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# Fitting In

## The Effects of Relational Demography and Person-Culture Fit on Group Process and Performance

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The authors integrate two complementary streams of research on “fit” that document positive impacts of similarity and negative effects of dissimilarity. Fit with an organization’s culture typically focuses on similarity in values whereas relational demography examines similarity in demographic attributes. Although both streams emphasize fit and draw on similar underlying theories, little research investigates both simultaneously. In a field study with intact teams, both cultural and demographic fit had independent effects on subsequent performance; however, “deeper” value fit effects were stronger than “surface” demographic fit. Analyses by demographic group suggest that person-group fit has the greatest impact for individuals whose demographic background puts them at risk for poorer outcomes, particularly for socioeconomic status.

**Keywords:** *fit; person-organization fit; relational demography; demographic characteristics; socioeconomic status; person-group fit*

The concept of fit or congruence has been an enduring one in the study of people and organizations (Chatman, 1989; Diener, Larsen, & Emmons, 1984; Pervin, 1989). Recently, however, the findings from two distinct streams of research based on an underlying logic of fit have

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revealed an important tension in how fit may affect important organizational outcomes, such as who gets into the organization and how well a person does (Kristof, 1996; Williams & O'Reilly, 1998). On one hand, there is a compelling rationale and evidence that person-culture fit, assessed as either person-organization or person-group fit, is associated with positive work attitudes and performance (e.g., Atkins & Caldwell, 2004; Judge & Cable, 1997; Kristof, 1996; Meglino, Ravlin, & Adkins, 1989; O'Reilly, Chatman, & Caldwell, 1991). The clear implication is that it may be advantageous for both the person and the firm to choose people on the basis of the values that define the organization's culture (O'Reilly & Chatman, 1996). On the other hand, there is a compelling business and social rationale for increasing diversity rather than fit within organizations. For example, greater diversity should provide more perspectives to enhance problem solving and creative thinking, increase the flexibility to adapt to changing environments, and allow an organization to attract and retain skilled members of a workforce that is itself becoming increasingly diverse (e.g., Powell, 1998). However, in practice, there is strong empirical evidence suggesting that increased diversity or demographic heterogeneity in groups and organizations can be associated with increased conflict, lower levels of social integration and performance, and higher levels of turnover (Milliken & Martins, 1996; Riordan, 2001; Williams & O'Reilly, 1998).

On the surface, these rationales point in conflicting directions: select for culture fit to enhance the organization's core values and promote commitment and select for diversity to ensure a variety of perspectives and to enhance creativity. Taken together, these two separate streams of research illustrate the difficulty of understanding what it means to "fit in" in an organizational setting and the complexity of understanding how diversity is defined. The literature on fit has referred largely to congruence in terms of cognitive traits, such as values, whereas the literature on diversity has referred largely to congruence in terms of externally visible traits, such as demographic categories. To reconcile these conflicting results requires that relational demography researchers explore the extent to which their findings reflect a combination of incongruities in underlying values, or person-culture fit, as well as demographic differences. Similarly, because the research in person-culture fit, reviewed below, has seldom controlled for the relational demography of groups and organizations, it may be that some of the findings from this research may reflect demographic differences as well as congruence in values or goals. Given the increasing heterogeneity in the U.S. labor force and the importance of teams in organizations, understanding the

underlying structure of these contradictory findings is an important practical as well as a research objective.

The present field study explores simultaneously differences in both relational demography and person-culture fit to identify the extent to which they separately and jointly affect work group process and individual performance and turnover nearly 1 year later. We begin by offering a brief review of the effects of fit in both the person-culture and relational demography literature and then offer a set of hypotheses derived from these areas of research. We then report empirical tests of these hypotheses based on a field study with methods expanding on those used in previous investigations. First, we include socioeconomic status (SES) as a key dimension of similarity and difference among colleagues given its overlap yet distinction from the demographic dimensions of education level and ethnic group frequently examined by others. Second, we include a range of outcome measures with performance ratings from both supervisors and peers as well as ratings of liking by peers. We conclude the article by offering an integrative view of how these two separate literatures may be reconciled.

## Person-Culture Fit

Person-culture fit is defined broadly as the compatibility of individuals with the organizations or groups in which they work (Kristof, 1996). O'Reilly and Chatman (1996) emphasize the role culture plays as a social control system within organizations and define person-culture fit in terms of the system of "shared values (that define what is important) and norms that define appropriate attitudes and behaviors for organizational members (how to feel and behave)" (p. 160). Consistent with Kristof, Boisnier, and Chatman (2003), and others (e.g., Adkins & Caldwell, 2004; Martin, 1992), we note that person-culture fit can encompass both person-organization (hereafter, P-O) and person-group fit (hereafter, P-G), depending on how large the definition of *group* is construed to be and whether the research focus is on the larger organizational culture or the subculture of a particular unit. What some researchers define as P-O fit may refer to the subunit of a larger firm, whereas others may use P-G fit for the same unit. It is interesting that in her review of the literature, Kristof (1996) observed that the empirical research on person-culture fit has focused primarily on P-O studies and that far fewer studies have examined the antecedents or consequences of P-G fit. Recently, Atkins and Caldwell (2004) provided evidence suggesting that although there may be differences

in P-O and P-G fit, they both have similar effects on outcomes, such as positive affect and turnover intentions. Given the similarity in constructs and measurement and the sample used in this research, we focus here on P-G fit.

Although the basis for person-culture fit can be assessed in terms of similarity between the person and the organization or group on a variety of dimensions, including goals, values, needs, and personality (Cable & Judge, 1997; Meglino & Ravlin, 1998; Vancouver & Schmitt, 1991), Verquer, Beehr, and Wagner (2003) note that "studies examining P-O fit in terms of values far outnumber other conceptualizations of fit" (p. 475). Although person-culture fit can be assessed on a variety of dimensions, the fit between the person's values and those of the organization appears to be the most common because both individuals and groups or organizations can be compared on these dimensions in a directly comparable and meaningful way, thus maximizing the commensurability of measures (C. Adkins, Ravlin, & Meglino, 1996; Caplan, 1987; Chatman, 1989; Kristof, 1996; Zammuto & Krakower, 1991).

