Searching for situations that facilitate cooperative interaction can help mitigate the negative effects and increase the positive effects of individual attitudes within a group. However, attitudes do not always predict behavior. This is often the case in groups, especially ones that have high instances of unobservable diversity.

Harnessing Unobservable Diversity

Utilizing Non-Protected Traits to Improve Organizational Groups

By Eric Litton

When people consider diversity in the workplace they tend to think about characteristics that are protected by federal law. Traits such as race, sex, age, and disability have become ubiquitously aligned with diversity due to the Civil Rights Act of 1964 and the Americans with Disabilities Act of 1990. However, workplace diversity also depends on other latent types of differences amongst employees. Diversity in characteristics that are not protected by law is called unobservable diversity (Farmer & Farmer, 2014) because these traits are not usually noticeable right away. Unobservable traits that are common in the workplace include functional background (functional areas—production, R&D, engineering, etc—where individuals have spent most of their time) and tenure; however, even unobservable characteristics such as which university someone attended or what state they are from can impact how organizational leaders interact with their staff. Any type of underlying characteristics can be considered as unobservable diversity, including political affiliation, work experience, socioeconomic status, personality, and even different types of mindsets.

Most research on diversity in organizations focuses on protected traits. This helped pass inclusive legislation and has identified various effects that diversity of protected traits has on organizational performance and outcomes. Greater diversity of protected traits can lead to lower group member integration and higher dissatisfaction and turnover. It also tends to lead to greater variety of perspectives and more high-quality solutions (Milliken & Martins, 1996).

When diversity research expanded to unobservable diversity it focused on high-profile teams, such as the board of directors and C-suite executives. Only in the past twenty years has research on unobservable traits migrated to project teams and line-level groups. Individual articles and papers provide further insight into underlying forces driving individual and group decision-making, but none have combined results to offer advice on harnessing unobservable diversity (Phillips et al., 2014).

Leaders and organization development (OD) practitioners can design better groups after examining theories and research on unobservable diversity and applying them to their specific situation. Unfortunately, research tends to focus on a combination of protected and non-protected traits or only examines one or two non-protected traits at a time. So, it is crucial to use other organizational behavior theories to integrate studies into an organizational setting. A basic knowledge of specific concepts in social psychology allows OD practitioners to anticipate how certain types of unobservable diversity will benefit a group. The main goal of this article is to offer tools and techniques for organizational leaders to harness the benefits of unobservable diversity to design more productive teams. Before getting to that point, though, the article will review relevant social psychology topics and discuss how unobservable diversity affects group dynamics.
Social Psychology in the Workplace

Social psychology is the study of the nature and causes of human behavior in social situations (DeLamater, Myers, & Collett, 2014). In the workplace, social psychology has been adapted to become industrial and organizational psychology (or I/O psychology). However, some of the basic social psychology theories help when applying outcomes from unobservable diversity research. Specifically, harnessing unobservable diversity for organizational development requires understanding how a group member identifies with others, how group members are influenced, and how individual's attitudes adjust to other people in the group.

A group is composed of multiple individuals that have a specific trait in common. In an organization, this trait is usually a common goal or mission. As a result, there is a distinction between an in-group and an out-group. The in-group is the collection of people that share that trait, such as a desire to successfully complete a project for a client. In contrast, the out-group includes the people who do not have that trait. A person tends to identify with the in-group by internalizing the traits that they have in common. Individuals attempt to maximize the differences between the in-group and the out-group, which causes them to show favoritism to in-group members, enhancing their own self-image. A strong self-image and in-group cohesion can lead to discrimination and competition with out-group members (DeLamater et al., 2014).

Public policy seeks to minimize discrimination of observable traits. In unobservable traits, discrimination can constrict creativity. Diversity and competition, on the other hand, can further innovation by creating an atmosphere that is challenging and encourages open-mindedness.

The two practices of creating a social identity with an in-group and socially comparing oneself with other people who have similar traits significantly affect the attitudes people have towards a group’s purpose and their behavior within the group (Greene, 2004). Even though social identity and social comparison hold up for observable traits, these practices also occur with underlying and unobservable traits as long as other members of the group also perceive those characteristics (Milliken & Martins, 1996). For example, new employees may take pride in their ability to use statistical analysis software to solve data-heavy problems. However, if the organization and their colleagues never emphasize data analysis then they will not consider that interest relevant to the organizational setting and, as a result, will not socially compare themselves to others based on that trait. Interestingly, though, if the organization uses a lot of success stories and other types of qualitative analysis techniques then the new employee will notice that they are in the out-group; but they may try to affiliate themselves with the in-group by explaining how some types of quantitative analysis can add even more value to a common success story. OD practitioners can add value to group interactions by making diverse traits more salient when they can improve performance.

