

1  
2  
3  
4 SUBGROUP DYNAMICS IN  
5  
6 INTERNATIONALLY DISTRIBUTED  
7  
8 TEAMS: ETHNOCENTRISM OR  
9  
10 CROSS-NATIONAL LEARNING?  
11  
12

13 Catherine Durnell Cramton and Pamela J. Hinds  
14  
15

16  
17 **ABSTRACT**  
18

19 *Internationally distributed teams are an ideal context in which to understand*  
20 *the formation, dynamics, and effects of subgroups within work teams.*  
21 *Although the members are interdependent, these teams frequently are*  
22 *composed of two or more collocated subgroups. Researchers have observed*  
23 *a tendency for tensions in such teams to coalesce – and escalate – between*  
24 *these subgroups. In this paper, we identify factors likely to promote and*  
25 *mitigate fracturing between subgroups and consider the impact of subgroup*  
26 *formation on task effectiveness. We build on [Lau and Murnighan's \(1998\)](#)*  
27 *conceptualization of “faultlines,” which suggests that alignment of team*  
28 *members’ demographic attributes increases the likelihood of subgroup*  
29 *dynamics. We extend this work into the domain of internationally distributed*  
30 *teams by showing how differences in location also can heighten subgroup*  
31 *dynamics. The most likely consequence is ethnocentrism, although we*  
32 *show that intergroup learning also is possible. Our analysis highlights*  
33 *conditions under which teams that encounter subgroup differences will be*  
34 *able to overcome the tendency toward ethnocentrism. Teams with an attitude*  
35

36  
37 **Research in Organizational Behavior**  
38 **Research in Organizational Behavior, Volume 26, 233–265**  
39 **Copyright © 2005 by Elsevier Ltd.**  
40 **All rights of reproduction in any form reserved**  
**ISSN: 0191-3085/doi:10.1016/S0191-3085(04)26006-3**

1     of mutual positive distinctiveness, we argue, will more likely learn from  
2     subgroup differences, becoming more sophisticated in their understanding  
3     of cross-national relationships and competent in their management of them.  
4  
5

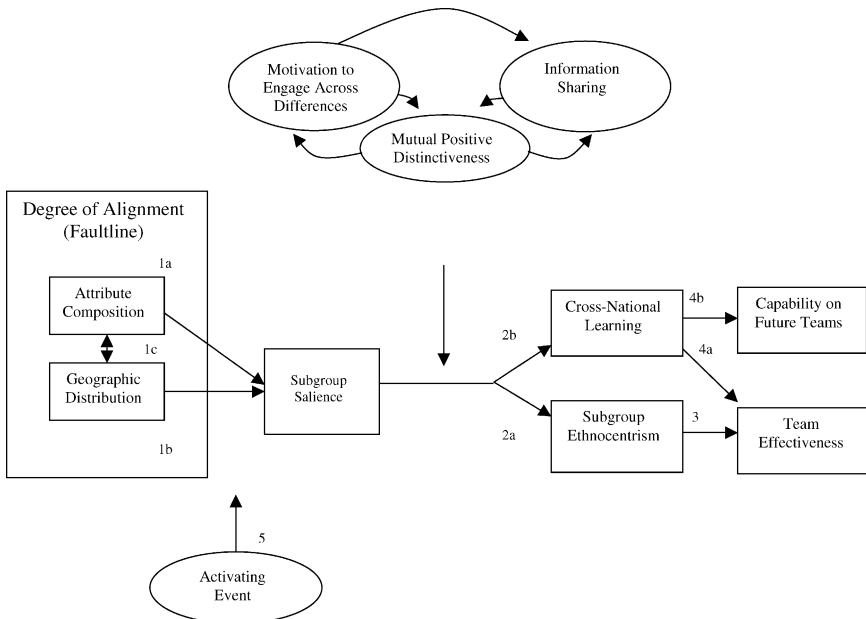
6     Throughout history, people have sought to achieve economic and social goods  
7     through international collaborations. Although such collaborations were transacted  
8     historically by travel and post (King & Frost, 2002), recent advances in  
9     telecommunications and information technologies have offered new means by  
10    which globe-spanning work can be carried out. Businesses assemble teams  
11    comprised of members from multiple countries as a means of establishing a  
12    presence in distant markets, securing essential but scarce expertise, enabling  
13    localization of products, and tapping into low cost pools of expertise in developing  
14    countries. In a recent study, respondent firms reported that 63% of their new product  
15    development teams would be geographically distributed within the next few years,  
16    with 22% expected to be globally distributed (McDonough, Kahn & Barczak,  
17    2001). In this paper, we examine subgroup dynamics in such internationally  
18    distributed teams, and their impact on team effectiveness and potential to foster  
19    cross-national learning.

20    Subgroup dynamics within work teams, particularly internationally distributed  
21    work teams, is an area of research that remains largely unexplored. There is,  
22    however, increasing evidence that internationally distributed teams are prone  
23    to subgroup dynamics characterized by an us-verses-them attitude across sites  
24    (Armstrong & Cole, 1995; Cramton, 2001; Hinds & Bailey, 2003). Research  
25    over the last decade has begun to explore the ramifications of distributed work  
26    arrangements on the dynamics of the teams involved (see Gibson & Cohen,  
27    2003; Hinds & Kiesler, 2002). Although some of this work has alluded to  
28    subgroups coalescing based on geographic location, little work has yet considered  
29    the dynamics and effects of within-team subgroups on distributed, particularly  
30    internationally distributed, teams.

31    Recent theoretical work offers a new perspective on subgroup phenomena in  
32    teams. Lau and Murnighan (1998) suggest that, contrary to previous work, it is not  
33    the total amount of diversity in a group that threatens social integration. Rather, it  
34    is the extent to which key attributes of members are correlated rather than cutting  
35    across membership. They call this alignment of attributes *faultlines* and propose  
36    that the presence of faultlines increases the likelihood of subgroup formation  
37    and conflict. We build on and extend Lau and Murnighan's work, inspired by  
38    its implications for internationally distributed teams that carry out interdependent  
39    tasks despite members being located in two or more countries. Our goals for this  
40    paper are threefold: (1) to develop a theoretical framework for understanding the

1 factors that influence the subgroup dynamics of internationally distributed teams;  
2 (2) to model the relationship between subgroup dynamics and team effectiveness  
3 in internationally distributed teams; and (3) to extend existing theory on subgroup  
4 dynamics in work teams.

5 Although a substantial amount of research has been conducted on subgroup  
6 dynamics, little has focused on enduring subgroups within work teams. One  
7 exception to this is research on cross-functional teams, which explores how the  
8 differing functional or professional identities of members drive ingroup/outgroup  
9 dynamics within the team (e.g. Northcraft, Polzer, Neale & Kramer, 1995). Like  
10 the work on cross-functional teams, our work builds on the broader research  
11 literature concerning the formation and dynamics of subgroups, which includes  
12 work on social identity, intergroup relations, and coalition formation. Social  
13 identity theory helps us to understand the ways people use social categorizations  
14 as cognitive tools to understand themselves and others in the social environment  
15 (for example see Tajfel & Turner, 1979). The closely related intergroup relations  
16 literature examines how people interact with one another in terms of their group  
17 identifications (for example see Alderfer, 1987; Sherif, 1966). Although more  
18



39 Fig. 1. Factors Constituting Faultlines in Internationally Distributed Teams, Potential  
40 Consequences, and Moderators Affecting These Dynamics.

1 distant from our focus, the coalition formation literature highlights how subgroups  
2 form in order to control resources and decisions (for example see [Hill, 1973](#);  
3 [Lawler & Youngs, 1975](#); [Mannix, 1993](#)). We extend this literature by developing  
4 a model for how subgroup salience is triggered within teams, particularly  
5 internationally distributed teams, and the effect of subgroup salience on team  
6 performance.

7 To understand subgroup dynamics in internationally distributed teams, we  
8 consider how geographic distribution of team members increases the salience  
9 of subgroups, and how the alignment of compositional diversity and geographic  
10 distribution may make tension between subgroups likely. We posit that  
11 ethnocentrism – a bias toward one’s own subgroup and against other subgroups  
12 – along cultural and geographic faultlines is a natural but detrimental tendency  
13 in internationally distributed work and we describe the likely impact on team  
14 effectiveness. We also suggest an alternative outcome – cross-national team  
15 learning – and a set of moderating factors that we think determine whether subgroup  
16 salience results in ethnocentrism or learning. The next section articulates our model  
17 of these processes (see [Fig. 1](#)).

## 18 19 20 **FAULTLINES AND SUBGROUP SALIENCE**

### 21 22 *Compositional Diversity and Group Faultlines*

23  
24 Compositional diversity in organizational work groups stems from differences  
25 in group members’ demographic attributes (e.g. ethnicity, age and sex), or other  
26 characteristics and affiliations (e.g. education, tenure and hierarchical position).  
27 Such differences are associated with people having different worldviews, values,  
28 beliefs, goal priorities and norms, which affect how they define situations, see  
29 issues, and interact with others (see [Alderfer, 1987](#); [Ely & Thomas, 2001](#)). In  
30 addition, individuals often are accorded different amounts of status and power  
31 in organizations and society on the basis of their demographic attributes and  
32 other affiliations ([Alderfer, 1987](#); [Ely & Thomas, 2001](#)). Accordingly, members  
33 of a compositionally diverse organizational work group may have differing  
34 organizational and societal political interests and ideologies. As a result, diverse  
35 groups may be more creative – or experience more conflict – depending on the  
36 nature of their differences, how well they manage them, and forces in the larger  
37 environment in which they are embedded ([Alderfer, 1987](#); [Jehn, 1995](#); [Pelled,  
38 Eisenhardt & Xin, 1999](#)).

39 According to [Lau and Murnighan \(1998\)](#), the presence of faultlines in groups  
40 exacerbates the impact of compositional diversity, increasing the likelihood that

1 members will perceive subgroups to exist and experience subgroup conflict. A  
2 faultline is present if key attributes of members are correlated rather than cutting  
3 across group membership. For example, a group composed of equal numbers of  
4 engineers and designers and equal numbers of men and women would have stronger  
5 faultlines if all the engineers happened to be men and all the designers happened to  
6 be women than if there were equal numbers of engineers and designers of each sex.  
7 Lau and Murnighan (1998, p. 327) describe faultlines as “an alignment of several  
8 characteristics that heightens the possibility of internal subgroup dynamics.” They  
9 are analogous to faultlines in the earth’s crust: They describe the pathways along  
10 which a group would most likely split into subgroups and the vulnerability of the  
11 group to this occurrence. The notion is quite similar to Brewer and Campbell’s  
12 (1976) description of “convergent boundaries.”

