The effects of diversity on teams change over time

It is a consensus that diversity is beneficial for organisations. But research on how diversity relates to each workplace outcome still contains mixed findings. **Frederick Herbert** and **Paris Will** write that the static model, which views diversity as a constant and on-going trade-off, lacks nuance. A newly formed diverse team will have different outcomes from a diverse team that has been working together over a longer period of time. Temporal dynamics matter.

In addition to the ethical aspects of promoting workplace equity, there is now a strong business case for a diverse workforce (Herring, 2009; Robinson & Dechant, 1997). While there is consensus that diversity is beneficial for organisations, the specifics of how diversity relates to each workplace outcome still contains mixed findings. One prominent hypothesis for explaining the uncertainty, the double-edged sword, states that diversity causes positive and negative outcomes to occur in parallel (Carter & Phillips, 2017). The positive effects include increased creativity and better decision-making that is less subject to groupthink, while the negative effects are typically centred around interpersonal conflict that can occur when biases are present. Accordingly, the most prominent hypothesis for the uncertainty of workplace diversity outcomes promotes a trade-off view of diversity in work teams, where both positive and negative outcomes occur.

However, this static model which views diversity as a constant and on-going trade-off, lacks nuance. Recent work has suggested that temporal team dynamics impact the way diversity links to workplace outcomes (Srikanth et al., 2016; van Dijk et al., 2017), meaning that a diverse team which is newly formed will have disparate outcomes to a diverse team which has been working together over a longer period of time. The double-edged sword is a static account of how diversity links to outcomes. A temporal view offers a dynamic way of explaining how outcomes of diversity may differ based on how long a team has been functioning. The dynamic view is more in line with work done on organisational teams that shows how teams develop over time and can be characterised by distinct phases (Tuckman, 1965). By including this temporal factor in future research, we will be able to tell *when* the positive and negative impacts of diversity occur, which can be used to help to mitigate the detrimental impacts.

The outcomes of diversity are also reliant upon the level of inclusion within a work team, as inclusion is necessary to foster positive outcomes. Consequently, it is also likely that interventions aiming to increase workplace inclusion will have differential impacts based on the amount of time a team has worked together. Team longevity should be considered when designing inclusion interventions, as there will likely be differences in what works at various points along the lifecycle of a work team.

In this blog we will discuss the empirical findings regarding the differential outcomes of diverse teams based on temporal dynamics as well as suggest how inclusion interventions can utilise these findings to better tailor initiatives to account for team dynamics.

Stereotypes and micro-dynamics

Stereotypes provide a clear example of a factor impacting diverse teams which can change significantly over time. At its core, stereotypes are a set of schemas and heuristics which develop to help us understand the world around us through inference. Stereotypes can help us capture information efficiently, by reducing effortful processing (Friston, 2010).

However, this process can of course lead to inaccuracy. This is especially the case with social categorisations between groups with long histories of inequality and prejudice. In these circumstances, social categorisations often lead to misrepresentation as we rely on historically and socially biased information. There is countless evidence for diverse groups being subjected to, and negatively impacted by these stereotypes. For instance, women have been shown to perform worse when in a male dominated working environment and subject to gender stereotypes (Sekaquaptewa & Thompson, 2003).

Over time it may be natural to expect that these stereotypes would attenuate as we gain more personal information and knowledge of the people around us – this process is known as individuation. However recent research suggests that individuation requires quite specific conditions. Namely that people are actively motivated to get to know the other person and are regularly presented with behaviours which are incongruent to the original stereotype (van Dijk et al., 2017).

Even when these conditions are met it is still far from definitive that a 'successful' individuation will occur. In some circumstances recategorization is more likely than individuation. That is, a different social stereotype grouping might be located and applied (e.g., a person may be re-stereotyped as Christian rather than a woman if they happen to hold both identities). And when individuation does occur the individual is often met with backlash (Moss-Racusin et al., 2010). That is "social and economical reprisals for violating expectations that stereotypes carry" (van Dijk et al., 2017). This is common for professional women who show leadership and end up being viewed as cold and unlikeable, which has been shown to hamper their career development (Williams & Tiedens, 2016).