Two basic assumptions underlie theories of person-culture fit. First is the idea that a person's experience of the situation can have an important influence on behavior (Fiske & Taylor, 1991; Lewin, 1938). A second assumption is that different types of people are attracted to and will remain in different organizations depending on the match or fit between individual and organizational goals, values, or needs (e.g., Chatman, 1989; Schneider, 1987). Consistent with these assumptions, there is ample empirical evidence showing that measures of person-culture fit explain variance in individual affective outcomes, such as commitment, liking, and social integration (e.g., C. Adkins, Russell, & Werbel, 1994; Cable & Judge, 1997; Finegan, 2000; Glavin, Jones, & Rozelle, 1996; Verquer et al., 2003); job and organizational preferences (e.g., Bretz, Rynes, & Gerhart, 1993; Burnett, Vaughan, & Moody, 1997; Cable & Judge, 1996; Kristof-Brown, 2000; Van Vianen, 2000); tenure intentions and turnover (e.g., Chatman, 1991; O'Reilly et al., 1991; McCulloch, 2001; Vandenberghe, 1999); and job performance (C. Adkins et al., 1996; Kristof-Brown & Stevens, 2001; Meglino et al., 1989; Saks & Ashforth, 1997). Although there remain methodological differences of opinion about the measurement of person-culture fit and the dimensions of assessment (Edwards, 1994; Klein, Conn, Smith, & Sorra, 2001; Riordan, 2001; Rousseau, 1990; Schneider, Kristof-Brown, Goldstein, & Smith, 1997; Verquer et al., 2003), the preponderance of evidence is convincing in demonstrating that similarity between individuals and their group or organizational context, especially in terms of value congruence, is associated with a more positive subjective experience for the

person and better performance for the person, group, or organization (e.g., C. Adkins et al., 1996; Kristof-Brown & Stevens, 2001). Increased similarity has positive effects and dissimilarity increases the likelihood of negative outcomes. The theoretical foundations for these effects are typically ascribed to the well-documented effects of similarity-attraction and social identity processes (Byrne, 1971; Hogg & Abrams, 1988); that is, the more similar individuals in an organization are with regard to values, goals, or personality, the higher the levels of attraction and the less the possibility of conflict and communication failures.

## Relational Demography

Largely independent of studies of person-culture fit, a separate body of research on organizational demography has developed examining how variations in an organization's demographic composition affects performance (e.g., Pfeffer, 1983; Wagner, Pfeffer, & O'Reilly, 1984). One stream of this research focuses on how variations in the demographic composition of groups affect individual attitudes and behavior. Using the term *relational demography* to refer to the comparative demographic characteristics of members of groups, this research has focused on the effects on individuals of being similar to or different from others in the group in terms of demographic background (Riordan, 2001; Tsui, Egan, & O'Reilly, 1992; Tsui & O'Reilly, 1989; Vecchio & Bullis, 2001; Zatzick, Elvira, & Cohen, 2003). As with studies of person-culture fit, this research is also grounded in similarity-attraction and social categorization theories. Further, it tests similar hypotheses exploring the effects of fit and misfit on individuals. That is, the fundamental premise guiding relational demography research is that differences in demographic characteristics, such as age, tenure, sex, race, and education, can have important effects on an individual's perceptions of his or her work environment and thereby can affect work attitudes, group process, and performance (Glavin et al., 1996; Kirkman, Tesluk, & Rosen, 2004; Pelled, Xin, & Weiss, 2004; Randel, 2000; Smith et al., 1994).

In their review of organizational demography, Williams and O'Reilly (1998) report that the results from more than 80 studies confirm that increased demographic heterogeneity in attributes such as tenure, sex, and race typically has negative effects on work attitudes and performance (e.g., Chatman & Flynn, 2001; Chatman, Polzer, Barsade, & Neale, 1998; Pelled, Eisenhardt, & Xin, 1999; Smith et al., 1994). In general, individuals who are more distant or dissimilar from others in the group are also more likely to

have lower levels of satisfaction and commitment (Mueller, Finley, Iverson, & Price, 1999; Riordan & Shore, 1997), to experience higher levels of conflict (Jehn, Northcraft, & Neale, 1999; Pelled et al., 1999), to have poorer communication (Mayo, 2000; Mehra, Kilduff, & Brass, 1998), to be less integrated into the group (Harrison, Price, Gavin, & Florey, 2002; Martins, Milliken, Wiesenfeld, & Salgado, 2003; O'Reilly, Caldwell, & Barnett, 1989; Smith et al., 1994), to perform less well (Chatman & Flynn, 2001; Flynn, Chatman, & Spataro, 2001; Mayo, Pastor, & Meindl, 1996; Tsui & O'Reilly, 1989), and to be more likely to leave the group (O'Reilly et al., 1989; Sorenson, 2000; Tsui et al., 1992;). In contrast, increased demographic similarity generally has positive effects on liking, satisfaction, commitment, tenure, performance, and decreased turnover.

## The Current Study

Although the majority of studies of either person-culture fit or relational demography have proceeded independently of each other, there is some intriguing evidence suggesting that the two streams might be productively integrated. Research exploring the differential effects of surface- and deep-level diversity have shown that the length of time a group is together may attenuate the effects of surface-level demographic differences and strengthen the effects of deep-level differences (e.g., Aquino, Townsend, & Scott, 2001; Harrison, Price, & Bell, 1998; Turban, Dougherty, & Lee, 1999). These studies show that increased familiarity appears to increase the importance of less visible individual characteristics, such as attitudes, values, and personality (Cable & Judge, 1996; Harrison et al., 2002; Ostroff & Rothausen, 1997). For example, several studies show that the initial negative effects of demographic heterogeneity may be attenuated after time as people learn about their similarity in underlying values (Chatman & Flynn, 2001; Harrison et al., 2002; Martins et al., 2003). Chatman et al. (1998) reported a similar finding showing that deep-level similarity—in their case, sharing a collectivistic organizational culture—could attenuate some of the negative impacts of demographic diversity on group process and outcomes. In a longitudinal study of 83 groups, Polzer, Milton, and Swann (2002) found that the negative effects of relational demography were attenuated when individuals were interpersonally congruent, suggesting that similarity in personality and values can moderate the effects of demographic differences. These results and others suggest that at least some of what is reported as differences stemming from demographic diversity may be initial effects that are reduced when individuals share similar values (Flynn et al., 2001; Spataro, 2002).

The importance of assessing underlying values as a source of fit or misfit is reflected in the theoretical underpinnings of relational demography. Both similarity-attraction and social categorization theories are essentially cognitive theories of perception. An individual "sees" a referent as similar or different, is attracted or not, and categorizes the individual as desirable or not. Although these processes have been well documented (Byrne, Clore, & Worchel, 1966; Stangor, Lynch, Duan, & Glass, 1992), they do not account for how initial judgments of similarity or social category may change after time. For instance, a person may be attracted to a similar other based on demographic characteristics only to learn that the other person may have very different goals, values, and needs. The initial positive attraction may be replaced by less liking after time. Similarly, an initially unfavorable social categorization may be subsequently reevaluated as the other person becomes better known and underlying similarities become evident (Flynn & Chatman, 2003). Thus, it may be that although similarity-attraction and social categorization processes are veridical descriptions of initial judgments, these may change after time and may become more positive or negative as deeper level and more stable similarities and differences become clear. Hence, these temporal effects may account for some of the inconsistencies reported in relational demography studies (Riordan, 2001). Unfortunately, the evidence from these studies is mostly inferential, showing that variables such as time, personality, or norms can have an effect without explicitly investigating both person-culture and demographic fit (Chatman & O'Reilly, 2004; Chattopadhyay, 1999; Lovelace & Rosen, 1996; Rodriguez, 2000).

