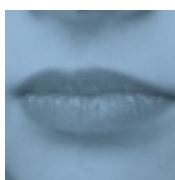


# Creating Effective Multicultural Teams.

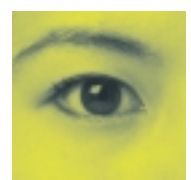
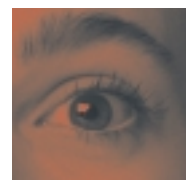
By David C Thomas  
Elizabeth C. Ravlin  
David Barry

**Teams are in fashion. Managers the world over – seeking productivity gains, better quality of work life and greater operating flexibility – are redesigning their workplaces around teams.**

Recent studies note that about 25 per cent of U.S. firms have implemented self-managing teams somewhere in their organisation (Wellins & Sykes, 1994). With some firms attributing output gains of 30 to 40 per cent to the implementation of teams, the enthusiasm of managers for this approach is not surprising.



Introducing self-managing teams is a complex affair, involving changing work methods, compensation systems, levels of employee involvement and the role of the first level supervisor.



The process is even more difficult when working with people from different cultures, who have different frames of reference, priorities and ways of communicating. In a recent Hay Group multinational survey of executives, only 5 per cent thought they were doing a “very good job” of managing diversity in their workforces (Rice, 1994).

Given that multicultural self managing teams (MTs) are rapidly becoming the global norm, several questions arise:

- Are there different types of team organisation and team tasks that result in better (or worse) outcomes?
- What are some of the key pitfalls in implementing MTs?
- How can cultural diversity be turned to advantage, both for team members and their respective organisations?

## STUDYING MULTICULTURAL TEAMS

To help answer these questions, we spent two years studying manufacturing MTs in Australasia (Thomas & Ravlin, 1995), home to some of the world’s most culturally diverse workgroups. The cultural composition of a typical New Zealand manufacturer might be 20 percent Pakeha (New Zealand European), 15 percent Maori (indigenous New Zealanders), 15 percent Samoan, 10 percent Cook Islanders, 10 percent Tongans, 10% Chinese, 10 percent Malaysian, 5 percent Korean and 5 percent Indian. Industrial firms in Sydney and Melbourne often have more than 35 national cultures represented.

Outstanding team successes have been recorded by companies such as New Zealand brewer Lion Nathan, ICI/Dulux Paints (New Zealand) Ltd, grocery giant Woolworth’s (Australia), and New Zealand manufacturer Interlock Industries. Other company team attempts have failed dismally. As such, MTs in this region offer an exceptional opportunity for teasing out what does and doesn’t work when it comes to managing team diversity.

Our goal, in addition to identifying the effects of culture on team behaviour, was to examine the organisational characteristics required to support effective multicultural teams.

We used a number of methodological lenses in our study. Initially, we conducted semi-structured interviews with 38 team members and nine managers in three manufacturing firms in Australia and New Zealand. This was followed by a detailed survey of 206 members of 41 teams. We also observed the teams as they performed their various tasks and at regular team meetings. A complete description of the empirical study on which much of this research report is based is available in Thomas and Ravlin (1995) and on the world wide web, [www.gsia.cmu.edu/bosch/bosch.html](http://www.gsia.cmu.edu/bosch/bosch.html).

These teams we studied ranged widely in their effectiveness and processes. Their support structures varied as well, ranging from hiring systems that selected people based on their abilities to work in teams to more traditional set-ups.

We found that much of what passes for team wisdom in single culture contexts falls apart when multiculturalism is present. MTs have complex notions of effectiveness that are heavily affected by team composition. Their diversity means they often have to develop unusual and creative work processes. And they need particular kinds of managerial attention and support if they are to succeed.

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In the sections that follow we discuss each of these areas in more detail, starting with effectiveness and concluding with managerial suggestions for working with cultural diversity.