13 Faultlines, by definition, reflect the potential of a team to fracture into subgroups.  
14 According to Lau and Murnighan (1998), they lie dormant in a group until  
15 activated by some event. When faultlines are activated, Lau and Murnighan  
16 describe consequences that include subgroup awareness, formation, polarization  
17 and conflict, but they are not explicit about the sequence of events. Building on  
18 their work, we offer specification. We argue that the existence in a group of multiple  
19 demographic attributes or other affiliations that are aligned increases the likelihood  
20 that these subgroups will become noticeable to group members. In other words,  
21 we propose that the first consequence of the activation of faultlines is subgroup  
22 salience.

23  
24 **Proposition 1a.** The presence in work teams of multiple demographic  
25 attributions or other affiliations that are aligned increases the likelihood of  
26 subgroup salience.

27  
28  
29 *The Impact of Geographic Distribution of Team Members*

30  
31 We argue that geographic distribution contributes to faultlines and to subgroup  
32 salience within geographically distributed teams. Because of the rise in the use  
33 of geographically distributed work groups, social science research has taken a  
34 renewed interest in the impact of proximity and distance on work teams (see  
35 Hinds & Kiesler, 2002). This reflects the availability of new telecommunication and  
36 information technologies that have made it increasingly feasible for work teams  
37 to carry out interdependent tasks despite members being physically distributed  
38 across locations, sometimes many time zones apart.

39 When team members work from different locales, they are likely to experience  
40 different exogenous events, physical settings, constraints and practices (Cramton,

1 2001, 2002; Kiesler & Cummings, 2002). Exogenous events include things such  
2 as local economic conditions or crises, for example a public transportation strike.  
3 Different physical settings and constraints might encompass differences in the  
4 features of buildings and equipment, distances, and routine traffic conditions.  
5 Practices such as holiday observances, shop hours, and working hours also  
6 vary from location to location. Whereas demographic differences can result in  
7 individuals seeing issues differently, defining situations differently, and having  
8 different political interests and ideologies or beliefs, differences in physical  
9 context or locale can result in members having different information, assumptions,  
10 preferences and constraints. Because of the absence of contextual information,  
11 group members are likely to notice, but not fully understand, patterns of  
12 preferences and behavior within their ranks that correlate with location. For  
13 example, group members based at a location with heavy traffic, high gasoline  
14 prices and a good public transportation system may favor working hours  
15 that dovetail with the public transportation schedule and resist trips to the  
16 office during odd hours. Their partners in another location may notice this  
17 pattern, but not grasp the reason for it. As a result, attributions about distant  
18 team members' behaviors may be inaccurate or harsh and local identifications  
19 strengthened. Thus, a product development team that is split between Germany  
20 and India is likely to perceive two subgroups – one in Germany and one  
21 in India.

22 **Proposition 1b.** Geographic distribution of work team members results in the  
23 salience of subgroups by location.  
24

25 We have argued that differences in demographic attributes and other affiliations  
26 tend to result in people having different worldviews, values, beliefs, goal priorities  
27 and behavioral norms, and being accorded different amounts of power and  
28 status. This leads them to define situations differently, see issues differently,  
29 and have different ideologies and political interests. We also have argued  
30 that working from different locations increases the likelihood that people will  
31 experience different exogenous events, physical settings, constraints and practices,  
32 resulting in their having different information, assumptions, preferences and  
33 constraints. In other words, both personal attributes and physical location impact  
34 preferences and behavior, albeit generally different aspects of these. Therefore  
35 when physical dispersion of team members aligns with demographic attributes or  
36 other affiliations, the pattern of differences between subgroups is likely to be more  
37 pervasive and noticeable. For example, assume we have a product development  
38 team split between India and Germany working on a new hand-held computer. If  
39 all of the mechanical engineers are in Germany and all of the software engineers  
40 in India, subgroups would be more salient than if the two types of engineers

1 are distributed equally across sites. In other words, group faultlines will be  
2 strengthened and subgroup salience intensified.

3  
4 **Proposition 1c.** When geographic distribution of work team members aligns  
5 with members' demographic attributes or other affiliations, subgroup salience  
6 by location is intensified.

7  
8  
9 **POSITIVE AND NEGATIVE CONSEQUENCES OF**  
10 **SUBGROUP SALIENCE**

11  
12 *The Most Likely Consequence: Ethnocentrism*

13  
14 The concept of ethnocentrism was introduced into social science by William  
15 Graham Sumner in 1906. Sumner described ethnocentrism as “the technical name  
16 for this view of things in which one’s own group is the center of everything,  
17 and all others are scaled and rated with reference to it.” He says, “Each group  
18 nourishes its own pride and vanity, boasts itself superior, exalts its own divinities,  
19 and looks with contempt on outsiders” (Sumner, 1906, pp. 12, 13). Ethnocentrism  
20 and the ingroup/outgroup distinctions that derive from it have both cognitive and  
21 emotional foundations. With regard to cognition, researchers across a wide range of  
22 perspectives and disciplines agree that ethnocentrism results in stereotypic images  
23 of the outgroup (see LeVine & Campbell’s 1972 comprehensive review). This is  
24 accompanied by strong emotional attachment to the ingroup and hostile responses  
25 to the outgroup. Ethnocentrism has frequently been employed to understand  
26 clashes between large social groups such as ethnic or national groups (see LeVine  
27 & Campbell, 1972) and has been applied on occasion to small social or familial  
28 groups (see Brewer & Miller, 1996), however it has rarely been applied to the  
29 study of organizational groups. We submit that the powerful theoretical construct  
30 of ethnocentrism and its well developed research literature can be used effectively  
31 to understand internationally distributed teams and the subgroup dynamics that  
32 emerge in them.

33 Considerable research evidence suggests that the mere recognition of subgroup  
34 differences tends to set in motion forces resulting in ethnocentrism. Social  
35 psychologists have incorporated the concept of ethnocentrism into social identity  
36 theory, suggesting that ethnocentrism results when people categorize themselves  
37 into emotionally significant groups (Brewer & Miller, 1996; Turner, 1985). Within-  
38 group differences are minimized and between-group differences are exaggerated  
39 (Brewer, 1986; Tajfel, 1982; Tajfel & Turner, 1986). According to Turner (1975),  
40 the process is driven by the desire for “positive distinctiveness,” an enhanced

1 sense of worth that comes from seeing one's own group as distinctive from and  
2 better than a comparison group or outgroup. The exaggeration of differences and  
3 negative view of other groups relative to one's own places groups in a competitive  
4 and conflictual relationship with one another.

5 Although intergroup competition for resources and a history of hostility fuel  
6 the process (LeVine & Campbell, 1972), they do not appear to be necessary  
7 conditions, as illustrated by one of Sherif's studies (Sherif et al., 1961). As  
8 recounted by Tajfel (1982, p. 23), "As soon as the groups became aware of each  
9 other's existence, and before the competition between them was institutionalized,  
10 there was some evidence of competitive ingroup-outgroup attitudes." Accumulated  
11 evidence shows that "intergroup discrimination can be caused by minimal  
12 social categorization," (Tajfel, 1982, p. 23). Thus, merely being aware of the  
13 presence of subgroups is often adequate to trigger ingroup-outgroup dynamics.  
14 We argue that when subgroups become salient, ethnocentrism will likely  
15 result.

16  
17 **Proposition 2a.** The presence of salient subgroups in a work team leads to  
18 subgroup ethnocentrism.

19  
20  
21 *A Positive Alternative: Ethnorelativistic Learning*

22  
23 Although the natural tendency is for subgroup salience to lead to the creation  
24 of ethnocentric or ingroup-outgroup relationships, we propose that subgroup  
25 learning is an alternative outcome, depending on the conditions under which the  
26 subgroups are operating. To conceptualize subgroup learning in internationally  
27 distributed teams, we turn to the cross-cultural literature. This reflects our context  
28 of interest and is informative in a broad theoretical sense. Scholars of cross-cultural  
29 relationships have worked to identify alternatives to ethnocentrism and attempted  
30 to describe the process of cross-cultural learning and adaptation. The counterpoint  
31 to ethnocentrism is described as ethnorelativism (Bennett, 1986; Brislin, Landis &  
32 Brandt, 1983; Dinges, 1983; Hoopes, 1981). Ethnorelativistic thinking consists of  
33 taking the perspective of the other group and understanding the world, including  
34 one's own group, through the other group's eyes (Bennett, 1986; Bennett &  
35 Bennett, 2004). Ethnorelativistic behavior consists of adapting one's behavior to  
36 be appropriate in the other group's context – not just by following tips or rules but  
37 because it "feels right" in that context (Bennett, 1986; Bennett & Bennett, 2004).  
38 Thus, while ethnocentrism narrows and biases one's thinking and is associated  
39 with competitive and hostile behavior in relation to another group, ethnorelativism  
40 expands one's perspective and is associated with empathic behavior in relation



1 to the other group. Ethnocentrism is characterized by greater rigidity in  
2 relation to the other group while ethnorelativism is characterized by greater  
3 adaptability.

4 Because we are interested in both cultural differences and differences in  
5 physical location, we adapt this material concerning cross-cultural differences  
6 to conceptualize learning about cross-national differences. We argue that  
7 ethnorelativistic cross-national learning is an alternative to ethnocentrism  
8 in internationally distributed teams. By cross-national differences, we mean  
9 differences in both culture and locale (or physical context) encountered by  
10 members of internationally distributed teams. Because of our focus on work teams,  
11 we feel it is particularly important to broaden the notion of cultural differences  
12 between members to include differences in national situations and local practices  
13 that impact the ways in which work is done. Thus, by cross-national differences,  
14 we refer to behavior, constraints and values driven by either the cultures of origin  
15 of team members or the customs and situation of the country from which team  
16 members are working. For example, a person who grew up in Ethiopia might  
17 work from Holland as a member of an internationally distributed team. This  
18 person's behavior, values and constraints probably will be affected by both his  
19 or her natal culture and the local work situation and practices in Holland. We  
20 carefully specify *ethnorelativistic* cross-national learning to distinguish it from  
21 other kinds of learning. The focus of ethnorelativistic cross-national learning is a  
22 human intergroup relationship, and the behaviors are perspective-taking, empathy  
23 and adaptability.

24 Although little empirical work has examined cross-national or ethnorelativistic  
25 learning in work groups, there is some evidence that it is indeed important  
26 for group members to come to understand and respect their differences and  
27 develop practices that allow them to relate to each other across these differences.  
28 DiStefano and Maznevski (2000), for example, describe a multi-cultural consulting  
29 services team in Hong Kong that purposefully made their cultural differences  
30 explicit. By understanding team members' different interaction styles and  
31 perspectives, team members were able to interact more effectively and better  
32 leverage their respective skills. Similarly, Salk and Brannen (2000) found in a  
33 study of a German-Japanese joint venture that the most influential managers  
34 were those who learned about the local norms and adapted their decision  
35 making process accordingly. Later in this paper, we describe the conditions  
36 that we think facilitate the occurrence of cross-national learning as opposed to  
37 ethnocentrism.

38

39 **Proposition 2b.** Under certain conditions, the presence of salient subgroups in  
40 an international work team can lead to cross-national learning.