Other techniques can also influence social identity and social comparison. Cialdini (2008) identifies six core principles of influence: reciprocity, commitment and consistency, social proof, liking, authority, and scarcity. Even though each principle offers opportunities for organizational practitioners to inspire employees, social proof, authority, and liking have specific application to unobservable diversity. The theory of social proof stipulates that people interpret a behavior as correct in a given situation based on the degree that they see others performing it. A simple yet common example of social proof is a person looking up on a busy sidewalk. As people walk by they may also glance upwards out of curiosity but they do not usually slow down or worry too much about the single person gazing into the sky. If the solitary person is now joined by a few other people they create significantly more influence. Instead of simply glancing up, other people will now stop and also look in the same direction. In some cases, people claim to see something even though the initial group only says, “Do you see it?” without specifying what “it” is. Employees similarly use social proof cues in an organization to assess proper ways to act. Think about a senior management meeting that is led by the division director. How likely a single person is willing to interject or question the Director’s statements depends a lot on whether or not the meeting participants do the same. One person asking a question provides enough social proof for others to speak up as well, which can mitigate the effects...
of groupthink and incite ideas that would have not otherwise been considered.

The principle of authority claims that people tend to obey figures that are in positions of authority. The most famous study on authority and obedience was conducted by Stanley Milgram in 1963. In the experiment, subjects were instructed to shock another person sitting in a separate room each time that person got a question wrong. The shocks increased in severity as the person answered more questions incorrectly. As the shocks progressed, subjects heard the person grunt and shout complaints. Despite this, most subjects proceeded to administer shocks after the other person complained of heart issues and the instrument panel read “Danger: Severe Shock.” Milgram attributes this behavior to the simple fact that there was a doctor in a white coat observing the subject.

The doctor would state, “The experiment requires that you continue” when the subject objected. The simple presence of an authoritative figure persuaded people to inflict harm on someone else (fortunately, in the experiment, the shocks were fake and the doctor’s voice was pre-recorded). Similarly, simple authoritative elements in an organization such as dressing professionally, including one’s credentials in an email signature, and highlighting a manager’s years of experience can all facilitate employee deference.

The principle of liking asserts that people are persuaded more by other people who they like. Liking someone else can be a result of having things in common, physical attraction, receiving compliments, and having extensive amounts of contact or cooperation. Liking is used in many sales techniques. For example, the Tupperware organization would sell its products by hosting a party at a client’s house. The client invites their friends to hear about all the great products Tupperware offers. Even though the Tupperware representative describes the products, most of the selling occurs because a friend vouches for the product and other friends at the party have already purchased something. In an organization, liking affects the extent to which employees experience unobservable diversity in an organization. In-groups can be created by highlighting similarities amongst employees, such as a common city people lived in or a favorite sports team. This can mitigate the chance that unobservable diversity traits create an out-group scenario.

The social psychology element that affects unobservable diversity in an organization is attitudes. Each attitude a person experiences contains a belief, an evaluation, and a behavioral predisposition. Beliefs are cognitive components that form about an object. For instance, a project manager may dislike a new client because he perceives the client as being brash and inflexible. Often times it is not possible to prove if beliefs are true or false since they are subjective. Evaluation is the affective component of an attitude. Whereas the belief is what a person thinks about something, the evaluation is how that person feels about it. For instance, a University of Oklahoma graduate may dislike the University of Texas simply because of the rivalry that exists between the schools’ sports teams. Lastly, an attitude involves a predisposition to behave in a certain way, often because of the thoughts or feelings that accompany the attitude. The social psychology element that affects unobservable diversity in an organization is attitudes.

The leader in homogenous groups is usually prototypical of the group, which furthers negative group interactions. As a result of self-identity in homogenous groups, prototypical leaders may find it difficult to discipline within the group because any negative feelings expressed against a member of a highly prototypical group is, by extension, also expressed against themselves (Hogg, 2001). Social comparison is also more difficult in homogenous groups because there are fewer differences that can provide a basis for comparison. Even though individuals tend to fixate on similar traits when comparing themselves to others, too many similarities create close-mindedness that augments a person’s expectations.

Social comparison contributes to homogenous group members having a higher expectation that other members will agree with them. As a result, those individuals display more negative feelings when others disagree with them, especially when they are in the social majority (Phillips et al., 2010).

Group Dynamics

Unobservable diversity can be applied to groups of almost any size. As mentioned before, the only real criteria for a group is that members share one trait. The group can be large or small and that one trait may be the only thing that they have in common. Groups that are very similar are called homogenous. They may not have all of the same traits, but the prevailing traits of the group are all the same. In an organization, these groups usually comprise members from the same functional background who have the same opinions and mindset when it comes to solving problems. Homogenous groups can still have unobservable diversity, but the similarities tend to overpower the diversity. For instance, even though a business development team is composed of staff from different backgrounds, their team can be considered homogenous if they all believe partnership-based business growth is the only effective means to build capital.

