DEVELOPMENT OF A MODEL OF THE ANTECEDENTS AND CONSEQUENCES OF AN INCLUSIVE TEAM CLIMATE

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ABSTRACT

Exclusion due to the tendency of people to form subgroups based on perceived interpersonal similarities and dissimilarities still prevents many individuals and teams from reaching their full potential. Using research from the social psychology and organisational behaviour literature we examine the relationship between perceived dissimilarity, subgroup formation and team climate and individual team member’s responses to the team and propose a model of the antecedents and consequences of individual team member’s propensity to perceive dissimilarity and an inclusive team climate.

KEYWORDS
Team Climate, Inclusion, Exclusion, Diversity

INTRODUCTION

The past two decades has seen a significant increase in diversity research in the management literature. Interestingly, a vast body of this research has shown that the problems arising from workforce diversity are not due to diversity itself but to a failure in integrating and utilising diverse individuals (Hartel & Fujimoto, 2000). That is, while organisational policies and practices may open the door to diverse individuals, exclusion due to the tendency of people to form subgroups based on perceived interpersonal similarities and dissimilarities still prevents many individuals and teams from reaching their full potential (Mor Barak, 2000).

The concept of inclusion-exclusion is defined “as a continuum of the degree to which individuals feel a part of critical organisational processes such as access to information and resources, involvement in work groups, and ability to influence the decision making process” (Mor Barak, Cherin, & Berkman, 1998, p.48). Consequently, the extent to which a team will have an inclusionary versus an exclusionary environment will depend on the degree to which its team members engage in subgroup formation. Cultural diversity is a salient characteristic upon which subgroups are often formed. For this reason, this paper will focus on the impact of subgroup formation based on perceptions of cultural similarity or dissimilarity on team climate and individual and team level outcomes.
This paper uses research from the social psychology and organisational behaviour literature to examine the relationship between the tendency of members of culturally diverse teams to form subgroups based on cultural similarity or dissimilarity and the resulting team climate and individual team member’s responses to the team. Specifically, this paper looks at the development of a model of the antecedents and consequences of individual team member’s propensity to perceive dissimilarity and an inclusive team climate. This model considers what affects individual team member’s propensity to perceive dissimilarity and to perceive team climate as inclusive and what the individual and team level outcomes of this process are.

DETERMINANTS OF THE MODEL OF TEAM CLIMATE IN CULTURALLY DIVERSE WORK TEAMS

A review of the management literature has identified that while culturally diverse teams are proposed to present a number of benefits to work teams such as increased innovation and creativity, however, the barriers posed by cultural diversity are preventing these benefits from being realised and hindering the performance of these teams (Maznevski, 1994). In this paper, we propose that the ability of culturally diverse teams to perform in a manner which leads to positive outcomes at both the individual and team level depends on the extent to which it has an inclusive versus exclusionary team climate. It is argued that the inclusiveness of a team’s climate will depend on the extent to which member’s of the team engage in subgroup formation. A model of the antecedents and consequences of individual team member’s propensity to perceive dissimilarity and an inclusive climate is depicted in Figure 1. The model identifies a number of attributes possessed by individual team members which will either facilitate or impede their propensity to perceive dissimilarity and their tendency to engage in subgroup formation influencing the extent to which the team has an inclusive climate and subsequently both individual team members responses toward their team and team level outcomes overall. The attributes discussed in this model will operate in the same manner in all individuals regardless of whether they belong to the cultural majority or cultural minority within a team.
Figure 1: Antecedents and Consequences of Individual Team Members Propensity to Perceive Dissimilarity and an Inclusive Climate

**Individuals Propensity to Perceive Dissimilarity**
- **Identity Salience**
  - Low Cultural Identity Salience
- **Affective Attributes**
  - High Tolerance of Ambiguity
- **Cognitive Attributes**
  - High Cognitive Complexity

**Mediators of Individuals Reactions to Perceived Dissimilarity**
- **Goal Orientation**
  - High Task Orientation, Low Ego Orientation
- **Affective Attributes**
  - High Openness to Perceived Dissimilarity
  - High Cultural Empathy
- **Cognitive Attributes**
  - High Cultural Knowledge

**Perceived Inclusiveness of Team Climate**
- Individuals Perceived Integration of Subgroups
- Inclusive Climate
  - **Shared Vision**
  - **High Participative safety**
  - **High Support for innovation**
  - **Task orientation**

**Individual Team Members Response toward their Team**
- High Satisfaction
- High Affective Commitment
- High Organisation based self-esteem
- Low Absenteeism
- Low Turnover Intentions
- High OCB’s
- High Trust

**Team Outcomes**
- High Performance
- Minimal Conflict
- High Innovation
- Low Turnover

**Behavioural Attributes**
- High Conflict Management Ability
- High Intercultural Communication Ability
- High Emotion Management Ability
ATTRIBUTES WHICH INFLUENCE AN INDIVIDUAL’S PROPENSITY TO PERCEIVE DISSIMILARITY

The proposed model of team climate identifies three key attributes possessed by individuals that will determine whether or not they perceive dissimilarity between themself and other members of their team. These are cultural identity salience, tolerance for ambiguity and cognitive complexity.