## SUBGROUP SALIENCE AND TEAM EFFECTIVENESS

### *Impact of Subgroup Ethnocentrism on Team Effectiveness*

We expect that subgroup ethnocentrism will have a negative effect on team performance. Ethnocentric groups are invested in seeing themselves positively, which usually means seeing other groups negatively. They define other groups by self-centered standards and accentuate differences between their own group and others. Their relationships with other groups typically come to be marked by competition and conflict. Thus, we can expect subgroup ethnocentrism to be accompanied by the withholding of information and cooperation from perceived outgroups and relational conflict, all of which have been associated with reduced team effectiveness (Cohen & Bailey, 1997).

Indeed, Kramer and Brewer (1984) report that subgroup differentiation interferes with cooperative group behavior. Armstrong and Cole (1995) and Cramton (2001) also describe how polarized subgroups in the distributed teams they studied withheld information from each other. Early and Mosakowski (2000) report that international teams with strong faultlines “showed many communication problems, relational conflict, and low levels of team identity” (2000, p. 45). They note that “a lack of cross-cultural empathy and understanding appeared to contribute to the dysfunctional activities” of two of the teams they observed (p. 36).

**Proposition 3.** Subgroup ethnocentrism is negatively associated with work team effectiveness.

### *Impact of Cross-National Learning on Team Effectiveness*

By contrast, we propose that cross-national team learning and adaptation will have a positive effect on team effectiveness as teams harness their diverse skills and perspectives on the team’s task and develop a sense of team efficacy.

In their study of three culturally diverse organizations, Ely and Thomas (2001) report that groups that use diversity as an opportunity for learning and adapting to others’ perspectives subsequently have a higher sense of self-efficacy and better work group functioning. Salk and Brannen (2000) describe a successful management team composed of German and Japanese members in which significant differences in culturally preferred modes of decision-making are discovered and bridged. Members show “the volition to accept and adapt to local, emergent norms . . . rather than national subgroup based preferences” (Salk & Brannen, 2000, p. 200). Such bridging between cultures makes individual

1 differences a source of insight that can be leveraged in the creativity and  
2 performance of the team (see Ely & Thomas, 2001). We therefore propose that  
3 cross-national team learning will bring about better team performance.

4  
5 **Proposition 4a.** Cross-national team learning is positively associated with work  
6 team effectiveness.

7  
8  
9 *Impact of Cross-National Team Learning on Future Teams*

10  
11 Beyond the immediate impacts on organizational effectiveness, we consider  
12 the transfer of cross-national learning from international teams to attitudes and  
13 behaviors beyond the immediate team. We argue that members of internationally  
14 distributed teams may experience a second order effect that has consequences for  
15 their work on future teams. The *contact hypothesis* suggests that being exposed  
16 to people different from ourselves builds an appreciation for others' perspectives  
17 (Pettigrew, 1986). This suggests that as people create friendships, better understand  
18 the perspectives of colleagues in other countries, and become more competent  
19 in working across such differences, this capability will transfer to improved  
20 functioning on other internationally distributed teams.

21 There is some evidence that positive contact with members of an outgroup  
22 results in positive views of the entire outgroup (see Pettigrew, 1998). For example,  
23 Nesdale and Todd (1998) found that Asian and Australian students who had  
24 extensive contact with one another were more accepting and appreciative of cultural  
25 differences between the two groups than were students with little cross-cultural  
26 contact. In a meta-analysis, Pettigrew and Tropp (2003) conclude that reduced  
27 prejudice about an individual from an outgroup generally transfers to the entire  
28 outgroup. This suggests that when members of internationally distributed teams  
29 learn to appreciate one another's differences, they are likely to generalize these  
30 positive views to future teammates from the same cultures and locations.

31 A related line of research explores the acquisition of bicultural competence –  
32 the ability to develop and maintain competence in two cultures simultaneously  
33 (LaFromboise, Coleman & Gerton, 1993). Bicultural competence developed on  
34 one team, we argue, will likely transfer to future teams with membership from  
35 those cultures in which team members have developed competence. Extensive  
36 research has examined peoples' ability to adapt to prolonged exposure to two  
37 cultures, identifying the skills required and the personal costs of doing so (e.g.  
38 Berry, 1997, 1999; Berry, Kim, Power, Young & Bujaki, 1989; Rudmin, 2003).  
39 LaFromboise and her colleagues (LaFromboise et al., 1993) argue that there are  
40 five models of second-culture acquisition, one of which – alternation – is especially

1 likely to lead to bicultural competence. Alternation, they argue, may be the most  
2 adaptive and least stressful method of adjusting because it does not require the  
3 loss of one's original cultural identity. The alternation model assumes that people  
4 can understand and feel a sense of belonging to two different cultures and adapt  
5 their behavior to different cultural contexts as appropriate (LaFromboise et al.,  
6 1993). Sodowsky and Carey (1988), for example, describe how first-generation  
7 Asian Indians maintain their Indian cultural identity by wearing traditional clothes  
8 and eating Indian food at home, but express their American identity by speaking  
9 English and wearing Western clothes outside of the home.

10 On internationally distributed teams, members have the opportunity to develop  
11 an understanding of the cultural beliefs and values of their distant colleagues,  
12 develop positive attitudes about the culture at the distant site, build confidence in  
13 their ability to bridge cultures, improve their ability to communicate effectively  
14 with their distant colleagues, and develop stable social networks in their own  
15 country and at the distant site – all factors that promote bicultural competence (see  
16 LaFromboise et al., 1993). Team members who develop cultural competence in  
17 the culture at the distant site may be better prepared to work on future teams that  
18 are similarly distributed.

19 We anticipate that cross-national learning also will transfer beyond the  
20 nationalities and locations represented in the team. For example, when cross-  
21 national understanding develops in a team composed of Asians and Europeans,  
22 we predict that these team members also will be more functional on future global  
23 teams with members from Latin America. We predict this, in part, because we posit  
24 that bicultural competence will translate into increased multicultural competence.  
25 Although knowledge of the specific culture may not be present, team members  
26 may bring with them more cognitive flexibility and, perhaps, *cultural intelligence*.  
27 Cultural intelligence is “a person's capability to adapt effectively to new cultural  
28 contexts” (Earley, 2002, p. 274). Cognitive flexibility and cognitive strategies that  
29 allow a person to create an accurate map of the social setting are crucial aspects  
30 of cultural intelligence. We posit that these aspects of cultural intelligence can be  
31 strengthened through experiences on internationally distributed teams, particularly  
32 for those who develop bicultural competence. Although we know of no empirical  
33 evidence, we argue that bicultural competence may provide a foundation for  
34 cultural intelligence.

35 Research on the contact hypothesis also provides some support for the idea  
36 that cross-national learning will transfer to nationalities not represented in the  
37 immediate team. Pettigrew (1997, 1998), for example, reports that having outgroup  
38 friends is associated with more acceptance of minorities from all groups. In a  
39 meta-analysis, Pettigrew and Tropp (2003) conclude that, although weaker, this  
40 rarely considered form of generalization – from the immediate outgroup to other

1 groups – does operate. Accordingly, we posit a direct link between the cross-  
2 national understanding developed through work on internationally distributed  
3 teams and the cross-national understanding and competence that is evinced on  
4 future internationally distributed teams.

5  
6 **Proposition 4b.** Cross-national learning is positively associated with team  
7 members’ capability to work effectively on future internationally distributed  
8 teams.

9  
10  
11 **MODERATING FACTORS**

12  
13 *Activation of Group Faultlines*

14  
15 According to [Lau and Murnighan \(1998\)](#), group faultlines lie latent like faultlines  
16 in the earth’s crust until activated by some event. For work groups, activating  
17 events may be task-related ([Lau & Murnighan, 1998](#)) or result from treatment,  
18 policies or external events that highlight social categories. Such events can elicit  
19 systematically different responses from members, depending on their demographic  
20 attributes, other affiliations, or geographic location. Subgroup interests, views and  
21 membership become salient to members of the subgroups and others.

22 When teams are charged, for example, with customizing a product for users in  
23 different countries, tensions between locations may become salient as members  
24 argue for features that reflect the preferences of local customers (see [Grinter,  
25 Herbsleb & Perry, 1999](#)). Similarly, an aggressive work schedule can increase  
26 the salience of different local working hours, holidays, and vacations. Differential  
27 treatment of groups, and policies that pit one group against another, also can  
28 trigger subgroup salience (see [Brewer & Miller, 1984](#)). “Affirmative action topics  
29 may activate racial divisions, retirement and pension issues may activate faultlines  
30 based on age, the potential presence of a glass ceiling may generate sex-related  
31 antipathies, resource allocation decisions may lead to group fragmentation based  
32 on members’ occupational roles, and a desire for serious organizational change may  
33 pit young liberals against older conservatives,” [Lau and Murnighan write \(1998,  
34 p. 328\)](#). External events such as international incidents also can activate faultlines.  
35 For example, when the United States decided to wage war in Iraq in 2003, national  
36 identity likely became more salient to those from the United States as well as  
37 to those from countries actively opposing U.S. actions in Iraq. Therefore, with  
38 others, we argue that latent group faultlines are activated when an event occurs or  
39 issue arises that evokes systematically different responses from members based on  
40 demographic differences or other affiliations, and we add, differences in location.

1     **Proposition 5.** Latent faultlines in a work team become salient to members  
 2     with the occurrence of an activating event.

3  
 4  
 5                     *Moderating the Effect of Subgroup Salience*

6  
 7     As we have shown, intergroup theory predicts that subgroup salience will lead to  
 8     subgroup ethnocentrism. Merely becoming aware of the presence of subgroups  
 9     is adequate to trigger ingroup-outgroup dynamics (Tajfel, 1982). We also have  
 10    proposed, however, that subgroup salience can result in cross-national learning. In  
 11    this section, we describe moderating factors that determine whether ethnocentrism  
 12    or cross-national learning will result.

13    After decades of research, scholars agree that ethnocentrism is reduced under  
 14    conditions of contact between groups of equal status that are pursuing common  
 15    goals with institutional or social support (Allport, 1954/1979; Hewstone & Brown,  
 16    1986; Pettigrew, 1998). A host of additional conditions have been proposed and  
 17    tested over the years (see reviews by Amir, 1969, 1976; Cook, 1985; Hewstone &  
 18    Brown, 1986; Pettigrew, ???), including stereotype disconfirmation (Cook, 1978);  
 19    initially moderate views (Ben-Ari & Amir, 1986); common language, voluntary  
 20    contact and a prosperous economy (Wagner & Machleit, 1986). In a comprehensive  
 21    review, however, Pettigrew (1998) concludes that these are facilitating but not  
 22    essential conditions.

Pl. provide year  
 of the ref.  
 "Pettigrew"

23    For the current purpose, we are interested not only in reducing ethnocentrism  
 24    but motivating groups to learn from and about each other. Conditions that  
 25    facilitate intergroup *learning* have not received much attention in the intergroup  
 26    relations literature. In that literature, Brewer and Miller (1996) describe  
 27    three approaches to reducing ethnocentrism through contact between groups:  
 28    deategorization, recategorization and subcategorization. We observe, however,  
 29    that decategorization and recategorization cannot promote cross group learning  
 30    because they reduce the salience of intergroup differences. Subcategorization, in  
 31    contrast, uses subgroup salience as an opportunity for learning.