Given the clear theoretical similarities between studies of person-culture fit and relational demography and the suggestive empirical evidence, the purpose of this study is to investigate explicitly how differences in underlying values and relational demography jointly and separately affect group process and performance. On the basis of previous results of research showing that increased fit both in terms of person-culture and relational demography can lead to higher levels of acceptance and social integration (e.g., O'Reilly et al., 1989), individual performance (e.g., Kristof-Brown & Stevens, 2001), and tenure intentions (e.g., Chatman, 1991), we postulate the following:

*Hypothesis 1:* The more similar an individual is in values to other group members (P-G fit),

- A. the higher will be the individual's performance ratings,
- B. the higher will be the liking expressed by other group members for the focal person, and
- C. the less likely it will be that the individual will leave the group.

*Hypothesis 2:* The more similar an individual is demographically to other group members (relational demographic fit),

- A. the higher will be the individual's performance ratings,
- B. the higher will be the liking expressed by other group members for the focal person, and
- C. the less likely it will be that the individual will leave the group.

The third hypothesis is predicated on relational demography research suggesting that surface-level differences may, after time, become less important than deeper level differences as reflected in value fit (e.g., Harrison et al., 1998; Ostroff & Rothausen, 1997; Sorenson, 2002). This suggests that as group members become more familiar with each other, judgments of similarity move from comparisons based on ascriptive characteristics to deeper evaluations based on similarities on dimensions such as values and personality. If this is true, then as an individual's tenure in the group increases, one would expect that the effects of relational demographic differences should diminish in comparison to P-G value fit (e.g., Turban et al., 1999). In addition to these differences in the importance of surface-level and deep-level fit across time, we further argue for an interaction between person-culture and demographic fit. After time, the effects of demographic fit on outcomes such as liking for others, performance, and turnover would be attenuated. Higher levels of person-culture fit could compensate for a lack of demographic fit; that is, when person-culture fit is high, the negative effects of being dissimilar to the group on demographic characteristics will be less. In effect, deep-level fit itself provides a social context for the lesser importance of surface-level attributes.

*Hypothesis 3:* There will be an interaction effect between relational demography and P-G fit such that higher levels of P-G fit will attenuate lower levels of demographic fit and result in

- A. higher performance ratings,
- B. increased liking of the focal person by other group members, and
- C. lower levels of turnover.

## Method

### Participants

Participants were 114 members of a nonprofit public service organization in the northeastern United States. The organization is part of the national service program Americorps, which is intended to be the domestic version

of the U.S. Peace Corps, providing community service in underprivileged neighborhoods. Team members were full-time employees for 1 academic year. They performed a variety of public service jobs, such as running after-school programs, assisting charities in the local community, performing disaster relief, and serving as assistant teachers. The organization paid them modest compensation and benefits in addition to university scholarships if they completed the year-long program.

One hundred fourteen members in total enrolled in the program, of whom 82 completed the year. Of the 114 members, 5 joined in January as midyear replacements. Eighty-nine of these 114 members (78%) completed all of the measures for this study.

The organization conducted its work in teams, with 16 teams with an average of 5.8 active members per team ( $SD = 1.3$ ). Participants were unacquainted with teammates before the program began. There were four different sites located an average of 30 min from each other. Two sites had 3 teams, one had 4 teams, and one had 6 teams. Staff members determined team composition at the end of a 2-week initial training program, using random assignment to ensure team diversity across sex, ethnicity, and education level. Team members spent an average of 4 days per week working with their team and 1 day per week working on broader projects with other members of the organization.

The organization was demographically diverse. The 89 team members who completed all measures of this study included 39 (44%) Caucasians, 16 (18%) African Americans, 14 (16%) Hispanics, 6 (7%) Asian Americans, and 14 (16%) Others. The 89 included 8 (9%) high school dropouts, 48 (54%) with high school diplomas or the equivalent, 23 (26%) who had attended some college, and 10 (11%) college graduates. Forty-three (48%) were men and 46 (52%) were women. All team members were between 17 and 23 years of age, with an average age of 19.7 years ( $SD = 2.0$  years). The demographic characteristics of the 89 members who completed all survey measures were similar to the larger group of 114 members.

## Predictor Variables

*P-G fit.* To assess the degree of fit for each person with the culture of their work group, participants completed an adapted version of the Organizational Culture Profile (OCP; O'Reilly et al., 1991) within 1 week of joining the organization. The OCP is a value-based Q-sort consisting of 54 items. In the standard version of the questionnaire, respondents sort the 54 items into nine categories with a fixed number of items per category (2, 4, 6, 9, 12, 9, 6, 4,

and 2 items, respectively), ranging from most desired or characteristic to least desired or characteristic. This approach provides a profile of the preferred culture for each respondent; that is, the Q-sort method provides an idiographic ranking of values for each respondent. However, unlike other idiographic measurements, with the OCP, each individual's profile can also be compared to other profiles to assess relative fit or congruence (Block, 1978; Chatman, 1991; Chatman, Caldwell, & O'Reilly, 1999). Fit or congruence can be assessed by computing the correlation between an individual's profile and that of the aggregate of others in the group or organization. In this study, each respondent's profile was compared to the aggregate of others in his or her assigned group, a P-G level of analysis of person-culture fit. Because we assess culture in terms of workplace-related values, we use the terms person-culture and P-G interchangeably to refer to the culture of each work group.

The OCP was adapted for the current study on the basis of a request by our primary contact at the participant organization, who preferred that we administer the OCP using a traditional Likert-type response scale. She expressed concern that the Q-sort's sorting and counting procedure could present difficulties for the least educated members of the program. Based on this request, participants responded to the OCP questions using a scale of 1 (*least desired*) to 9 (*most desired*), with additional instructions: "It is very important that you not use the same numbers on the scale over and over. Please try to use all of the numbers in this scale several times." Participant responses were converted into standardized scores. This simulates the ipsative procedure in the Q-sort by ensuring that the ratings of all individuals have the same mean and standard deviation and approximate a normal distribution so that ratings implicitly compare each item to each other (Chatman, 1989). Such a procedure reduces the effects of various rating biases, such as leniency or social desirability, or other idiosyncratic differences, a potentially significant problem with survey-based assessments of fit (Block, 1978; Riordan, 2001). These standardized scores were then used to calculate fit in terms of the correlation between response profiles, which are nomothetic comparisons across individuals in the dimensions important to them and others in their environment (Caldwell & O'Reilly, 1990; O'Reilly et al., 1991).

We calculated P-G fit in two steps. First, for each individual, we aggregated the responses of teammates to the OCP into a teammate composite profile consisting of the average of their standardized ratings. Second, we calculated the P-G fit of each individual consisting of the correlation between the focal person's OCP responses and those of the teammate composite profile. A Fisher transformation normalized the distribution of these correlations

(Rosenthal & Rosnow, 1991). Because of errors in typesetting, the OCP was further modified to eliminate 3 of the original 54 items (Items 23, 24, and 25).

