
Three ways to get the best out of diverse teams

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Teams are a good way of doing business, but it's easy – and natural – for conflicts to arise within them. [Professor Randall S. Peterson](#) introduces three key ways to manage conflict in diverse teams.



Conventional wisdom is that diversity in a team promotes positive performance – combining different views, perspectives, knowledge, experience, interests, motives and personality types to get the job done.

In fact, really diverse teams can produce extreme results – either being the most effective teams or the least effective – research suggests. So the key to getting the best, not the worst, out of diverse teams is knowing how to manage them.

Our research shows there are three areas to concentrate on, but first let's think about why things go wrong.

The importance of trust

I've been working with real teams looking at diversity and people's propensity to trust. One aspect of this is how open people are. Do they tend to walk into a room and start sharing their views and experiences because they feel trusting of the people there? Or do they tend to hold back until they can gauge how trustworthy the group is?

Variations in individuals' propensity to trust each other can create differences between them. So if the guy across the table is unloading all kinds of information and thoughts, you might think: "Why is he doing this? Is he just completely naïve or is he trying to manipulate me?"

Conversely, if someone is holding back until they can see whether people are trustworthy, others might be thinking: "What's wrong with them? Why aren't they being helpful with the team?"

This lack of initial trust can lead to conflict later on. With low trust levels, people start thinking: "I'm really different from them." Then they start disliking each other, which leads to

a further decline in trust and poor group performance.

So even on something like personality most groups find it hard to manage diversity.

The danger of factionalism

Similarly, one of the strengths of diversity – bringing different perspectives – can be a double-edged sword. When people are met with a different type of person they can resort to what's called “social categorisation”. They label them as a certain kind of person, maybe belonging to a certain group or political party. So while this person's perspective might be useful in developing a group decision, it can also create resentment, leading to misunderstandings, factions and coalitions. None of this is good for team work.

So what's the best way to minimise these kinds of problems and get the best out of a team?

1. Build trust and protect it

It is easy to see the absolutely central role of trust. When there is trust, people can disagree about a task or process without it turning personal. Without trust people tend to interpret things in the worst possible light. So, trust is the gold dust of any team. It can be difficult to achieve, but if you've got it, value it and protect it, because it is going to make your ability to deal with group conflict much easier.

2. Guard against coordination failure

People talk and operate at cross purposes, even within the same organisation. Someone from the marketing division will talk about a topic, and may even use some of the same words, in a completely different way to someone in operations. We may think we're talking about the same thing, but it turns out we're not. I'm talking feet and inches and you're hearing centimetres and metres.

Teams with diverse information, perspectives and values are likely to experience these kinds of coordination failures early on. And research shows teams are very good at dividing up work and pulling apart, while being notoriously bad at putting those pieces back together again.

Once a coordination problem occurs, team members tend very quickly to start explaining it by looking for people who are different. So, why did this not work? Why are we having problems? It's not simply that we come from different worlds, it's because that person looks different, they have different values to me, and it's obviously their fault that this is not working.

So the challenge is to create coordination early on, watch out for problems and, if they do come up, avoid finding fault and focus more on how to work together and ensure this coordination failure doesn't happen again.

3. Have a clear decision-making process

Clearly the best situation is a cohesive group that agrees with the decision. But in a situation where conflict is high and trust is low there are three options.

The best one is qualified consensus: everybody can live with the decision, even if they may not think it is the best.

Second-best is that the matter is discussed and the team leaders decide. The advantage is that this doesn't disenfranchise or disconnect any subgroup that perhaps doesn't like the result. It maintains a relationship between the leader and the individuals so is a better, reasonable way of going about things.

What you should actively avoid is the third option: majority rule. Most people think this works because it is a well-known form of democracy. But it's associated with really angry people, disenfranchised or disconnected subgroups, and really poor performance.

Be preemptive and pluralistic

With all these challenges you might well be thinking: "Why bother with teams at all?" And indeed one of the reasons I started studying teams and conflict was because I couldn't understand how groups of really great people can come together and make silly decisions. But most of it revolves around how they manage conflict, or in many cases how they don't manage conflict.

The more aware you can be of thinking about what kind of issues might come up, and how to work together to solve those problems, the better.

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In addition to his academic interests Professor Peterson has been invited to teach and consult across the world for companies including Alcan, Barclays, Chevron/Texaco, Deutsche Bank, Emirates Bank, IBM, Lufthansa, Nestlé, PricewaterhouseCoopers and Roche.

Additional reading

- Sinking slowly: Diversity in propensity to trust predicts downward trust spirals in small groups, Ferguson & Peterson, *Journal of Applied Psychology*, 2015.
- Strategies for Developing Trust Through Constructive Conflict Resolution in Teams, Peterson and Ferguson, *Handbook of Conflict Management*, 2014.
- The critical role of conflict resolution in teams, Behfar, Peterson, Mannix & Trochim, *Journal of Applied Psychology*, 2008.