32    Decategorization focuses people on individuating information about outgroup  
 33    members (Brewer & Miller, 1984; Miller et al., 1985). For example, a decate-  
 34    gorization approach would encourage the development of a personal friendship  
 35    with a member of an outgroup. The theory is that the salience of the friend's group  
 36    membership will fade in the face of a growing amount of interpersonal information,  
 37    and that ethnocentric bias toward that person will recede as a result. One problem,  
 38    however, is that positive views of the friend may not carry over to the outgroup  
 39    because the friend is seen as an atypical member of his or her group or because  
 40    the friend's group membership is no longer salient (see Brewer & Miller, 1996).

1 While decategorization deemphasizes social categories, recategorization seeks  
2 to replace subgroup category distinctions with a new inclusive group identity (e.g.  
3 Gaertner et al., 1989, 1990, 1993). For example, two companies engaged in a  
4 merger might go to considerable effort and expense to promote a new company  
5 identity that supercedes employees' feelings of identification with their own pre-  
6 merger company. Although this effort may reduce bias against and hostility toward  
7 employees from the other company, it may not motivate them to examine and learn  
8 from what each pre-merger company did well.

9 Thus, while there is evidence that the decategorization and recategorization  
10 approaches can reduce ethnocentrism (for a comprehensive review, see Brewer &  
11 Gaertner, 2003), neither provide subgroups the opportunity to learn from or about  
12 each other. By contrast, Hewstone and Brown's (1986) subcategorization approach  
13 seeks to maintain the salience of subgroup differences, but in a cooperative  
14 rather than competitive climate. Subgroups are encouraged to engage in mutual  
15 differentiation: to recognize and value their differences in a cooperative spirit. We  
16 propose that this approach not only reduces ethnocentrism but leads to intergroup  
17 learning. In order for learning to occur, we argue that a group must have an attitude  
18 of *mutual positive distinctiveness*. As discussed in detail in the following section,  
19 we define it as an attitude held by a work group that reflects the extent to which  
20 the group respects differences among members in views, values, competencies,  
21 and practices and sees these differences as a potential source of advantage for  
22 the group as a whole. An attitude of mutual positive distinctiveness, we argue,  
23 moderates the tendency for subgroup salience to result in ethnocentrism, instead  
24 promoting cross-group learning.

25 We describe the factors that we think foster an attitude of mutual positive  
26 distinctiveness in a work group (see Fig. 2). We argue that the conditions identified  
27 by Allport (1954/1979) – cooperative interdependence and equal status between  
28 groups, and institutional support for intergroup contact – motivate subgroups to  
29 engage across their differences rather than maintaining ethnocentric distance. We  
30 also articulate two new conditions that ensure that the information required for  
31 cross-national learning is shared: inclusive communication and sharing of context.  
32 We propose that motivation to engage across differences and information sharing  
33 between subgroups interact with the degree to which a group has an attitude of  
34 mutual positive distinctiveness to moderate the relationship between subgroup  
35 salience and its outcomes – ethnocentrism or cross-national learning.

### 36 *Mutual Positive Distinctiveness*

37 Positive distinctiveness is a fundamental tenet of the social identity approach  
38 to intergroup relations. As originally articulated by Turner (1975), individuals  
39 gain self-esteem when they compare a social group to which they belong to  
40

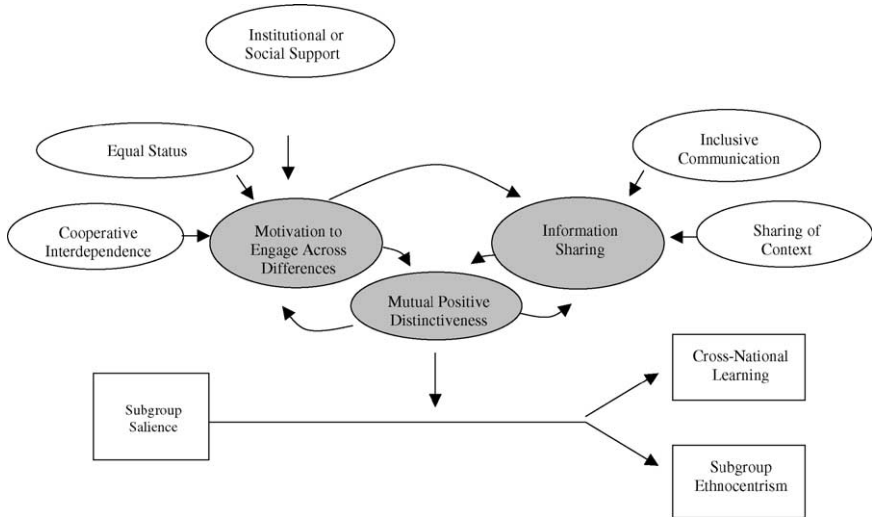


Fig. 2. Detailed View of the Relationship Between Mutual Positive Distinctiveness and its Contributing Factors.

another social group and judge their own group to be superior. Generally, this mechanism has assumed reciprocal *negative* attitudes toward the group that is the object of comparison. However, Hewstone and Brown (1986) and Brewer (1999) argue that reciprocal negativity toward an outgroup, although common, is not necessary for a member of an ingroup to experience positive distinctiveness. Under certain conditions, people can recognize the positive qualities of their own group as well as other groups, constituting what we call an attitude of *mutual positive distinctiveness*. As Brewer (1999) puts it, "Outgroups can be viewed with indifference, sympathy, even admiration, as long as intergroup distinctiveness is maintained" (p. 434). Work groups that have an attitude of mutual positive distinctiveness recognize and value both similarities and differences in the approaches, views, and competencies of members as they contribute to the achievement of common goals. When subgroups become salient within a work group, we argue, an attitude of mutual positive distinctiveness will lead team members to value and use subgroup differences, thus increasing the likelihood of a learning outcome.

In the work group literature, Ely and Thomas's (2001) study of diversity in three professional services firms elucidates what they call an integration-and-learning diversity perspective, which is quite similar to our concept of mutual positive distinctiveness. A diversity perspective is a group's orientation toward



1 diversity. It moderates the impact of cultural diversity on work group functioning  
2 by influencing how people value their own and other cultural groups and express  
3 and manage tensions related to diversity. The integration-and-learning diversity  
4 perspective views cultural differences as a source of distinctive “life experiences,  
5 knowledge and insights, which can inform alternative views about work and how  
6 best to accomplish it” (Ely & Thomas, 2001, p. 265). Work groups in Ely and  
7 Thomas’s (2001) study that had an integration-and-learning perspective were  
8 highly functioning. The valuing and use of differences affords opportunities for  
9 cross-cultural learning, which enhances a group’s work, they conclude. Thus, in  
10 both intergroup theory and in the work team literature, there is evidence for the  
11 moderating impact of mutual positive distinctiveness on the relationship between  
12 subgroup salience and cross-group learning.

13 Although there appears to be some evidence that mutual positive distinctiveness  
14 is required in order for cross-subgroup learning to occur, the conditions that  
15 foster mutual positive distinctiveness remain largely unexplored. We propose that  
16 motivation to engage across differences and cross-group information sharing are  
17 the two essential conditions necessary to engage the mechanism of mutual positive  
18 distinctiveness which will, in turn, enable cross-national learning in internationally  
19 distributed work teams.

20

### 21 *Motivation to Engage Across Differences*

22 According to the literature concerning the contact hypothesis, mere contact  
23 between an ingroup and outgroup is not sufficient to reduce ethnocentrism. Contact  
24 must occur under appropriate conditions. Decades of research have produced  
25 consensus on these conditions: cooperative interdependence toward achievement  
26 of a common goal, equal status between the groups, and social or institutional  
27 support for positive intergroup contact (Pettigrew, 1998). However, we found little  
28 discussion of the mechanism through which these conditions reduce ethnocentrism.  
29 Pettigrew (1998) proposes that they contribute to groups’ motivation to learn  
30 about and engage across their differences. Brewer and Miller (1984) suggest  
31 that groups benefit from contact under conditions that encourage them to open  
32 themselves to information about each other and integrate that information into  
33 their understanding of each other. Consistent with these views and the evidence  
34 described below, we conclude that what these conditions do is motivate groups to  
35 engage with each other despite their differences.

36 *Cooperative interdependence.* According to Allport (1954/1979), striving for a  
37 common goal in a cooperative setting changes attitudes and engenders solidarity  
38 across groups. Allport articulated two conditions – having a common goal and  
39 undertaking cooperative activity – that have more recently been combined by  
40 others into a single condition referred to as cooperative interdependence (see

1 Brewer & Miller, 1984). Allport finds evidence of the reduction of ethnocentric  
2 bias in studies of mixed race Army platoons that were interdependent in pursuit  
3 of a common goal. Pettigrew (1971, 1998) reviews studies of athletic teams and  
4 school groups, including Sherif et al.'s (1961) Robber's Cave field experiment  
5 and agrees with Allport: When people must work together to achieve a common  
6 goal, they are motivated to overcome or leverage the differences represented in the  
7 group. On geographically distributed teams, high levels of interdependence can  
8 be problematic as team members struggle to coordinate across distance and time  
9 zones, and through low bandwidth technologies. As a result, some scholars have  
10 argued for the benefits of lessening cross-site interdependence on geographically  
11 distributed teams (e.g. Kiesler & Cummings, 2002; Olson & Olson, 2000). We  
12 contend, however, that internationally distributed teams will more likely experience  
13 ethnocentrism and eschew learning when they feel less interdependence among  
14 members and perceive less need to engage across their differences.

15  
16 **Proposition 6a.** Perceived interdependence increases work team members'  
17 motivation to engage across differences and, by fostering an attitude of mutual  
18 positive distinctiveness, reduces the tendency for subgroup salience to result in  
19 ethnocentrism in the team.

20  
21 **Proposition 6b.** Perceived interdependence increases work team members'  
22 motivation to engage across differences and, by fostering an attitude of mutual  
23 positive distinctiveness, increases the likelihood that subgroup salience will  
24 result in cross-national learning in the team.

25 *Equal status.* Extensive research has been conducted on the role that relative  
26 status plays in fueling and reducing ethnocentrism. Most recently, reviews of  
27 the literature have concluded that unequal status between groups contributes to  
28 ethnocentrism. The effect is most pronounced if a diffuse, global conceptualization  
29 of status (i.e. ethnicity) is salient rather than a transitory, task specific  
30 conceptualization (i.e. task performance) (Brauer, 2001; Mullen, Brown & Smith,  
31 1992). For higher-status groups, engaging across differences could result in loss  
32 of valuable status; they are motivated to legitimize the existing social arrangement  
33 rather than seek change (see Jost & Burgess, 2000). Meanwhile, lower-status  
34 groups protect their self-esteem by emphasizing their ingroup membership and  
35 closed boundary (see Brewer & Campbell, 1976). In addition, feelings of being  
36 threatened by another group are more likely to occur under conditions of unequal  
37 power and status. Threat promotes the formation of coalitions in which groups  
38 focus on protecting their interests or exerting their dominance rather than on  
39 engaging to achieve mutual gains (Mannix, 1993). We conclude that motivation to  
40 engage across differences is reduced when groups have unequal status.