The profile-matching approach of the OCP has been used successfully to assess person-culture fit in a variety of settings (e.g., Cable & Judge, 1997; Sheridan, 1992; Vandenberghe, 1999). However, this method has not gone uncriticized. Edwards (1993, 1994) has argued against the use of profile correlations such as the Q-sort largely on conceptual grounds. He argues that correlations such as the profile correlation or even the intraclass correlation are conceptually "ambiguous" (Edwards, 1994, p. 70) because they incorporate many dimensions, raters, or sources. However, one of the chief advantages of the Q-sort is its semi-idiographic nature: In addition to examining nomothetic differences across individuals, researchers can further investigate the differences in relative rankings for individual Q-sort items. This can provide a potentially rich picture of what the normative differences mean. For this reason, rather than being ambiguous, profile comparisons can provide for a finer grained understanding of differences (Chatman et al., 1999). Using a more quantitative argument, Edwards shows that Q-sort correlations can be expressed mathematically in terms of difference scores. However, the critique that Edwards and others have made against the use of difference scores does not apply to correlation coefficients. Although difference scores risk the possibility of bias because of differences in the average values and variance of the underlying quantities from which the differences are constructed, the correlation coefficient standardizes the mean and variance of these underlying quantities before its calculation. Thus, arguments against the difference scores are no longer germane in the context of the constrained average and variance of the underlying quantities in a profile correlation. From this logic, the profile correlation appears to be a robust and appropriate method for measuring P-G fit.

*Ethnicity.* Participants completed a short questionnaire in which they were asked to identify their ethnicity using one of the following categories: Caucasian, African American, Hispanic, Asian American, or Other.

*Sex.* Employment records were used to code the sex of each participant.

*SES.* The SES of participants was assessed with a composite based on several different convergent measures. First, employment records indicated the highest educational level completed (100% response rate). In addition, participants self-reported the following items (numbers in parentheses indicate

the response rate for each item): income (69%); “economic class,” with multiple response choices, including lower class, working class, middle class, and upper class (81%); mother’s highest educational level completed (57%); and father’s highest educational level completed (55%). These items were labeled optional, and each participant completed an average of 2.6 of the 4 self-report measures (median = 3). The average product–moment correlation among the five items was .49, which yielded Cronbach’s alpha of .78 for the composite measure used in analyses below.

*Relational demography.* To assess the effects of relational demography, data were collected on each respondent’s sex, race, and socioeconomic background. Euclidean distance measures were computed for each individual and were used to index the extent to which each person was similar to or different from others in the group (Tsui et al., 1992). For categorical measures such as sex and race, the Euclidean distance was calculated based on values of 0 for same-group and 1 for different-group dyads.

*Group size.* Given previous research showing that the size of a group may affect both perceptions of P-O fit and the computation of relational demography measures (e.g., Tsui et al., 1992), the size of each group was always added as a control variable when testing the hypotheses.

## Dependent Variables

*Performance ratings from staff.* During the final 2 weeks of the year, senior staff members at the organization completed performance ratings for each of the team members. Staff members provided an overall rating for each individual based on his or her success at the organization on a 0-to-10 scale. They left blank responses for any individual with whom they did not feel sufficiently acquainted. Fourteen staff members completed these ratings, and an average of 8.4 staff members rated each individual participant. Average interrater reliability, also known as the intraclass correlation ICC-1 (Bartko, 1976; Bliese, 2000; Rosenthal & Rosnow, 1991), was .48. Total reliability, also known as the ICC-2 or Cronbach’s alpha (Bartko, 1976; Bliese, 2000; Rosenthal & Rosnow, 1991), was .89 for the average rating based on the multiple raters per participant.

*Peer ratings.* During the last 2 weeks of the program, team members also evaluated their colleagues. Participants rated each person who had been a part of their team, including those who had left the organization. They rated on a scale from 0 to 10 each team member on performance and liking.

Participants left blank responses for any individual with whom they did not feel sufficiently acquainted to rate accurately, resulting in an average of 3.7 teammate ratings for each individual. Total reliability, also known as the ICC-2, across the multiple raters from each team was .93 for performance and .83 for liking.

*Retention.* Employment records were used to code whether each participant completed the year-long program. Seventy-seven of the 89 participants completing the measures for this study also completed the program, for an overall retention rate of 87%. In the case of one team, all members left the organization; thus, members of this team are excluded from analyses below, and 15 teams remain.

## Results

Table 1 provides the correlations among variables. Several associations are noteworthy and consistent with previous research. First, there are large and reasonable correlations among the outcome measures, suggesting both convergent validity and a tendency for low performers to be less liked by their peers and more likely to leave before completing the program. It is also noteworthy that the measures of P-G fit and relational demography are largely uncorrelated (range  $r = -.04$  to  $.12$ ), suggesting that they are assessing unrelated constructs. Finally, zero-order correlations suggest relationships between the independent and dependent variables. P-G fit significantly predicted performance ratings 10 months later. There were several significant correlations among demographic composition and diversity variables. In particular, Whites tended to have somewhat higher SES ( $r = .28, p < .01$ ) and lower ethnic distance from teammates than members of other groups ( $r = -.22, p < .05$ ).

Before conducting analyses at the individual level, we first calculated intraclass correlations representing the extent to which team-level nesting on the dependent variable may have increased statistical power through artifact. For staff and peer performance ratings, there were no significant differences across teams (staff  $F(14, 74) = 1.4, p = .18$ ; peer  $F(14, 74) = 1.1, p = .36$ ). For the outcome variables of peer liking and retention, there were significant team-level effects (liking  $F(14, 74) = 1.9, p = .04$ ; retention  $F(14, 74) = 2.0, p = .03$ ). However, these effects appear to result from differences across the sites. After subtracting site-level effects, the team-level effects disappear (liking  $F(14, 74) = 1.1, p = .35$ ; retention  $F(14, 74) = 1.4,$

**Table 1**  
**Correlation Among Outcome and Predictor Variables (N = 89)**

Variable	M	SD	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Outcome measure																		
1. Staff performance ratings <sup>a</sup>	.03	.73																
2. Peer performance ratings	6.46	2.42	.62***															
3. Peer liking ratings	6.88	2.36	.37***	.78***														
4. Retention	87%	34%	.65***	.38***	.25*													
Control measure																		
5. Team size	5.99	1.40	.08	.07	.07	.02												
Demographic composition																		
6. Female	52%	50%	.01	.05	-.16	.01	.07											
7. White	44%	50%	.24*	.21*	.04	.08	.02	.31**										
8. Hispanic	16%	37%	-.13	-.01	.13	-.01	.05	-.08	N/A									
9. African American	18%	39%	-.15	-.09	-.03	-.07	.05	-.07	N/A	N/A								
10. Asian American	7%	25%	.13	.02	-.04	.11	.10	-.19~	N/A	N/A	N/A	N/A						
11. Other ethnicity (non-White)	16%	37%	-.13	-.19~	-.12	-.10	-.20~	-.14	N/A	N/A	N/A	N/A	N/A					
12. SES <sup>b</sup>	-.02	.82	.50***	.43***	.29**	.21*	.22*	.06	.28**	-.26*	-.04	.13	-.17					
Relational demography																		
13. Gender	.74	.09	.08	.11	.02	.14	-.08	-.10	-.07	.00	.05	-.03	.07	-.09				
Euclidean distance																		

