Preface

When team members’ values differ: The moderating role of team leadership

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A B S T R A C T

Integrating theory and research on values, diversity, situational strength, and team leadership, we proposed that team leadership moderates the effects of values diversity on team conflict. In a longitudinal survey study of national service teams, we found significant, but opposite, moderating effects of task-focused and person-focused leadership. As predicted, task-focused leadership attenuated the diversity–conflict relationship, while person-focused leadership exacerbated the diversity–conflict relationship. More specifically, task-focused leadership decreased the relationship between work ethic diversity and team conflict. Person-focused leadership increased the relationship between traditionalism diversity and team conflict. Team conflict mediated the effects of the interactions of leadership and values diversity on team effectiveness.

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Introduction

In recent decades, as the workplace has grown increasingly diverse and the use of work teams has grown increasingly common, numerous scholars have investigated the effects of team diversity on team processes and performance (for reviews see Jackson, Joshi, & Erhardt, 2003; Mannix & Neale, 2005; van Knippenberg & Schippers, 2004). Relatively few consistent findings have emerged from this research. Rather, the effects of team diversity on team outcomes, and even the effects of specific types of team diversity on team outcomes, vary considerably from study to study (e.g., Bell, 2007; van Knippenberg, de Dreu, & Homan, 2004; van Knippenberg & Schippers, 2007). To make sense of the array of findings, reviewers of the literature have called for: (a) greater care in conceptualizing, and differentiating among, types of diversity (e.g., Harrison & Klein, 2007; McGrath, Berdahl, & Arrow, 1995); (b) greater attention to the diversity of deep-level team member attributes, such as values and attitudes (e.g., Dose & Klimoski, 1999; Harrison, Price, Gavin, & Florey, 2002; van Knippenberg & Schippers, 2007); and (c) further exploration of the processes and contextual factors that may mediate and moderate, respectively, the effects of diversity on team outcomes (e.g., Joshi & Roh, 2007, 2008; van Knippenberg et al., 2004; van Knippenberg & Schippers, 2007). Heeding these calls, we investigated the effects of team values diversity – a form of deep-level team diversity – on team effectiveness, hypothesizing that team conflict mediates and team leadership moderates the effects of team values diversity on team effectiveness.

Values are foundational for human behavior and identity (Dose, 1999). They are “generalized, enduring beliefs about the personal and social desirability of modes of conduct or ‘end-states’ of existence” (Kabanoff, Waldersee, & Cohen, 1995, p. 1076). They guide individuals in deciding how they “should” or “ought” to behave” (Meglin & Ravlin, 1998, p. 354) and “convey what is important to us in our lives” (Bardi & Schwartz, 2003, p. 120). Team members whose values differ markedly may thus hold different assumptions and expectations about one another’s behavior, making it difficult to achieve consensus and to collaborate and coordinate with one another (Jehn & Mannix, 2001; Kirkman & Shapiro, 2005). In short, team conflict may increase, and team effectiveness decrease, as a consequence of team values diversity.
Despite the central role that values play across multiple facets of individuals' lives, few researchers have investigated the effects of values diversity on team effectiveness and the team-level processes that may mediate such effects. Fewer still have examined the contextual factors that may moderate the effects of values diversity on team outcomes. Contextual factors are critical, we argue, shaping the strength of the situation (Meyer, Dalal, & Hermida, 2010; Mischel, 1973, 2004) and thus the extent to which individual differences, such as individual values, guide and predict individual behavior within a situation or setting (Bardi & Schwartz, 2003). One likely determinant of the strength of a team setting, and a focus of our research, is the team leader's behavioral style.

Building on the fundamentals of leadership theory and research (e.g., Fleishman, 1953; House, 1971), we argue that leaders who are high in task-focused leadership create a strong situation that restricts team members from expressing their individual values, and lessens the extent to which values diversity yields team conflict. Leaders who are high in person-focused leadership, in contrast, legitimize individual team members' perspectives, creating a weaker team situation that frees the expression of team members' values and increases the likelihood that team values diversity begets team conflict. Because team conflict may impair team effectiveness (De Dreu & Weingart, 2003), the interactive effects of team leadership and team values diversity may have important consequences not only for team conflict, but for team effectiveness as well. We thus propose a mediated-moderation model, in which team conflict mediates the effect of the interaction of values diversity and team leadership on team effectiveness.

Our research contributes to the literature in four key ways. First, we move beyond demographic diversity to examine the effects of values diversity in teams. Little studied in prior research, values diversity may divide a team, fostering team conflict and inhibiting team effectiveness, our results suggest. Second, we highlight the complex and nuanced nature of team values diversity. Our findings illustrate that the effects of team values diversity on team effectiveness are mediated by team conflict and depend not only on specific team leader behaviors but also on the specific values that separate team members. Third, we contribute to a nascent body of research examining the moderating effects of team leadership on the diversity–team effectiveness relationship, proposing and documenting that leader behaviors may either exacerbate or attenuate the detrimental effects of values diversity in teams. And fourth, our findings stimulate new questions and ideas for theory-building and research on team diversity.

Team values diversity and team conflict

To situate the study of team values diversity within the larger team diversity literature, we draw on McGrath et al.'s (1995) typology. McGrath et al. distinguished four types of deep-level diversity: diversity (1) of task-related knowledge, skills, and abilities; (2) of values, beliefs, and attitudes; (3) of personality and cognitive and behavioral styles; and (4) of group and/or organizational status. Whereas diversity of task-related knowledge, skills and abilities may enhance a team's creativity (van Knippenberg et al., 2004), and status diversity may lead to power inequities (Harrison & Klein, 2007), diversity of values may affect "the level of attraction and respect among members, ease of communication, and degree of overt conflict in the group" (McGrath et al., 1995, p. 25). Unless team members' values are associated with team members' task-related knowledge, skills, and abilities, the primary consequences of team values diversity are likely to be negative; team values diversity leads to tension and conflict and thus poor coordination within a team (Jehn, Chadwick, & Thatcher, 1997; Jehn & Mannix, 2001). An interrelated set of theoretical arguments – each of which suggests that differences make it difficult to anticipate others' actions and coordinate behavior – lends credence to the argument that team values diversity is positively related to team conflict. Similarity-attraction theory suggests that team members who share similar values are likely to find it easy to collaborate with one another (Byrne, 1971; Jehn, Northcraft, & Neale, 1999). According to Byrne (1971), people feel pleasure when they interact with others who hold similar values, opinions, and beliefs. Team members may, conversely, find it unpleasant to interact with others with markedly different values. Social categorization and social identity theories (Tajfel & Turner, 1986) suggest that people use cognitive categories to distinguish themselves and similar others (the in-group) from dissimilar others (the out-group). In a team whose members' values are deeply divided, team members may fail to develop a shared team identity and sense of belonging. Instead, they may identify with their in-group, united in their opposition to the out-group whose members' values counter their own (Gaertner, Dovidio, Nier, Ward, & Banker, 1999). And, finally, cognitive information processing models suggest that people whose values are similar interpret events similarly (Meglino & Ravlin, 1998). Shared interpretations and priorities enhance people's ability to understand and anticipate one another's behavior, reducing uncertainty and cognitive strain. Interactions between team members whose work-related values differ substantially may thus be confusing, stressful, and disjointed.