1 Researchers also have argued that equal status between groups can reduce  
2 ethnocentrism, although there is some debate about the conditions under which this  
3 effect operates. Allport (1954/1979) argues that equal status between groups *within*  
4 a contact situation is sufficient for contact to result in a reduction of ethnocentrism.  
5 More recent work has raised the question of whether equal status *beyond* the contact  
6 situation is required, that is, equal status in society (see Amir, 1969). Consistent  
7 with others, we argue that these two sources of status “are not mutually exclusive,  
8 but rather interrelated and overlapping” and that what matters are the perceptions  
9 of equal or unequal status that are created as these two sources of status operate  
10 together (Hewstone & Brown, 1986, p. 8; Riordan, 1978).

11 While studies conclude that unequal status contributes to ethnocentrism and  
12 equal status helps mitigate it, little is said about what is required for cross-  
13 group learning. Lau and Murnighan argue that “Groups that split into subgroups  
14 of comparable power are likely to experience intense, overt conflict. If they  
15 successfully resolve their disagreements, members will increase understandings  
16 of each other and their mutual tasks and will become less susceptible to future  
17 conflict” (1998, p. 335). Consistent with this, the work teams that displayed the  
18 most integration and cross-cultural learning in Ely and Thomas’s (2001) study were  
19 characterized by equal status and open discussion of differences. Thus, we argue  
20 that equal status in work groups contributes to cross-national learning because  
21 team members are motivated to engage with each other in discussions about and  
22 across their differences.

23  
24 **Proposition 7a.** Equal status increases work team members’ motivation to  
25 engage with each other across differences and, by fostering an attitude of mutual  
26 positive distinctiveness, reduces the tendency for subgroup salience to result in  
27 ethnocentrism in the team.

28  
29 **Proposition 7b.** Equal status increases work team members’ motivation to  
30 engage with each other across differences and, by fostering an attitude of mutual  
31 positive distinctiveness, increases the likelihood that subgroup salience will  
32 result in cross-national learning in the team.

33 *Institutional or social support.* Contact between groups is more likely to result  
34 in a reduction of ethnocentric bias if the contact has institutional or social support  
35 (Allport, 1954/1979; Pettigrew, 1998). This lesser studied condition highlights  
36 the importance of the norms that govern intergroup contact in its context. To  
37 the extent that there is social support for positive engagement between groups,  
38 engagement will be more likely and fruitful. When norms favor the expression of  
39 differences, opportunities to learn about an outgroup are more frequent and salient  
40 (see Brewer & Miller, 1984). By contrast, norms of distance and discrimination

1 typically lead people to avoid contact with an outgroup. When interaction does  
2 occur they typically experience discomfort and fear (see Russell, 1961 as cited in  
3 Pettigrew, 1998).

4 Some businesses demonstrate their support for engagement across difference  
5 by hosting events and activities that enable learning to occur. One global business  
6 organization we studied, for example, holds festivals in which the foods, clothing,  
7 and customs of the different countries in which it employs team members are  
8 showcased. In addition to any cross-national learning that occurs, this practice  
9 may signal institutional support for such engagement. A study of American  
10 Express Travel Related Services suggests that learning about and acceptance  
11 of differences in lifestyles, values, and family obligations increases when  
12 executives and peers are supportive (Morrison & Herlihy, 1992). We propose that  
13 institutional and social support for cross-national learning will increase motivation  
14 to engage with team members across difference by lowering the barriers to such  
15 interaction.

16 **Proposition 8a.** Institutional or social support for positive contact between  
17 diverse work team members increases their motivation to engage across  
18 differences and, by fostering an attitude of mutual positive distinctiveness,  
19 reduces the tendency for subgroup salience to result in ethnocentrism in the  
20 team.  
21

22 **Proposition 8b.** Institutional or social support for positive contact between  
23 diverse work team members increases their motivation to engage across  
24 differences and, by fostering an attitude of mutual positive distinctiveness,  
25 increases the likelihood that subgroup salience will result in cross-national  
26 learning in the team.  
27

### 28 *Information Sharing*

29 For cross-group learning to occur, we argue that groups require not only the  
30 motivation to engage with each other despite differences, but also information  
31 exchange. New information about an outgroup can improve attitudes toward  
32 the outgroup and reduce ethnocentrism (Pettigrew, 1998; Stephan & Stephan,  
33 1984). Information helps groups form more complex and, presumably, accurate  
34 images of an outgroup (Brewer & Miller, 1984), particularly if the information  
35 provides knowledge about both differences and similarities between the ingroup  
36 and outgroup and “explode[s] myths about false differences” (Hewstone &  
37 Brown, 1986, p. 11). Information about others’ customs also can provide insights  
38 into one’s own norms and customs, fostering mutual positive distinctiveness.  
39 In internationally distributed teams, two practices are essential – inclusive  
40 communication and sharing of contextual information.

1 *Inclusive communication.* The essence of the contact hypothesis is that  
2 inclusive contact between groups can reduce ethnocentrism as people interact  
3 with each other, learn about each other, and develop affective ties (Pettigrew,  
4 1998). The importance of inclusive communication also is discussed and  
5 demonstrated in the work group literature. Lau and Murnighan (1998) warn  
6 that exclusivity in subgroup communication fuels the tendency for activated  
7 faultlines to result in polarization, while communication across subgroups limits  
8 it. Larkey (1996) and Maznevski (1994) identify inclusive communication  
9 as an integrating mechanism for culturally diverse work groups. Likewise,  
10 Brickson (2000) describes how integrated communication networks reduce  
11 the tendency for team members to categorize one another and fracture into  
12 subgroups.

13 Maintaining inclusive contact is a challenge for distributed teams, whose  
14 collocated members typically interact more frequently with one another  
15 than with their distant colleagues, particularly when the team is spread  
16 over time zones (e.g. Mortensen & Hinds, 2001; Walther, 2002). Cramton  
17 (2001) observes how this exclusivity in communication in internationally  
18 distributed teams promotes ethnocentrism. Some of the teams she studied  
19 failed to share critical project information inclusively among distributed team  
20 members, at times deliberately and at times in error. She describes how the  
21 lack of inclusive communication resulted in team members having different  
22 information without knowing this to be the case, impacting their shared  
23 understanding of their work and each other, fueling conflict and reducing  
24 effectiveness.

25 It is difficult, if not impossible, to avoid subgroup meetings in internationally  
26 distributed teams. We think, however, that technologies and practices that facilitate  
27 more inclusive communication among distributed team members will help limit  
28 ethnocentrism and promote cross-national learning.

29  
30 **Proposition 9a.** Inclusive contact in a work team increases information sharing  
31 and, by fostering an attitude of mutual positive distinctiveness, reduces the  
32 tendency for subgroup salience to result in ethnocentrism.

33  
34 **Proposition 9b.** Inclusive contact in a work team increases information  
35 sharing and, by fostering an attitude of mutual positive distinctiveness,  
36 increases the likelihood that subgroup salience will result in cross-national  
37 learning.

38 *Sharing of context.* Cramton (2001) describes how sharing contextual  
39 information among distributed workers is time consuming, unwieldy, and  
40 uninstinctive. Contextual information is information about the circumstances or

1 facts surrounding an event or work setting that helps people interpret behaviors  
2 and events. Information about local customs, work practices, and holidays are  
3 examples of contextual information. Lack of contextual information can result in  
4 misinterpretation of communication, misattribution concerning remote partners,  
5 and the development of ethnocentrism within a team (Cramton, 2001). In our  
6 view, lack of contextual information and its consequences pose acute problems for  
7 internationally distributed teams.

8 Exchange of contextual information can powerfully affect whether a team  
9 polarizes into subgroups around cross-national differences or engages in a  
10 learning and adaptation process. Contextual information increases team members'  
11 ability to understand and adapt to their differences. For example, team members  
12 may observe differences in the working hours of partners in another country  
13 but not understand how working hours reflect the typical family structure or  
14 the transportation system in the country. As a result of incomplete situational  
15 information, team members are likely to make harsh, and often inaccurate,  
16 attributions about the behaviors and intentions of their distant team members  
17 (Cramton, 2002; Jones & Nisbett, 1972). Framed in terms of our model of  
18 the cross-national learning process, practices that provide team members with  
19 contextual information will help them better understand their differences, which  
20 may increase their willingness to adapt their own practices to facilitate the team's  
21 collaboration.

22  
23 **Proposition 10a.** Exchange of contextual information in a work team  
24 increases information sharing and, by fostering an attitude of mutual positive  
25 distinctiveness, reduces the tendency for subgroup salience to result in  
26 ethnocentrism.

27  
28 **Proposition 10b.** Exchange of contextual information in a work team  
29 increases information sharing and, by fostering an attitude of mutual positive  
30 distinctiveness, increases the likelihood that subgroup salience will result in  
31 cross-national learning.

32 In summary, we expect that when subgroups become salient in internationally  
33 distributed teams with strong faultlines, ethnocentrism is likely to result. This  
34 tendency, however, is moderated in favor of cross-national learning when  
35 team members are motivated to engage across their differences and share  
36 information, contributing to an attitude of mutual positive distinctiveness: Team  
37 members recognize and appreciate their relative strengths, weaknesses and  
38 complementarities. Under these conditions, teams will perform more effectively  
39 and team members will develop skills that enable them to work productively on  
40 future internationally distributed teams.

## DISCUSSION

1  
2  
3 In this paper, we have developed a theoretical framework for understanding  
4 the factors that contribute to subgroup dynamics in internationally distributed  
5 teams. We model [Lau and Murnighan's \(1998\)](#) work on faultlines, affording  
6 greater precision to the constructs and relationships. In particular, we reduce the  
7 importance of subgroup salience as the manifestation of faultlines. We extend  
8 [Lau and Murnighan's \(1998\)](#) work by describing how geographic distribution,  
9 like demographic attributes, can contribute to the strength of faultlines. Our  
10 analysis suggests that when demographic attributes align with geographic location,  
11 distinct subgroups are even more likely to become salient. We also harness the  
12 powerful theoretical and empirical literature concerning ethnocentrism to the task  
13 of explaining the consequences of the existence of faultlines, another extension of  
14 [Lau and Murnighan's \(1998\)](#) work. As a result of the links among the constructs  
15 of faultlines, subgroup salience and ethnocentrism, potent theoretical predictions  
16 become possible. This analysis provides a secure foundation for explaining the  
17 us-versus-them dynamics observed in distributed teams, where “conflicts escalate  
18 strangely between distributed groups, resisting reason” ([Armstrong & Cole, 1995](#),  
19 p. 188).