## WHAT IS AN EFFECTIVE MULTICULTURAL TEAM?

Before discussing what can be done to increase team effectiveness, it is important to highlight how cultural differences affect what gets called “effective”. Often, “going nowhere” in one culture is “getting there” in others. When we asked team members of MTs about effectiveness, some pointed to open-mindedness, others to speed (“It’s when we’re working really fast”), some to listening and quiet camaraderie, and others to the opposite (“You need people who are outspoken – you don’t want people who will listen, you don’t want followers”).

Most team members mentioned task accomplishment, which mirrors many managers’ notions of effectiveness. However, a majority also noted the importance of how well the team works together, and a significant minority was concerned with other interpersonal or social factors. When asked why being a team member was important to them aside from task accomplishment, many also mentioned personal reasons, such as increased self-esteem.

These reactions are consistent with a well-accepted framework for assessing team effectiveness (Hackman, 1987). First, the outcomes of the team effort must *meet or exceed the standards for quantity and quality set by the organisation*. Second, the team experience has to *satisfy the personal needs of team members*.

Team members are more motivated, on the whole, if team activity helps them meet their personal goals.

We also found that team members from different cultures often had very different ideas about their relationship to the team. For example, in Australasia, Polynesians are more concerned about the social aspects of the work team than are Anglo-Europeans. This finding reinforced the inclusion of a simple, but critical third criterion for effectiveness: *being able to work together*.

To help measure these factors, we asked team members about their attitudes, (e.g., satisfaction with the team), team cohesiveness, the commitment of team members, team spirit, their degree of trust in one another, and the type and amount of conflict in the team. We then examined culturally related variables that might contribute to effectiveness. We discuss our findings in the next section.

Following this, we talk about our findings of how various managerial attitudes and interventions affected MT performance. Finally, we consider how managers might work with these findings, helping to create teams that are effective at multiple levels. A basic framework that integrates our work is presented in Figure 1 (page 16).

## HOW DO CULTURAL DIFFERENCES AFFECT TEAM EFFECTIVENESS?

The effects of culture on teams are many, complex, and can be very subtle. The team members we studied knew the effects were

“Often, “going nowhere” in one culture is “getting there” in others.”

there, felt them acutely at times, but could only say things like, “Yeah, culture makes a big difference... but it’s so hard to put your finger on it.”

Even so, as we went from company to company comparing “outstanding” teams with mediocre or failed ones, we isolated three key ways in which culture influenced teams:

- through the *norms* of the specific cultures present in the team;
- through how culturally *different* individual team members were from one another; and
- through the overall *amount* of cultural diversity present in the teams.

**WHICH CULTURAL NORMS ARE PRESENT IN THE TEAM?**

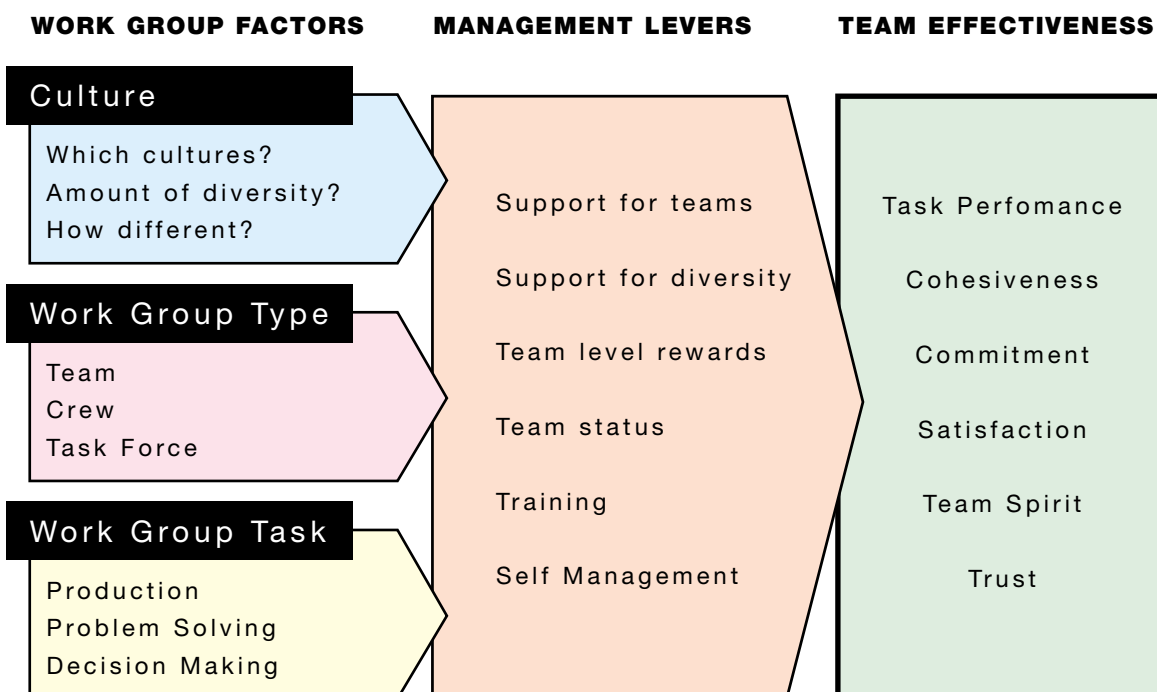
One of the most important influences on effectiveness is the mix of cultural norms present in the team. Different cultures have very different orientations toward what is proper in