Despite the clarity, persuasiveness, and intuitive appeal of these theoretical arguments, studies of the effects of values diversity in teams have yielded inconsistent conclusions (van Knippenberg & Schippers, 2007). On the one hand, and in line with the conceptual arguments described above, Jehn and her colleagues (i.e., Jehn & Mannix, 2001; Jehn et al., 1997) found that team values diversity, measured using the Organizational Culture Profile q-sort procedure, was positively related to team conflict. On the other hand, Harrison et al. (2002) did not find a significant relationship between values diversity, measured as the extent to which students believed that their university courses allowed them to fulfill certain values, and team social integration. Kirkman and Shapiro (2005) examined diversity with respect to four different values and found limited and inconsistent effects of team values diversity on team processes and outcomes. One type of values diversity – determinism diversity – was significantly, positively related to members' ratings of team cooperation and of productivity; a second type – doing-orientation diversity – was significantly, negatively related to members' ratings of productivity (Kirkman & Shapiro, 2005). Together, the inconsistent findings regarding the effects of values diversity on team processes and outcomes suggest that further analyses of the effects of values diversity are war-
ranted (van Knippenberg & Schippers, 2007). Key considerations include not only, as we detail below, the contextual factors that may moderate the effects of values diversity on team effectiveness, but also the specific values targeted for investigation.

There exists no single, well-established typology of work-relevant values, akin to the Big Five of personality dimensions. Rather, scholars have proposed several values typologies to organize a myriad of values and explain how values influence behavior (e.g., Dose, 1997; Meglino & Ravlin, 1998; Rokeach, 1973; Super, 1973). In choosing which values to study in work teams, we sought to identify a small set of values that satisfied two key criteria. First, the values should be broadly work-relevant; they should shape individual behaviors that are observable and potentially important to work colleagues. Diversity of values that were neither work-relevant nor observable to fellow team members would not engender team conflict, we reasoned. Second, the values should be moral rather than preference values (Dose, 1997; Dose & Klimoski, 1999). Preference values are up to an individual’s discretion—they carry no sense of obligation or rightness. In contrast, people who ascribe to a particular moral value are “likely to believe that others should hold the same values as they do... and [may] attempt to exert influence toward value change in others” (Dose & Klimoski, 1999, p. 89). Because moral values may influence team members’ perceptions, expectations, and judgments of others, diversity of moral values are especially likely to foster conflict than diversity of preference values.

We studied team diversity with respect to two values that met the criteria above: work ethic and traditionalism. Work ethic—often referred to as the Protestant work ethic—extols hard work as a value in itself (Ryan, 2002) and suggests that “work is to be valued because it represents the best use of a man’s [sic] time, not merely because it is instrumental to the attainment of external rewards” (Wollack, Goodale, Witjing, & Smith, 1971, p. 332). Clearly, work ethic is work-relevant, evidenced in individuals’ tendency to work hard even in the absence of supervision or the promise of material rewards. Further, it is widely conceptualized as a moral value (Dose, 1997); work ethic represents a standard that adherents believe should govern their own and others’ behavior.

Traditionalism is a value conveying “commitment and acceptance of the customs and ideas of traditional cultures or religions” (Bardi, Calgero, & Mullen, 2008, p. 489). Traditionalism is tightly linked to behavior, such as observance of traditional customs on holidays, attending religious services, displaying modesty with regard to personal achievements and talents, and accepting positive and negative events without complaining or braggadocio (Bardi & Schwartz, 2003). Indeed, of the 10 values that Bardi and her colleagues studied, traditionalism was one of the two values most strongly related to behavior expressing the specific value (Bardi & Schwartz, 2003). Like work ethic, traditionalism is a moral value; people high in traditionalism are likely to believe others should be as well.

The moderating role of team leader behavior: task- and person-focused leadership

Team leaders play a powerful role in shaping team processes and outcomes (Zaccaro, Rittman, & Marks, 2001). Accordingly, leader behaviors may influence the extent to which values diversity results in team conflict. But, which leader behaviors and how? Surprisingly little theory or research exists to explain how leaders might affect the relationship between diversity and team outcomes. DiTomaso and Hooijberg (1996, p. 163) noted, “One would think that in the field of management the study of diversity would be all about leadership, but this is not what has developed.” Similarly, House and Aditya (1997, p. 451–452) concluded, “It is evident... that the issue of leading diverse individuals and groups requires substantial theoretical development and empirical research. At the present time, the literature on this issue is largely speculative and anecdotal.” More recently, van Knippenberg et al. (2004) urged examination of the role of leadership in moderating the relationship between diversity and performance. Interest in the topic appears to be growing but to date has focused almost exclusively on the effects of demographic and/or informational diversity on team outcomes (e.g., Gibson & Vermeulen, 2003; Kearney & Gebert, 2009; Mohammed & Angell, 2004; Nishii & Mayer, 2009; Somech, 2006).

In developing theory to explain which leader behaviors may influence the extent to which values diversity results in team conflict and how, we drew on theory and research on situational strength (e.g., Meyer et al., 2010; Mishel, 1973, 2004) and on the correspondence between values and behavior (Bardi & Schwartz, 2003; Meglino & Ravlin, 1998). Theory and research in these areas (e.g., Bardi & Schwartz, 2003) suggest that individuals’ values are most predictive of their behavior in weak settings—that is, in settings in which normative pressures on, and behavioral requirements of, individuals are weak. In contrast, in strong settings, values are less predictive of behavior as normative pressures and work-related requirements, rather than individual values, guide behavior. Situational strength—the extent to which a setting provides individuals with clear, consistent, and consequential cues regarding their work-related responsibilities and requirements (Meyer et al., 2010)—may thus shape the extent to which values are expressed, and in turn the extent to which team values diversity fosters team conflict.

Two well-established leader behaviors, although both positive in their effects on many team processes and outcomes, differ strikingly in their likely effects on the strength of the team setting: task-focused leadership, likely to yield strong team settings, and person-focused leadership, likely to yield weak team settings. The distinction between these two leader behaviors has been a staple of leadership research and theory, incorporated in the Michigan Leadership Studies (Katz, Maccoby, & Morse, 1950), Blake and Mouton’s (1964) managerial grid, Fiedler’s (1964) contingency theory, House’s (1971) path-goal theory of leadership, Kerr and Jermier’s (1978) leadership substitutes theory, and Yukl and Lepsinger’s (2004) flexible leadership theory. Further, in their meta-analysis of 231 studies, Burke et al. (2006, p. 299) found that “both task- and person-focused leadership behaviors explain a significant amount of variance in team performance outcomes.”

The moderating effects of task-focused leadership

Task-focused leaders organize, define, and coordinate team activities; define the roles and tasks that they expect each team member to assume; maintain formal standards; provide explicit deadlines; and plan ahead (Burke et al., 2006; Fleishman, 1973). Together, these leader behaviors create a strong team setting that guides and constrains team members’ individual and collective behavior. Leaders high in task-focused leadership may thus obviate the influence of individuals’ work ethic on their work behavior and the expression of their traditionalism. Under the guidance of a highly task-focused leader, team members whose values differ may, despite their differences, anticipate one another’s actions, behave similarly, and coordinate effectively.