14. Ethnicity Euclidean distance	.86	.11	-.16	-.23*	-.05	-.07	-.02	-.11	-.71***	.22*	.24*	.29**	.30**	-.14	.10
15. SES Euclidean distance	1.08	.36	.00	.00	-.20~	-.19~	.10	.06	.10	.04	-.28**	.20~	-.01	.11	-.02
Person-group fit	.21	.18	.23*	.29**	.14	.08	-.14	.17	.01	.04	-.04	.12	-.09	.11	-.04
16. Person-group Fit (OCP)															.04
Interaction between person-group fit and relational demography															
17. Fit × Gender Distance	.15	.13	.00	-.02	.02	-.12	.03	.02	.23*	-.07	-.12	-.08	-.06	-.02	.20~
18. Fit × Ethnicity Distance	.18	.16	.10	-.02	-.08	.17	-.13	.04	-.05	-.06	.01	.15	.03	-.01	-.10
19. Fit × SES Distance	.23	.22	.07	-.01	-.07	.00	.06	-.18~	.04	-.09	.01	.07	-.02	.07	.03
															-.11
															.00
															-.03

Note: N/A indicates that the correlation is not meaningful between mutually exclusive ethnic category variables, SES = socioeconomic status; OCP = Organizational Culture Profile (O'Reilly, Chatman, & Caldwell, 1991).

a. Composite based on standardized variables.

~ $p < .10$ . \* $p < .05$ . \*\* $p < .01$ . \*\*\* $p < .001$ . All values two-tailed.

**Table 2**  
**Multivariate Regressions of Demographic Variables**  
**and Person-Group Fit (OCP) Onto Staff Performance Ratings**

	Model 1 Control Variable	Model 2 Including Demography	Model 3 Including Fit	Model 4 Including Interaction
Control measure				
Team size	.11	-.01	.03	.06
Demographic composition				
Female		-.01	-.05	-.06
White		.09	.08	.10
Hispanic		.05	.02	.03
African American		-.09	-.11	-.11
Asian American		.13	.10	.07
SES		.48***	.46***	.45***
Relational demography				
Gender Euclidean distance		.16	.17~	.19~
Ethnicity Euclidean distance		-.07	-.08	-.09
SES Euclidean distance		-.14	-.16	-.15
Person-group fit	.24*		.20*	.21*
Interaction between person-group fit and relational demography				
Fit × Gender Distance				.14
Fit × Ethnicity Distance				-.06
Fit × SES Distance				.01
Model diagnostic				
$R^2$	.06	.31	.35	.36
Adjusted $R^2$	.04	.22	.25	.24
$F$ test of model	2.94~	3.52***	3.70***	3.03***
Change from previous model ( $F$ )	—	—	4.12*	.73

Note: All values are standardized regression coefficients.  $N = 89$ . SES = socioeconomic status; OCP = Organizational Culture Profile (O'Reilly, Chatman, & Caldwell, 1991).

~ $p < .10$ . \* $p < .05$ . \*\*\* $p < .001$ . All values two-tailed.

$p = .20$ ). For this reason, analyses of peer liking and retention include dummy variables for geographic site as controls, and all analyses use the individual participant as the unit of analysis.

Tables 2 through 5 report regression results for tests of the three hypotheses for each of the four outcome variables: staff performance ratings, peer performance ratings, peer liking ratings, and retention, respectively. Each

**Table 3**  
**Multivariate Regressions of Demographic Variables**  
**and Person-Group Fit (OCP) Onto Peer Performance Ratings**

	Model 1 Control Variable	Model 2 Including Demography	Model 3 Including Fit	Model 4 Including Interaction
Control measure				
Team size	.12	-.03	.03	.05
Demographic composition				
Female		.05	.00	-.02
White		.02	.00	.01
Hispanic		.18	.14	.14
African American		.01	-.02	-.02
Asian American		.09	.04	.03
SES		.47***	.43***	.42***
Relational demography				
Gender Euclidean distance		.19	.20*	.22*
Ethnicity Euclidean distance		-.23	-.24~	-.25~
SES Euclidean distance		-.10	-.13	-.12
Person-group fit	.31**		.28**	.28**
Interaction between person-group fit and relational demography				
Fit × Gender Distance				.06
Fit × Ethnicity Distance				-.04
Fit × SES Distance				-.06
Model diagnostic				
R <sup>2</sup>	.10	.28	.35	.35
Adjusted R <sup>2</sup>	.07	.19	.25	.23
F test of model	3.1*	3.0**	3.7***	2.9**
Change from previous model (F)	—	—	7.8**	0.3

Note: All values are standardized regression coefficients.  $N = 89$ . SES = socioeconomic status; OCP = Organizational Culture Profile (O'Reilly, Chatman, & Caldwell, 1991).

~ $p < .10$ . \* $p < .05$ . \*\* $p < .01$ . \*\*\* $p < .001$ . All values two-tailed.

table reports four separate regression models. The first model includes the control measures as well as P-G fit. The second model includes the control measures as well as demographic variables. The third model includes P-G fit as an additional predictor. The fourth model includes interaction terms between P-G fit and relational demography measures as additional predictors.

Tables 2 and 3 show strong support for Hypothesis 1A. The more similar an individual was to others in the group, on the basis of value congruence

**Table 4**  
**Multivariate Regressions of Demographic Variables**  
**and Person-Group Fit (OCP) Onto Peer Liking Ratings**

	Model 1 Control Variable	Model 2 Including Demography	Model 3 Including Fit	Model 4 Including Interaction
<b>Control measure</b>				
Team size	.07	.05	.09	.11
Site 1	-.37**	-.21	-.19	-.21
Site 2	-.13	-.09	-.10	-.14
Site 3	-.09	.05	.04	.05
<b>Demographic composition</b>				
Female		-.18~	-.22~	-.24*
White		.16	.14	.12
Hispanic		.24~	.22	.20
African American		.01	-.01	-.01
Asian American		-.02	-.04	-.01
SES		.34**	.32**	.34**
<b>Relational demography</b>				
Gender Euclidean distance		.08	.08	.07
Ethnicity Euclidean distance		.02	.01	-.02
SES Euclidean distance		-.18	-.21	-.22~
Person-group fit	.13		.16	.16
<b>Interaction between person-group fit and relational demography</b>				
Fit × Gender Distance				.07
Fit × Ethnicity Distance				-.04
Fit × SES Distance				-.18
<b>Model diagnostic</b>				
R <sup>2</sup>	.13	.27	.29	.32
Adjusted R <sup>2</sup>	.07	.14	.16	.16
F test of model	2.4*	2.1*	2.2*	2.0*
Change from previous model (F)	—	—	2.3	1.0

Note: All values are standardized regression coefficients.  $N = 89$ . SES = socioeconomic status; OCP = Organizational Culture Profile (O'Reilly, Chatman, & Caldwell, 1991).