Cultural Identity Salience

While there are a number of identities that can be a part of one’s social identity, “identities that have strong and immediate effects on behaviour are the ones that are salient” (Randel, 2003, p.29). Therefore, the salience of one’s identification with their cultural group will influence the extent to which they are likely to perceive differences between themselves and culturally diverse members of their team and engage in exclusionary behaviours. “Cultural identity salience involves an automatic social categorisation process that individuals undertake as a result of cognitive limitations and a desire to make sense of their social environment” (Randel, 2003, p.28).

“Research has shown that, even if they intend not to, subjects unconsciously apply stereotypes when an identity is salient” (Randel, 2003, p.29). Consequently, individuals who identify strongly with their cultural group are more likely to perceive difference between themselves and culturally diverse members of their team facilitating group segmentation than individuals with low cultural identity salience. Four factors can be identified as contributing to cultural identity salience. These are the relationship between cultural identity and one’s self-esteem, the salience of in-group membership to the individual, the status of the cultural group that they belong to and the relevance of the out-group(s) to one’s in-group. Consequently, it is proposed that:

P1a: Individuals with high cultural identity salience are more likely to perceive differences between themselves and culturally dissimilar members of their team than individuals with low cultural identity salience.

Tolerance of Ambiguity

An individual’s tolerance for ambiguity will determine the extent to which they perceive interactions with culturally dissimilar team members as desirable as opposed to a source of threat. Individuals with a low tolerance for ambiguity tend to have adverse reactions in situations in which
they do not have all of the required information. Consequently, they are likely to have negative affective reactions when in a situation where they have to work with people who are dissimilar to themselves. Conversely, individuals with a high tolerance for ambiguity are able to work well in stressful situations and tend to seek out objective information in order to help them deal with the situation. Therefore, it is suggested that individuals with high tolerance for ambiguity are less likely to engage in subgrouping than individuals with low tolerance for ambiguity. Consequently, it is proposed that:

**P1b:** Individuals with high tolerance for ambiguity are less likely to perceive differences between themselves and culturally dissimilar members of their team than individuals with a low tolerance for ambiguity.

**Cognitive Complexity**

Cognitive complexity refers to the degree to which a person is able to process a wide variety of information about another person. Individuals who are cognitively complex have a wider variety of frameworks with which to evaluate information enabling them to form more extensive and differentiated impressions of diverse others providing them with a greater capacity for developing an understanding of culturally diverse team members (Yum, 1982). Conversely, individuals who are cognitively simple only have one framework with which to evaluate information, they seek out information consistent with prior beliefs and are more likely to engage in categorisation. Therefore, it is suggested that individuals high on cultural complexity are less likely to engage in subgrouping than individuals low on cultural complexity. Consequently, it is proposed that:

**P1c:** Individuals who are cognitively complex are less likely to perceive differences between themselves and culturally dissimilar members of their team than individuals who are cognitively simple.

**ATTRIBUTES WHICH INFLUENCE THE TENDENCY OF AN INDIVIDUAL TO ENGAGE IN SUBGROUPING**

The social psychology literature suggests that the perception of dissimilarity between an individual and other members of their team leads to categorisations of in-group and out-group membership. It would follow therefore that individuals with a low propensity to perceive dissimilarity
are less likely to engage in subgroup formation than those with a high propensity to perceive dissimilarity. However, it must be recognised that there are a number of attributes that will influence one’s tendency to engage in subgrouping. These include one’s goal orientation, openness to perceived dissimilarity, cultural empathy and cultural knowledge.

**Goal Orientation**

An individual’s goal orientation determines the way that they approach tasks within a team. Individuals with an ego orientation are, in essence, concerned with appearance striving to show their superiority. Consequently they tend to engage in high levels of social comparison resulting in an environment in which subgrouping flourishes. Conversely, individuals with an ego orientation are more concerned with focusing on the task at hand and are willing to cooperate with others to ensure that they do the best work they can. Consequently, it is proposed that:

**P2a:** Individuals with a task orientation are less likely to engage in intergroup distinctions and subgroup formation facilitating an inclusive team climate that individuals with an ego orientation.

