative stereotypes related to cultural identity, they often limit their participation in the team (Curseu, Schruijer, & Boros, 2007). Without an active attempt to reduce power differences within a team, ethnic diversity is likely to reduce collaboration and communication from less powerful team members. One way to achieve this is to structure and facilitate the team’s communications to equalize participation among members.

A team leader can use a variety of group process facilitation techniques to improve diversity relations in the team (Armstrong & Cole, 1995). Developing agreement on the team’s purpose, norms, and roles improves communication among members. Team leaders can minimize the impacts of status differences by encouraging participation from all team members and showing appreciation of their views. If the team is having trouble with open
discussions, procedures to structure the team’s communication can help improve this situation.

It can be especially difficult for a “minority” team member to speak up in a team if that individual is alone (Mannix & Neale, 2005). The influence of minority opinions is increased with even limited support. This prevents the team from ignoring the information because of the member presenting. The leader should make sure the team hears the minority view by creating appropriate communication norms and climate.

Creating a Safe Environment

Although diversity can benefit team performance, it does create challenges of collaborating across differences (Edmondson & Roloff, 2009). People often prefer working in homogeneous teams, but the positive conflict that arises from disagreements among diverse team members stimulates team learning, problem solving, and creativity. This positive impact of diversity only occurs if team members are able to disagree with each other in a safe environment.

One of the disappointing findings about team decision making is that teams tend to focus on shared information during discussions rather than on the unique information held by individuals (Mannix & Neale, 2005). Although diverse teams have the potential to perform better than homogeneous teams, this only occurs if the team can gain access to members’ unique contributions. The more successful the team is at creating an open communication climate that promotes trust and provides support to members, the more willing members are to risk stating their unique information on a topic.

The key is to create a psychologically safe team environment that encourages communication and collaboration from all team members (Edmondson & Roloff, 2009). Sharing individual perspectives and developing a climate that values cultural differences can encourage this type of collaborative environment. Safe team climates allow differences to be brought to the surface and discussed without fear of retribution. When the team climate encourages safety, the differences within a diverse team can be used to increase team effectiveness. When a safe climate does not exist, diversity is likely to lead to communication difficulties and problems with collaboration.

Improving Organizational Issues

Developing superordinate goals or strong collective team identities can help diverse teams work more effectively together (Van der Vegt & Bunderson,
2005). When the team has a strong sense of team identity, members are more willing to share ideas and pay attention to the ideas of other team members. Team identification helps members move beyond individual differences and focus on the needs of the team. Culturally diverse teams outperform culturally homogenous teams in later phases of a team’s life (Gibson, Huang, Kirkman, & Shapiro, 2014). It takes time to develop shared team values and a team identity that helps the team overcome the challenges of cultural differences.

The benefits of team diversity occur because of the ability to share diverse information, knowledge, and perspectives, thereby bringing together a larger pool of information for problem solving (Pieterse, Knippenberg, & Dierendonck, 2013). This benefit may be hidden from the team if team members are not motivated to discuss and explore the different perspectives within the team. Differences among people may discourage open communication, and perceptual biases may limit learning from others. Teams need to develop a learning orientation to obtain the benefits of diversity.

Diversity should not be linked to task assignments (Rico, Sanchez-Manzarares, Antino, & Lau, 2012). For instance, a team should not assign Asian members the technical issues, women the communication functions, and younger members the computer tasks. When tasks and stereotypes are linked, stereotypes and prejudices become a rational way of explaining what happens in the team.

In some cases, the problems created by diversity are related to the performance evaluation and reward system. When members of a team are not working together cooperatively, the evaluation and reward system is one of the first places to look for a cause for the problem (Northcraft et al., 1995). Members of the leader’s in-group are more likely to receive better performance appraisals and rewards, and in-group membership may be related to the leader’s stereotypes. In a cross-functional team, members are often evaluated and rewarded by the departments they represent rather than by the team. Given this situation, their commitment to the team’s goals is limited. Such conflicts are primarily about the organization’s reward system rather than about diversity.

**Summary**

Diversity is increasingly relevant for organizations because of the increased numbers of women and minorities in the workplace, the desire for workforces to reflect the diversity in society, and changes in how people work together. Although we often think of diversity in terms of demographic differences
(e.g., gender, ethnicity, age), diversity also includes psychological (e.g., values, personality, knowledge) and organizational (e.g., tenure, occupation, status) differences among people. The impact of diversity on teams can be caused by differences among types of people or expectations about differences that cause people to treat each other differently.

The problems created by diversity have several causes. People categorize others and use stereotypes to explain differences between groups. The categorization process can lead to misperceptions and cognitive biases. Team leaders are affected by these biases and may treat team members differently because of their backgrounds. Diversity may be due to competition and conflict between groups.