terms of team functioning and structuring. These beliefs are not checked at the door, but ‘spill over’ into the work place.

For example, many Asian cultures believe that maintaining a sense of harmony is extremely important in dealing with other people. This contrasts dramatically with notions of constructive conflict and devil’s advocacy popular in Western cultures (e.g., Eisenhardt, Kahwajy, & Bourgeois, 1997). Also, cultural variation exists with respect to the appropriate work group roles for women and individuals of different ages.

Our study of the three distinct cultural clusters (Asian, Polynesian, Anglo-European) clearly demonstrated that different cultures react very differently to the use of teams. Polynesians were significantly more positive about the teams than their Anglo-European counterparts. This is consistent with the greater similarity of group-oriented or familial Polynesian cultural norms to

FIGURE 1





work team norms (Ah Chong & Thomas, 1995). Anglo-Europeans were less likely to feel identified with or committed to the team, consistent with their more individualistic orientation. Asians indicated lower conflict in their groups, consistent with a collectivist culture's norm for the maintenance of group harmony.

We also noted that different cultures represented in teams respond differently to the management interventions involved in team implementation. For example, Polynesians tend to be relatively unaffected by the level of training received, compared to their Anglo-European and Asian counterparts. This is consistent with observations of the "easy going" characteristic of Polynesian culture.

One implication of these findings is that failure to recognise that different cultures will respond differently to teams can mask the true reasons for a team's effectiveness. The national culture of team members determines, at least in part, the legitimacy with which they view team structures, and their receptiveness to this form of organisation. Trying to overlay team structures from one situation onto another without considering differences in the cultural composition of the workforce can have disastrous results.

#### HOW CULTURALLY DIFFERENT ARE TEAM MEMBERS?

A second influence on team performance is the extent to which an individual is culturally different from the other team members. Culturally different team members compare themselves to the other members. Their age and gender can also influence the extent to which they feel culturally different. Based on this comparison, they evaluate how appropriate their behaviour is and their status within the team.

If team members perceive their status favourably, they are likely to participate more fully in team functions and to perceive the team

more positively (see Mullen, 1987; Tajfel & Turner, 1986).

We found that cultural similarity of team members is significantly related to certain dimensions of team effectiveness. Most notably, in teams composed of culturally similar members, team cohesiveness and satisfaction with the team's processes are higher. Individuals are attracted to and have more positive attitudes about people who are like themselves (Byrne, 1971).

However, this effect does not necessarily hold for all cultures in all situations. In Australasian MTs, perceived similarity between the team member and the rest of the team is important for Anglo-Europeans and Asians. However, Polynesians do not seem to be concerned with similarity between themselves and the rest of the team and do not respond differentially on that basis.