**Openness to Perceived Dissimilarity**

The degree to which an individual is open to perceived dissimilarity will determine the extent to which they are receptive to dissimilar others. A person who is low on dissimilarity openness is likely to perceive differences between themself and culturally dissimilar members of their team and react to these differences in a negative manner. Conversely, an individual who is high in dissimilarity openness is less likely to perceive differences between themselves and culturally dissimilar members of their team. Furthermore, when they do perceive dissimilarity they tend to react to it in a positive manner, are open to learning from these differences and make an effort to see things from dissimilar team member’s point of view (Fujimoto, Härtel, Härtel, & Baker, 2000). Therefore, it is suggested that individuals high on dissimilarity openness are less likely to engage in subgrouping than individuals low on dissimilarity openness. Consequently, it is hypothesised that:

**P2b:** Individuals who are open to perceived dissimilarity are less likely to engage in subgrouping, facilitating an inclusive team climate than individuals who are closed to perceived dissimilarity.


**Cultural Empathy**

The extent to which an individual has cultural empathy will determine the extent to which they are able to empathise with culturally diverse members of their team. Individuals who are high in cultural empathy have an ability to understand and relate to culturally diverse team members and are willing to communicate and form relationships with them. Conversely, individuals low in cultural empathy find it difficult to understand and relate to culturally diverse team members and consequently are either unwilling or find it difficult to communicate and form relationships with them. Therefore, it is suggested that individuals high on cultural empathy are less likely to engage in subgrouping than individuals low on cultural empathy. Consequently, it is proposed that:

**P2c:** Individuals with high cultural empathy are less likely to engage in subgrouping, facilitating an inclusive team climate than individuals with low cultural empathy.

**Cultural Knowledge**

The extent to which an individual has knowledge of other cultures will impact on their tendency to perceive differences between themselves and culturally diverse members of their team. Individuals with high cultural knowledge are able to understand things such as the meanings that others ascribe to behaviours, decreasing the likelihood that they will perceive differences between themselves and culturally diverse team members. On the other hand, individuals with low cultural knowledge will find it difficult to understand things such as the values and behaviours of culturally diverse team members and as such are more likely to perceive differences between themselves and these individuals. Therefore, it is suggested that individuals with sound cultural knowledge are less likely to engage in subgrouping than individuals with low cultural knowledge. Consequently, it is proposed that:

**P2d:** Individuals with high cultural knowledge are less likely to engage in subgrouping, facilitating an inclusive team climate than individuals with low cultural knowledge.

**SUBGROUPING AND TEAM CLIMATE**

The extent to which subgrouping is perceived to exist within a culturally diverse team will determine the extent to which team climate is perceived to be inclusive. Diversity research to date indicates that diversity itself is not the cause of the problems that arise in diverse teams, rather it is a
failure of these teams to integrate and utilise diverse team members (Mor Barak, 2000). Consequently, team climate is a crucial determinant of whether or not a culturally diverse team will be able to realise the potential benefits of diversity and perform to their maximum potential. If a team has an inclusive climate then the members of the team will feel that they are a valued part of the team with access to information and resources and input in decision making-processes (Mor Barak et al., 1998).

A review of the literature leads to the prediction that when subgroups are perceived to exist within a team then it is likely to have an exclusive team climate as not all members of the team will feel a part of critical team processes. On the other hand, when subgroups are not perceived to exist within a team then all team members are likely to feel as though they are a part of critical team processes and hence the team is likely to have an inclusive team climate. Therefore the following proposition has been derived:

**P3a:** Teams in which subgrouping is perceived to exist are likely to have exclusive team climates. Conversely, teams in which subgrouping is not perceived to exist are likely to have inclusive team climates.

**KEY OUTCOMES FOR INDIVIDUAL TEAM MEMBERS AND THE TEAM**

The perception of individual team members regarding the inclusiveness versus exclusiveness of their team will have a significant impact not only on their responses toward their team but also on team level outcomes overall. The model proposed in this paper predicts that the perception of an exclusionary team climate will have a negative impact on an individual’s responses toward their team and team level outcomes. Conversely, a team climate that is perceived as inclusive will have a positive impact on both individual team member’s responses toward their team and team level outcomes.