20 Although we argue that ethnocentrism and reduced team effectiveness are the  
21 most likely outcomes when faultlines are activated and subgroups become salient,  
22 we describe an alternative, ethnorelativistic learning. Ethnorelativist learning is  
23 learning about another group with the aim of understanding its perspective,  
24 including the other group's perspective on one's own group. While ethnocentrism  
25 narrows and biases one's thinking and is associated with competitive and hostile  
26 behavior in relation to another group, ethnorelativism expands one's perspective  
27 and is associated with empathic behavior in relation to the other group. In  
28 our context of interest in this paper, internationally distributed work teams,  
29 ethnorelativism takes the specific form of cross-national learning. Cross-national  
30 learning is learning about differences in the culture and local situation of team  
31 members that impact the team's work and relationships. We propose that cross-  
32 national learning enables work teams and organizations to capitalize on distance  
33 and differences rather than being harmed by them.

34 Whether ethnocentrism or cross-national learning results when subgroups  
35 become salient depends on the extent to which a work group has an  
36 attitude of mutual positive distinctiveness. We describe the interaction of this  
37 attitude with motivating factors and information sharing in tilting the balance  
38 from ethnocentrism to cross-national learning. When teams are motivated to  
39 share information across team members with an attitude of mutual positive  
40 distinctiveness, conditions are ripe for cross-national learning.

1 The notion of intergroup learning and the conditions that promote it have  
2 received little attention in the intergroup relations literature. We draw on social  
3 identity theory and the intergroup literature concerning the contact hypothesis  
4 to conceptualize intergroup learning. In particular, we highlight the potential  
5 importance of the new construct of mutual positive distinctiveness as a critical  
6 factor in facilitating intergroup learning.

7 Cross-national learning, we argue, will lead to more effective teamwork. Not  
8 only does it enhance the functioning of the existing team, but the capabilities of  
9 team members in future internationally distributed teams, improving long-term  
10 organizational effectiveness. The new construct of cross-national learning should  
11 enable researchers to better examine the impact of team dynamics beyond the  
12 immediate team and the current time.

13 Our analysis leads to the surprising conclusion that if managed well, faultlines  
14 may result in more resilient teams and team members. Faultlines are generally  
15 viewed as detrimental, increasing the likelihood of affective conflict and power  
16 struggles, and reducing learning (see Gibson & Vermeulen, 2003; Lau &  
17 Murnighan, 1998; Thatcher, Jehn & Zanutto, 2003). We propose, however, that  
18 the result of faultlines – subgroup salience – is a necessary condition for cross-  
19 national learning. Only when subgroup differences are salient is appreciation  
20 of unique strengths possible. Thus, faultlines contain the potential for learning.  
21 Furthermore, we argue that this learning can transcend the composition of the  
22 immediate group, resulting in enduring positive effects on individuals, teams, and  
23 organizations.

24 In this paper, we focus on distributed teams, but our analysis also contributes to  
25 understanding subgroup dynamics in collocated teams. By examining the factors  
26 that moderate the subgroup salience-ethnocentrism relationship, we suggest the  
27 conditions that lead to an improved ability of teams to learn from their diversity.  
28 Although extensive research has highlighted the importance of communication  
29 for surfacing different perspectives in diverse groups (e.g. Jehn & Mannix,  
30 2001; Lovelace, Shapiro & Weingart, 2001), little of this research considers  
31 the patterns of communication between team members (i.e. inclusiveness) that  
32 are necessary for learning and adaptation to occur. Using empirical research  
33 on the contact hypothesis and intergroup theory, we expand upon Lau and  
34 Murnighan's (1998) conceptualization of inclusiveness as the primary factor  
35 mitigating the detrimental potential of faultlines. Because our focus in this  
36 paper was internationally distributed teams, we make these claims cautiously and  
37 invite broader and more thorough analysis involving traditional collocated work  
38 teams.

39 A limitation of this work is that we do not address the differential consequences  
40 of how team members are distributed, e.g. number of locations and numbers of



1 people at each location. As O’Leary and Cummings (2002) observe, the way that  
2 people are dispersed on distributed teams can significantly affect team dynamics.  
3 We believe that the number of locations and the number of people at each location  
4 are likely to affect subgroup dynamics. Subgroup dynamics are likely to be more  
5 extreme when there are fewer locations and a more even distribution of individuals  
6 by location. For example, we expect stronger subgroup dynamics in a team split  
7 evenly between just two locations as compared with a team that has a handful of  
8 team members at each of five locations. More locations increase the likelihood  
9 that demographic attributes and other important affiliations will cut across sites,  
10 mitigating subgroup dynamics. With regard to the number of people at each  
11 location, larger numbers at each location are likely to increase the amount of  
12 within-site communication relative to the amount of cross-site communication.  
13 Ethnocentrism is fostered when communication is more exclusive than inclusive  
14 across subgroups.

15 In building theory about the cross-national learning process, we relied on  
16 existing literature on cross-cultural relations. We were surprised, however, at how  
17 little is understood about the process by which people come to appreciate the  
18 differences of others and develop ethnorelativistic thinking and behavior. Although  
19 some theories exist, they often are minimally compatible and informed by scant  
20 empirical evidence. To validate the propositions we developed, it will be important  
21 to scrutinize this process and better understand the mechanisms and sequence of  
22 behaviors and attitudinal changes that generate cross-national learning.

23 Investigation of our model will likely require multiple studies and multiple  
24 methods. Many of our propositions are process oriented and lend themselves to  
25 ethnographic field studies that enable a deep understanding of the behaviors in  
26 which people and teams engage and the attitudes that accompany them. We believe  
27 that creative methods such as diaries and critical incident stories also will be  
28 required to expose some of the more subtle behaviors and attitudes that drive these  
29 processes. In addition, social network analysis will be informative in understanding  
30 the nature of relationships that form across locations and across faultlines. Finally,  
31 laboratory studies may be helpful for understanding the relationship between  
32 personal attributes and geographic distribution, teasing out the impact of each,  
33 and isolating the effects of the moderators we propose.

34  
35

### *Practical Implications*

36  
37

38 Although our goal in this paper was primarily to develop theory, our analysis  
39 suggests some points for practice. As depicted by our model, subgroups become  
40 salient in an internationally distributed work team when some event galvanizes

1 awareness of and attention to demographic, geographic or other differences among  
2 group members. At this point, ethnocentrism is likely but ethno-relativistic learning  
3 also is possible. We think it is critical for managers and team members to foster  
4 the conditions that increase the likelihood of a response of inquiry, learning and  
5 adaptation rather than bias, rigidity and conflict. Our analysis of moderating  
6 variables provides evidence as to what these conditions might be.

7 The key condition is a work group attitude of mutual positive distinctiveness:  
8 the expectation that differences that surface in views, values, competencies and  
9 practices of team members are likely to be instructive and useful to the group as  
10 a whole. This also means fostering the belief that more than one subgroup can be  
11 positively distinctive.

12 We think that mutual positive distinctiveness is more likely when groups  
13 are motivated to engage across differences and share information. In practice,  
14 managers can encourage engagement across differences through the work  
15 interdependencies and institutional environments they create, and the behavior  
16 they model. Managers of internationally distributed teams often are tempted to  
17 reduce interdependence between distributed groups as much as possible because  
18 of communication and coordination difficulties. We caution that by limiting the  
19 motivation to engage across differences in this way, ethnocentrism and bias  
20 between subgroups may grow, increasing the risk that subgroups ultimately will  
21 reject each others' ideas and work. Likewise, when there are great disparities in  
22 the status, power and influence of different subgroups, we think that motivation to  
23 engage across differences will be reduced. High status subgroups may see no need  
24 to engage with low status subgroups and low status groups may find it too risky to  
25 engage with high status subgroups. Engagement across difference also is fostered  
26 when managers themselves model this behavior, inquiring about the various points  
27 of view when differences arise, attempting to develop an empathic understanding,  
28 and encouraging adaptive work practices.

29 Managers also can facilitate information sharing as a means of achieving  
30 mutual positive distinctiveness. Inclusive information sharing, for example, may  
31 be facilitated by transferring team members between sites. Transferred team  
32 members are likely to take their existing communication networks with them  
33 and build new communication networks at the new location. The overall effect  
34 may be stronger communication networks across sites. Transferred team members  
35 also may share their understanding of the home site context and interpret the  
36 behaviors of distant team members for the local subgroup. This is consistent  
37 with [Subramaniam and Venkatraman's \(2001\)](#) finding that organizations with team  
38 members who have overseas experience in which they acquire information about  
39 the tacit differences among countries are more effective at developing transnational  
40 products. [Gruenfeld, Martorana and Fan \(2000\)](#) caution, however, that transferred

1 team members with a different point of view may be marginalized because they  
2 are perceived as argumentative.

3 Some internationally distributed teams also have successfully created cross-  
4 site roles, such as liaisons responsible for ensuring coordination and information  
5 flow between distant team members (Armstrong & Cole, 1995). When team  
6 members are assigned roles that transcend their local site, we surmise that  
7 communication will be more inclusive and integrative, resulting in tighter bonds  
8 between members at distant sites. Consistent with this, Marcus-Newhall and  
9 colleagues (Marcus-Newhall, Miller, Holtz & Brewer, 1993) report that positive  
10 generalizations about a salient outgroup are more likely if roles are assigned in  
11 a way that cuts across subgroups. Team members with cross-cutting roles also  
12 may find themselves transferring contextual information as they bridge subgroups.  
13 Thus, cross-cutting roles are likely to decrease ethnocentrism and improve cross-  
14 national learning because they promote inclusiveness and the sharing of contextual  
15 information.

16 A defining characteristic of geographically distributed teams is their reliance on  
17 communication technologies to mediate interactions among distant team members  
18 (Hinds & Bailey, 2003; Maznevski & Chudoba, 2000). The communication  
19 technologies currently used by internationally distributed teams, however, are  
20 not particularly effective in facilitating the exchange of contextual information  
21 and may not be ideal for promoting inclusiveness and interdependence. Although  
22 differences exist among technologies, contextual information generally is difficult  
23 to transmit over mediating technologies because it is often dynamic and tacit (Clark  
24 & Brennan, 1991; Olson & Olson, 2000). In a study of student teams, Weisband  
25 (2002) noted that many of the groups had difficulty communicating contextual  
26 information via web conferencing and email. There is a need for new technologies  
27 that convey contextual information. Some technologies under development display  
28 information such as time zone differences and holidays at distant sites, the current  
29 availability of all team members, and on-going issues being dealt with by the team  
30 (e.g. Atkins et al., 2002). These awareness technologies may promote perceived  
31 interdependence and shared identity by making team identity and shared efforts  
32 more salient. Technology also may be able to support greater inclusiveness.  
33 As Cramton (2001) observed, distributed teams often face unevenly distributed  
34 information because team members distribute email messages to only a subset  
35 of the team. Although email should promote inclusion because of the multiple  
36 addressability feature (Sproull & Kiesler, 1991), evidence suggests that team  
37 members continue to communicate within subgroups, fueling friction between  
38 sites. This analysis suggests that technologies with passive inclusion features  
39 may be beneficial for reducing ethnocentrism and improving cross-national team  
40 learning.