In contrast, leaders who are low in task-focused leadership devote relatively little attention to planning, prioritizing, and scheduling their team’s work. They are more likely to “go with the flow” and are less likely to proactively structure team activities or intervene in work planning. In teams of low values diversity—and, more specifically, in teams whose members share common values regarding the importance of hard work (i.e., work ethic) and the role of tradition in everyday life (i.e., traditionalism) – this leadership
approach may not engender conflict. As Jehn et al. (1997, p. 288) noted, “group members who share similar values are more likely to agree about group actions such as goals, tasks, and procedures, thus reducing task conflict.” But, in teams of high values diversity, leaders low in task-focused leadership may effectively, if unintentionally, create a weak team setting, ripe for conflict. We therefore predicted:

**Hypothesis 1.** Task-focused leadership moderates the relationship between values diversity and team conflict. The more a team leader shows task-focused leadership, the weaker (a) the positive relationship between work ethic diversity and team conflict; and (b) the positive relationship between traditionalism diversity and team conflict.

The moderating effects of person-focused leadership

Leaders high in person-focused leadership show warmth and consideration toward their team members (Burke et al., 2006; Fleishman, 1973). They exhibit concern for members’ needs, listen to their problems, treat members as equals, invite participation in decision making, and encourage two-way communication (Burke et al., 2006; Fleishman, 1953). In so doing, leaders high in person-focused leadership may create a weak situation, freeing constraints on team members’ verbal and behavioral expression of their individual values. When team members’ work-relevant, moral values are similar, person-focused leadership may reinforce and enhance team members’ feelings of cohesion, identity, and pride. Team members’ similarity of values is a unifying force, as is their leader’s kindness and attentiveness to each member.

But, when team members’ values differ, person-focused leadership – and the weak setting it engenders – may foster and enable team members’ expression of their differing values. Commenting on the pressures that minority opinion-holders experience in teams, Mannix and Neale (2005, p. 48) wrote: “Ultimately, the support of the team leader is likely to be most critical if the minority-opinion holder is to be heard. A coalition with the leader helps confer status and opens the door to respect for the minority.” Person-focused leaders may confer status on all of their team members, opening the door to each member’s enactment of his or her distinctive values. In teams high in values diversity, the care and consideration exhibited by the person-focused leader may yield not cohesion, identity, and pride, but disapproval and frustration as team members react to the statements and behavior of those whose values differ notably from their own. Effectively if inadvertently spurred on by leaders high in person-focused leadership, teams whose members differ widely in their endorsement and expression of work ethic and traditionalism are likely to experience substantial conflict. We thus predicted:

**Hypothesis 2.** Person-focused leadership moderates the relationship between values diversity and team conflict. The more a leader shows person-focused leadership, (a) the stronger the positive relationship between work ethic diversity and team conflict and (b) the stronger the positive relationship between traditionalism diversity and team conflict.

From team conflict to team effectiveness

Occupying time and attention, team conflict can distract team members from their tasks and sap their motivation. Conflict may shatter the relationships needed for effective communication, coordination, and a steady locomotion towards team goals (De Dreu & Weingart, 2003; Jehn & Bendersky, 2003). Although some theorists (e.g., Jehn & Bendersky, 2003) have argued that conflict, specifically task conflict, may be positively related to team effectiveness, the preponderance of the evidence indicates that team conflict of all types is negatively related to performance. De Dreu and Weingart (2003) found in their meta-analysis that both task conflict and relationship conflict were negatively related to task performance ($q = -0.23$ and $q = -0.22$, respectively). Conflict yields tension and ill-will, not respectful contemplation of others’ views.

If, especially in weak situations, team values diversity engenders team conflict, which in turn impedes team effectiveness, then team conflict may mediate the moderated team diversity–team effectiveness relationship. That is, in teams led by leaders either low in task-focused leadership or high in person-focused leadership, diversity in work ethic and traditionalism values may diminish team effectiveness because diversity of these values engenders team conflict, and team conflict distracts team members from completing their shared tasks. In a quasi-experimental study, Jehn et al. (1997) found that relationship conflict mediated the effects of values diversity on team performance. We propose a similar model, but present mediated-moderation hypotheses to capture the effects of leadership, diversity, and team conflict:

**Hypothesis 3.** Team conflict mediates (a) the interaction of task-focused leadership and work ethic values diversity on team effectiveness; and (b) the interaction of task-focused leadership and traditionalism values diversity on team effectiveness.

Further:

**Hypothesis 4.** Team conflict mediates (a) the interaction of person-focused leadership and work ethic values diversity on team effectiveness; and (b) the interaction of person-focused leadership and traditionalism values diversity on team effectiveness.

**Method**

**Sample and procedure**

We collected longitudinal survey data from a residential, team-based, 10 month long American national service program. Over the course of the program, the members of each team worked closely and interdependently with one another on a variety of projects including environmental work (e.g., clearing trails, restoring camp-sites), education (e.g., tutoring elementary school children), disaster relief (e.g., collecting and distributing food, removing debris, repairing home damage), and other community service (e.g., assisting in programs and projects run by Special Olympics, Habit for Humanity, and the American Red Cross). Team members worked approximately 40 h per week and received an educational grant and a modest stipend. Individuals were randomly assigned to teams ranging in size from 9 to 12 members. Each team was supervised by a formally designated and independently recruited and selected team leader. Team leaders were responsible for setting standards for team work, facilitating intra-team interactions, and managing team finances and equipment. Leaders also served as the key link between team members and the overarching service program. Team members were predominantly female (68%) and white (82%) and ranged in age from 17 to 25 years ($M = 20.80$, $SD = 1.93$). The majority of leaders were also female (65%) and white (86%), but older than team members ($M = 23.60$, $SD = 2.21$).

We collected data at three time periods. Within the first 2 weeks following team formation, we collected measures of respondents’ demographic characteristics and values (Time 1). We administered the survey to all team members and received completed Time 1 surveys from 1022 members of 102 teams (98% response rate). Five months later, we collected information on
leader behaviors and team conflict (Time 2). We received completed Time 2 surveys from 845 members of 100 teams (87% response rate). Ten months following team formation and within the final 2 weeks of the program, we collected member ratings of team effectiveness (Time 3). At Time 3, 716 members from 80 teams returned completed surveys (only 83 teams were eligible for inclusion in the study at Time 3 because one program site reorganized the members of its teams; 84% response rate). Our sample thus consisted of 97 teams for our hypotheses about diversity, leadership, and conflict (Times 1 and 2 variables) and 79 teams for our hypotheses regarding effectiveness (Times 1, 2, and 3 variables).

**Measures**

**Values diversity: work ethic**

We administered the 9-item “activity preference” subscale of the Survey of Work Values (Wollack et al., 1971) at Time 1. This scale measures beliefs about the extent to which workers should work hard and stay busy on the job. Participants used a 5-point response scale to indicate their agreement or disagreement. Sample items are: “A person should try to stay busy all day rather than try to find ways to get out of doing work” and “A person who takes long rest pauses is probably a poor worker.” Alpha (at the individual level of analysis) was 0.73. We used the within-team standard deviation of team members’ scores to index team work ethic diversity.

**Values diversity: traditionalism**

We administered Giberson, Resick, and Dickson’s (2005) 8-item traditionalism scale at Time 1. Participants were asked to “Rate each statement on how important it is as a guiding principle in your life,” using a 5-point “very unimportant” to “very important” response scale. Sample items are: “Being respectful of tradition” and “Living by a strict moral code”. Alpha (at the individual level of analysis) was 0.81. We used the within-team standard deviation of team members’ scores to index traditionalism diversity in each team.