Research to date has identified a number of individual outcomes for both cultural majority and cultural minority team members that can be determined by their perceptions of team climate. As people have an innate need to belong, there is proposed to be a relationship between the extent to which they perceive themself to be included in as opposed to excluded from the team and their
feelings toward their team. As depicted in the proposed model, affective responses towards one’s team, which research has shown are impacted by perceptions of inclusion-exclusion, include an individual’s satisfaction, commitment and trust in relation to their team, their turnover intentions, their organisation-based self-esteem, absenteeism and displays of OCB (Leary & Downs, 1995; Mor Barak, 2000). When team climate is perceived as being inclusive, the model predicts that team members will have high levels of satisfaction, affective commitment, organisation-based self-esteem, trust and citizenship behaviours and low turnover intention and absenteeism. However, when team climate is perceived as exclusionary, it is predicted that the opposite will be the case. Therefore, it is proposed that:

**P4:** Inclusion within culturally diverse work teams will be related to higher levels of satisfaction, commitment, organisation-based self-esteem, trust and citizenship behaviours and lower levels of absenteeism and turnover intentions. While exclusion within culturally diverse work teams will be related to lower levels of satisfaction, commitment, organisation-based self-esteem, trust and citizenship behaviours and higher level of absenteeism and turnover intentions.

As team climate is proposed to influence individual team member responses toward their team, logically then it follows that it will also have an impact on team level outcomes. Research suggests that when team climate is inclusive, a culturally diverse team is more likely to reach its potential and perform to a higher level than when team climate is exclusive. Consistent with research on diversity and team climate, the proposed model depicts a relationship between perceptions of inclusion-exclusion and a team’s performance, the amount of conflict and turnover it experiences, and its innovativeness. When team climate is perceived as inclusive, it is proposed that team performance and innovation will be high, whilst conflict and turnover within the team will be low. However, when team climate is perceived as exclusionary, it is predicted that the opposite will be the case. Therefore, it is proposed that:

**P5:** Inclusion within culturally diverse work teams will be related to higher levels of performance and innovation and lower levels of conflict and turnover. Conversely, exclusion within
culturally diverse work teams will be related to lower levels of performance and innovation and higher levels of conflict and turnover.

MODERATORS OF ROLE TEAM CLIMATE AND TEAM LEVEL OUTCOMES

Conflict and emotion management competence and intercultural communication competence are identified as moderating the relationships proposed in the model. These competencies play a central role in interactions between culturally diverse team members regardless of how positive their reactions toward culturally dissimilar others may be, if they do not possess the appropriate behavioural attributes they will not know how to act in certain situations (Gudykunst & Kim, 1997).

Conflict Management

Conflict is a result of perceived incompatibilities between the wishes, desires and views of the members of a team (Jehn & Mannix, 2001) and is often cited as a significant problem in diverse work teams. However, the ability of members of the team to deal with conflict is proposed to play a role in determining the extent to which the team engages in subgrouping, has an inclusive team climate and performs overall. It is for these reasons that the ability of team members to deal with conflict is proposed to play a moderating role in the proposed model.

A variety of conflict management techniques have been put forward in the management literature (Darling & Fogliasso, 1999). It is important to note however, that the way in which conflict is interpreted and managed is likely to differ between individuals of diverse cultural backgrounds (Rahim & Blum, 1994). Consequently, for individuals working in culturally diverse teams, good conflict management will involve not only an understanding of the conflict cycle and how to implement conflict management strategies (Ayoko & Härtel), but also the ability to respond to cultural cues that prompt the need for using a variety of tactics appropriate to the situation (Leiba-O'Sullivan, 1999). Therefore the following proposition has been derived:

P6a: Subgrouping, team climate and team level outcomes will be positively moderated by the possession of good conflict management skills.
**Intercultural Communication**

The relationship between culture and communication is widely documented in the management and communication literature, making it clear that culture is an important component of communication processes at all levels of team interactions (Ayoko, Härtel, Fisher, & Fujimoto, 2004). Interactions between culturally diverse members of a team can lead to people being confronted with language rules and norms that they are not familiar with which results in confusion and misunderstandings and highlights the perceptions of difference between themselves and other team members. This often results in group segmentation with culturally dissimilar team members tending to communicate more formally and less frequently than their culturally similar counterparts (Milliken & Martins, 1996). Furthermore, inclusion and exclusion behaviours have been shown to exist in the communication patterns of culturally diverse teams with “many processes operating to exclude or keep minority members out of information and opportunity networks” (Ayoko, Härtel, & Callan, 2002, p.167). Consequently, intercultural communication competence is proposed as a moderating factor in the proposed model.