1 Through this analysis, we strive to highlight the value of the moderating factors  
 2 as an analytic tool to assist in identifying organizational practices, team activities,  
 3 and technologies that might aid internationally distributed teams in overcoming  
 4 the impacts of naturally occurring faultlines. We have described just a small subset  
 5 of the practices suggested by these moderators. Overall, we encourage leaders and  
 6 team members to be aware of potential faultlines, sensitive to the emergence of  
 7 salient subgroups, and particularly, to provide the environment, practices, and tools  
 8 that enable teams to transcend ethnocentrism and learn about and leverage their  
 9 differences for the benefit of the team and the organization.

## 11 ACKNOWLEDGMENTS

13 This material is based upon work supported by the National Science Foundation  
 14 under Grant No. IIS-0219754 and Grant No. IIS-0220098 to the authors,  
 15 respectively. Any opinions, findings, and conclusions or recommendations  
 16 expressed in this material are those of the authors and do not necessarily reflect  
 17 the views of the National Science Foundation.

## 20 REFERENCES

- 22  
 23 Abrams, D., & Hogg, M. A. (2001). Comments on the motivational status of self-esteem insocial  
 24 identity and intergroup discrimination. In: M. Hogg & D. Abrams (Eds), *Intergroup Relations*  
 25 (pp. 232–244). Philadelphia: Psychology Press.  
 26 Alderfer, C. P. (1987). An intergroup perspective on group dynamics. In: J. Lorsch (Ed.), *Handbook of*  
 27 *Organizational Behavior* (pp. 190–219). Englewood Cliffs, NJ: Prentice-Hall.  
 28 Allport, G. W. (1954/1979). *The nature of prejudice*. Reading, MA: Addison-Wesley.  
 29 Amir, Y. (1969). Contact hypothesis in ethnic relations. *Psychological Bulletin*, *71*, 319–342.  
 30 Amir, Y. (1976). The role of intergroup contact in change of prejudice and race relations. In: P. A. Katz  
 31 (Ed.), *Towards the Elimination of Racism* (pp. 245–280). New York: Pergamon.  
 32 Armstrong, D. J., & Cole, P. (1995). Managing distances and differences in geographically distributed  
 33 work groups. In: S. E. Jackson & M. N. Ruderman (Eds), *Diversity in Work Teams: Research*  
 34 *Paradigms for a Changing Workplace* (pp. 187–216). Washington, DC: American Psychological  
 35 Association.  
 36 Atkins, D., Boyer, D., Handel, M., Herbsleb, J., Mockus, A., & Willis, G. (2002). *Achieving speed*  
 37 *in globally distributed project work*. Paper Presented at the Human-Computer Interaction  
 38 Consortium meetings, Winterpark, CO.  
 39 Ben-Ari, R., & Amir, Y. (1986). Contact between Arab and Jewish youth in Israel: Reality and potential.  
 40 In: M. Hewstone & R. Brown (Eds), *Contact and Conflict in Intergroup Encounters* (pp. 45–58).  
 New York: Blackwell.  
 Bennett, M. J. (1986). A developmental approach to training for intercultural sensitivity. *International*  
*Journal of Intercultural Relations*, *10*, 179–196.

- 1 Bennett, J. M., & Bennett, M. J. (2004). Developing intercultural sensitivity: An integrative approach  
2 to global and domestic diversity. In: D. Landis, J. Bennett & M. Bennett (Eds), *Handbook of*  
3 *Intercultural Training* (3rd ed., pp. 147–165). Thousand Oaks, CA: Sage.
- 4 Berry, J. W. (1997). Immigration, acculturation, and adaptation. *Applied Psychology: An International*  
5 *Review*, 46, 5–34.
- 6 Berry, J. W. (1999). Intercultural relations in plural societies. *Canadian Psychology*, 40, 12–21.
- 7 Berry, J. W., Kim, U., Power, S., Young, M., & Bujaki, M. (1989). Acculturation attitudes in plural  
8 societies. *Applied Psychology: An International Review*, 38, 185–206.
- 9 Brauer, M. (2001). Intergroup perception in the social context: The effects of social status and group  
10 membership on perceived out-group homogeneity and ethnocentrism. *Journal of Experimental*  
11 *Social Psychology*, 37, 15–31.
- 12 Brewer, M. B. (1986). The role of ethnocentrism in intergroup conflict. In: S. Worchel & W. Austin  
13 (Eds), *Psychology of Intergroup Relations* (pp. 88–102). Chicago: Nelson.
- 14 Brewer, M. B. (1999). The psychology of prejudice: Ingroup love or outgroup hate? *Journal of Social*  
15 *Issues*, 55, 429–444.
- 16 Brewer, M. B., & Campbell, D. T. (1976). *Ethnocentrism and intergroup attitudes: East African*  
17 *evidence*. New York: Halsted Press, Sage.
- 18 Brewer, M. B., & Gaertner, S. (2003). Toward reduction of prejudice: Intergroup contact and social  
19 categorization. In: R. Brown & S. Gaertner (Eds), *Intergroup Process* (pp. 451–472). Malden,  
20 MA: Blackwell.
- 21 Brewer, M. B., & Miller, N. (1984). Beyond the contact hypothesis: Theoretical perspectives on  
22 desegregation. In: N. Miller & M. B. Brewer (Eds), *Groups in Contact: The Psychology of*  
23 *Desegregation* (pp. 281–302). Orlando, FL: Academic Press.
- 24 Brewer, M. B., & Miller, N. (1996). *Intergroup relations*. Pacific Grove, CA: Open University Press.
- 25 Brickson, S. (2000). The impact of identity orientation on individual and organizational outcomes in  
26 demographically diverse settings. *Academy of Management Review*, 25, 82–101.
- 27 Brislin, R. W., Landis, D., & Brandt, M. E. (1983). Conceptualizations of intercultural behavior and  
28 training. In: D. Landis & R. W. Brislin (Eds), *Handbook of Intercultural Training, Issues in*  
29 *Theory and Design* (Vol. 1, pp. 1–34). New York: Pergamon.
- 30 Clark, H. H., & Brennan, S. E. (1991). Grounding in communication. In: L. Resnick, J. Levine &  
31 S. Teasley (Eds), *Perspectives on Socially Shared Cognition* (pp. 127–149). Washington, DC:  
32 American Psychological Association.
- 33 Cohen, S. G., & Bailey, D. E. (1997). What makes teams work: Group effectiveness research from the  
34 shop floor to the executive suite. *Journal of Management*, 23, 239–290.
- 35 Cook, S. W. (1978). Interpersonal and attitudinal outcomes in cooperating interracial groups. *Journal*  
36 *of Research in Developmental Education*, 12, 97–113.
- 37 Cook, S. W. (1985). Experimenting on social issues: The case of school desegregation. *American*  
38 *Psychologist*, 40, 452–460.
- 39 Cramton, C. D. (2001). The mutual knowledge problem and its consequences for dispersed  
40 collaboration. *Organization Science*, 12(3), 346–371.
- Cramton, C. D. (2002). Attribution in distributed work groups. In: P. Hinds & S. Kiesler (Eds),  
*Distributed Work* (pp.191–212). Cambridge, MA: MIT Press.
- Dinges, N. (1983). Intercultural competence. In: D. Landis & R. W. Brislin (Eds), *Handbook*  
*of Intercultural Training, Issues in Theory and Design* (Vol. 1, pp. 176–202). New York:  
Pergamon.
- DiStefano, J. J., & Maznevski, M. L. (2000). Creating value with diverse teams in global management.  
*Organizational Dynamics*, 29(1), 45–63.

- 1 Earley, P. C. (2002). Redefining interactions across cultures and organizations: Moving forward with  
2 cultural intelligence. In: B. M. Staw & R. M. Kramer (Eds), *Research in Organizational*  
3 *Behavior* (Vol. 24, pp. 271–299). Greenwich, CT: JAI Press.
- 4 Earley, P. C., & Mosakowski, E. (2000). Creating hybrid team cultures: An empirical test of transnational  
5 team functioning. *Academy of Management Journal*, 43(1), 26–49.
- 6 Ely, R. J., & Thomas, D. A. (2001). Cultural diversity at work: The effects of diversity perspectives on  
7 work group processes and outcomes. *Administrative Science Quarterly*, 46, 229–273.
- 8 Gaertner, S. L., Dovidio, J., Anastasio, P., Bachman, B., & Rust, M. (1993). The common ingroup  
9 identity model: Recategorization and the reduction of intergroup bias. In: W. Stroebe &  
10 M. Hewstone (Eds), *European Review of Social Psychology* (Vol. 4, pp. 1–26). London:  
11 Wiley.
- 12 Gaertner, S. L., Mann, J., Dovidio, J., Murrell, A., & Pomare, M. (1990). How does cooperation reduce  
13 intergroup bias. *Journal of Personality and Social Psychology*, 59, 692–704.
- 14 Gaertner, S. L., Mann, J., Murrell, A., & Dovidio, J. (1989). Reducing intergroup bias: The benefits of  
15 recategorization. *Journal of Personality and Social Psychology*, 57, 239–249.
- 16 Gibson, C. B., & Cohen, S. G. (2003). *Virtual teams that work*. San Francisco: Jossey-Bass.
- 17 Gibson, C., & Vermeulen, F. (2003). A healthy divide: Subgroups as a stimulus for team learning  
18 behavior. *Administrative Science Quarterly*, 48, 202–239.
- 19 Grinter, R. E., Herbsleb, J. D., & Perry, D. E. (1999). The geography of coordination: Dealing with  
20 distance in R&D work. *Proceedings of SIGGROUP '99 International Conference on Supporting*  
21 *Group Work*, 306–315.
- 22 Gruenfeld, D. H., Martorana, P., & Fan, E. T. (2000). What do groups learn from their worldliest  
23 members? Direct and indirect influence in dynamic teams. *Organizational Behavior and Human*  
24 *Decision Processes*, 82, 45–59.
- 25 Hewstone, M., & Brown, R. (1986). Contact is not enough: An intergroup perspective on the 'contact  
26 hypothesis.' In: M. Hewstone & R. Brown (Eds), *Contact and Conflict in Intergroup Encounters*  
27 (pp. 1–43). Oxford: Blackwell.
- 28 Hill, P. T. (1973). *A theory of political coalitions in simple and policymaking situations*. Beverly Hills,  
29 CA: Sage.
- 30 Hinds, P., & Bailey, D. (2003). Out of sight, Out of sync: Understanding conflict in distributed teams.  
31 *Organization Science*, 14, 615–632.
- 32 Hinds, P., & Kiesler, S. (2002). Preface. In: P. Hinds & S. Kiesler (Eds), *Distributed Work* (pp. xi–xviii).  
33 Cambridge, MA: MIT Press.
- 34 Hoopes, D. S. (1981). Intercultural communication concepts and the psychology of intercultural  
35 experience. In: M. D. Pusch (Ed.), *Multicultural Education: A Cross-Cultural Training*  
36 *Approach*. Chicago: Intercultural Press.
- 37 Jehn, K. (1995). A multimethod examination of the benefits and detriments of intragroup conflict.  
38 *Administrative Science Quarterly*, 40, 256–282.
- 39 Jehn, K., & Mannix, E. A. (2001). The dynamic nature of conflict: A longitudinal study of intragroup  
40 conflict and group performance. *Academy of Management Journal*, 44, 236–251.
- Jones, E., & Nisbett, R. (1972). The actor and the observer: Divergent perceptions of the causes  
of behavior. In: E. Jones, D. Kanouse, H. Kelley, R. Nisbett, S. Valins & B. Weiner (Eds),  
*Attributions: Perceiving the Causes of Behavior* (pp. 79–94). Morristown, NJ: General Learning  
Press.
- Jost, J., & Burgess, D. (2000). Attitudinal ambivalence and the conflict between group and system  
justification motives in low status groups. *Personality and Social Psychology Bulletin*, 26,  
293–305.