**Task-focused leadership**

At Time 2, team members used a 5-point “Strongly Disagree” to “Strongly Agree” response scale to rate the extent to which their leader demonstrated task-focused leadership. We used six relevant items from Stogdill’s (1963) initiating structure subscale of the Leader Behavior Description Questionnaire Form XII (LBDQ XII). Sample items are: “My team leader assigns team members to particular tasks” and “My team leader decides what shall be done and how it will be done.” The team-level alpha (i.e., alpha after items were aggregated to the team level) was 0.72.

**Person-focused leadership**

We administered four relevant items from the consideration subscale of Stogdill’s (1963) LBDQ XII at Time 2. Sample items are: “My team leader looks out for the personal welfare of group members” and “My team leader is friendly and approachable.” The team-level alpha was 0.81.

**Team conflict**

At Time 2, members used a 5-point “Very Rarely” to “Very Often” response scale to respond to nine items reported by Jehn and Mannix (2001) and designed to measure task, relationship, and procedural conflict. Sample items are: “How often do people in your team have conflicting opinions about the project you are working on?”, “How often do people get angry while working in your team?”, and “How often do people disagree about who should do what?” The team-level alpha for the 9-item measure was 0.92.

**Team effectiveness**

At Time 3, team members rated their team’s effectiveness across four dimensions using a 6-point “Very Poor” to “Outstanding” response scale. We consulted with administrators of the national service program to determine the dimensions of team effectiveness most relevant and important for the teams we studied. Based on this input, we included the following items: “Getting work done efficiently,” “Overall performance,” “Quality of work,” and “Service orientation.” Because each team performed a variety of service projects, and projects were not standardized across teams, no objective measure of team performance was available. The team-level alpha for member ratings of effectiveness scale was 0.94.2

**Analyses**

**Aggregation**

Task-focused leadership, person-focused leadership, conflict, and team effectiveness are “shared unit properties,” describing “collective, consensual aspect[s] of the unit as a whole” (Kozlowski & Klein, 2000, p. 30). We thus calculated \( r_{wg(i)} \) (James, Demaree, & Wolf, 1993) and two versions of the intraclass correlation to assess the extent to which the measures showed within-team homogeneity and between-team variability. Mean \( r_{wg(i)} \) values for task-focused leadership, person-focused leadership, team conflict, and member ratings of team effectiveness were 0.89, 0.84, 0.93, and 0.84, respectively. ICC(1) values for task-focused leadership, person-focused leadership, team conflict, and member ratings of team effectiveness were, respectively, 0.25, 0.48, 0.33, and 0.30; all values are statistically significant at \( p < .01 \). ICC(2) values for these constructs were, respectively, 0.77, 0.89, 0.82, and 0.80. These results support using the team mean of member ratings to operationalize these constructs.

**Discriminant validity of constructs**

We conducted a series of pairwise confirmatory factor analyses to examine the discriminant validity of our measures. First, we examined the discriminant validity of our measures of task-focused leadership and person-focused leadership. While the fit of a two-factor model was moderate (CFI = 0.89, SRMR = 0.06, RMSEA = 0.17), a two-factor model fit significantly better than a one-factor model (CFI = 0.68, 0.16, RMSEA = 0.25; \( \chi^2 = 89.6, p < .05 \)). Second, we examined our measure of team conflict, which included separate subscales for task, relationship, and procedural conflict. Both a three-factor solution (CFI = 0.91, SRMR = 0.06, RMSEA = 0.17) and a one-factor solution (CFI = 0.90, SRMR = 0.06, RMSEA = 0.17) yielded a similar, moderate fit to the data. While the three-factor solution fit significantly better than a one-factor solution (\( \chi^2 = 9.5, p < .05 \)), the standardized path coefficients among the three factors were extremely high (averaging 0.95), suggesting that the three factors are largely redundant. For parsimony, we averaged responses to the nine items to form a single measure.2 Third, we examined the discriminant validity of our measures of team conflict and team effectiveness. The fit of a two-factor model was moderate (CFI = 0.92, SRMR = 0.06, RMSEA = 0.11) and

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2 Team leaders also provided a generic rating of their teams; however, our sample of leader ratings (\( n = 63 \) teams) was significantly smaller than our sample of teams using member ratings (\( n = 79 \) teams), leading to more than a 25% drop in statistical power for testing our mediated-moderation model (assuming a medium-sized effect of conflict on effectiveness). Leader ratings are significantly and positively correlated with member ratings (\( r = .55, p < .01 \)) and we found a similar pattern of relationships leadership, values diversity, and leader perceptions of team effectiveness. Most coefficients, however, were not statistically significant, which we suspect is attributable to the loss of statistical power.

3 Results for each conflict type are available from the first author. The results for each conflict type are very similar to the results reported here.
significantly better than a one-factor model (CFI = 0.72, SRMR = 0.16, RMSEA = 0.21; \( \chi^2 = 161.7, p < .01 \)), providing evidence for discriminant validity.

**Control variables and tests of hypotheses**

We used hierarchical linear regression at the team level of analysis to test our hypotheses. We controlled for mean team values because the within-team standard deviation and the within-team mean of a variable may be confounded (Harrison & Klein, 2007). We also controlled for team diversity with respect to age (mean age and standard deviation of age), race (proportion White), and gender (proportion female) to evaluate the contributions of deep-level values diversity above-and-beyond diversity in surface-level characteristics. Because of the high correlation between a proportional measure of race and gender, respectively, and Blau's index for each (\( r = -.91 \) for race, \( r = -.84 \) for gender), we report results only including the proportional measure. The significance and direction of our findings do not change when including Blau's index for race and gender in our regression equations. And, finally, we controlled for team size and task interdependence, which prior research suggests are significantly related to team conflict and team effectiveness (Cohen & Bailey, 1997). We measured task interdependence using four items developed for this research project (alpha at the team level = 0.72). A sample item is, “How often were the members of your team required to coordinate their work activities in order to get their work done?” Team members agreed with one another about their team’s task interdependence and teams differed on task interdependence [Mean \( t_{wg} = .87 \), \( SD = 0.05 \); ICC(1) = 0.29, \( p < .01 \); ICC(2) = 0.79].

To test our mediated-moderation hypotheses, we followed the regression-based approach of Muller, Judd, and Yzerbyt (2005). A variable (Me) mediates the relationship between an interaction of two variables (XMo) and an outcome variable (Y) if (a) XMo is significantly related to Y; (b) XMo is significantly related to Me; (c) after controlling for XMo, Me remains significantly related to Y; and (d) after controlling for Me, the XMo–Y relationship is not significantly different from zero. In our analyses, XMo is the values diversity–leadership interaction, M is team conflict, and Y is team effectiveness.

To supplement this approach, we used the path analytic approach outlined by Preacher, Rucker, and Hayes (2007). Consistent with Preacher et al.’s (2007) Model 2, we tested the significance of the indirect effect of the interaction of leadership and values diversity on team effectiveness through the mediator team conflict. We used bootstrapped estimates and standard errors to evaluate the significance of the conditional indirect effect of values diversity on effectiveness at high and low levels of leadership. We tested each values diversity–leadership interaction separately, for a total of four models: work ethic diversity and task-focused leadership, work ethic diversity and person-focused leadership, traditionalism diversity and task-focused leadership, and traditionalism diversity and person-focused leadership.