Another way that similarity between members operates is through the status evaluations that team members make. The perceived status of individuals within the team varies with their cultural group membership (Blalock, 1957). For example, in our research, Asians perceived their team status to be lower than did Polynesians and both of these groups perceived their status to be lower than did Anglo-Europeans.

Our observation of team functioning, in which Asian members seem to defer to Anglo-Europeans, is consistent with this type of status evaluation. In addition, participants' perceived status in the team is related to their team effectiveness evaluations. Higher status individuals typically have more positive assessments of the team and team processes than do lower status individuals.



“Asians perceived their team status to be lower than did Polynesians and both of these groups perceived their status lower than Anglo-Europeans.”

#### HOW MUCH CULTURAL DIVERSITY IS PRESENT?

A final influential factor is the number of different cultures present in a team – its cultural diversity. Cultural diversity can have both positive and negative effects. Having more cultures present generally means more difficulty in interrelations among team members, because of communication problems and different ideas about how to get things done. But it can also result in more, different and better solutions to problems (McLeod, Lobel, & Cox 1996; Thomas, Ravlin & Wallace, 1996) and can sometimes cause the team to focus more effectively on how it is doing its job (Nemeth, 1992).

The number of different national cultures represented in the groups in our sample varied widely. We found that teams with less cultural diversity were generally evaluated by management as being higher performing.

However, we suspect that the nature of the task in which most of these teams were involved contributed to this result. Structured production tasks, like those of most of the manufacturing teams we have observed, allow less opportunity for any positive effects of diversity to occur. Also, managers tended to focus on short-term output as a measure of effectiveness rather than considering longer-term contributions such as process innovation which might be more difficult to assess.

We also found that members of multicultural teams typically thought cultural diversity would be either a neutral or negative factor as regards team effectiveness. That team members were not optimistic about the outcomes of diversity is consistent with what we know about attitudes toward diversity (Milliken & Martins, 1996).

Also, descriptions of an effective team member were dominated by whether or not the team member 'fitted in' with the team.

Interestingly, however, most team members indicated a preference for working on a mixed culture team. When asked directly about their willingness to work on a multicultural team, respondents may have given answers they thought to be acceptable to management, or their answers may have reflected the reality of their work lives, given that the work environments were in fact multicultural.

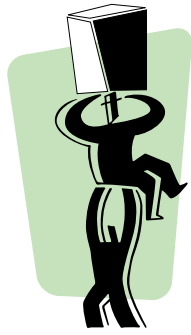
We have learned that while the presence of a multicultural workforce can have either positive or negative effects on work teams, managers and team members are either unlikely to be aware of these effects, or anticipate only negative effects.

Managers interested in effectively implementing teams in culturally diverse work forces must recognise the fact that team effectiveness will be affected by three factors: the cultural norms of the cultures represented in the teams; the cultural similarity between team members; and the number of cultures represented in the teams (cultural diversity).

As noted above, however, we also need to consider the roles of work group structure and the nature of the task in determining more specifically what impact cultural differences are likely to have on team effectiveness.

#### WORK GROUP STRUCTURES AND TASKS

The structure or organisation of the work group and the specific task being performed are important considerations in managing cultural diversity.



While all teams are work groups, not all work groups are teams. In contrast to ‘task forces’, in which people are assigned to groups for a period to accomplish a specific project and ‘crews’, in which members’ relationships centre around a specific piece of equipment or set of tools (like airline flight crews), true teams have highly developed relationships that focus on interactions among team members. They are provided the resources to address projects or problems as they arise.

Because of their emphasis on interpersonal interactions, true teams are more sensitive to cultural differences among members than are other types of work groups.

The nature of the task in which the team is involved also influences the effect of cultural diversity on team performance (Jackson, 1992). In highly structured production tasks, with limited discretion and interpersonal interaction, there is less opportunity for the positive or negative effects of diversity to occur. In these cases, people work less interdependently and cultural diversity is less of an issue unless management takes seriously the mandate that self-managing teams should solve their own problems.