~ $p < .10$ . \* $p < .05$ . \*\* $p < .01$ . All values two-tailed.

(person-culture fit) at the beginning of the year, the higher the performance ratings were from both peers and staff members 10 months later. The coefficients for person-culture fit are positive and significant in all models in Tables 2 and 3. As shown in Tables 4 and 5, respectively, there were

**Table 5**  
**Multivariate Regressions of Retention Onto Demographic**  
**Variables and Person-Group Fit (OCP)**

	Model 1 Control Variable	Model 2 Including Demography	Model 3 Including Fit	Model 4 Including Interaction
<b>Control measure</b>				
Team size	-.22	-.19	-.12	-.22
Site 1	-8.27	-8.32	-8.26	-9.15
Site 2	-6.27	-7.19	-7.34	-6.66
Site 3	-7.96	-8.00	-8.10	-8.74
<b>Demographic composition</b>				
Female		.44	.39	1.17
White		.45	.51	2.68
Hispanic		.60	.44	.97
African American		-.54	-.86	-.46
Asian American		8.21	8.02	12.23
SES		.61	.60	.50
<b>Relational demography</b>				
Gender Euclidean distance		7.03	7.64~	18.28*
Ethnicity Euclidean distance		-.33	.59	3.28
SES Euclidean distance		-1.52	-1.78*	-2.28~
Person-group fit	1.19		1.94	1.28
<b>Interaction between person-group fit and relational demography</b>				
Fit × Gender Distance				-108.82*
Fit × Ethnicity Distance				64.93*
Fit × SES Distance				6.82
<b>Model diagnostic</b>				
Chi-square test of model	10.6~	17.9 <sup>a</sup>	18.7 <sup>b</sup>	30.5*
Change from previous model ( $\chi^2$ )	—	—	0.796	11.8**

Note: All values are logistic regression coefficients.  $N = 89$ . SES = socioeconomic status; OCP = Organizational Culture Profile (O'Reilly, Chatman, & Caldwell, 1991).

a. Overall model not significant at conventional level ( $p = .16$ ).

b. Overall model not significant at conventional level ( $p = .18$ ).

~ $p < .10$ . \* $p < .05$ . \*\* $p < .01$ . Person-group fit one-tailed to reflect directional hypothesis. All other values two-tailed.

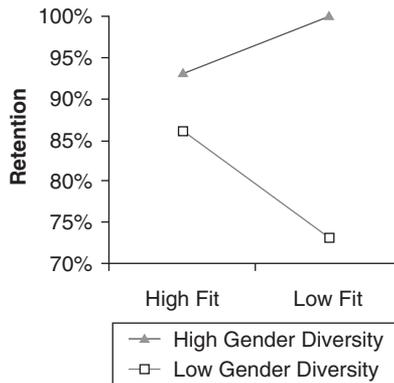
nonsignificant positive associations between person-culture fit and ratings of liking by peers as well as retention (i.e., lower turnover) at the end of the 10-month period, offering no direct support for Hypotheses 1B or 1C.

The findings in Tables 2 and 3, showing that P-G fit is a stronger predictor of performance ratings when it is alone in Model 1 than when it is included along with demographic variables in Model 3, suggests the possibility that similarity in values may mediate the relationship between demographic diversity and performance ratings. To explore this, we regressed P-G fit on the demography measures (Baron & Kenny, 1986). These results showed no significant associations between any of the demography variables and P-G fit, which suggests no evidence of mediation.

Hypothesis 2 explored the relationships between demographic distance and the dependent variables. Tables 2 and 3 offer modest support for Hypothesis 2A. The Euclidean distance measure for sex was significantly and positively related to peer performance ratings (Table 3) and marginally associated with staff member performance ratings (Table 2), suggesting that group members, either male or female, received higher ratings when working among relatively more members of the opposite sex. In addition, relational demography results from Table 3 also show lower performance ratings for peers who were more different in terms of ethnicity, suggesting that being different in ethnicity resulted in lower ratings. No support was found for Hypothesis 2B, which postulated that increased demographic similarity would be related to increased liking. However, consistent with Hypothesis 2C, relational demography was significantly predictive of turnover. Models 3 and 4 of the logistic regressions in Table 5 show that the sex Euclidean distance measure is positively associated with turnover; that is, participants were more likely to remain in the program when working in groups with relatively more members of the opposite sex. Both males and females were less likely to drop out if they were in groups in which they were a minority. Coefficients for the SES Euclidean distance measure are negative and suggest that when individuals were more distant from their peers in terms of SES, they were comparatively more likely to leave.

Results for Hypothesis 3, which postulated that the interaction of person-culture and relational demographic fit would have positive effects on outcomes, are shown in Model 4 of the tables. None of these interaction terms was a significant predictor of performance or liking ratings, suggesting that person-culture fit does not moderate the relationship between demographic diversity and performance or peer liking (Hypotheses 3A and 3B). However, as shown in Table 5, two of the interaction terms were significant predictors of retention (Hypothesis 3C). In particular, P-G fit had a greater impact on the retention rate for those individuals with lower sex differences or greater ethnic differences than teammates. Recall that earlier models demonstrated that lower sex differences and greater ethnic differences from the group are both generally associated with poorer outcomes. Thus, the significant

**Figure 1**  
**Interaction Between Gender Diversity and**  
**Person-Group Fit in Predicting Retention**



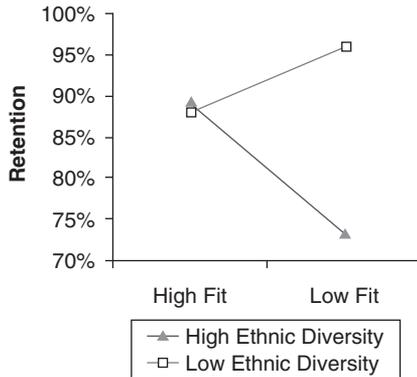
interaction terms suggest that the level of P-G fit is relevant in predicting the turnover of individuals whose relational demographic characteristics put them at risk for poorer outcomes (see Figures 1 and 2). Higher P-G fit attenuates the negative effects of demographic differences—negative effects because of greater difference in the case of ethnicity and greater similarity in the case of sex.

Consistent with this hypothesis, person-culture fit at the beginning of the program predicted performance at the end of the program more strongly than relational demography. Across the 10-month period, value congruence was a better predictor of how peers and staff would rate the focal individual than demographic similarity. However, relational demographic characteristics were as strong or stronger predictors of peer liking and retention. Taken together, the results for Hypotheses 3 and 4 suggest that as postulated, person-culture fit may moderate some of the potential negative effects of a lack of demographic fit.