While our measures of team conflict and team effectiveness were separated temporally (by approximately 5 months) and represented distinct factors in confirmatory factor analyses, the relationship between these constructs could be inflated due to common method and common source bias. To reduce concerns regarding common source bias, we used a split-sample approach in testing our mediated-moderation hypotheses (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). That is, we computed team conflict using the responses of one half of the members of each team (randomly selected) and computed team effectiveness using the responses of the members of the other half of the team. In all analyses, we mean-centered predictor variables, report two-tailed significance tests, and adopt a critical \( p \) value of .05.

**Results**

Table 1 shows descriptive statistics for and team-level correlations among the variables.

### Hypotheses 1 and 2: the moderating role of team leadership

In Hypothesis 1, we predicted that task-focused leadership would moderate the relationship between values diversity and team conflict. As shown in Model 3 of Table 2, the control variables, team values diversity, and task-focused leadership explained 22% of the variance in team conflict. The interaction of task-focused leadership and each of the values diversity measures explained an additional 5% of the variance (Table 2, Model 4). The interaction of task-focused leadership and work ethic diversity was significant (\( p = -.24, p < .05 \)), while the interaction of task-focused leadership and traditionalism diversity was not. Fig. 1 depicts the interaction of task-focused leadership and work ethic diversity. Consistent with Hypothesis 1a, a simple slopes analysis (Aiken & West, 1991) showed that when leaders were low in task-focused leadership, the relationship between work ethic diversity and team conflict was positive (slope = 1.11, \( t = 1.72, p < .10 \)). When leaders were high in task-focused leadership, the relationship between work ethic diversity and team conflict was significant and negative.

<table>
<thead>
<tr>
<th>Team size</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
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<th>6</th>
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<th>9</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
</tr>
</thead>
<tbody>
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<td>10.90</td>
<td>1.25</td>
<td>–</td>
<td>–</td>
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<td>–</td>
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<tr>
<td>2. Task interdependence</td>
<td>3.51</td>
<td>0.36</td>
<td>.23</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
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<td>–</td>
<td>–</td>
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<td>–</td>
<td>–</td>
</tr>
<tr>
<td>3. Traditionalism, mean</td>
<td>3.10</td>
<td>0.19</td>
<td>–.10</td>
<td>.14</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
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<td>–</td>
<td>–</td>
</tr>
<tr>
<td>4. Work ethic, mean</td>
<td>3.84</td>
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<td>–.19</td>
<td>–.04</td>
<td>.14</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
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<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>5. Age, mean</td>
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<td>0.49</td>
<td>–.10</td>
<td>–.16</td>
<td>.00</td>
<td>.23</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
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<td>–</td>
<td>–</td>
</tr>
<tr>
<td>6. Age diversity (SD)</td>
<td>1.94</td>
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<td>.25</td>
<td>.10</td>
<td>–.11</td>
<td>–.08</td>
<td>–.29</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>7. Percent white</td>
<td>79.61</td>
<td>13.38</td>
<td>.20</td>
<td>–.15</td>
<td>.06</td>
<td>.08</td>
<td>–.13</td>
<td>.02</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>8. Percent female</td>
<td>67.53</td>
<td>8.82</td>
<td>.20</td>
<td>.05</td>
<td>–.11</td>
<td>.03</td>
<td>.08</td>
<td>–.09</td>
<td>.10</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>9. Traditionalism diversity (SD)</td>
<td>0.62</td>
<td>0.15</td>
<td>–.02</td>
<td>–.01</td>
<td>–.26</td>
<td>.05</td>
<td>.04</td>
<td>–.05</td>
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<td>.01</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>10. Work ethic diversity (SD)</td>
<td>0.42</td>
<td>0.11</td>
<td>–.14</td>
<td>–.08</td>
<td>.07</td>
<td>–.03</td>
<td>–.05</td>
<td>–.12</td>
<td>0.15</td>
<td>0.12</td>
<td>.23</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>11. Task-focused leadership</td>
<td>3.85</td>
<td>0.39</td>
<td>–.02</td>
<td>.17</td>
<td>.01</td>
<td>.11</td>
<td>–.11</td>
<td>.19</td>
<td>0.12</td>
<td>0.16</td>
<td>.04</td>
<td>.02</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>12. Person-focused leadership</td>
<td>3.65</td>
<td>0.69</td>
<td>.01</td>
<td>.03</td>
<td>.08</td>
<td>.22</td>
<td>.04</td>
<td>.08</td>
<td>.16</td>
<td>.05</td>
<td>–.01</td>
<td>.11</td>
<td>.46</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>13. Team conflict</td>
<td>2.75</td>
<td>0.40</td>
<td>.15</td>
<td>.05</td>
<td>.10</td>
<td>–.05</td>
<td>.01</td>
<td>–.04</td>
<td>.03</td>
<td>–.02</td>
<td>.14</td>
<td>.00</td>
<td>–.38</td>
<td>.21</td>
<td>–</td>
</tr>
<tr>
<td>14. Team effectiveness</td>
<td>4.33</td>
<td>0.57</td>
<td>.03</td>
<td>–.03</td>
<td>–.19</td>
<td>–.05</td>
<td>.06</td>
<td>.02</td>
<td>–.15</td>
<td>.04</td>
<td>.04</td>
<td>–.21</td>
<td>.18</td>
<td>.28</td>
<td>.19</td>
</tr>
</tbody>
</table>

Notes: The correlation between team conflict and team effectiveness is a split-sample correlation. \( N \) for \( T_1 \) variables (\#s 1–9) and \( T_2 \) variables (\#s 10–12) = 97; \( T_3 \) variable \((#13) = 79.\)

* \( p < .05 \), two-tailed.