A somewhat different effect can be expected in decision making or problem solving types of tasks, where the culture of individuals can impact the performance of the task. For example, the teams we studied that were involved in product design and development were more likely to recognise the benefits of cultural diversity, despite incurring increased conflict and co-ordination costs, than were teams involved only in a production task.

## MANAGEMENT INITIATIVES AND TEAM EFFECTIVENESS

There is no foolproof recipe for managing MTs. However, in the firms we studied, managers who were effective in implementing MTs differed from their less effective counterparts on a number of key factors. These were:

- the extent to which management provided support for teams;
- whether or not they supported cultural diversity;
- the extent to which individuals’ rewards came from the team;
- the status afforded the team;
- the amount of training received by the team;
- the extent to which teams were self-managed.

The degree to which each of these management levers contributed to the effective implementation of MTs is discussed briefly below.

## MANAGEMENT SUPPORT FOR TEAMS

Management typically controls the resources required for teams to be effective. Also, the dominant characteristics of the organisation influence the types of goals and methods that are acceptable for teams (Campion, Medsker, & Higgs, 1993).

The firms that are most successful in implementing MTs provide strong management support for teams. Specifically, our research has shown that management support for teams is positively related to the task performance of teams, member satisfaction with the team team cohesiveness, commitment to the team, and team spirit and trust. It is negatively related to the amount of emotional conflict felt by team members. That is, an organisational culture that clearly supports teams fosters more effective teams. This factor is of even greater importance in culturally diverse teams. Team members pay particular attention to those in authority, such as executives who set up or otherwise influence teams. This is especially true when team members are unsure of how to behave, as they are in a culturally different environment.

“The Australasian firm that was most effective, had a culture of openness and equality.”

Management support for teams must be visible in behaviour, not just in words, and the rules of behaviour necessary for the team to achieve its goals must be set as clearly as possible at the outset.

## MANAGEMENT SUPPORT FOR CULTURAL DIVERSITY

Just as the organisational culture must support teams to ensure their effective performance, management support for cultural diversity is positively related to the performance of culturally diverse teams. The range of support for cultural diversity represented in the firms we have studied is indicated in these two quotes which emerged in interviews with managers:

“I don’t think we’ve looked at that as an issue and said, ‘Right, that’s okay, we’ve got a multicultural work force so what are we as an organisation going to do to support that?’ I don’t think we’ve done that at all. We’ve just employed people and put them into teams and crews.”

versus

“And, you know, we’re gradually getting the message to those people, you know, (that) we are all valuable.”

We have found that the level of support for cultural diversity, (measured by such things as the extent to which the company treated with respect people from all cultures), is positively related to all of our indicators of team effectiveness. As might be expected, the

relationship is typically somewhat stronger with regard to team member attitudes than for more objective measures of task performance.

As an illustration of this, in our study the Australasian firm that was most effective had a culture of openness and equality. The CEO was often seen on the shop floor and was called by his first name by virtually everyone.

This firm also employed a number of specific techniques. First, as a part of the new employee orientation, every employee underwent diversity training specific to the cultures represented. This was continuously reinforced by active support for the many different cultural traditions represented in the firm.

Cultural differences were celebrated by encouraging employees to share culturally significant events. On these occasions, employees would wear traditional dress and prepare authentic food for fellow workers to try. It was this type of continuous demonstration of respect for diversity that seemed to be most effective, in addition to reinforcement with culture-specific diversity training.

## TEAM LEVEL REWARDS

We know a lot about the effect of rewards on performance from research into the effect of different reward systems on individuals. However, we don’t know a great deal about how far these findings apply to teams.

Some researchers suggest that self-regulating teams will be most effective with a mix of individual and group rewards (Pearce & Ravlin, 1987). However, others have suggested that these hybrid reward systems can lead to poor team performance.

In our study, a range in the level of team-based rewards existed. The most well developed team-based reward scheme was a voucher system that allowed teams to ‘win’ vouchers from customers, other teams and managers. These vouchers were converted to cash awards at the end of the year in proportion to company profits.