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Perceptions, which are also a result of social comparison, can influence group
dynamics, even if the perceptions are not true. Leaders tend to form low-quality relationships with members who have underlying traits that are perceived to add less value, such as less education, less tenure, and low socioeconomic status (Milliken & Martins, 1996). Because of this, unobservable diversity in traits that are stereotypically aligned with performance can result in poor leadership-member relationships and exchanges, unless an effort is made to celebrate or harness this diversity.

There are some positive aspects to minimizing unobservable diversity in a group. Attitude adjustments are more predictable in groups with less unobservable diversity because beliefs and feelings are consistent amongst members. An attitude change in one group member will likely occur in other group members. So, a leader can use an initial attitude change to anticipate future attitude changes. Depending on how this attitude shift benefits the organization’s goals, it can be encouraged or the leader can pivot operations to minimize the change. Overall, the need for leaders to actively adjust attitudes is minimized in scenarios with less unobservable diversity since attitude change tends to occur organically within homogenous groups (Hogg, 2001).

Some specific types of unobservable diversity also affect attitudes. Milliken & Martins (1996) correlated underlying attributes directly with group members’ attitudes. Differences in organizational cultural, such as the level of collectivism and power distance, amongst group members increases perceived group dissimilarities but, it also improves appreciation of differences. In addition, value congruence – the extent that someone can behave in a way that is consistent with their own self-image – is positively related to an individuals’ satisfaction and commitment at work. However, value congruence in diverse groups is not beneficial when the group has numerical or other quantitative goals. So, groups that are judged based on measurable targets, such as sales teams, should behave better with less unobservable diversity because value congruence is more likely when social comparison is easier.

Group composition and structure can also impact performance in a variety of ways. Teams with diversity in tenure exhibit lower turnover and higher performance (Hogg et al., 2005). Through social proof, less tenured employees learn how to behave and work from the veterans. In addition, diversity in functional background expands the effects of tenure diversity by leading to greater communication in general and to better performance in groups that encourage debate (Milliken & Martins, 1996). Functional background diversity also correlates with a more positive and accepting group (Phillips et al., 2010). Members in groups with functional background diversity become less irritated when there is a disagreement between the dissimilar members. And, similar education levels (e.g. Bachelor’s, Master’s, etc.) create positive feelings between supervisors and subordinates (Phillips et al., 2010).

Group dynamics have especially interesting performance implications on top management and high-profile teams. Even though organization development practitioners do not necessarily influence how top management is formed, it is imperative that high-profile teams are composed well since their success can motivate an entire organization. Educational diversity (i.e. different majors of study) results in more diversified strategies in these groups. Though, this only occurs when the diversity is allowed to surface in open debate. Also, bringing in members from outside the organization creates a balance of power and thought, which leads to more creative solutions. Contrastingly, diversity in occupational background can result in poorer performance and less interaction among top management teams. Similarly, when there is various years of specific industry experience in these teams they tend to have more turnover and less group success, which is possibly a result of the negative optics and backlash that occurs when someone with unknown experience is recruited to a high-profile team with much more experience (Milliken & Martins, 1996).

In some specific conditions, group structure can have a negative impact. Even though employees actually prefer to work in groups that have diverse educational experiences, sub-groups or cliques can form because of this diversity (Hogg et al., 2005). Too many sub-groups can create variable interests that cause schisms in the final product. Functional diversity can also be debilitating in structured environments with a focused product (Milliken & Martins, 1996). Because of this, groups working on very specific outputs, such as manufacturers or construction contractors, should favor similar educational studies and functional backgrounds since similarities in those characteristics keep the distinct, structured tasks on plan.

Harnessing Unobservable Diversity

Overall, OD practitioners should remember that unobservable diversity study results are meant to be general. Their influence on performance or group cohesion can vary depending on a myriad of factors that are context specific. That being said, organizational leaders can combine the intimate knowledge about their organization with these study results and social psychology theories to provide the greatest opportunity for improving group performance.

First, group leaders and OD practitioners should proactively form high-quality relationships with the group members, especially when they feel the group members’ perceptions and attitudes are negatively impacting others. High-quality relationships occur when the leader gives each subordinate the opportunity to take on new roles and responsibilities, nurtures high quality exchanges with subordinates, identifies ways to build trust and respect, and creates high quality partnerships throughout the organization (Northouse, 2012). This can be done at work or in other quasi-workplace settings. Bonding over similar interests, for example, can create a gateway to high-quality exchanges because the liking that
results can overflow into work related activities.

Liking amongst group members can be increased by similarities in background, similarities in experience, positive physical appearance, and compliments (Cialdini, 2008). Increased and repeated exposure to something can also increase familiarity and liking (Pittinsky, 2010). Unobservable diversity may be disliked at first because it is different and people are not used to socially comparing with that trait. But, over time, group members will grow more comfortable with the diversity.