### **Analyses by Demographic Group**

In addition to examining the effects of person-culture fit and relational demography across the entire sample, it is worthwhile to explore whether any of these effects may differ across demographic groups. Table 6 summarizes results for the key outcome variables in separate regressions across

**Figure 2**  
**Interaction Between Ethnic Diversity and**  
**Person-Group Fit in Predicting Retention**



sex, ethnicity, and SES. To preserve space, Table 6 omits results for control variables. Because of the reduced sample size, we exclude analyses of the binary outcome of program retention.

*Sex.* Results show that there was a stronger relationship between performance ratings and relational demography for women than for men. P-G fit also appeared to have a greater effect on outcomes for women than for men. This suggests that the level of P-G fit is relevant in predicting the turnover of individuals whose sex put them at risk for poorer outcomes.

*Ethnicity.* Person-culture fit was a significant predictor of the peer performance ratings of Whites, whereas the effect of P-G fit showed only a nonsignificant positive trend for non-Whites.

*SES.* Results in Table 6 show interesting differences in coefficients based on SES. For low-SES members, staff performance ratings and peer performance and liking ratings were depressed by SES distance from teammates. In contrast, for high-SES members, staff performance ratings were marginally higher for individuals who were more socioeconomically distant from teammates. Furthermore, there were fit-demography interactions for low-SES members that were significant for peer liking ratings and marginally

**Table 6**  
**Differences Across Demographic Variables for Relationship**  
**Between Person-Group Fit (OCP) and Workplace Outcomes**

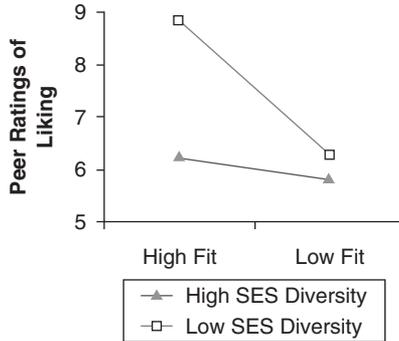
	Staff Performance Rating	Peer Performance Rating	Peer Liking Rating
<b>Gender</b>			
Men ( <i>n</i> = 43)			
Gender Euclidean distance	.16	.18	-.04
Person-group fit	.10	.20	.02
Fit × Gender Distance	-.19	-.24	-.25
Women ( <i>n</i> = 46)			
Gender Euclidean distance	.47**	.37*	.25
Person-group fit	.18	.27	.21
Fit × Gender Distance	-.32~	.06	.15
<b>Ethnicity</b>			
White ( <i>n</i> = 39)			
Ethnicity Euclidean distance	.04	-.10	.24
Person-group fit	.19	.50*	.21
Fit × Ethnicity Distance	.11	.11	-.11
Non-White ( <i>n</i> = 50)			
Ethnicity Euclidean distance	-.09	-.11	-.18
Person-group fit	.20	.35	.45~
Fit × Ethnicity Distance	.13	-.14	-.37
<b>SES</b>			
High SES ( <i>n</i> = 45)			
SES Euclidean distance	.35~	.24	.27
Person-group fit	.27	.34~	.18
Fit × SES Distance	-.15	-.14	-.09
Low SES ( <i>n</i> = 44)			
SES Euclidean distance	-.64**	-.63***	-.61**
Person-group fit	.43**	.34*	.24
Fit × SES Distance	-.09	-.29~	-.47*

Note: All values are standardized regression coefficients. *N* = 89. All values based on regressions controlling for all other terms that appear in Model 4 of Tables 2 through 4. Values for variables other than those listed are omitted to preserve space. Retention excluded because of low statistical power of binary outcome variable. SES = socioeconomic status; OCP = Organizational Culture Profile (O'Reilly, Chatman, & Caldwell, 1991).

~*p* < .10. \**p* < .05. \*\**p* < .01. \*\*\**p* < .001. All values two-tailed.

significant for peer performance ratings. These results indicate that for individuals from low-SES backgrounds, liking and performance were higher when they were in groups with more similarly low-SES members and when they were more similar in values (see Figure 3).

**Figure 3**  
**Interaction Between Socioeconomic Status Diversity and**  
**Person-Group Fit in Predicting Peer Ratings of Liking for**  
**Individuals of Low Socioeconomic Status**



Given these different findings based on SES and the significant correlation between SES and the Euclidean measure for ethnicity ( $r = .30, p < .05$ ), we conducted several additional regression analyses exploring how SES affected relational demography. These results show that removing SES from the model leaves estimates essentially unchanged for peer ratings and retention and decreases the predictive power for the model for staff performance ratings. In general, the removal of SES from the model increases the regression coefficient for *White* and suggests that it is possible that studies of relational demography that do not control for SES effects may overestimate the effects of ethnic differences.

Overall, these results provide evidence that the level of P-G fit is more relevant in predicting the rated effectiveness of those individuals whose demographic characteristics put them at risk for poorer outcomes. In this condition, higher P-G fit appears to attenuate the negative effects of demographic differences. Consistent with recent research, the overall results also show that demographic diversity does not affect members of all demographic groups equally (e.g., Chatman & O'Reilly, 2004; Jehn et al., 1999; Martins et al., 2003). Although distance from teammates in terms of demographic background is often associated with poor performance, for members of higher status groups, such as the ethnic majority or high-SES group, it appears to be relatively advantageous to be different from teammates. For

members of lower status groups, such as ethnic minorities or those with a low SES, it appears possible that a lack of demographic fit with teammates can be a risk factor for lower workplace outcomes.

## Discussion

Although person-culture fit and relational demographic fit are, in this study, independent constructs, the results show that person-culture fit based on value congruence among team members may moderate some of the negative effects of being demographically distant. Although there was no overall effect for P-G fit on retention rate, it appeared that higher P-G fit was associated with better retention for those individuals whose relational demography put them at greater risk within their teams. Examining results separately across demographic groups provided the most consistent evidence that P-G fit serves an ameliorative function for individuals whose demographic background puts them at risk for lower retention. This was particularly true for members of lower status groups who were relatively similar to their teammates, specifically, ethnic minorities and individuals with a relatively lower SES. These findings suggest that fit on various dimensions may have a compensatory effect such that the negative effect of being different and a member of a lower status group can be reduced if there is good fit in another area. This seems intuitively reasonable and has obvious practical implications for organizations trying to recruit and retain underrepresented groups.

The measure of person-culture fit used here is based on the individual's values and how congruent these are with other members of the group. Because values are by definition relatively stable, it is likely that these will be more predictive of long-term attitudes and behaviors than ascriptive demographic characteristics, a finding consistent with some empirical results (Chatman, 1991; Vandenberghe, 1999). Insofar as initial differences in relational demography mask underlying similarities in values, one would predict that after time, the negative effects of demographic differences would diminish as long as they did not index deeper level value differences. Of course, it is possible that in some instances, relational demographic differences may index these deeper level values, in which case greater interpersonal contact will only reveal these differences and not diminish any initial demographic effects. However, in the present study, the results showing that demographic characteristics and diversity do not predict P-G fit suggest that this was not the case.