“Affording teams high status in the organisation makes being a team member more desirable, regardless of culture.”

At the other end of the spectrum were firms for which performance-based rewards were a novel concept. “Rewarded?” said one executive when asked about this. “In what way? Well, a thank you or a pat on the back, I suppose. To some degree that does happen.”

Our research indicates that in effective teams, individuals derive their rewards from the team. In the multicultural teams we have examined, both task performance and team member satisfaction were higher in teams that derived a substantial amount of their rewards from team activity. Team rewards also related positively to team cohesiveness, commitment, spirit and trust.

However, we feel that research results such as these must be treated with caution in other multicultural contexts. For example, we know that people from individualistic cultures such as the United States and collectivist cultures like much of Asia are guided by different norms for reward allocation (Leung & Bond, 1984). Individualists are typically more comfortable with rewards based on equity, where rewards are based on the level of individual contribution. The norm for collectivists is more likely to involve equality of reward allocation, where all team members share equally in the team rewards.

We believe that the effectiveness of the particular reward allocation strategies we observed was influenced by the cultural composition of the team. In individualistic

cultures, making the ability to work well in a team a key component in an individual's performance review, is likely to be more acceptable than tying rewards directly to team performance.

#### TEAM STATUS

The argument that the status of a team will affect its performance is based on the notion that being a member of a high status team will increase team members' feelings of self worth and effectiveness. Individuals are motivated to maintain and enhance their team's standing, and hence their own standing. The positive effect that high team status has on the individual will, in turn, improve individual performance.

The status of teams varied considerably in the MTs we studied. In some firms, teams clearly had high status in the organisation and were central to the power structure, while in other firms, teams exerted little influence.

Overall, we found that higher status teams were more effective and had more team spirit, trust and commitment to the team. Successful teams get the recognition and support that signals to the rest of the organisation that they are a very important element of organisational success.

However, the extent to which individuals from different cultures derive their self esteem from work teams can vary considerably. For example, people from collectivist cultures, typical of much of Asia and the Pacific, are more likely to identify strongly with their cultural or family group than they are with a work team composed of relative strangers.

Therefore, the status of work teams may have a greater impact on the feelings of self-worth, confidence, group potency and desire to work in teams for individualists (such as Anglos) than for collectivists (such as Asians). However, affording teams high status in the organisation certainly makes being a team member more desirable, regardless of culture.

#### TRAINING

It has often been advocated, as a requirement for successful implementation, that teams be

“The firms we studied are already confronting a level of work force diversity that is still on the horizon for much of the rest of the world.”

trained in interaction skills as well as technical or job-related skills (Wagner, Hibbits, Rosenblatt, & Schulz, 1977). Just as often, however, managers seem to assume that employees automatically have the skills to be effective team members. In situations where all team activities and tasks cannot be specified in advance, training in team skills is especially important.

In our study, team training levels varied from no regular training to a programme that started with an induction process where team members were given team-based company orientations. This was followed by ongoing training in team methods and methods related to job definitions and control.

Not surprisingly, the most effective teams were those with the highest level of training. The level of team training was related strongly to team members' satisfaction with the processes used by the team, but was also related to most other processes associated with effective teams.

Our research suggests that training in team or interaction skills is particularly valuable in multicultural teams, where members often have very different assumptions about how teams should operate.

#### SELF MANAGEMENT

The argument for 'self-managing' teams stems from the notion that the benefits of team work are related to the delegation of a substantial amount of authority to the team (Barry, 1991; Pearce & Ravlin, 1987). However, if too much authority is delegated, teams can charge off in inappropriate directions.

Our research into multicultural teams failed to show clear support for self management as a

determinant of team effectiveness. While we found that the level of self management is positively related to team members' satisfaction with team processes, it is not clear that this relationship extends to task performance or members' satisfaction with the team.

Such results indicate that the degree of self management must be considered in terms of the type as well as the amount of authority that is delegated. While setting direction for the team may empower it, dictating work processes and procedures may actually inhibit team performance. Alternatively, insufficient direction may result in teams with an unclear sense of appropriate task-related processes.