Unobservable diversity in dimensions of skill and knowledge can also improve creativity. It is particularly beneficial for dynamic and autonomous groups, such as those designing a new organizational strategy. Additionally, transformational leadership techniques can accentuate the positive aspects of diversity amongst teams and between the leader and the team.

Liking can be combined with authority to improve this process. OD practitioners can council group leaders to take the initiative by modeling out-group and diversity acceptance. OD practitioners should also encourage workplace strategies that increase interaction, which improves liking by fostering familiarity with diversity.

OD practitioners should focus on the positive aspects of unobservable diversity while minimizing any discrimination that might occur. Though, sometimes a group turns to discrimination to solidify the differences between the in-group and the out-group. In these cases, the leader can turn to the principle of authority to encourage follower deference. Leaders who already have a well-established authority can capitalize on that to adapt group norms to their preference. However, in very diverse groups where social identity is difficult and the leader is not prototypical, authority is not usually well-established. In these cases, authoritative techniques are more powerful when combined with other principles, such as social proof. Leaders that lead by example and are consistent with their messaging illustrate how

success can be achieved while maintaining a stern persona.

Nevertheless, disagreement and quarrels are sometimes avoidable. Unobservable diversity, such as differences in functional background, can lead to workplace arguments because colleagues have fundamentally different ways of approaching the problem. This is an opportunity for OD practitioners to encourage civil discussion that highlights the different mindsets while working towards a solution. Whereas homogenous groups are more susceptible to groupthink since their authoritative influence adds another level of influence that can persuade the majority members (as it relates to tenure and functional background) to appreciate the point of view of their diverse colleagues.

Unobservable diversity in dimensions of skill and knowledge can also improve creativity. It is particularly beneficial for dynamic and autonomous groups, such as those designing a new organizational strategy. Additionally, transformational leadership techniques can accentuate the positive aspects of diversity amongst teams and between the leader and the team. OD practitioners should actively encourage leaders to engage with their group members so that they create a connection that improves motivation and performance. Similarly, considerate leaders who show concern and respect for their subordinates, look out for their welfare, and express gratitude shape the way diversity is perceived. These leadership styles are preferred for improving effectiveness of diverse teams (Hogg et al., 2005).

Unobservable traits can sometimes have a negative impact. Diversity in the skill and knowledge dimensions can increase turnover when not managed properly. And, differences in perceptions, assumptions, and causal beliefs are the main drivers for diverse groups not being productive (Milliken & Martins, 1996). OD practitioners can implement certain managerial strategies to decrease these effects. It is a common refrain in the research that open communication intensifies the positive effects and mitigates the negative effects of unobservable diversity. One of the most powerful ways a manager can lead through example is by offering and accepting critical feedback, articulating reasons for successes and failures, and encouraging non-judgmental dialogue.

OD practitioners should also consider interaction and communication between different sub-groups. Out-group members tend to voice their opinions more strongly than in-group members, which can result in one-sided conversations (Phillips et al., 2010). On the other hand, when a leader noticeably favors in-group members
the favoritism can be transmitted to others. New members use the social proof principle for social comparison and identity. They take cues from the group leader on how to act. So, leaders should be wary that some actions can be perceived as showing favoritism to the in-group, especially during times of uncertainty when group members are using social comparison to identify their place. In cases of a larger majority, making the point to include the minority will rub off on others, particularly when it is the leader who uses their authoritative influence to make this effort. Essentially, the group leader should encourage all sub-groups to contribute and ensure that their voices are heard equally and fairly.

As mentioned, a diverse team can make social identity more difficult and social comparison less common. As a result, group members will have an ambiguous understanding of where they fall within the group. This is a dangerous situation because individuals can lose track of their purpose within the group, which decreases intrinsic motivation (Gagné & Deci, 2005). OD practitioners can mitigate this by facilitating open communication between the leader and subordinate. This is especially valuable for a new member entering a diverse group, but it can occur any time a group member is ambiguous about their status. The leader should focus on articulating the individual’s role in the group and where they add value. A leader does not necessarily have to promote social identity and social comparison; they must only mitigate the side effects that can occur if group members do not partake in these practices.

Each of these techniques is dependent on OD practitioners and organization leaders having intimate knowledge of their organization. They should be able to adapt these strategies and techniques to the context in which they are working. When helping smaller groups, practitioners should take the time to learn about each member’s experience and interests as well as how their minds work. This knowledge will allow the OD practitioner to recognize the types of unobservable diversity that a group is dealing with, which is necessary to harness the unobservable diversity for organization improvement. Afterwards, the practitioner can combine their organizational knowledge with these strategies and techniques to advance group interactions and productivity.

References


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