Intercultural communication is "a transactional, symbolic process involving the attribution of meaning between people from different cultures" (Gudykunst & Kim, 1997, p.19) Simply put, successful intercultural communication refers to the receipt and interpretation of a message by an individual with the same meaning that was intended by the sender. An individual with intercultural communication competence will have “both the knowledge of the appropriate communication patterns for a situation and the ability to apply that knowledge" (Ayoko et al., 2004, p.160). Consequently, when culturally dissimilar individuals within a team are able to communicate competently then they are unlikely to experience misunderstandings and confusion which lead to perceptions of dissimilarity, subgrouping and the development of exclusionary communication behaviours. On the contrary, intercultural communication competence is proposed to facilitate increased communication and interaction between culturally diverse team members, facilitating team inclusiveness and allowing the team to reap the benefits proposed by cultural diversity. Consequently, it is proposed that:

**P6b:** Subgrouping, team climate and team level outcomes will be positively moderated by the possession of good intercultural communication skills.
The frequency and level of formality of communication within a culturally diverse team will be related to the attributes of its team members and possession of good intercultural communication skills.

**Emotion Management**

The emotional reactions of individuals within a team have been shown to impact both the individual’s experiences within the team and the team overall (Rapisarda, 2002). While emotional conflict may occur in any team, it is more likely to occur in heterogeneous teams than homogeneous ones “because of ‘interpretative barriers’ stemming from members’ different values, beliefs and language systems, acquired from varying socialization expressions” (Von Glinow, Shapiro, & Brett, 2004, p.578). Emotional conflict will often trigger emotions such as anxiety and threat leading to team members forming cognitive inferences (Pelled, 1996), facilitating subgroup formation and the development of an exclusive team climate. When this occurs, team members tend to focus more on dealing with the emotional conflict and less on the task-related functions of the team, impacting the team’s overall efficiency and effectiveness. Consequently, empirical research into the impact of emotional conflict on teams has shown that it diminishes team performance (Pelled, 1996). Consequently, the ability of team members to manage emotions is proposed to play a moderating role in the model of team climate.

The interest in the ability of individuals and teams to manage emotions during work-place interactions has grown significantly over the past decade, with emotional intelligence being a construct that has received a great deal of attention in regard to this (Yang & Mossholder, 2004). Salovey and Mayer (1990) first defined emotional intelligence as “the ability to monitor one’s own feelings and emotions, to discriminate among them, and to use this information to guide one’s thinking and actions” (p.189). Jordan, Ashkanasy and Härtel (1997) identified four significant factors to emotional intelligence. These include dealing with one’s own emotions (awareness of own emotions, control of felt emotions, display of own emotions); dealing with the emotions of others (awareness of others’ emotions, ability to manage others’ emotions, empathy); using emotions in decision-making and using emotions in problem solving. The ability to manage each of these factors in a positive way will assist
team members to properly understand and appraise various emotions and channel them in a constructive way (Yang & Mossholder, 2004). Furthermore, the ability to regulate emotions allows individuals to “influence which emotions they have, when they have them, and how they experience or express these emotions” (Gross, 1999, p.542). If necessary, this will allow them to understand and identify how, for example, negative affective reactions my impact both other team members and the team overall and adjust their behaviour accordingly. Consequently, if the members of a team have good emotion management skills, they will be able to prevent emotional reactions from impacting on the functioning and performance of the team. Therefore, the following is proposed:

P6d: Subgrouping, team climate and team level outcomes will be positively moderated by the possession of good emotion management skills.

CONCLUSION

This paper has examined the impact of the tendency of people to form subgroups based on cultural diversity and the resulting impact on team climate and individual and team member’s responses to their team. A model of the antecedents and consequences of individual team member’s propensity to perceive dissimilarity and an inclusive team climate was developed. The model proposes that when individuals form in-groups and out-groups a team is likely to have an exclusionary environment which will impact negatively on the team’s performance and the individual team member’s perceptions of their role in the team and toward the team. Conversely, when team members do not have a tendency to form subgroups, the model proposes that the team is likely to have an inclusionary team environment which will impact positively on the team’s performance and the response of team members toward the team.

We acknowledge that the model has its limitations as there are a number of factors not present in the model which may impact the individual’s tendencies to form subgroups, a team’s climate or performance and an individual’s responses toward their team. However, the model does provide an overview of the possible relationship between these factors and enables us to predict how changes in the tendency to subgroup can lead to fluctuations in team climate and individual and team level outcomes. Furthermore, the model provides some guidelines to management professionals as to
considerations for the selection, training and development of culturally diverse work teams. Finally, the development of this model will facilitate further research which will enable the identification of the competencies that will facilitate a decrease in the tendency of individuals to subgroup and hence the development of an inclusive team climate.

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