Consistent with earlier studies, this study also showed that person-culture fit was positively and significantly related to individual performance as rated by both staff members and peers. This is consistent with other studies of P-O and P-G fit and suggests the importance of value similarity as a predictor of performance (e.g., Goodman & Svyantek, 1999; Meglino et al., 1989). Because performance in a group or organization may be partially defined by what the group values, these results seem reasonable. The performance ratings given by staff members and peers may easily reflect not only how objectively a person performed but also whether the performance was obtained in a manner consistent with the underlying values of the group. In this study, those who were more different in their values received lower performance ratings from their peers and from the staff.

Unlike previous studies that have found increased person-culture fit to be associated with higher levels of positive affect (e.g., Bretz & Judge, 1994; Finegan, 2000), we found no relationships between P-G fit and liking by others in the group. However, the results here are not necessarily inconsistent. Previous studies have focused on how the focal individual responds to fit or misfit, with higher levels of fit typically associated with more positive affect (e.g., commitment, social cohesion). In the current study, our measure is not how the individual feels but how much liking others express toward the focal individual. Previous studies have not addressed this question. Thus, the results here are complementary and suggest that value congruence is most reflected in judgments of performance but not necessarily in liking by others.

Also unlike much earlier research on relational demography, we found only weak associations between demographic differences and either performance ratings or liking by others in the group. However, we did find significant relationships between an individual's demographic distance from others in the group and turnover. Again, these findings may be complementary with previous research that has documented how demographic dissimilarity may lead those who fit less well to express more negative feelings. In the current study, the evidence suggests that although relational demography does not seem to result in less liking by others in the group or lower performance ratings, it is nevertheless significantly predictive of turnover by the individual who is distant from others (e.g., O'Reilly et al., 1989). Two interpretations are possible. First, the experience of being different appears to be sufficient to cause turnover, regardless of how others in the group feel about the person. Being different by itself can be stressful (Chatman et al., 1998). Second, and consistent with the potential moderating effect of person-culture fit, it may be that because performance and liking were assessed 10 months after the groups were formed, any initial negative effects of relational demography

may have been attenuated by time and underlying value fit (e.g., Harrison et al., 1998; Ostroff & Rothausen, 1997).

In general, we interpret these results as also being consistent with studies showing that the effects of surface demographic differences may diminish after time and the effects of deeper characteristics, such as value similarity reflected in person-culture fit, may increase (Harrison et al., 1998; Harrison et al., 2002; Martins et al., 2003). These results are also compatible with the operation of both similarity-attraction and social categorization theories, in that they may reflect the diminishing importance of initial cognitions as individuals come to know more about others' values and goals and rely less on preliminary categorizations.

An interesting finding was that the two most consistent demographic difference effects in the present study were SES and sex, both of which may index deeper value differences rather than more transitory social categorizations. SES and gender are also both categories that are particularly closely tied to issues of status, perhaps even because they are considered to index inherent and deeper differences. The recent development of status construction theory has demonstrated that perceptions about differences in status are highly labile and are easily created, spread, and even maintained (Ridgeway, 1991; Ridgeway & Balkwell, 1997; Webster & Hysom, 1998). The characteristics that distinguish individuals evoke cultural beliefs about those characteristics and their resulting social categories, and in turn, people carry these beliefs into their encounters with implications for the resulting social interaction (Webster & Hysom, 1998). Our current results suggest that the power of these social beliefs may be mitigated in cases with deep-level similarity among colleagues. It is interesting that in the case of sex, we found that complementarity—not similarity—predicted better outcomes. This is consistent with Goldberg's (2005) findings that opposite-sex pairings in actual recruiter-candidate dyads resulted in more positive selection decisions following interviews. Post hoc tests revealed that Goldberg's effect was mediated largely by interpersonal attraction on the part of male recruiters to female applicants. Likewise, for the present study, we speculate that dynamics of interpersonal attraction among the young adults on these teams may have benefited those with a greater number of opposite-sex teammates.

Taken together, the results of this study may shed some light on some of the ambiguities in earlier research on relational demography. Previous studies have sometimes reported inconsistent findings for the effects of demographic differences in race, sex, tenure, and age (Riordan, 2001; Williams & O'Reilly, 1998). For example, several studies have found that males and females or Whites and other ethnic groups can have asymmetric responses to

being different (e.g., Chattopadhyay, 1999; Mueller et al., 1999; Riordan & Shore, 1997; Tsui et al., 1992). Men, for example, have been shown to be more reactive to being in the minority when in groups of women even though they are less likely to meet with the hostility that women in male groups sometimes experience (e.g., Chatman & O'Reilly, 2004). Given that studies of relational demography have not assessed underlying goals and values, it may be that these findings reflect unmeasured variations in values. As suggested here, this underlying fit in values can be especially relevant when relational demographic characteristics reflect discrepancies that may be associated with poorer outcomes.

Although the current study offers the benefits of assessing both demographic and value fit across an extended period, there are several weaknesses that should be acknowledged that may limit the generalizability of the findings. First, the current sample would have benefited from greater statistical power. Power tests (Cohen, 1988) suggest that the current sample should be adequate to detect a moderately sized interaction effect. Because a relatively large amount of variance was accounted for by the control variables and main effect terms, the current sample size yields a theoretical value of approximately .75 power at the  $\alpha = .05$  level. However, measurement error serves to reduce the effective statistical power, and it is possible that the interaction effect is small and thus requires a larger sample to detect. For these reasons, it would be worthwhile to replicate the current findings using a larger sample. Thus, the current analyses provided a conservative test of our hypotheses. Second, because the effects for relational demography depend on how much an individual is similar to or different from others in the group or organization, the composition of the sample is a critical determinant of any findings. This means that variation across samples in terms of demographic composition can easily affect reported outcomes. The sample reported here is highly diverse with regard to race, sex, education, and SES. Although this is often seen as desirable (Riordan, 2001), it may also mean that the results may not generalize to less heterogeneous samples. Third, there is a growing recognition that demographic identity may vary across categories and time (e.g., Phinney, 1996). This means that some relational demographic effects, such as race or sex, may have less stable effects than others, such as education or SES. This may also make the demographic findings of this study harder to generalize. Finally, there remain differences across studies in measurement of both relational demography and person-culture fit. These variations also need to be kept in mind when comparing results across studies.

Overall, however, the findings reported here, both theoretically and empirically, do suggest that there are important areas of overlap between studies of person-culture fit and relational demography. These results extend our understanding of some of the differences in these constructs and underscore the need to be clearer about how relational demography operates in groups and organizations. Finally, the enduring effect of person-culture fit reinforces the potential importance of culture and values as a way to ameliorate the negative effects of demographic diversity and to promote more positive attitudes and performance among possibly heterogeneous employees (Chatman et al., 1998; Jehn et al., 1999; Meglino & Ravlin, 1998).

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