The biases created by diversity may cause members of a team to misperceive and discount the contributions of minority members. This reduces minority members’ ability to contribute to the team’s efforts. Emotional distrust leads to defensive communication and power conflicts. These factors disrupt the operation of the team and reduce minority members’ motivation to participate.

The effects of diversity on teams are complex. The performance differences between homogeneous and heterogeneous teams depend on the types of diversity and tasks. Personal or surface-level diversity may increase conflict in teams, while functional or deep-level diversity improves team performance on a variety of tasks. Cross-functional teams are an example of diversity purposely created by organizations.

Organizations can develop programs to help teams better manage diversity issues. Diversity programs are designed to increase awareness of the differences among types of people, to improve a team’s ability to communicate, to create a psychologically safe work environment, and to create goals and reward systems that encourage working together.

---

Team Leader’s Challenge 13

You are the professor in an undergraduate engineering design class. The year-long class uses student teams to complete a complex design project. Your goal is to simulate a real-world professional experience in the class, but you also need to ensure that it is a safe and productive learning experience for the students.

Like many engineering classes, there are few women students. In the past, you have not been concerned about gender issues when assigning students to project teams. However, last year you received several complaints from women students about feeling bullied and unsupported in their teams. These students were the only women in their design teams.
How should you (the professor) distribute the few women engineering students among the project teams?

Are there actions you could take to provide support for the women students in the class?

How do you handle complaints from women students about team relations?

**SURVEY: ATTITUDES TOWARD DIVERSITY**

**Purpose:** Increase your awareness of how well you enjoy working in a diverse team. Attitudes toward diversity have behavioral, cognitive, and affective components. *Diversity of contact* is the behavioral component that relates to an interest in participating in diverse activities, *relativistic appreciation* is the cognitive appreciation of similarities and differences in people, and *sense of connectedness* refers to the affective component or the degree of comfort interacting with others.

**Directions:** Using the scale below, indicate the amount of agreement with each of the following statements about yourself.

Strongly Disagree 1 2 3 4 5

1. I like to go to dances that have music from other cultures.
2. Interacting with people with disabilities gives me a different perspective on the world.
3. It is hard for me to feel close to someone from another race.
4. I enjoy attending events where I can meet people from different ethnic backgrounds.
5. Knowing how a person is different from me can enhance our friendship.
6. I find it difficult to interact with someone from another culture.
7. I am interested in learning about how different cultures live.
8. Knowing people from different ethnic groups helps me understand myself better.
9. I do not feel at ease when I am around people from another culture.
____ 10. I would like to join a social organization that helps me get to know different types of people.
____ 11. I can best understand someone by knowing how he or she is both similar and different from me.
____ 12. Getting to know someone from another ethnicity is an uncomfortable experience for me.

**Scoring:**
Add questions 1, 4, 7, and 10 to obtain your Diversity of Contact score.
Add questions 2, 5, 8, and 11 to obtain your Relativistic Appreciation score.
Add questions 3, 6, 9, and 12 to obtain your Sense of Connectedness score.

**Discussion:** How do your attitudes toward diversity compare to other team members? What can you do to help improve your attitudes toward working in diverse teams? How are the behavioral, cognitive, and affective aspects of diversity related?


---

**ACTIVITY: UNDERSTANDING GENDER AND STATUS DIFFERENCES IN A TEAM**

**Objective:** Diversity can be caused by demographic (e.g., gender), psychological (e.g., personality), or organizational (e.g., status) differences. The more powerful group is more likely to communicate, speak forcefully, and contradict others. It is sometimes assumed that women’s communication is more polite and deferential than men’s communication, but this may have more to do with status than gender or personality differences. This activity helps explore this question.

**Activity:** Use the observation form (Activity Worksheet 13.1) to record the communication in a team meeting that comprises male and female members. Alternatively, organize a small group discussion on the Team Leader's
Challenge with a mixed gender group. You may also want to create all-male and all-female groups for comparison purposes.

**Analysis:** Women and low-status team members use the first two communication styles more often, while men and high-status team members use the last two communication styles more often. Compare the various communications of women with that of men in the group, and compare the communication level and style of high-status (e.g., leader) with that of low-status members. Also, note which type does most of the communicating in the group.

**Discussion:** How do you explain the differences among communication styles of team members? Are these differences because of status, personality, or gender differences? What should a team do to make sure diversity differences do not interfere with full participation and acceptance in the team?

### ACTIVITY WORKSHEET 13.1
*Observing Team Communication Differences*

<table>
<thead>
<tr>
<th></th>
<th>Team Members</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Phrases ideas tentatively and politely</td>
<td></td>
</tr>
<tr>
<td>Shows agreement and support for others</td>
<td></td>
</tr>
<tr>
<td>Confronts issues using direct and forceful language</td>
<td></td>
</tr>
<tr>
<td>Contradicts and disagrees with others</td>
<td></td>
</tr>
<tr>
<td>Total number of communications:</td>
<td></td>
</tr>
</tbody>
</table>