** \( p < .01 \), two-tailed.
Table 2
Hierarchical regression analyses predicting team conflict.

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team size</td>
<td>0.17</td>
<td>0.17</td>
<td>0.16</td>
<td>0.15</td>
<td>0.20</td>
<td>0.15</td>
<td>0.17</td>
<td>0.05</td>
</tr>
<tr>
<td>Task interdependence</td>
<td>-0.01</td>
<td>-0.02</td>
<td>0.04</td>
<td>0.03</td>
<td>-0.03</td>
<td>0.01</td>
<td>0.03</td>
<td>0.02</td>
</tr>
<tr>
<td>Age (mean)</td>
<td>0.03</td>
<td>0.02</td>
<td>-0.01</td>
<td>-0.03</td>
<td>0.03</td>
<td>-0.01</td>
<td>-0.00</td>
<td>-0.03</td>
</tr>
<tr>
<td>Age diversity (SD)</td>
<td>-0.08</td>
<td>-0.07</td>
<td>0.01</td>
<td>0.03</td>
<td>-0.04</td>
<td>-0.02</td>
<td>0.02</td>
<td>0.09</td>
</tr>
<tr>
<td>Percent female</td>
<td>0.10</td>
<td>0.08</td>
<td>0.01</td>
<td>-0.01</td>
<td>0.06</td>
<td>0.04</td>
<td>0.01</td>
<td>0.01</td>
</tr>
<tr>
<td>Percent white</td>
<td>-0.05</td>
<td>-0.06</td>
<td>-0.07</td>
<td>-0.06</td>
<td>-0.09</td>
<td>-0.10</td>
<td>-0.08</td>
<td>-0.09</td>
</tr>
<tr>
<td>Traditionalism mean</td>
<td>0.01</td>
<td>0.16</td>
<td>0.17</td>
<td>0.16</td>
<td>0.17</td>
<td>0.17</td>
<td>0.17</td>
<td>0.15</td>
</tr>
<tr>
<td>Work ethic mean</td>
<td>-0.05</td>
<td>-0.07</td>
<td>-0.01</td>
<td>-0.02</td>
<td>-0.02</td>
<td>-0.08</td>
<td>-0.00</td>
<td>-0.14</td>
</tr>
<tr>
<td>Traditionalism diversity</td>
<td>0.19</td>
<td>0.21*</td>
<td>0.25*</td>
<td>0.18</td>
<td>0.26*</td>
<td>0.21*</td>
<td>0.35*</td>
<td></td>
</tr>
<tr>
<td>Work ethic diversity (SD)</td>
<td>-0.03</td>
<td>-0.03</td>
<td>-0.04</td>
<td>-0.01</td>
<td>-0.05</td>
<td>-0.03</td>
<td>-0.11</td>
<td></td>
</tr>
<tr>
<td>Person-focused leadership</td>
<td>-0.40**</td>
<td>-0.34**</td>
<td>0.06</td>
<td>-0.22</td>
<td>-0.20</td>
<td>-0.06</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td>Task-focused leadership</td>
<td>-0.40**</td>
<td>-0.34**</td>
<td>0.06</td>
<td>-0.22</td>
<td>-0.20</td>
<td>-0.06</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td>Person-focused leadership</td>
<td>-0.24*</td>
<td>-0.37**</td>
<td>-0.39**</td>
<td>0.33**</td>
<td>0.47**</td>
<td>0.18</td>
<td>-0.02</td>
<td></td>
</tr>
<tr>
<td>Person-focused leadership</td>
<td>-0.24*</td>
<td>-0.37**</td>
<td>-0.39**</td>
<td>0.33**</td>
<td>0.47**</td>
<td>0.18</td>
<td>-0.02</td>
<td></td>
</tr>
<tr>
<td>Degrees of freedom</td>
<td>8.88</td>
<td>10.86</td>
<td>11.85</td>
<td>13.83</td>
<td>11.85</td>
<td>13.83</td>
<td>12.84</td>
<td>16.80</td>
</tr>
<tr>
<td>$R^2$</td>
<td>0.06</td>
<td>0.09</td>
<td>0.22</td>
<td>0.27</td>
<td>0.13</td>
<td>0.20</td>
<td>0.23</td>
<td>0.38</td>
</tr>
<tr>
<td>F</td>
<td>0.64</td>
<td>0.80</td>
<td>2.24*</td>
<td>2.42**</td>
<td>1.15</td>
<td>1.62</td>
<td>2.06*</td>
<td>3.11**</td>
</tr>
</tbody>
</table>

Notes: $N = 97$ teams. All predictor variables are mean-centered. Entries represent standardized regression coefficients.

$s < .05$, two-tailed.

** $p < .01$, two-tailed.

---

Fig. 1. The moderating effect of task-focused leadership on the relationship between team work ethic diversity and team conflict.

(slope = -1.45, $t = 2.06$, $p < .05$). Although we had expected task-focused leadership to weaken the positive relationship between work ethic diversity and team conflict, we did not anticipate a significant negative relationship between work ethic diversity and team conflict when teams were led by highly task-focused leaders. We explore this finding in the Discussion section.

In Hypothesis 2, we predicted that person-focused leadership would exacerbate the values diversity–conflict relationship. As shown in Model 5 of Table 2, the control variables, values diversity, and person-focused leadership explained 13% of the variance in team conflict. The interaction terms between person-focused leadership and the two types of values diversity explained an additional 7% of the variance (Table 2, Model 6). The interaction of person-focused leadership and traditionalism diversity was statistically significant ($\beta = 0.33$, $p < .01$) while the interaction of person-focused leadership and work ethic diversity was not. Fig. 2 depicts the interaction of person-focused leadership and traditionalism diversity. Consistent with Hypothesis 2b, a simple slopes analysis showed that the relationship between traditionalism diversity and team conflict was positive in teams with a highly person-focused leader (slope = 2.82, $t = 5.03$, $p < .01$), but slightly negative in teams headed by a leader low in person-focused leadership (slope = -0.44, $t = -1.10$, ns).

To test the robustness of our findings, we included both types of leadership and all four interactions in a single model (Table 2, Model 8). Both the interaction between task-focused leadership and work ethic diversity ($\beta = -0.24$, $p < .05$) and the interaction between person-focused leadership and traditionalism diversity ($\beta = 0.47$, $p < .01$) remained significant.

Hypotheses 3 and 4: the mediating role of team conflict

Hypothesis 3 predicted that team conflict would mediate the relationship between (a) the interactions of task-focused leadership and team values diversity and (b) team effectiveness. Model 1 in Table 3 provides results for the first step in the mediation test.
The interaction of task-focused leadership and work ethic diversity was significantly related to team effectiveness ($\beta = 0.28$, $p < 0.05$) while the interaction of task-focused leadership and traditionalism diversity was not. As Fig. 3 shows, work ethic diversity was positively related to team effectiveness in teams with a highly task-focused leader ($\text{slope} = 2.29$, $t = 2.16$, $p < 0.05$), but slightly negatively related to team effectiveness in teams with a less task-focused leader ($\text{slope} = -1.49$, $t = -1.49$, $\text{ns}$). The results used to test the third and fourth steps in the mediation test are presented in Model 2 in Table 3. Team conflict was significantly, negatively related to team effectiveness ($\beta = -0.43$, $p < 0.01$) and the interaction of task-focused leadership and work ethic diversity was non-significant ($\beta = 0.23$, $\text{ns}$) when we included team conflict in the model. Thus, consistent with Hypothesis 3, team conflict mediated the relationship between (a) the interaction of task-focused leadership and work ethic diversity and (b) team effectiveness. We used Preacher et al.’s (2007) approach as a second test of Hypothesis 3. Table 4 presents bootstrapped estimates and standard errors for separate models for each leadership by values diversity interaction. As predicted, when a leader is low in task-focused leadership, the indirect effect of work ethic diversity on team effectiveness is negative and significant ($B = -1.49$, $p < 0.05$). When a leader is high in task-focused leadership, however, the indirect effect of work ethic diversity on team effectiveness is positive, but not significant ($B = 0.41$, $\text{ns}$).