- 1 Kiesler, S., & Cummings, J. N. (2002). What do we know about proximity and distance in work  
2 groups? A legacy of research. In: P. J. Hinds & S. Kiesler (Eds), *Distributed Work* (pp. 57–80).  
3 Cambridge, MA: MIT Press.
- 4 King, J. L., & Frost, R. L. (2002). Managing distance over time: The evolution of technologies of  
5 dis/ambiguation. In: P. J. Hinds & S. Kiesler (Eds), *Distributed Work* (pp. 3–26). Cambridge,  
6 MA: MIT Press.
- 7 Kramer, R., & Brewer, M. (1984). Effects of group identity on resource use in a simulated commons  
8 dilemma. *Journal of Personality and Social Psychology*, *46*, 944–1057.
- 9 LaFromboise, T., Coleman, H. L. K., & Gerton, J. (1993). Psychological impact of biculturalism:  
10 Evidence and theory. *Psychological Bulletin*, *114*, 395–412.
- 11 Larkey, L. K. (1996). Toward a theory of communicative interactions in culturally diverse work groups.  
12 *Academy of Management Review*, *21*, 463–491.
- 13 Lau, D. C., & Murnighan, J. K. (1998). Demographic diversity and faultlines: The compositional  
14 dynamics of organizational groups. *Academy of Management Review*, *23*, 325–340.
- 15 Lawler, E. J., & Youngs, G. A. (1975). Coalition formation: An integration model. *Sociometry*, *38*(1),  
16 1–17.
- 17 LeVine, R., & Campbell, D. (1972). *Ethnocentrism: Theories of conflict, ethnic attitudes, and group  
18 behavior*. New York: Wiley.
- 19 Lovelace, K., Shapiro, D., & Weingart, L. (2001). Maximizing cross-functional new product teams'  
20 innovativeness and constraint adherence: A conflict communications perspective. *Academy of  
21 Management Journal*, *44*, 779–783.
- 22 Mannix, E. A. (1993). Organizations as resource dilemmas: The effects of power balance on coalition  
23 formation in small groups. *Organizational Behavior and Human Decision Making Processes*,  
24 *55*, 1–22.
- 25 Marcus-Newhall, A., Miller, N., Holtz, R., & Brewer, M. (1993). Cross-cutting category membership  
26 with role assignment: A means of reducing intergroup bias. *British Journal of Social Psychology*,  
27 *32*, 125–146.
- 28 Maznevski, M. L. (1994). Understanding our differences: Performance in decision-making groups with  
29 diverse members. *Human Relations*, *47*, 531–552.
- 30 Maznevski, M. L., & Chudoba, K. M. (2000). Bridging space over time: Global virtual team dynamics  
31 and effectiveness. *Organization Science*, *11*(5), 473–492.
- 32 McDonough, E. F., Kahn, K. B., & Barczak, G. (2001). An investigation of the use of global, virtual,  
33 and collocated new product development teams. *Journal of Product Innovation Management*,  
34 *18*, 110–120.
- 35 Miller, N., Brewer, M. B., & Edwards, K. (1985). Cooperative interaction in desegregated settings: A  
36 laboratory analogue. *Journal of Social Issues*, *41*(3), 63–79.
- 37 Morrison, E. W., & Herlihy, J. M. (1992). Becoming the best place to work: Managing diversity at  
38 American Express travel-related services. In: S. E. Jackson (Ed.), *Diversity in the Workplace*  
39 (pp. 203–26). New York: Guilford.
- 40 Mortensen, M., & Hinds, P. (2001). Conflict and shared identity in geographically distributed teams.  
*International Journal of Conflict Management*, *12*, 212–238.
- Mullen, B., Brown, R., & Smith, C. (1992). Ingroup bias as a function of salience, relevance, and status:  
An integration. *European Journal of Social Psychology*, *22*, 103–122.
- Nesdale, D., & Todd, P. (1998). Intergroup ratio and the contact hypothesis. *Journal of Applied Social  
Psychology*, *28*, 1196–1217.
- Northcraft, G., Polzer, J., Neale, M., & Kramer, R. (1995). Diversity, social identity, and performance:  
Emergent social dynamics in cross-functional teams. In: S. E. Jackson & M. N. Ruderman

- (Eds), *Diversity in Work Teams: Research Paradigms for a Changing Workplace* (pp. 69–96). Washington, DC: American Psychological Association.
- O’Leary, M. B., & Cummings, J. N. (2002). The spatial, temporal, and configurational characteristics of geographic dispersion in work teams. Working paper. MIT Sloan School. <http://ebusiness.mit.edu>.
- Olson, G. M., & Olson, J. S. (2000). Distance matters. *Human Computer Interaction*, *15*, 139–179.
- Pelled, L. H., Eisenhardt, K. M., & Xin, K. R. (1999). Exploring the black box: An analysis of work group diversity conflict and performance. *Administrative Science Quarterly*, *44*, 1–28.
- Pettigrew, T. F. (1971). *Racially separate or together?* New York, NY: McGraw-Hill.
- Pettigrew, T. F. (1986). The intergroup contact hypothesis reconsidered. In: M. Hewstone & R. Brown (Eds), *Contact and Conflict in Intergroup Encounters* (pp. 169–195). Oxford: Blackwell.
- Pettigrew, T. F. (1997). Generalized intergroup contact effects on prejudice. *Personality and Social Psychology Bulletin*, *23*, 173–185.
- Pettigrew, T. F. (1998). Intergroup contact theory. *Annual Review of Psychology*, *49*, 65–85.
- Pettigrew, T. F., & Tropp, L. R. (2003). *A meta-analytic test and reformulation of intergroup contact theory*. Under review.
- Riordan, C. (1978). Equal-status interracial contact: A review and revision of the concept. *International Journal of Intercultural Relations*, *2*, 161–185.
- Russell, M. J. (1961). *Study of a South African inter-racial neighbourhood*. Durban, S. Africa: University Natal, Durban.
- Rudmin, F. W. (2003). Critical history of the acculturation psychology of assimilation, separation, integration, and marginalization. *Review of General Psychology*, *7*, 3–37.
- Salk, J. E., & Brannen, M. Y. (2000). National culture, networks, and individual influence in a multinational management team. *Academy of Management Journal*, *43*(2), 191–202.
- Sherif, M. (1966). *Group conflict and cooperation: Their social psychology*. London: Routledge & Kegan Paul.
- Sherif, M., Harvey, O. J., White, B. J., Hood, W. R., & Sherif, C. W. (1961). *Intergroup conflict and cooperation: The Robber’s Cave experiment*. Norman: University of Oklahoma.
- Sproull, L., & Kiesler, S. (1991). *Connections: New ways of working in the networked organization*. Cambridge, MA: MIT Press.
- Stephan, W. G., & Stephan, C. W. (1984). The role of ignorance in intergroup relations. In: N. Miller & M. B. Brewer (Eds), *Groups in Contact: The Psychology of Desegregation* (pp. 229–256). Orlando, FL: Academic.
- Subramaniam, M., & Venkatraman, N. (2001). Determinants of transnational new product development capability: Testing the influence of transferring and deploying tacit overseas knowledge. *Strategic Management Journal*, *22*, 359–378.
- Sumner, W. G. (1906). *Folkways*. Boston: Ginn & Co.
- Tajfel, H. (1982). Social psychology of intergroup relations. *Annual Review of Psychology*, *33*, 1–30.
- Tajfel, H., & Turner, J. (1979). An integrative theory of intergroup conflict. In: W. G. Austin & S. Worchel (Eds), *The Social Psychology of Intergroup Relations* (pp. 33–47). Monterey, CA: Brooks/Cole.
- Tajfel, H., & Turner, J. C. (1986). The social identity theory of intergroup behaviour. In: S. Worchel & W. G. Austin (Eds), *Psychology of Intergroup Relations* (pp. 7–24). Chicago: Nelson.
- Thatcher, S. M. B., Jehn, K. A., & Zanutto, E. (2003). Cracks in diversity research: The effects of diversity faultlines on conflict and performance. *Group Decision and Negotiation*, *12*, 217–241.



1 Turner, J. C. (1975). Social comparison and social identity: Some prospects for intergroup behavior.  
2 *European Journal of Social Psychology*, 5, 5–34.  
3 Turner, J. C. (1985). Social categorization and the self-concept: A social cognitive theory of group  
4 behavior. In: E. Lawler (Ed.), *Advances in Group Processes* (Vol. 2, pp. 77–122). Greenwich,  
5 CN: JAI Press.  
6 Wagner, U., & Machleit, U. (1986). ‘Gastarbeiter’ in the Federal Republic of Germany: Contact between  
7 Germans and migrant populations. In: M. Hewstone & R. Brown (Eds), *Contact and Conflict*  
8 *in Intergroup Encounters* (pp. 59–78). New York: Blackwell.  
9 Walther, J. B. (2002). Time effects in computer-mediated groups: Past, present, and future. In: P. Hinds  
10 & S. Kiesler (Eds), *Distributed Work* (pp. 235–257). Cambridge, MA: MIT Press.  
11 Weisband, S. (2002). Maintaining awareness in distributed team collaboration: Implications for  
12 leadership and performance. In: P. Hinds & S. Kiesler (Eds), *Distributed Work* (pp. 311–333).  
13 Cambridge, MA: MIT Press.

### Uncited reference

14  
15  
16 References cited in the text must appear in the reference list; conversely, each  
17 entry in the reference list must be cited in the text . . . The author must make  
18 certain that each source referenced appears in both places and that the text citation  
19 and reference list entry are identical in spelling and year.  
20  
21 [Abrams & Hogg \(2001\)](#) and [Earley & Mosakowski \(2000\)](#).

22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40