Achieving an appropriate level and type of delegation may be particularly difficult where team members of different cultures have different ways of getting things done, as was indicated in our research. When members of a team have different expectations of what power structure is appropriate, a clear relationship between the degree of self management and effectiveness may be difficult to identify.

#### SOME CONCLUDING SUGGESTIONS

The firms we studied in Australia and New Zealand were typical of many organisations with regard to the processes used to implement teams. However, these firms are already confronting a level of work force diversity that is still on the horizon for much of the rest of the world.

Our studies of high performing teams in this multicultural environment provide the following guidelines for managers throughout the world who are just beginning to face this issue.



**1. Recognise that the effect of cultural diversity depends on how the team is structured and the nature of the task.**

Work groups organised as true teams, characterised by a high degree of interpersonal interaction, will be more open to both the positive and negative influences of the cultural differences among team members than will crews or task forces.

Additionally, less structured decision-making tasks are open to more influence than are highly structured production tasks. Cultural differences masked on the production line often become apparent (to the manager who is looking for them) in weekly team meetings at which improvements in production processes are discussed.

Many team leaders and managers may be unaware of all but the most obvious of cultural differences, such as the ability to communicate in English. However, in the most effective teams, recognition that people from different cultures have different ways of getting things done was apparent.

The guiding principle for team organisation in the most effective teams is to ensure that the membership has the task-related knowledge, skills, and abilities required to complete the team task. These task-related requirements can also relate to culture, in that the characteristics of the specific cultures represented can help or hurt task performance.

For example, recent research on Japanese teams suggests that when culturally based tacit knowledge is made explicit, greater gains in productivity and knowledge occur (Nonaka & Takeuchi, 1995). Within MTs, tacit knowings can be particularly difficult to bring to the surface. And yet, more than with any other team type, such knowledge has the potential to generate truly innovative processes and outcomes.

**2. Evaluate teams in terms of team processes and individual outcomes as well as task accomplishment.**

The long-term effectiveness of work teams depends on the ability of the team to help

individuals meet their personal goals, and the ability of the team processes to facilitate team performance.

Multicultural teams often take longer to reach their potential than do homogeneous teams (Watson, Kumar, & Michaelson, 1993). Assessing how a team is doing, according to criteria broader than just the accomplishment of the immediate task, can give managers insight into the longer term potential of a team, regardless of its present level of task accomplishment.

In our research, stories of really outstanding team achievement invariably involved culturally diverse teams. This reinforces our belief that when problem solving is explicitly considered to be an element of the team task, culturally diverse teams have much higher potential than homogeneous teams. Realising this potential often requires time to work out the best team processes.

**3. Create a climate of support for teams and for diversity.**

The most effective teams we studied enjoyed an organisational climate that supported cultural diversity as well as teams. Teams achieve when they have the resources and authority required to perform the task. Recognising cultural differences and treating people from all cultures with respect is a key element in developing the kind of employee attitudes required for team success.

One firm we studied was a standout in this regard. In that company, power had been transferred to teams in a very real sense and a feeling that all employees were valued was evident.

In contrast, in firms that were less successful in achieving high team performance, there was limited support from management for teams, limited training for teamwork and more interest, support and training from management in the initial start-up of teams than in their on-going processes. The general feeling at these firms was that teams had not taken the control and responsibility they had initially been envisioned

“The non-verbal messages sent by managers will often carry much more weight with employees from other cultures than the words being said.”

to take, and that management was prone to revert to more autocratic forms of control in a crisis.

It is very important that management behaviour as well as rhetoric (walking the talk) be genuinely supportive of teams and of diversity in multicultural environments. The non-verbal messages sent by managers will often carry much more weight with employees from other cultures than the words being said. Often these employees are less than fluent in the dominant language and its nuances. They typically search for appropriate standards of behaviour and take their cues from those in positions of authority.