Hypothesis 4 predicted that team conflict would mediate the relationship between (a) the interactions of person-focused leadership and values diversity and (b) team effectiveness. Model 3 in Table 3 provides results for the first step in the mediation test. The interaction of person-focused leadership and traditionalism diversity was significantly negatively related to team effectiveness ($\beta = -0.29$, $p < 0.05$). As Fig. 4 shows, in teams led by a highly...
person-focused leader traditionalism diversity was negatively related to team effectiveness (slope = –2.08, t = –2.45, p < .05). But, in teams with a less person-focused leader, the relationship between traditionalism diversity and team effectiveness was slightly positive (slope = 0.28, t = 0.42, ns). Analyses reported above (Model 6 of Table 2), testing the relationship between the person-focused leadership-values diversity interactions and team conflict, provided partial support for the second step in the mediation test. Specifically, the interaction between person-focused leadership and traditionalism diversity was significantly related to team conflict (β = 0.33, p < .01). The results used to test the third and fourth steps in the mediation test appear in Model 4 in Table 3. Team conflict was significantly, negatively related to team effectiveness (β = –0.42, p < .01). Further, the interaction of person-focused leadership and traditionalism diversity was non-significant (β = –0.28, ns) when team conflict was included in the equation. These results support Hypothesis 4. We used Preacher et al.’s (2007) approach as a second test of Hypothesis 4. Consistent with our findings above, when a leader is high in person-focused leadership, the indirect effect of traditionalism diversity on effectiveness is negative and significant (B = –1.19, p < .01). When a leader is low in person-focused leadership, however, the indirect effect of traditionalism diversity on team effectiveness is positive, but not significant (B = 0.05, ns).

Finally, to examine the robustness of these relationships, we tested the combined effects of task-focused leadership and person-focused leadership in a single model (Models 5 and 6 of Table 3). The results are consistent with our conclusions above.4

Discussion

Integrating theory and research on values, diversity, situational strength, and team leadership, we proposed that task-focused leadership and person-focused leadership moderate, in opposite ways, the effects of values diversity on team conflict. Our findings lend considerable support for our hypotheses. As predicted, task-focused leadership attenuated the effects of values diversity – specifically, work ethic diversity – on team conflict. Person-focused leadership, in contrast, exacerbated the effects of values diversity – specifically, traditionalism diversity – on team conflict. And, team conflict mediated the effects of these interactions on team effectiveness.

Within the context of team diversity research, our study is noteworthy in several respects. Despite the foundational role that values play in individuals’ lives, few researchers have examined how values diversity influences team outcomes. Reinforcing recommendations to move beyond demographic diversity to consider the effects of deep-level diversity (e.g., van Knippenberg & Schippers, 2007) and consistent with similarity-attraction, social categorization, and cognitive information processing theories, our findings suggest that values diversity may indeed be a disruptive force within teams. Further, our findings add to a growing but still nascent body of literature examining the moderating effects of leadership on the relationship between team diversity and outcomes. To date, this research (e.g., Homan, van Knippenberg, Van Kleef, & De Dreu, 2007; Kearney & Gebert, 2009) has focused primarily on the effects of demographic and functional or informational diversity and has examined, with one exception (Somech, 2006), the effects of a single leadership style in each study. Our findings suggest that leaders may shape the effects not just of team demographic and informational diversity, but also the effects of values diversity. And, our findings suggest that leader behaviors may either strengthen or lessen the relationship between values diversity and conflict. Finally, our findings underscore the complexity of diversity effects. Over the past 15–20 years, reviewers of the literature have repeatedly emphasized that diversity effects vary as a function of diversity type (e.g., Harrison & Klein, 2007; McGrath et al., 1995). Our findings suggest that the effects of diversity may also vary within diversity type – at least when it comes to values diversity. In our study, diversity in traditionalism and work ethic interacted with different leader behaviors in different ways.

Limitations

Our research, like all research, is limited in a number of respects. First, we studied teams that are quite distinctive. Team members were relatively young, were engaged in community service projects, were fairly homogenous in their demographic characteristics, and lived in close-proximity to one another. Further, the teams performed tasks that were typically fairly high in interdependence, but relatively low in task complexity. We would predict the same interactive effects of leadership and values diversity effects in other work teams (unless, perhaps, team members’ values are closely linked to their expertise – a possible boundary condition we discuss in the following section). But research is needed to demonstrate the generalizability of our findings to other types of teams, working in other settings, and engaged in other tasks.

Second, we studied the effects of diversity of just two values – work ethic and traditionalism. We reasoned that, in weak situations, diversity of values that are manifest in behaviors that are observable and potentially important to work colleagues and that are moral (rather than preferred) would foster team conflict. Although our findings are consistent with these arguments, we lack the data to compare the effects of preferred versus moral values.

Third, we were unable to gather objective indicators of team effectiveness. Given variability in the tasks the teams performed and the clients they served, the service program collected no objective measures of team performance. We thus relied in our analyses on team members’ subjective ratings of their team’s performance.

Table 4
Mediated moderation results of team conflict as a mediator of the effect on team effectiveness of the interaction between values diversity and team leadership.

<table>
<thead>
<tr>
<th>Moderator</th>
<th>Level</th>
<th>Work ethic diversity</th>
<th>Traditionalism Diversity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Conditional indirect effect</td>
<td>SE</td>
</tr>
<tr>
<td>Task-focused Leadership</td>
<td>Low</td>
<td>–1.49</td>
<td>0.64</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>0.41</td>
<td>0.50</td>
</tr>
<tr>
<td>Person-focused Leadership</td>
<td>Low</td>
<td>–1.34</td>
<td>0.81</td>
</tr>
<tr>
<td></td>
<td>High</td>
<td>0.29</td>
<td>0.53</td>
</tr>
</tbody>
</table>

Notes: N = 79 teams. Entries are the results of a bootstrap procedure.
Because team members also provided ratings of team conflict, common method bias may have inflated the correlation we observed between our measures of team conflict at Time 2 and team effectiveness at Time 3. Splitting our sample as we did, and measuring team conflict and team effectiveness at different times, may have reduced single-source bias, but not common method bias.

Finally, although we included numerous control variables in our analyses and collected data at three points in time, our design does not permit causal conclusions. Experimental field research, in which leaders trained to exhibit differing leader behaviors are randomly assigned to teams, is needed to more definitively establish the causal relationships underlying our findings.

Implications for theory-building and future research

Shedding new light on the interactive effects of task-focused and person-focused leadership and team values diversity, our findings also prompt new questions for future theory-building and research, as we explore below.

Which values, why, and how?

Future researchers should move beyond the broad assumption that diversity of all values is problematic to consider more precisely whether, how, and under what circumstances diversity with respect to particular values might disrupt a team. With the benefit of hindsight, the specific moderating effects of team leadership that we found are, for the most part, not surprising. Work ethic diversity is likely to be evident as team members go about their work, with some team members urging greater effort and discipline and others urging a more carefree and relaxed approach to task accomplishment. Conflict between these subgroups seems likely, unless a highly task-focused leader ensures that team members devote effort and discipline to their tasks regardless of personal work ethic. This is indeed what we found: work ethic diversity was positive related to conflict when task-focused leadership was low. Person-focused leadership, not task-focused leadership, moderated the effects of traditionalism diversity on work conflict. Traditionalism may be most evident in team members’ behavior outside of work (e.g., attendance of weekly religious services, respect for authority, and personal modesty) – behaviors that were highly visible to the members of the teams we studied, as they lived in close-proximity during their 10-month service program. It is thus perhaps not surprising, again with the benefit of hindsight, that person-focused rather than task-focused leadership moderated and, more specifically, exacerbated the effects of traditionalism diversity on conflict. A kind, attentive, caring leader might free individuals’ expression of their varying endorsement of traditionalism, but not, given at least some modicum of concern on the part of the team leader for task accomplishment, their varying work ethic.