The double-edged sword metaphor, as it is currently problematised, does not capture these dynamic patterns that impact the perception of diversity within teams. For instance, if 'diverse' members of a team perform roles which match social stereotypes, at a team level, this may result in benefits without frictions and costs. Although at a societal level, this is obviously limiting and problematic. On the other hand, when 'diverse' team members run counter to stereotypes, outcomes may depend on whether individuation is appropriately incentivised, and backlash is challenged. These micro-dynamics are important to consider and, somewhat ironically, speak to the importance of finding practical heuristics or interventions which help teams manage these transitions.

Interventions to harness the temporal effects of diversity

Clearly micro-dynamics are important in shaping whether diverse teams become inclusive and maximise the potential benefits of the diversity of ideas and information they hold. Given this, it becomes increasingly important to consider if specific interventions can support better team development.

Intervene early

One of the most promising ways to shape developing dynamics is to intervene early before social categorisations become normalised. Within the classic four-stage model proposed by Tuckman, teams go through four generic phases (Tuckman, 1965). A forming phase in which groups are focused on orienting themselves against the team. This through testing others and forming initial relationships. A storming phase in which there is often more conflict around interpersonal issues. A norming phase in which a sense of an ingroup should develop, and clearer roles and standards become apparent. And finally, a performing stage in which team roles are 'flexible and functional, and group energy is channelled into the task'.

Behavioural change frameworks indicate that the timeliness of interventions is key to success and that we are more likely to change behaviours during periods of transition (Behavioural Insights Team, 2014). Based on this, there is a clear benefit to interventions which take place in the forming and storming phase of team development. For example, to overcome stereotypes, it may be possible that early team building exercise that proactively incentivise the development of deeper relationships between diverse team members may help individuation occur before strong socially normative priors develop.

Obviously, intervention in the forming phase is not always possible, as many teams are on-going and re-shape slowly through incremental exit and entry of individual staff members. In these settings, getting 1-1 time between new joiners and other team members may help new starters settle in better and avoid being pigeon-holed.

Changing culture

Inclusion initiatives have increasingly called for a shift from compliance to culture change (WIBF, 2021). Culture can be seen as the crux of inclusion, where inclusion interventions will only truly work if the underlying culture is changed (Zollers, Ramanathan, & Yu, 1999). As culture can be seen as a temporal phenomenon in that it forms and strengthens over time, the type of cultural intervention should consider the longevity of the team.

When culture forms in new groups, it is through the process of a team adopting a shared schema of how norms of behaviour guide how the culture operates (Harris, 1994). In order to align members of a group on a shared schema, storytelling has been shown to be a powerful tool (Jordan, 1996; Briody, Pester, & Trotter, 2012). In inclusion initiatives, having a strong narrative regarding the benefits and outcomes of inclusive workplaces can be spread through stories of businesses who have adopted and benefitted from inclusive practices.

In long-standing teams, culture will be ingrained and more difficult to change. In these cases, implementing an inclusive culture will be akin to a change management project and come with new difficulties from forming culture. As humans and specifically those at work with an established way of functioning are averse to change (Duffy, 2003), inclusion interventions seeking to alter existing practices should be wary of pushback. In these instances, leadership can help to implement and drive through change (Al-Ali et al., 2017; Kavanagh & Ashkanasy, 2006), where new norms are formed through practices from the top of an organisation.

A call for future research on temporal team dynamics

In order to fully understand how inclusion interventions can be tailored based on group longevity factors, future research needs to be conducted on the links between stage of a team and business outcomes. This can be done by shifting away from using aggregate level measures which assess outcomes such as conflict, creativity, and performance only after the group has interacted for a period of time. By measuring these outcomes at multiple points along the lifecycle of a group, we can learn how inclusion interventions can be targeted at specific phases, and ultimately assist diverse teams to perform at their best.



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