**4. Design team level rewards to be consistent with cultural norms.**

The most effective teams we studied derived a substantial part of their rewards from the efforts of the team. Reinforcing even small team accomplishments, especially at the outset of team implementation, is a powerful motivating factor as it provides needed feedback on what is appropriate behaviour.

In New Zealand, token team-level rewards such as providing a high performing team with ‘morning tea’ had positive effects far in excess of the cost. But we sensed that what works best in multicultural teams are hybrid reward systems that emphasise both individual contribution to the team and team performance. For example, a pay-for-skills (knowledge) formula was part of the most effective system we studied.

However, a one-size-fits-all reward system is dangerous with regard to MTs. Effective team-based reward systems in multicultural environments must take into account the

expectations that individuals have about rewards. These expectations may come from the cultural norms for reward allocation, as well as the way rewards have been allocated in the firm in the past and collective bargaining agreements.

Managers in the United States who have tried to implement purely team-based rewards in place of individual recognition of performance have come face-to-face with the strong individual equity norm of American workers.

Understanding how people from different cultures will react to different team-based reward schemes is no easy matter. It requires an in-depth understanding of the values associated with the particular cultures. This requires a substantial effort on the part of management to really get to know employees. Gaining such knowledge requires sustained and meaningful contact and a genuine interest in people who are culturally different.

**5. Provide ongoing training in cultural diversity and team skills as well as in task-related skills.**

That training in diversity and team skills is required for MTs to be effective seemed so obvious that we were initially surprised by the number of firms that ignored training entirely or gave it minimal attention. Even in culturally homogeneous groups, where individuals typically have a common understanding of how teams should function, training in interaction or team skills has been shown to be a prerequisite for effective team functioning.

In MTs, members of different cultures have very different norms for interacting with other people. These cultural rules spill over into the team environment and govern such behaviours

“A single inoculation of diversity training is not a life-time solution to the difficulties of operating in a multicultural environment.”

as how willing they are to participate, how they respond to conflict, and how they react to people in authority.

Training in team skills can help establish the ground rules for teams and ensures the team processes are directed at achieving the organisational goals. Effective training in team skills takes a great deal of time and should ideally involve management and support staff as well as team members.

Properly designed diversity training that emphasises empathy with other cultural points of view, rather than a venting of perceived conflicts, can increase team members' awareness of cultural differences in how people get things done, reinforce the value of different approaches and help team members avoid the misunderstandings that often occur in trying to communicate across cultures. Like any good training programme, however, diversity training

must be continually reinforced for it to be effective. A single inoculation of diversity training is not a life-time solution to the difficulties of operating in a multicultural environment.

To conclude, when properly implemented, teams can be a way of using more effectively the knowledge, skills and abilities of a multicultural work force. Managing cultural diversity and managing teams are complementary. Environments that are supportive of teams tend to support diversity. However, team implementation in multicultural settings is an expensive and high maintenance activity. The decision to make the transition to teams should not be a casual one.



**David C. Thomas**  
ASSOCIATE PROFESSOR  
Simon Fraser University, Canada

**Elizabeth C. Ravlin**  
ASSOCIATE PROFESSOR OF  
ORGANISATIONAL BEHAVIOR  
AND MANAGEMENT  
University of South Carolina, USA

**David Barry**  
ASSOCIATE PROFESSOR  
University of Auckland Business School

#### FURTHER READING

Readers interested in the empirical studies from which this article was derived are referred to Thomas, D. C. & Ravlin, E. C. (1995). Thomas, D. C., Ravlin, E. C., & Wallace, A. (1996). For an interesting look at a variety of issues with regard to different types of work groups, see Richard Hackman's book *Groups that work: And those that don't*, from Jossey-Bass Publishers, 1991. Cultural differences are explored in an interesting and informative way in Gannon, M. J. (1994). *Understanding global cultures: Metaphorical journeys through 17 countries*. Thousand Oaks, CA: Sage. A more academically rigorous look at cross-cultural interactions can be found in Smith, P. B. & Bond, M. H. (1999) *Social psychology across cultures*. Boston: Allyn and Bacon.