Even with the benefit of hindsight, one of our findings was more surprising: We found that work ethic diversity was negatively related to conflict when task-focused leadership was high, suggesting that teams led by highly task-focused leaders experienced less conflict when team members varied in their work ethic than when they did not. But, why? Reasoning that a team’s mean work ethic might help to explain this finding, we conducted a post hoc exploratory test of the three-way interactive effects of work ethic diversity, task-focused leadership, and team mean work ethic. Although the three-way interaction was not a significant predictor of team conflict, a graph of the results proved thought-provoking. When the team’s mean work ethic was high, we found the results we predicted originally: work ethic diversity was positively related to conflict when the leader was high in task-focused leadership and more weakly (but still positively) related to conflict when the leader was low in task-focused leadership. When, however, the team’s mean work ethic was low, we found a positive relationship between work ethic diversity and conflict for teams led by leaders who were low in task-focused leadership, but a marked negative relationship between work ethic diversity and conflict for teams led by leaders who were high in task-focused leadership. We urge future studies of this effect. In team low in mean work ethic but high in variance, highly task-focused leaders may be able to galvanize those team members who are highest in their work ethic to take on important team roles and responsibilities, minimizing team conflict. In teams low in mean work ethic and low in variance, highly task-focused leaders face a team of individuals likely to conflict with one another and with their leader regarding who will take on the work that none of them is eager to do.

What about other types of diversity?

As we have noted, abundant theory and research suggest that the effects of different kinds of team diversity are distinctive. An in-depth discussion of other forms of team diversity (e.g., demographic diversity, informational diversity) is beyond the scope of this paper, yet one question bears some exploration: What happens when team members’ values are tightly coupled with their demographic characteristics or task-relevant expertise? This was not the case for the values and teams we studied. But, consider, for example, surgical teams. The doctors, nurses, and other medical professionals who make up these teams may differ in their values, expertise, and demographic characteristics, suggesting that “fault-lines” (Lau & Murnighan, 1998) might separate the “subgroups” (Gibson & Vermeulen, 2003) created by aligned characteristics. Researchers have typically conceptualized and studied fault-lines and subgroups in terms of demographic and other categorical variables. But, subgroups may differ in their demographic characteristics, expertise, and values, creating a challenge for researchers seeking to conceptualize and study the effects of such subgroups within a team. Our findings suggest that, in teams high in values diversity, teammates’ open expression of their differing values may foster unproductive and damaging conflict within the team. When, however, values and expert knowledge are tightly linked, teammates’ open expression of their differing values may be necessary for team effectiveness; teammates’ failure to express their distinctive values may cause them to withhold their distinctive perspectives and expertise as well.

What types of leadership?

We found that task-focused leadership and person-focused leadership had moderating, but opposite, effects on the relationship of team values diversity and team conflict. Further, each leader behavior moderated the effects of one, and not the other, type of values diversity that we measured. Thus “good leadership” is apparently not enough to quell the negative consequences of values diversity; both task-focused and person-focused leader behaviors are clearly “good” in many circumstances (and indeed, in our study, both task-focused and person-focused leader behavior had negative main effects on team conflict and positive main effects on team effectiveness). Our findings thus suggest that researchers interested in examining how leadership may shape the effects of diversity in teams would do well (a) to measure specific leader behaviors – like task-focused and person-focused leadership – that can be relatively clearly differentiated from one another, and separated from the romantic halo of leadership; (b) to consider, as noted above, the conceptual fit of specific leadership behaviors to specific dimensions of diversity; and (c) to revisit the lessons of contingency theories of leadership (e.g., Fiedler, 1964; House, 1971), which suggest that different leadership behaviors are effective in different contexts. Echoing our findings and lending support to these recommendations, Somech (2006) found that participative
and directive leadership had significant and opposite moderating effects on the relationship of team functional diversity and team performance. Participative and directive leadership are, of course, quite similar to person-focused and task-focused leadership.

Given our findings, Somech’s (2006) findings, and the conclusions of recent meta-analyses (e.g., Burke et al., 2006; Judge, Piccolo, & Ilies, 2004) documenting the effects of task-focused and person-focused leadership, we see promise in continued research on the moderating effects of these leader behaviors on the diversity – team effectiveness relationship. But, recent studies have also found significant moderating effects of other types of leadership – transformational leadership (Kearney & Gebert, 2009), performance management (Gibson & Vermeulen, 2003), and leader-member exchange relationships (Nishi & Mayer, 2009), for example – on the effects of informational and demographic diversity in groups. To enhance the cumulative knowledge gain from future research, new theoretical models are needed to explain which leadership behaviors are most likely to moderate which types of diversity in which types of teams engaging in which types of tasks.

What other determinants of situational strength?

We drew on prior theory and research on situational strength to predict and explain the effects of leader behaviors on the values diversity – team conflict relationship. Looking forward, we urge new theory-building and research regarding the influence of situational strength on the diversity – team outcome relationship. The construct is broadly applicable not only to leadership behaviors, but also to a range of additional organizational factors. For example, strong norms, established routines, clear goals, and significant rewards for team performance would, we would predict, yield a strong team situation that, like task-focused leadership, may shape the effects of values diversity on team conflict. Strong norms, established routines, clear goals, and significant rewards for team performance may also shape, and in fact strengthen, the effects of team informational diversity on team effectiveness (Homan et al., 2007; van Knippenberg et al., 2004). Situational strength may thus either weaken or strengthen the team diversity – team effectiveness relationship depending on the dimensions of diversity in question, the message communicated by the strong situation (e.g., “work hard” or “value your teammates’ different information”), and also the nature of the team’s task (routine or complex). Meyer and his colleagues’ (2010) review of the situational strength literature provides an excellent resource to draw on in developing and testing the preliminary ideas we have suggested here.

And when?

Although we gathered and analyzed data at three points in time, our findings shed little light on the unfolding effects of team values diversity over time. We were intrigued by Gratton, Voigt, and Erickson’s (2007) suggestion that teams high in informational and demographic diversity perform best when team leaders first evidence task-focused leadership and then shift, over time, to increasingly emphasize relationship-focused leadership. Although we know that leaders may be high in either, neither, or both task-focused and relationship-focused leadership, evidence that leaders can and do shift from one predominant style to the other is, to our knowledge, limited. Evidence is also limited regarding diversity effects and conflict over time (for an exception, see Jehn & Mannix, 2001). Further, few scholars have investigated the extent to which team values, demographic, or informational diversity triggers team conflict that is later resolved. Finally, we wonder whether diversity within a team may itself diminish over time – for example, as team members’ values converge around a common core, or as team members who are in some way outliers within the group leave the group and are replaced by new team members who have more in common with remaining team members (Schneider, 1987). These tentative ideas are ripe, we believe, for further exploration.

Concluding comments

Our findings offer important new insights regarding the interactive effects of values diversity and leadership and prompt new questions for organizational scholars to explore in theory and research. For team leaders, our findings offer guidance and a cautionary note: when leading teams high in values diversity, especially work ethic diversity, practice task-focused leadership and hold back, especially in teams high in traditionalism diversity, in offering person-focused leadership. Leaders can and do, our findings suggest, play a key role in shaping the consequences of team diversity for team processes and outcomes.

References
